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Hampton Lovett and Westwood Parish Council
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Bromsgrove
WORCESTERSHIRE
B61 0TN

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Email:
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Date:
28 September 2022

Our Ref:
WO0067

SAAA Ref:
SB03917

**Hampton Lovett and Westwood Parish Council
Annual limited assurance review for the year ended 31 March 2022**

Dear Miss Towers

We have commenced our review of the Annual Governance & Accountability Return (AGAR) for Hampton Lovett and Westwood Parish Council for the year ended 31 March 2022 but cannot formally complete it. Please refer to our 'interim' external auditor report (Section 3 of the AGAR Form 3) which sets out the reasons we have not been able to complete the review. The 'interim' report is included for your attention as another attachment to the email containing this letter along with a copy of Sections 1 and 2 of the AGAR. The smaller authority must consider the report and decide what, if any, action is required.

The Accounts and Audit Regulations 2015 (SI 2015/234) set out what you must do at the conclusion of the review. In advance of the formal conclusion, we have provided the attached documents. The authority should use this 'interim' external auditor report and:

- Prepare a "Notice of audit" which details the rights of inspection, in line with the statutory requirements. We attach a pro forma notice you may use for this purpose (a Word version is available on request). It also states that the audit has not yet been completed.
- Publish the "Notice" along with the uncertified AGAR (Sections 1, 2 & 3) before 30 September, which must include publication on the smaller authority's website. (Please note that when the statute and regulations were amended in 2014 and 2015, they did not include a requirement for the length of time for which that the "Notice" must be published. The previous statute required 14 days; but it is now up to the authority to make this decision).
- Keep copies of the AGAR available for purchase by any person on payment of a reasonable sum.
- Ensure that Sections 1, 2 and 3 of the published AGAR remain available for public access for a period of not less than 5 years from the date of publication.

 **PKF Littlejohn LLP**
15 Westferry Circus,
Canary Wharf, London
E14 4HD

Fee

Our fee note for the limited assurance review will be issued when we certify completion. The standard review fee is in accordance with the fee scales set by Smaller Authorities' Audit Appointments Ltd.

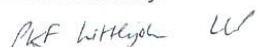
Please note further charges may arise in addition to the standard fee if either:

- we have had to issue chaser letters and/or exercise our statutory powers due to a failure to provide an AGAR; or
- it was necessary for us to undertake additional work, for example due to challenge correspondence received.

Timetable for 2022/23

The 2021/22 reporting year is the last year of our current five-year contract with SAAA. If we are appointed as your external auditor for the subsequent five-year contract for years 2022/23 to 2026/27, the timetable will be broadly similar to that for 2021/22. If we are not appointed as your external auditor, the successor auditor will contact you directly to notify you of their timetable.

Yours sincerely



PKF Littlejohn LLP


Hampton Lovett and Westwood Parish Council

Notice of the audit and right to inspect the Annual Governance & Accountability Return

Annual Governance & Accountability Return for the year ended 31 March 2022

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

Accounts and Audit Regulations 2015 (SI 2015/234)

	Notes
<p>1. The audit of accounts for Hampton Lovett and Westwood Parish Council for the year ended 31 March 2022 has been carried out but cannot be completed for the reasons stated in the external auditor report. The accounts have been published.</p>	<p>This notice and Sections 1, 2 & 3 of the AGAR must be published by 30 September. This must include publication on the smaller authority's website. 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.</p>
<p>2. The Annual Governance & Accountability Return is available for inspection by any local government elector of the area of Hampton Lovett and Westwood Parish Council on application to:</p> <p>(a) <u>G. D. CROW (at)</u> <u>CHURCH COTTAGE</u> <u>HAMPTON LOVETT DROITWICH</u> <u>WORCS WR9 0LU.</u></p> <p>(b) _____ _____ _____</p>	<p>(a) Insert the name, position and address of the person to whom local government electors should apply to inspect the AGAR</p> <p>(b) Insert the hours during which inspection rights may be exercised</p>
<p>3. Copies will be provided to any person on payment of £ <u>5</u> (c) for each copy of the Annual Governance & Accountability Return.</p>	<p>(c) Insert a reasonable sum for copying costs</p>
<p>Announcement made by: (d) <u></u></p>	<p>(d) Insert the name and position of person placing the notice</p>
<p>Date of announcement: (e) <u>2/10/2022</u></p>	<p>(e) Insert the date of placing of the notice</p>

Section 1 – Annual Governance Statement 2021/22

We acknowledge as the members of:

HAMPDEN LOVETT AND WESTWOOD PARISH COUNCIL

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2022, that:

	Agreed		Yes means that this authority:
	Yes	No	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓		prepared its accounting statements in accordance with the Accounts and Audit Regulations.
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓		has only done what it has the legal power to do and has complied with Proper Practices in doing so.
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	✓		during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		considered and documented the financial and other risks it faces and dealt with them properly.
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		responded to matters brought to its attention by internal and external audit.
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✓		disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A
			has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.
			X

*Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

27/07/22

and recorded as minute reference:

3

Signed by the Chairman and Clerk of the meeting where approval was given:

Chairman

Clerk

url: // www.hampdenlovetwestwood.cnl parish-council

4 - of 6

Section 2 – Accounting Statements 2021/22 for

	Year ending		Notes and guidance	
	31 March 2021 £	31 March 2022 £		
1. Balances brought forward	8,037	9,031	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.	
2. (+) Precept or Rates and Levies	10,599	10,849	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.	
3. (+) Total other receipts	6,088	9,580	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.	
4. (-) Staff costs	2,146	2,122	Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.	
5. (-) Loan interest/capital repayments	3,514	1,054	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).	
6. (-) All other payments	10,043	19,132	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).	
7. (=) Balances carried forward	9,031	7,132	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).	
8. Total value of cash and short term investments	9,031	7,132	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.	
9. Total fixed assets plus long term investments and assets	49,339	55,635	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.	
10. Total borrowings	26,081	25,810	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).	
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	N/A	The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets.
		X		N.B. The figures in the accounting statements above do not include any Trust transactions.

I certify that for the year ended 31 March 2022 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.
Signed by Responsible Financial Officer before being presented to the authority for approval



Date

27/01/22

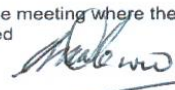
I confirm that these Accounting Statements were approved by this authority on this date:

27/01/22

as recorded in minute reference:

3

Signed by Chairman of the meeting where the Accounting Statements were approved



5 - of 6

Section 3 – External Auditor Report and Certificate 2021/22

In respect of **Hampton Lovett and Westwood Parish Council – WO0067**

1 Respective responsibilities of the auditor and the authority

Our responsibility as auditors to complete a **limited assurance review** is set out by the National Audit Office (NAO). A limited assurance review is **not a full statutory audit**, it does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and hence it **does not** provide the same level of assurance that such an audit would. The UK Government has determined that a lower level of assurance than that provided by a full statutory audit is appropriate for those local public bodies with the lowest levels of spending.

Under a limited assurance review, the auditor is responsible for reviewing Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with NAO Auditor Guidance Note 02 (AGN 02) as issued by the NAO on behalf of the Comptroller and Auditor General. AGN 02 is available from the NAO website – <https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/>.

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 2022; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

2 External auditor report 2021/22

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 smaller authority has submitted its AGAR and supporting documentation prior to 30 September 2022; however, we have not been notified of the dates set by the authority for the exercise of public rights and have not completed our review work in time to enable to smaller authority to publish the required documentation in line with statutory requirements. Please note, we are not able to certify completion of our review until such time as we have been notified of the public rights period and that period has expired. Once we can confirm the public rights period has expired and completed our review, a final report will be provided with the certificate of completion detailing any qualifications and 'other' matters.

Our fee note for the limited assurance review will be issued when we certify completion.

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

Please see above.

3 External auditor certificate 2021/22

We do not 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 2022

We do not certify completion because:

We have received the AGAR and supporting documentation, but we have not received notification of the period for the exercise of public rights and have not completed our review work prior to 30 September 2022.

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature

PKF Littlejohn LLP

Date

29/09/2022

* 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)