

Section 3 - External Auditor Report and Certificate 2024/25

In respect of **Ulverston Town 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 2025; 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 2024/25

Except for the matter 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.

Whilst we note that the council has an appropriate system for the preparation and review of its bank reconciliations in place, we have identified an error in the year end reconciliation supplied. An automated total calculation on the original template has been replaced with a manual figure which has not been identified on review. The control in place should be reviewed and revised to ensure the review process is adequate.

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

Upon review, general reserves appear to be held at a low level. The council should keep this under review and ensure that they have sufficient general reserves to cover expenditure. Per Paragraph 5.34 of JPAG Practitioners' Guide 2024, best practice 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.

The Internal Auditor has answered 'Yes' to control objective I on their report which relates to periodic bank reconciliations being properly carried out. As the year end reconciliation contains a calculation error, we would have expected the answer to this to have been 'No'.

3 External auditor certificate 2024/25

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 2025.

External Auditor Name



External Auditor Signature

A handwritten signature in black ink, appearing to read 'Moore', written over a horizontal line.

Date

10/08/2025