Shropshire Council	**Committee and Date** Audit and Governance Committee 27th November 2025	Item Public

Healthy People | Healthy Economy | Healthy Environment | Healthy Organisation

Shropshire Council Audit Findings Report 2024/25

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Cabinet Member (Portfolio Holder):	Roger Evans	

1. Synopsis

This report sets out the progress with the audit of the Statement of Accounts for 2024/25, the current findings arising from the audit, and the timeline for the audit opinion being agreed for the accounts.

2. Executive Summary

2.1. On 30 September 2024, the Accounts and Audit (Amendment) Regulations 2024 came into force. These regulations required audited financial statements for the year ended 31 March 2025 to be published by the 27 February 2026.

2.2. The audit on the Statement of Accounts is substantially complete although there are some final audit queries still being worked through with the external audit team and a final review of the audit is still to be performed.

2.3. In order to provide an update on the current audit findings, Grant Thornton have produced an Audit Findings Report. The Audit Findings Report is attached to this report as Appendix 1.

3. Recommendations

3.1. Members are asked to receive and comment on the Audit Findings Report.

Report

4. Risk Assessment and Opportunities Appraisal

4.1. Details of the potential risks affecting the balances and financial health of the Council are detailed within the Statement of Accounts that has been subject to audit. The Audit Findings Report highlights the audit work that has been focussed on the significant risk areas identified for the 2024/25 audit.

5. Financial Implications

5.1. Shropshire Council continues to manage unprecedented financial demands and a financial emergency was declared by Cabinet on 10 September 2025. The overall financial position of the Council is set out in the monitoring position presented to Cabinet on a monthly basis. Significant management action has been instigated at all levels of the Council reducing spend to ensure the Council's financial survival. While all reports to Members provide the financial implications of decisions being taken, this may change as officers and/or Portfolio Holders review the overall financial situation and make decisions aligned to financial survivability. All non-essential spend will be stopped and all essential spend challenged. These actions may involve (this is not exhaustive):

- scaling down initiatives,
- changing the scope of activities,
- delaying implementation of agreed plans, or
- extending delivery timescales.

5.2. The projected external audit fee for 2024/25 is set out in the Audit Findings Report. This has identified that additional costs are being projected over and above the scale fee initially set for 2024/25, however this is subject to agreement by the Public Sector Audit Appointments.

6. Climate Change Appraisal

6.1. This report does not directly make decisions on factors related to climate change.

7. Background

7.1. The external audit by Grant Thornton began on 28th July 2025 and was planned to be substantially complete by late November. As outlined in the Audit Findings Report, the audit has progressed well, and there are some limited items where testing is just being finalised.

8. External Audit Opinion

8.1. Grant Thornton are expected to provide an unqualified audit opinion on the 2024/25 Statement of Accounts and therefore should report as follows.

"In our opinion the financial statements:

- give a true and fair view of the financial position of the group and of the Authority as at 31 March 2025 and of the group's expenditure and income and the Authority's expenditure and income for the year then ended;
- have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25; and
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

8.2. Grant Thornton have produced the Audit Findings Report on the 2024/25 Statement of Accounts based on the audit work to date, and this is attached at Appendix 1.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Approval of the Council's Draft Statement of Accounts 2024/25

CIPFA's Code of Practice (Code) on Local Authority Accounting

Financial Strategy 2024/25 – 2028/29

Local Member:

Appendices

1. Audit Findings (ISA 260) Report for Shropshire Council