

## Section 3 – External Auditor’s Report and Certificate 2022/23

In respect of **Epsom and Walton Downs Conservators- OT0018**

### 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 2023; 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 2022/23

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 AGAR was not prepared in accordance with proper practices:

- In our External Auditor report for 2021/22 we reported that the smaller authority had included an accrual of grants receivable of £40,422 in Section 2, Box 3 in that year. The Joint Panel on Accountability and Governance Practitioners’ Guide does not allow for grants receivable to be accrued or deferred, they must be accounted for in the year in which they are received. Although proper practices require grants received to be accounted for on a cash basis, in order to give a fair presentation of the authority’s financial position, the authority considered it necessary to credit this grant entitlement as income for 2021/22 although payment had not been received by 31 March 2022. This grant was received during the year 2022/23 and so had the accounts been prepared in accordance with proper practices this would have been shown as income in Box 3 in 2022/23 and not 2021/22. The smaller authority has confirmed that there was an accrued grant receivable of £42,591 as at 31 March 2023 which has been treated in the same way.

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

None.

### 3 External auditor certificate 2022/23

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 2023.

External Auditor Name

**PKF LITTLEJOHN LLP**

External Auditor Signature

*PKF Littlejohn LLP*

Date

22/09/2023