

Audit and Governance Committee

24 September 2026



Reading
Borough Council
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Title	External Auditor Update - KPMG
Purpose of the report	To note the report for information
Report status	Public report
Executive Director/ Statutory Officer Commissioning Report	Darren Carter – Director of Finance (S.151 Officer)
Report author	Nicky Blacker, Deputy Chief Accountant
Lead Councillor	Cllr Ruth McEwan, Lead Councillor for Corporate Services and Resources
Council priority	Not applicable, but still requires a decision
Recommendations	1. That the Committee notes KPMG's progress report on the external audit of the 2025/26 Statement of Accounts 2. That the Committee notes KPMG's update on rebuilding assurance

1. Executive Summary

- 1.1. A representative from KPMG will be attending the meeting to present a progress report on the audit of the 2025/26 Statement of Accounts.
- 1.2. KPMG will also give an update on their work on rebuilding assurance following several disclaimed audit opinions.

2. Contribution to Strategic Aims

- 2.1. The external audit process includes the approval of the annual Statement of Accounts results and the publication of accurate, transparent financial information which gives a true and fair view of Reading Borough Council's economic performance and financial stability.

3. Environmental and Climate Implications

- 3.1. None arising.

4. Community Engagement

- 4.1. This report will include where appropriate any feedback from public inspection of accounts.

5. Equality Implications

- 5.1. None arising.

6. Health Implications

- 6.1. None arising.

7. Other Relevant Considerations

7.1. There are none.

8. Legal Implications

8.1. The Accounts and Audit Regulations 2015 (as amended) require the council to produce and publish an annual Statement of Accounts in accordance with these regulations and “proper practice”.

8.2. Section 21 of the Local Government Act 2003 defines “proper practice” for this purpose to be the Chartered Institute of Public Finance and Accountability (CIPFA) Code of Practice on Local Authority Accounting (the Code) for the relevant year. The Code specified the principles, practices, format and content required in the preparation of the Statement of Accounts of the Accounts.

9. Financial Implications

9.1. None arising.

10. Timetable for Implementation

10.1. Not applicable.

11. Background Papers

11.1. There are none.

Appendices

1. External Audit of the 2025/26 Statement of Accounts – Progress Update
2. External Audit Rebuilding Assurance Update Report