

Section 3 – External Auditor Report and Certificate 2017/18

In respect of

Great Shelford Parish Council – CA0110

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 (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.

Section 2 has not been prepared in accordance with proper practices. A smaller authority must use the income and expenditure basis to prepare its accounts for the third and subsequent years that the income and/or expenditure exceeds £200k. Please ensure that the 2017/18 figures are restated in the prior year comparatives when completing next year's AGAR.

The AGAR was not accurately completed before submission for review. Please ensure that amendments are corrected in the prior year comparatives when completing next year's AGAR.:

- An unpaid standing order as at the year end has been incorrectly included as an item of expenditure and as a reconciling item in the bank reconciliation. The figures in Section 2, Boxes 4, 7 and 8 should read £49,501, £275,063 and £275,063 respectively.
- The response given in Section 2, Box 11 is not consistent with Section 1, Box 9 or the prior year response. The smaller authority has confirmed that it does not act as sole managing trustee for trust funds and thus the answer given this year is incorrect.

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

The smaller authority has not provided one of the year end bank statements to support the bank reconciliation to Section 2, Box 8. These were requested as part of our intermediate review procedures. We note that the Cambridge Building Society only produces an annual statement. The clerk has provided a statement as at 31 December 2017, but we have been unable to verify the year end balance.

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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 2018.

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature

SIGNATURE OF PKF LITTLEJOHN LLP

Date

27/09/2018

* 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)