

Section 3 – External Auditor Report and Certificate 2021/22

In respect of

Melton Ross Parish Council – HU0159

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.

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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 (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.

The smaller authority was issued a statutory recommendation for non-submission of the AGAR for the 2020/21 year on 22/09/21. Where a statutory recommendation is issued, the Local Audit and Accountability Act 2014 (the Act) requires the authority to consider the statutory recommendation at a public meeting within one month of the date it was issued. It was discussed at a meeting on the 02/11/21, which is not within a month. Hence the response to Section 1, Assertion 3 should have been "No".

Information has come to our attention from the internal auditor highlighting the fact that Sections 1 & 2 of the 2020/21 AGAR, notice of conclusion of audit and external auditor report and certificate were not published on the authority's website by the dates specified in the Accounts and Audit Regulations 2015.

Section 1, Assertion 5 has been incorrectly completed, it should have been answered 'No' as there was not a risk assessment during 21/22. This is consistent with the Internal Auditor's response to Internal Control Objective C

Section 1, Assertions 1 and 3 have been incorrectly completed, it should have been answered 'No' as financial regulations and internal controls were not adhered to. This is consistent with the Internal Auditor's response to Internal Control Objectives B and D

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

We note that the smaller authority did not comply with Regulation 15 of the Accounts and Audit Regulations 2015 as it failed to make proper provision during the year 2022/23 for the exercise of public rights, since the correct information was not published on a website as well as a noticeboard. As a result, the smaller authority must answer 'No' to Assertion 4 of the Annual Governance Statement for 2022/23 and ensure that it makes proper provision for the exercise of public rights during 2023/24.

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 asset register. The smaller authority must ensure that action is taken to address this area of weakness in a timely manner

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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 2022.

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature



Date

29/09/2022

* Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)