

Section 3 - External Auditor Report and Certificate 2021/22

In respect of **Sidlesham 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 2022; 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.

The announcement date provided on the Notice of Public Rights showed that the period was announced (published) on the same day as it commenced. This is contrary to the Accounts and Audit Regulations 2015, Part 15(3) which states this should be published no later than one day before the date of that commencement. In future the Council needs to provide a minimum of 1 day as notice prior to the commencement of the period of public rights. As we raised a similar matter on our 2020/21 Report, this suggests that appropriate action was not taken with regard to the Report of the External Auditor and therefore we would expect Assertion 7 to have shown a 'No' response.

Section 14(1) of the Audit and Accounts Regulations 2015 requires the period of public rights should be a 'single period of 30 working days'. The Council provided a period of 20 working days in 2021-22 for the review of their records which is a significant breach of the regulation and the Council need to note this for completion of the governance assertions on the 2023 form. In future the council should ensure that it calculates and provides a period of precisely 30 working days.

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

On initial submission of the AGAR, an error was identified between the figure in Box 7 of the current year figures in Section 2 of the AGAR and the bank reconciliation provided. When queried with the Council, this was identified as an understatement of the receipts in Box 3 of the AGAR and the amount in Box 7 due to a spreadsheet formula error. The balances were corrected and resubmitted to agree to the year-end bank position and as such we have no further concerns in this area.

On initial submission of the AGAR, Section 2 showed a date of approval by the RFO of 25 June 2022. Section 2 of the AGAR were approved at a Council meeting on 15 June 2022. 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. This was described as an error and the both dates should have been recorded as 15 June 2022. On review, we received the approved document prior to 25 June which supports this statement. We would suggest in future that care is taken in future to ensure all entries are checked prior to approval and submission to prevent similar issues occurring.

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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 2022.

External Auditor Name

 **MOORE**

External Auditor Signature



Date

24/09/2022