

Rushmoor Borough Council

Progress report

Year ended 31 March 2025

17 November 2025



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Audit and Governance Committee
Rushmoor Borough Council
Council Office, Farnborough Road
Farnborough, Hants
GU14 7 JU

17 November 2025

Dear Audit and Governance Committee Members

Audit progress report

Attached is the audit progress report for the upcoming meeting of the Audit and Governance Committee. This report aims to provide the Audit and Governance Committee of Rushmoor Borough Council (the Council) with a summary of progress on the 2024/25 Council audit, and any issues identified to date. This report is intended solely for the information and use of the Audit and Governance Committee and management, and is not intended to be, and should not be used, by anyone other than these specified parties.

We welcome the opportunity to discuss this report with you on 26 November 2025 as well as understand whether there are other matters which you consider may influence our audit.

Yours faithfully

Simon Mathers

For and on behalf of Ernst & Young LLP

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Progress Report

2024/25 audit progress update

Status of the audit

We have completed all planning procedures and commencing execution procedures at the beginning of November 2025.

There are no changes to our audit risks or other areas of focus.

Having updated and completed the planned procedures in these areas we identified a risk of significant weakness and actual significant weakness in the Council's VFM arrangements in respect of financial s. We will issue our VFM narrative commentary in our draft 2024/25 Auditor's Annual Report which we expect to issue on 30 November 2025.

Scope update

In our audit planning report presented to the 22 May 2025 Corporate Governance, Audit and Standards meeting, we provided you with an overview of our audit scope and approach for the audit of the financial statements. We will carry out our audit in accordance with this plan.

Control observations to date

Ahead of the year end audit visit, we have not identified any additional observations and improvement recommendations in relation to management's financial processes and controls but we note the following:

► During our walkthrough of the Financial Statement Close Process (FSCP), management was unable to demonstrate arrangements has been fully developed and implemented to adopt the requirements of IFRS 16 in the 2024/25 financial statements. The draft financial statements submitted for audit did not contain all the transitional adjustments and disclosures required for implementation of IFRS 16 and supporting working papers were not fully complete, As a result, some audit work in this area remains ongoing at the date of this report. Some amendments will also be required to both the primary statements of account and supporting disclosures

Timeline

In Section 03 we include a timeline for the audit. All parties need to work together to ensure this timeline is adhered to.

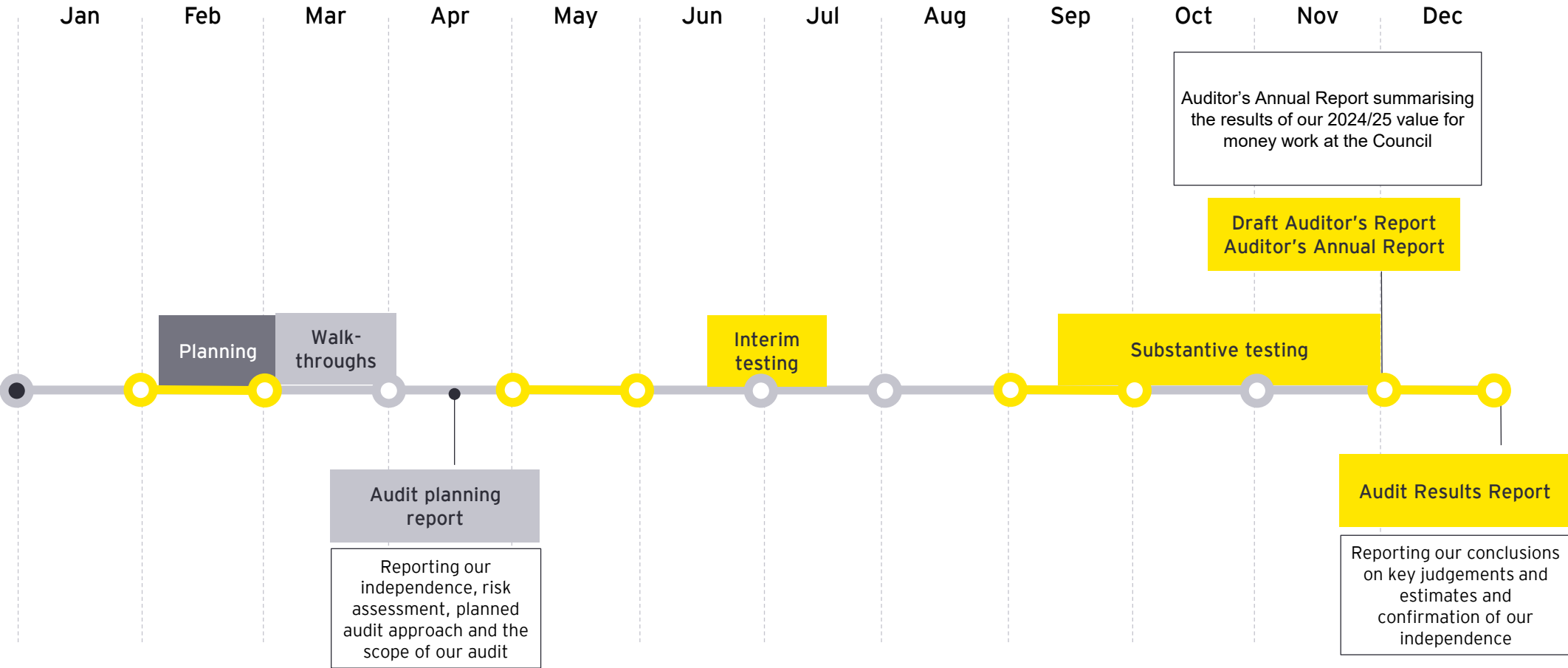
Commentary on value for money arrangements will be included in the 2024/25 Auditor's Annual Report. This will need to be issued in draft by 30 November 2025 to comply with the revised requirements of the 2024 NAO Code of Audit Practice. We intend to send this report electronically to the Chair and Section 151 Officer before the deadline. Any updates to the report following the completion of our audit will be presented at the next Audit and Governance Committee meeting, i.e. on 28 January 2026.

Progress Report (cont'd)

Timeline

The following timetable has been revised to indicate a new commencement date of September 2025, replacing the previously anticipated start in July 2025. It shows the key stages of the audit and the deliverables we have agreed to provide to you through the 2024/25 audit cycle.

From time to time matters may arise that require immediate communication with the Corporate Governance, Audit and Standards Committee Chair as appropriate.



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