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<b>Meeting:</b>	Transport for the North Board
<b>Subject:</b>	Annual Governance Statement, Statement of Accounts and Audit Opinion 2023/24
<b>Author:</b>	Paul Kelly, Finance Director
<b>Sponsor:</b>	Martin Tugwell, Chief Executive
<b>Meeting Date:</b>	Monday 9 December 2024

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## **1. Purpose of the Report**

- 1.1 This report requests the Board's approval of Transport for the North's Annual Governance Statement and Statement of Accounts for financial year 2023/24.
- 1.2 The report is supported by the Audit Completion report from Transport for the North's independent external auditor that indicates the intention to issue an unqualified opinion on the Statement of Accounts. It is noted the external audit was scheduled for delivery later than in previous years.
- 1.3 This report should also be considered alongside the Annual Report from the Chair of the Audit & Governance Committee which recommends approval of the Accounts.

## **2. Recommendations**

The Board is recommended to:

- Approve the Corporate Governance Review and the Annual Governance Statement
- Note that Transport for the North's draft statement of accounts was laid open to public inspection for the statutory period without objection being raised
- Note the content and the recommendation in the Annual Progress Report of the Audit & Governance Committee to submit the Statement of Accounts for 2023/24 to Transport for the North Board for approval
- Approve the Statement of Accounts for financial year 2023/24 (as detailed in Appendix 6) subject to their being no material adjustments, as agreed with the external auditors.

## **3. Main Issues**

- 3.1 Under Regulation 6(1) of the Accounts and Audit Regulations 2015 Transport for the North is required to carry out an annual review of the effectiveness of its system of internal controls and to publish a report of the review in its Annual Governance Statement. The Board is required to approve the Annual Governance Statement. The Annual Governance Statement Report is set out within Appendix 1. The Annual Governance Statement is included in the Statement of Accounts at Appendix 6.
- 3.2 In common with partner authorities Transport for the North is required to publish a set of annual Statements of Accounts and an Annual Governance Statement in compliance with statute. Those Accounts are held open for public inspection and formally audited by an external auditor.
- 3.3 Under Transport for the North's constitution the Accounts are reviewed by the Audit & Governance Committee who are then required to offer an opinion to the Transport for the North Board. The Annual Progress Report of the Audit & Governance Committee is included at Appendix 2.

- 3.4 The Transport for the North Board, as 'those charged with governance,' is required to approve the Accounts and the Chairman of the Board is required to sign the Statement of Accounts. In recognition of the pressures faced in delivering external audits, the approval date for the 2023/24 Accounts has been extended to 28 February 2025. Appendix 5 (the Audit & Governance paper discussed on 6 December and referring to the tracked changed accounts) provides a summary of the production, audit, and scrutiny of the Accounts and concludes by noting the audit completion report from Forvis Mazars which offers an unqualified opinion on the Accounts, and the recommendation from the Audit and Governance Committee for the Board to approve the Accounts.
- 3.5 The Transport for the North Statement of Accounts for 2023/24 are included at Appendix 6.
- 3.6 The Audit Completion Report of Transport for the North's independent external auditor, which indicates the intention to issue an unqualified opinion on that Statement of Accounts, is included at Appendix 7.

#### **4. Corporate Considerations**

##### **4.1 *Financial Implications***

There are no financial implications within this report.

##### **4.2 *Resource Implications***

There are no direct resource implications as a result of the report.

##### **4.3 *Legal Implications***

The legal implications have been considered and are included in the report.

##### **4.4 *Risk Management and Key Issues***

Transport for the North manages a corporate risk in relation to compliance with good practice, governance and corporate processes.

##### **4.5 *Environmental Implications***

There are no environmental implications from this report. A full environmental impact assessment has not been carried out because it is not required for this report.

##### **4.6 *Equality and Diversity***

A full impact assessment has not been carried out because it is not required for this report.

##### **4.7 *Consultations***

A consultation has not been carried out because it is not necessary for this report.

#### **5. Background Papers**

- 5.1 Audit & Governance Committee 9 August 2023 – Draft Statutory Accounts

#### **6. Appendices**

- 6.1 Appendix 1 Corporate Governance Review and Annual Governance Statement Report  
Appendix 2 Annual Progress Report of the Audit & Governance Committee  
Appendix 3 Audit & Governance Committee Terms of Reference  
Appendix 4 Audit and Governance Committee Terms of Reference Activity  
Appendix 5 Annual Statement of Accounts Report  
Appendix 6 Annual Statement of Accounts Appendix  
Appendix 7 Independent Audit Completion Report

**Glossary of terms, abbreviations and acronyms used**

a) TfN      Transport for the North