Section 3 - External Auditor Report and Certificate 2025/26

In respect of **Middleton Stoney 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 have brought to our attention the following issues in relation to the figures entered in the 2025 column on Section 2 of the Annual Governance and Accountability Return. Box 3 contained a duplicated precept receipt which should have only been recorded in box 2. Box 6 also contains a duplicated salary payment which should have only been recorded in box 4 (staff costs). In addition to this, box 3 excluded savings interest received and box 4 excluded amounts paid to HMRC for PAYE, both of which should have been included with these boxes. As the council identified these issues we would have expected these boxes to have been restated and marked as such when preparing the 2025/26 annual return however this was not the case. Therefore the figures entered in the 2025 column should have been as follows: box 3 = £13,479, box 4 = £5,521 and box 6 = £15,932 with there being no impact on boxes 7 & 8.

In accordance with proper practices as per Paragraphs 2.27 and 2.28 of the SAPPP Practitioners' Guide 2025 the council should maintain a register of the fixed assets, long term investments and other non-current assets that they hold which agrees to the value per box 9 of Section 2. It was noted by the Internal Auditor identified that the council's fixed asset register did not agree to the figure entered in box 9 of the AGAR. Since the internal audit report was received before the figures presented in Section 2 were approved in May 2026, and the fixed asset value not amended, we would have expected Assertion 1 on the Annual Governance Statement to be answered 'No'.

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 should have answered 'No' to Assertion 7 of Section 1 of the Annual Governance and Accountability Return as they did not take appropriate action on matters reported from internal and external audit from 2024/25.

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

The council provided an explanation for the variance on box 2 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. This is a repeated issue. We have been able to find sufficient information from other sources to satisfy ourselves in respect of this variance. Also, insufficient information was provided with the initial supporting data submitted for review with regards to significant variances of boxes 3 and 6, 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.

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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	Date
MOORE	Moore	10/09/2026

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

Incomplete information was provided with the initial supporting data submitted for review with regards to the 'No' responses recorded on the Annual Internal Auditor's Report, 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.

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.

The internal auditor has provided a 'No' response at control objective K on their report. We note that the council incorrectly attempted to claim exemption from audit in the previous year. This was resolved and the council were subject to a limited assurance review for 2024/25 however we accept the 'No' response to this control objective on the above basis.

Last year the External Audit Report noted that the Notice of Public Rights was incorrectly provided since the council published the exempt authority version of our Notice of Public Rights template form which contains misleading information for a non-exempt authority. Therefore, we expected a 'No' response to control objective M on the Annual Internal Audit Report.