

Final External Auditor Report and Certificate 2022/23 in respect of Berryfields Parish Council – BU0220

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.

The AGAR was not accurately completed before submission for review.:

- Section 2, Box 7 for the current year and prior year do not agree to Boxes 1+2+3-(4+5+6). Section 2, Box 3 for the current year should read £344,194 and Section 2, Box 4 for the prior year should read £74,647.

The smaller authority has not addressed the 'except for' matter raised by the external auditor when qualifying the prior year annual return. The income and expenditure basis must be used to prepare its accounts for the third and subsequent years that the income and/or expenditure exceeds £200k. The 2021/22 figures were supposed to be restated on this basis, but both years have again been prepared on a receipts and payments basis. This is consistent with the Internal Auditor's response to Internal Control Objective J. Please ensure that the 2022/23 figures are restated in the prior year comparatives when completing next year's AGAR.

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

The smaller authority failed to approve the AGAR in time to publish it before 3 July 2023, the date required by the Accounts and Audit Regulations 2015, and did disclose this by answering 'No' to Section 1, Box 1.

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 approval date was after the start of the period for the exercise of public rights. 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 Boxes 3, 4, 5, 6 and 9 of Section 2.
- Year end bank statements to support the bank reconciliation to Section 2, Box 8. These were requested as part of our intermediate review procedures.

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
19/10/2023