Section 3 - External Auditor Report and Certificate 2023/24

In respect of **Crosby Ravensworth Parish Council**

1 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 2024; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors

2 External auditor limited assurance opinion 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 AGAR was not approved until after 30 June 2024 which is a breach of the Accounts and Audit Regulations 2015. In addition, the inspection period for the exercise of electors' rights provided in respect of the 2023/24 AGAR does not include the first ten working days of July as specified in the Accounts and Audit Regulations, Part 15 (1). We would anticipate this being taken into account when completing Assertion 4 of the Annual Governance Statement on the 2024/25 AGAR.

It was noted on review that the announcement of the Period for Public Rights was the same date as it commenced and as the approval of Section 2 of the Annual Governance and Accountability Return. Regulations 12 – 15 of the Accounts and Audit Regulations 2015 set out the order required to be followed when approving, announcing by publishing the Return and related documents in order to satisfy the Public Rights requirements. The Return must be approved prior to the Notice being published and the Notice must be published not less than 1 day before the commencement of the Public Rights period. To be able to demonstrate approval and publication order, best practice is that the Notice is published no sooner than the day following the approval.

The Council has recorded a 'Yes' response to Assertion 9 effectively reporting that it has met its responsibilities as a sole managing trustee of a trust. On investigation of the Charity Commission website (based on the 'No' response to Boxes 11 and 11b of Section 2) it appears that the Council did not submit the Annual returns for Maulds Meaburn Recreation Ground (Charity No 509490) on time therefore this Assertion should have been answered 'No'. Although we note that steps have been taken to bring the filings up-to-date.

In addition, when completing Section 2 - Accounting Statements on a Receipts and Payments basis and due to the council not operating a separate bank account for the Maulds Meaburn Recreation Ground, the Council has been required to include transactions and/or balances relating to the Recreation Ground within the boxes. However, by including these amounts the council has not complied with all of the regulations for the proper preparation of its accounts. As a result, the Council should have provided a 'No' response to Assertion 1.

Per paragraph 2.11 of the JPAG Practitioners Guide 2023 it is a requirement when completing Section 2 - Accounting Statements that the figure in box 7 of the comparative column is the same as the figure in box 1 of the current year column. Each column should correctly sum to the figure shown in box 7. As box 3 for 2023 was not restated to include a missed interest received figure, the balance at box 7 remained incorrect and therefore does not agree to box 1 of the current year. We do not anticipate this affecting future returns.

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'.

The balances per Box 10 of Section 2 - Accounting Statement does not agree to the third-party evidence we have received from PWLB. Supporting documentation was provided by the Council however this also disagrees with Box 10 as it appears to exclude the repayment made in Dec-23.

See Continuation Sheet

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

See Continuation Sheet

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: MOORE

External Auditor Signature: Moore

Date: 25/11/2024

MOORE

Crosby Ravensworth Parish Council

External Auditor Report & Certificate 2023/24

Continuation Sheet

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.

Section 12 of the Audit and Accounts Regulations 2015 requires the RFO to complete Section 2 of the Annual Governance and Accountability Return prior to passing it to the Council for its approval. There appears to be an error in completing this date as the date recorded was 04/09/2024 rather than 02/09/2024. We believe this is human error and the date should have read 02/09/2024. In future the Council should carefully review the forms completion prior to its approval and submission.

Several of these points were also raised in relation to the 2022/23 AGAR form and whilst our 2022/23 report was not finalised until 19 January 2024, it was available for consideration prior to the completion of the 2023/24 form and therefore Assertion 7 should also have been completed No.

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

Last year the External Audit Report noted that the Notice of Public Rights was before the approval of the Annual Governance and Accountability Return. 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 objective O on the Annual Internal Audit Report which relates to whether the Council met its responsibilities as a trustee. It appears that the Council did not submit the Annual returns for Maulds Meaburn Recreation Ground (Charity No 509490) on time therefore this box should have been answered 'No'.

The bank reconciliation was not provided on submission of the AGAR, a copy was found on the website and there were no issues noted. This is one of the supporting documents we require on the initial submission as per Paragraph 2.24 of JPAG Practitioners' Guide 2023 and should be provided with future submissions.

Significant variances information was not provided with the initial supporting data submitted for review. The Parish Council should in future ensure that all the necessary supporting information is provided with their annual submission.

The Return required to be amended in respect of Box 9 of Section 2 - Accounting Statements. This was originally entered as £257,000 for the current year which was not in line with our expectations and has since been resubmitted with values which have been agreed to the fixed asset register. The original return advertised to the public was therefore technically incorrect, but we consider there to be no significant impact from this omission. The Council should in future ensure that all boxes are completed in accordance with paragraph 2.5 of the JPAG Practitioners' Guide.