

Final External Auditor Report and Certificate 2021/22 in respect of Weasenham Parish Council NO0540

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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.

External auditor report 2021/22

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 smaller authority failed to hold either an annual parish council meeting or an annual parish meeting during 2022. As a result, the Council must respond 'No' to Assertion 3 of the 2022/23 AGAR. During the closed session of the extraordinary meeting on 18 May 2022, all the members as well as the Clerk/RFO decided to resign. A temporary Clerk/RFO and Council were put in post in June 2022, arranged by the district council. The locum RFO and Council have assisted us with our queries during the limited assurance review of the AGAR and the challenge work.

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

1. The smaller authority has confirmed that it has not complied with the governance assertions in Section 1, Boxes 1/2/3/6/7, and has provided the appointed auditor with an adequate explanation for non-compliance and details of the actions necessary to address weaknesses identified, but it has not published these details with the AGAR as is required.
2. We received 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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3. We note that there were several payments made during 2021/22 which do not have supporting documentation and/or were not authorised by the Council. These include payments for energy; grass cutting; clerk's expense/mileage claims; overtime claim; backdated pay claim; training courses; and a payment to a contractor.
4. We note that there were a number of procurement decisions taken in respect of the new community building during 2021/22 which did not have regard to the Council's financial regulations.
5. We note that 5 invoices from a fencing contract totalling £2,180 were addressed to individual councillors and not to the Council; the Council has requested that these are re-issued.
6. We note that there were some errors and omissions in respect of VAT reclaims that have now been addressed by the Council.
7. We note that all payments made after 26 January 2022 until the year end were apparently approved via 'round robin' emails; however, the locum RFO has not been able to locate these emails.
8. We note that the Council accepts the above matters and comments that 'moving forward it is our intention to review and improve the council's financial regulations and make clearer any delegated authority'.
9. We note that the Council failed to follow its financial regulations in respect of verifying bank reconciliations. The Council accepts this and comments that 'a new procedure to be put in place will be monthly bank reconciliations signed off by the internal control officer. This will be in place every month to include the months there is no meeting.'
10. We note that the Box 9 figure was not correct and the AGAR had to be sent back for amendment.
11. We note that the Council failed to follow its financial regulations and standing orders in respect of budget monitoring. The Council accepts this and comments that 'the Clerk has drafted a new monthly monitoring document for councillors to receive following each monthly bank reconciliation. This will detail expenditure against budget heading. If there is an overspend there will be detailed notes on the spreadsheet for agreement in a public meeting.'
12. We note that the Locum Clerk and the new Council have been proactive in addressing identified weaknesses in respect of the new community building, as evidenced in the minutes of the Council meeting on 26 July 2022 and the published agendas of the August and September meetings.

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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
22/11/2022