

Final External Auditor Report and Certificate 2023/24 in respect of Heckington Parish Council – LI0173

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.

Section 1, Assertion 2 has been incorrectly completed and the correct response should have been 'No'. This is because there was a lack of transparency to the process carried out by the Council during 2023/24 for the purchase of land. The Council did not follow its Financial Regulations, Internal control systems were not reviewed and advice from the Clerk/RFO was disregarded.

Section 1 Assertion 3 has been incorrectly completed and the correct response should have been 'No'. This is because of Council's non-compliance with the Local Government Act 1972 section 101, due to the fact that the Chair, without any approved delegated powers, commissioned the valuation of the land and later entered into the agreement to purchase the land on behalf of the Council with no sharing of relevant documentation with either the Clerk/RFO or other Members of the Council except the Vice Chair (who was also unaware of the commissioning of the valuation). Council was also non-compliant with the Local Government Act 1972 section 10(2)(b) due to the approval of items not specified in agendas in relation to the land purchase process.

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

The smaller authority must answer 'No' to Assertions 2 and 3 of the Annual Governance Statement on the 2024/25 AGAR. This is because the actual payments relating to the failures for Assertions 2 and 3 were made in April 2024.

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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06/05/2025