

Section 3 - External Auditor Report and Certificate 2022/23

In respect of

Fleckney 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.

The inspection period for the exercise of electors' rights was set for 35 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 the period given is greater than 30 working days, as this is mandated to be a specific duration it can lead to other issues, this is therefore a breach of the regulations in place despite it not appearing to being detrimental to the electors. We would anticipate the Council taking this into account when it completes Assertion 4 on its 2023/24 Annual Governance and Accountability Return.

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.

It was identified that the council has a 2 year bond included in its short term investments total at box 8. The Practitioners' Guide at paragraph 2.23 identifies that short-term investments are required to have a maturity date of 12 months or less. As this bond does not satisfy this requirement it should have been treated as a payment (box 6 entry) in the initial year of investment and identified as a long term investment within box 9. It will then fall to be treated as a receipt (box 3 entry) on maturity and be removed from box 9. As such the council has not correctly prepared the return and should have answered no to Assertions 1 and 3 of the Annual Governance Statement. We would expect to see the 2023 figures amended and marked 'restated' on Section 2 of the 2024 Annual Return.

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

Incomplete information was provided with the additional submission and needed to be requested. In future can the Council ensure all supporting information is supplied with the initial submission. Following review of the submitted information we have no further issues to raise.

The Internal Auditor has provided a 'Yes' response for control objective H despite the council including a 2 year fixed bond within its short-term investment balances. As short-term investments require investments to mature within 12 months of deposit we would have anticipated this response to be '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



External Auditor Signature

A handwritten signature in black ink that reads 'Moore'.

Date

15/08/2023