NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

AUDIT AND GOVERNANCE COMMITTEE – WEDNESDAY, 5 AUGUST 2026

Title of Report	**DRAFT STATEMENT OF ACCOUNTS 2025/26**	
Presented by	Anna Crouch Head of Finance (Deputy S151 Officer)	
Background Papers	Statement of Accounts 2025/26 (unaudited) Annual Governance Statements 2025-26 (Draft) Notice of Public Rights	**Public Report:** Yes
Financial Implications	There are no financial implications as a direct result of this report. **Signed off by the Section 151 Officer**: yes	
Legal Implications	There are no legal implications as a direct result of this report. **Signed off by the Deputy Monitoring Officer**: yes	
Staffing and Corporate Implications	There are no staffing or corporate implications as a direct result of this report. **Signed off by the Head of Paid Service**: yes	
Purpose of Report	To update the Audit and Governance Committee on the draft (pre-audit) Statement of Accounts	
Recommendations	**THAT THE AUDIT AND GOVERNANCE COMMITTEE NOTES:** **1. THE DRAFT (PRE-AUDIT) STATEMENT OF ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2026;** **2. THAT THE STATEMENT OF ACCOUNTS HAS BEEN AUTHORISED FOR ISSUE BY THE THEN ACTING 151 OFFICER IN ACCORDANCE WITH THE ACCOUNTS AND AUDIT REGULATIONS 2015, AS AMENDED;** **3. THE ARRANGEMENTS AND TIMETABLE FOR THE STATUTORY PERIOD FOR THE EXERCISE OF PUBLIC RIGHTS; AND** **4. THAT THE AUDITED STATEMENT OF ACCOUNTS WILL BE PRESENTED TO COMMITTEE MEETING ON THE 13 JANUARY 2027 FOR APPROVAL FOLLOWING COMPLETION OF THE EXTERNAL AUDIT.**	

1.0 BACKGROUND

1.1 The Statement of Accounts provides a comprehensive summary of the Council's financial performance and financial position for the financial year ended 31 March 2026. It has been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom and the Accounts and Audit Regulations 2015, as amended.

1.2 The accounts are required to present a true and fair view of the Council's financial affairs and include the core financial statements, notes to the accounts, the Narrative Statement and the Annual Governance Statement.

1.3 The draft (pre-audit) accounts have been prepared by officers and authorised for issue by the Head of Finance and at the time of publication, Acting Section 151 Officer. As these accounts have not yet been subject to external audit, they are presented to the Committee as a draft (pre-audit) version and remain subject to review, amendment and audit findings.

2.0 DRAFT (PRE-AUDIT) STATEMENT OF ACCOUNTS 2025/26

2.1 The Draft (Pre-Audit) Statement of Accounts is attached as Appendix A.

2.2 The accounts provide information on:

- The Council's financial performance during 2025/26.
- The movement in usable and unusable reserves.
- The Council's assets and liabilities as at 31 March 2026.
- Cash flow movements during the year.
- Capital expenditure and financing.
- Pension fund liabilities and other long-term commitments.

2.3 Members should note that the accounts may be subject to amendment during the external audit. Any significant changes identified through the audit process will be reported to the Committee when the audited accounts are presented for approval.

2.4 The external audit will be undertaken by the Council's appointed auditor, Azets LLP, in accordance with the Local Audit and Accountability Act 2014 and the National Audit Office Code of Audit Practice.

3.0 STATUTORY PERIOD FOR THE EXERCISE OF PUBLIC RIGHTS

3.1 The Accounts and Audit Regulations 2015 require local authorities to make the draft (pre-audit) Statement of Accounts available for public inspection and to provide a period during which local government electors may inspect the accounting records and supporting documentation, ask questions of the external auditor and raise objections where appropriate.

3.2 The regulations require the period for the exercise of public rights to be a single period of 30 working days. During this period, the Council must make the accounting records and supporting documents available for inspection at reasonable times upon request.

3.3 The Council has published:

- The Draft (Pre-Audit) Statement of Accounts.

- The Annual Governance Statement.
- The notice of public rights.
- Details of how electors may inspect the accounts and supporting records.

3.4 These documents are available on the Council's website and supporting records can be inspected by making an appointment with the Council's Finance Team.

3.5 The period for the exercise of public rights will run from 1 July 2026 to 11 August 2026, comprising 30 working days in accordance with statutory requirements.

4.0 EXTERNAL AUDIT PROCESS

4.1 Following publication of the draft (pre-audit) accounts and completion of the public inspection period, the Council's external auditor will undertake the audit of the 2025/26 Statement of Accounts.

4.2 The audit will include:

- Examination of the financial statements.
- Review of supporting evidence and working papers.
- Consideration of accounting estimates and judgements.
- Evaluation of governance and financial reporting arrangements.

4.3 Upon completion of the audit, the auditor will issue their Audit Findings Report and audit opinion which will be presented to this Committee alongside the final audited Statement of Accounts.

4.4 Current regulations require audited accounts to be published by the statutory backstop date of 31 January 2027 for the 2025/26 financial year where audit work remains ongoing.

5.0 SUMMARY

5.1 The Draft (Pre-Audit) Statement of Accounts for 2025/26 has been prepared and published in accordance with statutory requirements. The accounts are now subject to the public inspection process and external audit review. The Committee is asked to note the draft (pre-audit) accounts and the arrangements for the statutory exercise of public rights prior to the audited accounts being brought back to a future meeting for approval.

Policies and other considerations, as appropriate	
Council Priorities:	A Well-Run Council
Policy Considerations:	None
Safeguarding:	None
Equalities/Diversity:	None
Customer Impact:	None
Economic and Social Impact:	None
Environment, Climate Change and Zero Carbon	None
Consultation/Community/Tenant Engagement:	Statutory public inspection commenced on the 1 July 2026 and ends on the 11 August 2026.
Risks:	Failure to comply with statutory accounting and publication requirements could result in regulatory non-compliance and reputational damage to the Council.
Officer Contact	Anna Crouch Head of Finance (Deputy S151 Officer) anna.crouch@nwleicestershire.gov.uk