

**Lydney Town Council**

**Notice of conclusion of audit**

**Annual Governance & Accountability Return for the year ended 31 March 2021**

Sections 20(2) and 25 of the Local Audit and Accountability Act 2014

Accounts and Audit Regulations 2015 (SI 2015/234)

	Notes
1. The audit of accounts for <b>Lydney Town Council</b> for the year ended 31 March 2021 has been completed and the accounts have been published.	This notice and Sections 1, 2 & 3 of the AGAR must be published by 30 September. <b>This must include publication on the smaller authority's website.</b> The smaller authority must decide how long to publish the Notice for; the AGAR and external auditor report must be publicly available for 5 years.
2. The Annual Governance & Accountability Return is available for inspection by any local government elector of the area of <b>Lydney Town Council</b> on application to:	
(a) <u>The Town Clerk, SJ Holley</u> <u>Council Offices</u> <u>Claremont House</u> <u>High Street</u> <u>Lydney.</u>	(a) Insert the name, position and address of the person to whom local government electors should apply to inspect the AGAR
(b) <u>Monday to Thursday 9.30 to 4pm</u> <u>Friday 9.30 to 12 noon</u>	(b) Insert the hours during which inspection rights may be exercised
3. Copies will be provided to any person on payment of £ <u>Nil</u> (c) for each copy of the Annual Governance & Accountability Return.	(c) Insert a reasonable sum for copying costs
Announcement made by: (d) <u>SJ Holley.</u>	(d) Insert the name and position of person placing the notice
Date of announcement: (e) <u>29 September 2021</u>	(e) Insert the date of placing of the notice

**Section 3 – External Auditor Report and Certificate 2020/21**

In respect of **LYDNEY TOWN COUNCIL – GL0144**

**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 2021; 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 2020/21**

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 was not accurately completed before submission for review.

- The figures in Boxes 1 to 7 for the prior year should be stated net of VAT as the smaller authority prepares its AGAR on an income and expenditure basis. Information provided by the smaller authority indicates that VAT was previously included as income in Box 3 when received rather than treated as a VAT debtor.

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

The smaller authority has confirmed that it has not complied with the governance assertion in Section 1, Box 5, but it has provided the appointed auditor with an adequate explanation for non-compliance and details of the actions necessary to address weaknesses identified. This is consistent with the internal auditor's response to internal control objective C. *(Comprehensive Risk Assessment, not done during Covid Individual Risks only)*

The smaller authority has not provided an adequate explanation for the variance between the current and prior year figures for Section 2, Box 3.

*(VAT handled differently) 2019/20 and 2020/21*

**3 External auditor certificate 2020/21**

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

**PKF LITTLEJOHN LLP**

External Auditor Signature

*PKF Littlejohn LLP*

Date

**28/09/2021**

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

**Statement from the Town Clerk / Responsible Financial Officer**

The attached report from PKF Littlejohn, our External Auditor, concerns the way we treated our Accounting figures for the previous year, 2019/20. This stems from former accounting practices which are no longer in place.

Until March 2020 (the end of the 2019/20 Financial Year) the Council's Accounts and Budget were prepared inclusive of VAT. This changed with effect for the year starting 1<sup>st</sup> April 2020 when we started handling the Accounts net of VAT; i.e. the proper and accepted practice in the guidance.

SJ Holley  
Town Clerk and Responsible Financial Officer  
Lydney Town Council

29<sup>th</sup> September 2021