

Statement of Accounts 2013/14

Changes post Audit and Accounts Committee 7th July 2014**Comprehensive Income and Expenditure Statement (CIES)**

	Net Expenditure 7 th July 2014 £000	Changes £000	Revised Net Expenditure £000
Central Services to the Public	8,071	159	8,230
Cultural Related Services	15,802	230	16,032
Environmental & Regulatory Services	21,412	29	21,441
Planning Services	19,711	0	19,711
Education and Children's Services	61,274	1,058	62,332
Highways and Transport Services	20,470	155	20,625
Local Authority Housing (HRA)	(11,491)	(2,548)	(14,039)
Other Housing Services	24,246	(4,755)	19,491
Adult Social Care	67,303	6,251	73,554
Corporate and Democratic core	6,724	0	6,724
Non-Distributed Costs	846	0	846
Public Health	12,796	0	12,796
Net Cost of Services	247,164	579	247,743
Other Operating Expenditure	(1,137)	0	(1,137)
Financing and Investment Income and Expenditure	33,666	102	33,768
Taxation and Non-Specific Grant Income	(267,134)	0	(267,134)
(Surplus) / Deficit on Provision of Services	12,559	681	13,240
(Surplus) / Deficit on Revaluation of Property, Plant and Equipment Assets	(105,977)	(29,653)	(135,630)
Actuarial (gains)/losses on pension assets/liabilities	(67,840)	0	(67,840)
Restatement of Fixed Assets	0	0	0
Deficit For the Year	(161,258)	(28,972)	(190,230)

The changes to the Comprehensive Income and Expenditure Statement (CIES) are in relation to:-

Revaluation

Adjustments to the valuation of Council assets including Schools and Council dwellings have been required, the most significant adjustment relates to Schools. The Council values assets on a rolling 5 year basis. It was identified that for assets valued on a replacement cost basis only the 20% valued in year had been increased by the Building Construction indices (BCI). In addition assets have been identified that had been omitted from the rolling revaluation programme and had therefore not been revalued in the last 5 years. Applying the BCI uplift

for the relevant years to these two groups of assets resulted in an additional £29.653m revaluation gain.

This adjustment also effects the balance sheet.

Housing PFI Valuation

A number of amendments have been made regarding the new affordable housing PFI scheme. This scheme was partially completed during the year and so was included in the accounts for the first time in 2013/14. The value of the completed new buildings were initially recognised at cost and then impaired. A reduction of £4.755m is required to this impairment as the Council retains sufficient influence over the properties that requires a different valuation method to that adopted.

This adjustment also effects the balance sheet.

Equal Pay Provision

The draft accounts included a contingent liability for potential equal pay claims but did not include a specific provision. At the request of Grant Thornton the Council has calculated a provision amount of £8.325m which has been charged to the CIES. Due to concessions in accounting treatments for equal pay provisions this amount has not been financed and is offset by an unequal pay adjustment account.

This adjustment also effects the balance sheet.

Balance Sheet

	7 th July 2014 £000's	Changes £000's	Final 2013/14 Statement £000's
Long Term Assets			
Property, Plant and Equipment	1,262,440	34,649	1,297,089
Heritage Assets	75,471	0	75,471
Investment Property	895	0	895
Intangible Assets	1,785	1,729	3,514
Long Term Investments	325	0	325
Long Term Debtors	14,470	0	14,470
Total long term assets	1,355,386	36,378	1,391,764
Current Assets			
Short Term Investments	201	0	201
Assets Held for Sale	261	0	261
Inventories	665	0	665
Short Term Debtors	48,157	0	48,157
Cash and Cash Equivalents	43,058	0	43,058
Total Current Assets	92,342	0	92,342
Current Liabilities			
Bank Overdrafts	(6,185)	0	(6,185)
Short Term Borrowing	(29,000)	(2,854)	(31,854)
Short Term Finance Lease Liabilities	(3,360)	0	(3,360)
Short Term Creditors	(73,469)	2,854	(70,615)
Provisions	(1,336)	0	(1,336)
Total Current Liabilities	(113,350)	0	(113,350)
Long Term Liabilities			
Long Term Finance Lease Liabilities	(89,676)	919	(88,757)
Provisions	(10,471)	(8,325)	(18,796)
Long Term Borrowing	(308,980)	0	(308,980)
Other Long Term Liabilities	(316,617)	0	(316,617)
Capital Grants Receipts in Advance	(13,927)	0	(13,927)
Total long term Liabilities	(739,671)	(7,406)	(747,077)
NET ASSETS	594,707	28,972	623,679
Represented by:			
Usable Reserves	(142,329)	0	(142,329)
Unusable Reserves	(452,378)	(28,972)	(481,350)
TOTAL RESERVES	(594,707)	(28,972)	(623,679)

Long Term Assets

The value of long term assets has been adjusted for the amendments discussed under revaluation as above.

There have been further adjustments to the affordable housing PFI scheme which effect the balance sheet. The amount recognised for purchased and refurbished properties has been reduced by £1.021m and offset by a corresponding reduction to long term lease liabilities. This is due to an alteration in the valuation and percentage of completion used.

There have also been re categorisations form assets under construction to other categories within long term assets.

Provisions

Provisions have been adjusted for the equal pay provision as detailed above.

Short Term Borrowing / Creditors

The draft accounts include an amount of £2.854m relating to interest payable on short term borrowing under creditors. This has been adjusted to show as borrowing. This reduces outstanding creditors but increase short term borrowing by the same amount.