

<b>Meeting:</b>	Audit & Governance Committee
<b>Meeting date:</b>	29/01/2025
<b>Report of:</b>	Debbie Mitchell, Director of Finance (S151 Officer)
<b>Portfolio of:</b>	Councillor Katie Lomas Executive Member for Finance, Performance, Major Projects, Human Rights, Equality and Inclusion

## **Audit and Governance Committee Report: Statement of Accounts 2023/24**

### **Subject of Report**

1. The purpose of this report is to present for information the amended draft 2023/24 Statement of Accounts following near completion of the audit.

### **Policy Basis**

2. The production of the Council's statement of accounts results from all of the council's business processes and helps support the administration's key commitments and priorities as outlined in the Council Plan 2023-2027.

### **Recommendation and Reasons**

3. Members are asked to;
  - (a) Note the matters set out in the Audit Completion Report presented by the external auditor in the previous agenda item and summarised in this report.

#### Reason

To ensure the proper consideration of the opinion and conclusions of the external auditor in respect of the annual

audit of accounts and review of the council's arrangements for ensuring value for money.

- (b) Delegate authority to the Chair in consultation with the Vice Chair to approve and sign the final Statement of Accounts by resolution of this Committee in accordance with the Accounts and Audit regulations 2015 - subject to the only amendments being related to the matters outlined in the Audit Completion report.

#### Reason

To ensure compliance with the International Auditing Standards and other relevant legislative requirements.

4. Audit & Governance Committee note the draft pre-audit statement of accounts, for the financial year ended 31 March 2024.

*Reason: To ensure that, in line with best practice, Members have had the opportunity to review the draft pre-audit Statement of Accounts.*

## **Background**

5. The International Standard on Auditing (ISA) 260 requires the Council's External Auditor to report to those charged with governance any issues arising from the audit of the financial statements. It is also a statutory requirement that the Council approves the final statement of accounts after the audit and by a government set date each year.
6. On 30<sup>th</sup> July 2024 the government made a statement on how they intend to address the national issue of significant local audit backlogs. A link to this statement can be found at the end of this report, but in summary it introduced a series of backstop dates by which Audit firms must complete their audit work by, to enable a final version of the Accounts to be signed by the Chief Finance officer (CFO) and Chair of the Audit & Governance Committee.

7. Bodies that have failed to comply with a backstop date will be required to publish an explanation, to send a copy of this to the Secretary of State (to facilitate scrutiny) and publish audited accounts as soon as practicable. The Government also intends to publish a list of bodies and auditors that do not meet the proposed backstop dates, which will make clear where 'draft' (unaudited) accounts have also not been published. The government may explore further mechanisms to take appropriate action, should reasons given be inadequate.
8. The Council is in a positive position in that our Accounts for 2022/23 were signed off before the backstop date of 13<sup>th</sup> December 2024.
9. For 2023/24 this backstop date is 28<sup>th</sup> February 2025. At the time of writing, Mazars still have some minor work to complete, as outlined in their report also on this Agenda. It is not anticipated that there will be any further changes required as a result of this work, and members are asked to delegate authority to the Chair to sign the Accounts outside of this meeting before 28<sup>th</sup> February 2025, on the condition any necessary amendments made are in relation to the areas listed in Mazar's report.
10. The accounts attached at Annex A have been revised since the unaudited version was reported to the Audit & Governance Committee meeting in July 2024. A number of amendments have been made to the financial statements and supporting notes, mostly to try and improve the information contained within the accounts. The main changes related to the valuations of Council assets, held on the balance sheet. Notably for car parks where an exercise we undertook to review assets that had not been revalued during 2023/24, highlighted that there was likely to have been a significant movement in this group of assets. We raised this with Audit and agreed that the valuations for car parks would be updated on the balance sheet and related notes. All the changes made have been highlighted in the accounts attached at Annex A.
11. It should also be noted that these changes have no impact on the outturn position of the council as all the changes made are technical accounting and presentational adjustments.

12. The details of changes made are included in appendix A of the Audit Completion Report also on this agenda, which highlights the auditor's view on whether the Council has made proper arrangements to secure economy, efficiency and effectiveness in our use of resources. This is split into two parts, the Statement of Accounts, and Value for money assessment.
13. The annual production of the accounts is the subject of a continuous review and as usual, areas for improvement will be identified as a result of any issues identified this year.

## Conclusion

14. The content of the report of the external auditor has been discussed with the relevant responsible officers. It is reported here for due consultation with those members charged with governance at the council.

## Contact details

For further information please contact the authors of this Report.

### Author

<b>Name:</b>	Emma Audrain
<b>Job Title:</b>	Technical Accountant
<b>Service Area:</b>	Corporate Finance
<b>Report approved:</b>	Yes
<b>Date:</b>	20/01/2025

## Annexes

A – Draft Statement of Accounts 2023/24

### Abbreviations used in this report:

IFRS – International Financial Reporting Standards

CIPFA – Chartered Institute of Public Finance and Accountancy

IAS - International Accounting Standard

AGS – Annual Governance Statement

**Web links referenced in this report:**

<https://questions-statements.parliament.uk/written-statements/detail/2024-07-30/hcws46>