

Final External Auditor Report and Certificate 2017/18 in respect of Patchway Town Council AV0087

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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On 28 September 2018 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 2018. 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.

The smaller authority has disclosed that it made proper provision during the year 2017/18 for the exercise of public rights, by answering 'Yes' to Section 1, Assertion 4. However, as was reported last year, we are aware that it failed to do this and therefore should have answered 'No' to this assertion. It has also disclosed that it took appropriate action on all matters raised in reports from internal and external audit, by answering 'Yes' to Section 1, Assertion 7, which, on the basis of the above, is not correct.

The AGAR has not been approved in accordance with the Accounts and Audit Regulations 2015: Section 2 was approved before Section 1.

The smaller authority failed to approve the AGAR in time to publish it before 2 July 2018, the date required by the Accounts and Audit Regulations 2015 and did not disclose this by answering 'No' to Section 1, Box 1.

Section 1, Assertion 1 and 5 have been incorrectly completed, as the responses are inconsistent with the Annual Internal Audit Report.

The AGAR was not accurately completed before submission for review.

- The figures in Section 2, Boxes 7 and 8 of the prior year comparative column do not agree to the prior year final signed Annual Return and no evidence was provided in explanation when requested. Therefore, Section 2, Box 7 for the prior year does not agree to Boxes 1+2+3-(4+5+6) and an adequate explanation has not been provided by the smaller authority.
- Section 2, Box 7 for the current year does not agree to Boxes 1+2+3-(4+5+6) and an explanation has not been provided by the smaller authority.

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

We note that the smaller authority did not comply with Regulation 15 of the Accounts and Audit Regulations 2015 as it failed to make proper provision during the year 2018/19 for the exercise of public rights, since the period for the exercise of public rights did not include the first 10 working days of July. As a result, the smaller authority must answer 'No' to Assertion 4 of the Annual Governance Statement for 2018/19 and ensure that it makes proper provision for the exercise of public rights during 2019/20.

In the completion of the Annual Internal Audit Report, and their detailed report, the internal auditor has drawn attention to significant weaknesses in relation to Internal control objective A, C, G, H, I and J. The smaller authority must ensure that action is taken to address these areas of weakness in a timely manner. In future years, the smaller authority should ensure answers to the Annual Internal Audit Report should be one of the three options offered.

The smaller authority has not provided: an adequate explanation for the difference between Section 2, Boxes 7 and 8.

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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 2018.



PKF Littlejohn LLP
20/11/2018