

Section 3 – External Auditor’s Report and Certificate 2022/23

In respect of

HILTON PARISH COUNCIL – DE0115

1 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 2023; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

2 External auditor’s limited assurance opinion 2022/23

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 accurately completed before submission for review. Please ensure that amendments are corrected in the prior year comparatives when completing next year’s AGAR:

- The smaller authority has confirmed that £788 of income received at the year end has not been included in the figures in the AGAR but as a reconciling item on the bank reconciliation. Section 2, Boxes 3, 7 and 8 for the current year should all be £788 higher as a result.

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

We note that the smaller authority prepares its accounts on an income and expenditure basis but there were no debtors or creditors at the year end. We have been unable to ascertain how VAT has been accounted for in the AGAR and whether there should be a VAT debtor at the year end. We would remind the smaller authority that under the income and expenditure basis of accounting all transactions on the AGAR should be shown net of VAT and that VAT refunds should not be included in the Box 3 figure. The year end VAT debtor should form part of the Box 7 to 8 reconciliation. If any errors are discovered in the 2022/23 figures in respect of VAT when preparing the AGAR for 2023/34 then the prior year figures should be restated accordingly on the 2023/24 AGAR.

3 External auditor certificate 2022/23

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 2023.

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature

PKF Littlejohn LLP

Date

04/09/2023