

## Section 3 - External Auditor Report and Certificate 2022/23

In respect of **Arthuret Parish Council**

### 1 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 2023; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors

### 2 External auditor report 2022/23

Except for the matters reported below on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with the 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.

Section 14(1) of the Audit and Accounts Regulations 2015 requires the period of public rights should be a 'single period of 30 working days'. The Council provided a period of 28 working days in 2022-23 for the review of their records which is a significant breach of the regulation and the Council need to note this for completion of the governance assertions on the 2024 form. In future the council should ensure that it calculates and provides a period of precisely 30 working days.

The minute references used for approval of Section 1 and Section 2 appear to indicate that Section 2 was approved before Section 1. We cannot access evidence to prove the contrary. In order to fully satisfy the requirements of the Accounts and Audit Regulations 2015, Section 1 must be approved before Section 2.

We identified during our review of the Annual Governance and Accountability Return that boxes 3, 7 and 8 of the prior year column (2021-22) on Section 2 - Accounting Statements did not agree to the figures provided on the 2021-22 form. No explanation was provided for these amendments and the column has not been marked as 'Restated' to bring it to the attention of the reader. This is a breach of proper practices and as a result a 'No' response should have been provided at assertion 3 on the 2022-23 Governance Statement. As the figures for the 2023 year appear to be correctly stated we do not believe this should impact the 2023-24 return.

The council approved the final accounting statements section of the Annual Governance and Accountability Return after 30 June which does not comply with the Accounts and Audit Regulations 2015. The council should have answered 'No' to Assertion 3 of Section 1.

It was noted on review that the announcement and commencement of the Notice of Public Rights was before the approval of the Annual Governance and Accountability Return. Regulation 12 – 15 of the Accounts and Audit Regulations 2015 set out the order required to be followed when approving, announcing, and publishing the Return and related documents in order to satisfy the Public Rights requirements. The Return must be approved prior to the Notice being published. To be able to demonstrate this, proper practice requires that the Notice is published no sooner than the day following the approval meeting and the Public Rights period commences no sooner than the next working day after that. We advise the council to consider this when answering the Annual Governance Statement on next year's return.

The Council should have also answered 'No' to Assertions 4 and 7 of Section 1 of the Annual Governance and Accountability Return which relate how the Public Rights Period was provided during the report year and taking appropriate action on matters reported from internal and external audit. The External Auditors on the 2021-22 audit report noted that the Notice of Public Rights was not announced correctly, and this issue has arisen again this year so has not been appropriately actioned.

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

Box 11a has been answered as 'N/A'. We would expect this to be answered as 'No' if the Council is not a sole trustee.

The AGAR Section 2 Statement of Accounts does not arithmetically add down to Box 7. Any rounding undertaken on the face of the AGAR should be completed in such a way that boxes 1 to 6 sum to box 7 and also agree or reconcile to box 8 as is required.

Last year the External Audit Report noted that the Notice of Public Rights was announced incorrectly. Therefore, we expected a 'No' response to control objective M on the Annual Internal Audit Report.


The internal auditor has included 'N/A' responses for points K and O in the 'No' column. The anticipated response in this circumstance is the 'Not Covered' box being completed and an appropriate note provided.

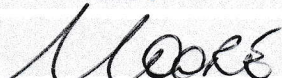
The council website does not appear to contain AGAR information for the most recent years, although older information is available. AGAR information for the last 5 years should be available to the public either on the site or clearly identified as to how it can be accessed.

### 3 External auditor certificate 2022/23

We 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 2023.

External Auditor Name



External Auditor Signature  Date 22/01/2024