

REPORT TO:	Audit Committee	
DATE:	22 September 2025	
PORTFOLIO:	Councillor Vanessa Alexander - Resources and Council Operations	
REPORT AUTHOR:	Ben Cookson, Head of Finance	
TITLE OF REPORT:	Statement of Accounts 2024/25	
EXEMPT REPORT (Local Government Act 1972, Schedule 12A)	Select: Y/N	Not applicable
KEY DECISION:	Select: Y/N	If yes, date of publication:

1. Purpose of Report

1.1 To provide the Audit Committee with an update on the Council's unaudited Statement of Accounts for the financial year 2024/25, in accordance with its Terms of Reference.

2. Recommendations

2.1 That the Audit Committee:

- Notes the contents of this report.
- Reviews the unaudited Statement of Accounts for 2024/25 (Appendix A).

3. Reasons for Recommendations and Background

3.1 In accordance with the Audit Committee's Terms of Reference, Members are required to review the financial statements of the Authority. This report provides the Committee with an update on the Council's unaudited Statement of Accounts for the financial year 2024/25, thereby facilitating that requirement.

3.2 Local authorities are statutorily obliged to prepare and publish accurate financial statements by specified deadlines. These statements must reflect a true and fair view of the Council's financial performance and position and be prepared in accordance with the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom.

3.3 The Council has completed its draft Statement of Accounts for 2024/25 and published them for public inspection on 30 June 2025, meeting the statutory deadline. The

inspection period ran for 30 days, concluding on 6 August 2025, with no public representations received.

3.4 The unaudited Statement of Accounts is attached at Appendix A and comprises the following key sections:

- **Narrative Report (Pages 4–22):**
Provides an overview of the Borough, the Council's achievements, the Corporate Strategy, and commentary on financial performance.
- **Annual Governance Statement (Pages 23–34):**
Outlines the Council's governance arrangements and the results of its annual review.
- **Statement of Responsibilities (Page 36):**
Sets out the responsibilities of the Authority and the Chief Financial Officer.
- **Core Financial Statements (Pages 37–40):**
Includes the Comprehensive Income and Expenditure Statement, Movement in Reserves Statement, Balance Sheet, and Cash Flow Statement.
- **Notes to the Financial Statements (Pages 41–108):**
Provides detailed supporting information, including accounting policies (Note 3).
- **Collection Fund Statement and Notes (Pages 112–115):**
Details the Council's role as billing authority for Council Tax and Business Rates, including performance and year-end balances. Also includes information on the Lancashire Business Rates Pool.

3.5 External audit is a key component of public sector financial accountability. The Council's appointed auditors, Forvis Mazars are not anticipated to commence the audit until later in the financial year. The statutory backstop date for completion is 27 February 2026, and it is recommended that the Audit Committee convene close to this date to approve the final audited accounts.

3.6 Due to sector-wide challenges and the implementation of backstop regulations, it is anticipated that the Council will continue to receive a disclaimed audit opinion until a satisfactory level of assurance is reached across the sector.

3.7 In preparation for the audit, the Finance Team is currently completing the Value for Money audit checklist, which is required to support preliminary audit work beginning in November 2025.

4. Alternative Options considered and Reasons for Rejection

4.1 n/a

5. Consultations

5.1 n/a

6. Implications

Financial implications (including any future financial commitments for the Council)	There are no direct financial costs arising from this report. However, failure to meet the statutory backstop date of 27 February 2026 for publishing audited accounts may result in reputational damage and increased scrutiny from regulators. A continued disclaimed audit opinion could also affect the Council's credibility with external stakeholders and may impact future funding or borrowing decisions.
Legal and human rights implications	
Assessment of risk	<ul style="list-style-type: none">• Governance Risk: If Members do not review the unaudited accounts, there is a risk that the Audit Committee's oversight responsibilities are not fulfilled, weakening financial governance.• Audit Delay Risk: Incomplete or late submission of supporting documentation, including the Value for Money checklist, may delay the audit process and increase the risk of non-compliance with statutory deadlines.• Sector-Wide Audit Challenges: Ongoing national issues with public sector audits mean the Council is likely to continue receiving a disclaimed opinion, which may undermine public confidence in financial reporting despite sector-wide context.
Equality and diversity implications <i>A Customer First Analysis should be completed in relation to policy decisions and should be attached as an appendix to the report.</i>	

7. Local Government (Access to Information) Act 1985: List of Background Papers

7.1 n/a

If the report is public, insert the following paragraph. If the report is exempt, contact Member Services for advice.

8. Freedom of Information

8.1 The report does not contain exempt information under the Local Government Act 1972, Schedule 12A and all information can be disclosed under the Freedom of Information Act 2000.