

## **Audit and Governance Committee 29<sup>th</sup> July 2024**

### **2023/24 Draft Financial Statements Cheshire East Group Accounts**

The Accounts and Audit (Amendment) Regulations 2024

- The Accounts and Audit (Amendment) Regulations 2024 extend the statutory audit deadlines for 2023/24. The publication date for audited accounts has been extended from 31st July to 30th September 2024 for all local authority bodies.

### **IMPORTANT DATES**

<b>July 18th</b>	Public Inspection (30 working days to 29 <sup>th</sup> August)
<b>July 29th</b>	Committee receive presentation on draft SOA
<b>August to October (TBC)</b>	Ernst Young on site for main audit
<b>December 5<sup>th</sup></b>	Committee receive audit findings and SOA.
<b>December 31st</b>	Audited Statement of Accounts published

# APPROVING THE ACCOUNTS

- The Group Accounts require the approval of the Audit & Governance Committee. Recommendations will be made at the Committee meeting on 5th December 2024.
- Each entity within the group also has a set of accounts that require approval, either by the Committee or a Company Board.
- The Cheshire East Group accounts are audited by Ernst and Young LLP.
- The companies accounts are audited by Grant Thornton UK LLP.

## CHESHIRE EAST GROUP STATEMENT OF ACCOUNTS 2023/24

### Supporting Narrative

- Overview of financial and operational performance.
- Includes achievements, risks and lots of facts and figures.

### Management Accounts headlines

- Group useable reserves decreased by £33.7m to **£133.8m**
  - 96% of useable reserves have been earmarked.
  - Revenue spending was **£365.3m**
  - Net overspend was **£8.5m**
  - General Fund Balance decreased from £14.1m to £5.6m
  - Wholly Owned Companies spending was **£52.6m**
  - Wholly Owned Companies achieved a surplus of **£0.173m**

**Cheshire East Council make up 99% of the Group.**

## CHESHIRE EAST MANAGEMENT ACCOUNTS 2023/24

- **£365.3m of Net revenue spending** supported services, an increase of £46.6m (15%) from 2022/23

- **£356.7m of Council Tax and Business Rates** were managed through the Collection Fund.
- **£136.9m of Capital Spending** was completed.

## SUMMARY OF THE MAIN STATEMENTS

### Group Movement in Reserves Statement

Movement in reserves (£m)	Usable	Unusable	Total
<b>Opening Balance</b>	<b>167.5</b>	<b>548.5</b>	<b>716.0</b>
I & E Surplus/(Deficit)	(33.1)	13.1	(20.0)
I & E (Adjustments)	(0.6)	0.6	0.0
<b>Change</b>	<b>(33.7)</b>	<b>13.7</b>	<b>(20.0)</b>
<b>Closing Balance</b>	<b>133.8</b>	<b>562.2</b>	<b>696.0</b>

## Group Comprehensive Income & Expenditure Account

<b>Income &amp; Expenditure (£m)</b>	<b>2022/23</b>	<b>2023/24</b>
Cost of Services	444.2	472.5
Other Income & Expenditure	19.2	12.7
Taxation and Non-Specific Grant	(417.5)	(452.1)
<b>(Surplus) or Deficit on Provision of Services</b>	<b>45.9</b>	<b>33.1</b>
Revaluation of Assets	(26.1)	(26.8)
Pension Liability	(84.3)	13.7
<b>Total I &amp; E (Surplus) or Deficit</b>	<b>(64.5)</b>	<b>20.0</b>

## Group Balance Sheet

<b>Balance Sheet (£m)</b>	<b>2022/23</b>	<b>2023/24</b>
Long Term Assets	1,189.2	1,266.4
Current Assets	115.2	108.6
Current Liabilities	(346.9)	(343.6)
Long Term Liabilities	(241.4)	(335.4)
<b>Net Assets</b>	<b>716.1</b>	<b>696.0</b>
Usable Reserves	167.5	133.8
Unusable Reserves	548.6	562.2
<b>Total Reserves</b>	<b>716.1</b>	<b>696.0</b>

## Group Cashflow Statement

<b>Cashflow (£m)</b>	<b>2022/23</b>	<b>2023/24</b>
<b>Opening Balance – cash &amp; cash equivalents</b>	<b>40.9</b>	<b>28.6</b>
<b>Closing Balance</b>	<b>28.6</b>	<b>21.9</b>
<b>Net Increase / (decrease) in cash &amp; cash equivalents</b>	<b>(12.3)</b>	<b>(6.7)</b>