

## Section 3 – External Auditor Report and Certificate 2018/19

In respect of **Hatfield Town Council – SY0042**

### 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 2019; 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 2018/19

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 AGAR has not been approved in accordance with the Accounts and Audit Regulations 2015:

- Section 2 was approved before Section 1.

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

The smaller authority has not provided an adequate explanation for the difference between Section 2, Boxes 7 and 8. The cash book summary provided with the bank reconciliation does not agree to Box 8, and has a difference of £1,549.

The smaller authority has confirmed that it has not complied with the governance assertion in Section 1, Box 3, but it has provided the appointed auditor with an adequate explanation for non-compliance and details of the actions necessary to address weaknesses identified.

In the completion of the Annual Internal Audit Report and their detailed report, the internal auditor has drawn attention to significant weaknesses in relation to complying with Financial Regulations regarding budgetary control reports, delayed banking of income and regular balancing of petty cash. The smaller authority must ensure that action is taken to address these areas of weakness in a timely manner.

### 3 External auditor certificate 2018/19

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 2019.

External Auditor Name

**PKF LITTLEJOHN LLP**

External Auditor Signature

*PKF Littlejohn LLP* SIGNED

Date

29/09/2019

\* Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews for 2018/19 in Auditor Guidance Note AGN/02. The AGN is available from the NAO website ([www.nao.org.uk](http://www.nao.org.uk))