

2024-25 UNAUDITED ANNUAL ACCOUNTS PREPARATIONS

1 EXECUTIVE SUMMARY

- 1.1 This report advises the Audit and Scrutiny Committee of the plans in place for the preparation of the council's Unaudited Annual Accounts for the year ending 31 March 2025.
- 1.2 The Section 95 Officer confirms that the accounts will be prepared in accordance with proper accounting practice, as required by legislation and as set out within the Code of Practice on Local Authority Accounting in the United Kingdom 2024-25 (the Code).
- 1.3 The Audit and Scrutiny Committee is requested to note that plans are in place to prepare the council's Unaudited Annual Accounts for the year ending 31 March 2025, in accordance with proper accounting practice, and by the statutory deadline of 30 June 2025.

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2. INTRODUCTION

- 2.1 'An Audit Committees – Practical Guidance for Local Authorities' has been issued by the Chartered Institute of Public Finance and Accountancy (CIPFA). This suggests that Audit Committees should have an overview of the plans made for the preparation of the council's Annual Accounts. This report is therefore considered good practice in advising the Audit and Scrutiny Committee of the plans in place for the preparation of the council's Unaudited Annual Accounts for the year ending 31 March 2025.

3 RECOMMENDATIONS

- 3.1 The Audit and Scrutiny Committee is requested to note that plans are in place to prepare the council's Unaudited Annual Accounts for the year ending 31 March 2025, consistent with proper accounting practice and by the statutory deadline of 30 June 2025.

4 DETAIL**4.1 Section 95 Officer Responsibilities**

- 4.1.1 The Section 95 Officer is responsible for the preparation of the council's Annual Accounts in accordance with proper accounting practices, as required by legislation, and as set out in the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom (the Code).
- 4.1.2 In preparing the Annual Accounts, the Section 95 Officer will:
- Select suitable accounting policies and apply them consistently;
 - Make judgements and estimates on a reasonable basis;
 - Comply with legislation; and
 - Comply with the Local Authority Accounting Code of Practice 2024-25 (in so far as it is compatible with legislation).
- 4.1.3 The Section 95 Officer will also:
- Keep adequate accounting records, which are up to date; and
 - Take reasonable steps for the prevention and detection of fraud and other irregularities.
- 4.1.4 The Section 95 Officer confirms that adequate resources and arrangements are in place to discharge these responsibilities effectively.

4.2 Completion of Accounts Project Plan and Guidance

- 4.2.1 Processes and procedures have been established to ensure that the Annual Accounts are prepared in accordance with proper accounting practice, as required by legislation and as set out within the Code of Practice on Local Authority Accounting in the United Kingdom 2024-25 (the Code). The Code is based on International Financial Reporting Standards (IFRS), with interpretation appropriate to the public sector.
- 4.2.2 There is one major change to the Code from the previous year, with the adoption of IFRS 16 Leases from 1 April 2024. The project plan has been updated, and arrangements have been put in place, to ensure compliance with the new requirement in respect of accounting for leases and lease type arrangements. Cognisance has also been taken of the Annual Audit Report in respect of the Audited Annual Accounts for the year ending 31 March 2024 in order to further enhance existing processes and arrangements, where appropriate.
- 4.2.3 In keeping with previous years' arrangements, a project plan has been developed, with resources adequately allocated, to ensure completion in accordance with proper accounting practice and within the required completion timescale. A clear set of instructions for the end of the financial year will be clearly communicated to all stakeholders. These sit alongside the project plan and cover year-end close down of the council's financial systems and the preparation of a set of statutory accounts. In addition, progress on delivery of the project plan will be closely monitored on an ongoing basis through to completion of the Unaudited Annual Accounts by the statutory deadline of 30 June 2025.
- 4.2.4 The detailed project plan includes the following key milestones:
- Revenue expenditure, creditors, debtors, accruals and prepayments completed by 17 April 2025;
 - Capital expenditure and treasury management revenue accounts completed by 25 April 2025;
 - Agreement of inter-group balances with Live Argyll and associated journals processed by 25 April 2025;
 - Council Tax and NDR entries completed by 9 May 2025;
 - Review and adjustments to ledger and central department cost allocations completed by 21 May 2025;
 - Preparation of Unaudited Annual Accounts including report by Section 95 Officer by 30 May 2025;
 - Unaudited Annual Accounts considered by a meeting of the Audit and Scrutiny Committee on 12 June 2025;
 - Unaudited Annual Accounts considered by a meeting of the full Council on 26 June 2025; and
 - Submission of Unaudited Annual Accounts to Accounts Commission by the statutory deadline of 30 June 2025.
- 4.2.5 External auditors have been satisfied with the quality of working papers and general

arrangements for the preparation of the Unaudited Annual Accounts in previous years. The plan is designed to ensure completion of the Unaudited Annual Accounts by the required deadline of 30 June 2025, together with supporting documentation, prepared to a suitable standard, to enable completion of the audit by 30 September 2025.

5. CONCLUSION

5.1 The Section 95 Officer has appropriate arrangements in place to ensure completion of the Unaudited Annual Accounts for the year ending 31 March 2025, in accordance with proper accounting practice and by the statutory deadline of 30 June 2025.

6 IMPLICATIONS

6.1	Policy	None
6.2	Financial	None
6.3	Legal	Ensures compliance with statutory deadline
6.4	HR	None – delivered within existing resources
6.5	Fairer Duty Scotland:	
	6.5.1 Equalities	None
	6.5.2 Socio-Economic Duty	None
	6.5.3 Islands Duty	None
6.6	Climate Change	None
6.7	Risk	Mitigates the risk of non-compliance with required accounting standards and statutory deadline
6.8	Customer Service	None
6.9	The Rights of the Child (UNCRC)	None

Kirsty Flanagan
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19 February 2025

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For further information please contact Carolyn Earl, Interim Head of Financial Services, carolyn.earl@argyll-bute.gov.uk