

Final External Auditor Report and Certificate 2019/20 in respect of Lewannick Parish Council CO0069

Page 1 of 2

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 2020; 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.

External auditor report 2019/20

On 26 November 2020, 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 2020. 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.

We have qualified our report for two issues that we included in our report on the 2018/19 AGAR; however, readers should note that the 2018/19 report was not issued until recently, i.e. after the 2019/20 AGAR had been completed and approved by the Council:

We note that the internal auditor who carried out the internal audit work in 2019 was subsequently appointed as the Locum Clerk/RFO. Whilst they have introduced improvements in governance and accountability in both roles and the performance of the two roles did not overlap, they were technically not independent of the financial decision making, management and control of the smaller authority during the whole of the 2019/20 financial year. The smaller authority should have disclosed this by answering 'No' to Assertion 6 of the Annual Governance Statement on the 2019/20 AGAR. We note that the smaller authority now has an independent system of internal audit of the accounting records and control systems.

The smaller authority has disclosed that it made proper provision during the year 2019/20 for the exercise of public rights, by answering 'Yes' to Section 1, Assertion 4. However, as was reported in our report on the 2018/19 AGAR, we are aware that it failed to do this and therefore should have answered 'No' to this assertion.

**Final External Auditor Report and Certificate 2019/20 in respect of
Lewannick Parish Council CO0069**

Page 2 of 2

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

We note that 4 payments totalling £2,439.60 made during 2019/20 were not minuted by the Council until October 2020 and were retrospectively approved in March 2021.

We note that the Council has not set up earmarked reserves for grants received for a specified purpose; we recommend that the Council does so in future.

We received challenge correspondence in relation to the 2019/20 AGAR which we considered before completing our work. The Council will receive an invoice in relation to this additional work.

External auditor certificate 2019/20

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 2020.

PKF Littlejohn LLP

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18/03/2021