

North East Derbyshire District Council

Audit Committee

28 July 2025

Draft Statement of Accounts 2024/25

Report of the Director of Finance and Resources (S151 Officer)

Classification: This report is public

Report By: **Jayne Dethick, Director of Finance and Resources (S151 Officer)**

Contact Officer: **Jayne Dethick**

PURPOSE / SUMMARY

To note the completion and publication of the draft Statement of Accounts for 2024/25 in line with the statutory deadline.

RECOMMENDATIONS

1. That the Audit Committee note the draft Statement of Accounts in respect of 2024/25.

IMPLICATIONS

Finance and Risk: Yes ☐ No ☒

Details:

There are no additional financial implications arising from this report.

On Behalf of the Section 151 Officer

Legal (including Data Protection): Yes ☒ No ☐

Details:

The process has been undertaken in line with the requirements of the Accounts and Audit Regulations.

On Behalf of the Solicitor to the Council

Staffing: Yes ☐ No ☒

Details:

There are no staffing issues arising directly from this report.

DECISION INFORMATION

Decision Information	
Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: NEDDC: Revenue - £125,000 <input type="checkbox"/> Capital - £310,000 <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
District Wards Significantly Affected	None
Equality Impact Assessment (EIA) details:	
Stage 1 screening undertaken <ul style="list-style-type: none"> Completed EIA stage 1 to be appended if not required to do a stage 2 	No, report is for information only
Stage 2 full assessment undertaken <ul style="list-style-type: none"> Completed EIA stage 2 needs to be appended to the report 	No, not applicable
Consultation: Leader / Deputy Leader <input type="checkbox"/> Cabinet <input type="checkbox"/> SMT <input checked="" type="checkbox"/> Relevant Service Manager <input type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/>	Yes Details:

Links to Council Plan priorities; <ul style="list-style-type: none"> A great place that cares for the environment A great place to live well A great place to work A great place to access good public services
The statement of accounts links to all Council Plan priorities

REPORT DETAILS

1 **Background** (reasons for bringing the report)

- 1.1 The Statement of Accounts (statements) is a statutory document which sets out the Council's income and spending during the financial year and its balances at the end of the financial year. The Council published its draft Statement of Accounts in respect of 2024/25 on 20 June 2025, ahead of the 30 June 2025 statutory deadline. This deadline has been extended from 31 May for previous financial years to help improve the quality of the draft statements.
- 1.2 The documents that make up the Statement of Accounts are complex and are required to be prepared in line with the accounting rules that apply to all councils.
- 1.3 The statements are audited by the Council's external auditors, Forvis Mazars who provide an opinion about the quality or integrity of the financial information, including the principal of 'going concern'.
- 1.4 Due to significant delays in external audits across the country, the statutory backstop deadline for signing off 2024/25 accounts by the appointed external auditor is 27 February 2026. The Audit Committee should be presented with an opportunity to scrutinise the accounts in a timely manner, therefore due to the length of time between completion of the accounts and the deadline for audit sign off it is deemed appropriate that the Audit Committee receive the accounts in draft form. The audited accounts will then be presented to a future meeting alongside the Audit Completion Report.

2. Details of Proposal or Information

Statement of Accounts

- 2.1 The External Audit team, Forvis Mazars, has been appointed to undertake work on the Statement of Accounts for 2024/25. Work on the interim audit began in March 2025 and on the main audit in July 2025. It is expected that the audit will be completed in good time before the statutory backstop date in February 2026. The Audit Strategy Memorandum expect completion in November 2025.
- 2.2 Nationally, there has been a deterioration in the timeliness of local authority audits since 2017/18. Delays were compounded during the Covid pandemic, and this led to a significant backlog of audit opinions across England. The Government introduced a process to 'reset' local authority audits. Historical audit opinions (up to and including 2022/23) had to be completed and signed off by auditors by the backstop date of 13 December 2024. For audits that were incomplete at this date, the appointed auditors would need to issue a disclaimed audit opinion. This did not directly impact the Council as the 2022/23 accounts (and previous years') had been audited. However, the 2023/24 audit was delayed until September whilst audit focus was on clearing the backlog by the deadline.
- 2.3 For the next phase of the process changes have also been made to the audited approval dates for future years up to and including the financial year 2027/28, as the table below demonstrates:

Financial Years	Backstop Date
2023/24	28 February 2025
2024/25	27 February 2026
2025/26	31 January 2027
2026/27	30 November 2027
2027/28	30 November 2028

- 2.4 At the February 2025 backstop date for 2023/24 over 92% of bodies have published audited accounts for 2023/24. Just under 50% of those who have published their account received a disclaimed opinion and 41% published unmodified (clean) audit opinions. The Council received an unmodified opinion for the 2023/24 statements that was presented to Audit Committee on 26 February 2025.
- 2.5 For the 2024/25 statements the backstop date is 27 February 2026. There has been a marked improvement nationally in publishing statutory accounts with 3 in 4 having published at the time of writing this report.
- 2.6 Mazars have now commenced the Council's audit and whilst the back stop date of 27 February 2026 remains in place, are optimistic that sign off can be achieved before this date. Until this time the accounts remain subject to amendment.
- 2.7 The draft Statement of Accounts can be found on the Council's website at: [Annual Statement of Accounts - North East Derbyshire District Council](#)

3 Reasons for Recommendation

- 3.1 The backstop date for the completion of the external audit process in respect of 2024/25 is delayed due to the reset of local audit processes, therefore the draft Statement of Accounts for 2024/25 is presented for noting to the Audit Committee.

4 Alternative Options and Reasons for Rejection

- 4.1 There are no alternative options for consideration.

DOCUMENT INFORMATION

Appendix No	Title
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet you must provide copies of the background papers)	
None	