

Report To: **AUDIT PANEL**

Date: 25 June 2024

Executive Member / Reporting Officer: Cllr Jacqueline North – (Finance, Resources & Transformation)
Ashley Hughes – Director of Resources

Subject: **STATEMENT OF ACCOUNTS 2023/24**

Report Summary: This report presents the unaudited 2023/24 Statement of Accounts. These will be audited by the Council's external auditors, Forvis Mazars.

Recommendations: Members are recommended to note the completion of the unaudited 2023/24 Statement of Accounts.

Policy Implications: By regulation, the Council's statement of accounts have to be audited, for each financial year.

Financial Implications: As detailed within the report.

(Authorised by the Section 151 Officer & Chief Finance Officer)

Legal Implications: (Authorised by the Borough Solicitor) The Local Audit and Accountability Act 2014 (the Act) governs the work of auditors appointed to authorities and other local public bodies. The Act, the Accounts and Audit Regulations 2015 and the Local Audit (Public Access to Documents) Act 2017 also cover the duties, responsibilities and rights of local authorities, other organisations and the public concerning the accounts being audited. Non-compliance with these provisions could lead to the issue of an advisory notice by the External Auditor, with the ultimate sanction of judicial review, as only a court can ultimately decide whether a local authority's decision, or failure to decide something it should have, is unlawful.

Risk Management: Associated details are specified within the report.

Background Papers: Background papers relating to this report can be inspected by contacting: Stuart Munro, Senior Finance Manager – Corporate Services

 e-mail: stuart.munro@tameside.gov.uk

1. SUMMARY

- 1.1 This report presents the unaudited 2023/24 Statement of Accounts (Appendix 1) and summarises the salient financial points arising.
- 1.2 The recommendation contained in this report is to note the publication of the Council's unaudited 2023/24 Statement of Accounts (SOA). This report also sets out the key points from the Statement of Accounts.

2. BACKGROUND

- 2.1 In accordance with the 2015 Accounts & Audit Regulations, the Council prepared an unaudited Statement of Accounts ¹ for 31 May 2024 and this was reviewed by the Director of Resources.
- 2.2 The Statement of Accounts were published on the 31 May 2024 and have been made available for public inspection from the 3 June 2024 until 12 July 2024.
- 2.4 The Council's external auditors will audit the 2023/24 Statement of Accounts following the audit of the 2022/23 Statement of Accounts.

3 KEY POINTS FROM THE SOA

- 3.1 The General Fund Balance ended the year at £27.537m and earmarked reserves at £88.481m. Both these amounts represent cash funds, which can only be spent once. The General Fund is held in accordance with regulation. It represents a relatively small safety net in proportion to the Council's gross spend of £678.348m shown in the Comprehensive Income and Expenditure Statement. Earmarked reserves protect against specific risks and commitments, including ring-fenced revenue grants.
 - 3.2 The Council spent £37.999m on long term infrastructure. £31.156m of this was financed by capital grants. £2.709m was financed from Earmarked Reserves or Revenue. £2.098m was financed by receipts from the sale of property. The remaining balance of £1.036m of this spend was financed by borrowing for a capital purpose.
 - 3.3 At 31 March 2024, the Council also held £29.111m of capital grants which are committed for use against the current Capital Programme.
 - 3.4 Working capital was positive with short-term debtors and cash (£167.638m) higher than short-term creditors (£69.407m).
 - 3.5 The Council has £272.594m of borrowing for a capital purpose. However, in practice, a large proportion of this is funded from internal cash balances, so actual external borrowing was £136.025m. The Council has further borrowing of £84.396m in the form of contractual Private Finance Initiative Liabilities. The Private Finance Initiative is for the construction, financing and operation of a number of schools in the borough.
 - 3.7 The SOA includes an estimate of the net balance on the Council's Local Government Pension Fund. The investments set aside to pay pension promises are currently valued in excess of the promises to pay future pensions. This means that the carrying value of the Council's Local Government Pension Fund is a net asset, however this has then been adjusted by the asset ceiling to leave a net liability of £45.929m.
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- 3.8 The Council maintains a separate fund to collect Business Rates and Council Tax, which is then redistributed to Greater Manchester Combined Authority and Tameside Council. The fund ended the 2023/24 financial year in surplus.

4 NEXT STEPS

- 4.1 The draft Statement of Accounts will now be subject to external audit by Forvis Mazars.

5 RECOMMENDATIONS

- 5.1 As set out in the summary of this report.