

Section 3 – External Auditor’s Report and Certificate 2023/24

In respect of **Waddington Parish Council – LA0219**

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’s 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 (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.

Section 1, Assertion 2 has been incorrectly completed, as the smaller authority has not followed its Financial Regulations and Finance Committee Terms of Reference, and the asset register is out-of-date. This is consistent with the Internal Auditor’s response to Internal Control Objective B and H.

Section 1, Assertion 4 has been incorrectly completed, as the smaller authority has not fully complied with the publication requirements as the exemption certificate and AGAR forms were not published on the website. This is consistent with the Internal Auditor’s response to Internal Control Objectives L and N.

Section 1, Assertion 5 has been incorrectly completed, as compliance with Financial Regulations has not always been demonstrated, the insurance policy may be inadequate/inappropriate and the approval of payments by the smaller authority is considered to lack internal controls. This is consistent with the Internal Auditor’s response to Internal Control Objective C.

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 2024/25 for the exercise of public rights, since the approval date was after the start of the period for the exercise of public rights and the notice regarding the period for the exercise of public rights was not published before the start of the period. As a result, the smaller authority must answer ‘No’ to Assertion 4 of the Annual Governance Statement for 2024/25 and ensure that it makes proper provision for the exercise of public rights during 2025/26.

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.

The Annual Internal Audit Report focuses on a series of internal control objectives covering an authority’s key financial and accounting systems and concludes whether, in all significant respects, the internal control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the authority. We note that the internal auditor answered ‘No’ to internal control objective K and has not provided an adequate explanation in respect of whether the smaller authority correctly exempt itself in the prior year. The Annual Internal Audit Report will inform the authority’s response to Assertions 2 and 6 in the annual governance statement. As a result, the authority must ensure that assurance that has not been provided via these control objectives has been sought elsewhere.

In the completion of the Annual Internal Audit Report, internal auditor has drawn attention to weaknesses in relation to petty cash. The smaller authority must ensure that action is taken to address these areas of weakness where applied.

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

PKF LITTLEJOHN LLP

External Auditor Signature

PKF Littlejohn LLP

Date

20/09/2024