

Section 3 - External Auditor Report and Certificate 2025/26

In respect of **Mancetter 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

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.

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

The council have identified that internal controls were not followed during the year as they did not review accounts, budgets or bank reconciliations at any council meetings. The council have correctly answered 'No' to Assertions 1, 2, and 3. As a result we would have anticipated the response at control objectives A, B and D to have been 'No'.

As a result of the council appearing to have not reviewed their risk assessment during the financial year, we feel that the response to control objective C on the Annual Internal Audit Report would have been more appropriately marked as a 'No'.

The Internal Auditor has provided a 'Yes' response at control objective O, however, as the authority have confirmed they do not have IT or Data Compliance Policies we would have anticipated this being reflecting a 'No' response.

There is no evidence to suggest that the internal audit report was considered and discussed by the council. In future, all points raised on the internal audit report should be considered, discussed and if necessary actioned at a meeting and clearly evidenced in the minutes of this meeting in line with best practice as suggested by Paragraph 5.99 of the SAPP Practitioners' Guide 2025.

The council have failed to ensure that there is a sound system of internal controls during the period which is correctly reflected on the AGAR by the provision of 'no' responses to the majority of the assertions on the Annual Governance Statement. We expect the council to implement plans to resolve this and we expect to see these plans in action for 2026/27.

Section 2 Accounting Statements have not been correctly completed. The prior year figures reported in Boxes 3 and 6 include transfers between the council's own bank current and deposit accounts. In accordance with Paragraph 2.14 of the SAPP Practitioners' Guide 2025, such transfers are cash management transactions and do not represent receipts or payments of the authority and should therefore be excluded from the Accounting Statements. This issue relates solely to the prior year figures, and there is no indication that similar transactions have occurred in the current year. However, the council should ensure that transfers between its own accounts are excluded from receipts and payments reporting in future years.

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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 that reads 'Moore', written over a horizontal line.

Date

09/09/2026

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

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.

Box 11 on Section 2 of the AGAR was submitted with a 'No' response. Given the council are not a sole trustee, the response to this box should have been 'Yes' per Paragraph 2.32 of SAPPP Practitioners' Guide 2025.

The council provided an explanation for the variance on Box 3 on Section 2 of the AGAR from the prior year to the current year. Whilst the explanation was reasonable, no values were initially provided in order to support the movement. These were later provided on request. The parish council should in future ensure that all the necessary supporting financial information is provided with their annual submission.

As part of our intermediate review, we requested a copy of the engagement letter between the council and its internal auditor. Whilst the council provided minutes evidencing an engagement letter existed, this could not be located and provided for review. Consequently, we were unable to confirm whether the arrangements in place remain appropriate. In future, the council should ensure that key governance documents are readily available.