



Audit Committee	Wednesday, 22 January 2025	Matter for Information and Decision
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Report Title: **Statement of Accounts Report (2023/24)**

Report Author(s): **Laura Parsons- (Finance Manager)
Colleen Warren- (Chief Finance Officer/S151 Officer)**

Purpose of Report:	To approve the Statement of Accounts for 2023/24
Report Summary:	The Council's draft Statement of Accounts were approved and uploaded onto the Council website by the Deputy Section 151 Officer in June 2024. These have been subject to a detailed audit by the Council's external auditors, Grant Thornton. This report updates the Audit Committee on the outcome of the audit of the Statement of Accounts 2023/24.
Recommendation(s):	That the Committee: A. Review and approve the Statement of Accounts (Appendix 1) including the Annual Governance Statement (Appendix 2 which was approved July 2024) for the year ended 31 March 2024, subject to any required final changes that may be agreed with the Council's External auditors; B. Confirms, in order to comply with the Council's statutory obligations, that the Statement of Accounts and Annual Governance Statement for the year ended 31 March 2024 can be published and the Section 151 Officer be authorised, following consultation with the Chair of the Audit Committee to make any required final changes to the accounts that may be agreed with the Council's External Auditors; and C. Approve the Letter of Representation (Appendix 3).
Senior Leadership, Head of Service, Manager, Officer and Other Contact(s):	Colleen Warren (Head of Finance / Section 151 Officer) Colleen.Warren@oadby-wigston.gov.uk Laura Parsons (Finance Manager) Laura.Parsons@oadby-wigston.gov.uk
Strategic Objectives:	Our Council (SO1) Our Economy (SO3) Our Borough - The Place To Be" (Vision) Customer & Community Focused (V1) Proud of Everything We Do (V2) Collaborative & Creative (V3) Resourceful & Resilient (V4)
Vision and Values:	"Our Borough - The Place To Be" (Vision) Resourceful & Resilient (V4)
Report Implications:-	

Legal:	There are no implications arising from this report.
Financial:	There are no implications directly arising from this report.
Corporate Risk Management:	Decreasing Financial Resources / Increasing Financial Pressures (CR1) Regulatory Governance (CR6) Economy / Regeneration (CR9)
Equalities and Equalities Assessment (EA):	There are no implications arising from this report. EA not applicable.
Human Rights:	There are no implications directly arising from this report.
Health and Safety:	There are no implications directly arising from this report.
Statutory Officers' Comments:-	
Head of Paid Service:	The report is satisfactory.
Chief Finance Officer:	As the author, the report is satisfactory.
Monitoring Officer:	The report is satisfactory.
Consultees:	None.
Background Papers:	Unaudited Draft Statement of Accounts
Appendices:	1. Audited Statement of Accounts 2. Annual Governance Statement 2023/24 3. OWBC Letter of Representation 2023/24

1. Introduction and Background

1.1 The publication of the Statement of Accounts is governed by requirements of the Accounts and Audit (England) Regulations 2015. These require the Statement of Accounts to be certified by the Council's Section 151 Officer as presenting a true and fair view of the financial position of the Council by 31 May each year.

1.2 The Council's unaudited Statement of Accounts were published on the OWBC website on 14th June 2024 and made available for the external audit. The audited Statement of Accounts is provided at **Appendix 1**, which includes the adjustments made following the audit. The already approved Annual Governance Statement is provided at Appendix 2. Finally, the draft Letter of Representation is provided at Appendix 3.

2. The Statement of Accounts

2.1 The audited Statement of Accounts is provided at Appendix 1. As per the normal Council format, the salient points are detailed within the Narrative Report (p3 – p25) of the Statement of Accounts and are summarised below.

2.2 General Fund (p14): The outturn position is a £476K overspend, with the main cause of the overspend relates to pay inflation for implementing the national pay award and reduced management fee from the Leisure Centre Operator and costs for the movement of the Council offices from Bushloe House to Brocks Hill.

2.3 Reserves and Balances (p17): The General Fund Reserve opening balance was £1.179m. In 2023/24 the account had a budget surplus of £586k after appropriations from earmarked reserves, leaving General Fund Reserve balance of £1.765m on 31 March 2024.

The Housing Revenue Account opening balance on its main reserve was £1.419m. In 2023/24 the account had a budget deficit of £8k after appropriations from earmarked reserves, leaving an estimated HRA Reserve balance of £1.411m at 31 March 2024.

2.4 Pension Liabilities (p18): The Council owes £8.556m across future years offset by the value of assets invested in the pension fund. The Council contributed £1.88m to the scheme in 2023/24 and recognised a total charge of £0.48m for the year.

2.5 Provisions (p18): The Council has set aside a provision of £348K for business rate appeals against rateable valuations. Business ratepayers who have appealed against their assessment are still required to pay the rates demanded, but should their appeal be successful then any sums overpaid will be refunded.

2.6 Borrowing (p18): On 31 March 2024 the Council had a total external borrowing of £16.968m of long-term borrowing. This relates to loans from the Public Loans and Works Board (PWLb), which were either taken out in 2012 to fund HRA self-financing (£12.076m), or in 2016, to fund the leisure Centre project (£4.392m), with the remainder being general fund borrowing (£500k). Additionally, there is another £19.506m of short-term borrowing, both for cash flow purposes, and in lieu of long-term debt. All our borrowing was within our Prudential Code limit of £45m for the year.

2.7 Cash-Flow (p18): This shows a decrease of £2.859m in cash and cash equivalents from the previous year. This may be primarily attributed to the use of borrowing and capital receipts in the Capital Programme. Interest payable was £438k higher than in 2022/23, reflecting both the increase in interest rates over the period, and the fact that most of the 2022/23 short-term borrowing was locked in prior to the major increases. Interest receivable increased in line with prevailing interest rates.

2.8 Financial Position (p19): We have maintained a strong financial position despite the financial challenges we face, with net assets decreasing by £3.599m between 2022/23 and 2023/24 primarily due to pension changes. We are continuing to monitor the reserves regularly including the last MTFs and looking for other income streams and continuing to find savings.

2.9 Capital (p19): The 2023/24 Capital Programme was set at Full Council February 2023. Table 3 P19 provides a summary of the programme. Key features of the 2023/24 Capital programme included the undertaking of Decent Homes standard related works for Council homes and the completion of the new Council offices, along with acquiring and refurbishing vehicles.

2.10 Basis of Preparation (p20): When assessing what to include in these financial statements, the principle of materiality has been applied. This ensures that the core issues considered to have an impact on the Council's strategies, governance, performance and aspirations in respect of matters such as the services it provides and the wellbeing of its local community, are presented. This includes matters that are ordinarily outside of the scope of financial reporting, but which are deemed to have a significant effect on the authority's ability to meet its objectives. Where information in this report is based on other information published by the Council, it is prepared on that same basis and is reconcilable and referenced to that published information.

2.11 Statement of Responsibilities (p26): This outlines the responsibilities of the Council and the Section 151 Officer in preparing the accounts as well as Members in approving the accounts.

2.12 Annual Governance Statement 2023/24: This is detailed at Appendix 2 to this report and provided for information and was originally approved at July 2024 Audit Committee. Progress against the actions has been made, and these will be reported at the July 2025 Audit Committee.

3. Letter of Representation:

3.1 The Draft Letter of Representation is detailed at **Appendix 3**. The Audit committee is asked to approve the letter of representation, which is a standard but formal record of the representations made by the Council to our external auditors.