

BROMSGROVE DISTRICT COUNCIL

**Audit, Standards & Governance Committee
2026**

13th July

Report: Draft Statement of Accounts Report 2025/26

Relevant Portfolio Holder	Councillor Simon Nock
Portfolio Holder Consulted	Yes
Relevant Assistant Director	Debra Goodall
Report Author: Debra Goodall	Job Title: Assistant Director of Finance and Customer Services Contact email: Debra.goodall@bromsgroveandredditch.gov.uk
Wards Affected	All
Ward Councillor(s) consulted	No
Relevant Council Priority	Underpins all priorities
Key Decision: NO – Information only	
If you have any questions about this report, please contact the report author in advance of the meeting.	

1. RECOMMENDATIONS

The Audit, Standards and Governance Committee is asked to RESOLVE to:

1.1 Consider, with appropriate comment, and acknowledge Draft Statement of Accounts 2025/26 that were produced and published by the statutory deadline of 30 June 2026.

2. BACKGROUND

- 2.1 The report covers the draft Statement of Accounts for 2025/26.
- 2.2 The Council has achieved the statutory deadline for publication of the draft accounts on the Council's website of the 30 June 2026 for public inspection.
- 2.3 The Public Consultation end date is Thursday 6 August 2026.
- 2.4 This is the second year running that the Council have published draft accounts in line with the statutory deadline.
- 2.5 Members have the opportunity to review the Statement of Accounts in full to inform their consideration of the Council's financial reporting, governance and value for money arrangements.

- 2.6 The accounts are a draft version and these will be reviewed by the External Auditor, Ernst and Young ready for the publication of the Final Accounts 2025/26 in line with the backstop date of 31 January 2027.
- 2.7 Further work is being undertaken internally to provide assurance of the Draft Accounts for 2025/26. This will take place before Ernst and Young carry out their assurance process and will feed into this.
- 2.8 A review is also taking place regarding the current processes and procedures in place to produce the Accounts. This will provide an opportunity to enhance the existing arrangements and ensure that a streamlined process is in place for the 2026/27 final accounts.

3. FINANCIAL IMPLICATIONS

- 3.1 The audit fees for Ernst and Young are set by PSAA and the total fee will be agreed at the completion of the audit process. The scale fee for core work for 2025/26 is estimated to be approximately £168,332 for 2025/26, subject to confirmation by PSAA and any fee variations.

4. LEGAL IMPLICATIONS

- 4.1 There are no direct legal implications arising from this report.

5. OTHER - IMPLICATIONS

Local Government Reorganisation

- 5.1 There are no direct implications arising from this report in relation to Local Government Reorganisation or Devolution.

Relevant Council Priority

- 5.2 Financial resilience and good governance underpin the council's ability to meet all of its priorities.

Climate Change Implications

- 5.3 None directly resulting from this report.

Equalities and Diversity Implications

5.4 No adverse impacts resulting from the content of this report.

6. RISK MANAGEMENT

6.1 The Council has a corporate risk relating to the resolution of the section 24 notice issued by the predecessor external auditors on 31 October 2022 and 27 November 2023 in relation to:

- the flawed implementation of the ERP (financial) system
- the failure to publish financial statements in line with statutory deadlines.

6.2 Ernst and Young has reviewed the Council's response to those recommendations and concluded that further statutory recommendations are not currently required. This was covered within the Completion Report previously presented to this Committee.

7. APPENDICES and BACKGROUND PAPERS

7.1 Appendix – Statement of Accounts 2025/26