

Section 3 - External Auditor Report and Certificate 2022/23

In respect of

Cropredy 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.

The Notice of Period for Public Rights was not provided so we were unable to verify the full information. The start and end date were provided separately but not on the form with the rest of the required information. The Notice also appears to not have been published online. The parish council should in future ensure that the Notice is published in line with the Accounts and Audit Regulations 2015 and provided to the External Auditor with the AGAR and supporting documentation submission.

It appears on review of the Period for Public Rights dates made available, that the appropriate steps were not taken between the approval meeting and the inspection period commencement. 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 and this publication be the day before the inspection period commences. 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.

The inspection period for the exercise of electors' rights was set for 31 working days which is more than the mandatory 30 working days as set out in the Accounts and Audit Regulations 2015, Paragraph 14(1). Although this is considered to be a minor technical breach, given more than the standard amount of time was provided for, in future the Council should ensure it provides the precise public inspection period. We would anticipate the Council taking this into account when it completes Assertion 4 on its 2023/4 Annual Governance and Accountability Return.

Section 2 of the AGAR was initially submitted without the Trust Fund disclosures in Boxes 11a and 11b completed. This was later resubmitted with a 'No' answer to Box 11a and a 'Yes' answer to Box 11b which was not in line with our expectations or the other answers on the forms.

The Council should have answered 'No' to Assertions 4 and 7 of Section 1 of the Annual Governance and Accountability Return which relate to not correctly providing the period of public rights last 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 insufficient explanations were received for variances, and these issues have arisen again this year suggesting appropriate actions have not been taken.

A review of the documents publicly available on the Council's website suggests the council has not met the requirement of the Accounts and Audit Regulations 2015, Regulation 13 which states each Annual Governance and Accountability Return together with any report(s) received from the External Auditor should, on conclusion of the period of public rights but not later than the 30th September of the financial year following the end of the financial year to which the statement relates, be published including to the Council's website. Also, under Regulation 16 which requires that as soon as practicable the Notice of Conclusion of Audit should be published, including on the website. These documents require to be available to the public for a period of not less than 5 Years. Best practice is that these documents remain available on the Council's website for the whole of that period. Currently there appear to be headline boxes for 2021/22 onwards but only some of these have information/documents attached. The Council should bring this into line with the regulations as soon as practically possible.

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

The Council provided an explanation for the variance on Box 4 on Section 2 of AGAR from the prior year to the current year. Whilst the explanations are considered to be reasonable, no values have been provided in order to support the variance. As a result, whilst we have been unable to gain full assurance over the increase in Box 4 for the current year, we are satisfied that the explanations are reasonable. In future we expect to be provided with a financial breakdown of any variations.

The AGAR Section 2 Statement of Accounts does not arithmetically add down to Box 7 by £1 when summed. When rounding the numbers for the Return, care should be taken to ensure boxes 1 - 6 sum correctly to box 7.

During our review of the return, it was noted that the date entered for the Annual Internal Audit Report referred to 2022. Whilst there is sufficient information to support that the internal audit was undertaken in 2023, in future council and the internal auditor should ensure the date provided is correct.

The internal auditor has provided a 'Yes' response at control check M on their report. This suggests that the Council correctly provided for the Notice of Public Rights period in relation to the previous (2021-22) year. As the Council did not provide for the period of public rights correctly, the answer to this point should have been 'No'.

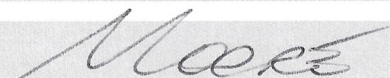
3 External auditor certificate 2022/23

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

 MOORE

External Auditor Signature



Date

24/01/2024