

## ISSUE OF INTERIM EXTERNAL AUDITOR REPORTS

We are aware that some of your external audits (where these are needed) have not been concluded by PKF Littlejohn and that you may have been issued with an interim external auditor report. We have received information about this which is given below. You will need to publish the interim report.

From Howard Midworth, CEO of the Smaller Authorities Audit Appointments (SAAA):

*“This has been the first year of the new audit regime and revised AGAR forms, which has included a new category of authorities able to declare themselves exempt from review if they meet certain criteria, a move to the electronic distribution of annual returns (AGAR) forms, and new external auditor appointments for most County areas.*

*Due to these changes and a number of other factors, such as a high number of additional queries from some potentially exempt authorities (many of whom sent in both completed AGAR forms and a Certificate of Exemption where it was unclear whether they required a review or not), questions on meeting the criteria for exemption, the requirement for exemption certificates from parish meetings, and changes of e-mail addresses of Clerks/RFO's, has resulted in volumes of work at PKF Littlejohn being higher than they anticipated which has caused some delays in reviewing AGAR forms submitted by Councils. An unfortunate IT issue at PKF in May also created some duplication.*

*Some Councils have raised concerns as they have not yet received a signed-off external auditor report and certificate from PKF Littlejohn, with the publication deadline of [30<sup>th</sup> September](#) looming. PKF have advised that for Councils where they have been unable to fully complete the review by [this Friday \(28 Sept\)](#), they will issue an interim external auditor report and certificate by e-mail which can be published in accordance with the statutory requirements. A full completed external auditor report and certificate will then be forwarded upon completion during October. This may potentially affect around 5% of Councils.*

*SAAA will continue to liaise with PKF Littlejohn to expedite matters and will address these issues as part of their performance monitoring and quality assurance role (although their remit does not extend to auditor judgments/qualifications).”*

Remember that if you are a council that has declared itself exempt from external audit, this notification does not apply to you.