Causeway Coast & Glens Borough Council

Title of Report:	**Going Concern Assessment**
Committee Report Submitted To:	**Finance Committee**
Date of Meeting:	**12 November 2026**
For Decision or For Information	**For decision**
To be discussed In Committee YES/NO	**No**

Linkage to Council Strategy (2021-25)	
Strategic Theme	Cohesive Leadership
Outcome	Council has agreed policies and procedures and decision making is consistent with them.
Lead Officer	Chief Finance Officer

Estimated Timescale for Completion	
Date to be Completed	

Budgetary Considerations	
Cost of Proposal	
Included in Current Year Estimates	**YES/~~NO~~**
Capital/Revenue	Revenue
Code	
Staffing Costs	

Legal Considerations	
Input of Legal Services Required	**~~YES~~/NO**
Legal Opinion Obtained	**~~YES~~/NO**

Screening Requirements	Required for new or revised Policies, Plans, Strategies or Service Delivery Proposals.		
Section 75 Screening	Screening Completed:	~~Yes~~/No	Date:
	EQIA Required and Completed:	~~Yes~~/No	Date:
Rural Needs Assessment (RNA)	Screening Completed	~~Yes~~/No	Date:
	RNA Required and Completed:	~~Yes~~/No	Date:
Data Protection Impact Assessment (DPIA)	Screening Completed:	~~Yes~~/No	Date:
	DPIA Required and Completed:	~~Yes~~/No	Date:

1.0 Purpose of Report

The purpose of this report is to inform members of the Going Concern Assessment regarding Council finance for the 2025/26 Financial Year.

2.0 Background

During the audit of the 2025/26 Annual Accounts Northern Ireland Audit Office (NIAO) as part of their recommendations included in the Report to those charged with Governance the following:

2.1 NIAO Recommendation

The assessment prepared by management to support the going concern basis of accounting is insufficiently developed and lacks adequate narrative explanation and supporting evidence. While the assessment includes a number of financial indicators and numerical data, it does not clearly explain how management has evaluated the significance of those figures, the assumptions underpinning the assessment, or the conclusions reached.

In particular, the assessment does not:

• Clearly document management's consideration of the local authority's financial position, liquidity, and funding arrangements.
• Explain the rationale for concluding that the organisation remains a going concern.
• Set out the key assumptions used in forecasts, budgets, and medium-term financial plans.
• Demonstrate consideration of potential risks and uncertainties that could impact future service delivery or financial sustainability.
• Provide evidence of challenge, review, and approval by those charged with governance.

As a result, there is insufficient documented evidence to demonstrate that management has undertaken a robust and comprehensive assessment of the authority's ability to continue operating and providing services for the foreseeable future.

2.2 Going Concern Checklist

The table below details a checklist used by Finance staff to assess the Going Concern concept against a number of factors. A copy of this table had been supplied to NIAO during the audit process:

Going Concern Checklist	
Performing Risk Assessment Procedures (Ref: Para. 10-11)	
A4. The following are examples of events or conditions that, individually or collectively, may	
cast significant doubt about the going concern assumption. This listing is not all-inclusive	
nor does the existence of one or more of the items always signify that a material uncertainty	
exists.	
Financial	
• Net liability or net current liability position.	No net current liability
• Fixed-term borrowings approaching maturity without realistic prospects of renewal or	Opposite in practice - still able to meet capital financing from Working Capital
repayment; or excessive reliance on short-term borrowings to finance long-term	
assets.	
• Indications of withdrawal of financial support by debtors and other creditors.	No
• Negative operating cash flows indicated by historical or prospective financial	Cash increase £1,379 (thousand) in year to £29,746 (thousand)
statements.	Further reduction in Capital Financing Requirement of £2.2581M Note 16
• Adverse key financial ratios.	No
• Substantial operating losses or significant deterioration in the value of assets used to	No
generate cash flows.	
• Arrears or discontinuance of dividends.	Not applicable
• Inability to pay creditors on due dates.	No
• Inability to comply with other terms of loan agreements.	No
• Change from credit to cash-on-delivery transactions with suppliers.	No
• Inability to obtain financing for essential new product development or other essential	No
investments.	
Operating	
• Loss of key management without replacement.	No
• Loss of a major market, franchise, license, or principal supplier.	No
• Labour difficulties.	No
• Shortages of important supplies.	No
Other	
• Non-compliance with capital or other statutory requirements.	No
• Pending legal or regulatory proceedings against the entity that may, if successful, result in claims that are unlikely to be satisfied.	No
• Changes in law or regulation or government policy expected to adversely affect the entity.	No
Council Net Worth increased by 17.755 M to £219 Million	
This is the public sector.	
Useable Reserves ex Sinking Fund £34.091 Million	

2.2 Balance Sheet and General Fund Reconciliation

The table below sets out a comparison of the figures in the balance sheet including reserves, in particular the General Fund, comparing them year on year, a copy of this table was also supplied to NIAO during the audit process:

The Balance Sheet (BS)	Note	2025/2026	2024/25	2023/24
		£'000's	£'000's	£'000's
Property, Plant and Equipment	11a / 11b	239,425	232,242	230,714
Investment Property	11a / 11b	11,240	9,740	9,740
Intangibles	11a / 11b	1,540	777	804
Pension Asset			-	0
Long Term Debtors	12a	492	609	704
LONG TERM ASSETS		252,697	243,368	241,962
Inventories	14	250	242	249
Short Term Debtors	12b	7,848	5,945	12,213
Cash and Cash Equivalents	25c	29,746	28,367	14,635
CURRENT ASSETS		37,844	34,554	27,097
Short Term Borrowing	15a	3,441	3,756	4,110
Short Term Creditors	18a	10,493	12,696	12,293
Short Term Provisions	19a/b	-	-	0
CURRENT LIABILITIES		13,934	16,452	16,403
Long Term Provisions	19a/b	9,902	10,196	10,374
Long Term Borrowing	15b	37,180	42,621	46,141
Funded Pension	21c	-	-	
Unfunded Pension	21i	243	294	323
Donated Assets Account	22	81	81	81
Capital Grants Receipts in Advance	23	10,515	7,278	4,704
LONG TERM LIABILITIES		57,921	60,470	61,623
NET ASSETS		218,686	201,000	191,033
Capital Receipts Reserve	25	0	-	0
General Fund	2a	11,091	8,702	5,126
Earmarked Reserves	3a	29,000	25,635	24,234
USABLE RESERVES		40,091	34,337	29,360
Capital Adjustment Account	3b / 3c	57,773.00	56,478	53,891
Revaluation Reserve	3b / 3c	111,631.00	104,118	101,750
Investment Property Revaluation Reserve	3b / 3c	10,306.00	8,576	8,576
Pension Reserve	3b / 3c	(242)	(294)	(323)
Accumulated Absences Account	3b / 3c	(873)	(767)	(765)
Provisions Discount Rate Reserve	3b / 3c	-	0	0
Landfill Regulations Reserve	3b / 3c		(1,448)	(1,448)
UNUSABLE RESERVES		178,595	166,663	161,681
NET WORTH		218,686	201,000	191,041
Reconciliation of General Fund Reserve and Net Expenditure Charged to it		2025/2026	2024/25	2023/24
		£'000's	£'000's	£'000's
Opening General Fund Balance		8284	5,164	4,591
In year adjustments *				0
		8,284	5,164	4,591
(Deficit) on the Provision of Services Chargeable to the General Fund	2a	7,270	4,871	5,984
Tranfers (to) / from Unusable Reserves		(1,448)		0
Net Increase / (Decrease) before transfers to Statutory and Other Reserves	MIRS	5,822	4,871	5,984
T/fers (to) / from Usable Reserves	2	(3,015)	(1,751)	(5,411)
Increase / (decrease) in year	3 / MIRS	2,807	3,120	573
		11,091	8,284	5,164
Closing General Fund Balance	MIRS	11,091	8,284	5164

The purpose of this table is to assess each factor against prior years and therefrom ascertain whether there is any challenge to the continuing going concern assessment of the Council operationally. Generally speaking all the indicators have improved year on year.

2.3 Adequacy of Reserves

At rate setting annually Council is required to approve a report from the Chief Financial Officer on the adequacy of the reserves, this report contains information on Council reserves and their compliance with Department for Communities (DfC) guidelines, a copy of the last report approved in February 2026 is attached as Appendix A to this report.

2.4 Robustness of Estimates

At rate setting annually Council is required to approves a report from the Chief Financial Officer on the robustness of the estimates, this report contains information on Council estimates and an assessment that Council expenditure has been adequately provided for in the incoming financial year, a copy of the last report approved in February 2026 is attached as Appendix B to this report.

2.5 Council Approval

In line with the NIAO recommendation the missing element of our going concern assessment is the consideration and approval of this assessment by those charged with governance ie: the Councillors. This report seeks that approval for the recently audited 2025/26 accounts on the basis of the evidence given above and, in the appendices, for future years this report will be presented to the Finance Committee annually in June prior to the submission of the draft accounts to DfC for audit.

3.0 Recommendation

It is recommended that Council approve Going Concern Assessment for 2025/26 as being satisfactory based on the information in this report.