

Final External Auditor Report and Certificate 2021/22 in respect of Potto Parish Council NY0451

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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 2022; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

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On 27 September 2022, 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 2022. 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 fully and accurately completed before submission for review:

- a. The smaller authority has disclosed that it made proper provision during the year 2021/22 for the exercise of public rights, by answering 'Yes' to Section 1, Assertion 4; however, we are aware that it failed to do this since the period for the exercise of public rights did not include the first 10 working days of July 2021. Therefore the Council should have answered 'No' to this assertion.
- b. The smaller authority has not responded to Section 1, Assertion 9; however, we are aware that it does not act as sole managing trustee to any trust funds. Therefore the Council should have answered 'N/A' to this assertion.
- c. The smaller authority has not responded to Section 2, Box 11; however, we are aware that it does not act as sole managing trustee to any trust funds. Therefore the Council should have answered 'N/A' to this declaration.
- d. The prior year figure in Section 2, Box 1 does not agree to the published 2020/21 AGAR and as a result, the prior year comparative figures in Boxes 1+2+3-4-5-6 do not equal Box 7. The correct prior year Box 1 figure is £13,300.

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

1. As we reported in respect of the AGARs for the previous five years, a local government elector made a series of objections relating to the Council's accounts for the years ended 31 March 2017, 2018, 2019, 2020 and 2021.
We decided to accept 97 of those 366 objections for consideration which we amalgamated across 14 broad headings.
Having considered those accepted objections, we decided to issue a Public Interest Report because of the significance of our findings taken together and so that the matters raised by the elector and the 17 recommendations that we made in respect of them could be brought to the attention of the public. This report was issued to the Council in July 2022.
We will be following up the Council's progress against its action plan in respect of our recommendations as part of our work on the 2022/23 AGAR next summer and we note that there has already been progress made in respect of many of them.
2. We received further challenge correspondence in relation to the 2021/22 AGAR which we considered before completing our work. The authority will receive an invoice in relation to this additional work.

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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 2022.

PKF Littlejohn LLP

PKF Littlejohn LLP
20/10/2022