Committee and Date	Item
West Mercia Energy Joint Committee 25th September 2026	Public

Statement of Accounts 2025/26 and Annual Governance Statement 2025/26

Responsible Officer Duncan Whitfield - Treasurer
e-mail: Duncan.Whitfield@shropshire.gov.uk Tel: 01743 254928

1. Summary

1.1 The purpose of this report is to present to the Joint Committee the Statement of Accounts 2025/26 and the Annual Governance Statement 2025/26.

2. Recommendations

2.1 The Joint Committee is asked;

a) To consider with appropriate comment the finalised Statement of Accounts 2025/26 to be signed by the Chair and the Treasurer of the Joint Committee.

b) To consider with appropriate comment the Annual Governance Statement 2025/26.

REPORT

3. Risk Assessment and Opportunities Appraisal

3.1 Details of the potential risks affecting the balances and financial health of WME are considered within the Statement of Accounts

4. Financial Implications

4.1 This report considers the overall financial position of WME in the form of the Statement of Accounts, the accounts consider the level of assets controlled by WME and the level of balances held.

5. Background

5.1 WME external auditors, WR Partners audited the accounts during July 2026.

5.2 The Joint Committee is required to approve the annual Statement of Accounts by the 30th September after the findings of the audit are known. The Statement of Accounts are contained in Appendix 1.

5.3 The Statement of Accounts is accompanied by WME's Annual Governance Statement 2025/26, which details processes and procedures in place to enable WME to carry out its' functions effectively. See Appendix 2.

5.4 Key elements of the Statement of Accounts to note:

- The Performance and Outlook section on page 4 summarises the year's trading performance, including customer retention, energy market drivers, system developments and the financial result.

- The Income and Expenditure Statement (page 9) sets out the trading result for the year being a net operating surplus of £2.192m versus £1.969m for the prior year as well as the distributions made over the same two periods.

- The Balance Sheet on page 10 presents the net asset position at the end of March 2026 which stands at £3.982m broadly in line with the position at the end of March 2025.

- The Pension Scheme Actuarial Valuation as at 31st March 2026 showed a pension scheme surplus of £1.484m. However, in accordance with Accounting Standard IAS 19, asset ceiling restrictions apply and no pension asset has been recognised in respect of this surplus.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information) CIPFA Code of Practice (CODE) on Local Authority Accounting CIPFA/SOLACE guidance on the Annual Governance Statement Joint Committee 28th September 2015 – Local Audit and Accountability Act
Member Councillor P Stoddart of Herefordshire Council (Chair of the Joint Committee)
Appendices 1 - Statement of Accounts 2025/26 2 - Annual Governance Statement 2025/26