

Final External Auditor Report and Certificate 2021/22 in respect of Groby Parish Council LE0106

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Respective responsibilities of the body and the auditor

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 2022; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

External auditor report 2021/22

On 27 September 2022, 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 2022. 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.

Public Interest Report issued April 2023

Local government electors for the Council's area made objections to the Council's accounts for the year ended 31 March 2021 and raised certain other matters with us in relation to the years ended 31 March 2020, 2021 and 2022. We identified those such matters that warranted further enquiries on our part and considered them before completing our work. The authority will receive an invoice in relation to this additional work.

As a result of our consideration of the objections and the other matters, we identified weaknesses in the arrangements in place for the governance of the Council in relation to some of the matters raised with us. We determined that, taken together, those matters were of sufficient significance to warrant us making a public interest report so that the matters can be considered by the Council and brought to the public's attention; and the making of a public interest report was a proportionate response and in the public interest. Where relevant to the 2021/22 AGAR, we have included those matters in this report as well. Our resulting recommendations are being actioned by the Council during 2023/24

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Publication of minutes and details of decisions made under delegated authority

Local authorities are publicly accountable for their decisions. The Council has a duty to publish:

- minutes of the meetings of the Council and its Committees (in accordance with the Model Publication Scheme).

We are concerned that:

- from 2016 to 2022, the Council did not publish minutes of its committees with no delegated authority.

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

Groby Community Interest Company (Groby CIC)

In 2013, a community interest company, Groby CIC, was established to manage land acquired by the Council. The Council agreed to transfer the title to the land to Groby CIC and to retain a shareholding in the company.

We are concerned that:

- the transfer of the title to the land agreed by the Council and Groby CIC has yet to take place. This exposes the Council to the risk of claims in respect of the land; and
- the record keeping in respect of the Council's interest in Groby CIC has been weak.

We recommend that the Council:

- expedite the transfer of the legal title to the land to Groby CIC; and
- ensure that it maintains accurate records of its interest in Groby CIC.

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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 2022.



PKF Littlejohn LLP

10/05/2023