

Final External Auditor Report and Certificate 2022/23 in respect of Wexham Court Parish Council BE0092

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 26 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 the complete 2022/23 AGAR was not published on the authority's website by the dates specified in the Accounts and Audit Regulations 2015.

Section 1, Assertions 2 and 5 have been incorrectly completed and should have been answered 'No'. This is consistent with the Internal Auditor's responses to Internal Control Objectives B and C as the payment approval and authorisation of payments were not in accordance with its Financial Regulations, and the Risk Assessment was not reviewed during the year.

The smaller authority owns fixed assets, but we noted that some of those assets were valued at £Nil. This policy does not give a reader of the Accounting Statements the ability to draw any meaning from the Box 9 figures stated on the AGAR or to recognise any changes in those assets year to year. The Practitioners' Guide (the Guide) states that smaller authorities 'need to apply a reasonable approach to asset valuation which is consistent from year to year'. Under this range of possible approaches, all assets are expected to carry some value, however small. In particular, the Guide states that where assets are gifted at zero cost to the authority, they should be recorded at a nominal value of £1. The smaller authority should therefore reconsider the valuation policy for all fixed assets and draw up a policy to be approved by the authority and recorded in both the authority's minutes and in the asset register. When submitting the 2023/24 AGAR, the smaller authority should ensure that the 2022/23 comparative figure in Box 9 is restated for consistency and comparability.

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 2023/24 for the exercise of public rights, since the period for the exercise of public rights did not include the first 10 working days of July. As a result, the smaller authority must answer 'No' to Assertion 4 of the Annual Governance Statement for 2023/24 and ensure that it makes proper provision for the exercise of public rights during 2024/25.

The smaller authority has not provided an adequate explanation for the variance between the prior and current year values in Box 4 of Section 2.

In the completion of the Annual Internal Audit Report, and their detailed reports, the internal auditor has drawn attention to significant weaknesses in relation to internal control objectives A, B, C, D, E, G, H, I, J, M and N. The smaller authority must ensure that action is taken to address these areas of weakness in a timely manner.

It is best practice for the smaller authority to publish all agendas, minutes and supporting documents in a timely manner. Please ensure the smaller authority publishes all relevant documents.

We received challenge correspondence in relation to the 2022/23 AGAR which we considered before completing our work. The authority will receive an invoice in relation to this additional work.

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

PKF Littlejohn LLP
13/02/2024