

**This page is part of Section 3 - External auditor certificate and opinion 2016/17
Langworth Group Parish Council
External Auditor Report for the year ended 31 March 2017**

Matters reported

Financial Management and Budgeting

The Internal Auditor has answered 'No' to control objective D, regarding the precept request resulting from adequate budgetary process and progress against the budget being monitored. They have stated in their supporting documentation that the Authority has not properly completed a budget reconciliation sheet and as a result has not monitored their budget with actual expenditure throughout the year. The Authority needs to prepare and approve a budget in a timely manner before setting a precept or rates and prior to the commencement of the financial year. Actual performance against the budget must be monitored during the year, taking corrective action where necessary.

The Authority does not have in place proper arrangements for effective financial management during the year, and for the preparation of the accounting statements. In our view, the response to Assertion 1 on the Annual Governance Statement should be 'No'.

In future, the Authority should ensure that the Accounting Statements in Section 2 of the Annual Return are prepared in accordance with proper practices.

Other matters not affecting our opinion which we wish to draw to the attention of the Authority

Public Rights

The Authority must provide for the exercise of public rights as set out in Sections 26 and 27 of the Local Audit and Accountability Act 2014 and the Accounts and Audit Regulations 2015. The Regulations require the Authority to approve and publish the Annual Governance Statement and the Accounting Statement alongside a Notice of commencement and a Declaration of status of accounts to allow it to commence the period for the exercise of public rights so that it includes the first ten working days of July and may only be exercised within a single period of 30 working days.

The Authority commenced its period for the exercise of public rights on 9 June 2017, ending on 21 July 2017. This is more than the 30 working days as required by the Regulations. The Authority is therefore unable to demonstrate that it made proper provision for the exercise of public rights in 2016/2017. This represents a significant governance weakness.

In future, the Authority must ensure that the Annual Return is approved and published to allow for the proper provision for the exercise of public rights in accordance with the Regulations and proper practices.

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Other matters continued

Risk Assessment

The Authority have responded 'No' to Assertion 5 on Section 1, Annual Governance Statement and the Internal Auditor has responded 'No' to Objective C on the Annual Internal Audit Report, both in relation to the Authority's assessment and management of the risks faced by them. The Authority did not review and adopt a risk assessment during the year ending 31 March 2017, however action has subsequently been taken on this with a risk assessment being reviewed and adopted in July 2017.

In future, the Authority should ensure that the risk assessment is updated and adopted at least annually and this process is made clear in the minutes.

Grant Thornton UK LLP

Grant Thornton UK LLP

Date 5 September 2017

Our ref LIN216