

INTERMEDIATE REVIEW & 5% TESTS

Assertions being tested 2024-25

This year we are testing the following areas:

Annual Governance Statement Assertion	Review Objectives	Audit Evidence
Assertion 1 We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements	Confirm arrangements for reviewing bank reconciliation.  Confirm the arrangements that were in place during the year under review for setting and approving the budget and consideration of precepts required in accordance with proper practices.	Copy of bank statements for all bank accounts held clearly showing the balance as at 31 March 2025.  Copy of budget for the 2024-25 financial year and minutes of meeting where budget was approved (minutes prior to 31 March 2024).
Assertion 3 We have taken all reasonable steps to assure ourselves that there are no matters of actual or potential non compliance with laws, regulations and codes of practice which could have a significant financial effect on the ability of the smaller authority to conduct its business or on its finances.	Confirm that all expenditure and income decisions made are within existing powers and minuted.	Copies of minutes for April 2024, September 2024 and March 2025 showing income and expenditure powers have been properly identified.  Evidence that the smaller authority has complied with the criteria for general power of competence where a general power of competence is held. Please see A list of documents required on our extranet.
Assertion 8 We have considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year end, have a financial impact on the body and where appropriate have included them in the financial statements.	Confirm that the smaller authority has budgeted for adequate but not excessive reserves.  Confirm there have not been any significant events after the year end that would impact the financial statements.	Copy of reports and minutes supporting budget setting for the 2024-25 financial year in line with paragraph 5.28 of the Practitioners Guide. Please see A list of documents require on our extranet for more detail.  Minutes of meetings after year end, please provide minutes of the next meeting after the year end either April 2025 or May 2025 if no meeting in April.

Please note next year we will be testing Assertion 4, exercise of public rights. Therefore please ensure you retain evidence of compliance from this year for next year’s review.