

## Section 3 - External Auditor Report and Certificate 2024/25

In respect of **Milnthorpe Parish Council**

### 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 2025; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors

### 2 External auditor limited assurance opinion 2024/25

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.

Although trivial, there is a £1 difference between the carried forward figure (box 7) for 2024 and the brought forward figure (box 1) for 2025. In future, the council should take care in ensuring these figures agree as required by paragraph 2.11 of the Practitioners Guide 2024. It appears that the council attempted to correct the rounding issue that was noted on the prior year External Auditor Report by adjusting the carried forward box 7 figure for 2024. We expected one of the boxes 3-6 for 2024 to have been adjusted by £1 since the reconciled bank balance per the 2023/24 bank reconciliation was £52,972. Since the brought forward box 1 figure for 2025 appears accurately stated we expect no further concerns on this when entering the 2025 figures onto the 2025/26 return.

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

We note that the contact email address on the council's website does not appear to belong to the council. Paragraph 1.26 of JPAG Practitioners' Guide 2024 states every authority should have an email account that belongs to the council and to which the council has access. An email account that is considered to belong to the council should have an authority owned domain, for example [clerk@abcparishcouncil.gov.uk](mailto:clerk@abcparishcouncil.gov.uk) or [clerk@abcparishcouncil.org.uk](mailto:clerk@abcparishcouncil.org.uk). From 1 April 2025 this became a mandatory requirement, and the council will need to consider whether it is fully compliant.

The Annual Internal Audit Report initially submitted by the council was signed by the Internal Auditor on 28 April 2025. Due to the incorrect form being used, the council resubmitted the Annual Internal Audit Report and the Internal Auditor re-signed it with a date of 27 July 2025. We are satisfied that the completed 2024/25 report was available for review and consideration with the form and the Assertions in Section 1: Annual Governance Statement refer to the current year's internal audit report and/or other checks performed by the Council.

The Internal Auditor has provided a 'Yes' response at control objective K on their report. This suggests that the council correctly claimed exemption from audit in the previous (2023/24) year. As the council was not exempt and did not claim exemption, the answer to this control objective should have been 'Not covered'.

The council provided an explanation for the variances from the prior year to the current year. Whilst the explanations were reasonable, no values were initially provided in order to support the movements. These were later provided on request. The parish council should in future ensure that all the necessary supporting financial information is provided with their annual submission.

The council originally completed all sections of the AGAR on the wrong AGAR form; a form 3PM was used however this form should only be used by Parish Meetings. The forms were also missing the council's name on each page. A form 3 was required and this was later submitted by the council.

### 3 External auditor certificate 2024/25

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 2025.

External Auditor Name

External Auditor Signature

Date



**MOORE**

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13/08/2025