Section 3 - External Auditor Report and Certificate 2022/23

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 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.

On review of the variance information provided with regards to the movement in the fixed asset figure (Box 9 on Section 2) between 2022 and 2023, we believe the balance in box 9 for 2022 is not an accurate reflection of the true fixed asset value for that year. We believe that the balance for 2023 is accurate and this has been confirmed to the Council's fixed asset register. Therefore, there should be no further concerns in this area on the 2023-24 return.

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

In completing the current year's Annual Governance and Accountability Return, the council has adjusted the 2023 box 1 balance so that it does not equal the 2022 box 7 balance c/fwd, which does not accord with proper practices. The Council confirmed that the £19 difference was due to interest being added to the Council's savings account post year end. Since the Council prepare their accounts on the Receipts and Payments basis, and this interest was received post year end, the Council later resubmitted Section 2 with the figures entered in Box 1 and Box 3 of the 2023 column corrected.

On the revised Section 2 received, the Council amended Boxes 3, 7 and 8, however these boxes were not adequately marked as being amended. In addition to this, following the amendments there is a trivial rounding error in this year's column when summed. When rounding the numbers for the Return care should be taken to ensure the Return sums correctly.

The Return required to be amended in respect of Box 10 of Section 2 - Accounting Statements. This was originally left blank and resubmitted with a '0' inserted. The original return advertised to the public was therefore technically incorrect, but we consider there to be no significant impact from this omission. The Council should in future ensure that all boxes are fully completed in accordance with paragraph 2.5 of the Practitioners' Guide.

The Council answered 'No' to Box 11b of Section 2 of the AGAR however this is inconsistent with the 'Yes' answer given in Box 11a and the 'Yes' answer in Section 1. The form has been corrected and re-submitted and we consider that there is no further impact from this inconsistency.

The Internal Auditor has commented that the annual risk assessment has not been formally reviewed and adopted by the council. However, the AGAR provides 'yes' response at Assertion 5 and the Internal Auditor has provided a 'yes' response to Internal Control C both of which relate to the risks of the council being properly assessed and reviewed. A 2022-23 risk assessment exists on the Council's website but a brief review of minutes found no record of the council formally considering the document. In future a minute confirming that the risk register/assessment document has been considered by the council to be complete and accurately reflects the mitigation tactics being undertaken are sufficient or any to be undertaken will be reviewed to ensure they are in place by a given date.

It appears two web sites were in use during the year and the Internal Auditor has identified that certain information is missing from one, but has not reviewed the other to identify if this holds the missing items. We agree that this is less than ideal, however, the council was migrating information from one to the other and it is anticipated that the process will be complete before the conclusion of the 2023-24 year and that this will cease to be a concern.

The Internal Auditor has answered 'Yes' to control Objective M of their report despite the council not satisfying the Audit and Accounts Regulations 2015, Regulations 12-15 in regard to the notice of public rights period during the financial year 2022-23 which required the AGAR to be approved prior the public rights period being announced. We would therefore have anticipated this response to have been 'No'.

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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

MOORE

External Auditor Signature Moore Date 17/04/2024