



Glasgow City Council

City Administration Committee

Report by Executive Director of Financial Services

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Annual Accounts 2023-24

Purpose of Report:

To update Members on the completion of the Annual Accounts 2023-24.

Recommendations:

The City Administration Committee is asked to approve the Annual Governance Statement and the audited Annual Accounts 2023-24 for signature.

Ward No(s):

Citywide: Yes

Local member(s) advised: Yes ☐ No ☐ Consulted: Yes ☐ No ☐

1. Introduction

- 1.1 The unaudited annual accounts were submitted for audit to the council's external auditors, Ernst & Young LLP (EY) on 28 June 2024 and subsequently considered by the Finance and Audit Scrutiny Committee at its meeting on 21 August 2024.
- 1.2 The audit has now been completed and the attached Annual Accounts amended to reflect the findings of the audit.

2. Annual Accounts 2023-24

- 2.1 The Annual Accounts are prepared in line with proper accounting practice and statute.
- 2.2 Within the Annual Accounts the primary financial statements consist of:
- Comprehensive Income and Expenditure Statement Shows the total income and expenditure incurred in the year in relation to the provision of services. In total this reflects the overall movement in council reserves but excludes statutory adjustments to the General Fund balance.
 - Movement in Reserves Statement Shows the movement in the different reserves held by the council.
 - Balance Sheet Represents the value of assets, liabilities and reserves as at 31 March.
 - Group Accounts Consolidates the financial statements for the council, its subsidiaries, associates and joint ventures.
- 2.3 A number of other statements and detailed explanatory notes, which provide additional information are also included within the Annual Accounts.

3. Key Financial Outcomes

- 3.1 The key financial information included within the financial statements is outlined below.
- 3.2 Movement in Reserves Statement
- 3.2.1 The Movement in Reserves Statement records a contribution from the General Fund Reserve of £136.201 million in the year.
- 3.2.2 The balance on General Fund Reserve brought forward was £277.356 million, giving a total General Fund Reserve of £141.155 million as at 31 March 2024. Of this sum, a total of £114.905 million has been earmarked to meet expenditure in future years. This leaves an uncommitted General Fund Reserve balance of £26.250 million as at 31 March 2024.
- 3.3 Comprehensive Income and Expenditure Statement (CIES)
- 3.3.1 The CIES shows Total Comprehensive (Income) and Expenditure of £523.712 million which reflects the impact of the council's activities in relation to

service provision in line with proper accounting practice. As noted above this statement does not reflect any of the statutory adjustments required to match the funding arrangements of the council with the requirements of proper accounting practice.

3.4 Balance Sheet

3.4.1 The council's Balance Sheet shows net assets of £2,320.200 million.

3.5 Group Accounts

3.5.1 The council's group accounts include the same primary financial statements as noted above in a consolidated basis across the council's material subsidiaries and associates. The key financial information is noted below:

• General Fund Reserve	£141.155 million
• Total Comprehensive (Income) / Expenditure	£421.418 million
• Net Assets / (Liabilities)	£3,110.038 million

3.5.2 In addition to the General Fund Reserve of the council the Group Balance Sheet includes Group Reserves of £789.838 million. This includes both useable and unusable reserves of the associates and subsidiaries of the council.

4. **Annual Governance Statement**

4.1 As part of the annual accounts the council is required to conduct a review of the effectiveness of its systems of internal control. The Annual Governance Statement (pages 117-130) outlines the findings of this review for 2023-24 and certifies that limited assurance can be placed on the adequacy and effectiveness of the systems of governance and internal control across the council family. The Internal Audit Annual Report for 2023-24 and unaudited governance statement was considered by the Finance and Audit Scrutiny Committee on 19 June 2024.

5. **Audit Amendments**

5.1 During the course of the audit a number of adjustments were identified and have been updated in the audited annual accounts. These have been discussed and agreed with EY and further details can be found within their Annual Audit Report.

6. **Policy and Resource Implications**

Resource Implications:

Financial: As outlined in the report.

Legal: None

Personnel: None

Procurement: None

Council Strategic Plan: A well Governed City that listens and responds

Equality Impacts:

Does the proposal support the Council's Equality Outcomes 2021-25

Yes

What are the potential equality impacts as a result of this report?

No significant impact

Sustainability Impacts:

Environmental:

None

Social:

None

Economic:

None

Privacy and Data Protection impacts:

None

7. Recommendations

- 7.1 The City Administration Committee is asked to approve the Annual Governance Statement and the audited Annual Accounts 2023-24.