

Section 3 – External Auditor Report and Certificate 2020/21

In respect of

BARCOMBE PARISH COUNCIL – ES0005

1 Respective responsibilities of the body and the auditor

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2021; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with guidance issued by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General (see note below). Our work **does not** constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and **does not** provide the same level of assurance that such an audit would do.

2 External auditor report 2020/21

Except for the matters reported below, on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return (AGAR), in our opinion the information in Sections 1 and 2 of the AGAR is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.

The smaller authority has failed to follow proper practices as it has completed, authorised and submitted an AGAR Part 3PM Section 2 intended for use by Parish Meetings only, rather than an AGAR Part 3.

The AGAR was not accurately completed before submission for review. Please ensure that amendments are corrected in the prior year comparatives when completing next year's AGAR.:

- Transfers between bank accounts should have been excluded from receipts and payments in Section 2. Please ensure all bank transfers are excluded from Boxes 3 and 6 when completing next year's AGAR and that the current year figures are restated.

Other matters not affecting our opinion which we draw to the attention of the authority:

In completing an AGAR part 3PM rather than an AGAR Part 3, the smaller authority has not disclosed the additional information required for AGAR Part 3 within the form. The smaller authority has confirmed that the responses to Assertion 9 on the Annual Governance Statement and Box 11 on the Accounting Statements should be as follows:

	2019/20	2020/21
Assertion 9 Annual Governance Statement	N/A	N/A
Box 11 Accounting Statements	No	No

The AGAR was not accurately completed before submission for review. The AGAR had to be sent back for amendment.

The authority has received £1,665 in respect of an insurance claim in the prior year and a refund of £1460.83 against expenditure during the current year and has accounted for it as a receipt in Section 2, Box 3 rather than netting it against the relevant expense. Whilst the Practitioners' Guide is silent on the matter, it is our view that the true cost to the authority should be shown on a net basis. Accounting on a gross basis inflates the gross income and gross expenditure of the authority and can push the authority into a higher fee band than it would otherwise be in.

3 External auditor certificate 2020/21

We certify that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2021.

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature



Date

22/09/2021

* Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)