

Section 3 - External Auditor Report and Certificate 2023/24

In respect of

Chalgrove 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 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 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 2024/25 Annual Governance and Accountability Return.

Section 16(1) of the Audit and Accounts Regulations 2015 requires the Notice of Conclusion of Audit to be published on the authority's website. In future, the council should ensure that this notice is available on their website.

The figure entered in Box 8 for the 2024 year appears to be incorrectly stated. The bank reconciliation and balance sheet provided by the Council support this figure being £550,285. The £350 difference is the uncleared transactions on the current account. We would anticipate the affected figures being restated, and marked as such, on the production of the 2024/25 Annual Return or Assertion 1 being responded to as 'no'.

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

There is no evidence to suggest that the internal auditor was appointed at a Parish Council meeting. In future, the Council should ensure that the internal auditor is appointed at a Full Council meeting and that this appointment is documented clearly in the minutes of this meeting. We would expect this to be considered in the council's response to Assertion 3 on the 2024-25 return.

On review, the council's general reserves are higher than the generally accepted level for general reserves for smaller authorities, which is after adjusting for CIL funds. The council have however informed us that some of these general reserves are actually held to fund various projects. Whilst this is reasonable as a statement, the council should quantify the amount earmarked for these projects from General Reserves each year under the budgeting guidance, ensuring that they then leave sufficient general reserves which under general guidance is 0.25 and 1.0 times expenditure. Amounts can be designated to and/or from this reserve as part of the in year budget monitoring process as is required.

The internal auditor has provided a 'Yes' response at control objectives L and N on their report. This suggests that the Council correctly published all relevant documents on its website. As the Council currently has not published the Notice of Conclusion of Audit following the 2022-23 limited assurance review, the answer to these points should have been 'No'.

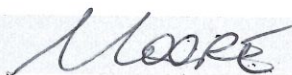
3 External auditor certificate 2023/24

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



Date

04/09/2024