

## Slough Borough Council

<b>Report To:</b>	<b>Extraordinary Audit and Corporate Governance Committee</b>
<b>Date:</b>	12 <sup>th</sup> February 2026
<b>Subject:</b>	Statement Of Accounts Report 2024/25
<b>Chief Officer:</b>	Ian O'Donnell, Executive Director Corporate Resources (S151 Officer)
<b>Contact Officer:</b>	Nick Penny, Director of Finance Corporate and Commercial
<b>Ward(s):</b>	All
<b>Exempt:</b>	No
<b>Appendices:</b>	Appendix 1 - Statement of Accounts 2024/25 Appendix 2 – Letter of Representation ( <b>TO FOLLOW</b> ) Appendix 3 – External Auditor's Shortform Audit Findings Report and Draft audit opinion ( <b>TO FOLLOW</b> )

### 1. Summary and Recommendations

1.1 The 2024/25 Statement of Accounts are presented to this committee for final approval.

#### Recommendations:

Audit and Corporate Governance Committee is recommended to:

- a) Approve the 2024-25 statement of accounts at Appendix 1.
- b) Approve the 2024-25 letter of representation at Appendix 2.
- c) Note the Shortform Audit Findings Report and Draft audit opinion at Appendix 3 with a fuller update to be provided to the March Committee.

#### Commissioner Review

This report is outside the scope for pre-publication commissioner review; please check the [Commissioners' instruction 5 to CLT to sign off papers](#) for further details.

### 2. Report

#### Introductory paragraph

2.1 The Accounts and Audit Regulations 2015 (as amended) set out the requirements for publication of backlog statements of accounts. Officers have continued to work to a very challenging timetable over the last 2 financial years to prepare, publish and finalise five years' accounts (2019/20 to 2023/24). These have all been published on the Council's website.

2.2 This report sits alongside the external audit agenda item to present the 2024/25 accounts for final approval by the Audit and Corporate Governance Committee.

## **Background**

- 2.3 The 2024/25 Statement of Accounts were published on Friday 12<sup>th</sup> December 2025, these have been subject to a 30-working day public inspection which closed on Wednesday 28<sup>th</sup> January 2026.
- 2.4 The Auditors had a short time frame in January 2026 following the delayed publishing of these accounts to undertake some audit work. The audit work focussed on in year transaction for 2024/25 with samples requested by the auditors and working papers returned by the Council.
- 2.5 These accounts will have a disclaimed audit opinion in line with previous years accounts due to the lack of assurance over the opening balances and the delays in production of the accounts meaning that a full audit was not possible. Subject to the accounts being published on time 2025/26 will be the first full audit since 2018/19.
- 2.6 The opinion on the 2024/25 accounts will be presented to this committee by Grant Thornton and following this meeting the final version of the 2024/25 accounts will be published. The link to the published 2024/25 Statement of Accounts is attached as Appendix 1 to this report

## **3. Implications of the Recommendation**

### **Finance Implications**

- 3.1 The finance implications are set out in the body of this report relating to the 2024/25 Statement of Accounts.

### **Legal Implications**

- 3.2 Regulation 9A was inserted into the 2015 Regulations to provide that, for the financial years 2024/25 the deadline to publish the final accounts and statements is 27 February 2026. The accounts for 2025/26 should be published by 31 January 2027. The published statement of accounts must have been approved by the Category 1 authority in accordance with regulation 9(2) of the 2015 Regulations and include the opinion and any certificate from the local auditor in accordance with section 20(2) of the Act.
- 3.3 Where a Category 1 authority is unable to comply with the publication deadlines, for instance where the public inspection period has not been completed, meaning the accounts cannot be audited, regulation 9(5) and (6) apply. These state that if the auditor is considering an objection, declaring an item of account unlawful, considering whether to make an application to court or an application has been made and has not been determined (including at appeal) or the auditor is not satisfied that the authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources, the authority must publish a notice stating that it has not been able to publish its accountability statements and its reasons for this and publish its accountability statements as soon as reasonably practicable. If these matters do not apply, the authority must publish a notice stating it has failed to publish its accountability statements, its reasons for this and that it acknowledges that it must publish its accountability statements as soon as reasonably practicable. It must also send a copy of this notice to the Secretary of State and publish its accountability statements as soon as reasonably practicable.

3.4 The Government issued a policy paper on addressing the local audit backlog in November 2024. This confirms the following:

*The key objective of an audit is to obtain sufficient evidence to conclude that the auditor has reasonable assurance that the financial statements as a whole are free from material misstatement. Where this is feasible, auditors issue an unmodified (or 'clean') audit opinion to the body. Otherwise, auditors may issue a modified opinion, including a disclaimed opinion if they are unable to provide substantive assurance or a qualified opinion if they are able to provide assurance on parts of the accounts. These opinions are relatively uncommon.*

*Auditors are expected to issue hundreds of disclaimed opinions by the first backstop date of 13 December 2024, and these will likely continue for some bodies for a number of years. It is the aspiration of the government and key local audit system partners that disclaimed opinions driven by backstop dates should, in most cases, be limited to the next two years (up to and including the FY 2024/25 backstop date of 27 February 2026).*

*The government is clear that, where the backstop dates result in modified or disclaimed opinions, local bodies should not be unfairly judged. Auditing standards require auditors to clearly explain the basis of their opinion in their auditor's report – they should distinguish between disclaimed or modified opinions caused by the backstop date and those caused by other factors such as weaknesses in financial reporting or specific material issues in the accounts. This explanation from the auditor should be included as part of the statement of accounts published by a local body on its website by the relevant backstop date.*

*While the backlog measures will result in modified or disclaimed audit opinions, auditors' other statutory duties – including to report on Value for Money (VfM) arrangements, to make statutory recommendations and issue Public Interest Reports – remain a high priority. We also expect local bodies to fully engage with audit work in these areas. It is also the case that, irrespective of the audit process, local bodies should have arrangements in place for accurate and timely financial reporting as part of their internal system control.*

*Finally, the government recognises the potential relevance of disclaimed or modified opinions to authorities' ability to borrow from private lending markets and to credit ratings. The government's expectation is that private lenders and ratings agencies would factor in the exceptional context and consider their approach on a case-by-case basis.*

### **Risk management implications**

3.5 Failure to publish the Statement of Accounts on time has significant reputational risks for the Council. A dedicated project team was put in place for completion of the 2019/20 to 2023/24, and some of that team has been to provide continuity for completion of the 2024/25 accounts.

3.6 There are inherent financial risks for financial sustainability arising from potential liabilities not recognised without adequate prior year's audited accounts.

**Environmental implications**

3.7 There are no specific environmental implications of the recommendations.

**Equality implications**

3.8 There are no specific equalities and inclusion implications of the recommendations.

**Procurement Implications**

3.9 There are no specific procurement implications arising from the recommendation.

**Workforce Implications**

3.9 There are no specific workforce implications arising from the recommendation.

**Property Implications**

3.10 There are no specific property implications arising from the recommendation.

**4. Background Papers**

None