

Blaby District Council

Audit & Corporate Governance Committee

Date of Meeting	9 February 2026
Title of Report	Approval of the Audited Accounts 2024/25
Report Author	Finance Group Manager

1. What is this report about?

- 1.1 Provides Members with the draft report of the external auditors setting out the results of the audit of accounts for 2024/25.
- 1.2 The report seeks approval for delegated authority for the Section 151 Officer in conjunction with the Chair of this Committee to formally approve the accounts upon final completion of the audit.

2. Recommendation(s)

- 2.1 That the draft report of the external auditors, appearing at Appendix A is accepted.
- 2.2 That the Committee grants delegated authority to the Executive Director (Section 151) in consultation with the Chair of the Audit and Corporate Governance Committee to approve and sign off the Council's audited Financial Statement, appearing at Appendix B.

3. Reason for Decision(s) Recommended

- 3.1 To bring to Members' attention the findings of our external auditors, Azets in relation to the audit of the 2024/25 accounts.
- 3.2 The Accounts and Audit Regulations 2015 require local authorities to have their 2024/25 accounts approved by a resolution of "a committee or by the members meeting as a whole", and no later than 27th February 2026.

4. Matters to consider

4.1 Background

The Council is required to prepare its annual accounts in accordance with CIPFA's Code of Practice on Local Authority Accounting in the United Kingdom (the Code), and also in line with International Financial reporting Standards (IFRS). The reason for this to attempt to produce the accounts in a standardised and consistent format across both the public and private sectors, and to give greater transparency to stakeholders.

The Accounts and Audit Regulations 2015 set out the requirements and timelines for production of the unaudited accounts, as well as approval and production of the audited accounts.

Since the onset of Covid-19, local authorities in general have experienced significant delays with the timely completion of the audit of accounts.

On 30 September 2024 the Accounts and Audit Regulations 2015 were amended via The Accounts and Audit (Amendment) Regulations 2024, to introduce backstop dates by which point local public bodies must publish audited accounts, to address the Audit backlog.

At that time the Council had outstanding Accounts for 2020/21, 2021/22 and 2022/23. The back stop date for the outstanding accounts was confirmed as 13th December 2024.

The Council's Audited Financial Accounts for 2020/21, 2021/22 and 2022/23 were presented on 25th November at Extraordinary Meeting, Audit and Corporate Governance Committee with the Auditor's (Ernst and Young) report, and delegated authority was given to the Executive Director (Section 151) in consultation with the Chair of the Audit and Corporate Governance Committee to approve and sign off the outstanding accounts once all outstanding matters were finalised. Following the end of the notice period the Accounts for 2020/21, 2021/22 and 2022/23 were approved and signed on 12th December 2024.

The backstop date for the approval and publication of the 2023/24 audited accounts was 28th February 2025. The Audit of the accounts was undertaken by Azets with a draft completion report presented at Audit and Corporate Governance Committee on 6th February 2025, following this the Accounts were approved and signed on 25th February 2025.

4.2 Audit of Accounts

The Councils Auditors for the 2024/25 Accounts, Azets, presented their report to Members in April 2025, reflecting their plan to rebuild the assurance required following the delay in the Councils prior year accounts being signed. The Auditors began their work in September 2025.

Azets are required to comply with the Code of Audit Practice and Statement of Responsibilities of Auditors and of Audited Bodies. The Code requires them to produce a "Report to Those Charged with Governance". The report documenting their findings is attached at Appendix A.

Azets set an overall materiality threshold of £737,000 for the purposes of the audit of accounts for 2024/25. However, they are required to report any misstatements that are not "clearly trivial".

The misstatements highlighted to Officers include incorrect classification of a Heritage Asset, and classification of property, plant and equipment valuation movement. Audit adjustments are detailed from page 40 of Appendix A, the overall impact is nil.

Officers have not had sufficient time to fully review and respond to the Auditors report, therefore to enable this to be undertaken, it is requested for delegated authority to the Executive Director (Section 151) in consultation with the Chair of the Audit and Corporate Governance Committee for any minor amendments to be made, and to approve and sign off the Council's audited Financial Statement, appearing at Appendix B.

4.3 Significant Issues

In preparing this report, the author has considered issues related to Human Rights, Legal Matters, Human Resources, Equalities, Public Health Inequalities and there are no areas of concern.

5. Environmental impact

5.1 No Net Zero and Climate Impact Assessment (NZCIA) is required for this report.

6. What will it cost and are there opportunities for savings?

6.1 Audit fees are detailed in the completion report (Appendix A). The final fees are to be confirmed, and Azets will be liaising with Public Sector Audit Appointments Ltd (PSAA Ltd) to discuss and agree.

7. What are the risks and how can they be reduced?

7.1

Current Risk	Actions to reduce the risks
That the Audit and Corporate Governance Committee does not accept the draft accounts.	Officers have worked closely with the auditors to ensure that the accounts are free from material misstatement.
That the 2024/25 Accounts will not be signed and published by the backstop date.	Delegated authority is sought to allow the Executive Director (S151) to make any final amendments to the accounts, in consultation with the Chair of Audit & Corporate Governance Committee, prior to final sign off and publication of the accounts.

8. Other options considered

8.1 None.

9. Appendix

9.1 Appendix A – Blaby District Council Audit Completion Report

9.2 Appendix B – Audited Statement of Accounts 2024/25 and Annual Governance Statement

10. Background paper(s)

10.1 None.

11. Report author's contact details

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