

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	Yes	14/09/26
Relevant Group Head review		
MAT+ review (to have been circulated at least 5 working days before Stage 2)	Yes	15/09/26
This item is on the Forward Plan for the relevant committee		
	Reviewed by	
Finance comments (circulate to Finance)	AB	09/09/26
Risk comments (circulate to Lee O'Neil)	LO	11/09/26
Legal comments (circulate to legal@spelthorne.gov.uk)	LH	11/09/26
HR comments (if applicable)		

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 rec'd
Monitoring Officer commentary – at least 5 working days before MAT	L Heron	11/09/26
S151 Officer commentary – at least 5 working days before MAT	T. Collier	9/09/26
Commissioner engagement	L Seary	15/09/26
	Delete as applicable:	Comments in S. 7
Confirm final report cleared by MAT		

Audit Committee – 24th September 2026

Title	2025/26 Draft Unaudited Statement of Accounts
Purpose of the report	To inform and assure
Report Author	Terry Collier, Deputy Chief Executive and S151 Officer
Ward(s) Affected	All Wards
Exempt	No
Corporate Priority	Community Addressing Housing Need Resilience Environment Services
Recommendations	Committee is asked to: Committee is asked to acknowledge the report and the draft unaudited 2025/26 statement of accounts which were published on the Council's website on 4 September 2026.
Reason for Recommendation	Spelthorne Borough Council must publish a statement of accounts in accordance with statutory requirements. This report aims to enhance transparency regarding the Council's draft unaudited 2025/26 financial statements and provide Members with an opportunity to develop a deeper understanding of the Council's financial position.

1. Executive summary of the report

What is the situation	Why we want to do something
- Local authorities are required to publish an annual statement of accounts prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom (the Code) published annually by the Chartered Institute of Public Finance and Accountancy (CIPFA). - Under the Accounts and Audit Regulations 2015, as amended, English local authorities are required to publish their draft accounts by 30 June following the year-end and for these to be audited by 31 January 2027. The draft accounts	The Council has a statutory duty to formally approve the statement of accounts by 31 January 2027.

were published 4 September 2026, which is 12 days earlier than 2024/25.	
This is what we want to do about it	These are the next steps
Review the draft 2025/26 Statement of Accounts (see Appendix A) and note the comments in this report.	The Committee to note the accounts and that the Statement of Accounts will need to be approved by 31 January 2027.

2. Key issues

Local Government Financial Reporting Framework

2.1 The Council published, the following items on 4th September 2026:

- The notice of public rights to inspect the Statement of Accounts. The inspection period is for 30 working days as required by Regulation 14 of the Accounts and Audit Regulations 2015, as amended. The inspection period is from 7 September 2026 to 16 October 2026;
- The draft unaudited 2025/26 statement of accounts (see Appendix A)

2.2 Local authority accounts in the UK are prepared in accordance with the Code of Practice on Local Authority Accounting, developed by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Local Authority (Scotland) Accounts Advisory Committee (LASAAC) ("the Code"). The Code adapts International Financial Reporting Standards (IFRS) to reflect the specific financial reporting needs of local government bodies in the UK.

2.3 Local government accounts include the following core statements:

- Comprehensive Income and Expenditure Statement (CIES) - recording all revenue income and expenditure for the year;
- Balance Sheet – showing the value of assets and liabilities held by the Council;
- Cashflow Statement – showing movements in cash and cash equivalents for the Council. Complementing the CIES and Balance Sheet which are completed on an accruals basis;
- Movement in Reserves Statement – this is a local government specific statement. It shows how reserves have changed by removing accounting items in the CIES that are required by statute to not impact the Council's reserves, reconciling to the outturn position

2.4 Notes to the Accounts provide further detail on individual line items in the core statements.

Historical Audit delays

2.5 As Members will be aware, there has been a substantial backlog in the number of audit opinions issued for local authority accounts, which central government is addressing through its backstop arrangements. This has

resulted in most English local authorities receiving disclaimed audit opinions for the years 2018/19 to 2024/25.

- 2.6 Nationally the position appears to be improving with about 80% of local authorities having published draft statement by 30 June 2026. However, those accounts are only as good as the underlying supporting evidence.
- 2.1. At the local level, the Council did not have any effective external audit of the financial statements for the period 2018/19 to 2022/23 when BDO issued five disclaimed opinions on 13/12/2024 and qualified opinions were issued by the previous auditor, KPMG in the previous five years as set out in Table 1 below. In addition, since Grant Thornton took over as auditor, the last two years have been disclaimed as well

Table 1 External audit opinions

Fin'l Year	Auditor	Opinion type	Date issued	Time after Y/E
2013/14	KPMG	Except for non-compliant AGS	18/9/2014	6 months
2014/15	KPMG	Except for non-compliant AGS	28/9/2015	6 months
2015/16	KPMG	Except for non-compliant AGS	30/9/2016	6 months
2016/17	KPMG	Except for non-compliant AGS	19/2/2019	2 yrs 11 months
2017/18	KPMG	Adverse for Investment Property	19/6/2023	5 yrs 3 months
2018/19	BDO	Disclaimed	13/12/2024	5 yrs 9 months
2019/20	BDO	Disclaimed	13/12/2024	4 yrs 9 months
2020/21	BDO	Disclaimed	13/12/2024	3 yrs 9 months
2021/22	BDO	Disclaimed	13/12/2024	2 yrs 9 months
2022/23	BDO	Disclaimed	13/12/2024	1 yr 9 months
2023/24	GT	Disclaimed	25/2/2026	1 yr 11 months
2024/25	GT	Disclaimed	24/2/2026	11 months

Audit back-stop arrangements

- 2.7 To tackle the backlog of outstanding local government external audits, central Government implemented an audit back-stop process in 2024 requiring auditors to issue audit opinions by specified dates even where audit work may not have been undertaken or completed.
- 2.8 Nationally, English local authorities are half-way through the backstop arrangement. The remaining backstop dates are:

2.9 Financial year 2025/26: 31 January 2027

- Financial year 2026/27: 30 November 2027
- Financial year 2027/28: 30 November 2028.
- Financial years 2028/29 onwards: 31 July

- 2.10 Where audits cannot be completed by these backstop dates the auditors typically will issue a 'Disclaimer' on the accounts. The Council is among the significant number of authorities whose previous years accounts have been disclaimed.

- 2.11 Unfortunately, due to the lack of assurance over the opening balances resulting from disclaimed opinions in previous years' accounts, it seems very likely that Grant Thornton (GT) will issue a disclaimed audit opinion for financial year 2025/26. It seems likely that GT would move towards either a modified or an unmodified opinion for the 2026/27 accounts. This is likely to be a similar position for most of the other West Surrey district and borough councils who are also under backstop arrangements.
- 2.12 The different categories of audit opinion are summarised below:
- An **unmodified** opinion in a local government Statement of Accounts means the external auditor has concluded that the financial statements present a true and fair view and are free from material misstatement. In other words, the auditor is satisfied that the accounts have been properly prepared in line with the relevant accounting and legislative requirements, and there are no significant issues that would affect their reliability, this is often referred to as a "clean" audit opinion.
 - A **modified** opinion in a local government Statement of Accounts means the external auditor has concluded that the accounts are not fully accurate or reliable in all material respects, or that they were unable to obtain enough evidence to confirm part of them. It indicates that there is a significant issue affecting the financial statements, serious enough to prevent a clean (unqualified) opinion, though the rest of the accounts may still be fairly presented.
 - A **disclaimer** of opinion in a local government Statement of Accounts is issued when the external auditor is unable to obtain sufficient and appropriate evidence to form an audit opinion, and the potential impact of this lack of evidence is both material and pervasive. In this situation, the auditor cannot say whether the accounts are accurate or inaccurate, so they formally decline to express any opinion at all.

Draft Statement of Accounts 2025/26

- 2.13 The draft unaudited 2025/26 Statement of Accounts was published on 4 September 2026. The public inspection period commenced 7 September 2026 and will end 16 October 2026.
- 2.14 The Narrative Report (page 8) shows the outturn against the budget showing a £10.5m overspend, which has been met from earmarked reserves.
- 2.15 The Balance Sheet shows the Council's assets, liabilities, and reserves. The reserves are split into usable and unusable reserves. Usable reserves reflect resources available to support Council activities and comprise:
- The General Fund balance;
 - Earmarked reserves, which are elements of the General Fund specifically "earmarked" either to support particular projects in the future or to provide a safeguard against risk;
 - Capital Receipts and Capital Grants, which can only be used to fund either capital expenditure or repay debt.
- 2.16 Unusable reserves are not available to the Council to support service delivery. Instead, these are set up under the Code to account for statutory overrides designed to mitigate the impact of full compliance with accounting

requirements under the Code with the amount to be met from council tax. For example, depreciation is charged to services under the Code but is not a “proper” charge to council tax under legislation and so is transferred out of the General Fund to the Capital Adjustment Account and replaced by a Minimum Revenue Provision (MRP). Each unusable reserve is set up to deal with specific statutory overrides.

2.17 The Council had a negative Balance Sheet as at 31 March 2026, reflecting that its assets were £61m less than its liabilities. This largely reflects a substantial reduction in the value of the Council’s investment property of £98m and property plant and equipment of £10m. The negative Balance Sheet showed a substantial improvement of £245m from £306m negative net worth at 31 March 2025 to £61m at 31 March 2026. This was largely due to the refinancing exercise in November 2025 which generated a discount of £342m contributing to the £356m reduction in overall borrowing, and reducing long term liabilities.

2.18 The main movements on the Balance Sheet between 31 March 2025 and 31 March 2026 are summarised below:

2.19 Non-current Assets

- Property, Plant and Equipment has reduced by £10m primarily due to the combination of both asset revaluation and the acquisition of new assets through the capital programme. Further details are provided in Note 17 of the Statement of Accounts.
- Investment Property has reduced by £98m due to valuation movements. Further details can be found in Note 15 to the Statement of Accounts.
- Long-term receivables reduced by £5m due to impairment of loans advanced to the Council’s subsidiary company, Knowle Green Estates LTD (KGE).

2.20 Current Assets

- Short-term investments increased by £9m largely due to increased cash available as the Council’s asset disposal programme started;
- Assets held for Sale increased by £11m from £2m to £13m reflecting the delay in the disposal of the Summit Centre (see Note 24)
- Short Term Debtors have reduced by £5m due to improved collection performance. Further information is available in Note 20.
- Cash and Cash Equivalents reduced by £5m to £4.1m reflect an increase in the short-term cash investments held and reduction in bank current account due timing difference at year end. Further notes on Cash and Cash Equivalents and Financial Instruments can be found in Note 23 and 20 of the Statement of Accounts, respectively.

2.21 Current Liabilities

2.22 Short Term Borrowing reduced by £7m reflecting both a reduction in the overall Capital Programme and ceasing to take out new borrowing in compliance with the Statutory Direction to implement a strict debt reduction policy. Further detail can be found in Note 20.

2.23 Short-term payables (i.e. creditors) reduced by £4m reflecting Council Tax (£6.1m) and Other (£0.092m), offset by increases in Business Rates (£2.2m).

2.24 Grants Received in Advance have decreased by £4m as these were used to fund the Capital Programme. Further details are provided in Note 25 to the draft Statement of Accounts.

2.25 Long Term Liabilities

- Long Term Borrowing has decreased by £355m, largely due to the debt restructuring in November 2025 (see Note 20)
- Long-term pension liabilities have increased by £6m because of an accounting adjustment related to the application of the asset ceiling, as determined by the Scheme's actuaries, Barnett Waddingham (see Note 29).

2.26 Reserves

2.27 Usable reserves reduced by £22m. £20m of the reduction was the reduction in earmarked reserves, which were used to support the revenue budget and fund the Capital Programme. The remaining £2m was using all capital receipts brought forward and generated in the year to fund the capital programme (in place of borrowing) and to repay debt (further details on the usage of earmarked reserves is in Note 16).

- The total negative (i.e. debit) balance of unusable reserves reduced by £267m from £366m to £99m. This is largely due to the balance of the discount from the debt restructuring being held in the newly created Financial Instruments Adjustment Account (see Note 15 for further details regarding the unusable reserves).

Debt restructuring

2.28 The single largest transaction within the Statement of Accounts is the debt restructuring undertaken in November 2025. In compliance with the Statutory Direction to implement a "strict debt reduction policy" all borrowing with a remaining term in excess of 10 years was restructured. This involved repaying £905m of PWLB at rates of c. 2.5% with £563m at rates at c.5%, generating a discount of £342m.

2.29 Under international financial reporting standards (IFRS) as reflected in the Code, the discount was credited in full to the Financing and Investment Income and Expenditure (FIEE) line within the CIES (see Note 8), but in line with statutory requirements, the discount must be credited to the General Fund over 10 years rather than in one year. Consequently, the discount has been transferred out of the General Fund (via the Movement in Reserves Statement – detailed in Note 14) to the Financial Instruments Adjustment Account (see Note 15), and one-tenth credited back to the General Fund (via the Movement in Reserves Statement – detailed in Note 14).

Financial Improvement Journey

2.30 In the report to Audit Committee dated 23 July 2026, it was explained that the Council was on a financial improvement journey. Based on experience at other local authorities, this usually takes three years:

- **Year One** is sorting the financial reporting issues i.e. producing a Statement of Accounts which fully complies with the Code. This stage resulted in the revised Statement published in September 2025;
- **Year Two** has two aspects:
 - (a) Improving capacity and capability within the Finance Team. This has been achieved by:
 - i. engaging a number of financial reporting specialists,
 - ii. providing closedown training to all Finance staff
 - iii. implementing a standard suite of closedown working papers for all aspects of the Statement of Accounts with tailored quality assurance processes to ensure Code compliance
 - iv. instituting rigorous quality assurance review of all statements and disclosures
 - (b) identifying, investigating and resolving legacy issues.

Resolving legacy issues

Prior Period Adjustments

- 2.31 Prior period adjustments are required to correct errors which have arisen in previous years' accounts which exceed the Council's materiality level which for 2025/26 was £3m. Note 37 reports three prior period adjustments to the accounts which date back to 2018/19:
- When assets were transferred to KGE by way of a £4.705m loan to the company in 2018/19, the Council recognised a long-term debtor to mirror the transfer of the assets. At the same time a deferred capital receipt was recognised to reflect the assets were transferred by way of a loan, of which the repayments would then be capital receipts. The deferred capital receipt originally recognised was understated by £0.98m, which has now been corrected;
 - The Council transferred further assets to KGE in 2023/24 of £2.437m and in 2024/25 of £11.266m. Whilst a long-term debtor was recognised to mirror the transfer of the asset, no deferred capital receipt was recognised. This was an omission of £13.703m, which has now been corrected;
 - Detailed review of the Council's fixed asset register during closedown identified that two assets (Summit Centre and Elmsleigh Shopping Centre) had been mis-classified as operational assets 2023/24 and should have been classed as investment property. Correction required a transfer of £37.6m from operational assets to investment property and unwinding depreciation of £3.6m in 2024/25.
- 2.32 As a result of the above the Capital Financing Requirement (CFR) (see Note 27) has been restated by £22.5m at 1 April 2025, so that the CFR reconciles to the balance sheet. This is not classed as a Prior Period Adjustment as the CFR is not a primary accounting statement.

Other corrections

- 2.33 In addition to the above three prior period adjustments there were a number of significant corrections

- When the Council disposed of the Pooled Investment Funds in 2024/25, the unrealised gains of £2.6m accumulated in the Financial Instruments Revaluation Reserve should have been credited back to the General Fund. This was corrected in 2025/26.

2.34 Following initial quality assurance which picked up in the final stages of the drafting process, further quality assurance review of the Collection Fund has identified cumulative errors of £1.9m dating back to 2024/25. Work undertaken by external advisors, LG Futures, identified that:

- (a) For council tax, the incorrect transaction reports had been used resulting in prepayments being omitted resulting in the overall collection fund surplus being overstated by £0.9m in 2024/25 and understated by £0.4m in 2025/26
- (b) For business rates, again prepayments had been omitted resulting in mis-reporting of the NNDR 3 outturn reports to MHCLG and mis-reporting on business rates income

The bad debt provisions for council tax and business rates had not been revised in 2025/26. Bringing these in line with the Council's collection experience increased the overall bad debt provision by £2.2m of which the Council's share was £0.3m

- (c) Correcting the above resulted in an additional charge to the General Fund of £1.6m in respect of business rates offset by an additional credit of £0.2m in respect of council tax, totalling £1.4m net charge to the General Fund
- (d) The Collection Fund statutory override is designed to deal with timing differences between:
 - What the Collection Fund actually collects.
 - What local authorities are allowed to take into their budgets each year.

Section 31 grants are compensation payments from Government (for example, for business rate reliefs granted to businesses).

Pooling payments arise from business rates pooling arrangements between councils.

These are not Collection Fund deficits or surpluses. They are separate income streams.

Incorrectly including s.31 grants and pooling payments within the scope of the statutory override accounting for the collection fund, resulting in an additional charge to the General Fund of £0.5m.

2.35 The background paper sets out the findings and feedback from the specialist consultant engaged to undertake the review, highlighting the issues identified during the work.

2.36 Collection Fund is probably the most complex part of local authority accounting because it sits at the intersection of:

- Local taxation (Council Tax and Business Rates)
- Multiple organisations sharing the income
- Accounting rules that separate cash movements from statutory funding

- Constant estimates and later adjustments

2.37 The Council collects money it does not fully own. Unlike fees, rents or service income, the Collection Fund is largely collected on behalf of others.

For Council Tax, a billing authority collects the tax and distributes it between:

The Borough Council; Surrey County Council (historically); Police; Fire Authority; Parish Councils (where applicable)

For Business Rates, income is shared between:

Central Government; The local authority; Other authorities within the rates retention system

This means every accounting entry needs to identify:

Who collected the money; Who ultimately owns it; Any over or under collection

The Collection Fund therefore acts almost like a large agency account.

2.38 Council Tax and Business Rates are estimated before the financial year starts.

The council calculates a: Council Tax Base; Business Rates forecast; Surplus or deficit estimate.

These figures determine what preceptors receive during the year.

However, the actual collection performance may differ because:

Properties become exempt; Appeals are lodged; New developments are built; Collection rates change; Reliefs are granted

As a result:

Year 1

Funding paid out based on forecasts

Year 2

Actual position known

Surplus or deficit recognised

Adjustments flow through budgets

This timing difference creates complex accounting entries and reserves.

2.39 Business Rates appeals are particularly difficult

Historically, one of the biggest challenges has been business rates appeals.

A business can challenge its rateable value years after being billed.

For example:

Council receives rates in 2024/25.

Valuation Office reduces the assessment in 2026.

Refund may relate back several years.

Authorities therefore need to estimate the future cost of appeals and create provisions.

The provision can move significantly each year and directly impacts the Collection Fund balance.

2.40 Business Rates retention is highly technical

Authorities must account for:

Baselines; Tariffs; Top-ups; Levy arrangements (historically); Safety nets; Pooling arrangements; Section 31 grants; Renewable energy schemes; Enterprise Zones in some areas

The tax collected is no longer simply passed to Government; there is a complicated sharing system with multiple statutory adjustments.

2.41 Collection Fund deficits create budget pressures later

If collection falls short:

- Deficit arises in Collection Fund.
- Share attributable to each authority is calculated.
- Following year's budgets must absorb that deficit.

The impact can therefore emerge a year after the event which makes medium-term financial planning more challenging.

2.42 It should be emphasised that whilst the prior period adjustments and non-material corrections outlined above are significant, they are an inevitable by-product of the rigorous quality assurance process introduced in 2025/26 which had been absent in previous years. This process will ensure that the risk of material mis-statements and erroneous balances are not transferred to West Surrey Council on vesting day. This puts the draft accounts onto a more robust basis and will make the external audit review of the draft accounts smoother.

2.43 **Year three** of the financial improvement journey should see the 2026/27 closedown as a much more straightforward process, given the amount of work which has been invested this year in investigating and correcting errors from previous years and instilling a more robust closedown process.

Audit and approval of the Accounts

2.44 The external audit of the draft Statement of Accounts is ongoing currently by Grant Thornton. Following completion of the external audit, the Audit Committee will be presented with the audited Statement of Accounts to approve. This will be either 26 November 2026 or 28 January 2027, depending on progress with the audit to achieve compliance with the 31 January 2027 backstop date. The current expectation is that it will be 26 November 2026

2.45 Upon completion of the audit, the Chief Finance Officer will re-certify the final version of the Statement of Accounts prior to their approval by the Audit Committee. Any significant changes between the draft and final version arising from the audit process will be reported to Members.

- 2.46 In addition, upon the conclusion of the audit, Grant Thornton will report their Audit Findings as part of the accounts approval process, and present their Value for Money findings.

Implementation of 2024/25 audit recommendations – summary

- 2.47 As part of planning for the 2025/26 closedown process, an accounts planning document was prepared which ensured that staff engaged on closedown addressed any relevant audit recommendations from 2024/25. Quality assurance of completed tasks during closedown has ensured that these have been fully addressed.

3. Options appraisal and proposal

- 3.1 All significant amendments made to the published draft Statement of Accounts will be reported to the Audit Committee via Grant Thornton's Audit Findings report following completion of the external auditor's programme of work.
- 3.2 Failing to approve the Statement of Accounts will not be an option given that it is a statutory requirement on the Council to approve the Statement of Accounts and to comply with the statutory requirement to approve the accounts before the backstop date of 31 January 2027.

4. Risk implications

- 4.1 The main risk of missing the statutory deadline for approving the accounts is that this then adversely delays completion of the 2026/27 Statement of Accounts impacting on the prompt, complete and accurate transfer of balances to West Surrey Council.
- 4.2 It is recognised that after a period of 6 years without audit opinions that there are potential risks as to issues which have not been identified and addressed through the audit process. This is one reason why both this year and last year the Finance Team deliberately took more time to pull together the draft accounts, undertake quality assurance review and bring in external expertise. The review of the draft 2025/26 accounts identified issues with Collection Fund figures, so we brought in external expertise. Have now completed a thorough review of the Collection Fund, the risk of there being further issues in this area of the accounts is significantly reduced.
- 4.3 In order to reduce the risk of not publishing accounts by the deadline for 2026/27, additional steps are being taken including implementing elements of early soft closing ahead of 31st March 2027.

5. Financial implications

- 5.1 Addressed in the report above. The Statement of Accounts provide a key summary of the financial position of the Council at 31 March 2026.

6. Legal comments

- 6.1 Local authorities are required by the Local Audit and Accountability Act 2014 to prepare an annual Statement of Accounts in accordance with the Accounts and Audit Regulations 2015, as amended, the Local Government Act 2003 and the CIPFA Code.
- 6.2 This report assists the Council to discharge this obligation.

- 6.3 In the event that the backstop deadline of 31 January 2027 for approving the Statement of Accounts is not met, the Council will be required to publish an explanatory notice.

Corporate implications

7. Commissioners' comments

- 7.1 Commissioners note the draft accounts presented to the Committee.

8. S151 Officer comments

- 8.1 The S151 Officer is personally responsible for authorising the accounts for issue. In doing so the S151 Officer confirms that the Statement of Accounts has been prepared in accordance with the Code and statutory requirements.

9. Monitoring Officer comments

- 9.1 This report supports compliance with the relevant legislative and regulatory requirements relating to the preparation and publication of the draft Statement of Accounts.

10. Procurement comments

- 10.1 There are no procurement implications.

11. Equality and Diversity

- 11.1 There are no specific equality and diversity implications.

12. Sustainability/Climate Change Implications

- 12.1 There are no climate change implications.

13. Other considerations

- 13.1 The format of the Statement of Accounts reflects the improvements implemented in 2024/25.
- 13.2 Officers will provide a briefing for Members to explain the main elements of local authority accounts drawing out the key issues appertaining to the 2025/26 Statement.

14. Local Government Reorganisation Implications

- 14.1 There are no LGR procurement and contracts extension issues. However, approval of the 2025/26 Statement of Accounts will facilitate the prompt, accurate and complete transfer of balances to West Surrey Council on vesting day. The additional quality assurance work on Collection Fund, improves the robustness of a particularly complex, area of the accounts, and puts them in a stronger position being passed across to West Surrey.

15. Timetable for implementation

- 15.1 The audited Statement of Accounts must be approved by the statutorily prescribed backstop date of 31 January 2027.

- 15.2 The draft 2025/26 Statement of Accounts has been provided to the Council's external auditors, Grant Thornton, for them to complete their audit, which is currently underway.
- 15.3 Grant Thornton expects to complete their audit by November 2026. Once the audit has been finalised and any adjustments required agreed, the Statement of Accounts will be presented to the Audit Committee for approval.
- 15.4 To improve the year-end closedown process and the quality of the Statement of Accounts, we are implementing a soft-close approach, which will enable the production of a draft 2026/27 Statement of Accounts in January 2027.

16. Contact

- 16.1 Altin Bozhani, Interim Deputy Chief Finance Officer –
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:

LG Futures Operational Support Feedback Slides 2025-26 - Spelthorne Aug -
Confidential

Appendices:

Appendix A – draft 2025/26 Statement of Accounts