

**HOLCOMBE ROGUS PARISH COUNCIL**  
**ANNUAL GOVERNANCE AND ACCOUNTABILITY RETURN 2019/20**  
**THESE ACCOUNTS ARE CURRENTLY UNAUDITED**

## Section 1 – Annual Governance Statement 2019/20

We acknowledge as the members of:

HOLCOMBE ROGUS 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 2020, 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
			✓

\*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:

23<sup>rd</sup> APRIL 2020

and recorded as minute reference:

APRIL 17 MINUTES 4.7.5

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

Chairman

Clerk

### Other information required by the Transparency Codes (not part of Annual Governance Statement)

Authority web address

www.holcomberogus-pc.gov.uk



## Section 2 – Accounting Statements 2019/20 for

### HOLCOMBE ROGUS PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2019 £	31 March 2020 £	
1. Balances brought forward	16578	19952	Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records. 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	7247	11,000	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	8077	15,210	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	2646	2850	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	NIL	NIL	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	9303	15,404	Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	19952	27,908	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	19952	27,908	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – <b>To agree with bank reconciliation.</b>
9. Total fixed assets plus long term investments and assets	6652	12,706	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			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	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 2020 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

Date

02/04/2020

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

23 / APRIL / 2020

as recorded in minute reference:

APRIL MINUTES 4.7.6

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



# Annual Internal Audit Report 2019/20

ENTER NAME OF AUTHORITY

This authority's internal auditor, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls to be in operation **during** the financial year ended 31 March 2020.

The internal audit for 2019/20 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Agreed? Please choose one of the following		
	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.			NO PETTY CASH
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic and year-end bank account reconciliations were properly carried out.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. IF the authority certified itself as exempt from a limited assurance review in 2018/19, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2018/19 AGAR tick "not covered")	✓		
L. The authority has demonstrated that during summer 2019 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations.	✓		
<b>M. (For local councils only)</b> Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable
			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

Name of person who carried out the internal audit

10/04/20

MICHAEL HASLINS

Signature of person who carried out the internal audit

Date

10/04/20

\*If the response is 'no' you must include a note to state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

\*\*Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned, or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).



## Bank reconciliation – pro forma

This reconciliation should include **all** bank and building society accounts, including short term investment accounts. It **must** agree to headed "Year ending 31 March 20xx" in Section 2 of the AGAR – and will also agree to Box 7 where the accounts are prepared on a r basis. Please complete the highlighted boxes, remembering that unpresented cheques should be entered as negative figures.

Name of smaller authority:

HOLCOMBE ROGUS PARISH COUNCIL

County area (local councils and parish meetings only):

DEVON

**Financial year ending 31 March 2020**

Prepared by (Name and Role):

Mrs Leslie Findlay Parish Clerk /RFO

Date:

01/04/2020

		£	£
<b>Balance per bank statements as at 31/3/20:</b>			
Current account	account 1	50.0	
Business Reserve Account	account 2	11,897.2	
Play Area Reserve Fund	account 3	16,000.0	
			27,947.2
Petty cash float (if applicable)			-
Less: any unpresented cheques as at 31/3/20 (enter these as negative numbers)			
460 item 1		(40.00)	
			(40.00)
Add: any un-banked cash as at 31/3/20			
		-	
<b>Net balances as at 31/3/20 (Box 8)</b>			<b>27,907.2</b>

## Explanation of variances – pro forma

Name of smaller authority:

County area (local councils and parish meetings only):

Insert figures from Section 2 of the AGAR in all **Blue** highlighted boxes

Next, please provide full explanations, including numerical values, for the following that will be flagged in the green boxes where relevant:

- variances of more than 15% between totals for individual boxes (except variances of less than £200);
- a breakdown of approved reserves on the next tab if the total reserves (Box 7) figure is more than twice the annual precept/rates & levies value (Box 2).

	2019/20 £	2019/20 £	Variance £	Variance %	Explanation Required?	Automatic responses trigger below based on figures input. DO NOT OVERWRITE THESE BOXES	Explanation from smaller authority (must include narrative and supporting figures)
1 Balances Brought Forward	16,578	19,952				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	7,247	11,900	3,753	51.79%	YES		
3 Total Other Receipts	8,077	15,210	7,133	88.31%	YES		
4 Staff Costs	2,646	2,850	204	7.71%	NO		
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	9,303	15,404	6,101	65.58%	YES		
7 Balances Carried Forward	19,952	27,908				VARIANCE EXPLANATION NOT REQUIRED EXPLANATION REQUIRED ON RESERVES TAB AS TO WHY CARRY FORWARD RESERVES ARE GREATER THAN TWICE INCOME FROM LOCAL TAXATION/LEVIES	
8 Total Cash and Short Term Investments	19,952	27,908			YES	VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	6,652	12,706	6,054	91.01%	YES		
10 Total Borrowings	0	0	0	0.00%	NO		

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable

HOLCOMBE ROGUS PARISH COUNCIL

EXPLANATION OF VARIANCES - BOX 2

Last year our District Council (MDDC) were going to close the play area in the village and the Parish Council agreed to assume responsibility once the residents were consulted as this would mean a large rise in the precept. It was agreed that £3000 should be added to the precept to cover the maintenance costs of running the play area.

Unfortunately, just as the Parish Council were due to sign the lease the owner of the field, died and we are still waiting for probate to be completed. MDDC are currently paying for the maintenance. This should shortly be sorted and the Parish Council will start to pay all bills.

In addition, the Councillors increased the Clerks wages by £300 and allowed also for the increase in running costs such as the website, grass cutting and clearing of drains in the village as it frequently floods.

### EXPLANATION OF SIGNIFICANT VARIANCES

#### **BOX 3**

	<u>2019</u>	<u>difference</u>	<u>2020</u>
	<b>8077</b>	<b>7133.00</b>	<b>15210</b>
Grants	382.75	6577.25	6960.00
Interest	25.84	17.78	43.62
Solar Fund	5652.30	-55.75	5596.55
Public Rights of Way	160.00	40.00	200.00
Village Hall insurance refund	963.69	-963.69	0.00
GDPR training from other Councils	80.00	-80.00	0.00
vat	812.06	1597.70	2409.76
<b>TOTAL</b>	<b>8076.64</b>	<b>7133.29</b>	<b>15209.93</b>

The only grant applied for this financial year was £6960 106 monies for fencing and benches in the Play area  
VAT was significantly increased due to the work carried out in the play area



HOLCOMBE ROGUS PARISH COUNCIL

EXPLANATION OF VARIANCES - BOX 6

The reason for the increase in payments this year is the increase in purchase of Assets (totalling £6054).

A new perimeter fence for the Play Area

Several benches and picnic tables for the Play Area

A laptop for the Parish Clerk

HOLCOMBE ROGUS PARISH COUNCIL

EXPLANATION OF VARIANCES - BOX 9

Although the Play Area is not being maintained by the Parish Council the District Council and owner (before she died) agreed that the perimeter fencing could be replaced with 106 monies and several benches and tables purchased. In addition, a laptop was purchased for the Clerk. Totalling a purchase of £6054 in this year.

Dell Laptop/case/keyboard	Apr-19	667.50	Parish Clerk house	668.00
SLCC clerk Manual	Oct-19	47.50	Parish Clerk House	48.00
253m Post & rail with net	Oct-19	4364.25	Play Area	4364.00
large rectangular A frame picnic table	Oct-19	152.10	Play Area	152.00
Large circular picnic table	Oct-19	228.80	Play Area	229.00
5ft Cotswold bench	Oct-19	140.40	Play Area	140.00
5ft Cotswold bench	Oct-19	140.40	Play Area	140.00
Children's picnic bench	Oct-19	60.00	Play Area	60.00
2 gates and posts	Oct-19	253.00	Play Area	253.00

### Explanation for 'high' reserves

(Please complete the highlighted boxes.)

Box 7 is more than twice Box 2 because the authority held the following breakdown of reserves at the year end:

	£	£	£
<b>Earmarked reserves:</b>			
Solar Income	2636.19		
Public Rights of Way Fund	1060		
106 Monies	661		
Play Area Refurbishment fund	16000		
		20357.19	
<b>General reserve</b>	3000		
		3000	
<b>Total reserves (must agree to Box 7)</b>			<b><u>23357.19</u></b>

1. Each year the Parish Council receive income from a Solar Farm which is used for community projects
2. The Parish Council have received quotes from various companies to refurbish the play area but until a lease is signed are unable to apply for funding elsewhere. The total cost could be around £60,000.



## WHAT SMALLER AUTHORITIES NEED TO DO TO ADVERTISE THE PERIOD DURING WHICH ELECTORS AND INTERESTED PERSONS MAY EXERCISE RIGHTS RELATING TO THE ANNUAL ACCOUNTS

The [Local Audit and Accountability Act 2014](#), the [Accounts and Audit Regulations 2015](#) and the [Accounts and Audit \(Coronavirus\) \(Amendment\) Regulations 2020](#) require that:

1. The accounting records for the financial year to which the audit relates and all books, deeds, contracts, bills, vouchers, receipts and other documents relating to those records must be made available for inspection by any person interested, during a period of 30 working days set by the smaller authority that starts on or before 1 September 2020.
2. The period referred to in paragraph (1) starts with the day on which the period for the exercise of public rights is treated as having been commenced i.e. the day following the day on which all of the obligations in paragraph (3) below have been fulfilled.
3. The responsible financial officer for a relevant authority must, on behalf of that authority, publish **(which must include publication on the authority's website)**:

(a) the Accounting Statements (i.e. Section 2 of either Part 2 or 3, whichever is relevant, of the Annual Governance & Accountability Return (AGAR)), accompanied by:

- (i) a declaration, signed by that officer to the effect that the status of the Accounting Statements are unaudited and that the Accounting Statements as published may be subject to change;
- (ii) the Annual Governance Statement (i.e. Section 1 of either Part 2 or Part 3, whichever is relevant, of the AGAR); and

(b) a statement that sets out—

- (i) the period for the exercise of public rights;
- (ii) details of the manner in which notice should be given of an intention to inspect the accounting records and other documents;
- (iii) the name and address of the local auditor;
- (iv) the provisions contained in section 26 (inspection of documents etc.) and section 27 (right to make objections at audit) of the Act, as they have effect in relation to the authority in question;

## HOW DO YOU DO IT?

1. You will meet statutory requirements if you fully and accurately complete the notice of public rights pro forma in this document, and

2. Publish **(including publication on the smaller authority's website)** the following documents, the day before the public rights period commences:

- a. the approved Sections 1 and 2 of either Part 2 or 3, whichever is relevant to your smaller authority, of the AGAR; and
- b. the completed Notice of Public Rights and Publication of Unaudited Annual Governance & Accountability Return. Please note that we have pre-completed it with the following **suggested** dates: Monday 15 June – Friday 24 July 2020. (The latest possible dates that comply with the statutory requirements are Tuesday 1 September – Monday 12 October 2020); and
- c. the notes which accompany the Notice (Local authority accounts: a summary of your rights).

Smaller authority name: **\_\_\_HOLCOMBE ROGUS PARISH COUNCIL**  
**NOTICE OF PUBLIC RIGHTS AND PUBLICATION OF UNAUDITED ANNUAL  
GOVERNANCE & ACCOUNTABILITY RETURN  
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**Local Audit and Accountability Act 2014 Sections 25, 26 and 27**

**The Accounts and Audit Regulations 2015 (SI 2015/234)**

**The Accounts and Audit (Coronavirus) (Amendment) Regulations 2020 (SI 2020/404)**

NOTICE	NOTES
<p><b>1. Date of announcement</b>___28<sup>th</sup> April 2020_____(a)</p> <p><b>2. Each year the smaller authority's Annual Governance and Accountability Return (AGAR) needs to be reviewed by an external auditor appointed by Smaller Authorities' Audit Appointments Ltd. The unaudited AGAR has been published with this notice. As it has yet to be reviewed by the appointed auditor, it is subject to change as a result of that review.</b>  <b>Any person interested has the right to inspect and make copies of the accounting records for the financial year to which the audit relates and all books, deeds, contracts, bills, vouchers, receipts and other documents relating to those records must be made available for inspection by any person interested. For the year ended 31 March 2020, these documents will be available on reasonable notice by application to:</b></p> <p>(b) ___Parish Clerk Mrs Leslie Findlay  Ayshford House, Westleigh, Tiverton Devon EX16 7HL  <a href="mailto:clerk@holcomberogus-pc.gov.uk">clerk@holcomberogus-pc.gov.uk</a>  01884 820424</p> <p>commencing on (c) ___<b>Monday 15 June 2020</b> _____</p> <p>and ending on (d) ___<b>Friday 24 July 2020</b> _____</p> <p><b>3. Local government electors and their representatives also have:</b></p> <ul style="list-style-type: none"> <li>• The opportunity to question the appointed auditor about the accounting records; and</li> <li>• The right to make an objection which concerns a matter in respect of which the appointed auditor could either make a public interest report or apply to the court for a declaration that an item of account is unlawful. Written notice of an objection must first be given to the auditor and a copy sent to the smaller authority.</li> </ul> <p>The appointed auditor can be contacted at the address in paragraph 4 below for this purpose between the above dates only.</p> <p><b>4. The smaller authority's AGAR is subject to review by the appointed auditor under the provisions of the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015 and the NAO's Code of Audit Practice 2015. The appointed auditor is:</b></p> <p><b>PKF Littlejohn LLP (Ref: SBA Team)</b>  <b>15 Westferry Circus</b>  <b>Canary Wharf</b>  <b>London E14 4HD</b>  (<a href="mailto:sba@pkf-littlejohn.com">sba@pkf-littlejohn.com</a>)</p> <p><b>5. This announcement is made by (e) ___Leslie Findlay_____</b></p>	<p>(a) Insert date of placing of the notice which must be not less than 1 day before the date in (c) below</p> <p>(b) Insert name, position and address/telephone number/ email address, as appropriate, of the Clerk or other person to which any person may apply to inspect the accounts</p> <p>(c) Insert date, which must be at least 1 day after the date of announcement in (a) above and at least 30 working days before the date appointed in (d) below</p> <p>(d) The inspection period between (c) and (d) must be 30 working days inclusive and must start on or before 1 September 2020.</p> <p>(e) Insert name and position of person placing the notice – this person must be the responsible financial officer for the smaller authority</p>

## LOCAL AUTHORITY ACCOUNTS: A SUMMARY OF YOUR RIGHTS

Please note that this summary applies to all relevant smaller authorities, including local councils, internal drainage boards and 'other' smaller authorities.

### The basic position

The [Local Audit and Accountability Act 2014](#) (the Act) governs the work of auditors appointed to smaller authorities. This summary explains the provisions contained in Sections 26 and 27 of the Act. The Act, the [Accounts and Audit Regulations 2015](#) and the [Accounts and Audit \(Coronavirus\) \(Amendment\) Regulations 2020](#) also cover the duties, responsibilities and rights of smaller authorities, other organisations and the public concerning the accounts being audited.

As a local elector, or an interested person, you have certain legal rights in respect of the accounting records of smaller authorities. As an interested person you can inspect accounting records and related documents. If you are a local government elector for the area to which the accounts relate you can also ask questions about the accounts and object to them. You do not have to pay directly for exercising your rights. However, any resulting costs incurred by the smaller authority form part of its running costs. Therefore, indirectly, local residents pay for the cost of you exercising your rights through their council tax.

### The right to inspect the accounting records

Any interested person can inspect the accounting records, which includes but is not limited to local electors. You can inspect the accounting records for the financial year to which the audit relates and all books, deeds, contracts, bills, vouchers, receipts and other documents relating to those records. You can copy all, or part, of these records or documents. Your inspection must be about the accounts, or relate to an item in the accounts. You cannot, for example, inspect or copy documents unrelated to the accounts, or that include personal information (Section 26 (6) – (10) of the Act explains what is meant by personal information). You cannot inspect information which is protected by commercial confidentiality. This is information which would prejudice commercial confidentiality if it was released to the public and there is not, set against this, a very strong reason in the public interest why it should nevertheless be disclosed.

When smaller authorities have finished preparing accounts for the financial year and approved them, they must publish them (including on a website). There must be a 30 working day period, called the 'period for the exercise of public rights', during which you can exercise your statutory right to inspect the accounting records. Smaller authorities must tell the public, including advertising this on their website, that the accounting records and related documents are available to inspect. By arrangement you will then have 30 working days to inspect and make copies of the accounting records. You may have to pay a copying charge. **Legislative changes have been made as a result of the restrictions imposed by the Coronavirus for the 2019/20 reporting year which mean that there is no requirement for a common period for public rights. The period for the exercise of public rights must however commence on or before 1 September 2020.** The advertisement must set out the dates of the period for the exercise of public rights, how you can communicate to the smaller authority that you wish to inspect the accounting records and related documents, the name and address of the auditor, and the relevant legislation that governs the inspection of accounts and objections.

### The right to ask the auditor questions about the accounting records

**You should first ask your smaller authority** about the accounting records, since they hold all the details. If you are a local elector, your right to ask questions of the external auditor is enshrined in law. However, while the auditor will answer your questions where possible, they are not always obliged to do so. For example, the question might be better answered by another organisation, require investigation beyond the auditor's remit, or involve disproportionate cost (which is borne by the local taxpayer). Give your smaller authority the opportunity first to explain anything in the accounting records that you are unsure about. If you are not satisfied with their explanation, you can question the external auditor about the accounting records.

The law limits the time available for you formally to ask questions. This must be done in the period for the exercise of public rights, so let the external auditor know your concern as soon as possible. The



advertisement or notice that tells you the accounting records are available to inspect will also give the period for the exercise of public rights during which you may ask the auditor questions, which here means formally asking questions under the Act. You can ask someone to represent you when asking the external auditor questions.

Before you ask the external auditor any questions, inspect the accounting records fully, so you know what they contain. Please remember that you cannot formally ask questions, under the Act, after the end of the period for the exercise of public rights. You may ask your smaller authority other questions about their accounts for any year, at any time. But these are not questions under the Act.

You can ask the external auditor questions about an item in the accounting records for the financial year being audited. However, your right to ask the external auditor questions is limited. The external auditor can only answer 'what' questions, not 'why' questions. The external auditor cannot answer questions about policies, finances, procedures or anything else unless it is directly relevant to an item in the accounting records. Remember that your questions must always be about facts, not opinions. To avoid misunderstanding, we recommend that you always put your questions in writing.

### **The right to make objections at audit**

You have inspected the accounting records and asked your questions of the smaller authority. Now you may wish to object to the accounts on the basis that an item in them is in your view unlawful or there are matters of wider concern arising from the smaller authority's finances. A local government elector can ask the external auditor to apply to the High Court for a declaration that an item of account is unlawful, or to issue a report on matters which are in the public interest. You must tell the external auditor which specific item in the accounts you object to and why you think the item is unlawful, or why you think that a public interest report should be made about it. You must provide the external auditor with the evidence you have to support your objection. Disagreeing with income or spending does not make it unlawful. To object to the accounts you must write to the external auditor stating you want to make an objection, including the information and evidence below and you must send a copy to the smaller authority. The notice must include:

- confirmation that you are an elector in the smaller authority's area;
- why you are objecting to the accounts and the facts on which you rely;
- details of any item in the accounts that you think is unlawful; and
- details of any matter about which you think the external auditor should make a public interest report.

Other than it must be in writing, there is no set format for objecting. You can only ask the external auditor to act within the powers available under the [Local Audit and Accountability Act 2014](#).

### **A final word**

You may not use this 'right to object' to make a personal complaint or claim against your smaller authority. You should take such complaints to your local Citizens' Advice Bureau, local Law Centre or to your solicitor. Smaller authorities, and so local taxpayers, meet the costs of dealing with questions and objections. In deciding whether to take your objection forward, one of a series of factors the auditor must take into account is the cost that will be involved, they will only continue with the objection if it is in the public interest to do so. They may also decide not to consider an objection if they think that it is frivolous or vexatious, or if it repeats an objection already considered. If you appeal to the courts against an auditor's decision not to apply to the courts for a declaration that an item of account is unlawful, you will have to pay for the action yourself.

For more detailed guidance on public rights and the special powers of auditors, copies of the publication [Local authority accounts: A guide to your rights](#) are available from the NAO website.

If you wish to contact your authority's appointed external auditor please write to the address in paragraph 4 of the *Notice of Public Rights and Publication of Unaudited Annual Governance & Accountability Return*.

