

**GATESHEAD METROPOLITAN BOROUGH COUNCIL**

**ACCOUNTS COMMITTEE MEETING**

**Tuesday, 5 November 2024**

**PRESENT:** Councillor M Gannon (Chair)

Councillor(s): C Donovan

**APOLOGIES:** Councillor(s): R Beadle

**6 MINUTES**

The minutes of the last meeting held on the 30 October 2023 were approved as a correct record and signed by the chair.

**7 AUDIT COMPLETION REPORT YEAR ENDED 31 MARCH 2024 AND STATEMENT OF ACCOUNTS 2023/24**

Considerations have been given to Mazars Audit Completion Report 2023/24, including the Council's arrangements for securing economy, efficiency and effectiveness.

The key messages are as follows:

- a. Audit Opinion – At the time of issuing the report, and subject to satisfactory conclusion of the remaining audit work, Forvis Mazars anticipate issuing an unqualified opinion, without modification, on the financial statements. However, this is subject to the conclusion of matters in relation to pensions.
- b. Identified misstatements – the auditor's work identified a number of misstatements that have been discussed with management. A summary of the identified misstatements is set out in the report.
- c. Value for Money – at the time of issuing the report, Forvis Mazars anticipate having no significant weaknesses in arrangements to report in relation to the arrangements that the Council has in place to secure economy, efficiency and effectiveness in its use of resources.
- d. Whole of Government Accounts (WGA) – the National Audit Office (NAO) have yet to issue instructions and until this is available Forvis Mazars are unable to commence work on the Council's WGA submission.
- e. Wider Powers – the Local Audit and Accountability Act 2014 requires the auditor to give an elector, or any other representative of the elector, the opportunity to question them about the accounting record of the Council and to consider any objection to the accounts. No questions or objections have been received.

The report also includes a draft letter of Representation of Mazars to be approved by the Committee prior to being signed by the Strategic Director, Resources and Digital following the issues of the audit opinion.

The Statement of Accounts is materially consistent with the 2023/24 revenue and capital outturn reports considered by Cabinet on 25 June 2024. Along with minor adjustments and presentational changes, the significant findings and misstatements to the Statement submitted for audit on 31 May 2024 have been identified through the audit process.

None of the changes to the Statement of Accounts impact on the revenue and capital outturn positions reported to Cabinet, nor do they affect the position of any usable reserves. Further testing is ongoing on the identified unadjusted misstatements with a view to assessing the impact on materiality. This may require further adjustments to the statement of accounts.

**RESOLVED:**

- i. That the contents of Mazars Audit Completion Report and updates given at the meeting be noted.
- ii. That the issue of the Letter of Representation by the Strategic Director, Resources and Digital on behalf of the Council be approved, subject to confirmation of the final position on misstatements and outstanding work.
- iii. That the Statement of Accounts 2023/24 be approved for publication.
- iv. That the Strategic Director, Resources and Digital, following consultation with the Leader of the Council, be given delegated powers to authorise the Statement of Accounts for issue, subject to the satisfactory outcome of the outstanding issues and receipt of the audit opinion from Mazars.

**Chair.....**