

Section 3 - External Auditor Report and Certificate 2019/20

In respect of

Rotherfield Peppard Parish Council

1 Respective responsibilities of the body and the auditor

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 2020; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with guidance issued by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General (see note below). Our work **does not** constitute an audit carried out in accordance with International Standards on Auditing (UK and Ireland) and **does not** provide the same level of assurance that such an audit would do.

2 External auditor report 2019/20

Except for the matter 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 External Audit Report for the 31 March 2019 Annual Governance and Accountability Return was not presented formally to the Council at a meeting. Although the points raised on this audit report for further review has not recurred in the current year, we would expect the External Audit Report is presented to a Council meeting each year and minuted to satisfy Assertion 7 of the Annual Governance Statement in accordance with proper practices as set out in the JPAG Practitioners Guide.

The minute references provided suggests that whilst the Annual Governance and Accountability Return was wholly approved at the same meeting, Section 2 was considered and approved by the Council prior to Section 1. Regulation 6(4) of the Accounts and Audit Regulations 2015 explicitly requires the Governance Statement (Section 1) to be considered and approved in advance of the Statement of accounts (Section 2). The council should in future ensure it follows the required order for approval of the documents.

The Council has answered 'Yes' to Box 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 2019-20. Therefore, it relates to the Notice announcing the public right to review the 2018-19 return which was published during 2019-20. As noted in our Auditor Report last year, this notice was not correctly advertised therefore this question should have been answered 'No'.

The value of assets per the Fixed Asset register provided does not agree to the figures provided in Box 9 of the AGAR. We also note that assets belonging to the Sports Pavilion and Field, Rotherfield Peppard - Charity No: 801262 have been included. Whilst the council is their sole trustee, we do not agree that it is appropriate to include these assets on the AGAR.

The year end borrowings value given in Box 10 of Section 2 of the Return does not agree to the value outstanding at the year-end confirmed by South Oxfordshire District Council (SODC). Since the loan has started to be repaid within the year we would expect the Total Borrowings (Box 10) figure to have reduced by the capital element of the repayments. Care needs to be taken in the future to report the correct balance in Box 10 so that it is in line with the outstanding capital balance as at year end of £47,222.

We note that the AGAR has been prepared on a receipts and payments basis and has therefore included, as is required, all of the transactions flowing through from the subsidiary charity account held for Sports Pavilion and Field, Rotherfield Peppard - Charity No: 801262. However, box 11 requires the council to confirm that it has excluded any trust transactions from boxes 1-7. Therefore, the council should have provided a 'No' response to this box, as it was unable to exclude these amounts.

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

There was a significant time gap between the date of approval and the commencement of the public rights period. The Accounts and Audit Regulations 2015, Section 12(3), state that the announcement of public rights should be published and commenced as soon as practicable after the date the Annual Governance and Accountability Return is approved by the Council. Whilst we understand the coronavirus pandemic caused issues, any delay from normal practice should be notified to the public to ensure they do not miss the opportunity to exercise those rights. The Council should note this requirement for future years.

The Internal Auditor has answered 'Yes' to Box M of their report despite the council not satisfying the Audit and Accounts Regulations 2015, Part 15(1) in regard to the notice of public rights period during the 2019-20 which required a period including the first 10 working days of July. We would therefore have anticipated this response to have been 'No'.

The Council's name and web address have not been entered on Section 1 of the Annual Return. Whilst we consider these omissions to be trivial, however, the Parish Council should take care to ensure the form is fully completed in the future to meet the compliance standards of the Accounts and Audit Regulations 2021 and the JPAG Practitioners Guide for proper practices.

3 External auditor certificate 2019/20

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 2020.

External Auditor Name

 MOORE

External Auditor Signature



Date

21/03/2024

*Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)