

Final External Auditor Report and Certificate 2020/21 in respect of Taunton Charter Trustees OT0067

Respective responsibilities of the body and the auditor

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 2021; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

External auditor report 2020/21

On 29 September 2021, 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 2021. 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:

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.

As reported in last year's external auditor report, the smaller authority did not arrange for an independent internal auditor to review the internal controls and give their conclusion in the Annual Internal Audit Report during 2020/21 and did not disclose this by answering 'No' to Section 1, Box 6. It has also disclosed that it took appropriate action on all matters raised in reports from internal and external audit, by answering 'Yes' to Section 1, Assertion 7, which, on the basis of the above, is not correct. We note that an internal audit did take place during the 2021/22 year, in respect of the 2020/21 AGAR.

The AGAR was not accurately completed before submission for review. Please ensure that amendments are corrected in the prior year comparatives when completing next year's AGAR:

- Section 2, Box 1 for the current year has been incorrectly completed and should read £69,436.
- An amount of £34,614 has been included as staff costs in Section 2, Box 4. However, as the smaller authority does not have any employees of its own, these costs should have been included in Box 6, all other payments. Section 2, Boxes 4 and 6 for the current year should read £0 and £111,905 respectively.

Tel: +44 (0)20 7516 2200 • www.pkf-l.com

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

PKF Littlejohn LLP, Chartered Accountants. A list of members' names is available at the above address. PKF Littlejohn LLP is a limited liability partnership registered in England and Wales No. OC342572. Registered office as above. PKF Littlejohn LLP is a member firm of the PKF International Limited family of legally independent firms and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm or firms.

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

Accountants &
business advisers

The minute references in respect of the approval of Sections 1 and 2 have not been included on the AGAR. The smaller authority has confirmed that these should be 21 and 22 respectively and from this we can see that the Sections have been approved in the correct order in accordance with the Accounts and Audit Regulations 2015. The smaller authority should ensure in future that the minute references are included on the AGAR form.

The prior year (2019/20) was the first year of operation for the Taunton Charter Trustees. In its first year the new authority was given control of a budget of £132,936 by the District Council, of which £63,500 was spent in the year. For the 2020/21 year there was a change in governance arrangements whereby a precept was paid with all expenditure for that year to be paid from the precept. Under the new arrangements the surplus from the 2019/20 year was required to be repaid to the District Council. This was done during the 2020/21 year and the £69,436 repayment is included in the current year Box 6 figure.

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. The internal auditor has drawn attention to the same matter in the annual internal audit report and their detailed report.

External auditor certificate 2020/21

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 2021.



PKF Littlejohn LLP

15/02/2022