

Section 3 - External Auditor Report and Certificate 2025/26

In respect of

East Hanney 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 2026; 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 2025/26

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.

The council has answered 'Yes' to Assertion 4 of Section 1 of the Annual Governance and Accountability Return which relates to how the Notice of Public Rights was advertised within the financial year 2025/26. Therefore, it relates to the Notice announcing the public right to review the 2024/25 return which was published during 2025/26. As noted in the Auditor Report last year, this notice was not correctly advertised therefore this Assertion should have been answered 'No'.

The council has provided a 'Not applicable' response at Assertion 9 which relates to whether the council met its responsibilities as a trustee. On investigation of the Charity Commission website (based on the 'No' response to Control Objective O on the Annual Internal Audit Report) it appears that the council is a sole trustee of Charity of James Robins Holmes (Charity No. 258855). We note that it did not submit the 2024 annual return on time, however this was filed before 31 March 2026 together with the 2025 annual return and therefore we believe, this Assertion could have been answered 'Yes'.

A review of the finance section on the council's website has found that the council has not fully met the requirement of the Accounts and Audit Regulations 2015, Section 13(1) which states that the audited Annual Governance and Accountability Return should, on conclusion of the audit, be available for public access which includes publication on the council's website. The council amended their 2024/25 return during the 2024/25 audit process however the amended version of the return has not then been published on the council's website. The council should bring this into line with the regulations as soon as practically possible.

It was noted during the review of additional information provided, that it appears the council included the RFO salary in box 6 of the prior year. These costs relate to the employment of its staff, therefore they should have been included in box 4 in accordance with Paragraph 2.16 of SAPPP Practitioners' Guide 2025. Therefore, we would have expected to have seen the 2025 figures restated on the 2025/26 Annual Governance and Accountability Return and the 2025 column to have been marked as 'Restated' to bring it to the attention of the reader.

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

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3 External auditor certificate 2025/26

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 2026.

External Auditor Name



External Auditor Signature

A handwritten signature in black ink, appearing to read 'Moore', written over a horizontal line.

Date

18/09/2026

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

The bank reconciliation was not provided on the initial submission, once received there were no issues noted. This is one of the supporting documents we require on the initial submission as per Paragraph 2.39 of the SAPPP Practitioners' Guide 2025 therefore please note this for the future. This is a repeated issue.

Section 2 of the AGAR was initially submitted without the Trust Fund disclosure in box 11. This was then resubmitted with a 'No' response which was incorrect given the council confirmed that trust transactions were not included in the figures in Section 2. This was later resubmitted with a 'Yes' answer to box 11 which was in line with our expectations and so there are no further concerns in this area.

Boxes 1-6 of Section 2 of the AGAR do not arithmetically add down to box 7 by £1 when summed. When rounding the numbers for the return care should be taken to ensure boxes 1-6 sum to box 7 in accordance with Paragraph 2.20 of SAPPP Practitioners' Guide 2025 and that box 7 agrees or reconciles to box 8 as is required per Paragraph 2.24 of SAPPP Practitioners' Guide 2025.

Insufficient information was provided with the initial supporting data submitted for review with regards to significant variances, which was later provided on request. The parish council should in future ensure that all the necessary supporting information is provided with their annual submission.

On review of the Notice of Conclusion of Audit published on the website for the year end 31 March 2025, we have noted that the 2026 template has been used and therefore refers to the accounting year end 31 March 2026. We believe this is a human error on completion and that the requirements to publish the Notice of Public Rights was made correctly. We also note that the form to confirm the conclusion of the 2024 review does not appear to have been published. The correct forms for each year should be published to the website. The 2026 form can be correctly published on receipt of this report.

Insufficient information was provided with the initial supporting data submitted for review with regards to the breakdown of reserves, which was later provided on request. On review of this information, the council's general reserves are higher than the generally accepted level for smaller authorities. General reserves are the level of reserves after adjusting for any earmarked or ringfenced funds. Per Paragraph 5.34 of the SAPPP Practitioners' Guide 2025, best practice suggests that general reserves should cover at least 3 months of expenditure and anything greater than 12 months of expenditure is considered excessive.