

Audit Committee 24th February 2026

Title	To receive the final Statement of Accounts and Audit Report for 2024-25
Purpose of the report	To approve the final version of the 2024-25 Statement of Accounts
Report Author	Altin Bozhani- Interim Deputy Chief Finance Officer
Ward(s) Affected	All Wards
Exempt	No
Exemption Reason	N/A
Corporate Priority	All
Recommendations	<p>Committee is asked to:</p> <ol style="list-style-type: none"> 1. To approve the Statement of Accounts for 2024-25 and the Letter of Representation; and 2. To accept the External Auditors' report and disclaimer opinion.
Reason for Recommendation	The Council whilst noting the significant progress made over the last year, accepts the need to address the issues identified in the external audit reports and has implemented a strong and cohesive plan to address the issues highlighted in the 2024-25 reports from Grant Thornton ahead of the 2025-26 closed down process. This includes regular reporting to this committee on progress against plan. Please note that there is a national statutory deadline to submit signed accounts by 27 February 2026.

1. Executive summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> • Under the national backstop arrangements Councils are required to publish audited Statement of Accounts for 2024-25 by 27th February 2026- Appendix A. • On 22nd January 2026, the Committee received an initial interim Annual Audit and an Audit Findings Report, both of which made a number of recommendations, albeit a significant reduction on the 2023-24 number of Audit Findings recommendations. 	<ul style="list-style-type: none"> • The Council has a statutory responsibility to publish by Friday, 27th February 2026, finalised accounts. • To assist in the process of rebuilding assurance for stakeholders.

<ul style="list-style-type: none"> • The backlog context, as is case for other councils in similar position, particularly with respect to opening balances has meant the external auditors are not able to issue an audit opinion but will be issuing a disclaimer opinion – Appendix B. • The External Auditors have slightly updated their accompanying interim Annual Audit Report – Appendices C and D. 	
<p>This is what we want to do about it</p>	<p>These are the next steps</p>
<ul style="list-style-type: none"> • Review the draft Statement of Accounts (Appendix A), the Log of amendments (Appendix B) and the Letter of Representation (Appendix F) • Approve the Statement of Accounts for 2024-25 	<ul style="list-style-type: none"> • Chair of the Committee and Chief Finance Officer to sign the Statement of Accounts and Letter of Representation. • Publish by close of play on 27th February 2026 the final Statement of Accounts for 2024- 25

1.1 The report and related appendices relate to the external audit of the 2024-25 Statement of Accounts. ISA 260 (Audit Findings Report) went to the last committee and Grant Thornton have advised there are no matters arising since the January 2026 committee (see Appendix E). In respect of the 2025-26 Grant Thornton have advised they will continue discussions to inform their 2025–26 financial and value for money audits.

2. Key issues

2.1 Local authorities are required to have their accounts annually independently audited annually by external auditors and to receive an annual audit opinion on the effectiveness and efficiency of their arrangements for securing Value for Money.

2.2 Following on from backstop arrangements relate to the annual external audit and Value for Money (VfM) Statements from 2018-19 to 2022-23 inclusive, the Government put in national backstop dates for the years 2023-24 to 2027-28 for Statement of Accounts to receive Audit Opinions with backstop dates gradually become shorter in length between the dates, to support and sustain the national recovery from the backlog position. For 2024-25 Accounts (Appendix A) the deadline is 27th February 2026. The backstop arrangements have been put in place nationally by the Government working with the National Audit Office, Financial Reporting Council, the Public Sector Auditor Appointments and the Chartered Institute of Public Finance and Accountancy

2.3 The Council's auditors for 2024-25, as appointed by the Public Sector Audit Appointments organisation are Grant Thornton. As had been expected, following on from five years of unaudited accounts, Grant Thornton as the new incoming auditors are unable to issue an opinion on the Statement of Accounts and are

issuing a disclaimer (Appendix B) as they had not been able to obtain sufficient appropriate audit evidence by the backstop date to conclude that the Authority's and group's financial statements for the year ended 31 March 2025 as a whole are free from material misstatement.

- 2.4 The appended Statement of Accounts reflects a number of amendments, summarised in Appendix C, following discussions with the External Auditors. By confirming that the Statement of Accounts provides a true and fair view of the Council's finances for the financial year 2024-25, the S151 Officer is confirming that the audited accounts for those years are free from material misstatement.
- 2.5 The previous Audit Committee received the initial interim Annual Audit Report and the Audit Finding Reports, both of which made a number of recommendations which are subject of another report on the agenda of this meeting. The External Auditors have advised there are no matters arising since the January 2026 committee. Appendix C shows the Audit adjustments made addressing the recommendations of the Grant Thornton recommendations.
- 2.6 As part of the audit process, the Council is required to submit a signed Letter of Representation (Appendix F).

3. Options analysis and proposal

- 3.1 Option 1 (**recommended**)– Accept the External Auditors Report and approve the Statement of Accounts for 2024-25.
- 3.2 Option 2 – do not accept the External Auditors Report and approve the Statement of Accounts for 2024-25.

4. Financial management comments

- 4.1 The Statement of Accounts provide a key summary of the financial position of the Council at a point in time. The Annual Audit Report and the Audit Findings Report highlight a number of financial management issues as well as broader governance issues which are being addressed, see the report on the Action Plans.

5. Risk management comments

- 5.1 The Annual Audit Report identifies a number of key corporate risks and officers have implemented a strong plan to deal with the points raised during the 2024-25 close down process.
- 5.2 Officers will be reporting regular to this committee on progress against the plan over the coming months.

6. Procurement comments

- 6.1 No direct procurement implications

7. Legal comments

- 7.1 The Accounts and Audit (Amendment) Regulations 2024 set out deadlines for the publication of the statement of accounts by local authorities, the deadline in respect of the accounts for the year 2024/25 being 27 February 2026.
- 7.2 The Council has a statutory duty to comply with the 2024 Regulations, and this report sets out how the Council will achieve this.
- 7.2 In the event that the deadline of 27 February 2026 is not met, the Council will be required to publish an explanatory notice and send a copy of that notice to the Secretary of State.

8. Monitoring Officer Comments

8.1 The Monitoring Officer confirms that all relevant legal considerations have been taken into account.

9. S151 Officer Comments

9.1 It is positive to note the progress made by the Finance team in reducing the number of audit findings, however, the Council need to continue to work with the auditors in rebuilding the assurance to move towards achieving non-disclaimed opinions in the future, in line with the Improvement and Recovery Plan objectives.

10. Other Considerations

8.1 None.

11. Equality and Diversity

9.1 Good governance underpins ability to make decisions to address appropriately.

12. Sustainability/Climate Change Implications

10.1 Good governance underpins ability to make decisions to address the challenges of sustainability and climate change.

13. Timetable for implementation

11.1 2024-25 Accounts to be published by close of play Friday 27th February 2026.

14. Contact

12.1 Altin Bozhani – a.bozhani@spelthorne.gov.uk

Please submit any material questions to the Committee Chair and Officer Contact by two days in advance of the meeting.

Background papers:

First Draft Annual Audit Report 2024-25

Audit Findings Report 2024-25

Appendices:

Appendix A – Final Statement of Accounts

Appendix B – External Audit Opinion and Report to the Audit Committee

Appendix C – Log of amendments to the Statement of Accounts

Appendix D - Annual Audit Report with changes highlighted

Appendix E – Annual Audit Follow UP Report

Appendix F – Letter of Representation

Committee Report Checklist

Please submit the completed checklists with your report. If final draft report does not include all the information/sign offs required, your item will be delayed until the next meeting cycle.

Stage 1

Report checklist – responsibility of report owner

ITEM	Yes / No	Date
Councillor engagement / input from Chair prior to briefing	Y	22/1/26
Commissioner engagement (if report focused on issues of concern to Commissioners such as Finance, Assets etc)	Y	22/1/26
Relevant Group Head review	Y	22/1/26
MAT+ review (to have been circulated at least 5 working days before Stage 2)	Y	22/1/26
This item is on the Forward Plan for the relevant committee		
Finance comments (circulate to Finance)	Y	20/2/26
Risk comments (circulate to Lee O'Neil- reviewed by TC)	Y	20/2/26
Legal comments (circulate to Legal team)	LH	20/02/26
HR comments (if applicable)	N/A	N/A

For reports with material financial or legal implications the author should engage with the respective teams at the outset and receive input to their reports prior to asking for MO or s151 comments.

Do not forward to stage 2 unless all the above have been completed.

Stage 2

Report checklist – responsibility of report owner

ITEM	Completed by	Date
Monitoring Officer commentary – at least 5 working days before MAT	L Heron	20/02/26
S151 Officer commentary – at least 5 working days before MAT	T.Collier	20/2/26
Confirm final report cleared by MAT	T. Collier	22/1/26