

## Section 3 – External Auditor Report and Certificate 2019/20

In respect of

Halewood Town Council – LA0095

### 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 2020; 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 2019/20

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.

1. 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.:
  - Please note that Box 4 should comprise all payments made in relation to the employment of staff including only employment expenses which are benefits (mileage, travel, etc.) but not items of reimbursement of expenses for postage, stationery or other outlays made on behalf of the smaller authority. Please note boxes 4 and 6 should read £279,484 and £214,010 and should be restated in next year's prior year comparatives.
  - Section 2, Box 10 is inconsistent with the balance published by the Public Works Loan Board. The figure in Box 10 should read £0.
  - The figures in Section 2, Boxes 8 and 10 of the prior year comparative column do not agree to the prior year final signed AGAR and should read £179,530 and £0.

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

In the completion of the Annual Internal Audit Report, the internal auditor has drawn attention to significant weaknesses in relation to the mixing of monies received from hire charges, bar takings and petty cash and petty cash was being used to make large payments. The smaller authority must ensure that action is taken to address these areas of weakness in a timely manner.

The smaller authority has not provided:

- an adequate explanation for the variance between the prior and current year values in Boxes 3 and 6 of Section 2

### 3 External auditor certificate 2019/20

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 2020.

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature

Date

26/11/2020

\* Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews for 2019/20 in Auditor Guidance Note AGN/02. The AGN is available from the NAO website ([www.nao.org.uk](http://www.nao.org.uk))