



## **Section 2 – Report**

### **1.0 Introduction**

- 1.1 The Statement of Accounts for 2023/24 have been produced in full compliance with the Code of Practice on Local Authority Accounting in the United Kingdom (the Code) and all other relevant accounting legislation. There were no material accounting changes for 2023/24.

### **2.0 The Statement of Accounts**

- 2.1 The Unaudited Statement of Accounts 2023/24 were signed off by the Council's S151 Officer in June 2024 before the start of the external audit review. The draft accounts have been available on-line since then and were presented to this committee in June 2024.
- 2.2 The detailed management accounts were included in the outturn report presented to the Cabinet on the 4 June 2024. That report provided a summary of the year-end position for the General Fund, the Housing Revenue Account, and the Capital Programme. It also provided commentary on any variances against budget in excess of £20k.
- 2.3 As can be seen from the reserve balances held, the Council remains in a strong position to deal with the funding challenges it faces. A strong culture of financial awareness is embedded throughout the Council. This is enhanced with regular budget monitoring reports produced for Leadership Team meetings, meetings of the Cabinet and through summary dashboards presented to the Policy Development Groups.
- 2.4 This Council continues to take proactive steps to strategically plan for further reductions in Central Government financial support. The Cabinet have ongoing dialogue with Leadership Team, who in turn have discussions with Corporate Managers and Service Managers to discuss funding reduction scenarios in order to balance our ongoing expenditure needs associated with the current Corporate Plan.

### **3.0 Changes to the Accounts**

- 3.1 The findings on the 2023/24 Accounts will be presented by Bishop Fleming to this Audit Committee. However, at this time audit is not fully complete following the identification of an error in the Social Rent formula calculation. This requires a provision to be included within the accounts, which will be based upon the criteria outlined within the forthcoming report to December Cabinet. Once the basis has been agreed, the provision can be confirmed and included within the accounts. This will enable Bishop Fleming to finalise their 2023/24 audit. The

revised, final, set of accounts will be presented to Audit Committee in January 2025.

3.2 There have been some minor changes to the draft account previously reviewed by the Committee in June 2024. These are highlighted yellow in the accounts and in summary are:

- The clarification of offsetting the reported £635k overspend with reserves within the Narrative Statement (Pages 10, 12, 18, 27 and 71);
- The clarification of the application of the Going Concern concept to the Group Accounts (Page 28);
- The movement of the Expenditure and Funding Analysis from the Main Statements section into the notes of the accounts, by creating Note 5b (Pages 67 – 69);
- Updating Note 16 Members' Allowances and Expenses, which previously contained last year's data in error (page 79);
- Adjusting the Group Accounts by £58k following a minor adjustment to 3Rivers Final Accounts (pages 142, 144, 145 and 146).

3.3 There has been no change to the Main Statements. These alterations have no impact on the reported Outturn position or the Councils Usable Reserves.

#### **4.0 The Council's Governance Arrangements**

4.1 The committee reviewed the Annual Governance Statement (AGS) at its June 2024 meeting and it has not changed since. Signing the document sits alongside the finalisation of the Statement of Accounts. Therefore, the Chief Executive and Leader of the Council will be asked to sign once the Accounts are approved by this committee.

#### **5.0 Conclusion**

5.1 Members are asked to approve the 2023/24 Statement of Accounts which reflect a true and fair view of the financial position of the Council as at 31 March 2024, subject to the inclusion of a provision for the Social Rent issue once available.

5.2 The Committee is also required to formally approve and sign the Annual Governance Statement and the Letter of Representation.

## **Financial Implications**

Good financial management and administration underpins the entire document.

## **Legal Implications**

It is a statutory requirement to follow the Code of Practice on Local Authority Accounting in the United Kingdom (the Code) when producing the Statement of Accounts.

## **Risk Assessment**

The Section 151 Officer is responsible for the administration of the financial affairs of the Council. Adhering to the Code mitigates the risk of receiving a qualified set of accounts. The Finance Team has also reviewed its overall calculations/workings against the CIPFA published Disclosure Checklist for 2023/24 and entered into detailed discussions with the appointed Audit Manager prior to and during the completion of the accounts.

## **Impact on Climate Change**

No impacts identified for this report.

## **Equalities Impact Assessment**

No equality issues identified with this report.

## **Relationship to Corporate Plan**

The financial resources of the Council impact directly on its ability to deliver the Corporate Plan. The Statement of Accounts indicates how the Council's resources have been used to support the delivery of budgetary decisions.

## **Section 3 – Statutory Officer sign-off/mandatory checks**

**Statutory Officer:** Andrew Jarrett

Agreed by or on behalf of the Section 151

**Date:** 22/11/2024

**Statutory Officer:** Maria De Leburne

Agreed on behalf of the Monitoring Officer

**Date:** 22/11/2024

**Performance and risk:** Dr Stephen Carr

Agreed on behalf of the Corporate Performance & Improvement Manager

**Date:** 22/11/2024

**Cabinet member notified:** (yes)

## **Section 4 - Contact Details and Background Papers**

**Contact:** Paul Deal, Head of Finance, Property and Climate Resilience  
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**Background papers:** 2023/24 Draft Statement of Accounts