Section 3 - External Auditor Report and Certificate 2020/21

In respect of **Milton-Under-Wychwood 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 2021; 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 announcement date shown on the Notice of Public Rights was the same date as the approval of the Annual Governance and Accountability Return. Per the Accounts and Audit Regulations 2015, Section 15(2), the public rights period should be announced after approval of the AGAR and so cannot be done on the same day it is approved. As a result, the Council will be required to answer 'No' to Box 4 of Section 1 of the 2021/22 AGAR.

It was noted in the prior year that the Council did not follow the correct procedures for the publication of the public rights notice. As that public rights period fell within the 2020/21 year, the answer to Box 4 of Section 1 of the AGAR should have been 'No'.

The Internal Auditor has answered 'No' to Box B of the Annual Internal Audit Report with the full Internal Audit Report provided separately giving detail of specific breaches that were noted in the year. Whilst we do not report on the Internal Audit Report, the Council should look to address and correct the points raised by the Internal Auditor at the earliest opportunity. Moreover, it was noted that these breaches led to the requirement for the Council to answer 'No' to box 3 of Section 1 of the AGAR however this box has incorrectly been given a 'Yes' answer. As a result, the Council will be required to answer 'No' to Box 7 of Section 1 of the 2021/22 AGAR.

The Council provided a copy of the minute in which they approved the AGAR for the year at a Council meeting. Although this was done at a full meeting and the reference on the AGAR matches the minute provided, the Council has not followed the formal process to approve each Section of the AGAR properly and in accordance with the precise requirements set out in Sections 6 and 12 of the Accounts and Audit Regulations 2015. Sections 1 and 2 of the AGAR should be approved individually and in the correct order before being approved the Council by a formal resolution rather than an informal confirmation as suggested was the case in the minute reviewed.

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

The Council had not previously identified itself as a Sole Trustee on their Annual Governance and Accountability Returns. The Internal Auditor has provided responses in line with this up to and including in their 2021 report stating that the council did not act as a Sole Trustee. The Council has since confirmed directly to us that they do act as a Sole Trustee and this has been verified via the Charity Commission to have been the case since 2016. As a result, previous returns have been submitted with incorrect responses in Section 1 and Section 2. Whilst we have no powers to amend or re-issue historic audit reports, we recommend the Council update their Internal Auditor at their next review and encourage them to review this area in line with the normal testing they might do for such items to ensure compliance.

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We certify~~/ do not 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 2021.

External Auditor Name

MOORE

External Auditor Signature Moore Date 22/09/2021