



DRAFT ANNUAL ACCOUNTS 2024/25

Report by Chief Financial Officer

PURPOSE

- 1.1 The purpose of the Report is to seek Comhairle approval for the submission of the Draft Annual Accounts to Audit Scotland.

EXECUTIVE SUMMARY

- 2.1 The Local Authority Accounts (Scotland) regulations 2014, require the Draft Accounts to be approved and submitted to Audit Scotland, no later than 30 June, following the end of the financial year.
- 2.2 Best practice is for elected members, either as the local authority, or a committee whose remit includes audit and governance functions to have formally considered the unaudited Annual Accounts prior to submitting them to the appointed auditor and making them available for public inspection. In terms of the Comhairle's Scheme of Administration, this Committee has delegated authority to approve the unaudited and audited Accounts.
- 2.3 Following the cyber-attack in November 2023, it was not possible to complete the 2023/24 Accounts by the 30 June deadline. These were submitted to Audit Scotland in December 2024, with the audit initially due to be completed for submission to the June 2025 meeting of the Audit and Scrutiny Committee. The audit is still on going and the auditor's report will be presented to a future meeting of the Committee. It is inevitable that there will be issues arising from the audit, due to gaps in the data, and these may impact on the opening position for the 2024/25 Accounts.
- 2.4 Regarding the 2024/25 Accounts, all data and backing records are available for inspection, and the meeting of the 30 June submission deadline is a significant milestone in the recovery from the cyber-attack.

RECOMMENDATIONS

- 3.1 It is recommended that the Comhairle:

(a) **approve the Draft Annual Accounts 2024/25 for submission to Audit Scotland.**

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Appendix: Draft Annual Accounts 2024/25

IMPLICATIONS

4.1 The following implications are applicable in terms of the Report.

Resource Implications	Implications/None
Financial	None
Legal	The Local Authority Accounts (Scotland) Regulations 2014 require that all local government bodies submit their unaudited Annual Accounts to the Auditor by 30 June of each year.
Staffing	None
Assets and Property	None
Strategic Implications	Implications/None
Risk	The cyber-attack has resulted in a loss of data and systems, which will impact on the audit findings for the previous year, with may result in changes to the current year figures.
Equalities	None
Corporate Strategy	<p>The Comhairle will continue to have in place proper arrangements (known as the Governance Framework) for the governance of the Comhairle's affairs and to facilitate the exercise of its functions.</p> <p>Co-ordinating the production of the Comhairle's budget in line with the timetable and producing Annual Accounts by the statutory deadline with no qualification contribute towards achieving strategic priority 4.1.1. <i>"The Comhairle has achieved a systematic approach to improving organisational effectiveness that aligns strategy, people and processes and the service provided is high quality, continually improving and cost effective."</i></p>
Environmental Impact	None
Consultation	None