## Section 3 - External Auditor Report and Certificate 2024/25

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 2025; 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 2024/25

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 Internal Auditor recommended that the council need to identify all assets belonging to the council and that the assets held on trust are clearly identified and excluded from the register. There are several asset types which are included on the council's asset register but not included in the Box 9 figure on Section 2 therefore the council does not have an accurate asset register which agrees to Box 9 of Section 2. The council is required to maintain such records and update them regularly. Therefore, we would have expected a 'No' at Assertion 1 of the 2024/25 Annual Governance Statement.

The Internal Auditor identified that whilst the council does now hold contracts of employment for all staff, one is not complete or up to date. The council is required to maintain such records and update them regularly. Therefore, we would have expected a 'No' at Assertion 3 of the 2024/25 Annual Governance Statement.

The above points were also raised by the External Auditor on the 2023/24 audit report. The council therefore should have answered 'No' to Assertion 7 of Section 1 of the Annual Governance and Accountability Return which relates to taking appropriate action on matters reported from internal and external audit as these issues were repeated this year.

The council has recorded a 'Yes' response at Assertion 5 effectively reporting that it has completed an assessment of risks facing the authority and taken any necessary steps to manage those risks in the year under review. Whilst we note that the risk register was reviewed by the council during the year, the Internal Auditor identified that the council have not appropriately considered the controls to help mitigate the risks identified which is not in accordance with Paragraph 1.33 of JPAG Practitioners' Guide 2024. Therefore, we would have expected Assertion 5 to be consistent with the control objective C response on the Annual Internal Auditor's Report in being marked as 'No'.

The Internal Auditor could not find evidence on the council's website that internal control checks have been reviewed within the year. The council is required to review the effectiveness of its internal controls on an annual basis as per the Accounts and Audit Regulations 2015 Section 6 Paragraph 1 and the JPAG Practitioners Guide 2024 at Paragraph 1.20. In addition to this, it has been identified that VAT reclaims are not up to date which suggests that the council do not appear to have robust arrangements in place for handling responsibilities regarding VAT which is not in accordance with Paragraph 1.17 of JPAG Practitioners' Guide 2024. Therefore, the council should have answered 'No' to Assertion 2 on its Annual Governance Statement.

In completing Section 2 - Accounting Statements on a Receipts and Payments basis and due to the council not operating a separate bank account for the charities it is a sole trustee of (Milton Allotment and Recreation Charity and Milton-under-Wychwood Recreation Ground), the council have been required to include transactions and/or balances relating to the charities within the boxes. However, by including these amounts the council has not complied with all of the regulations for the proper preparation of its accounts. As a result, the council should have provided a 'No' response to Assertions 1 & 9 of Section 1 and Box 11b of Section 2.

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

**Continued on next page...**

### 3 External auditor certificate 2024/25

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 2025.

| External Auditor Name | External Auditor Signature | Date |
|---|---|---|
| MOORE | Moore | 12/09/2025 |

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

The council left a significant time period between approval of the Annual Governance and Accountability Return and the commencement of the Public Rights Period. The Audit and Accounts Regulations 2015, 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.

The inspection period for the exercise of electors' rights was set for 33 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.

The announcement date provided on the Notice of Public Rights showed that the period was announced (published) on the same day as it commenced. This is contrary to the Accounts and Audit Regulations 2015, Part 15(3) which states this should be published no later than one day before the date of that commencement. In future the council needs to provide a minimum of 1 day as notice prior to the commencement of the period of public rights.

We would anticipate the council taking these issues into account when it completes Assertion 4 on its 2025/26 Annual Governance and Accountability Return.

Within the council's explanation of significant variances provided for Box 9 (total fixed assets plus long term investments and assets), the council explained that the 2024 fixed asset register included assets (valued at £49,058) which should not have been included on the register. Therefore, we would have expected the 2024 Box 9 figure to have been restated on the 2024/25 Section 2.