

Section 3 - External Auditor Report and Certificate 2021/22

In respect of

Warnham 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 2022; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors

2 External auditor report 2021/22

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.

It was noted on review that the announcement and commencement of the Period for Public Rights was before the approval of the Annual Governance and Accountability Return. Regulation 12 – 15 of the Accounts and Audit Regulations 2015 set out the order required to be followed when approving, announcing, and publishing the Return and related documents in order to satisfy the Public Rights requirements. The Return must be approved prior to the Notice being published. To be able to demonstrate this, proper practice requires that the Notice is published no sooner than the day following the approval meeting and the Public Rights period commences no sooner than the next working day after that.

The Internal Auditor has raised that the Council did not properly maintain their fixed asset register for the year, nor did the Council publish the required Notice of Conclusion following their 2020/21 External Audit Report being issued. The Council have not reflected these errors in the Annual Governance Statement. We would have expected these to have generated a 'No' answer to Box 3 on the Annual Governance Statement.

The published Notice of Public Rights requires the name and details of the person placing the notice, usually the Clerk or RFO, to be entered at (b) on the form to satisfy the Accounts and Audit Regulations 2015, Paragraph 15(2). It also requires the position of the person making the announcement at point (e) in addition to their name. The Council should ensure this is completed in the future and should take this into account when completing Assertion 4 on its 2023 Return.

The Council has answered 'Yes' to Box 4 of Section 1 of the Annual Governance and Accountability Return which relates to how the Notice of Public Rights was advertised within the financial year 2021-22. Therefore, it relates to the Notice announcing the public right to review the 2020-21 return which was published during 2021-22. As noted in our Auditor Report last year, this notice was not correctly advertised therefore this question should have been answered 'No'. The Council will need to take account of our report when completing assertion 4 on the 2022-23 Return.

Matters in relation to the Notice of Public Rights were also raised on the prior year External Audit report and so as this area has not been corrected the Council should have answered 'No' to Box 7 of the AGAR.

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

The council originally completed the AGAR Part 2 version of the Annual Governance and Accountability Return rather than an AGAR Part 3 and this would therefore have been published alongside the Notice of Public Rights. Previously the council has been exempt from a review by the external auditor and would have qualified to complete the AGAR Part 2 form but did not qualify for this in the current year. Whilst the forms are very similar and contain much of the same information, there are key differences. The council has now completed and resubmitted the AGAR on the Part 3 version of the form to satisfy this element of the regulations.

The internal auditor has incorrectly answered 'Yes' to Box M of the Annual Internal Audit Report despite the breach in the prior year's public rights procedures.

3 External auditor certificate 2021/22

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 2022.

External Auditor Name



MOORE

Moore

External Auditor Signature

Date

25/09/2022

Annual Governance and Accountability Return 2021/22 Part 3

Local Councils, Internal Drainage Boards and other Smaller Authorities*

Page 6 of 6