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Our ref: 979/1637803

25 September 2024

Mr G Smith
Milton-under-Wychwood Parish Council
c/o 2 Woodlands Close
Milton under Wychwood
Oxfordshire
OX7 6SY

Dear Clerk

Annual Governance and Accountability Return for the Year ended 31 March 2024

Please find enclosed the signed External Audit Report to accompany your Annual Governance and Accountability Return for the year ended 31 March 2024.

We also enclose a note of our charges based on the fixed rate audit fee as set by the Smaller Authorities' Audit Appointments Ltd.

Authorities who have not claimed exemption
Regulation 13 of the Accounts and Audit Regulations 2015 stipulate that Authorities, who are not inactive Authorities, must publish the following (including on the Authority's website):

(a) The audited version(s) of the Statement of Accounts and Annual Governance Statement
(b) The auditor's certificate and opinion
(c) Any public interest report or other recommendation of the auditor.
(d) A form of Notice of Conclusion of Annual Audit

We draw your attention to the following points.

- We note that the Council did not commence their Public Rights Period until 10 June which is after the earliest possible period that would satisfy the Audit and Accounts Regulations 2015. Per the regulations, section 12 (3)(a) and proper practices require that following approval of the Return, the Public Rights Period should commence as soon as is reasonably practicable when taking into consideration the mandatory inclusion of the first 10 working days of July. Going forwards, for any differences between the Council's chosen commencement date and the earliest possible period (which for this year would have been a period commencing on 3rd June), please could you provide us with a reason why this is the case.

- The Council is required to approve Section 1 and 2 of the return individually in a specified order and the minutes should reflect this. As the minute references used were the same on both sections 1 and 2 this was not clear on the face of the return. Best practice would be to provide an individual minute reference or sub-reference for the approval of each section and reflect this reference on the return so the order of approval is more easily identified.

- The Annual Internal Audit Report was submitted with typed signatures and was not corrected on request. In future, please ensure signatures are handwritten.

Partners: Geoff Norman FCCA, Andy Hancock FCCA, Carolyn Rossiter FCA, Mohamed Mavani FCA, Matthew Grief CTA TEP, Nick Bairstow FCA, April Foster FCCA, John Harvey BFP ACA FCCA, Tim Woodgates CTA FCCA, Jen Nixon FCCA MAAT, Michelle Watson FCCA,, Robert Pluck FCCA, Gemma Roger FCA Associates: Paul Nash FCCA, Amanda Etty FCA, Lorna Bloor FCCA, Hannah Sardeson FCCA. Registered to carry on audit work in the UK and regulated for a range of investment business activities; and licensed to carry out the reserved legal activity of non-contentious probate in England and Wales by the Institute of Chartered Accountants in England and Wales. An independent member firm of Moore Global Network Limited – members in principal cities throughout the world. This firm is not a partner or agent for any other Moore firm and is a separate partnership with offices in Corby, Peterborough and Northampton.

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A template Notice of Conclusion of Audit form is available on our website using the following link https://www.moore.co.uk/sectors/public-sector/smaller-authorities.

This notice must also state that an elector may inspect those documents at all reasonable times and without payment. The address and times when this inspection may be carried out must also be given.

Yours sincerely

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Encs.

Section 3 - External Auditor Report and Certificate 2023/24

In respect of **Milton-under-Wychwood Parish Council**

1 Respective responsibilities of the auditor and the authority

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 2024; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors

2 External auditor limited assurance opinion 2023/24

Except for the matters report 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 Internal Auditor identified that the Council does not have an accurate fixed asset register that agrees to Box 9 of Section 1. The Council is required to maintain such records and update them regularly. Therefore, we would have expected a 'No' at Assertion 1 of the 2023-24 Annual Governance Statement.

The Internal Auditor identified that the Council does not hold contracts of employment for all staff. The Council is required to maintain such records and update them regularly. Therefore, we would have expected a 'No' at Assertion 3 of the 2023-24 Annual Governance Statement.

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

The Internal Auditor has noted that whilst they were happy with the risk assessments performed and noted some improvements, they could not find minute evidence to verify that the assessments were formally reviewed and adopted at a full council meeting. Please note this should be recorded in the minutes in the future.

Last year the Notice of Public Rights was announced and published correctly in line with the Accounts and Audit Regulations. Therefore, we expected a 'Yes' response to control objective M on the Annual Internal Audit Report.

Incomplete information was provided with the initial supporting data submitted for review with regards to the level of reserves held by the Council. Upon review, the council's general reserves are higher than the generally accepted level for smaller authorities. General reserves are the level of reserves after adjusting for any earmarked or ringfenced funds. Per Paragraph 5.33 of JPAG Practitioners' Guide, best practice suggests that general reserves should cover at least 3 months of expenditure and anything greater than 12 months of expenditure is considered excessive.

The Internal Auditor has signed off the Annual Internal Audit Report 2023/24 after the Section 1 Governance Statement 2023/24 was approved. As the completed 2023/24 report was not available for review and consideration with the form, it is presumed that the Assertions in Section 1: Annual Governance Statement refer to the previous year's internal audit report and to other checks performed by the Council.

The explanations of significant variances were not provided to us on the initial submission of the AGAR and supporting documentation. Some information was later provided on request. As none of the variances were not explained to within the tolerable level, further information was requested but not provided. The Council should ensure this document is included within the initial submission going forwards.

3 External auditor certificate 2023/24

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 2024.

External Auditor Name MOORE

External Auditor Signature Moore Date 24/09/2024