

Slough Borough Council

Report To:	Audit and Corporate Governance Committee
Date:	11 th March 2026
Subject:	Closing of Accounts Plan and Timetable 2025/26
Chief Officer:	Ian O'Donnell – Executive Director Corporate Resources (S151 Officer)
Contact Officer:	Nick Penny – Director of Finance Corporate and Commercial
Ward(s):	All
Exempt:	No
Appendices:	Appendix 1: Headline Timetable

1. Summary and Recommendations

1.1 This report provides an update on the closing plan and timetable for the production of the 2025/26 Statement of Accounts.

Recommendations:

1.2 Audit and Corporate Governance Committee is recommended to:

- a) Note the closing plan and timetable for the production of the 2025/26 Statement of Accounts.

Commissioner Review

The Council now needs to proactively transition from years of backlog and disclaimed opinions to timely, high-quality and compliant reporting. This requires a robust cross council 12-month plan, starting with the outcomes i.e. date the accounts must be made available for public inspection or 2025/26 backstop date and working backwards, ensuring all key components of the accounts are included and addressed in a timely manner. Clarity of ownership and dependencies will be essential and objective quality assurance process of working papers before finalisation and submission to the external auditor. In reviewing the plan, the Council should identify any skills and capacity gaps, weak internal controls, and engage early or commission specialist advice on complex or subjective issues.

The Council must adhere to all deadlines within this plan. The Committee should seek assurance that issues raised in preparing and auditing annual accounts and other reports have been resolved and that sufficient resources are allocated to prevent the Council being knocked off track by wider unforeseen issues during the preparation, publication and subsequent audit process. Sufficient time should be allowed for the Committee to appraise the process, give assurance that proper practices and policies have been followed, and commend the accounts to the Council.

2. Report

- 2.1 On 30 September 2024, the Accounts and Audit (Amendment) Regulations 2024 came into force. This legislation introduced a series of backstop dates for local authority audits, these regulations the 2025/26 audited financial statements to be published by 31st January 2027, with the deadline for the draft accounts to be published 30th June 2026.
- 2.2 This report sets out the Council's plan and headline timetable to enable the draft accounts to be prepared, reviewed internally and signed off by the Section 151 and Finance Commissioner before 30th June 2026.

3. 2025/26 Improvements, Plan and Timetable

- 3.1 The Closing of Accounts debrief 2024/25 report presented to this committee showed the findings of the four week audit work undertaken by Grant Thornton (GT), this report will address some of the work to make improvements in areas highlighted as part of this work, as well as other improvements being made and will set out the plan and timetable to enable the accounts to be published by 30th June 2026.

Learnings From 2024/25 Audit Work

- 3.2 Financial Statements: As part of the review of the financial statements 122 lines of further review and improvement were identified by GT, of which 28 were deemed significant, 71 less significant and 23 minor and formatting. The items identified are spread over the financial statements, the closing team are reviewing the specifics of these and making a plan to address these. As part of this external expertise is being sought for some of the more technical areas of the statement of accounts as well as updating CIPFA resources to ensure the preparation of the statements is in line with best practice. GT have a tool to help check the preparation of some of the key financial statements such as the movement in reserves which will be utilised from 2025/26.
- 3.3 Sampling of In Year Transactions: The sampling of in year transactions showed that in the condensed two-week sampling period just under 50% of the samples were fully cleared, with the remainder having unresolved queries. A breakdown of which service areas these queries were in has been requested from GT so that the closing team can support services improve the quality of and timeliness of responses to sample request in the 2025/26 audit. The closing team will ensure guidance is made available which can be followed so that all of the finance team are clear what 'good' looks like.
- 3.4 Payroll: The learnings from the sample request for 2024/25 will be considered when returning 2025/26 samples to ensure there is a clear reconciliation and explanation provided for how the employee related expenditure figure quoted in the statement of accounts is shown within the financial ledger as well as for schools which do not use the Council's payroll system.
- 3.5 Fixed Asset Register: The improvements flagged in the technical work completed with GT will be reflected in updated workings for 2025/26, including technical adjustments to the presentation of infrastructure assets. Detailed liaison with internal staff to quality assure the information contained within the Council's fixed

asset register. This is being supported by better use of the Council's general ledger coding to support efficient user of officer time and improve transparency.

- 3.6 Cash Balances and Suspense: We are currently undertaking a review to identify transactions that are suitable for write off or write back where tracing is no longer possible due to insufficient information. Alongside this one-off exercise, we are developing a formal business process to ensure that write off/write back activity takes place routinely (on an annual basis at year end) using agreed criteria such as age and value. Should a customer subsequently contact us to trace a payment, any written back items can be reinstated and allocated accordingly. This will significantly reduce the amount held in suspense at the end of 2025/26.
- 3.7 Other Improvements: for 2024/25 the core working papers for the Council were significantly upgraded, particularly focussed on the movement in reserves statement. This resulted in faster and more efficient working. This will be built upon during 2025/26 to extend the improvements and further improve working papers across the financial statements.

2025/26 Plan and Timetable

- 3.8 Interim planning and interim work for 2025/26 is planned for March and into early April 2026, this is later than ideal due to the delays to the publication of the 2024/25 statement of accounts and knock on impact this has on when the audit work could be undertaken.
- 3.9 Planning for 2025/26 is more progressed than in previous years, due to the recent clearance of the statement of accounts backlog. Improved use of the system, and improvements to working papers will continue for 2025/26, alongside further detailed review of existing processes, making improvements and better documentation for audit processes as set out above. Work completed across the finance improvement plan will contribute towards better financial controls and processes, simplifying production of the statement of accounts. A period 9 soft close process was undertaken in January 2026 which included:
- Purchase order cleansing
 - Open purchase orders have been reviewed to ensure high quality data is available and to support implementation of automatic accruals where goods receipt notes are completed on purchase orders.
 - Suspense
 - Suspense items have been reviewed with a view to clearing historic backlogs and income which has had not been allocated during the year.
 - Balance sheet reconciliations
 - Supporting information for all lines on the balance sheet has been requested, including improved templates and guidance.
 - Grant register
 - Has been reviewed and any missing information requested to ensure all balances are supported in advance of year-end.
 - Capital
 - In-year transactions have been reviewed, and reserve movements posted where appropriate, as well as working on existence checks and contract reviews for embedded leases.

- 3.10 Following the soft close a detailed timetable has been collated, with assigned owners and deadlines, which will be reviewed continually to manage tasks and dependencies. A summary version of the timetable is appended to this report, the key requirement is that the accounts are published on the 30th June 2026, following sufficient time for internal review, validation and senior sign off.
- 3.11 In late February/early March 2026, staff training is being delivered for finance staff within the Council, as well as specific training sessions for revenue and capital budget holders. This will be supported by bespoke training in specific areas from an external expert which will look to address the issues highlighted in the GT audit work.

4. Implications of the Recommendation

Financial implications

- 4.1 There are no direct financial implications arising from this report. The finance team will be considering the findings of the review when planning the 2025/26 closing process with the aim of addressing any concerns highlighted.

Legal implications

- 4.2 Regulation 9A was inserted into the 2015 Regulations to provide that, for the financial year 2025/26 accounts 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.
- 4.3 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.

Risk management implications

- 4.4 Failure to publish the Statement of Accounts on time has significant reputational risks for the Council. Publishing of the backlog accounts has addressed this, but the next stage is to ensure 2025/26 is published on time and that a full audit can be undertaken.

Environmental implications

- 4.5 There are no specific environmental implications of the recommendations.

Equality implications

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

Procurement implications

- 4.7 There are no specific procurement implications arising from the recommendation.

Workforce implications

- 4.8 The significant improvement work required across the Council must be undertaken in conjunction with the normal business activities of the Council. Where any additional external resources are engaged it is vital that the appropriate level of internal capacity building is included within the contractual arrangement. From a duty of care perspective, it is essential that adequate resources are identified to fulfil essential requirements.

5. Background documents

None.