

Section 3 - External Auditor Report and Certificate 2022/23

In respect of **Huncote 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

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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.

The Council have not been able to provide a bank reconciliation that agrees to the Section 2 Accounting Statements, or a reconciliation between Box 7 and Box 8. Therefore, we are unable to verify these figures or verify that the Accounting Statements have been prepared correctly on the correct basis in line with the Accounts and Audit Regulations 2015. We would have therefore also expected Assertions 1 and 7 on Section 1 Annual Governance Statement to have been answered 'No', as a similar issue appears to have arisen last year as noted on the External Audit Report.

The council has answered 'No' to box 11b with regards to Trust disclosures. They have confirmed that they are a sole trustee and therefore they have answered this box incorrectly and it should be answered 'Yes' or they have incorrectly included the Trust's funds in this AGAR. From the information provided we assume that it is the former and an incorrect response.

We identified during our review of the Annual Governance and Accountability Return that box 8 of the prior year (2021-22) on Section 2 - Accounting Statements was restated due to an investment posting error on the 21-22 Return. In reviewing the 2022-23 return we note that the prior year figure has been amended however the column has not been marked as 'Restated' to bring it to the attention of the reader, which 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.

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

The Internal Auditor has answered 'Not covered' to control objective L on the Annual Internal Audit Report. They have confirmed that this was an error and it should have been marked 'Yes' but the form has not been resubmitted with the correction.

The Internal Auditor has completed their Annual Internal Audit Report on an AGAR 2 form not an AGAR 3 form, as is required.

Incomplete information was provided with the initial supporting data submitted for review with regards to significant variances and breakdown of reserves, which was later provided on request. The parish council should in future ensure that all the necessary supporting information is provided with their annual submission.

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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

A handwritten signature in black ink that reads 'MOORE' in a cursive style.

Date

30/09/2023