

Section 3 - External Auditor Report and Certificate 2025/26

In respect of **Warborough 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 approved the final accounting statements section of the Annual Governance and Accountability Return after 30 June which does not comply with the Accounts and Audit Regulations 2015.

The council have exceeded the thresholds for the receipts and payments basis of accounts for three consecutive years therefore the income and expenditure (accruals) basis is required, with the comparative year amended to be on the same basis. In addition to this the Internal Auditor has identified that budgets were not properly considered and minuted by the full council as is required. As a result, Assertion 1 should have been answered 'No'.

It was noted by the Internal Auditor that VAT reclaims were claimed to have been completed, when no evidence was available to review that these actually took place. Since this is an internal control issue, we feel a 'No' response to Assertion 2 on the 2025/26 Annual Governance Statement would have been more appropriate. It appears that this issue has been rectified post year-end, and therefore we do not anticipate this being an issue in future years

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 recorded a 'Yes' response at Assertion 5 effectively reporting that it has completed an assessment of risks facing the authority and taken any necessary steps to manage those risks in the year under review. Since control objective C of the Annual Internal Auditor's Report has been answered 'No' we would have expected Assertion 5 to be consistent with the Annual Internal Auditor's Report.

The council has recorded a 'Yes' response at Assertion 10 effectively reporting that the council had put in place arrangements for the effective IT and data management in accordance with proper practices during the year under review. Since control objective O of the Annual Internal Auditor's Report has been answered 'No' we would have expected Assertion 10 to be consistent with the Annual Internal Auditor's Report.

The council should also ensure that where a 'No' response is provided on the AGAR, the reason for that response is published with the AGAR form as well as being provided to the auditor, as required by paragraph 1.6 of the SAPP Practitioners' Guide 2025.

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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 "M. Moore", written over a horizontal line.

Date

10/09/2026

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

The inspection period for the exercise of electors' rights provided in respect of the 2025/26 AGAR does not include the first ten working days of July as specified in the Accounts and Audit Regulations, Section 15 (1). We would anticipate this being taken into account when completing Assertion 4 of the Annual Governance Statement on the 2026/27 AGAR.

We identified during our initial review of the Annual Governance and Accountability Return that box 3 of the prior year column (2024/25) on Section 2 - Accounting Statements has been restated. This was in order to correct the understatement identified in box 3 in the prior year. However, the column has not been marked as 'Restated' to bring it to the attention of the reader.

The Internal Auditor has recorded a 'Yes' response at control objective J on their report. This relates to whether the accounts have been prepared on the correct basis. As this is the 3rd year the council has exceeded £200,000 in income and/or expenditure, it is required to prepare its accounts on an income and expenditure basis. The council have confirmed it has prepared its accounts on a receipts and payments basis, which is incorrect and the Internal Auditor should have provided a 'no' response. The council will need to ensure it prepares its 2026/27 accounts on the correct basis and will be required to restate the comparative year's figures so that both columns are presented on the same basis.

Incomplete information was provided with the initial supporting data submitted for review with regards to the level of reserves held by the council, which was later provided on request. The parish council should in future ensure that reserves levels are considered thoroughly and explanations provided with the AGAR when submitted to the external auditor.

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.