Section 3 - External Auditor Report and Certificate 2022/23

In respect of **Ryhall 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

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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 prior year External Auditor Report and Certificate that boxes 6 and 7 of the prior year (2021-22) on Section 2 - Accounting Statements should have been restated due to a reporting error with regards to a payment being missed. In reviewing the 2022-23 return we note that the prior year figures have not been so amended, which is a breach of proper practices and as a result a 'No' response should have been provided at assertion 3 and 7 on the 2022-23 Governance Statement.

The original Section 2 Accounting Statements form did not add up arithmetically by a significant amount. We have been provided with an explanation which concludes it is an error in reporting for VAT within Box 6 over an extended period and appears to incorporate the specific error noted in the previous year by the External Auditor. The adjustment has been made to Box 6 of Section 2 solely in the current year which is technically incorrect. The published AGAR is named 'Resubmitted' on the council website, but the adjustment has not otherwise been marked.

Due to the above issue, assertion 1 on the Annual Governance Section should have been answered 'No'. If this revised box 6 figure is not appropriately amended on the 2023-24 return, we would anticipate this being reflected in the assertions on section 1: Annual Governance Statement next year.

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

The Internal Auditor has responded 'Yes' to control objective A and B regarding VAT, but we would have expected this to be answered 'No' given the historic VAT issue and recording of box 6 noted during the year.

Section 2 of the AGAR was initially submitted without the Trust Fund disclosure in Box 11a completed. 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 has provided a 'yes' response at control check K on their report. This suggests that the council correctly claimed exemption from audit in the previous (2021-22) year. As the council was not exempt and did not claim exemption the answer to this point should have been 'not covered'.

The reconciliation between Boxes 7 and 8 was not provided to us on the initial submission of the AGAR and supporting documentation. Please would you ensure these documents are included within the initial submission in future.

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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 2023.

External Auditor Name

MOORE

External Auditor Signature Date 05/09/2023