

Final External Auditor Report and Certificate 2023/24 in respect of North Thoresby, Grainsby & Waithe Parish Council - LI0272

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.

External auditor's limited assurance opinion 2023/24

On 19 September 2024, 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 2024. 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:

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.

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

The smaller authority has confirmed that it has not complied with the governance Assertions in Section 1, Boxes 1, 2, 3, 4, 5 and 7, but it has provided the appointed auditor with an adequate explanation for non-compliance and details of the actions necessary to address weaknesses identified. In addition to the reasons given for non-compliance with Assertion 1, the smaller authority did not appoint a responsible financial officer for part of the year under review.

In the completion of the Annual Internal Audit Report, and their detailed report, the internal auditor has drawn attention to significant weaknesses in relation to the accounting records, payment controls, risk, the budget process, cash processes, VAT, NIC/PAYE, the fixed asset register, reconciliations, period of public rights and late publication of documents. This ties in to the 'No' responses in Section 1 of the AGAR and further detail is provided in the internal auditor's detailed report. The smaller authority has confirmed that it has started to address these weaknesses and must ensure that action is taken to address any remaining areas of weakness in a timely manner.

We note that the internal auditor has not provided a conclusion on internal control objective O in respect of trust funds. The Annual Internal Audit Report will inform the authority's response to Assertions 2 and 6 in the annual governance statement. As a result, the authority must ensure that assurance that has not been provided via these control objectives has been sought elsewhere.

The smaller authority should ensure that the fixed asset register is reviewed and kept up-to-date to reflect asset movements during the year.

The smaller authority has not provided:

- an adequate explanation for the variance between the prior and current year values in Boxes 3 and 6 of Section 2
- evidence of the approval of the internal auditor during the year ended 31/3/24, including the consideration of independence and competence or evidence of the agreed scope of work
- evidence of details of the locum clerk payments which were included in Section 2, Box 4 or evidence of approval of the locum clerk during 2023/24.

We received challenge correspondence in relation to the 2023/24 AGAR which we considered before completing our work. The authority will receive an invoice in relation to this additional work.

External auditor certificate 2023/24

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 2024.

PKF Littlejohn LLP

PKF Littlejohn LLP

30/06/2026