

Section 3 – External Auditor Report and Certificate 2017/18

In respect of Werrington 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 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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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.

See separate report

(continue on a separate sheet if required)

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

Not applicable

(continue on a separate sheet if required)

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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 2018.

*We do not certify completion because:

Not applicable

External Auditor Name

Mazars LLP, Durham, DH1 5TS

External Auditor Signature *Mazars LLP*

Date 24 September 2018

*Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews for 2017/18 in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)

1. INTRODUCTION

This page is part of Section 3 – External auditor report 2017/18

The following matters have been raised to draw items to the attention of Werrington Parish Council. These matters came to the attention of Mazars LLP during the review of the Annual Governance and Accountability Report (AGAR) for the year ended 31 March 2018. This report must be presented alongside the AGAR to a full meeting of the smaller authority for review.

The review of the annual return may not disclose all shortcomings of the systems as some matters may not have come to the attention of the auditor. For this reason, the matters raised may not be the only ones that exist.

Except for the matters reported below on the basis of our review of the annual return, in our opinion the information in the annual return is in accordance with proper practices and no other matters have come to our attention giving cause for concern that relevant legislative and regulatory requirements have not been met.

The Council has declined to correct the following errors at Section 2 of the Annual Governance and Accountability Return so the Annual Governance and Accountability Return has not been prepared in accordance with proper practices:

- Council Tax Support Grant was erroneously included within the precept at Box 2 rather than other receipts at Box 3 for the prior year figure. The current year figure was correct and the Council only restated the prior year figure to include the grant based on incorrect guidance given in last years audit report.

- The prior year fixed assets figure was incorrect as it included estimated costs for various assets.

In 2018/19 the Council should ensure that the Annual Governance and Accountability Return is prepared in accordance with proper practices.

The Internal Audit report identified significant weaknesses in financial management during 2017/18. However, the Council answered yes to assertion 1 of the annual governance statement. The Council should ensure that the recommendations in the internal audit report regarding budget monitoring are implemented and consider answering no to assertion 2 of the 2017/18 annual governance statement if these weaknesses remained for a significant part of the 2017/18 financial year.

The Accounts and Audit (England) Regulations 2015 require that the period of public rights covers 30 working days including the first 10 working days of July. In 2017 this requirement was not met as the period was too long but the Council has answered yes to the assertion on public rights in the Annual Governance Statement. The Council has ensured the correct period in 2018 but the assertion relates to arrangements in the previous year.

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

Not applicable.

No other matters came to our attention.

For and on behalf of Mazars LLP

Date: 24 September 2018