

## Section 3 - External Auditor Report and Certificate 2022/23

In respect of

Pennington Parish Council

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

### 2 External auditor report 2022/23

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.

We identified during our review of the Annual Governance and Accountability Return that boxes 3, 7 and 8 of the prior year (2021-22) on Section 2 - Accounting Statements were restated due to an outstanding lodgement being missed. The comparative column has not been marked as 'Restated' to bring it to the attention of the reader, which is a breach of proper practices and as a result a 'No' response should have been provided at assertions 3 and 7 on the 2022-23 Governance Statement. As the figures for the 2023 year are correctly stated we do not believe this should impact the 2023-24 return.

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

Section 2 of the AGAR was initially submitted with the Trust Fund disclosure in Box 11a completed incorrectly. This was later resubmitted with a 'No' answer which was in line with our expectations and so there are no further concerns in this area.


The Internal Auditor did not initially complete Box O on the Annual Internal Audit Report. When this was updated and resubmitted the 'Not applicable' answer given was consistent with other items on the AGAR and so no concern remains in this area.

Last year the external auditor commented that the council needed to consider its level of general reserves when setting its future budget(s) and therefore precept level. We note that the 2022/23 budget and precept levels would have been set by the time the 2021/22 review was being performed and therefore understand why the general reserves are not showing an increase in levels suggesting they have not apparently been considered as required. As the 2023/24 budget process has taken place after that report was issued, we would anticipate that this has now and will continue to be considered and therefore reflected within the 2023/24 return.

### 3 External auditor certificate 2022/23

We certify/~~do not 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 2023.

External Auditor Name

 MOORE

External Auditor Signature



Date

18/08/2023