Section 3 - External Auditor Report and Certificate 2025/26

In respect of **Graffham 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.

In completing Section 2 - Accounting Statements on a receipts and payments basis and due to the council not operating a separate bank account for the Graffham Recreational Ground (Charity no: 305375), the council has been required to include transactions and/or balances relating to the Hall within the boxes. However, by including these amounts the council has not complied with all of the regulations for the proper preparation of its accounts. As a result, the council should have provided a 'No' response to Assertions 1 & 9 of Section 1 – Annual Governance Statement.

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'.

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

Although trivial, there is a £1 rounding difference between boxes 7 and 8 on Section 2: Accounting Statements. When rounding the numbers care should be taken to ensure box 7 agrees or reconciles to box 8 as required as required by Paragraph 2.24 of SAPPP Practitioners' Guide 2025.

Upon review, general reserves appear to be held at a low level. This may purely be a result of increased expenditure over the past two years in relation to projects being undertaken. The council should keep its level of reserves this under review and ensure that they maintain a sufficient level of general reserves. Best practice, per paragraph 5.34 of the SAPPP Practitioners' Guide 2025, suggests this should generally be at least 3 months expenditure as a minimum. These cannot include ring fenced funds and should avoid including funds which are designated for another purpose.

Last year the External Audit Report noted that the Notice of Public Rights was incorrectly provided as the period was set for 25 working days. Therefore, we expected a 'No' response to control objective M on the Annual Internal Audit Report.

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	06/08/2026