

Annual Governance and Accountability Return 2018/19 Part 3

To be completed by Local Councils, Internal Drainage Boards and other Smaller Authorities*:

- where the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £6.5 million; or
- where the higher of gross income or gross expenditure was £25,000 or less but:
 - are unable to certify themselves as exempt (fee payable); or
 - have requested a limited assurance review (fee payable)

Guidance notes on completing Part 3 of the Annual Governance and Accountability Return 2018/19

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 must complete Part 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with Proper Practices.
2. The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:
 - The annual internal audit report is completed by the authority's internal auditor.
 - Sections 1 and 2 are to be completed and approved by the authority.
 - Section 3 is completed by the external auditor and will be returned to the authority.
3. The authority must approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both must be approved and published before 1 July 2019.
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, must return to the external auditor by email or post (not both):
 - the Annual Governance and Accountability Return Sections 1 and 2, together with
 - a bank reconciliation as at 31 March 2019
 - an explanation of any significant year on year variances in the accounting statements
 - notification of the commencement date of the period for the exercise of public rights
 - Annual Internal Audit Report 2018/19

Unless requested, do not send any additional documents to your external auditor. Your external auditor will ask for any additional documents needed.

Once the external auditor has completed the review and is able to give an opinion on the limited assurance review, the Annual Governance and Accountability Section 1, Section 2 and Section 3 – External Auditor Report and Certificate will be returned to the authority by email or post.

Publication Requirements

Under the Accounts and Audit Regulations 2015, authorities must publish the following information on a publicly accessible website:

Before 1 July 2019 authorities must publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited;
- Section 1 - Annual Governance Statement 2018/19, approved and signed, page 4
- Section 2 - Accounting Statements 2018/19, approved and signed, page 5

Not later than 30 September 2019 authorities must publish:

- Notice of conclusion of audit
- Section 3 - External Auditor Report and Certificate
- Sections 1 & 2 of AGAR including any amendments as a result of the limited assurance review.

It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

The Annual Governance and Accountability Return constitutes the annual return referred to in the Accounts and Audit Regulations 2015. Throughout, the words 'external auditor' have the same meaning as the words 'local auditor' in the Accounts and Audit Regulations 2015.

*for a complete list of bodies that may be smaller authorities refer to schedule 2 to the Local Audit and Accountability Act 2014.

Guidance notes on completing Part 3 of the Annual Governance and Accountability Return 2018/19

- The authority must comply with *Proper Practices* in completing Sections 1 and 2 of this Annual Governance and Accountability Return. *Proper Practices* are found in the *Practitioners' Guide** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the Annual Governance and Accountability Return is complete (i.e. no empty highlighted boxes), and is properly signed and dated. Where amendments are made by the authority to the AGAR after it has been approved by the authority and before it has been reviewed by the external auditor, the Chairman and RFO should initial the amendments and if necessary republish the amended AGAR and recommence the period for the exercise of public rights. If the Annual Governance and Accountability Return contains unapproved or unexplained amendments, it may be returned and additional costs will be incurred.
- The authority should receive and note the annual internal audit report if possible prior to approving the annual governance statement and before approving the accounts.
- Use the checklist provided below to review the Annual Governance and Accountability Return for completeness before returning it to the external auditor by email or post (not both).
- Do not send the external auditor any information not specifically requested. However, you must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chairman, and provide relevant email addresses and telephone numbers.
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the Annual Governance and Accountability Return covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree the bank reconciliation to Box 8 on the accounting statements (Section 2, page 5). An explanation must be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide**.
- Explain fully significant variances in the accounting statements on page 5. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the full variance.
- If the external auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or variances are not fully explained, additional costs may be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2018) equals the balance brought forward in the current year (Box 1 of 2019).
- The Responsible Financial Officer (RFO), on behalf of the authority, must set the period for the exercise of public rights. From the commencement date for a single period of 30 consecutive working days, the approved accounts and accounting records can be inspected. Whatever period the RFO sets it must include a common inspection period – during which the accounts and accounting records of all smaller authorities must be available for public inspection – of the first ten working days of July.
- The authority must publish the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor before 1 July 2019.

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?	✓	
	Has all additional information requested, including the dates set for the period for the exercise of public rights, been provided for the external auditor?	✓	
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?	✓	
Section 1	For any statement to which the response is 'no', is an explanation provided?	✓	
Section 2	Has the authority's approval of the accounting statements been confirmed by the signature of the Chairman of the approval meeting?	✓	
	Has an explanation of significant variations from last year to this year been provided?	✓	
	Has the bank reconciliation as at 31 March 2019 been reconciled to Box 8?	✓	
	Has an explanation of any difference between Box 7 and Box 8 been provided?	✓	
Sections 1 and 2	Trust funds – have all disclosures been made if the authority as a body corporate is a sole managing trustee? NB: do not send trust accounting statements unless requested.	✓	

*Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices, can be downloaded from www.nalc.gov.uk or from www.ada.org.uk

Annual Internal Audit Report 2018/19

Essington Parish Council

This authority's internal auditor, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls to be in operation during the financial year ended 31 March 2019.

The internal audit for 2018/19 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Agreed? Please choose one of the following		
	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.		✓	
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.		✓	
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.		✓	
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.		✓	
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.		✓	
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.		✓	
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.		✓	
I. Periodic and year-end bank account reconciliations were properly carried out.		✓	
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.		✓	
K. IF the authority certified itself as exempt from a limited assurance review in 2017/18, it met the exemption criteria and correctly declared itself exempt. ("Not Covered" should only be ticked where the authority had a limited assurance review of its 2017/18 AGAR)			✓
L. During summer 2018 this authority has correctly provided the proper opportunity for the exercise of public rights in accordance with the requirements of the Accounts and Audit Regulations.			Not applicable ✓
M. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.			Not applicable ✓

PLEASE SEE ATTACHED REPORT
For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

09/09/2019 03/10/2019 11/10/2019

Name of person who carried out the internal audit

Alan Toplis - Toplis Associates Limited

Signature of person who carried out the internal audit

Alan Toplis

Date

16/10/2019

*If the response is 'no' you must include a note to state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned, or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Essington Parish Council

Annual Internal Audit Report 2018/19

(This document is a supplement to page 3 of 6 of the Annual Governance and Accountability Return ("AGAR") 2018/19, Part 3 and is intended to be read with that document)

Internal Control Objectives

- A. Appropriate accounting records have been properly kept throughout the financial year.**

The accounting records are considered to be totally in-appropriate for a council with a turnover of well over £200,000 p.a. The records consist of a simple Excel spread sheet for income and another for expenditure. Significantly there is no Sales Ledger and almost no control over debtors.

The Audit and Accounts regulations require full income and expenditure accounting for all parish and town councils with a turnover of £200,000, Essington have comfortably exceeded this for some time but have no real means of stating income & expenditure accounts.

- B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was properly accounted for.**

Financial Regulation have not been reviewed, revised or ratified since 2016 and do not adequately reflect the accounting and banking practices found to be in place. There have been at least two versions of model Financial Regulations issued by NALC since 2016 which completely supersede the extant version.

As the Clerk was also the RFO the regulations do not show how the procedures work. Indeed the regulation (as written) provided for certain work to be done by the Responsible Financial Office ("RFO") and certain duties by the Clerk. Since the outgoing Clerk was also the RFO the detail of the regulations cannot be considered as "being followed".

All payments were not supported by invoices (particularly those for utilities and telephones/broadband). The Clerk has made no attempt to print out invoices sent in by e-mail and has appeared to have relied on totals from bank statements.

From 1st April 2017 to 31st March 2018 the council failed to recognise that it was trading (as defined by the VAT Act). AS a result of this the council has accumulated a

AD
16/10/19

significant sum of arrears (c£63,600) which is owed to HM Revenue & Customs). As a result of this revelation the 2017/18 Accounting Statement (from the last AGAR) has (at the instruction of the External Auditor) been restated and the most accurate situation is now reflected on page 5 of this AGAR.

During the re-examination of the 2017/18 records I was particularly concerned to discover that several transactions were carried out where the council acted as "agent" for an unrelated body operating on non-parish council land. In one transaction the council paid £5160 to a supplier and charged the unrelated body only £4300. The council clearly intended to recover the net difference (£860) from HM R&C in its VAT126 reclaim. HM Revenue & Customs have ruled "acting as an agent" illegal under the VAT Act and I have therefore instructed council staff to remove this item from the VAT126 claim although it remains properly in income and expenditure. This was not the only purchase paid for by Essington Parish Council for this organisation. I have not found any evidence that the councillors at the time were aware of the attempt to defraud. In view of the financial situation which the council now find themselves in I must ask that the £860 is recovered from the unrelated body.

I have also discovered a grant made in 2017/18 to an unrelated body for £2000.00 but can find no record that it was ever approved by the council or shown in a published expenditure statement. I have reason to believe that the Clerk and Chairman both had a pecuniary interest in the unrelated body. As the transaction was never reported no declarations of interest relating to the transaction were ever recorded!!

Invoices for approval do not appear to have always been recorded in the council's minutes.

On several occasions councillors voted not to accept receipts and payments statements. On these occasions no subsequent minutes showed how or if the matter was ever resolved. I have discussed this with some of the objectors who feel that these matters were just "swept under the carpet" and forgotten.

At the close of the 2018/19 fiscal year no VAT had been reclaimed under the VAT126 scheme since 30th September 2017. Since 1st April 2019 a claim covering 2017/18 has been submitted but not yet accepted by HM Revenue & Customs.

No Internal Audit function was in place throughout the audit year.

C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.

The council has not adequately assessed risk. The existing risk assessment is perfunctory and at a very high level. It does not identify risks and responsibilities and


16/10/19

is woefully inadequate for a premises with a footfall of well over 200 people per day. It gives no details of who is responsible for risks at off site premises.

There is no financial risk assessment in place.

It is not clear from the Risk Assessment who is responsible for health and safety and there is no council employee identified or properly trained in even elementary first aid (despite the council operating a Tea Room where cooking takes place).

Councillors refused to approve the latest Risk Assessment when it was tabled (in 2018/19) because it was not fit for purpose. No further action appears to have been taken by the Clerk to correct this problem.

Current Employers Liability certificates are not properly displayed.

- D. The precept or rates requirement resulted from an adequate budgetary process: progress against the budget was regularly monitored: and reserves were appropriate.**

As VAT was not being properly accounted for during the audit year (or previous years) a significant part of the annual expenditure was supported by "income" which was in fact VAT due to HM Revenue & Customs.

Progress against the "theoretical" budget was apparently very sporadically reported.

- E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.**

As no Sales Ledger exists, invoices (un-numbered) were sporadically issued and some tenants and hirers self-billed or self-declared the actual debtor's situation is totally unclear. Indeed a request for a statement of account for the five main tenants was requested but still has not been forthcoming and I suspect is actually too difficult to construct because of the poor underlying records.

Utilities being recharged to tenants and hirers were at out of date rates which did not reflect the utility supplier's charges and VAT was not deducted. It is estimated that this meant that tenants and hirers were paying less than 50% of the amounts charged by the utility supplier, the unrecovered amount simply becoming a parish overhead.

There is evidence in correspondence between the council and HM Revenue & Customs that the Clerk did not understand VAT in relation to the council affairs.

- F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT was properly accounted for.**

AV
16/10/19

Petty cash packets contain a mixture of receipts and "Post It Notes" some for considerable sums outside normally acceptable limits (e.g. £600 for a Sound System (also not on the Asset Register)).

One petty cash item is simply a "Post it Note" with the initials of a councillor and the sum of £300. Money was paid for this sum according to the cash book and bank statements.

Petty Cash was routinely analysed to a "Petty Cash" cost centre and not properly apportioned in the cash book.

No VAT appears to have been accounted for on any petty cash transactions.

G. n/a

H. Asset and investment registers were complete and accurate and property maintained.

The latest asset register (dated 1st April 2018) is considerably lacking in both detail and number of items. A considerable number of items are not listed (e.g. no regalia is included, notice boards are not listed, office and chamber furniture are not listed etc, etc.)

I was unable to locate an insurance policy covering the audit year although it is evident that one was paid for.

There are no detailed schedules of assets on the recently renewed insurance policy and it is not clear if or how the subsidiary properties both on and off site are covered.

Parts of the main property are in a very poor state of repair and the fire alarm and emergency lighting system have not been serviced for some years and are in a poor state of repair.

I am also concerned about the general security of the main property at Hobnock Road. Over a number of years sets of non-security series keys have been handed out to hirers and no key register appears to have been maintained. There is nothing to prevent propagation of privately cut keys or out of hour's access to the premises.

I. Periodic and year- end bank account reconciliations were properly carried out.

The Clerk reported bank balances at each meeting where finance was discussed. The only bank reconciliation statement discovered is a summary statement completed post year end. I am unable to trace any statements therefore it is not clear if proper periodic reconciliations took place.

RTV
16/10/19

Whilst the team have been checking the VAT matters several omitted transactions have been detected and properly inserted. It is stressed that the figures now shown on the Accounting Statements (page 5 of this AGAR) are now considered to be best information available.

Bank account balances were reported at most monthly meetings throughout the year but there is no evidence that these were based on proper bank reconciliations. When two sample months were checked the sample showed a difference from that reported at the parallel meeting. This indicates that the reported data was taken straight from the bank account and not any reconciliation statement.

- J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.**

Any statements made during the year were made on a receipts and payments basis and in the case of non-Tea Room sales included VAT shown as straight revenue.

The underlying audit trail was poor and as indicated earlier were not always supported by true documents. Corrections have been made during the internal audit to correct as much as possible.

Other significant matters.

Following the return of the 2017/18 AGAR and the Report in the Public Interest an open meeting of the council was held (on 28th February 2019) to discuss the External Auditors comments and the Report in the Public Interest. No minutes of the meeting were issued and the web site contains no report of that meeting. The following meeting minutes (for 18th March 2019) are also missing from the web site and cannot be traced. As the meeting on 28th February was recorded on "Essington Live" we have been able to verify that despite considerable discussion no vote or decision on any matter raised in the Report in the Public Interest was taken. I consider that it was the duty of the then Chairman and Clerk to peruse these matters and to encourage the council to reach a decision and conclusion at subsequent meetings. This did not happen. The then councillors also failed to hold themselves to account in this matter.


16/10/19

The centre notice board is out of date. I have not checked other notice boards in the parish. It is not clear who was responsible for maintaining notice boards throughout the parish.

No Transparency data has been added to the web site since 21st December 2018.

During the audit year the long serving Chairman resigned and left the council. Several of the councillors in office at May 2018 also resigned during the audit year.

Since the end of the audit year the Clerk has resigned at short notice.

The current Chairman and Vice Chairman are newly in post.

 16/10/2019

Alan Toplis

Internal Auditor to Essington Parish Council

(Appointed October 2019)

Section 1 – Annual Governance Statement 2018/19

We acknowledge as the members of:

Essington Parish Council

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2019, that:

	Agreed		Yes means that this authority
	Yes	No	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.		<input checked="" type="checkbox"/>	prepared its accounting statements in accordance with the Accounts and Audit Regulations.
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.		<input checked="" type="checkbox"/>	made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	<input checked="" type="checkbox"/>		has only done what it has the legal power to do and has complied with Proper Practices in doing so.
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	<input checked="" type="checkbox"/>		during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.		<input checked="" type="checkbox"/>	considered and documented the financial and other risks it faces and dealt with them properly.
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.		<input checked="" type="checkbox"/>	arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.
7. We took appropriate action on all matters raised in reports from internal and external audit.		<input checked="" type="checkbox"/>	responded to matters brought to its attention by internal and external audit.
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	<input checked="" type="checkbox"/>		disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> N/A has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.

*Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets should be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

21/10/2019.

and recorded as minute reference:

EP825

Signed by the Chairman and Clerk of the meeting where approval was given:

Chairman

Cus Stur

Clerk

A Tipler (Acting)

Other information required by the Transparency Codes (not part of Annual Governance Statement)
Authority web address

www.essingtonparishcouncil.gov.uk

Section 2 – Accounting Statements 2018/19 for

Essington Parish Council

RESTATED

	Year ending		Notes and guidance				
	31 March 2018 £	31 March 2019 £					
1. Balances brought forward	RESTATED 56,719	-14,069	Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records. Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.				
2. (+) Precept or Rates and Levies	80,523	82,536	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.				
3. (+) Total other receipts	RESTATED 209,149	204,729	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.				
4. (-) Staff costs	117,597	120,701	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses.				
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).				
6. (-) All other payments	RESTATED 242,863	161,772	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).				
7. (=) Balances carried forward	RESTATED -14,069	-9,277	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).				
8. Total value of cash and short term investments	32,464	24,826	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.				
9. Total fixed assets plus long term investments and assets	RESTATED 929,457	931,204	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.				
10. Total borrowings	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).				
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	<table border="1"> <tr> <th>Yes</th> <th>No</th> </tr> <tr> <td></td> <td></td> </tr> </table>		Yes	No			The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets. N.B. The figures in the accounting statements above do not include any Trust transactions.
Yes	No						

I certify that for the year ended 31 March 2019 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

A Tipler (Acting)

Date

21/10/2019.

I confirm that these Accounting Statements were approved by this authority on this date:

21/10/2019.

as recorded in minute reference:

EP825.

Signed by Chairman of the meeting where the Accounting Statements were approved

CW Skew

Section 3 – External Auditor Report and Certificate 2018/19

In respect of

Essington 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 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 2018/19

(Except for the matters 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 *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).

(continue on a separate sheet if required)

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

(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

External Auditor Signature

Date

*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)