

MOVEMENT IN RESERVES STATEMENT

Note	General Fund Balance	Earmarked GF Reserves	Housing Revenue Account	Earmarked HRA Reserves	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	Total Usable Reserves	Total Unusable Reserves	Total Reserves
Movements in 2013/14	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Balance as at 31 March 2013	9,670	4,683	3,375	7,503	13,900	9,755	222	49,108	308,744	357,852
Surplus/(Deficit) on Provision of Services	(4,682)	-	32,344	-	-	-	-	27,662	-	27,662
Other Comprehensive Income and Expenditure	-	-	-	-	-	-	-	-	24,945	24,945
Total Comprehensive Income and Expenditure	(4,682)	-	32,344	-	-	-	-	27,662	24,945	52,607
Adjustment between accounting and funding bases under regulations	6 5,278	-	(30,468)	-	3,567	1,604	(38)	(20,057)	20,057	-
Net Increase/(Decrease) before transfer to Earmarked Reserves	596	-	1,876	-	3,567	1,604	(38)	7,605	45,002	52,607
Transfers to Earmarked Reserves	(382)	382	(2,285)	2,285	-	-	-	-	-	-
Increase/(Decrease) in Year	214	382	(409)	2,285	3,567	1,604	(38)	7,605	45,002	52,607
Balance as at 31 March 2014	9,884	5,065	2,966	9,788	17,467	11,359	184	56,713	353,746	410,459
Movements in 2014/15	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Balance as at 31 March 2014	9,884	5,065	2,966	9,788	17,467	11,359	184	56,713	353,746	410,459
Surplus/(Deficit) on Provision of Services	(5,898)	-	19,536	-	-	-	-	13,638	-	13,638
Other Comprehensive Income and Expenditure	-	-	-	-	-	-	-	-	4,903	4,903
Total Comprehensive Income and Expenditure	(5,898)	-	19,536	-	-	-	-	13,638	4,903	18,541
Adjustment between accounting and funding bases under regulations	6 5,636	-	(17,949)	-	2,067	(205)	(48)	(10,499)	10,499	-
Net Increase/(Decrease) before transfer to Earmarked Reserves	(262)	-	1,587	-	2,067	(205)	(48)	3,139	15,402	18,541
Transfers to Earmarked Reserves	(329)	369	(1,983)	1,983	-	-	(40)	-	-	-
Increase/(Decrease) in Year	(591)	369	(396)	1,983	2,067	(205)	(88)	3,139	15,402	18,541
Balance as at 31 March 2015	9,293	5,434	2,570	11,771	19,534	11,154	96	59,852	369,148	429,000

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

for the year ended 31 March 2015

	Note	2014/15		<i>Net Expend £000</i>	2013/14		<i>Net Expend £000</i>
		Gross Expend £000	Income £000		Gross Expend £000	Income £000	
CONTINUING OPERATIONS							
Central Services to the Public		3,872	(1,158)	2,714	4,306	(1,191)	3,115
Corporate and Democratic Core		2,629	-	2,629	2,600	-	2,600
Cultural & Related Services		6,578	(900)	5,678	4,945	(837)	4,108
Environmental & Regulatory Services		10,689	(2,836)	7,853	10,738	(3,180)	7,558
Highways and Transport Services		1,329	(1,446)	(117)	1,200	(1,150)	50
Non Local Authority Housing		40,128	(38,470)	1,658	40,667	(39,524)	1,143
Planning Services		4,239	(1,375)	2,864	4,274	(1,124)	3,150
Housing Revenue Account		27,269	(50,791)	(23,522)	27,743	(64,454)	(36,711)
NET COST OF SERVICES		96,733	(96,976)	(243)	96,473	(111,460)	(14,987)
OTHER OPERATING EXPENDITURE	8			2,181			1,948
FINANCING AND INVESTMENT INCOME AND EXPENDITURE	9			5,002			4,714
TAXATION AND NON-SPECIFIC GRANT INCOME	10			(20,578)			(19,337)
(SURPLUS)/DEFICIT ON PROVISION OF SERVICES				(13,638)			(27,662)
(Surplus) on Revaluation of Property Plant and Equipment	11			(15,250)			(4,653)
Actuarial (gains)/losses on Pension Assets/Liabilities	32			10,210			(20,425)
Other (Gains)/Losses				137			133
TOTAL COMPREHENSIVE INCOME AND EXPENDITURE				(18,541)			(52,607)

BALANCE SHEET

	Note	31 March 2015		31 March 2014	
		£000	£000	£000	£000
LONG TERM ASSETS					
Property, Plant & Equipment	11	579,048		554,477	
Heritage Assets		542		542	
Investment Properties	12	43,034		39,754	
Intangible Assets		616		543	
Long Term Investments	14	5,001		10,004	
Long Term Debtors	13	2,642		2,453	
TOTAL LONG TERM ASSETS			630,883	607,773	
Current Assets					
Assets held for sale		850		1,510	
Inventories		240		274	
Debtors and Prepayments	15	5,168		5,653	
Short Term Temporary Investments	14	37,088		33,910	
Cash & Cash Equivalents	16	26,209		15,338	
			69,555	56,685	
Current Liabilities					
Creditors	17	(13,146)		(8,943)	
Provisions	18	(1,356)		(794)	
			(14,502)	(9,737)	
LONG TERM LIABILITIES					
Long Term Loans	14	(185,456)		(185,456)	
Pensions Liability	32	(69,929)		(57,820)	
Capital Grant Receipts in Advance		(1,551)		(986)	
			(256,936)	(244,262)	
TOTAL ASSETS LESS LIABILITIES			429,000	410,459	
Usable Reserves		59,852		56,713	
Unusable Reserves	19	369,148		353,746	
			429,000	410,459	

THE CASH FLOW STATEMENT

	Note	2014/15 £000	2013/14 £000
Net Surplus on Provision of Services		13,638	27,662
Adjustments to net surplus or deficit on the provision of services for non-cash movements	20	12,882	(6,901)
Adjustment for items included in the net surplus or deficit on the provision of services that are investing and financing activities	20	(8,950)	(6,870)
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Net cash flows from Operating Activities	20	17,570	13,891
Investing Activities	21	(7,846)	(10,187)
Financing Activities	22	1,147	1,728
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Net Increase or (Decrease) in cash and cash equivalents		10,871	5,432
Cash and Cash Equivalents at the beginning of the reporting period		15,338	9,906
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Cash and Cash equivalents at the end of the reporting period	16	26,209	15,338

6. ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATIONS

This note details the adjustments that are made to the total Comprehensive Income and Expenditure recognised by the Council in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Council to meet future capital and revenue expenditure.

	2014/15 £000					
	General Fund	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	Movement in Unusable Reserves
Adjustments involving the Capital Adjustment Account:						
<i>Exclusions;</i>						
Charges for depreciation and impairment of non-current assets	(2,637)	(12,955)	-	-	-	15,592
Reversal of Impairment of non-current assets	(1,490)	16,531	-	-	-	(15,041)
Movements in the fair value of Investment Properties	(233)	-	-	-	-	233
Amortisation of intangible assets	(175)	(11)	-	-	-	186
Capital Grants and contributions applied	499	611	-	-	39	(1,149)
Revenue expenditure funded from Capital under statute	-	-	-	-	-	-
Amounts of non-current assets written off on disposal or sale as part of the gain\loss on disposal to the CIES	(2,407)	(3,879)	-	-	-	6,286
Capital expenditure charged against the General Fund and HRA balances	221	5,200	-	-	-	(5,421)
Adjustments primarily involving the Capital Grants Unapplied Account	(9)	-	-	-	9	-
Adjustments involving the Capital Receipts Reserve:						
Transfer of cash sale proceeds credited as part of the gain\loss on disposal to the CIES	2,580	5,716	(8,296)	-	-	-
Transfer from Deferred Capital receipts on receipt of cash	-	-	(6)	-	-	6
Used to finance new capital expenditure	-	-	5,402	-	-	(5,402)
Contribution towards administrative costs of non-current asset disposals	(13)	(69)	82	-	-	-
Contribution to finance the payments to the Government capital receipts pool	(751)	-	751	-	-	-
Adjustments involving the Deferred Capital Receipts Reserve:						
Transfer to Deferred Capital Receipts Reserve upon revaluation of rents to mortgages.	-	82	-	-	-	(82)
Adjustments relating to the Major repairs Reserve:						
Reversal of Major repairs Allowance credited to the HRA	-	7,321	-	(7,321)	-	-
Use of the Major Repairs Reserve to finance new capital expenditure	-	-	-	7,526	-	(7,526)
Adjustments involving the Pensions Reserve:						
Reversal of items relating to retirement benefits debited\credited to the CIES.	(1,323)	(576)	-	-	-	1,899
Adjustments involving the Collection Fund Adjustment Account						
Amount by which council tax and business rate income credited to the CIES is different from that calculated in accordance with statutory requirements.	143	-	-	-	-	(143)
Adjustments involving the Accumulated Absences Account						
Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements.	(41)	(22)	-	-	-	63
TOTAL ADJUSTMENTS	(5,636)	17,949	(2,067)	205	48	(10,499)

11. PROPERTY PLANT AND EQUIPMENT

	Council Dwellings and Garages	Other Land and Buildings	Vehicles, Plant and Equipment	Infrastructure Assets	Community Assets	Surplus Assets	WIP Assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Gross Book Value 31 March 2014	485,794	43,520	15,981	18,689	2,822	796	1,688	569,290
Restated		(210)	61	-	-	-	-	(149)
Additions	12,383	860	587	497		-	1,288	15,615
Disposals	(3,309)	-	(2,999)	-	-	-	(30)	(6,338)
Reclassified in year	(683)	(824)	-	(152)	-	(700)	1,548	(811)
Revaluations Applied to the CIES	16,529	(1,488)	-	-	-	-	-	15,041
Revaluation Credited to the Revaluation reserve	15,450	(757)	-	-	-	557	-	15,250
Accumulated Depreciation & Impairment written off on revaluation	(12,573)	(2,590)	-	-	-	(7)	-	(15,170)
Gross Book Value 31 March 2015	513,591	38,511	13,630	19,034	2,822	646	4,494	592,728
Depreciation 31 March 2014	-	(2,113)	(7,016)	(5,676)	-	(8)	-	(14,813)
Restated	-	11		-	-	-	-	11
Reclassified	1	(23)		22	-	-		-
Depreciation in Year	(12,655)	(919)	(1,513)	(505)	-	-	-	(15,592)
Depreciation on Assets Sold	82	-	1,461	-	-	-	-	1,543
Accumulated Depreciation & Impairment written off on revaluation	12,573	2,590	-	-	-	8	-	15,171
Depreciation 31 March 2015	1	(454)	(7,068)	(6,159)	-	-	-	(13,680)
Net Book Value 31 March 2015	513,592	38,057	6,562	12,875	2,822	646	4,494	579,048

19. USABLE AND UNUSABLE RESERVES

Movements in Usable Reserves are shown in detail on the Movement in Reserves Statement.

	31 March	
	2015 £000	2014 £000
Revaluation Reserve	26,248	12,587
Capital Adjustment Account	411,607	397,913
Pensions Reserve	(69,929)	(57,820)
Deferred Capital Receipts Reserve	1,580	1,504
Collection Fund Adjustment Account	(132)	(275)
Accumulated Absences Account	(226)	(163)
Total Unusable Reserves	369,148	353,746

Revaluation Reserve

The revaluation reserve contains the gains made by the Council arising from increases in the value of Property, Plant and Equipment (and Intangible Assets). The balance is reduced when assets with accumulated gains are:

- revalued downwards or impaired and the gains are lost
- used in the provision of services and gains are consumed through depreciation, or
- disposed of and the gains are realised

The reserve contains only revaluation gains accumulated since 1 April 2007, the date that reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

	31 March	
	2015 £000	2014 £000
Balance as at 1 April	12,587	7,934
Revaluations during the year	15,251	4,534
Depreciation adjustment	(236)	122
Disposals/Restatements	(1,354)	(3)
Balance at 31 March	26,248	12,587

Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provision. The account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the CIES (with reconciling postings from the Revaluation Reserve to convert fair value figures to historical cost basis). The Account is credited with the amounts set aside by the Council as finance for the costs of acquisition, construction and enhancement.

The Account contains accumulated gains and losses on Investment Properties.

The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains.

Note 6 details the source of all the transactions posted to the Account, apart from those involving the Revaluation Reserve.

	31 March		
	2015		2014
	£000	£000	£000
Balance at 1 April		397,913	374,915
Reversal of items relating to capital expenditure debited or credited to the CIES			
Charges for depreciation and impairment of non-current assets	(15,592)		(15,495)
Revaluation gains/(losses) on Property, Plant and Equipment	15,041		29,868
Amortisation of intangible assets	(186)		(227)
Revenue expenditure funded from capital under statute			(134)
Amounts for non-current assets written off on disposal or sale as part of gain/loss on disposal to the CIES	(6,286)	(7,023)	(3,842)
Adjusting Amounts written out of the Revaluation Reserve		1,589	(134)
		<u>392,479</u>	<u>384,951</u>
Capital financing applied in the year			
Use of the Capital Receipts Reserve to finance new capital expenditure	5,402		1,644
Use of the Major Repairs Reserve to finance new capital expenditure	7,526		6,145
Capital grants credited to the CIES that have been applied to capital financing	1,149		480
Capital expenditure charged against the General Fund and HRA balances	5,421	19,498	4,223
Asset Restatements		(137)	-
Movement in the market value of Investment Properties debited or credited to the CIES		(233)	470
Balance at 31 March		<u>411,607</u>	<u>397,913</u>

20. CASH FLOW STATEMENT - OPERATING ACTIVITIES

Adjust net surplus or deficit on the provision of services for non cash movements

	31 March	
	2015	2014
	£000	£000
Depreciation	15,592	15,495
Amortisation	186	227
Impairment and upward revaluations	(14,903)	(30,090)
Increase / (Decrease) in Creditors	1,520	1,333
(Increase) / Decrease in Interest and Dividend Debtors	29	(111)
(Increase) / Decrease in Debtors	1,414	(748)
(Increase) / Decrease in Inventories	34	61
Pension Liability	1,899	2,888
Carrying amount of non-current assets sold	6,286	3,842
Other non-cash items charged to the net surplus or deficit on the provision of services	825	202
Total	12,882	(6,901)

Adjust for items included in the net surplus or deficit on the provision of services that are investing or financing activities

	31 March	
	2015	2014
	£000	£000
Any other items for which the cash effects are investing or financing cash flows	(572)	(855)
Proceeds from the sale of property and equipment, investment property and intangible assets	(8,378)	(6,015)
Total	(8,950)	(6,870)

Operating activities within the cashflow statement include the following cash flows relating to interest and other operating activities

	31 March	
	2015	2014
	£000	£000
Interest received	382	320
Interest charge for the year	(5,565)	(5,542)
Other operating activities	22,753	19,113
Total	17,570	13,891

23. AMOUNTS REPORTED FOR RESOURCE ALLOCATION DECISIONS

The Council changed its Directorate structure from 1 April 2014 and as a consequence the internal reporting requirements also changed. The figures for 2013/14 are presented under the former structure. The 2014/15 figures are based on the current structure.

	2014/15						Total £000
	Communities	Governance	Neighbourhoods	Chief Executive	Resources	Housing Revenue Account	
	£000	£000	£000	£000	£000	£000	
Fees, charges & other service income	(1,074)	(5,076)	(5,082)	-	(503)	(34,604)	(46,339)
Gain on Revaluation			-	-	-	(16,531)	(16,531)
Government Grants	(390)	(59)	(25)	-	(38,055)	-	(38,529)
Total Income	(1,464)	(5,135)	(5,107)	-	(38,558)	(51,135)	(101,399)
Employee Expenses	1,922	1,477	2,394	34	2,034	3,208	11,069
Other Service Expenses	1,680	1,228	9,667	(335)	716	9,372	22,328
Support Service Recharges	1,146	2,780	2,582	1,432	1,329	2,643	11,912
Asset Charges	115	261	3,160	-	12	13,015	16,563
Benefit Payments	-	-	-	-	36,631	-	36,631
Total Operating Expenditure	4,863	5,746	17,803	1,131	40,722	28,238	98,503
Net Cost Of Services	3,399	611	12,696	1,131	2,164	(22,897)	(2,896)

	2013/14								Total £000
	Corporate Support Services	Deputy Chief Executive	Environmental & Street Scene	Finance & ICT	Housing	Office of the Chief Executive	Planning & Economic Development	Housing Revenue Account	
	£000	£000	£000	£000	£000	£000	£000	£000	
Fees, charges & other service income	(3,863)	(614)	(5,053)	(179)	(880)	(99)	(1,119)	(34,246)	(46,053)
Gain on Revaluation	-	-	-	-	-	-	-	(30,544)	(30,544)
Government Grants	-	-	-	(39,243)	-	(23)	(5)	-	(39,271)
Total Income	(3,863)	(614)	(5,053)	(39,422)	(880)	(122)	(1,124)	(64,790)	(115,868)
Employee Expenses	637	963	1,600	2,141	614	202	1,644	3,159	10,960
Other Service Expenses	728	730	9,515	804	608	170	574	9,795	22,924
Support Service Recharges	713	689	2,024	1,298	340	2,420	1,595	2,567	11,646
Depreciation	32	62	1,687	57	-	-	228	13,174	15,240
Benefit Payments	-	-	-	37,270	-	-	-	-	37,270
Total Operating Expenditure	2,110	2,444	14,826	41,570	1,562	2,792	4,041	28,695	98,040
Net Cost Of Services	(1,753)	1,830	9,773	2,148	682	2,670	2,917	(36,095)	(17,828)

Reconciliation of Directorate Income and Expenditure to Cost of Services in the Comprehensive Income and Expenditure Statement.

	2014/15 £000	2013/14 £000
Net Expenditure in the Directorate Analysis	(2,896)	(17,828)
Services and Support Services not in analysis	32	201
Amounts included in the Analysis not included in the Net Cost of Service	2,620	2,640
Cost of Services in CIES	(243)	(14,987)

Reconciliation to Subjective Analysis

	2014/15						
	Directorate Analysis £000	Services and Support Services not in analysis £000	Amounts not reported to management for decision making £000	Amounts not included in Net Cost of Service £000	Cost of Services £000	Corporate Amounts £000	Total £000
Fees, charges & other service income	(46,339)	-	-	4,410	(41,929)	(4,410)	(46,339)
Gain on Revaluation	(16,531)	-	-	-	(16,531)	-	(16,531)
Interest and Investment Income	-	-	-	-	-	(446)	(446)
Income from Council Tax	-	-	-	-	-	(10,829)	(10,829)
Government Grants and Contributions	(38,529)	-	-	-	(38,529)	(9,749)	(48,278)
Total Income	(101,399)	-	-	4,410	(96,989)	(25,434)	(122,423)
Employee Expenses	11,070	32	-	(653)	10,449	3,106	13,556
Other Service Expenses	58,959	-	-	(490)	58,469	490	58,959
Support Service Recharges	11,912	-	-	(598)	11,313	598	11,912
Asset Charges	16,563	-	-	(50)	16,513	183	16,696
Interest Payments	-	-	-	-	-	5,564	5,564
Precepts and Levies	-	-	-	-	-	3,358	3,358
Payments to Housing Capital Receipts Pool	-	-	-	-	-	751	751
(Gain)/Loss on Disposal of Fixed Assets	-	-	-	-	-	(1,928)	(1,928)
Rents to mortgages valuation increase	-	-	-	-	-	(82)	(82)
Total Expenditure	98,504	32	-	(1,790)	96,746	12,040	108,785
Surplus/(Deficit) on the provision of services	(2,896)	32	-	2,620	(243)	(13,395)	(13,638)