

Section 3 - External Auditor Report and Certificate 2023/24

In respect of **Castle Donington 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 2024; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors

2 External auditor report 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, 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.

The inspection period for the exercise of electors' rights was set for 31 working days which is more than the mandatory 30 working days as set out in the Accounts and Audit Regulations 2015, Paragraph 14(1). Although this is considered to be a minor technical breach, given more than the standard amount of time was provided for, in future the Council should ensure it provides the precise public inspection period. We would anticipate the Council taking this into account when it completes Assertion 4 on its 2024/25 Annual Governance and Accountability Return.

A review of the Finance & Open Data Section on the Council's website has found that the Council has not fully met the requirement of the Accounts and Audit Regulations 2015, Regulation 13 (1) which states that the audited Annual Governance and Accountability Return should, on conclusion of the audit, be available for public access which includes publication on the Council's website. The Council amended their return in the prior year during the 2022/23 audit process however the amended version of the return has not then been published on the Council's website. The Council should bring this into line with the regulations as soon as practically possible.

As part of our intermediate testing, we agreed Boxes 1 - 10 on Section 2 of the Annual Governance and Accountability Return to underlying financial statements. It was noted that an apprenticeship grant of £500 was received during the year which has been offset against Box 4 (Staff Costs). According to Paragraph 2.15b of JPAG Practitioners' Guide 2023, all grants received by the authority should be included in Box 3 'Total other receipts'. We would expect these figures to be restated in the 2024 column of the 2024-25 return and suitably noted as restated to bring it to the attention of the reader. We would anticipate this being taken into consideration when completing Assertion 1 of Section 1 of the 2024-25 form.

The council has recorded a 'Yes' response at Assertion 1 effectively reporting that it has put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements in accordance with the Accounts and Audit Regulations. Dividend investment income was incorrectly excluded from Box 8 of the 2022/23 AGAR and Box 4 did not initially include some staff costs that were originally included within Box 6. The Council have not restated Box 8 of the prior year for the above adjustment when entering the figures for the prior year column of the 2023/24 Section 2. The 2022/23 AGAR was prepared and approved during the 2023/24 financial year therefore Assertion 1 of Section 1 should have been answered 'No'.

The Council has answered 'Yes' to Assertion 4 of Section 1 of the Annual Governance and Accountability Return which relates to how the Notice of Public Rights was advertised within the financial year 2023-24. Therefore, it relates to the Notice announcing the public right to review the 2022-23 return which was published during 2023-24. As noted in the Auditor Report last year, this notice was not correctly advertised therefore this Assertion should have been answered 'No'.

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

There is no evidence to suggest that the final external audit report was considered and discussed by the Council. Only evidence that the interim external audit report has been provided. In future, all points raised on the external audit report should be considered, discussed and if necessary actioned at a meeting and clearly evidenced in the minutes of this meeting in line with best practice as suggested by Paragraph 5.98 of JPAG Practitioners' Guide 2023.

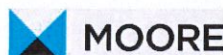
Last year the External Audit Report noted that the Notice of Public Rights was announced and commenced before the Annual Governance and Accountability Return was approved. Therefore, we expected a 'No' response to control objective M on the Annual Internal Audit Report.

The internal auditor has provided a 'Yes' response at control objectives L and N on their report. This suggests that the Council correctly published all relevant documents on its website. As the Council currently has not published the audited 2022-23 return following amendments made during the 2022-23 limited assurance review, the answer to these points should have been 'No'.

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



External Auditor Signature

Date

29/08/2024