



**NOTTINGHAMSHIRE**  
**Fire & Rescue Service**  
*Creating Safer Communities*

Nottinghamshire and City of Nottingham  
Fire and Rescue Authority  
Finance and Resources Committee

# DRAFT AUDIT COMPLETION REPORT 2023/24

Report of the Treasurer to the Fire Authority

**Date:** 17 January 2025

**Purpose of Report:**

To provide an update to Members on the External Audit of the Statement of Accounts for 2023/24 and to present the contents of the External Auditors Draft Audit Completion Report.

**Recommendations:**

It is recommended that:

- Members note the contents of the External Auditors Draft Completion Report as attached at Appendix A.
- Delegated authority is given for the Head of Finance (Section 151 Officer) and the Chair of the Finance and Resources Committee to approve the External Auditors Final Completion Report for 2023/24; with the Final Completion Report and any final changes to 2023/24 Statement of Accounts being presented to the next Finance and Resources Committee.

## CONTACT OFFICER

**Name:** Bev Bull  
Head of Finance and Treasurer to the Fire Authority

**Tel:** 0115 8388100

**Email:** bev.bull@notts-fire.gov.uk

**Media Enquiries Contact:** Corporate Communications Team  
0115 8388100 corporatecomms@notts-fire.gov.uk

## 1. BACKGROUND

- 1.1 The UK Government laid legislation setting statutory backstop dates, the Statement of Accounts for 2022/23 was published on 12 December before the initial backstop date of 13 December 2024. The 2023/24 Statement of Accounts is required to have received Audit Opinion been signed and published on the Nottinghamshire Fire and Rescue Services (NFRS) website by 28 February 2025.
- 1.2 This report enables the NFRS to meet its statutory duty and publish its Statement of Accounts for 2023/24 by the backstop date of 28<sup>th</sup> February 2025.

## 2. REPORT

- 2.1 The External Auditors Draft Audit Completion Report for 2023/24 is enclosed at Appendix A. The report issues a disclaimed opinion on the financial statements. The completion report confirms the basis for disclaiming the 2023/24 Statement of Accounts is due to NFRS having a disclaimed audit opinion for the financial years 2021/22 and 2022/23. Therefore, KPMG have been unable to obtain sufficient audit evidence in respect of the 2023/24 opening / comparative balances and irrespective of the level of work completed on 2023/24 KPMG's intention is to issue a disclaimer.
- 2.2 The accounts have had 4 audit adjustments made from the draft accounts, these corrections were as follows:
  - £261k – An item of capital expenditure was incorrectly accrued at 31-Mar-24.
  - £46k – An item was identified as capital expenditure in year when it should have been classified as a pre-payment on the balance sheet.
  - £111k – Correcting pension liability due to amendments in the Actuary Report between draft and final accounts.
  - £48k – Adjustment of NNDR provision of appeals follow notification from Nottingham City Council between draft and final accounts.

The two capital adjustments required reduced capital expenditure and therefore fixed assets values at 31 March 2024.

- 2.3 The Draft Completion Report for the year ended 31 March 2024 also includes the External Auditors commentary on the arrangements to secure Value For Money (VFM) in the use of our resources. The commentary concludes they have identified no significant weaknesses and that the Fire Authority had proper arrangements in place in relation to financial sustainability, governance and improving economy, efficiency and effectiveness.:

- 2.4 The External Auditors, KPMG, will be in attendance at the meeting to present their Draft Audit Completion Report as attached at Appendix A.

### **3. FINANCIAL IMPLICATIONS**

The annual audit fee set for the 2023/24 accounts was originally £95k, as detailed in the Completion Report this has increased to £103k, this £8k increase is due to the PSAA original fee not including new additional audit requirements.

### **4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT IMPLICATIONS**

There are no human resource or learning and development implications arising from this report.

### **5. EQUALITIES AND ETHICAL IMPLICATIONS**

An equality impact assessment has not been undertaken. This report relates to how the Authority has met its statutory requirements rather than a new or amended policy.

### **6. ENVIRONMENTAL AND SUSTAINABILITY IMPLICATIONS**

There are no environmental and sustainability implications arising from this report.

### **7. LEGAL IMPLICATIONS**

This report confirms that the Authority has been able to meet its statutory obligations in relation to its historic Statement of Accounts.

### **8. RISK MANAGEMENT IMPLICATIONS**

The production of Statement of Accounts is fundamental in demonstrating a sound financial position for any organisation. The issuing of a modified or disclaimed audit opinion where audits cannot be completed by a backstop date is uncomfortable for the sector. However, in the absence of viable alternatives, this is the agreed process. The Government has made it clear that local bodies should not be unfairly judged based on disclaimed or modified opinions, caused by the introduction of backstop dates that are largely beyond their control. Auditors are expected to provide clear reasons for the issuing of such opinions to mitigate the potential reputational risk that local bodies may face.

### **9. COLLABORATION IMPLICATIONS**

There are no collaboration implications arising from this report.

## **10. RECOMMENDATIONS**

It is recommended that Members:

- 10.1 Members note the contents of the External Auditors Draft Completion Report as attached at Appendix A.
- 10.2 Delegated authority is given for the Head of Finance (Section 151 Officer) and the Chair of the Finance and Resources Committee to approve the External Auditors Final Completion Report for 2023/24; with the Final Completion Report and any final changes to 2023/24 Statement of Accounts being presented to the next Finance and Resources Committee.

## **11. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)**

None.

Bev Bull

**HEAD OF FINANCE AND TREASURER TO THE FIRE AUTHORITY**

**APPENDIX A – to follow**