



Telford & Wrekin
Co-operative Council

Protect, care and invest
to create a better borough

Audit Committee Member Training

2024/25 Statement of Accounts (SoA) Overview

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27 January 2026

Introduction

Background

- The structure and content of the Statement of Accounts is determined by Government Legislation, Accounting Standards including International Financial Reporting Standards and the Chartered Institute of Public Finance & Accountancy (CIPFA) Codes of Practice
- The Statement of Accounts comprises
 1. Narrative Report
 2. Statement of Responsibilities
 3. Annual Governance Statement
 4. Auditor's Report
 5. Expenditure & Funding Analysis
 6. Comprehensive I&E Statement
 7. Movement in Reserves Statement
 8. Balance Sheet
 9. Cashflow Statement
 10. Notes to the Accounts
 11. Collection Fund
 12. Group Accounts
 13. Glossary

Key Dates

- Outturn Report presented to Cabinet – 19 June 2025 and Full Council – 17 July 2025
- Draft SoA presented to Audit Committee Members 29 May 2025
- Draft SoA available for Public Inspection for 30 Days
- External Audit commenced Summer 2025
- External Audit is substantially completed
- Updated SoA approval by Audit Committee 28 January 2026
- Final SoA published once Audit Opinion is received



1. Narrative Report [pages 4-30]

Provides an overview of the budget and financial context, highlights issues raised during the year and provides a summary of both revenue and capital outturn positions for the Council as well as the impacts on general balances.

Revenue Position £m			
	Budget	Outturn	Variation
Net Budget	157.296	157.586	0.290
Add: Funding Variance		(0.381)	(0.381)
Service Outturn [page 12 SoA]	157.296	157.205	(0.091)

General & Special Fund Balances (£m)	
Balances Brought Forward	4.569
Surplus or (Deficit) in year	0.091
Agreed use of balances	(0.216)
Balances Carried Forward	4.444

Capital (£m)	
Approved Capital Programme	93.151
Outturn	87.173
Funded By	
Borrowing	44.255
Capital Receipt	2.178
Grants	30.462
Other Sources	10.278
Total Resources	87.173



2. & 3. Statement of Responsibilities & Annual Governance Statement [pages 31 & 32 - 50]

Sets out the responsibilities of the authority and the Chief Financial Officer in respect of the SOA; details the governance framework, systems of control and standards of conduct; reviews the effectiveness of governance arrangements and identifies actions to be implemented in 2024/25.

4. Auditors Report [page 51 - 55 (to follow)]

Provides independent assurance to Members that the SOA have been compiled in accordance with UK accountancy regulations and that they give a true and fair view of the financial position as at 31 March 2024. KPMG LLP will present their own report to Audit Committee which will include the Audit Opinion. An unqualified audit opinion is anticipated.

5. Expenditure & Funding Analysis(EFA) [page 56]

The EFA reconciles how annual expenditure is used and funded from resources in comparison with those resources consumed or earned by the authority in accordance with generally accepted accounting practices.

6. Comprehensive Income & Expenditure Statement (CIES) [page 63]

The CIES shows the cost of providing services in accordance with Accountancy regulations, not the amount funded from taxations.

Reconciliation from CIES to General Fund Balance (£m)	
(Surplus) / Deficit on I&E Account 2024/25	57.158
less adjustments for Capital Purposes	(47.559)
less pension adjustment	(1.990)
less other adjustments	(11.680)
Actual Contribution to General Fund Balances 2024/25	(0.091)



7. Movement in Reserves Statement [page 64]

Shows the different reserves held by the authority, analysed into Usable reserves (those which could be used to fund expenditure) and Other Reserves (technical reserves and those where funds would not be immediately realisable e.g. revaluation reserve where assets would have to be sold to release the benefit).

Movement in Reserves Statement (£m)			
Usable Reserves		Unusable Reserves	
General/Special Fund Balance	4.444	Pension Reserve – deficit	(14.353)
Capital Grant Unapplied	28.001	Accumulated Absence Reserve	(1.840)
Revenue Grant Unapplied	0.140	Capital Adjustment Account	114.955
Earmarked Service Reserves	67.475	Revaluation Reserve	178.893
School Balances	7.925	Collection Fund	2.702
		Dedicated Schools Grant	(4.662)
		Other	(6.761)
Total Usable Reserves	107.985	Total Unusable Reserves	268.904
Total Reserves at 31 March 2025: £376.889m			



8. Balance Sheet [page 65]

The Balance Sheet shows the value of assets and liabilities at the end of the accounting period.

Balance Sheet at 31 March 2025 (£m)			
Property Plant & Equipment	748.377	Borrowing	434.903
Right of Use Assets	11.932	Creditors	103.818
Investment Property	48.763	Pension Liability	14.353
Intangible Assets	7.887	PFI & Other Leases	54.282
Long Term Investments	27.300	Provisions	2.187
Long Term Debtors	63.119	Other	3.653
Assets Held for Sale	1.536		
Debtors	58.768		
Cash & Cash Equivalents	22.173		
Other Current Assets	0.230		
Total Assets	990.085	Total Liabilities	613.196
Total Net position at 31 March 2025: £376.889m			



9. Cashflow Statement [page 66]

Shows cash in flows and outflows during the year.

10. Notes to the Accounts [pages 67 – 151]

56 Notes providing further information to support the figures in the Primary Financial Statements.

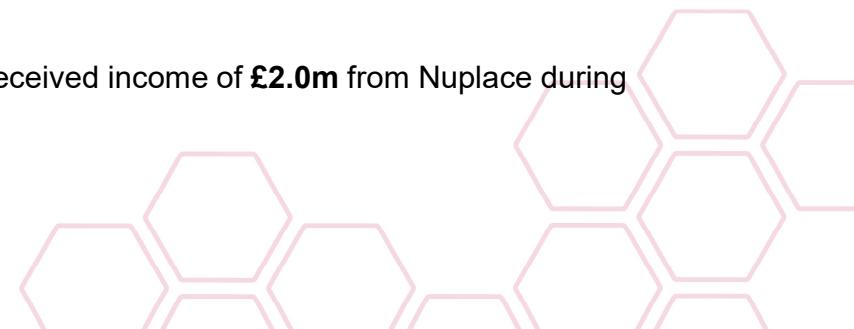
11. Collection Fund [pages 152 - 156]

Required by statute for billing authorities; records transactions relating to business rates and council tax income and payments to this Council, the parish and town councils, police and fire authorities.

12. Group Accounts and Nuplace Ltd Accounts [pages 157 – 175]

Nuplace was incorporated on 1 April 2015. The principal activity of the company is the procurement of the construction and management of private and affordable residential property.

- Nuplace Ltd is wholly owned by Telford & Wrekin Council,
- 2024/25 was the tenth year of operations,
- At 31 March 2025, Nuplace Ltd's housing portfolio comprised of 608 homes. The programme has resulted in 47.94 acres of brownfield land being regenerated, addressing sites that might otherwise blight communities,
- Dyke Yaxley are the appointed auditors for Nuplace Ltd, and
- Nuplace Ltd generated an operating profit, before taxation of **£0.687m**. The Council also received income of **£2.0m** from Nuplace during 2024/25. A summary of the financial statements is shown on the following page.



Nuplace Financial Statement for 2024/25

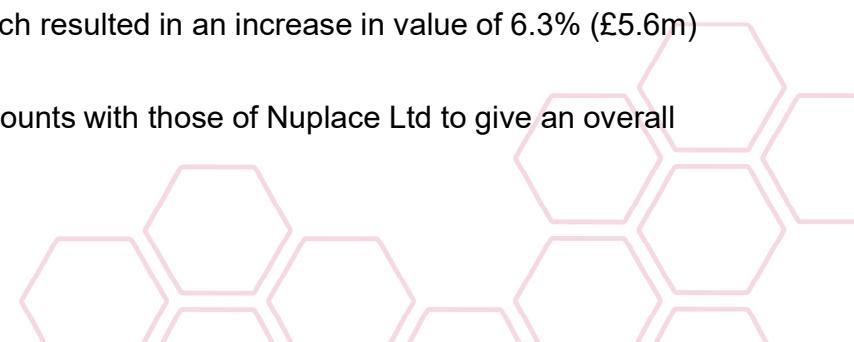
Nuplace Ltd Profit & Loss Account Financial Year 2024/25 (£m)	
Turnover	5.046
Cost of Sales	(1.481)
Gross Profit	3.565
Administrative Expenses	(0.434)
Other Operating Income	0.072
Profit before Taxation & Interest	3.203
Net Interest payable / receivable	(2.516)
Profit before Taxation	0.687
Tax on Profit	(0.239)
Profit for the Financial Year	0.448

Nuplace Ltd Balance Sheet at 31 March 2025 (£m)			
Assets		Liabilities	
Fixed Assets	122.840	Creditors	63.925
Cash & Cash Equivalents	2.247	Provisions	0.530
Debtors	0.035	Deferred Income	1.454
Total Assets	125.122	Total Liabilities	65.909
Total Net Assets at 31 March 2025: £59.213m			
Reserves			
Share Capital			27.300
Revaluation Reserve			29.757
Cumulated Profit & Loss Reserve			2.156
Total Reserves at 31 March 2025			59.213

- In accordance with accounting policy, the housing portfolio was revalued at year end which resulted in an increase in value of 6.3% (£5.6m) over the 9 completed sites

The Council has produced Group Accounts for 2024/25 which consolidate the Council's accounts with those of Nuplace Ltd to give an overall picture of the Council's activities.

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Amendments Made During the Audit Period

- **Restatement of 2023/24 & representation of 2024/25 – Property Plant & Equipment & Investment Property**

- **Property Plant & Equipment**

Misclassification of REFCUS

Reclassification of assets from Other Land and Building to Surplus Assets within the Property, Plant & Equipment analysis

- **Service Concessions (PFI) and the Impact of IFRS 16 – Leasing**

The outcome of an externally commissioned exercise have been reviewed and reflected in the audited statement of accounts.

- **Pensions – valuation of secondary contributions**

The audit identified that the incorrect valuation technique for secondary pension contribution had been used to value inputs to the Local Government Pension Scheme (LGPS).

There was **no impact** on the final General Fund surplus reported to Full Council as a result of the above amendments

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Questions?

