

Report To:	CABINET
Date:	17TH MARCH 2025
Heading:	AUDITED STATEMENT OF ACCOUNTS 2023/24
Executive Lead Member:	EXECUTIVE LEAD FOR FINANCE, REVENUES AND BENEFITS – CLLR RACHEL MADDEN
Ward/s:	N/A
Key Decision:	NO
Subject to Call-In:	NO

Purpose of Report

This report presents the Cabinet with the Council's Statement of Accounts for 2023/24 and reports on the outcome of the external audit of the Council's Statement of Accounts 2023/24.

Subject to approval of the Statement of Accounts by Cabinet, the audited Financial Statements will then be placed on the Council's website.

Recommendation(s)

Cabinet is requested:

- 1) To approve the Council's Financial Statements and for these to be placed onto Council's website.

Reasons for Recommendation(s)

To comply with the Accounts and Audit Regulations (SI 2015, 234) and with Financial Regulations which form part of the Council's Constitution. These state the Cabinet is responsible for approving the Annual Statement of Accounts as appropriate.

Alternative Options Considered

None as it is a statutory requirement for Council's to publish the audited Annual Statement of Accounts and for Council's Cabinet to approve these.

Detailed Information

The deadline for completion and publication of the draft Statement of Accounts of 31 May was set for 2023/24 by Government. The deadline for the final audited Statement of Accounts was the 30 September. The Council's External Auditors were unable to commence their work until 7 October and their work is now concluded as outlined in their Audit Completion Report.

The final Statement of Accounts pending Audit Certificate is attached within Appendix 1.

The audit has resulted in several minor amendments to the draft Statements published in May 2024, which are outlined in the Audit Completion Report. The changes have reduced the balance reported on the Council's General Fund by £90k. There is no impact on the balance reported in the Housing Revenue Account balance. The changes are mainly technical accounting items and presentational including the change in the Council's Corporate Resources Director in October 2024.

Government has introduced measures intended to resolve the local government financial reporting backlog. This is a national issue affecting numerous Councils throughout the country. As noted above, this has affected Ashfield, in that our external auditor was unable to commence the audit promptly. The measures included the guillotining of outstanding 23/24 audits with the intention that councils could publish their audited accounts by a "backstop date" of 28 February 2025.

As a result of these backstop arrangements, the Council's external auditors have determined that there is insufficient time to complete their audit procedures and as such will be issuing a disclaimer of opinion on the Council's financial statements.

At the time of announcing the "backstop", government acknowledged that there would likely be a significant number of audits that resulted in a "disclaimed (backstop) opinion". However, government also made clear that where this occurs, councils should not be judged unfairly. The auditor's report notes that, whilst he cannot issue a normal opinion in the circumstances, the work he had undertaken up to the backstop had not raised any matters that would have led to an unmodified opinion. The impact of the disclaimed opinion is therefore not expected to be significant.

The Audit Committee considered the Audited Financial Statement of Accounts on the 27th February 2025, recommending them for approval. They also considered the auditor's report.

Amendments to the Accounts and Audit Regulations required the Council to publish its audited 2023/24 financial statements and accompanying information on or before 28 February 2025. Unfortunately, due to the timing of the audit report and the requirement to take the accounts to Audit Committee for initial review and then to Cabinet for final approval, it has not been possible to meet this deadline. In these circumstances, the Accounts and Audit Regulations require the Council to:

- a) on or as soon as reasonable practicable after the last publication date, publish a notice stating –
 - i. that it has not been able to publish its accountability statements,
 - ii. its reasons for this, and
 - iii. that it acknowledges that it must publish its accountability statements as soon as reasonable practicable,
- b) on or as soon as reasonable practicable after the last publication date, send a copy of the notice mentioned in sub-paragraph a) to the Secretary of State, and
- c) as soon as reasonably practicable public its accountability statements.

The required notice was posted on the Council's website on 28 February and sent to MHCLG to comply with these requirements. The accounts will be published on the website once they are signed, which is expected to take place immediately after the Cabinet meeting.

Implications

Corporate Plan:

Production of timely and accurate Statement of Accounts is a statutory requirement. Achievement of this reflects sound financial management supporting delivery of the Corporate Plan.

Legal:

The approval of the audited Statement of Accounts ensures compliance with the legislation. The Constitution requires Cabinet to approve the audited Annual Statement of Accounts. [RLD 26/02/2025]

Finance:

There are no funding implications arising from this report. However, the financial accounts are the key document that communicate the Council's financial performance to the taxpayer, central government and other stakeholders. The approval and publication of the financial accounts is therefore an essential part of the Council's financial governance arrangements. [PH 26/02/25]

Budget Area	Implication
General Fund – Revenue Budget	As per the Statement of Accounts
General Fund – Capital Programme	As per the Statement of Accounts
Housing Revenue Account – Revenue Budget	As per the Statement of Accounts
Housing Revenue Account – Capital Programme	As per the Statement of Accounts

Risk:

Risk	Mitigation
The Statement of Accounts may change as a consequence of the completion of any outstanding audit work.	Should any material changes be required these will be reported to the next Audit Committee with details of any implications.

Human Resources:

No implications.

Environmental/Sustainability

No implications.

Equalities:

No implications.

Other Implications:

None

Not applicable.

Background Papers

- Draft Statement of Accounts 2023/24;
- Mazars Audit Strategy and Audit Completion Report.

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