

Section 3 – External Auditor Report and Certificate 2020/21

In respect of **EARL SOHAM PARISH COUNCIL – SF0121**

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 2021; 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 2020/21

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 has not been signed/approved in accordance with the Accounts and Audit Regulations 2015:

- Section 2 was approved before Section 1.

Section 1, Assertion 3 has been incorrectly completed. Information brought to our attention by the internal auditor confirms that the certification of exemption in respect of 2019/20 was not correctly recorded in the minutes and a number of documents were not published on the authority's website by the dates specified in the Accounts and Audit Regulations 2015.

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

In the prior year, the smaller authority was exempt from our review, thus we have not reviewed any evidence to support the prior year comparatives on the AGAR.

The AGAR was not fully completed before submission for review. The AGAR had to be sent back for amendment.

The smaller authority has not provided:

- adequate explanations for the variances between the prior and current year values in Boxes 3 and 6 of Section 2.

The authority has repaid £1000 in respect of an unused grant received in the year and accounted for it in Box 6 rather than netting it against the relevant receipt. Whilst the Practitioners' Guide is silent on the matter, it is our view that the true income to the authority should be shown on a net basis. Accounting on a gross basis inflates the gross income and gross expenditure of the authority and can push the authority into a higher fee band than it would otherwise be in.

3 External auditor certificate 2020/21

We 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 2021.

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature



Date

29/09/2021

* 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)