Section 3 – External Auditor's Report and Certificate 2025/26

In respect of **Eye Town Council – SF0134**

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's 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 (AGAR), in our opinion the information in Sections 1 and 2 of the AGAR is in accordance with 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 AGAR was not accurately completed before submission for review. Please ensure that amendments are corrected in the prior year comparatives when completing next year's AGAR.:

- Section 2, Box 2, the annual precept, does not agree to the figure published by the precepting authority. The figures in Boxes 2 and 3 should read £149,345 and £74,458 respectively. All grants, including Council Tax Support Grant, should be shown in Box 3, as per the guidance notes on the AGAR.
- Section 2, Box 4 incorrectly includes items which are not staff costs as defined in the Joint Panel on Accountability and Governance Practitioners' Guide. Please note that Box 4 should comprise payments made in relation to the employment of staff including only gross salary, employers' national insurance contributions, employers' pension contributions, gratuities for employees or former employees and severance or terminations payments to employees. Employment expenses which are benefits (mileage, travel, etc.), items of reimbursement of expenses for postage, stationery or other outlays made on behalf of the smaller authority, home working allowance, payroll processing costs and contractor/locum clerk costs in respect of individuals who are self-employed, are not staff costs for the purpose of completion of the AGAR in accordance with proper practice. Please restate Boxes 4 and 6 in next year's prior year comparatives.
- The figure in Section 2, Box 10 for the current year is incorrect and should read £82,494 as per the PWLB website at the year end.

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

The smaller authority has not provided:

- an adequate explanation for the variance between the prior and current year values in Box 3 of Section 2.

The smaller authority has not provided minutes of the meeting where the internal auditor was appointed, or evidence of the consideration of the independence of the internal auditor upon appointment. In accordance with the Practitioner's Guide Paragraph 4.11 it is considered best practice to review the independence of the internal auditor on an annual basis.

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

PKF LITTLEJOHN LLP

External Auditor Signature PKF Littlejohn LLP Date 25/09/2026