

## **East Herts Council Report**

### **Audit and Governance Committee**

**Date of meeting: Tuesday 24 February 2026**

**Report by:** Councillor Carl Brittain– Executive Member for Financial Sustainability

**Report title:** External auditors completion report - 2024/25

**Ward(s) affected: (All Wards);**

**Summary** – The external auditors, Azets will present their Audit Completion report for 2024/25 Statement of Accounts setting out the results of their audit.

This report presents the 2024/25 Statement of Accounts to the Audit and Governance Committee for approval.

### **RECOMMENDATIONS FOR AUDIT AND GOVERNANCE COMMITTEE:**

- a) Receive and make any comments on the external auditor’s Completion Report for 2024/25.
- b) Approve the 2024/25 Statement of Accounts.

### **1.0 Proposal(s)**

- 1.1 That Members review and comment on the external auditors Completion Reports (Appendix A).
- 1.2 The Statement of Accounts are attached as Appendix B for 2024/25.

### **2.0 Background**

- 2.1 The government has introduced legislation aimed at bringing local authority audits up to date, with a backstop date of 27 February 2026 for the completion of 2024/25 audits. As part of this process, it is expected that the auditors will issue a ‘disclaimed’ audit opinions, meaning no assurance can be provided on these set of accounts.
- 2.2 This report is presented to the Audit & Governance Committee in its role as the body charged with governance and as the designated committee responsible for approving the Statement of Accounts (see Appendix B).

2.3 For Members' information, an updated version of the Auditor's Disclaimer of Opinion on the financial statements is provided at Appendix C. This will be incorporated into the final version of the 2024/25 Statement of Accounts once the auditors have signed them off. Also included is a copy of the Letter of Representation (at Appendix D), which will be signed by the Director of Finance, Risk and Performance ahead of the audit sign-off. This letter is a key piece of audit evidence, confirming the accuracy and completeness of the financial information provided. It also acknowledges management's responsibility for the financial statements and confirms that all material facts have been disclosed.

### **3.0 Reason(s)**

3.1 The external auditor is required by auditing standards to present the Committee with their Audit Completion and Annual Auditor's Reports. The external auditor is presenting their report on the Council's financial statements and provide a value for money conclusion.

3.2 The report anticipates issuing a disclaimed audit opinion for the financial year ending 31 March 2025 due to the inability to complete the required audit testing. This is a result of catching up with previous years audit processes and lack of available finance and audit resource.

3.3 The auditors completion report identifies details of misclassification and disclosure changes, on pages 46-48, required in the accounts, these relate to the 2023/24 comparative figures in the accounts. The 2024/25 draft Statement of Accounts were published on the Councils website by the statutory deadline of 30<sup>th</sup> June 2025 and the 2023/24 Statement of Accounts were finalised on 30<sup>th</sup> September 2025. The main reasons for the audit changes are:

- Changes made to the 2023/24 accounts that were not included in the draft 2024/25 accounts
- Presentation changes to the Movement in Reserve Statement and some notes in 2024/25 Statement of Accounts to make these clearer to the reader of the accounts. This has resulted in adjustments to the presentation of the prior year figures.
- Some inputting errors in the 2023/24 prior year figures in the 2024/25 Statement of Accounts, which have been corrected.

3.4 The sign off of the 2024/25 Statement of Accounts by the 27<sup>th</sup> February will mean that the Council is up to date with the backlog of audits. Plans to build back the assurance on the Statement of Accounts were presented to members on 26<sup>th</sup> November 2025.

### **4.0 Options**

4.1 Members can ask questions and make observations to the external auditor, but they cannot reject their reports.

## **5.0 Risks**

5.1 These are contained within the body of the main report.

## **6.0 Implications/Consultations**

6.1

### **Community Safety**

No

### **Data Protection**

No

### **Equalities**

No

### **Environmental Sustainability**

No

### **Financial**

These are contained in the main body of the report.

### **Health and Safety**

No

### **Human Resources**

No

### **Human Rights**

No

### **Legal**

Approval of the accounts by committee fulfils the requirements of the Accounts and Audit regulations (2015).

### **Specific Wards**

No

## 7.0 Background papers, appendices and other relevant material

### 7.1

Appendix A	Audit Completion Report 2024/25
Appendix B	Statement of Accounts for 2024/25
Appendix C	Auditors Disclaimer of opinion on the financial statements
Appendix D	Draft Letter of Representation

#### **Contact Member**

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