

**Final External Auditor Report and Certificate 2017/18 in respect of
Horrabridge Parish Council – DV0192**

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 2018; 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.

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On 28/09/18 we issued a report detailing the results of our limited assurance review of Sections 1 and 2 of this authority's Annual Governance & Accountability Return for the year ended 31 March 2018. We explained that we were unable to certify completion of the review at that time. We are now in a position to certify completion of the review.

The external auditor report given in Section 3 of the Annual Governance & Accountability Return requires amendments as follows:

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 AGAR was not accurately completed before submission for review:

- The smaller authority has not addressed the 'except for' matters raised by the external auditor when qualifying the prior year annual return, as the smaller authority has failed to correctly restate their 2016/17 figures.
- The balance brought forward from the previous year of £120,855 (Section 2, Box 1) does not agree to the prior year balance carried forward of £120,194 (Section 2, Box 7). This is because the prior year Box 7 was not restated correctly, as mentioned above.
- Section 2, Box 8 does not agree to the cash book figure on the bank reconciliation as un-presented cheques have been incorrectly omitted from the figure in Box 8 and from expenditure in Section 2, Box 6. The figures in Section 2, Boxes 6, 7 and 8 should read £43,443, £108,423 and £108,423 respectively. Please ensure the correct figures are used when completing the 2018/19 AGAR.
- The response given in Section 2, Box 11 is not consistent with the prior year response. The Council has confirmed that it does act as sole managing trustee for trust funds and thus the answers given in Section 1, Box 9 and Section 2, Box 11 this year are incorrect.

The smaller authority has disclosed that it made proper provision during the year 2017/18 for the exercise of public rights, by answering 'Yes' to Section 1, Assertion 4. However, as was reported last year, we are aware that it failed to do this and therefore should have answered 'No' to this assertion. It has also disclosed that it took appropriate action on all matters raised in reports from internal and external audit, by answering 'Yes' to Section 1, Assertion 7, which, on the basis of the above, is not correct.

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

None.

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We certify that we have completed our review of Sections 1 and 2 of the Annual Governance & Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2018.


PKF Littlejohn LLP
10/12/2018

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