

REPORT TO AUDIT AND GOVERNANCE COMMITTEE

Date of Meeting: 12 February 2025

Report of: Strategic Director Corporate Resources

Title: Statement of Accounts 2023/24

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

- 1.1 To seek Members' approval of the Council's Statement of Accounts for 2023/24, subject to conclusion of the audit.

2. Recommendations:

- 2.1 It is recommended that delegated powers are given to the Strategic Director Corporate Resources and Chair of Audit and Governance Committee to approve the Statement of Accounts for 2023/24 upon the conclusion of the audit and to report back to this committee any significant findings, if any are identified in the remainder of the audit.

3. Reasons for the recommendation:

- 3.1 The publication of audited Statement of Accounts is a statutory requirement, in accordance with the Local Audit and Accountability Act 2014, supported by the Accounts and Audit Regulations 2015.

4. What are the resource implications including non-financial resources?

- 4.1 The Statement of Accounts is intended to give a 'true and fair' view of the financial position and transactions of the Council, including group financial statements, as at 31 March 2024.

5. Section 151 Officer Comments:

- 5.1 Members may be aware that the Government introduced backstop dates in relation to outstanding local audits. For financial year 2023/24, the backstop date is 28 February 2025. I am therefore pleased to report that the Council is on course to meet this deadline.

6. What are the legal aspects?

- 6.1 The Statement of Accounts has been prepared in accordance with the statutory framework established for England by the Accounts and Audit (England) Regulations 2015.
- 6.2 On 9 September 2024, amendments to the Accounts and Audit Regulations 2015 (the Accounts and Audit (Amendment) Regulations 2024) were made that implemented backstop dates in relation to outstanding local authority audits. The backstop date for publishing audited accounts for the financial year 2023/24 is 28 February 2025.
- 6.2 The audit of the accounts has been undertaken in accordance with the statutory framework established by section 20 of the Local Audit and Accountability Act 2014, by the Council's external auditors, Grant Thornton.

7. Monitoring Officer's Comments:

- 7.1 This report raises no issues for the Monitoring Officer.

8. Report Details:

EXTERNAL AUDIT OF THE 2023/24 STATEMENT OF ACCOUNTS

8.1 Appointed Auditor

Public Sector Audit Appointments Ltd (PSAA) is responsible for appointing an auditor to principal local government and police bodies that have chosen to opt into its national auditor appointment arrangements. Exeter City Council opted into this arrangement.

In December 2022, the PSAA board approved the appointment of Grant Thornton (UK) LLP to audit the accounts of Exeter City Council for a period of five years, covering the accounts from 1 April 2023 to 31 March 2028. This appointment is made under regulation 13 of the Local Audit (Appointing Person) Regulations 2015.

8.2 Statement of Accounts 2023/24

The purpose of a local authority's published Statement of Accounts is to give electors, those subject to locally levied taxes and charges, members of the authority, employees and other interested parties clear information about the authority's finances.

The draft Statement of Accounts were received by the auditors on 30 May 2024; achieving the statutory deadline of publishing the unaudited statements of accounts by 31 May 2024.

Information contained in the Statement of Accounts has been consolidated into the Whole of Government Accounts for 2023/24.

8.4 Presentation of the Statement of Accounts

The Code of Practice on Local Authority Accounting (the Code) provides guidance on the format and content of the Statement of Accounts and means that they have to conform to a national standard.

8.5 Main Changes to the Accounts

The Code did not adopt any new accounting standards for the 2023/24 financial year, which enabled the accounts to be prepared on a consistent basis with the prior year.

8.6 Audit Findings

At the time of writing, our external auditors anticipate issuing an unqualified audit opinion on the Authority's financial statements and have not identified any adjustments to the financial statements or adjustment to the Council's Comprehensive Income and Expenditure Statement.

Minor amendments have been made to the following disclosure notes:

- Note 14 Taxation and Non-specific Grant Income, but no overall impact on the total disclosed
- Note 15 Property, Plant and Equipment, but no overall impact on the total balance sheet amount disclosed
- Note 37 Related Parties, correction in the total of grants paid to organisations in which members had an interest to exclude a grant awarded in the 2024/25 financial year

Overall, the amendments to date have had no impact on either the General Fund balance or the Housing Revenue Account balance, which remain as reported to Council. The overall financial performance of the Council for 2023/24 was reported to Executive on 25 June 2024 and to Council on 16 July 2024.

9. How does the decision contribute to the Council's Corporate Plan?

The Statement of Accounts set out the financial position at the end of the 2023/24 and the transactions of the Council during 2023/24, both of which help underpin delivery of the Corporate Plan.

10. What risks are there and how can they be reduced?

The risks relate to overspending the Council budget and are mitigated by regular reporting to the Strategic Management Board and Members. There is also a risk of failing to implement key accounting changes in accordance with approved accounting standards, but this is mitigated by the external audit of the Statement of Accounts.

11. Equality Act 2010 (The Act)

11.1 Under the Act's Public Sector Equalities Duty, decision makers are required to consider the need to:

- eliminate discrimination, harassment, victimisation and any other prohibited conduct;
- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
- foster good relations between people by tackling prejudice and promoting understanding.

- 11.2 In order to comply with the general duty authorities must assess the impact on equality of decisions, policies and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.
- 11.3 In making decisions the authority must take into account the potential impact of that decision in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and new and breastfeeding mothers, marriage and civil partnership status in coming to a decision.
- 11.4 In recommending this proposal no potential impact has been identified on people with protected characteristics as determined by the Act because: because

11.4.1 The report is for information only.

12. Carbon Footprint (Environmental) Implications:

- 12.1 No direct carbon/environmental impacts arising from the recommendations.

13. Are there any other options?

Not applicable

Strategic Director Corporate Resources

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:

None

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