

## Final External Auditor Report and Certificate 2019/20 in respect of Hilton Parish Council DE0115

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### 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.

### External auditor report 2019/20

On 26 November 2020, 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 2020. 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 2019/20 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.

Section 1, Assertion 3 has been incorrectly completed. The Financial Regulations in force during the year required bank reconciliations to be verified by another member of the Council on a quarterly basis. The smaller authority has confirmed that this did not take place. As a result, this assertion should have been answered 'No'.

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

We note that the role of RFO is undertaken by a Councillor and we are aware that the risks of this appointment were considered but were not formally documented at the time. We recommend that these risks, together with the procedures which have been put in place to mitigate the risks, are formally documented in the risk register and reviewed on a regular basis.

Whilst there is no specific requirement in the legislation for the annual review of the effectiveness of the system of internal control to be separately minuted, we would recommend doing so as a matter of good practice.

We received challenge correspondence in relation to the 2019/20 and 2020/21 AGARs which we considered before completing our work. The authority will receive an invoice in relation to this additional work.

**External auditor certificate 2019/20**

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 2020.



**PKF Littlejohn LLP**  
**08/03/2022**