

Final External Auditor Report and Certificate 2022/23 in respect of Carhampton Parish Council SO0051

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 2023; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

External auditor's limited assurance opinion 2022/23

On 27 September 2023, we issued a report detailing the results of our limited assurance review of Sections 1 and 2 of this authority's Annual Governance & Accountability Return for the year ended 31 March 2023. We explained that we were unable to certify completion of the review at that time. We are now in a position to certify completion of the review.

The external auditor report given in Section 3 of the Annual Governance & Accountability Return requires amendments as follows:

Except for the matters reported below, on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return (AGAR), in our opinion the information in Sections 1 and 2 of the AGAR is in accordance with 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.

Information has come to our attention from the internal auditor highlighting the fact that Sections 1 & 2 of the 2021/22 AGAR were not published on the authority's website by the dates specified in the Accounts and Audit Regulations 2015.

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

The smaller authority has confirmed that it has not complied with the governance Assertions in Section 1, Boxes 1 & 2, but it has not provided the appointed auditor with an adequate explanation for non-compliance and details of the actions necessary to address weaknesses identified.

In the prior year, the smaller authority was exempt from our review, thus we have not reviewed any evidence to support the prior year comparatives on the AGAR. We note that Section 2, Box 7 for the prior year does not agree to Boxes 1+2+3-(4+5+6).

The smaller authority has not provided an adequate explanation for the variance between the prior and current year values in Boxes 3 and 6 of Section 2

In the completion of the Annual Internal Audit Report, and their detailed report, the internal auditor has drawn attention to weaknesses in relation to the fixed asset register, payroll records, budget monitoring reports, insurance, bank reconciliations and internal controls. The smaller authority must ensure that action is taken to address these areas of weakness in a timely manner. This is consistent with the smaller authority responding 'No' to Section 1, Assertions 1 and 2.

The internal auditor is not independent of the financial decision making, management and control of the smaller authority and the smaller authority must disclose this by answering 'No' to Assertion 6 of the Annual Governance Statement on the 2023/24 AGAR. In future years, the smaller authority must maintain an independent system of internal audit of the accounting records and control systems. The internal auditor has prepared the year end bank reconciliation and established the figures to be included in the AGAR.

External auditor certificate 2022/23

We certify that we have completed our review of Sections 1 and 2 of the Annual Governance & Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2023.



PKF Littlejohn LLP

30/09/2023