



# **MALVERN TOWN COUNCIL**

## **AUDIT COMMITTEE MEETING**

### **REPORTS**

**For meeting on Wednesday 16 July 2025 at 6.00 pm  
In the Park View Meeting Room, Community Hub, Victoria Park Road,  
Malvern Link**

# MALVERN TOWN COUNCIL

Town Clerk  
Community Hub  
Victoria Park Road  
Malvern Link  
WR14 2JY




10 July 2025  
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## MEETING OPEN TO MEMBERS OF THE PUBLIC

**To All Members of the Audit Committee (quorum 3):**  
Councillors D Watkins (Chair), A Cherry, E Green and D Mead

**All other Members of the Town Council for information only**

You are hereby invited to attend a meeting of the Audit Committee on Wednesday 16 July 2025 in the Park View Meeting Room, Community Hub, Victoria Park Road, Malvern Link WR14 2JY commencing at 6.00pm for the transaction of the business shown on the Agenda below.



**Charles Porter**  
**Deputy Town Clerk**

No.	Agenda Item
1.	<b>Apologies for Absence</b> To receive apologies for absence
2.	<b>Declarations of Interest</b> To receive declarations of pecuniary interests and other disclosable interests
3.	<b>Minutes of Previous Meeting</b> To receive and confirm as a correct record the minutes of previous Audit Committee meeting and the minutes to be signed by the Chairman ➤ Wednesday 11 June 2025
<b>Public Participation</b> <i>The Meeting will be adjourned for public participation when the Chairman will invite members of the public to present their questions, statements or petitions submitted under the Council's Public Participation Procedure.</i>	
4.	<b>Appointment of Internal Auditor for 2025-26</b> ➤ Report AC01/25 to follow
5.	<b>Risk Management Arrangements around Objectives</b> ➤ Committee discussion and recommendations
6.	<b>Identification of Risks from the Devolution process</b> ➤ Committee discussion and recommendations
7.	<b>Date of next Audit Committee Meeting</b> ➤ Wednesday 3 December 2025 at 6pm

**MINUTES OF A MEETING OF THE AUDIT COMMITTEE  
MALVERN TOWN COUNCIL  
in the Community Hub Meeting Room, Victoria Park  
held on Wednesday 11 June 2025 at 6pm**

**Councillors**

Cllr David Watkins (Chair)  
Cllr David Mead  
Cllr Sean Austin (for Cllr Cherry)

**In attendance**

Linda Blake – Town Clerk  
Julia Winkworth – Minute Clerk  
Duncan Edwards – DKE Audit Services  
Cllr Marilyn Birks - Mayor

**1. ELECTION OF CHAIR**

Cllr David Watkins was elected Chair of Audit Committee for 2025/26.

**2. ELECTION OF VICE-CHAIR**

Cllr David Mead was elected Vice-chair of Audit Committee for 2025/26.

**3. APOLOGIES FOR ABSENCE**

Apologies for absence were noted from Cllrs Emma Green and Anne Cherry. Cllr Sean Austin had substituted for Cllr Cherry.

**4. DECLARATIONS OF INTEREST**

None.

**PUBLIC PARTICIPATION**

None.

Cllr Marilyn Birks arrived at 6.04pm.

**5. ANNUAL INTERNAL AUDIT REPORT – FINANCIAL YEAR ENDING 31 MARCH 2025**

Report AC01/25 was received and accepted.

The Chair welcomed Duncan Edwards, Internal Auditor to the meeting and invited Duncan to detail his report to the committee.

Duncan explained that it was his fourth year as auditor for MTC, the first year in the new offices in Victoria Park.

The auditor summarised each section of the internal audit assessment as detailed in his written report. As MTC are approaching their first anniversary of the new building, actual costs and benefits will firm up a better budget setting and management process along with income sources which will prove beneficial for the future.

Duncan has been pleased to be able to tick 'yes' in all sections of the internal audit work following his work and sample testing.

The summary was followed by a short question and answer section from the councillors, covering the following points:

- Section G last paragraph – members are able to claim for costs incurred on ‘certain specific items’. Is there a list of ‘specific items’ available on appointment to MTC?

The Town Clerk confirmed that all councillors are informed on appointment of eligible costs and examples of such costs that are rarely claimed would be mileage, printing allowances and other reasonable expenses when undertaking approved council business. The Mayors allowance is classed as separate to these costs.

- Signing and checking of payments – are we happy that this process is giving the committee the same control and scrutiny as before?

The Town Clerk confirmed that the chair and vice-chair of Policy and Resources are the check for this process. Ahead of a P & R meeting, the chair and vice-chair are asked to select a few sample invoices from the payment schedules, check the invoice amount and then check the bank statement has the correct amount against the relevant payee. There may be some refinements required to this process as it is not as straight forward as envisaged.

- Risk Assessments (Section C) – could we explore how these are demonstrated?

The auditor confirmed that the overall aims and objectives of the council would be risk assessed. On day-to-day activities, the auditor would look at what the council could identify as risks and how they are mitigated. For example, with the play areas, the audit would look at when the play area is inspected, what checks are in place, are there regular inspections and so forth or within the cemetery, that effective and safe systems at work have been reviewed including how the council look after staff, are there safe systems of work in place, and is suitable training provided.

The committee **RECOMMENDED** that the Internal Audit work that has been undertaken during the 2024/25 financial year is noted and that Full Council receive and accept the report of the Council’s Internal Auditor as per Appendix A of their report.

## 6. **REVIEW OF EFFECTIVENESS OF THE SYSTEM OF INTERNAL CONTROLS**

Report AC02/25 was received and noted.

The following areas have been completed during the year:

- Controls in place for payment processes including orders, delivery and payment approval procedures
- Review of Income received and controls in place
- Review of bank reconciliations
- Review of controls to measure whether aims and objectives are being completed – commenced and continuing on during 2025/26

The committee **NOTED** the work carried out and **RECOMMENDED** that Council should agree a satisfactory review of the system of internal control had been completed during 2024/25.

## 7. **INTERNAL AUDIT COMMITTEE – WORK PLAN 2025/26**

The committee, with advice from the Internal Auditor, considered and agreed the following areas for programme of works to be carried out by Internal Audit Committee members.

It was **AGREED** that the following would form the work plan for 2025/26 for the Audit Committee:

- Review of controls to measure whether aims and objectives are being completed
- The Tendering process
- Risk management arrangements around Objectives
- Identification of risks from the Devolution process
- Review of Annual Governance Statements and the supporting evidence behind these

**8. DATE OF NEXT AUDIT COMMITTEE MEETING**

The Chair gave thanks to Duncan Edward, Internal Auditor for the work carried out and depth of his report.

It was **AGREED** that the next meeting of the Audit Committee would be on Wednesday 16 July 2025 at 6.00 pm.

The meeting ended at 6.44pm.

.....  
(Chairman)

**A REPORT OF THE TOWN CLERK TO  
A MEETING OF THE AUDIT COMMITTEE  
MALVERN TOWN COUNCIL  
to be held on Wednesday 16 July 2025  
in the Park View Meeting Room, Community Hub, Victoria Park Road,  
Malvern Link, at 6.00 pm.**

**REVIEW OF INTERNAL AUDIT CONTRACT**

**1. Purpose of Report**

- 1.1. For decision.

**2. Recommendation**

- 2.1. Committee should agree that Duncan Edwards of DKE Audit Services continue to act as the Town Council's internal auditor for a further one-year period in 2025/26 and is satisfied with the competence and independence of internal auditor as appointed.

**3. Background**

- 3.1. The Annual Governance and Accountability Return (AGAR) which must be completed as part of the Town Council's external audit each year, is made up of three parts. The Annual Internal Audit Report (AIAR) which is page 3 of the return must be completed by an internal auditor appointed by the authority.
- 3.2. The appointed internal auditor should be competent, act independently and assess the Council over fifteen specific control objectives as listed on the AGAR (see Appendix A).
- 3.3. Following a tender process, in October 2021, Audit Committee agreed to appoint Duncan Edwards for an initial two-year internal audit contract, with a further three years to be negotiated if both parties agreed.
- 3.4. The first two years were successfully completed and then in August 2023 it was agreed that DKE Audit Services would continue to act as the Town Council's Internal auditor for a further two years covering 2023/24 and 2024/25 with an option then for one more year if both parties are happy to continue.
- 3.5. Duncan Edwards has stated that he is willing to continue the internal audit contract for the final year of the five-year period which is 2025/26.
- 3.6. Mr Edwards of DKE Audit Services will be required to undertake the following to complete the annual internal audit:
- i. Complete an overview of each of the control objectives that apply to the AIAR in adequate detail to form an opinion on each one. In addition, each year a programme of work will be agreed to test the effectiveness of, and compliance with, the controls operating in selected risk areas (control objective C).

- ii. Visit the Town Council offices on at least two days per annum to carry out on-site assessments and speak to Town Council staff. These days must be within the financial year being audited.
- iii. Submit a written annual internal audit report as a summary of the audit work completed. This report to be presented to a meeting of the Council's audit committee held in May/June; attendance at the meeting will be required.
- iv. Completion of the AIAR on page 3 of the AGAR in line with statutory deadlines and the Town Council's meeting dates.

3.7. The following two additions to terms of reference were made in 2023 based on experience from the first two years of the contract and to ensure that works remain focussed on the AGAR related contract. This will remain for the final year of the contract.

i. Operating arrangements

The internal auditor will be free to select the test samples required in order to form an opinion on the general effectiveness of controls and compliance. The internal auditor shall ensure that they are not directed by staff or members when selecting the areas to be tested or when generating test samples.

ii. The scope of Internal Audit Activity

The scope of the internal audit work shall be limited to that required to complete page 3 of the AGAR. The days allocated are reflective of the work required and this limitation. For any internal audit related works or other investigations that fall outside of the scope of the AGAR related internal audit activity, the internal auditor may be invited to quote should they wish, alongside other suitably qualified parties.

**4. Financial Implications**

- 4.1. The internal auditor has confirmed that the price for internal audit work in 2025/26 will remain fixed at £1,750.
- 4.2. The budget for 2025/26 has been set to cover this cost.

**5. Legal Implications**

- 5.1. The Accounts and Audit Regulations 2015 require Malvern Town Council to undertake an effective internal audit.
- 5.2. The Council must appoint an independent and competent person to carry out the internal audit, carry out a selective assessment of compliance with the relevant procedures and controls in operation and submit their conclusions by completing the AIAR on page 3 of the AGAR.

End  
Linda Blake  
Town Clerk

# Annual Governance and Accountability Return 2024/25 Form 3

To be completed by Local Councils, Internal Drainage Boards and other Smaller Authorities\*:

- where the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £6.5 million; or
- where the higher of gross income or gross expenditure was £25,000 or less but that:
  - are unable to certify themselves as exempt (fee payable); or
  - have requested a limited assurance review (fee payable)

## Guidance notes on completing Form 3 of the Annual Governance and Accountability Return 2024/25

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Form 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with *Proper Practices*.
2. **The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:**
  - The **Annual Internal Audit Report** **must** be completed by the authority's internal auditor.
  - **Sections 1 and 2** **must** be completed and approved by the authority.
  - **Section 3** is completed by the external auditor and will be returned to the authority.
3. The authority **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved and published on the authority website/webpage **before 1 July 2025**.
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, **must** return to the external auditor by email or post (not both) **no later than 30 June 2025**. Reminder letters will incur a charge of £40 +VAT:
  - the Annual Governance and Accountability Return Sections 1 and 2, together with
  - a bank reconciliation as at 31 March 2025
  - an explanation of any significant year on year variances in the accounting statements
  - notification of the commencement date of the period for the exercise of public rights
  - Annual Internal Audit Report 2024/25

Unless requested, do not send any additional documents to your external auditor. Your external auditor will ask for any additional documents needed.

Once the external auditor has completed the limited assurance review and is able to give an opinion, the Annual Governance and Accountability **Section 1, Section 2 and Section 3 – External Auditor Report and Certificate** will be returned to the authority by email or post.

## Publication Requirements

Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website/webpage:

Before 1 July 2025 authorities **must** publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited;
- **Section 1 - Annual Governance Statement 2024/25**, approved and signed, page 4
- **Section 2 - Accounting Statements 2024/25**, approved and signed, page 5

Not later than 30 September 2025 authorities **must** publish:

- Notice of conclusion of audit
- **Section 3 - External Auditor Report and Certificate**
- **Sections 1 and 2 of AGAR** including any amendments as a result of the limited assurance review. It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

The Annual Governance and Accountability Return constitutes the annual return referred to in the Accounts and Audit Regulations 2015. Throughout, the words 'external auditor' have the same meaning as the words 'local auditor' in the Accounts and Audit Regulations 2015.

\*for a complete list of bodies that may be smaller authorities refer to schedule 2 to the Local Audit and Accountability Act 2014.



## Guidance notes on completing Form 3 of the Annual Governance and Accountability Return (AGAR) 2024/25

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this AGAR. *Proper Practices* are found in the *Practitioners' Guide\** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the AGAR is complete (no highlighted boxes left empty) and is properly signed and dated. Any amendments must be approved by the authority and properly initialled.
- The authority **should** receive and note the Annual Internal Audit Report before approving the Annual Governance Statement and the accounts.
- Use the checklist provided below to review the AGAR for completeness before returning it to the external auditor by email or post (not both) no later than 30 June 2025.
- The Annual Governance Statement (Section 1) must be approved on the same day or before the Accounting Statements (Section 2) and evidenced by the agenda or minute references.
- The Responsible Financial Officer (RFO) must certify the accounts (Section 2) before they are presented to the authority for approval. The authority must in this order; consider, approve and sign the accounts.
- The RFO is required to commence the public rights period as soon as practical after the date of the AGAR approval.
- You must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chair, and provide relevant authority owned generic email addresses and telephone numbers.**
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the AGAR covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree the bank reconciliation to Box 8 on the accounting statements (**Section 2, page 5**). An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide\**.
- Explain fully significant variances in the accounting statements on **page 5**. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the full variance.
- If the bank reconciliation is incomplete or variances not **fully** explained then additional costs may be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2024) equals the balance brought forward in the current year (Box 1 of 2025).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the commencement date for the exercise of public rights of 30 consecutive working days which **must** include the first ten working days of July.
- The authority **must** publish on the authority website/webpage the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor **before 1 July 2025**.

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes been completed?		
	Has all additional information requested, including <b>the dates set for the period for the exercise of public rights</b> , been provided for the external auditor?		
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?		
Section 1	For any statement to which the response is 'no', has an explanation been published?		
Section 2	Has the Responsible Financial Officer signed the accounting statements before presentation to the authority for approval?		
	Has the authority's approval of the accounting statements been confirmed by the signature of the Chair of the approval meeting?		
	Has an explanation of significant variations been published where required?		
	Has the bank reconciliation as at <b>31 March 2025</b> been reconciled to Box 8?		
	Has an explanation of any difference between Box 7 and Box 8 been provided?		
Sections 1 and 2	Trust funds – have all disclosures been made if the authority as a body corporate is a sole managing trustee? <b>NB:</b> do not send trust accounting statements unless requested.		

**\*Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices**, can be downloaded from [www.nalc.gov.uk](http://www.nalc.gov.uk) or from [www.ada.org.uk](http://www.ada.org.uk)

# Annual Internal Audit Report 2024/25

ENTER NAME OF AUTHORITY

ENTER PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

**During** the financial year ended 31 March 2025, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2024/25 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
<b>A.</b> Appropriate accounting records have been properly kept throughout the financial year.			
<b>B.</b> This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.			
<b>C.</b> This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.			
<b>D.</b> The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.			
<b>E.</b> Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.			
<b>F.</b> Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.			
<b>G.</b> Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.			
<b>H.</b> Asset and investments registers were complete and accurate and properly maintained.			
<b>I.</b> Periodic bank account reconciliations were properly carried out during the year.			
<b>J.</b> Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.			
<b>K.</b> If the authority certified itself as exempt from a limited assurance review in 2023/24, it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2023/24 AGAR tick "not covered")</i>			
<b>L.</b> The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.			
<b>M.</b> In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations <i>(during the 2024-25 AGAR period, were public rights in relation to the 2023-24 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set)</i> .			
<b>N.</b> The authority has complied with the publication requirements for 2023/24 AGAR <i>(see AGAR Page 1 Guidance Notes)</i> .			

O. (For local councils only)	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

Name of person who carried out the internal audit

DD/MM/YYYY DD/MM/YYYY DD/MM/YYYY

ENTER NAME OF INTERNAL AUDITOR

Signature of person who carried out the internal audit

SIGNATURE REQUIRED

Date

DD/MM/YYYY

**\*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).**

**\*\*Note:** If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

## Section 1 – Annual Governance Statement 2024/25

We acknowledge as the members of:

ENTER NAME OF AUTHORITY

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2025, that:

	Agreed		
	Yes	No*	'Yes' means that this authority:
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.			<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.			<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.			<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.			<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.			<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.			<i>arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.</i>
7. We took appropriate action on all matters raised in reports from internal and external audit.			<i>responded to matters brought to its attention by internal and external audit.</i>
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.			<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A

**\*Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.**

This Annual Governance Statement was approved at a meeting of the authority on:

DD/MM/YYYY

and recorded as minute reference:

MINUTE REFERENCE

Signed by the Chair and Clerk of the meeting where approval was given:

Chair

SIGNATURE REQUIRED

Clerk

SIGNATURE REQUIRED

ENTER PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

## Section 2 – Accounting Statements 2024/25 for

ENTER NAME OF AUTHORITY

	Year ending		Notes and guidance
	31 March 2024 £	31 March 2025 £	
<b>1.</b> Balances brought forward			<i>Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.</i>
<b>2.</b> (+) Precept or Rates and Levies			<i>Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.</i>
<b>3.</b> (+) Total other receipts			<i>Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.</i>
<b>4.</b> (-) Staff costs			<i>Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.</i>
<b>5.</b> (-) Loan interest/capital repayments			<i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i>
<b>6.</b> (-) All other payments			<i>Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).</i>
<b>7.</b> (=) Balances carried forward			<i>Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).</i>
<b>8.</b> Total value of cash and short term investments			<i>The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – <b>To agree with bank reconciliation.</b></i>
<b>9.</b> Total fixed assets plus long term investments and assets			<i>The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.</i>
<b>10.</b> Total borrowings			<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>

For Local Councils Only	Yes	No	N/A	
<b>11a.</b> Disclosure note re Trust funds (including charitable)				<i>The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.</i>
<b>11b.</b> Disclosure note re Trust funds (including charitable)				<i>The figures in the accounting statements above exclude any Trust transactions.</i>

I certify that for the year ended 31 March 2025 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

**Signed by Responsible Financial Officer before being presented to the authority for approval**

SIGNATURE REQUIRED

Date

DD/MM/YYYY

I confirm that these Accounting Statements were approved by this authority on this date:

DD/MM/YYYY

as recorded in minute reference:

MINUTE REFERENCE

Signed by Chair of the meeting where the Accounting Statements were approved

SIGNATURE REQUIRED

## Section 3 – External Auditor’s Report and Certificate 2024/25

In respect of

ENTER NAME OF AUTHORITY

### 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 2025; 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 2024/25

(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 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. (\*delete as appropriate).

(continue on a separate sheet if required)

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

(continue on a separate sheet if required)

### 3 External auditor certificate 2024/25

We certify/do not 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 2025.

\*We do not certify completion because:

External Auditor Name

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

DD/MM/YYYY