

Final External Auditor Report and Certificate 2018/19 in respect of Shaftesbury Town Council DO0136

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.

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On 24 September 2019, 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 2019. 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:

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.

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

We understand, from information received from the smaller authority, that the new recognition policy for fixed assets is to only recognise assets with a cost in excess of £500. This has led to land and buildings owned by the smaller authority which only have a nominal value of £1 or zero, no longer appearing on the fixed asset register listing that backs up the figure in Section 2, Box 9 of the AGAR. We recommend that the smaller authority reconsiders this policy in respect of land and buildings to order to improve transparency. The Practitioner's Guide states that assets gifted to the smaller authority should be recorded at a nominal value of £1 and it would be expected that all land and buildings remained on the fixed asset register even if they are valued at a nominal amount. We also recommend that the fixed asset recognition policy is clarified on the face of the fixed asset register to avoid misunderstanding.

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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 2019.



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30/04/2021

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