

Bishop's Castle Town Council

Notice of the audit and right to inspect the Annual Governance & Accountability Return

Annual Governance & Accountability Return for the year ended 31 March 2025

Sections 20(2) and 25 of the Local Audit and Accountability Act 2014

Section 16 of the Accounts and Audit Regulations 2015 (SI 2015/234)

	Notes
<p>1. The audit of accounts for Bishop's Castle Town Council for the year ended 31 March 2025 has been carried out but cannot be completed for the reasons stated in the external auditor report. The accounts have been published.</p>	<p>This notice and Sections 1, 2 & 3 of the AGAR must be published by 30 September. This must include publication on the smaller authority's website. The smaller authority must decide how long to publish the Notice for; the AGAR and external auditor report must be publicly available for 5 years.</p>
<p>2. The Annual Governance & Accountability Return is available for inspection and copying by any local government elector of the area of Bishop's Castle Town Council on application to:</p>	
<p>(a) <u>MR G RIPPON</u> <u>BISHOPS CASTLE TOWN COUNCIL</u> <u>THE TOWN HALL, HIGH STREET</u> <u>BISHOPS CASTLE SY5 0BG</u></p>	<p>(a) Insert the name, position and address of the person to whom local government electors should apply to inspect the AGAR</p>
<p>(b) <u>10:30 - 12:30 MONDAY & THURSDAY</u></p>	<p>(b) Insert the hours during which inspection rights may be exercised</p>
<p>3. Copies will be provided to any local government elector of the area on payment of <u>£5.00</u> for each copy of the Annual Governance & Accountability Return.</p>	<p>(c) Insert a reasonable sum for copying costs</p>
<p>Announcement made by: (d) <u>SJSMITH ASSISTANT R.F.O</u></p>	<p>(d) Insert the name and position of person placing the notice</p>
<p>Date of announcement: (e) <u>02/10/2025.</u></p>	<p>(e) Insert the date of placing of the notice</p>

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 have been completed?	✓	
	Has all additional information requested, including the dates set for the period for the exercise of public rights, 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 31 March 2025 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? NB: 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 or from www.ada.org.uk

Annual Internal Audit Report 2024/25

BISHOP'S CASTLE TOWN COUNCIL

www.bishopscastle.co.uk

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**
A. Appropriate accounting records have been properly kept throughout the financial year.	<input checked="" type="checkbox"/>		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.		<input checked="" type="checkbox"/>	
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.		<input checked="" type="checkbox"/>	
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.		<input checked="" type="checkbox"/>	
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	<input checked="" type="checkbox"/>		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	<input checked="" type="checkbox"/>		
H. Asset and investments registers were complete and accurate and properly maintained.	<input checked="" type="checkbox"/>		
I. Periodic bank account reconciliations were properly carried out during the year.	<input checked="" type="checkbox"/>		
J. 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.	<input checked="" type="checkbox"/>		
K. 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. (If the authority had a limited assurance review of its 2023/24 AGAR tick "not covered")			<input checked="" type="checkbox"/>
L. 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.		<input checked="" type="checkbox"/>	
M. 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 (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).	<input checked="" type="checkbox"/>		
N. The authority has complied with the publication requirements for 2023/24 AGAR (see AGAR Page 1 Guidance Notes).	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	<input checked="" type="checkbox"/>		

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

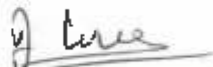
Date(s) internal audit undertaken

02/06/2025 to 09/06/2025

Name of person who carried out the internal audit

JANET INCE

Signature of person who carried out the internal audit



Date 09/06/2025

*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:

BISHOP'S CASTLE TOWN COUNCIL

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*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓		<i>'Yes' means that this authority:</i> prepared its accounting statements in accordance with the Accounts and Audit Regulations.
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.		✓	made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
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.	✓		has only done what it has the legal power to do and has complied with Proper Practices in doing so.
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.	✓		during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.
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.		✓	considered and documented the financial and other risks it faces and dealt with them properly.
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		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.
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		responded to matters brought to its attention by internal and external audit.
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.	✓		disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.
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 has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.

*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:

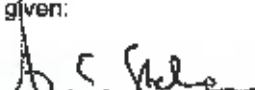
17-6-25

and recorded as minute reference:

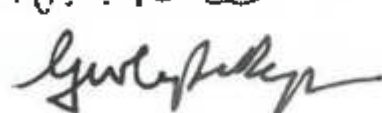
112-25 15 ✓

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

Chair



Clerk



www.bishopscastle.co.uk

Section 2 – Accounting Statements 2024/25 for

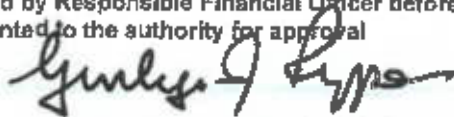
BISHOP'S CASTLE TOWN COUNCIL

	Year ending		Notes and guidance
	31 March 2024 £	31 March 2025 £	
1. Balances brought forward	92,145	42,758	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.
2. (+) Precept or Rates and Levies	160,000	195,000	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	37,357	62,182	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.
4. (-) Staff costs	57,542	41,555	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.
6. (-) Loan interest/capital repayments	8,980	8,980	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	180,222	223,771	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	42,758	25,634	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).
8. Total value of cash and short term investments	21,509	25,634	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.
9. Total fixed assets plus long term investments and assets	982,866	1,006,541	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.
10. Total borrowings	100,985	94,618	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

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

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



Date

17-6-25

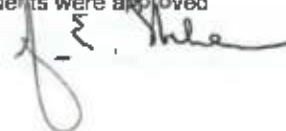
I confirm that these Accounting Statements were approved by this authority on this date:

17-6-25

as recorded in minute reference:

112-25 15 ✓

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



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

In respect of

Bishop’s Castle Town Council - SH0025

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

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.

Please see below

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

The smaller authority has submitted its AGAR and supporting documentation prior to 30 September 2025; however, we have not been able to complete our review work in time to enable the smaller authority to publish the required documentation in line with statutory requirements. Once we have completed our review a final report will be provided with the certificate of completion detailing any qualifications and ‘other’ matters.

Our fee note for the limited assurance review will be issued when we certify completion.

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.

We do not certify completion because:

We have not been able to complete our review work in time to enable the smaller authority to publish the required documentation in line with statutory requirements.

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature

PKF Littlejohn LLP

Date

28/09/2025

Internal Audit report

INTRODUCTION

I have been asked to conduct an internal audit of Bishops Castle Town Council's finances. The purpose of this audit is to review the authorities financial and governance records and controls facilitating the completion of the Internal Audit report in the Annual Governance and Accountability Return. (AGAR). I have based my investigations on the recommendations of the Joint Panel on Accountability and Governance Practitioners Guide (JPAG)

OVERALL ASSESSMENT

Last year the Internal Auditor assessed all areas to be inadequate and requiring immediate improvement. The Council took note of her comments and suggestions and employed an Assistant Clerk with financial qualifications and experience. As I understand the Assistant Clerk now deals with all financial matters, the Clerk taking on the rest. I worked with the Assistant Clerk and did not meet the Clerk. (They are in the office on different days.) It was also recommended and noted by the Council to arrange an interim audit to note any improvement. I could see no evidence of this happening.

I found a lot of evidence of the Assistant Clerk and Council working hard to improve the situation but there is still a way to go. The Council are now working on an Income and Expenditure accounting system as required, the turnover being over £200,000.

A. Appropriate accounting records have been properly kept throughout the financial year. The accounting records have been maintained using an excel cash book with expenditure and income being recorded across several budget categories. VAT control accounts were in place. The Authority have moved from a Receipts and Payments basis to an Income and Expenditure basis as advised by last years Auditor, the council exceeding the threshold of £200 000. Cash book balances from the previous year were correctly rolled forward.

A sample of financial transactions in the cash book was checked against bank statements and found to be accurate.

Bank reconciliations were prepared monthly and presented to full Council and signed off.

The end of year bank reconciliation was checked and shown in AGAR line 8.

Invoices were checked against bank statement entries and the cash book. There were several invoices missing earlier in the year but this improved as the year progressed.

B The authority complied with the financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.

The Standing Orders and Financial Regulations have been updated to the 2025 NALC standard format. These have been put to Council but approval has been deferred to give Councillors more time to study them.

A list of payments is presented to Full Council for approval and detailed in the minutes of the meeting. This list was checked against the cash book and found to be several discrepancies, particularly in Direct Debits. The Assistant Clerk explained that they were aware of this problems and that it was a timing issue. The Council meeting came before the bank deductions. They are working on finding a solution.

C. The authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.

This Council has a full and detailed Risk Assessment and Risk management completed in 2024/25. No evidence that it has been presented to the full Council

Insurance cover was inspected and considered to be adequate.

The Assistant Clerk explained the weekly checks are completed on the playground and play equipment and a Rospa inspection is carried out annually. There was no paperwork available to support this. It is kept by the Clerk and was not available..

D The precept or rates requirement resulted from an adequate budgetary process: progress against the budget was regularly monitored: and reserves were appropriate.

The full Authority considered, approved and adopted the annual precept for the coming year in accordance with the required timetable.

A budget setting process was in place and a precept figure determined for 2024/5 was £180 000. The actual precept asked for was £195 000

E. Expected income was fully received, based on current prices, properly recorded and promptly banked, and VAT was appropriately accounted for.

Total receipts for 2024/5 were greater than that of 2023/4. This was partly due to increased allotment rental and partly additional grants.

All was promptly bank and VAT accounted for.

A full register of allotment tenants was inspected and debtors were monitored. I was informed they all had signed tenancy agreements but these were not available to inspect.

F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.

This Council does not operate a Petty cash system but uses a credit card system instead. The credit card repayments are shown on the cash book as bank charges. The credit card statement showing the purchases is kept in the invoice file but these are not identified anywhere on the cash book.

G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.

The authority employs four members of staff. I am informed by the Assistant Clerk that they all have contracts of employment but these were not available to view.

Salary payments are calculated using an HMRC system. A detailed breakdown per person of their gross pay, net pay, pension contributions, NI, PAYE are all shown in the invoice file.

[Pension payments are payable to Shropshire Council and NI/Tax contributions to HMRC are completed in the month in which salary payments are calculated.

I did not check the number of hours each work or the rate per hour.

The Clerk deals with salaries and he was not available.

H. Asset and investments registers were complete and accurate and properly maintained.

A detailed Assets and Investment register was in place and this cross referenced with the insurance policy. The correct figure was entered in line 9 in the AGAR.

The correct figure for the loan repayment was entered in line 5 of the AGAR.

I Periodic bank account reconciliation's were properly carried out during the year.

A monthly bank account reconciliation's took place and was presented to the Council at the monthly meeting. These were approved by Council. The end of year bank reconciliation was complete.

J. 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.

Appropriate records are maintained on an Income and Expenditure basis to facilitate budget reporting. The financial detail disclosed on section 2 of the AGAR reflects the detail found in these accounting records supported by an adequate audit trail.

K. If the authority certified itself as exempt from a limited assurance review in 2023/4, it met the

exemption criteria and correctly declared itself exempt.
Not applicable, both income and expenditure exceeded £25 000.

L. 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.
The authority has a website but publishes very little financial information.

M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of its public rights as required by the Accounts and Audit Regulation
The Council prepared a notice of exercise of public rights, the dates of which were within the agreed statutory period.

N. The authority has complied with the publication requirements for the 2023/24 AGAR
The authority published the following on its notice board and website:-

Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited.

Annual Governance statement 2023/2024 approved and signed page 4

Accounting statements 2023/24 approved and signed page 5

Internal auditor report.2024

The following were published on the notice board but not the website.

Notice of conclusion of audit

The final annual governance statements

The final accounting statements

The external Auditor report and certificate.

O. Trust funds. The Council met its responsibilities as a Trustee.

The Council acts as a trustee for Bishops Castle Public Hall and Bishops Castle Town Hall Trust..

As of 6th June the reporting for both charities is up to date.

I understand that Bishops Castle Public Hall is about to be sold.

Recommendations

The Council has shown that they are acting on the recommendations from last years Internal Audit but there is still a way to go. I have had to tick the "no" column of the Internal control objective on several lines because not all criteria have been met. Small changes would change this situation.

The following are my recommendations.

- B Ensure that the payments shown on the minutes for approval match the cash book.
- C Risk Assessments should be approved by Full Council.
- D The precept figure proposed on the budget sheet should agree with the figure asked for.
- F Credit card payments should be itemised in some way on the Cash Book
- L The Council website should be improved and more financial documents publicised.
- N The External Auditors Report and certificate must be published on the website.

This Audit was undertaken during the week beginning 2nd June 2025 as agreed with the

Assistant Financial Officer on 10th March 2025. Unfortunately the Accounts were not ready on 2nd June so only one day could be spent at the Town Hall instead of two as planned. The rest was covered remotely with papers sent electronically.

Audit report completed Monday 9th June 2025.

J. Ince

JAWST INCE (CILCA)

Bishop's Castle Town Council
BY EMAIL

DDI:
+44 (0)20 7516 2200
Email:
sba@pkf-l.com
Date:
16 October 2025
Our Ref:
SH0025
SAAA Ref:
SB00905

Bishop's Castle Town Council
Completion of the limited assurance review for the year ended 31 March 2025

Dear Mr Rippon

We have completed our review of the Annual Governance & Accountability Return (AGAR) for Bishop's Castle Town Council for the year ended 31 March 2025. On 29 September 2025, we issued an 'interim' report in respect of our review of Bishop's Castle Town Council's AGAR for the year ended 31 March 2025. We explained the reasons that we were unable to certify completion of the review at that time. We are now able to certify completion of the review. The final external auditor report and certificate is included for your attention as another attachment to the email containing this letter, along with a copy of Sections 1 and 2, on which our report is based, and a copy of our 'interim' Section 3 report. The smaller authority must publish these documents immediately and at the next meeting consider the final external auditor report and decide what, if any, action is required.

Action you are required to take at the conclusion of the review

The Accounts and Audit Regulations 2015 (SI 2015/234) set out what you must do at the conclusion of the review. In summary, on receipt of our final external auditor report and certificate you are required to:

- Prepare a "Notice of conclusion of audit" which details the rights of inspection, in line with the statutory requirements. We attach a pro forma notice you may use for this purpose (a Word version is available on request).
- Publish the "Notice" along with the AGAR (Sections 1, 2 & 3) and our attached final report and certificate before 30 September 2025 (or as soon as possible where this date has passed), which must include publication on the smaller authority's website. (Please note that when the statute and regulations were amended in 2014 and 2015, they did not include a requirement for the length of time that for which the Notice must be published. There is no requirement for the Notice to be publicly accessible for 5 years, as there is for the AGAR and the external

auditor report and certificate. The previous statute required 14 days; but it is now up to the authority to make this decision).

- Keep copies of the AGAR (Sections 1, 2 & 3) and the attached final report and certificate available for purchase by any person on payment of a reasonable sum.
- Ensure that Sections 1, 2 and 3 of the published AGAR plus the attached final report and certificate, remain available for public access for a period of not less than 5 years from the date of publication.

Fee

We enclose our fee note, on page 4 of this attachment, for the limited assurance review, which is in accordance with the fee scales set by Smaller Authorities' Audit Appointments Ltd which can be found at <https://www.saaa.co.uk/audit-fees/>. This fee is statutory, must be paid and is due immediately on receipt of invoice, please arrange for this to be paid at the earliest opportunity.

Additional charges are itemised on the fee note, where applicable. These arise where either:

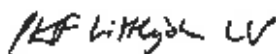
- we have had to issue chaser letters and/or exercise our statutory powers due to a failure to provide an AGAR by the submission deadline; or
- it was necessary for us to undertake additional work.

Please return the remittance advice with your payment, which should be sent to: PKF Littlejohn LLP, Ref: Credit Control (SBA), 5th Floor, 15 Westferry Circus, Canary Wharf, London, E14 4HD. Please include the reference SH0025 or Bishop's Castle Town Council as a reference when paying by BACS.

Feedback on 2024/25

We would welcome feedback on your experiences with PKF Littlejohn LLP during the review for the year ended 31 March 2025. Such feedback is important to us to help us drive improvements in client service. If you wish to provide feedback, our satisfaction survey template can be used, which is available on our website: <https://www.pkf-l.com/services/limited-assurance-regime/useful-information-and-links/>.

Yours sincerely



PKF Littlejohn LLP

Final External Auditor Report and Certificate 2024/25 In respect of Bishop's Castle Town Council SH0025

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.

External auditor's limited assurance opinion 2024/25

On 28 September 2025, we issued a report detailing the results of our limited assurance review of Sections 1 and 2 of this authority's Annual Governance & Accountability Return for the year ended 31 March 2025. We explained that we were unable to certify completion of the review at that time. We are now in a position to certify completion of the review.

The external auditor report given in Section 3 of the Annual Governance & Accountability Return requires amendments as follows:

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.

Information has come to our attention from the internal auditor highlighting the fact that Sections 1 & 2 of the 2023/24 AGAR, Notice of conclusion of audit and external auditor report and certificate were not published on the authority's website by the dates specified in the Accounts and Audit Regulations 2015.

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 8 does not agree to the bank reconciliation. The figure in Box 8 should read £16,570.

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

In the completion of the Annual Internal Audit Report, and their detailed reports, the internal auditor has drawn attention to weaknesses in relation to budget setting, and credit card purchases. The smaller authority must ensure that action is taken to address these areas of weakness in a timely manner.

The smaller authority has confirmed that it has not complied with the governance Assertions in Section 1, Boxes 2 and 5 and it has provided the appointed auditor with an adequate explanation for non-compliance and details of the actions necessary to address weaknesses identified. This is consistent with the internal auditor's response to Internal control objectives B and C.

External auditor certificate 2024/25

We certify that we have completed our review of Sections 1 and 2 of the Annual Governance & Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2025.



PKF Littlejohn LLP
15/10/2025