

Audit, Risk and Governance Committee
Meeting to be held on Monday, 22 July 2024

Electoral Division affected:
(All Divisions);

Approval of the Council's Statement of Accounts for 2023/24
(Appendix 'A' refers)

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Brief Summary

The Statement of Accounts for Lancashire County Council including those for the Lancashire County Pension Fund are presented at Appendix 'A'.

Recommendation

The Audit, Risk and Governance Committee is asked to approve the 2023/24 Statement of Accounts, as presented at Appendix 'A', for Lancashire County Council and Lancashire County Pension Fund.

Detail

The Accounts and Audit Regulations 2015 require the council to consider its Statement of Accounts, either by way of a committee or by the members meeting as a whole and approve them by a resolution of that committee or meeting. This role is undertaken by the Audit, Risk and Governance Committee on behalf of the county council. The 2023/24 Statement of Accounts was authorised by the Chief Financial Officer and published on the council's website by the statutory deadline of the 30 May 2024.

Significant matters affecting the financial statements since the prior year are explained as follows:

Pension Liability

The net pension liability is the amount the council is forecast to pay members of its pension scheme on their retirement in excess of the assets available to satisfy those expected costs. In 2022/23, this was considered to be a net asset rather than a liability due to the value of the assets exceeding the value of the cost (£690.9m), and this asset has further significantly increased by £358.7m at the balance sheet date 31 March 2024 (£1,049.6m).



Trade Receivables

Whilst not an area of concern, the amount of income receivable was c50% higher at the end of 2023/24 than in 2022/23, from £227.5m to £335.2m, a difference of £107.7m.

There were two main factors that affected this: Outstanding income due from the sale of some investments over the year-end and an increase in the amount due from local NHS organisations.

The investment income was received in April 2024, and the majority of the NHS income due from the March year-end position has now been received.

Cash and Investments

The council's overall cash and investments have reduced through the prepayment of pension contributions in the year 2023/24. £140.7m was paid to the Pension Fund to cover the three years from 2023/24. Through prepayment the council was able to receive a discount on the annual pension contribution for these years.

The Audit, Risk and Governance Committee is asked to approve the 2023/24 Statement of Accounts, as presented at Appendix 'A', for Lancashire County Council and Lancashire County Pension Fund. A detailed briefing on these accounts was scheduled for members for 19 July 2024.

Appendices

Appendix 'A' is attached to this report. For clarification it is summarised below and referenced at relevant points within this report.

Appendix	Title
Appendix 'A'	Statement of Accounts 2023/24

Consultations

The Accounts and Audit Regulations 2015 require the council to make available the accounts for public inspection. This enables any member of the public to inspect the accounts, ask questions, and to request copies of related documents where appropriate. The period of inspection is stipulated under these regulations and for the 2023/24 accounts commenced on 3 June 2024 and ended on 12 July 2024.

Implications:

This item has the following implications, as indicated:

Legal

The Chief Financial Officer (Section 151 Officer) is responsible for the preparation of the council's statement of accounts in accordance with proper practices as set out in



the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

Regulation 15 of the Accounts and Audit Regulations 2015 requires that the commencement of the period for the exercise of public rights takes place on such a day that ensures that the period includes the first 10 working days of June of the financial year immediately following the end of the financial year to which the statement relates. A notice making the accounts available for inspection was published on the council's website for the required period for the exercise of public rights.

Finance

The statement of accounts provides a view of the council's financial position at the reporting date and its income and expenditure for the year ended 31 March 2024.

Local Government (Access to Information) Act 1985 List of Background Papers

Paper	Date	Contact/Tel
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N/A

Reason for inclusion in Part II, if appropriate

N/A

