



## Integration Joint Board

<b>Date of Meeting</b>	30 September 2025
<b>Report Title</b>	Audited Final Accounts 2024/25
<b>Report Number</b>	HSCP.25.072
<b>Lead Officer</b>	Jonathan Belford, Interim Chief Finance Officer <a href="mailto:jbelford@aberdeencity.gov.uk">jbelford@aberdeencity.gov.uk</a>
<b>Report Author Details</b>	Anne MacDonald, Senior Audit Manager, Audit Scotland <a href="mailto:amacdonald@audit.scot">amacdonald@audit.scot</a>
<b>Consultation Checklist Completed</b>	Yes
<b>Directions Required</b>	No
<b>Exempt</b>	No
<b>Appendices</b>	A: Audited Final Accounts 2024/25 B: External Auditor's Covering Letter and Letter of Representation C: External Auditor's Annual Audit Report D: Management Action Plan (Response to Audit Report)
<b>Terms of Reference</b>	1. Any functions or remit which is, in terms of statute or legal requirement, bound to be undertaken by the IJB itself;

### 1. Purpose of the Report

- 1.1. The Risk, Audit and Performance Committee (RAPC) reviewed and considered the unaudited final accounts at its meeting on the 17 June 2025;



## Integration Joint Board

- 1.2. The purpose of this report is to allow the Integration Joint Board (IJB) to consider the 2024/25 audited accounts and the External Auditor's Annual Audit Report prior to approving the accounts for signature.

### 2. Recommendations

- 2.1 It is recommended that the IJB:

- a) Consider and agree the Integration Joint Board's 2024/25 Audited Accounts for signature, as attached at Appendix A.
- b) Instruct the Interim Chief Finance Officer to submit the approved audited accounts to NHS Grampian and Aberdeen City Council.
- c) Instruct the Interim Chief Finance Officer to sign the representation letter, as attached at Appendix B.
- d) Consider the External Auditor's Annual Audit Report and note the recommendations and management comments on the Annual Audit Report Action Plan, as attached at Appendix C
- e) Note the draft action plan created by officers in response to the External Auditor's report, attached at Appendix D. Progress will be monitored through the Risk, Audit and Performance Committee.

### 3. Summary of Key Information

- 3.1. A great deal of work has been undertaken at a national level to agree on a proposed approach to the Integration Joint Board Accounts. Even then there will be changes in format and the disclosures contained in the accounts based on local circumstances. However, the major disclosures and format is based on a template commissioned by the Scottish Government with the Chartered Institute of Public Finance and Accountancy (CIPFA).
- 3.2. The accounts are based on the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 (the Code) and follow the format of the accounts used by local authorities as the IJB is recognised as a local government body, under Part VII of the Local Government (Scotland) Act 1973.



## Integration Joint Board

3.3. The audit of the accounts was conducted from July 2025 to September 2025. The final audited accounts have been brought back to the IJB for approval. During the audit process important changes were made to the statements accompanying the financial statements ie the Management Commentary, the Remuneration Report and the Annual Governance Statement. The changes were required to comply with statutory guidance. In addition, year-end balances due to/from partners have been reflected on the Balance Sheet to demonstrate increased transparency. Previously, these balances were offset against each other.

3.4. The accounts follow the following format:

- **Management Commentary** - Explains the performance over the last financial year and highlights some of the potential risks during the next financial year.
- **Remuneration Note** – contains details of the pay and pension benefits accrued by the senior officers of the IJB during 2024/25.
- **Annual Governance Statement** – Highlights the Governance Framework in place and describes performance and improvements against the local code of governance. This contains the assurances from Aberdeen City Council and NHS Grampian. It also contains wording from the Chief Internal Auditor on the internal control environment
- **Financial Statements** – contains details of the financial transactions, including the Income & Expenditure Account, Balance Sheet and Movement in Reserves Statement.
- **Notes to the Accounts** – including the financial policies used by the IJB over this period and the relevant disclosures required through the code.

## 4. External Auditor's Report

4.1 The External Auditor's Report sets out the auditor's judgements and conclusions in respect of the 2024/25 audit. It covers the audit of the IJB's



## Integration Joint Board

2024/25 financial statements and the auditor's wider scope responsibilities under Audit Scotland's Coe of Audit Practice.

### 5. Implications for IJB

- 5.1. **Equalities** – There are no equalities implications arising from this report.
- 5.2. **Fairer Scotland Duty** – there are no direct implications for the Fairer Scotland Duty arising from this report.
- 5.3. **Financial** – the financial implications are highlighted throughout the report and in the appendix.
- 5.4. **Workforce** - there are no direct implications arising from this report.
- 5.5. **Legal** – publishing annual accounts is a requirement under the Local Authority Accounts (Scotland) Regulations 2014, which set out the statutory requirements on the IJB in respect to the annual accounts, their availability for public inspection and the consideration and signing by the IJB.
- 5.6. **Other** – There are no other implications arising from this report

### 6. Links to ACHSCP Strategic Plan

- 6.1. Sustainable finance is highlighted as one of the fundamental elements which we need to develop further in order to meet all our strategic objectives. The audited annual accounts provide an independent opinion on the financial statements.

### 7. Management of Risk

#### 7.1. Identified risks(s) and link to risks on strategic risk register:

- **Strategic Risk 2:** There is a risk of financial failure, that demand outstrips budget and IJB cannot deliver on priorities, statutory work, and project an overspend.



## Integration Joint Board

- **Strategic Risk 4:** There is a risk that relationship arrangements between the IJB and its partner organisations (Aberdeen City Council and NHS Grampian) are not managed to maximise the full potentials of integrated & collaborative working. This risk covers the arrangements between partner organisations in areas such as governance; corporate service; and performance.
- **Strategic Risk 6:** There is a risk of reputational damage to the IJB and its partner organisations resulting from complexity of function, delegation and delivery of services across health and social care.
- **Strategic Risk 7:** There is a risk of failure to deliver transformation at a pace or scale required by the demographic and financial pressures in the system.

### 7.2. **How might the content of this report impact or mitigate these risks:**

The audited accounts are an important document for the IJB, demonstrating financial performance over the year and are independently audited. Recommendations could be received from the external auditors which impact on any of the strategic risks highlighted above.