Grant Thornton

Annual Audit Report for Grampian Valuation Joint Board

For the financial year ended 31 March 2026

30 October 2026

Prepared for those Charged with Governance and the Accounts Commission



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The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our external audit process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect Grampian Valuation Joint Board or all weaknesses in your internal controls.

This report has been prepared solely for your benefit and Audit Scotland (under the Audit Scotland Code of Audit Practice 2021). We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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1 Headlines

Headlines

Summary of the key findings and other matters arising from the external audit of Grampian Valuation Joint Board (VJB) and the preparation of the financial statements for the year ended 31 March 2026 for those charged with governance (Grampian Valuation Joint Board) and the Accounts Commission.

Financial statements

Under International Standards of Audit (UK) (ISAs) and Audit Scotland's Code of Audit Practice ('the Code'), we are required to report whether, in our opinion:

- Grampian Valuation Joint Board's (VJB) financial statements give a true and fair view of the financial position of the organisation at the 31 March 2026 and of the net expenditure of the organisation for the year then ended;
- Grampian VJB's financial statements have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2025/26 CIPFA Code of Practice on Local Authority Accounting;
- Grampian VJB's financial statements have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.
- the audited part of the Remuneration Report has been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014.

We are required to report whether other information published together with the audited financial statements in the Annual Report and Accounts is materially consistent with the financial statements or our knowledge obtained in the audit, has been prepared in accordance with the requirements or otherwise appears to be materially misstated.

We are also required to report on whether the information given in the Annual Governance Statement is consistent with the financial statements and prepared in accordance with the Delivering Good Governance in Local government: Framework (2016) and addendum issued in May 2025.

We received the draft of the financial statements with working papers on time. We have been supported by Grampian VJB's finance team during the audit process with effective working relationships and commitment to the audit process.

At the audit planning stage, it was identified that the audit would be delivered in a later cycle than the Audit Scotland target timelines (by the end of September) due to council staff focusing on the main council audit first. The timeline agreed to conduct the audit was September to October 2026, with a final report to the Board on 30 October 2026.

Our findings are summarised on pages 11 to 24. We have not identified any adjustments to the primary financial statements. We have identified one adjustment to the notes to the accounts as a result of Grampian VJB updating the pension disclosure note to reflect an updated version of the actuary report which was received following the production of the unaudited accounts presented to the Board in June 2026.

We have identified one potential misstatement during the audit from our testing which totalled £7,900. Management have decided not to adjust the financial statements as the misstatement identified is not material. The decision to not amend for this issue does not impact the proposed audit opinion. Further detail is in the audit adjustments section at page 27.

We have also identified several disclosure amendments that management has adjusted. The amendments are detailed on pages 28 and 29.

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Headlines (2)

Financial statements

We have raised no new audit recommendations for management as a result of our audit work on the financial statements. There was one financial statements recommendation from 2024/25 which remained outstanding, which we have followed up on as part of the 2025/26 audit. This recommendation has now been closed. Our follow up of the recommendation from the prior year audit is detailed in Appendix B.

We have concluded that the other information to be published with the financial statements, is consistent with our knowledge of your organisation and the financial statements we have audited.

Our work is complete on the financial statements and we **issued an unmodified opinion on the financial statements on 30 October 2026.**

We would like to thank management for their co-operation during the audit process.

Adding value through our audit work

We aim to add value to Grampian VJB throughout our audit work. We do this through using our wider public sector knowledge and expertise to provide constructive, forward looking recommendations where we identify areas for improvement and encourage good practice around financial management, financial sustainability, risk management and performance monitoring. In so doing, we aim to help Grampian VJB promote improved standards of governance, better management and decision making, and more effective use of resources.

We invited members of your financial reporting team to our annual Local Government Chief Accountants workshop which is led by our internal financial reporting technical team.

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Headlines (3)

Wider scope and best value arrangements

In accordance with the Code and supporting guidance: "Supplementary guidance -wider scope audit, less complex bodies and Best Value", we have concluded that Grampian VJB is a 'less complex body' and therefore, carried out more limited wider scope work.

As required by the Code and this supporting guidance, we have assessed both the quantitative and qualitative risk factors related to Grampian VJB and concluded that Grampian VJB qualifies for this exemption for 2025/26.

A review of the Annual Governance Statement and concluding on financial sustainability are the areas of scope for the wider scope work. We did not raise any significant issues in relation to the disclosure within the Annual Governance Statement.

Furthermore, bodies in Scotland have a legal duty to deliver "Best Value" in their services. This means they must make arrangements to ensure continuous improvement in their performance, while maintaining a balance between quality and cost, and consider economy, efficiency, effectiveness, equal opportunities and sustainable development.

There are adequate arrangements in place for securing best value at Grampian VJB.

Financial sustainability

Grampian VJB incurred £5.038 million of expenditure during 2025/26, with income received during the year totalling £5.399 million. Following transfers from the electoral reform reserve and payment of the IFRS 16 lease adjustment, the Board delivered a surplus of £0.379 million, of which £0.313 million was returned to constituent authorities. The remaining funding not utilised in 2025/26 was transferred to usable reserves.

A significant driver of the underspend is staff vacancies, which has been an ongoing issue for Grampian VJB for some time, due to difficulties in recruiting qualified valuation staff. Management recognise this challenge and recruitment of staff is a key organisational risk. Grampian VJB are taking steps to address the level of vacancies and to raise the profile of the organisation.

Further details of the work undertaken are outlined on pages 32 – 37.

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2 Our approach to materiality

Our approach to materiality (1)

As communicated in our Audit Plan dated 26 June 2026, we determined materiality at the planning stage as £0.125 million based on 2.5% of prior year gross expenditure. On receipt of draft financial statements, we have reconsidered planning materiality based on the 2025/26 figures in the draft financial statements.

Our approach to determining materiality is set out here.

Materiality area	Amount (£)	Qualitative factors considered
Materiality for the financial statements	£0.135 million	This is equivalent to approximately 2.5% of the gross expenditure for the period ended 31 March 2026. Our materiality has been updated to reflect the 2025/26 figures in the draft financial statements although there has been no change to the % outlined within our audit plan. In 2024/25, materiality was £0.125 million, which represented 2.5% of gross expenditure.
Performance materiality for the financial statements	£0.101 million	Performance materiality has been set at 75% of financial statements materiality. This reflects our risk-assessed knowledge of potential for errors occurring. Performance materiality is used for the purposes of assessing the risks of material misstatement and determining the nature, timing, and extent of further audit procedures. This is the amount we set at less than materiality for the financial statements as a whole, to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole. In 2024/25, performance materiality was £0.093million which represented 75% of our calculated materiality.

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Our approach to materiality (2)

Materiality area	Amount (£)	Qualitative factors considered
Reporting threshold	£0.007 million	This balance is set at 5% of materiality. In 2024/25, our trivial threshold was £0.006 million, and 5% of materiality.
Auditable elements of the Remuneration Report The analysis of staff numbers and costs note will be audited at headline materiality.	£25,000	Due to the public interest in the specified remuneration disclosures, we apply specific audit procedures to this work and set a lower materiality level for this area. We design our procedures to detect errors in specific accounts at a lower level of precision which we have determined to be applicable for the specified remuneration disclosures. We evaluate errors in this disclosure for both quantitative and qualitative factors against this lower level of materiality. We will apply heightened auditor focus on the completeness and clarity of disclosures in this area and will request amendments to be made if any errors exceed the threshold we have set or would alter the bandings reported for any individual. The value in 2024/25 was also £25,000. The performance materiality for these elements is £18,750, based upon 75% of lower materiality (2024/25 was £18,750 and 75%).

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Detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Board and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks; International Financial Reporting Standards and the 2025/26 CIPFA Code.
- We enquired of Senior Officers, concerning the Board's policies and procedures relating to the identification, evaluation and compliance with laws and regulations; the detection and response to the risks of fraud; and the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We enquired of Senior Officers, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We assessed the susceptibility of the Board to material misstatement, including how fraud might occur, by evaluating officers' incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls. We determined that the principal risks related to journal entries that altered the Board's financial performance for the year and potential management bias in determining accounting estimates in relation to the valuation of pensions and valuations of PPE. Our audit procedures are documented within our response to the significant risk of management override of controls.

These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. However, detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as those irregularities that result from fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

The team communications in respect of potential non-compliance with relevant laws and regulations, included the potential for fraud in certain account balances and significant accounting estimates.

In assessing the potential risks of material misstatement, we obtained an understanding of:

- The Board, including the nature of its operating revenue and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
- The Board's control environment, including the policies and procedures implemented by the Board to ensure compliance with the requirements of the financial reporting framework.

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3 Overview of significant risks identified

Overview of significant risks identified

The below table summarises the significant risks discussed in more detail on the subsequent pages.

Significant risks are defined by ISAs (UK) as an identified risk of material misstatement for which the assessment of inherent risk is close to the upper end of the spectrum due to the degree to which risk factors affect the combination of the likelihood of a misstatement occurring and the magnitude of the potential misstatement if that misstatement occurs. A significant risk can be a significant risk due to error or due to fraud. For the purposes of the ISAs (UK), the auditor is concerned with fraud or suspected fraud that causes a material misstatement in the financial statements. Two types of intentional misstatements are relevant to the auditor – misstatements resulting from fraudulent financial reporting and misstatements resulting from misappropriation of assets.

As part of our consideration of risks relating to fraudulent financial reporting, we consider the potential for override of controls or other inappropriate influence over the financial reporting process, such as efforts by management to manage income and expenditure in order to influence Grampian VJB's year-end performance.

Risk title	Risk level	Change in risk since Audit Plan	Fraud risk	Level of judgement or estimation uncertainty	Findings
Risk 1 Management override of controls	Significant	↔	✓	Low	●
Risk 2 Valuation of defined benefit pensions scheme	Significant	↔	×	High	●
Risk 3 Valuation of land and buildings	Significant	↔	×	High	●

Key:

↑ Assessed risk increase since Audit Plan

↔ Assessed risk consistent with Audit Plan

↓ Assessed risk decrease since Audit Plan

● No adjustment or change in disclosure required

● Non-material adjustment or change in disclosure required

● Material adjustment or change in disclosure required

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Overview of significant risks identified – financial statements

Risk identified in our Audit Plan	Audit procedures performed	Key observations
Management override of controls Under ISA (UK) 240 there is a non-rebuttable presumed risk that the risk of management override of controls is present in all entities. Our risk focuses on the areas of the financial statements where there is potential for management to use their judgement to influence the financial statements alongside the potential to override the entity's internal controls, related to individual transactions. We have therefore identified management override of controls, in particular journals, management estimates and of transactions outside the course of business as a significant risk of material misstatement.	We have: • documented an understanding of and evaluated the design effectiveness of management controls over journals; • analysed the journals listing and determined the criteria for selecting high risk unusual journals and tested these journals identified; • challenged management's key judgements and estimates and considered whether these judgements and estimates are individually or cumulatively indicative of management bias; • tested unusual journals made during the year and the accounts production stage for appropriateness and corroboration; • gained an understanding of the accounting estimates and critical judgements applied by management and considered their reasonableness; and • evaluated any changes in accounting policies, estimates or significant unusual transactions.	Grampian VJB utilises the Moray Council ledger for recording its transactions. 2025/26 was the first financial year in which the Council's journal authorisation control was fully implemented and operating effectively, with evidence confirming that the control functioned as designed throughout the year. Our work did not identify any material issues in relation to management override of controls. We are satisfied from our work performed that there have been no identified instances of management override of controls that would result in a material misstatement of the financial statements.

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Overview of significant risks identified – financial statements (2)

Risk identified in our Audit Plan	Audit procedures performed	Key observations
Valuation of defined benefit pension scheme Grampian VJB participates in the North East Scotland Pension Fund (NESPF), a local government pension scheme. There is an established Pension Fund protocol in place with Pension Fund auditors to provide external auditors with relevant assurance. The local government pension scheme is a defined benefit pension scheme and in accordance with IAS 19: Employee Benefits, Grampian VJB is required to recognise its share of the scheme assets and liabilities in its Statement of Financial Position. In 2025/26, management applied the asset ceiling test as prescribed by IFRIC 14 which limited the measurement of a defined benefit asset to the 'present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.' The pension asset can be recognised as the lower of the net pension asset or the present value of any economic benefits available. Grampian VJB's actuaries undertook this assessment and the asset value in the accounts was reduced as the present value of the benefits available were lower than the pension asset. The net liability arising from the unfunded defined benefit obligation remained as there is no right to offset this. (continued)	We have: • evaluated management's processes and controls for the calculation of the gross asset and gross liability and estimates, the instructions issued to the actuarial expert and the scope of their work; • evaluated the assumptions made by Hymans Robertson in the calculation of the estimate, using work performed by an auditor's expert commissioned on behalf of Audit Scotland; • evaluated the data used by management's experts in the calculation of the estimates; • performed substantive analytical procedures over the gross assets, gross liabilities and in year pension fund movements, investigating any deviations from audit expectations; • assessed the accuracy and completeness of the IAS 19 estimates and related disclosures made within the financial statements;	Our procedures included a review over the information Grampian VJB provided to the actuary (and pension fund) on which the pension estimates were made. Furthermore, as part of our IAS 19 assurance protocol request, the auditor of the North East Scotland Pension Fund (NESPF) provided an evaluation of the design of the controls related to the accuracy and completeness of source data provided to the actuary, with no issues being raised. Usually, local government scheme pension liabilities (LGPS) calculated on an IAS 19 basis exceed any pension assets and members of the LGPS recognise a net pension liability on their balance sheet. However, a net defined benefit asset may arise where the defined benefit plan has been overfunded or where actuarial gains have arisen. This was the case for Grampian VJB, where the pension asset exceeded the pension liability by £15.522 million. IFRIC 14 addresses the extent to which an IAS 19 surplus can be recognised on the balance sheet and whether any additional liabilities are required in respect of onerous funding commitments. IFRIC 14 limits the measurement of the defined benefit asset to the 'present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The pension asset can be recognised at the lower of the net pension asset or the present value of any economic benefits available.

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Overview of significant risks identified – financial statements (3)

Risk identified in our Audit Plan	Audit procedures performed	Key observations
Valuation of defined benefit pension scheme (continued) The actuary, Hymans Robertson, provides an annual IAS 19 actuarial valuation of Grampian VJB's net liabilities in the pension scheme. There are a number of assumptions contained within the valuation, including: discount rate; future return on scheme assets; mortality rates; and future salary projections. Given the material value of the scheme's gross assets and gross liabilities and the level of estimation in the valuation, there is an inherent risk that the defined benefit pension scheme net liability could be materially misstated within the financial statements. This risk is focussed on the appropriateness and reasonableness of the underlying assumptions adopted by the actuary and the suitability of these. We therefore consider this to be a significant risk to our audit and a key audit matter.	• reviewed management's assessment of the application of IFRIC 14; • evaluated the response received from the NESPF auditor in line with the Audit Scotland Protocol for Auditor Assurances for Local Government Pension Schemes	Grampian VJB requested an IFRIC14 assessment from the actuary. This is a technical assessment of whether any reduction in the asset figure should be applied in the financial statements. This assessment reduced the asset, to cap it down to £nil for reporting purposes only. This is the correct methodology when admitted bodies into multi employer schemes are not able to request refunds or impact upon their contribution rates when in an asset position. An IFRIC 14 assessment is required due to accounting standard IAS19. This does not impact that the actual position reported by your Actuary as at 31 March 2026 was a net asset position, this is a technical accounting adjustment for reporting purposes only. To prepare the unaudited accounts, Grampian VJB used an initial version of the actuary report which was based on estimated data. Subsequently, Grampian VJB received an updated version of the actuary report which resulted in some non-material changes to the return of plan assets figure and the asset ceiling calculation. Grampian VJB have amended the accounts so that it reflects the final actuary report and this has been disclosed as an adjusted misstatement at page 26. We concluded that the pension figures had been disclosed appropriately in the 2025/26 financial statements. There are no matters to raise to you regarding the information provided to the Actuary and from the information received from the Actuary.

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Overview of significant risks identified – financial statements (4)

Risk identified in our Audit Plan	Audit procedures performed	Key observations
Valuation of land and buildings In accordance with the CIPFA/LASAAC Code of Practice, except for initial recognition, the Board is required to hold property and property, plant and equipment (PPE) on a valuation basis. The valuation basis used will depend on the nature and use of the assets. Specialised land, buildings, equipment, installations and fittings are held at depreciated replacement costs, as a proxy for fair value. Non-specialised land and buildings, such as offices, are held at fair value. As at 31 March 2026, the Board held land and buildings of £0.627 million. Given these significant values, and the level of complexity and judgement involved in their estimation process, there is an inherent risk of material misstatement in the year end valuation of some assets. However, the risk is less prevalent in other assets as these are generally held at depreciated historical cost, as a proxy of fair value. We will therefore focus our audit attention on assets that have large and unusual changes in valuations compared to last year and/or unusual approaches to their valuations. The risk will be pinpointed as part of our final accounts work, once we review the population of assets revalued. (continued)	We have: • evaluated management's processes and controls for the calculation of the valuation estimates, the instructions issued to their valuer and the scope of their work; • evaluated the competence, capabilities and objectivity of the valuation expert; • challenged the information and assumptions used by the valuer to assess completeness and consistency with our understanding; • evaluated the most recent valuer's report and assessed for reasonableness; • for any assets not formally revalued, evaluated the judgement made by management and the valuer in the determination of the current value of these assets.	Our audit work has not identified any material issues in respect of the valuation of land and buildings. The 2025/26 Code of Practice on Local Authority Accounting introduced a significant change to the accounting treatment of non-investment assets by permitting the use of indexation in intervening years between full asset revaluations. Grampian VJB's two land and buildings assets were not subject to a formal revaluation during 2025/26 and instead were subject to indexation review. We assessed Grampian VJB's application of indexation across its two land and buildings assets and confirmed the approach was reasonable, with appropriate accounting entries made.

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Overview of significant risks identified – financial statements (5)

Risk identified in our Audit Plan	Audit procedures performed	Key observations
Valuation of land and buildings (continued) A substantial change has been made to the Code of Practice on Local Authority Accounting for 2025/26. Local government bodies are now required to complete a full valuation for all properties once every five years or alternatively on a five-year rolling basis and supported by indexation in intervening years. We have confirmed that Moray Council employ an internal valuer which Grampian VJB utilises to undertake a rolling programme of valuations across their asset base valuing land and buildings at least once every five years. In the intervening periods, Grampian VJB carries out an indexation exercise. We therefore consider this to be a significant risk to our audit and a key audit matter.		

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Overview of significant risks identified – financial statements (6)

Description	Commentary
Fraud in Expenditure Recognition Due to the presumption that there are risks of fraud in expenditure recognition, we are required to evaluate which types of expenditure, expenditure transactions or assertions give rise to such risks. Practice Note 10: Audit of Financial Statements of Public Sector Bodies in the United Kingdom (PN10) states: "As most public bodies are net spending bodies, then the risk of material misstatement due to fraud related to expenditure may be greater than the risk of material misstatements due to fraud related to revenue recognition". **(rebutted)**	Having considered the risk factors set out in ISA 240 and the nature of the expenditure streams at Grampian VJB, we have determined that the risk of fraud arising from expenditure recognition can be rebutted, because: – there is little incentive to manipulate expenditure recognition; – opportunities to manipulate expenditure recognition are limited; A large proportion of expenditure relates to resources consumed in the direction and control of day-to-day operations including staff costs and projects. Controls have also been designed and implemented to mitigate any fraud within these expenditure streams and therefore, the risk of fraud in expenditure recognition is deemed low. **Conclusion** Our work has not identified any material issues in relation to completeness of expenditure and associated liabilities.
Fraud in Revenue Recognition Under ISA (UK) 240 there is a rebuttable presumed risk that revenue may be misstated due to the improper recognition of revenue. This presumption can be rebutted if the auditor concludes that there is no risk of material misstatement due to fraud relating to revenue recognition. **(rebutted)**	Having considered the risk factors set out in ISA 240 and the nature of the revenue streams at Grampian VJB, we have determined that the risk of fraud arising from revenue recognition for all revenue streams can be rebutted, because: • there is little incentive to manipulate revenue recognition; • opportunities to manipulate revenue recognition are very limited; • income received directly from partner bodies is deemed to be low risk, given its predictable nature and the controls surrounding the funding process. **Conclusion** Our work has not identified any material issues in relation to completeness of income

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4 Other findings

Other findings – information technology

This section provides an overview of results from our assessment of Information Technology (IT) environment and controls which included identifying risks from the use of IT related to business process controls relevant to the financial audit. This includes an overall IT General Control (ITGC) rating per IT system and details of the ratings assigned to individual control areas.

IT application	Level of assessment performed	Overall ITGC rating	ITGC control area rating – security management	ITGC control area rating – technology acquisition, development and maintenance	ITGC control area rating – technology infrastructure	Related significant risks / other risks
General ledger	ITGC design, implementation and operating effectiveness.	Green	Green	Green	Green	All significant risks
Payroll	ITGC design and implementation effectiveness only.	Green	Green	Green	Green	Valuation of pension scheme
Fixed Assets	ITGC design and implementation effectiveness only.	Green	Green	Green	Green	Property, Plant and Equipment

As Grampian VJB utilises the same systems as Moray Council, we place reliance over the ITGC work completed by the Moray Council audit team. There are no issues to raise to you from the work performed.

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5 Communication requirements and other responsibilities

Communication requirements

Issue	Commentary
Matters in relation to fraud and irregularity	It is Grampian VJB's responsibility to establish arrangements to prevent and detect fraud and other irregularity. As auditors, we obtain reasonable assurance that the financial statements as a whole are free from material misstatement, whether due to fraud or error. We obtain annual representation from management and those charged with governance regarding Grampian VJB's assessment of fraud risk, including internal control, fraud risk and any known or suspected frauds in year. We have not been made aware of any other incidents in the period and no other issues have been identified during the course of our audit procedures.
Matters in relation to related parties	We are not aware of any related parties or related party transactions which have not been disclosed in the Annual Report and Accounts.
Matters in relation to laws and regulations	You have not made us aware of any significant incidences of non-compliance with relevant laws and regulations and we have not identified any incidences from our audit work. We have not identified any cases of money laundering or fraud at Grampian VJB.
Written representations	A letter of representation has been requested from Grampian VJB as required by auditing standards. We request a standard letter of representation. The unadjusted misstatement at page 27 will be appended to the letter of representation.
Accounting practices	We have evaluated the appropriateness of Grampian VJB's accounting policies, accounting estimates and financial statement disclosures. We have identified minor disclosure adjustments required to the financial statements which have been detailed in the Audit Adjustment section of this report.
Other returns to Audit Scotland	In accordance with the Audit Scotland Planning Guidance, as appointed auditors, we have prepared and submitted Fraud Returns and have contributed to shared intelligence for sector meetings and Technical Guidance Notes. There is nothing we need to bring to your attention in this respect.

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Other responsibilities

Issue	Commentary
Going concern	In performing our work on going concern, we have had reference to Statement of Recommended Practice – Practice Note 10: Audit of financial statements of public sector bodies in the United Kingdom (Revised 2024). The Financial Reporting Council recognises that for particular sectors, it may be necessary to clarify how auditing standards are applied to an entity in a manner that is relevant and provides useful information to the users of financial statements in that sector. Practice Note 10 provides that clarification for audits of public sector bodies. Practice Note 10 sets out the following key principles for the consideration of going concern for public sector entities: – the use of the going concern basis of accounting is not a matter of significant focus of the auditor's time and resources because the applicable financial reporting frameworks envisage that the going concern basis for accounting will apply where the entity's services will continue to be delivered by the public sector. In such cases, a material uncertainty related to going concern is unlikely to exist, and so a straightforward and standardised approach for the consideration of going concern will often be appropriate for public sector entities. – for many public sector entities, the financial sustainability of the reporting entity and the services it provides is more likely to be of significant public interest than the application of the going concern basis of accounting. Our consideration of Grampian VJB's financial sustainability is addressed by our wider scope work, which is covered elsewhere in this report. Practice Note 10 states that if the financial reporting framework provides for the adoption of the going concern basis of accounting on the basis of the anticipated continuation of the provision of a service in the future, the auditor applies the continued provision of service approach set out in Practice Note 10. The financial reporting framework adopted by Grampian VJB meets this criteria, and so we have applied the continued provision of service approach. In doing so, we have considered and evaluated: • the nature of Grampian VJB and the environment in which it operates • Grampian VJB's financial reporting framework • Grampian VJB's system of internal control for identifying events or conditions relevant to going concern • management's going concern assessment. In accordance with Audit Scotland guidance: Going concern in the public sector, we have therefore considered management's assessment of the appropriateness of the going concern basis of accounting and on the basis of this work, we have obtained sufficient appropriate audit evidence to enable us to conclude that: • a material uncertainty related to going concern has not been identified; and • management's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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Other responsibilities (2)

Issue	Commentary
Other information	We are required to give an opinion on whether the other information published together with the audited financial statements (including the Annual Report), is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. Minor amendments have been made to the Annual Report and we are satisfied that there are no unadjusted material inconsistencies to report.
Auditable elements of Remuneration Report	We are required to give an opinion on whether the parts of the Remuneration Report subject to audit have been prepared properly in accordance with the requirements of the Local Authority Accounts (Scotland) Regulations 2014, and directions there under. We have audited the elements of the Remuneration Report and there are no issues to report to you.
Annual Governance Statement	We are required to report on whether the information given in the Annual Governance Statement is consistent with the financial statements and prepared in accordance with the requirements of the Delivering Good Governance in Local Government: Framework 2016 and addendum issued in May 2025. There are no issues to raise to you from our work on the Annual Governance Statement.
Matters on which we report by exception	We are required to report on a number of matters by exception if, in our opinion: • adequate accounting records have not been kept; • the financial statements and the audit part of the Remuneration are not in agreement with the accounting records; • we have not received all the information and explanations we require for our audit; or • there has been a failure to achieve a prescribed financial objective. We have nothing to report on these matters.

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6 Audit adjustments

Audit adjustments

We are required to report all non-trivial misstatements to those charged with governance, whether or not the accounts have been adjusted by management.

Impact of adjusted misstatements

All adjusted misstatements made during the course of the audit are set out in the table below, together with their impact on the Comprehensive Income and Expenditure Statement (CIES), the balance sheet, and the reported net expenditure of the Board for the year ending 31 March 2026.

Note that with any of the adjustments there is no impact upon usable reserves.

Detail	Comprehensive Income and Expenditure Statement	Balance Sheet	Impact on total gross expenditure
Pension Figures We identified that the fair value of plan assets calculated in the second version of the actuary's report was different to the value disclosed in the annual accounts. This was a result of the actuary providing an updated report based on actual data for the year. Due to the application of the asset ceiling under IFRIC 14, the overall impact on the financial statements was nil, however within the notes to the accounts, the pensions disclosure was updated to reflect a decrease in the fair value of plan assets of £97,000 and a decrease in the asset ceiling of £97,000.		Dr Asset Ceiling adjustment £97,000 Cr Fair Value of Plan assets £97,000	Nil

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Audit adjustments (2)

Impact of unadjusted misstatements

The table below provides details of all non-trivial errors which we identified during the course of our 2025/26 audit which management decided not to amend within the final set of financial statements. The unadjusted misstatements will be included in the Letter of Representation.

Detail	Comprehensive Income and Expenditure Statement	Balance Sheet	Impact on total gross expenditure
Accruals	CR Expenditure	DR Creditors	(£7,900)
We identified that an invoice relating to rent and service charges for the period 1 January 2026 to 31 March 2026 was accrued based on management's estimate, as the actual invoice was not received until August 2026. Comparison of the accrual to the subsequent invoice identified an overstatement of expenditure and an overstatement of creditors of £7,900. Grampian VJB has not adjusted the accounts for this item.	(£7,900)	£7,900	

Impact of unadjusted misstatements – prior year

There were no prior year unadjusted misstatements.

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Audit adjustments (3)

We are required to report all non-trivial misstatements to those charged with governance, whether or not the accounts have been adjusted by management.

Misclassification and disclosure changes

The table below provides details of misclassification and disclosure changes identified during the audit which have been made in the final set of financial statements.

Disclosure	Misclassification or change identified	Adjusted?
Review of Annual Report and Accounts (General)	We identified minor casting errors, figures which had not yet been included and formatting issues as part of our review of the Annual Report and Accounts. These were raised and processed by management where necessary.	✓
Annual Governance Statement	We identified that amendments were required to the Governance Statement to confirm that the Local Code of Corporate Governance is reviewed regularly to ensure continued alignment with the principles of good governance contained within the CIPFA/SOLACE framework. The statement was also updated to confirm that governance arrangements and the system of internal control operated effectively during 2025/26 and continue to be fit for purpose.	✓
Remuneration Report	We identified that the highest salary disclosed in the Remuneration Band table had been included within an incorrect remuneration band. The disclosure was subsequently amended to correctly reflect the salary within the £135,000 to £139,999 band. We identified that no disclosure had been included within the Remuneration Report in respect of exit packages. The disclosure was subsequently updated to confirm that no exit packages were agreed during 2025/26. We identified that the Remuneration Report did not clearly specify which sections were subject to audit. The disclosure was subsequently updated to confirm the sections subject to audit.	✓

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Audit adjustments (4)

Disclosure	Misclassification or change identified	Adjusted?
Cash Flow Statement		
Note 20 - Cashflow – Analysis of Net Deficit on the provision of services for non cash movements	We identified that the movement in the IFRS 16 lease liability of £0.012 million and IFRS 16 lease interest £0.006 million had been incorrectly included within Note 20. The note was subsequently revised to remove these amounts, and the related figures within the Cash Flow Statement were also subject to update.	✓
Note 11 – Property, Plant and Equipment	We identified that the disclosures in relation to the valuation of PPE assets should be updated to reflect the updated CIPFA guidance which now allows assets held at current value to be revalued on a rolling basis over a five-year cycle, with annual indexation applied to assets where appropriate during the four intervening years.	✓
Note 23 – Related Parties	We identified that the balances owed to constituent authorities disclosed within Note 23 did not agree to the underlying creditor balances and supporting working papers. Management confirmed that the underlying records were correct and the disclosure was amended to reflect the correct balances owed to constituent authorities.	✓

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7 Wider scope and best value arrangements

Wider scope audit

Our responsibilities under the Code extend beyond the audit of the financial statements. Under the Code and supporting guidance: "Supplementary guidance - wider scope audit, less complex bodies and Best Value" issued by Audit Scotland, there is an exemption in relation to the normal wider scope audit requirements of the Code for public bodies which are smaller and have limited financial activity (referred to as "Less Complex Bodies").

As required by the Code and this supporting guidance, we have assessed both the quantitative and qualitative risk factors related to Grampian VJB and concluded that Grampian VJB qualifies for this exemption for 2025/26. From a quantitative perspective the gross revenue, gross assets and gross liabilities of Grampian VJB have not exceeded the £10.2 million limit set out in Audit Scotland's guidance, and from a qualitative perspective we have not identified any wider scope risks beyond financial sustainability that would require further consideration during the audit.

Our wider scope work at Grampian VJB was limited to the following areas specified for Less Complex Bodies in the Code:

Financial Sustainability

Concluding on the financial sustainability of the body and the services that it delivers over the medium to longer term.

Annual Governance Statement

A review of the Annual Governance Statement

Therefore, the scope of our responsibilities under the Code do not cover the wider areas and conclusions over operational effectiveness, effective use of resources, performance management, governance or vision and leadership.

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Wider scope conclusions

This section of our report documents our conclusions from audit work on the wider scope area of financial sustainability, as set out in the Code. We take a risk-based audit approach to wider scope work.

Wider scope area	Our risk considerations and focus	Significant risk identified - final stage		Wider scope conclusion
Financial Sustainability	The projected financial position of Grampian VJB in the medium to longer term and the relevance and appropriateness of assumptions applied to financial plans that will allow the Board to effectively deliver services in the future	No		We have not identified a significant risk in relation to financial sustainability. Grampian VJB have developed a Medium-Term Financial Strategy which sets out future costs over a three-year period. The revenue monitoring report which will be presented to the Board on 30 October 2026 confirms that Grampian VJB are predicting an underspend against the 2026/27 budget of £0.705 million. Grampian VJB have ongoing issues with recruitment and currently have 14 positions vacant. Management continue to take a prudent approach in relation to budgeting for employee related costs which ensures that Grampian VJB will have an appropriate budget for employee costs should all roles be filled. However, this leads to the significant level of underspend which is being reported. The above judgements are predicated on the continued funding of the Board and based upon the assumptions in the Medium Term Financial Strategy.

- No risks identified
- Other risks identified.
- Significant risk identified.

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Wider scope audit (2)

This section of our report sets out our conclusions from our audit work on the wider scope area of financial sustainability. This considers the medium to longer term financial position of Grampian VJB.

Audit plan risk	Wider scope audit response	Conclusion
No significant risk identified at planning.	**2025/26 Plan and Outturn** In January 2025, the Board approved a three-year revenue budget for the period 2025/26 to 2027/28. The approved budget for 2025/26 included net expenditure of £5.699 million, which was to be funded through constituent authority requisitions of £5.399 million and the planned use of £0.300 million from the earmarked Electoral Integrity Programme (EIP) reserve. This represented an increase of £1.532 million (37%) in net expenditure compared with 2024/25 and a £0.674 million (14%) increase in requisition income from constituent authorities. Actual net expenditure for 2025/26 was £5.038 million, resulting in an underspend of £0.536 million against budget. During the year, £0.143 million was drawn from the earmarked EIP reserve to support expenditure. The Board reported a surplus outturn of £0.379 million and subsequently transferred £0.050 million to the Non-Domestic Rates (NDR) Reserve and £0.016 million to the General Fund Reserve. Grampian VJB returned £0.313 million of requisition funding to partner authorities, resulting in a final total requisition and grant funding of £5.086 million. Usable reserves totalled £1.103 million at 31 March 2026. The year end outturn is reflected in the table on the following page.	The 2025/26 budget was approved by the Board in January 2025 as part of the three-year approach to budget setting.

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Wider scope audit (3)

Audit plan risk	Wider scope audit response	Conclusion
No significant risk identified at planning.	**2025/26 Plan and Outturn (continued)** The outturn for the year is reflected in the table below:	Grampian VJB incurred a significant underspend against budget of £0.379 million, primarily as a result of underspend in employee costs due to vacancies and additional income received during the year.

	Budget 2025/26 (£000s)	Actual 2025/26 (£000s)
Total gross expenditure	5,595	5,192
Total non-requisition income	(21)	(154)
Total net expenditure	5,574	5,038
Total requisition income	(5,399)	(5,399)
Approved use of reserves - NDR Reform reserve	(300)	(143)
IFRS 16 related costs	125	125
Outturn for the year	-	(379)

The underspend for the year was primarily driven by lower employee costs of £0.253 million, reflecting vacant posts and ongoing recruitment challenges in filling suitably qualified positions. Additional underspends were achieved in postage and printing costs of £0.156 million and interest income of £0.064 million due to higher than anticipated interest rates. These favourable variances were partially offset by additional expenditure on supplies and services. Overall, the net underspend meant that the full use of approved use of reserves was not required during the year. General Fund reserves balances decreased by £0.077 million in 2025/26, resulting in Grampian VJB holding total General Fund reserves of £1.103 million at the 31 March 2026.

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Wider scope audit (4)

Audit plan risk	Wider scope audit response	Conclusion
No significant risk identified at planning.	**2026/27 Financial Planning and Beyond** In January 2026, the Board approved a three-year revenue budget covering 2026/27 to 2028/29. The 2026/27 budget includes several areas where expenditure is expected to increase in comparison to 2025/26 and the final approved budgeted net expenditure totalled £5.653 million. This expenditure is to be fully funded by requisitions from constituent authorities of £5.653 million. This is an expected £0.615 million increase on 2025/26 net expenditure and a £0.567 million increase on the 2025/26 final requisition income. There is no planned use of reserves balances in 2026/27. The three-year budget is reflected in the table below:	Grampian VJB have prepared a medium-term financial strategy covering three financial years, which will be subject to review on an annual basis.

	2026/27 (£000s)	2027/28 (£000s)	2028/29 (£000s)
Total gross expenditure	5,690	5,838	5,979
Total non-requisition income	(37)	(26)	(26)
Total requisition income	(5,653)	(5,812)	(5,953)
(Surplus)/Deficit for the year	-	-	-

As reported in the prior year, management continues to recognise recruitment and retention challenges as a key risk to the organisation and its ability to deliver services effectively. Employee benefit costs represent the Board's largest area of expenditure, accounting for approximately 71% of total costs. As reported in previous years, workforce vacancies continue to present a significant challenge, with recurring underspends in employee costs recorded since 2020/21. The recruitment and retention of suitably qualified valuation staff remains particularly difficult, and the organisation currently has 14 vacant posts. These staffing pressures present an ongoing risk to service delivery and organisational capacity.

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Wider scope audit (5)

Audit plan risk	Wider scope audit response	Conclusion
No significant risk identified at planning.	**2026/27 Financial Planning and Beyond (continued)** As part of the three-year revenue budget, a 3% annual increase in employee costs has been assumed throughout the planning period. This approach has been maintained despite recurring underspends in employee costs in recent years arising from persistent staffing vacancies. There remains a risk that vacancies, particularly within the valuation team, could adversely affect the organisation's capacity to deliver planned services and objectives. Ongoing recruitment difficulties also create uncertainty in financial forecasting, as the timing of appointments and associated expenditure remains difficult to predict. The Board has acknowledged the need to address the recurring underspends in employee costs and is considering this as part of the budget-setting process. However, management continues to adopt a prudent approach, noting that reducing employee budgets solely to reflect historical recruitment challenges could understate the true cost of the approved staffing establishment and result in an artificial reduction in projected reserve balances. The Board received a report on 28 August 2026 which covers staff vacancies, recruitment and upskilling. The report is a standing item that has been presented at Board meetings since January 2023. This update confirmed the level of vacant posts, eight of which are within the Valuation team. Vacant posts include one of two Depute Assessor and Electoral Registration Officer roles following a retirement in May 2026. The role continues to remain vacant. Workforce development and recruitment activity continues across the organisation. Grampian VJB have successfully recruited a Technical Assistant and Valuer with both individuals expected to commence employment in late 2026, while a further employee commenced a Graduate Apprenticeship at Edinburgh Napier University to support professional development and strengthen organisational skills capacity. Training and development remain a focus, and there is ongoing collaboration across Assessors' offices to develop a Trainee Valuer framework, continued delivery of internal training programmes, and enhanced support for staff undertaking the Royal Institution of Chartered Surveyors (RICS) Assessment of Professional Competence through access to a shared learning platform. The Board is also maintaining engagement with prospective recruits through careers fairs and ongoing vacancy advertising.	Management continue to take a prudent approach in relation to budgeting for employee related costs. This approach is supported by Board members and ensures that Grampian VJB will have an appropriate budget for employee costs should all roles be filled. There is a risk that staffing challenges may make it difficult for Grampian VJB to achieve their planned delivery, as well as introducing financial uncertainty impacting their ability to produce accurate budgets.

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Wider scope audit (6)

Audit plan risk	Wider scope audit response	Conclusion
No significant risk identified at planning.	**2026/27 Financial Planning – Budget Monitoring 2026/27** Grampian VJB will present the revenue monitoring report for the first six months of the financial year to the Board on 30 October 2026. The report provides an update on the Grampian VJB's performance against the 2026/27 budget. We have been given early sight of this report to provide an update for our report. The budget position at the end of September 2026 shows an underspend of £0.577 million against the year-to-date budget. This largely reflects the timing of expenditure, with a number of significant costs expected to be incurred during the second half of the financial year. As anticipated, employee costs remain below budget due to staffing vacancies, contributing an underspend of £0.328 million. The monitoring report also provides details on the estimated outturn for the full financial year. The latest forecast projects an underspend of £0.705 million against the approved budget at year-end. Approximately £0.609 million of the total underspend relates to employee cost savings arising from vacant posts and recruitment delays.	The October 2026 monitoring position confirms Grampian VJB are projecting a £0.705 million underspend primarily due to staff vacancies.

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Best value arrangements

The Code of Audit Practice requires that auditors assess and report on audited bodies' performance in meeting their Best Value duties as part of the annual audit.

The duty of Best Value includes:

- to make arrangements to secure continuous improvement in performance whilst maintaining an appropriate balance between quality and cost; and, in making those arrangements and securing that balance,
- to have regard to economy, efficiency, effectiveness, the equal opportunities requirements and to contribute to the achievement of sustainable development.

The Code of Audit Practice requires that auditors incorporate the themes of Best Value in the work as part of the annual audit in the remit of work required to be undertaken as part of the wider scope.

Grampian VJB has adequate arrangements in place with regards to best value.

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8 Independence considerations

Independence considerations

Ethical Standards and ISA (UK) 260 require us to give you timely disclosure of all significant matters that may bear upon the integrity, objectivity and independence of the firm or covered persons (including its partners, senior managers and managers). In this context, there are no independence matters that we would like to report to you.

We are required to report to you details of any breaches of the requirements of the FRC Ethical Standard, and of any safeguards applied and actions we have taken to address any threats to independence. No breaches have been identified by the team.

We confirm that we have implemented policies and procedures to meet the requirement of the Financial Reporting Council's Ethical Standard.

As part of our assessment of our independence we note the following matters:

Matter	Conclusion
Relationships with Grant Thornton	We are not aware of any relationships between Grant Thornton and Grampian VJB that may reasonably be thought to bear on our integrity, independence and objectivity.
Employment of Grant Thornton staff	We are not aware of any former Grant Thornton partners or staff being employed, or holding discussions in respect of employment, by the organisation as a director or in a senior management role covering financial, accounting or control related areas.
Business relationships	We have not identified any business relationships between Grant Thornton and Grampian VJB.
Contingent fees in relation to non-audit services	No contingent fee arrangements are in place for non-audit services provided.
Gifts and hospitality	We have not identified any gifts or hospitality provided to, or received from, a member of Grampian VJB's board, senior management or staff.

We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention and consider that an objective reasonable and informed third party would take the same view. The firm and each covered person (and network firms) have complied with the Financial Reporting Council's Ethical Standard and confirm that we are independent and are able to express an objective opinion on the financial statements.

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Fees and non-audit services

We confirm below our final fee charged for the audit and confirm there were no fees for the provision of non-audit services.

External Audit Fee	Planned Fees	Final Fees
Auditor Remuneration - baseline	£21,340	£21,340
Pooled Costs	£740	£740
Contribution to Audit Scotland support costs	Nil	Nil
Contribution to Performance Audit and Best Value	Nil	Nil
Sectoral Cap Adjustments	-£12,160	-£12,160
2025/26 Audit Fee	**£9,920**	**£9,920**

Fees for other non-audit services	Final Fees
We confirm that for 2025/26 we did not receive any fees for non-audit services	**Nil**

This covers all services provided by us and our network to Grampian VJB, its directors and senior management and its affiliates, that may reasonably be thought to bear on our integrity, objectivity or independence.

This Annual Audit Report was considered by the Grampian VJB Board on 30 October 2026.

The fees reconcile to the financial statements as follows:

- fees per financial statements (rounded) £10,000
- total fees per above £9,920

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Client Service Review

Client service

We take our client service seriously and continuously seek your feedback on our external audit service. Should you feel our service falls short of expected standards please contact Joanne Brown, Head of Public Sector Assurance Scotland in the first instance who oversees our portfolio of Audit Scotland work (joanne.e.brown@uk.gt.com). Alternatively, should you wish to raise your concerns further please contact Mark Stocks, Partner, 8 Finsbury Circus, London, EC2M 7EA.

If your feedback relates to audit quality and we have not successfully resolved your concerns, your concerns should be reported to John Gilchrist, Audit Scotland Quality and Appointments in accordance with the Audit Scotland audit quality complaints process.

Transparency

Grant Thornton publishes an annual Transparency Report, which sets out details of the action we have taken over the past year to improve audit quality as well as the results of internal and external quality inspections. For more details see 2025-transparency-report.pdf

Quality

Grant Thornton publishes an annual Audit Quality Report, which sets out details of the actions we have taken over the past year to meet our audit quality framework and provides a forward look on our plans for the future. For more details, see audit-quality-report-2026-final.pdf

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9 Appendices

A. Communication of audit matters with those charged with governance

Our communication plan	Audit Plan	Annual Audit Report
Respective responsibilities of auditor and management/those charged with governance	●	
Overview of the planned scope and timing of the audit, form, timing and expected general content of communications including significant risks and Key Audit Matters	●	
Confirmed no reliance on internal audit	●	
Confirmation of independence and objectivity	●	●
A statement that we have complied with relevant ethical requirements regarding independence. Relationships and other matters which might be thought to bear on independence. Details of non-audit work performed by Grant Thornton UK LLP and network firms, together with fees charged. Details of safeguards applied to threats to independence	●	●
Significant matters in relation to going concern	●	●

Respective responsibilities

As auditor we are responsible for performing the audit in accordance with ISAs (UK), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance.

The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

Distribution of this Annual Audit Report

This report is addressed to Grampian VJB and the Accounts Commission and will be published on Audit Scotland's website www.audit-scotland.gov.uk in due course.

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A. Communication of audit matters with those charged with governance (2)

Our communication plan	Audit Plan	Annual Audit Report
Views about the qualitative aspects of the organisation's accounting and financial reporting practices including accounting policies, accounting estimates and financial statement disclosures		●
Significant findings from the audit		●
Significant matters and issue arising during the audit and written representations that have been sought		●
Significant difficulties encountered during the audit		●
Significant deficiencies in internal control identified during the audit		●
Significant matters arising in connection with related parties		●
Identification or suspicion of fraud involving management and/or which results in material misstatement of the financial statements		●
Non-compliance with laws and regulations		●
Unadjusted misstatements and material disclosure omissions		●
Expected modifications to the auditor's report, or emphasis of matter		●

ISA (UK) 260, as well as other ISAs (UK), prescribe matters which we are required to communicate with those charged with governance, and which we set out in the table here.

This document, the Annual Audit Report, outlines those key issues, findings and other matters arising from the audit, which we consider should be communicated in writing rather than orally, together with an explanation as to how these have been resolved.

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B. Follow up of previous recommendations – financial statements

We identified one financial statements recommendation in the 2024/25 audit of Grampian VJB which has been cleared during 2025/26.

Assessment	Issue and risk previously communicated	Update on actions taken to address the issue
Complete	**1. Asset Revaluation** Moray Council's asset valuer, who also performs the valuation for Grampian VJB retired in October 2025. The valuer will be changing in 2025/26 and Grampian VJB will need to ensure there is replacement in place who can perform the revaluations exercise in 2025/26. Grampian VJB will need to ensure the requirements of the audit are understood and factored into the work programme to allow timely and comprehensive response to audit queries **Recommendation:** Grampian VJB should ensure there is early discussion with the new valuer and external auditors to ensure the new valuer is aware of the responsibilities they will need to undertake as part of the audit process.	Early engagement took place between Grampian Valuation Joint Board, the appointed valuer and external audit to ensure the valuer was fully aware of the requirements associated with the year-end audit process. As part of the 2025/26 valuation exercise, the valuer fulfilled all responsibilities required in support of the financial statements and audit. This included providing the necessary valuation reports and supporting information, together with an assessment of movements in relevant valuation indices. The assessment of index movements formed part of the approach to revaluing land and building assets during the year. The valuer responded to audit queries and provided the information requested by management and external audit within the agreed timescales. **Recommendation closed.**

Assessment:

✓ Action completed

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