

Section 3 – External Auditor’s Report and Certificate 2024/25

In respect of **Culworth Parish Council – NH0067**

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’s 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 (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 has disclosed that it made proper provision during the year 2024/25 for the exercise of public rights, by answering ‘Yes’ to Section 1, Assertion 4. However, as was reported last year, we are aware that it failed to do this and therefore should have answered ‘No’ to this Assertion. It has also disclosed that it took appropriate action on all matters raised in reports from internal and external audit, by answering ‘Yes’ to Section 1, Assertion 7, which, on the basis of the above, is not correct.
- The smaller authority has not addressed the ‘except for’ matters raised by the external auditor when qualifying the prior year annual return. The Section 2, Box 9 figure has not been restated to include assets that were purchased in the prior year.
- Section 1, Assertion 2 has been incorrectly completed, as periodic bank account reconciliations were not properly carried out during the year. This is consistent with the Internal Auditor’s response to Internal Control Objective I.
- Section 1, Assertion 3 has been incorrectly completed, as HMRC issued penalty notices for non-compliance with regulatory reporting requirements. Please note that a clerk/RFO is not able to be self-employed under HMRC regulations which require that the smaller authority must register as an employer with HMRC and operate PAYE as appropriate on payments to employees. This is consistent with the Internal Auditor’s response to Internal Control Objective G.

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

In the completion of the Annual Internal Audit Report, and their detailed report, the internal auditor has drawn attention to weaknesses in relation to VAT, the website and trust funds. The smaller authority must ensure that action is taken to address these areas of weakness in a timely manner.

The smaller authority has not provided a bank reconciliation which includes the correct year end for the bank statements and reconciling items.

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

PKF LITTLEJOHN LLP

External Auditor Signature

PKF Littlejohn LLP

Date

26/09/2025