

**Final External Auditor Report and Certificate 2023/24 in respect of
BARLOW PARISH COUNCIL – NY0046**

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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:

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.

1. The Practitioners' Guide includes the following mandatory requirement for a positive response to Assertion 1:

1.8 Budgeting — In accordance with relevant legislation, the authority needs to prepare and approve a budget in a timely manner before setting a precept or rates and prior to the commencement of the financial year.

We note that the 2024/25 precept was set in November 2023, but the budget was not approved until February 2024. Despite the circumstances described by the Council regarding uncertainty over the costs of the grass-cutting contract, the budget should have been approved in November before the

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precept was set. In our view, the Council should have responded 'No' to Assertion 1 due to non-compliance with the mandatory requirements of the Practitioners' Guide.

2. The Practitioners' Guide includes the following mandatory requirement for a positive response to Assertion 1:

1.13 Reserves — The authority needs to have regard to the need to put in place a General Reserve Policy and have reviewed the level and purpose of all Earmarked Reserves.

The Practitioners' Guide also includes the following guidance:

5.32. Smaller authorities have no specific right to accumulate funds via the precept. All reserves should be reviewed and justified regularly (i.e. at least annually). It is good practice to transparently publish both the level and rationale of all reserves.

We note that the Council did not have a reserves policy in place during 2023/24 nor did it review the level and purpose of reserves. In our view, the Council should have responded 'No' to Assertion 1 due to non-compliance with the mandatory requirements of the Practitioners' Guide.

3. The Section 2, Box 9 figure in the Accounting Statements was incorrect due to the erroneous inclusion of £3,600 of VAT. Please ensure that this figure is corrected in the comparatives on the 2024/25 AGAR.

4. Schedule 12, section 10(2)(b) of the Local Government Act 1972 states:

*(2) Three clear days at least before a meeting of a parish council—
(b) a summons to attend the meeting, specifying the business proposed to be transacted at the meeting and certified by the proper officer of the council, shall be sent to every member of the council by an appropriate method.*

Therefore a Council cannot lawfully decide any matter which is not specified as a matter for a decision in the summons. Where matters are noted in the summons as 'for information', the Council cannot make any lawful decision, for example, no decision can be made to spend Council funds.

We have reviewed the Council's minutes for 2023/24. Although this practice was more widespread in prior years, we have noted only one further occasion when the Council made a decision under an item which was 'for information only' at the Council meeting on 27 June 2023 (relevant extract):

062308 To receive reports, for information only, from:

b) Village Hall Committee –

- Looking to employ a window cleaner*
- Issue with surface water drainage*
- 5 year electrical check has been completed*
- Additional CCTV quote received for £1,100 +VAT*
- The council resolved to proceed with the quote.*

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In these circumstances, the Council should only have agreed to discuss the CCTV quote at the next meeting as an item of business which the Council proposes to transact. We would therefore conclude that the Council potentially has an unlawful item of account in the 2023/24 accounting statements, noting that only a court of law is able to make such a decision. In our view, the Council should have responded 'No' to Assertion 3 due to non-compliance with the mandatory requirements of the Practitioners' Guide, as included in paragraph 1.25:

1.25 Actions during the year — An authority needs to have satisfied itself that it has not taken any decision during the year, or authorised any action, that exceeds its powers or contravenes any laws, regulations, or proper practices.

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

In the prior year, the smaller authority was exempt from our review, thus we have not reviewed any evidence to support the prior year comparatives on the AGAR.

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

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18/08/2025