

# Section 3 – External auditor report and certificate

In respect of:

Enter name of  
smaller authority here:

SOUTH KILLINGHOLME PARISH COUNCIL

## 1. Respective responsibilities of the body and the auditor

This smaller authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The smaller authority prepares an annual return in accordance with proper practices which:

- summarises the accounting records for the year ended 31 March 2017; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review the annual 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. 2016/17 External auditor report (HU0223)

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 smaller authority failed to publish the final signed Annual Return by 30 September 2017, the date required by the Accounts and Audit Regulations 2015, and did not disclose this by answering 'No' to Section 1, Box 1. This is as a result of the Annual Return and additional documentation not being submitted for review until 14/11/17 and the appointed auditor not having then completed the review by this date.

The smaller authority failed to approve the Annual Return in time to publish it before by 3 July 2017, the date required by the Accounts and Audit Regulations 2015, and did not disclose this by answering 'No' to Section 1, Box 1.

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

- Section 2, Box 9 (Fixed Assets) has not been completed.
- It has come to our attention that in the prior year, bar float cash of £252 was not included in the figures in Section 2. As a result, Section 2, Boxes 3, 7 and 8 of the prior year column should read £8909, £16,575 and £16,575 respectively and Section 2, Boxes 1, 7 and 8 of the current year column should read £16,575, £19,964 and £19,964 respectively.

Other matters not affecting our opinion which we draw to the attention of the smaller 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 2017/18 for the exercise of public rights, since the period for the exercise of public rights was less than 30 consecutive working days in length (as 25<sup>th</sup> and 26<sup>th</sup> December are bank holidays) and 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 2017/18 and ensure that it makes proper provision for the exercise of public rights during 2018/19.

In the completion of the Annual Internal Audit Report, and their detailed report, the internal auditor has made several recommendations. The smaller authority must ensure that action is taken to address these areas of weakness in a timely manner.

## 3. 2016/17 External auditor certificate

We do not certify that we have completed our review of the annual return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2017 because:

the smaller authority set a period for the exercise of public rights that finishes on 29 December 2017 meaning that the appointed auditor has to wait until after that date before the review can be completed.

External auditor signature

*PKF Littlejohn LLP*

External auditor name

PKF Littlejohn LLP

Date

11/12/17

Note: The NAO issued guidance applicable to external auditors' work on 2016/17 accounts in Auditor Guidance Note AGN02. The AGN is available from the NAO website ([www.nao.org.uk](http://www.nao.org.uk))