Statement of Accounts 2025 / 26

Summary

1. This report presents the external audit work from our auditors (Grant Thornton) and requests authorisation of the 2025/26 statement of accounts. Some delegations are proposed to allow for efficient administration, given that the audit is still ongoing at the time of writing and there is a risk of delay or further adjustment to the statements post committee.
2. Given the ongoing nature of the audit work, all appendices referred to below may be subject to amendment between the time this paper is published and the date of the committee meeting. Where papers have been updated, any amendments will be flagged at the Committee.
3. Some appendices may be unavailable at the time of publication but may be available prior to the meeting. In this case, appendices will be circulated in advance.

Recommendation

a. Members note the Audit Findings Report (Annex 1);

b. Members note the Auditors Annual Report, including the value for money opinion (Annex 2);

c. Subject to assurance from the auditors, Members authorise the Chair of Governance Committee to sign the statement of accounts (Annex 3) and the Letter of Representation on behalf of the Authority (Annex 4);

d. If final elements of audit work are delayed or result in further amendments to the statements or letter of representation, Members delegate authority to the Chair of Governance Committee to sign these on behalf of the Authority, in consultation with the S151 Officer, where there is no further material amendment to usable reserves.

Background

Progress with 2025/26 external audit plan

4. The unaudited accounts for 2025/26 were issued on the 29 June 2026 in line with statutory deadlines. Grant Thornton have substantially completed this year's audit. Their Audit Findings Report is at **Annex 1.** The opinion on the Statement of Accounts is, at the time of writing, anticipated to be unqualified. There are some audit adjustments, these are mainly around presentation and disclosure and have no material impact on the Authority's General Fund balance per the unaudited accounts.

5. There is one potentially material amendment on the net pension asset/pension reserve. This relates to a technical issue around application of the pension asset cap under IFRIC14. Although this has led to a significant change in the balance sheet and other comprehensive income and expenditure, this has no impact on usable reserves, the underlying position of the pension fund, or the actual employer's pension contributions that have been budgeted for in future years.

6. The current version of the accounts at the time of writing is included in **Annex 3**. This may be updated to incorporate late changes agreed through the audit. A final version of the Statement of Accounts, incorporating all known agreed changes, will be presented at the meeting.

7. At the time of writing, Grant Thornton is confident that the audit will be substantially complete by the date of the Governance Committee. However, work is ongoing and it is possible that there are delays or further issues identified.

8. As in the prior year, the audit cannot be formally completed until the pension fund accounts are signed off. This is because there are material balances within the LDNPA accounts relating to the Authority's share of pension fund assets and liabilities. Assurance over these figures rely on the pension fund accounts being

signed off. Should these not be available, there may be some delay in Grant Thornton being able to sign off.

9. If this or other issues occur to delay sign off, it is proposed that delegated authority is granted to the Chair of Governance Committee, in consultation with the S151 Officer to sign the accounts, once the relevant assurances have been obtained. This is on the basis that there is no further material amendments to the General Fund balance, compared the position reported at the meeting.

10. The Authority is required to provide the auditor with a letter of representation giving assurances about various aspects of its financial situation as reported in the accounts. The letter gives an undertaking from the Authority to the auditor that an appropriate level of care, diligence and consideration has been employed in arriving at the figures contained in the Statement of Accounts. The wording proposed is set out at **Annex 4** prepared on LDNPA letter headed paper and will be signed by the Chair of Governance Committee and the S151 Officer.

11. Under the Accounts and Audit Regulations 2015, the Authority is required to undertake an annual governance review and publish the outcome in the Annual Governance Statement. The format of which should be in accordance with proper practices. Members approved the draft Annual Governance Statement in April 2026. This statement has had no substantive amendment following audit, and will be re-signed by the Chief Executive and Chair of the Authority. This is included within the statement of accounts at **Annex 3**.

8. Under the Accounts and Audit Regulations 2015, all authorities are required to produce a narrative report which includes commentary by the authority on its financial performance and economy, efficiency and effectiveness in its use of resources over the financial year. The final Narrative report for 2025/26 is set out within the Statement of Accounts document in **Annex 3**.

9. In addition to the statement of accounts audit, Grant Thornton also issue a Value for Money opinion. This work has been completed and further details are provided within the external auditor's Annual Report in **Annex 2**.

Policy context

10. The unaudited Statement of Accounts for 2025 / 26 was approved by the Section 151 Officer on 26 June 2026, prior to the deadline of 30 June 2026. The external audit work has commenced; it is anticipated that audit work should be significantly completed in time for September Governance Committee.
11. This report provides assurance for Members to support their authorisation of the statements for 2025/26.

Proposals

12. Members are asked to note Annex 1 and 2 from the External Auditor, prior to authorising the Chair of Governance Committee to sign the accounts and letter of representation, as set out in the recommendations.

Demonstrating best value

13. The work of the external auditor supports the achievement of best value in the Authority. Our auditors provide supportive challenge for our work, as well as broader knowledge of other organisations that allows us to compare our practice with best practice elsewhere.

Finance considerations

14. The report forms part of the framework of effective financial management at the Authority. There are no further financial implications as a direct result of this report.

Risk

15. The work undertaken by the external auditor helps to minimise financial and control risk to the Authority. External Audit provides the main source of third-party assurance that the published financial position and performance of the Authority is true and fair.

Legal considerations

16. External audit is a statutory requirement for local authorities (including National Park Authorities). There are no additional legal implications as a direct result of this report.

Human resources

17. There are no direct HR issues as a result of this report.

Diversity implications

18. There are no direct diversity issues as a result of this report.

Sustainability

19. There are no direct sustainability implications as a direct result of this report.

Background papers	External Audit Plan, Governance April 2026
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