

Section 3 – External auditor report and certificate

In respect of:

Enter name of
smaller authority here:

CLEY 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's report

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 Accounts and Audit (England) Regulations 2015 require that the period of public rights covers 30 working days including the first 10 working days of July. In both 2016 and 2017 this requirement was not met but the Council has answered yes to the assertions on public rights and taking appropriate action on audit reports in the Annual Governance Statement. In future the Council needs to put in place arrangements to ensure that it can meet its statutory obligations in respect of public rights and answers no in the Annual Governance Statement where this has not been achieved.

The staff costs in box 4 in section 2 includes a £100 payment for reimbursed stationery expenses that should be included in box 6 total other payments. In future the Council should ensure that the Annual Return is accurate and complete.

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

As part of its Annual Return submission the Council is required to provide for audit explanations for significant variances between the 2015/16 and 2016/17 figures in Section 2. Such explanations support the Council's own understanding of its financial performance. For 2016/17 the Council did not provide a variance analysis with the annual return, although one was submitted subsequently. In future the Council should provide an explanation for all significant variances with the annual return.

The initial bank reconciliation contained a typing mistake which meant it did not add up and did not reconcile with Box 8 of the annual return. A revised reconciliation was provided which did add up and agree with the annual return but the bank reconciliation is a key management control and in future the Council should ensure it is accurate and consistent with the annual return.

3. 2016/17 External auditor certificate

We 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.

External auditor signature:

Mazars LLP

External auditor name:

Mazars LLP, Durham, DH1 5TS

Date:

19 September 2017

Note: The NAO issued guidance applicable to external auditors' work on 2016/17 accounts in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)