

Section 3 - External Auditor Report and Certificate 2020/21

In respect of

Billingshurst Parish Council

1 Respective responsibilities of the body and the auditor

Our responsibility as auditors to complete a **limited assurance review** is set out by the National Audit Office (NAO). A limited assurance review is **not a full statutory audit**, it does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and hence it does not provide the same level of assurance that such an audit would. The UK Government has determined that a lower level of assurance than that provided by a full statutory audit is appropriate for those local public bodies with the lowest levels of spending.

Under a limited assurance review, the auditor is responsible for reviewing Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with NAO Auditor Guidance Note 02 (AGN 02) as issued by the NAO on behalf of the Comptroller and Auditor General. AGN 02 is available from the NAO website – <https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/>.

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 2021; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors

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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, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with the 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 public rights period given started on 13 May and concluded on 14 July. Section 14(1) of the Accounts and Audit Regulations requires the public rights period to be a single period of 30 working days. Although the period given is greater than 30 days, as this is mandated to be a specific duration, this is therefore a breach of the regulations in place despite it not being detrimental to the electors. The council should therefore consider this when completing assertion 4 on the 2021-22 return.

As part of our review, we look to understand the year on year variances of each box in Section 2 of the return. The generally accepted 'tolerable' variance is 15%, therefore we look for explanations for any variances greater than this. The information provided by the Council in relation to this the variance in box 3 did not bring us to within the required range. Further information/explanations have not been provided to enable us to be fully satisfied with the remaining variance however in our opinion, the amount is not so significant as to require further investigation at this time.

The Council restated the comparative figures in Section 2 of the return for the year however this restatement was only identified in Box 4. As the total in Box 7 was also adjusted this should also have been identified as restated in accordance with paragraph 2.9 of the Practitioners' Guide. Alternatively, the council should have marked 'restated' above the comparative column. We do not anticipate this impacting on the 2021-22 return.

As this restatement relates to significant costs from January 2020 that were not properly accrued for in the 2020 return which was prepared and approved during the 2021 financial year we would have anticipated the Council to answer 'No' to Box 1 of Section 1 of the current year's return.

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

We note the Internal Auditor has answered 'No' to Box N of the Annual Internal Audit Report due to the Conclusion of the 2020 audit not being able to take place until February 2021 (after the completion deadline of 30 November 2020). This response also should reflect whether or not the correct procedures have been followed for notifying the public should it not be possible to publish the notice of conclusion of audit by the deadline. It is not clear from the Internal Auditor's response whether these procedures have been correctly followed.


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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 2021.

External Auditor Name

 MOORE

External Auditor Signature



Date

28/09/2021