

## Section 3 - External Auditor Report and Certificate 2018/19

In respect of

TETSWORTH PARISH COUNCIL

### 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 2019; 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 the 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 the International Standards on Auditing (UK and Ireland) and **does not** provide the same level of assurance that such an audit would do.

### 2. External auditor report 2018/19

(Except for the matter reported below)\* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return. In our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with the 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.

(\*delete as appropriate)

The Council has given a 'yes' response to Boxes 1 and 7 of the Section 1 - Governance Statement which refer to putting arrangements in place for the preparation of the accounting statements in accordance with Audit Regulations and taking appropriate action on all matters brought to attention in the reports of the auditors. As there is an uncorrected item relating to 2018 asset values which was raised in the 2018 external audit report during the 2019 year end, we believe that both responses should have been 'no'. The council have deemed it inappropriate to have a formal engagement set up with the Internal Auditor, which is contrary to regulation 5 (1) of the Accounts and Audit Regulations 2015.

The figure in box 9 of Section 2 - Accounting Statements for 2019, which is the value of total fixed assets plus long term investments and assets, does not agree to the Asset Register as required by proper practices. Proper practices allow Councils to record the value in a fixed assets register in a number of ways but the basis must be consistent across the whole asset register. Councils are also allowed to revise the basis used but are required to use the same basis for both periods shown on a single Return, which would require the earlier year's figures to be restated. This matter was also raised by the external auditor for the 2018 year.

(continue on a separate sheet if required)

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

The form required to be returned to the Council for the Internal Auditor to amend missed response at Box M relating to Trust Fund management. The form has been returned with the box completed with a 'N/A' response which is consistent with other responses and information provided.

The form required to be returned to the Council to amend an error in the value of loans at 31 March 2019. The amount has been corrected but not initialled in line the regulations. The adjustment was for £10 and therefore we consider it a trivial oversight.

(continue on a separate sheet if required)

### 3. External auditor certificate 2018/19

We certify/ ~~do not 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 2019.

~~\*We do not certify completion because:~~

External Auditor Name **MOORE**

External Auditor Signature

*MOORE*

Date 28/09/2019

\*Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews for 2018/19 in Auditor Guidance Note AGN/02. The AGN is available from the NAO website ([www.nao.org.uk](http://www.nao.org.uk))