



Report of:	Meeting	Date	Item no.
Philippa Davies, Corporate Director of Resources (S151 Officer)	Audit Committee	30 June 2015	4a

Statement of Accounts, Capital Financing and Revenue Outturn 2014/15

1. Purpose of report

- 1.1** To approve the Council's published Statement of Accounts and the final capital and revenue position for the financial year 2014/15.

2. Outcomes

- 2.1** Evidence that the Council produces accounts in accordance with relevant standards and timetables, supported by comprehensive working papers and promotes external accountability.

3. Recommendations

3.1 Members are requested to:

- i. Approve the Accounting Policies selected and applied by the Council, as required by International Accounting Standard No. 8: Accounting Policies, Changes in Accounting Estimates and Errors, which are set out as Note 1 to the Financial Statements attached;
- ii. Approve the Council's Statement of Accounts 2014/15, subject to audit;
- iii. Note the major variations in expenditure and income, the proposed slippage and the resulting impact on the level of the Council's reserves and balances at 31 March 2015; and
- iv. Ensure that the accounts are subject to robust member scrutiny/discussion.

4. Background

4.1 The Accounts and Audit Regulations 2011 require the Council's responsible financial officer to certify that the accounts 'present a true and fair view of the financial position' for the 2014/15 financial year by the 30 June 2015. The Council is then formally required to approve and publish the Statement of Accounts no later than 30 September 2015. Following approval, the Statement of Accounts must be signed and dated by the member presiding at the meeting at which approval is given.

5. Key issues and proposals

5.1 An Executive Summary setting out the main details in a format that is straightforward and easy to understand is now included in the Statement of Accounts as part of the Explanatory Foreword. The Statement of Accounts is attached at Appendix 1 for consideration, although this is still subject to audit.

5.2 The Capital Financing Report is attached at Appendix 2 (Table 1) and a comparison of actual capital expenditure to the 2014/15 updated revised budget, illustrating the nature of the variance e.g. over spend, under spend or slippage to future years can be seen at Appendix 2 (Table 2).

5.3 A report identifying major variations in revenue expenditure and income compared to the levels budgeted for the year is attached at Appendix 3a and the proposed revenue slippage into 2015/16 and future years is included at Appendix 3b.

5.4 The resulting impact of these changes, such as additional expenditure or reduced income, on the level of the Council's reserves and balances at 31 March 2015 is shown at Appendix 4.

5.5 It should be noted that non-compliance with the requirements of the Accounts and Audit Regulations would be reflected in the Annual Audit Letter received from the Council's External Auditors and be reported publically impacting on the Council's reputation.

Financial and legal implications	
Finance	There are no immediate financial implications arising from this report. The final outturn position will be incorporated within the Medium Term Financial Plan 2015/16 to 2018/19 which aims to provide detailed proposals for corporately managing the Council's resources in the years ahead and is subject to continuous monitoring to ensure its effectiveness.
Legal	The approval of the recommendation will help ensure that the statutory requirements have been complied with.

Other risks/implications: checklist

If there are significant implications arising from this report on any issues marked with a ✓ below, the report author will have consulted with the appropriate specialist officers on those implications and addressed them in the body of the report. There are no significant implications arising directly from this report, for those issues marked with a x.

risks/implications	✓ / x
community safety	x
equality and diversity	x
sustainability	x
health and safety	x

risks/implications	✓ / x
asset management	x
climate change	x
data protection	x

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List of background papers:		
name of document	date	where available for inspection

List of appendices

- Appendix 1 – Statement of Accounts for the year ended 31 March 2015
- Appendix 2 (Table 1) - Capital Financing Report
- Appendix 2 (Table 2) – Comparison of Capital Expenditure to Budget
- Appendix 3a – Major Revenue Variances
- Appendix 3b – Revenue Budget Savings - Slippage into Future Years
- Appendix 4a – Reserves and Balances Statement
- Appendix 4b – Transfers to and from Reserves



STATEMENT OF ACCOUNTS

FOR THE YEAR ENDED

31 MARCH 2015



WYRE COUNCIL

P DAVIES CPFA
CORPORATE DIRECTOR OF RESOURCES
(CHIEF FINANCIAL OFFICER)

Considered by [Audit Committee 30 June 2015](#)
and confirmed (post audit) at the [Audit Committee 22 September 2015](#)

[Councillor L McKay, Chairman](#)

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EXPLANATORY FOREWORD

1. INTRODUCTION

This Statement of Accounts covers the financial year ended 31 March 2015 (2014/15). It has been prepared in accordance with the Accounts and Audit Regulations 2011 and the Code of Practice on Local Authority Accounting in the United Kingdom 2014/15. The main Accounting Statements within this document are:

- i) **Movement in Reserves Statement** – This statement shows the movement in the year on the different reserves held by the authority, analysed into ‘usable reserves’ (i.e. those that can be applied to fund expenditure or reduce local taxation) and unusable reserves. The Surplus or Deficit on the Provision of Services line shows the true economic cost of providing the authority’s services, more details of which are shown in the Comprehensive Income and Expenditure Statement. This is different from the statutory amounts required to be charged to the General Fund Balance for council tax setting purposes. The Net Increase / Decrease before Transfers to Earmarked Reserves line shows the statutory General Fund Balance before any discretionary transfers to or from earmarked reserves undertaken by the Authority.
- ii) **Comprehensive Income and Expenditure Statement** – This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. Authorities raise taxation to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.
- iii) **Balance Sheet** - The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the authority. The net assets of the authority (assets less liabilities) are matched by the reserves held by the authority. Reserves are reported in two categories. The first category is usable reserves, i.e. those reserves that the authority may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt). The second category is those that the authority is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line ‘Adjustments between accounting basis and funding basis under Regulations’.
- iv) **Cash Flow Statement** - The Cash Flow Statement shows the changes in cash and cash equivalents of the authority during the reporting period. The statement shows how the authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the authority are funded by way of taxation and grant income or from the recipients of services provided by the authority. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the authority’s future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the authority.

- v) **Collection Fund Account** – There is a statutory obligation for billing authorities to maintain a separate Collection Fund. The statement shows the transactions of the billing authority in relation to the collection from taxpayers and distribution to preceptors (Lancashire County Council, Police and Crime Commissioner for Lancashire, Lancashire Combined Fire Authority and Wyre Borough Council) and Government of council tax and non-domestic rates.

These statements are supported by:

- a) **Statement of Responsibilities** - this sets out the responsibilities of the Authority and the Corporate Director of Resources (Chief Financial Officer) in respect of the Statement of Accounts.
- b) **Annual Governance Statement** - this statement sets out the framework that forms the basis of the Code of Corporate Governance and reviews the Authority's arrangements in the light of the code.
- c) **Notes to the Financial Statements and to the Collection Fund** - these allow information about the basis of preparation e.g. the accounting policies used and the disclosure / provision of information not presented elsewhere in the statements which is relevant to the readers' understanding.

EXECUTIVE SUMMARY

INTRODUCTION

The Council is statutorily required to produce annual accounts. The Accounts and Audit Regulations require the Council's responsible financial officer to certify that they 'present a true and fair view of the financial position' for the 2014/15 financial year by 30 June 2015. The Council is then formally required to approve and publish the Statement of Accounts no later than 30 September 2015. Following approval, the Statement of Accounts must be signed and dated by the member presiding at the meeting at which approval is given.

The accounts are audited by the Council's External Auditors, KPMG, who also review whether the Authority has made proper arrangements to secure economy, efficiency and effectiveness in its use of resources and issue a conclusion on this, as part of their report to those charged with governance, to the Council's Audit Committee at the conclusion of the audit.

Whilst the Accounts and Audit Regulations 2011 were revoked by the Accounts and Audit Regulations 2015, they continue to have effect for the financial year ending 31 March 2015. The 'Statement of Accounts' has therefore been prepared in accordance with the Accounts and Audit Regulations 2011 and the Code of Practice on Local Authority Accounting 2014/15. The format of the published document is heavily prescribed and this is intended to promote good practice by local authorities and a consistency of approach.

This executive summary has been prepared to assist the readers' interpretation of the accounts and highlight the key issues for the Council.

In addition to the information, which is published in connection with the authority's accounts, electors have the right to inspect the accounts of their authority and to question the external auditor. The authority publishes a notice, advertising the availability of accounts for inspection each year.

THE COUNCIL'S SPENDING

The Council effectively has two types of expenditure:

Revenue Expenditure – essentially the everyday costs incurred with running the Council such as employee costs, premises related expenditure and various supplies and services.

Capital Expenditure – the more sizeable costs, which usually relate to the purchase of new assets, or materially improving existing assets so that they will last for a longer period.

At the start of each year, the Council plans how much it is going to spend and reflects these spending plans as budgets. It calculates the amount of money needed to be raised from the council tax, having allowed for income and government grants, and determines how much it can raise from existing resources, contributions from outside sources, or borrowing, to fund its capital programme.

REVENUE EXPENDITURE

The following table sets out the comparison between the Revised Budget and the actual expenditure:

	2014/15 Revised Budget £	2014/15 Actual £	Variance £
Expenditure	16,210,344	15,522,362	(687,982)
(Use of)/Additions to Balances	(1,385,285)	(678,495)	706,790
TOTAL SPENDING	<u>14,825,059</u>	<u>14,843,867</u>	<u>18,808</u>
Revenue Support Grant	(3,467,744)	(3,467,744)	0
Other Government Grants (net of levy)	(1,594,986)	(1,613,794)	(18,808)
Non-Domestic Rate Redistribution	(3,034,274)	(3,034,274)	0
Wyre Precept	(6,146,403)	(6,146,403)	0
Parish Precepts	(472,111)	(472,111)	0
Collection Fund Surplus	(109,541)	(109,541)	0
TOTAL RESOURCES	<u>(14,825,059)</u>	<u>(14,843,867)</u>	<u>(18,808)</u>

The main reasons for the reduction in expenditure of £687,982 are listed below.

Revenue Variances	2014/15	
	£	£
<i>Increased Spending/Reduced Income:</i>		
Capital Investment Reserve – Top Up	336,866	
Leisure Management - Operational Subsidy	118,919	
Land Charges Personal Searches - Litigation (net)	16,470	
Housing Benefits	24,725	496,980
<i>Reduced Spending/Increased Income:</i>		
Slippage to 14/15 (net of reserve funding)	(706,790)	
Off Street Car Parking - Income	(18,207)	
Govt. Grant - Community Right to Challenge/Bid	(16,400)	
Engineers - Contribution to staff costs	(24,776)	
Council Tax Collection - Summons Fees	(52,187)	
Council Tax Collection - Recovery of Benefit	(49,097)	
Employee Costs (Incl. IT consultant)	(84,909)	
Utilities - Electricity and Gas	(24,134)	
Vehicle and Travel Costs	(47,215)	
Tools and Equipment	(18,831)	
Postage	(20,321)	
Interest Received	(13,804)	
Other Net Savings	(108,291)	(1,184,962)
		<u>(687,982)</u>

CAPITAL EXPENDITURE

The Council spent a total of £15,327,870 (2013/14 £3,275,218) on capital investment in the year compared with an Updated Revised Budget of £20,859,720. A summary of the main items of expenditure is shown below:

2013/14 £	Main Items of Expenditure	2014/15 £
857,489	Housing Grants	976,670
250	Environmental Improvements	5,375
1,282,260	Sea Defences	6,707,400
699,986	Cultural and Leisure Facilities	5,725,855
8,415	Business Improvement Programme	62,482
345,218	Asset Management	624,309
0	Parks and Open Spaces	1,225,779
81,600	Public Conveniences	0
<u>3,275,218</u>		<u>15,327,870</u>

The main reasons for the variation of £5,531,850 when compared to the Updated Revised Budget are listed below:

Capital Variances	2014/15	
	£	£
Capital slippage into future years		(5,596,252)
Advance Spending:		
Marine Lakes CCF2 - External and in house costs	30,786	
Tower Wood and Pheasant Wood Improvements	1,255	32,041
Increased Spending:		
Leisure Centre Refurbishment Programme	1,038	
Client Side Costs - Leisure Centre Refurbishment	34,999	
Tower Wood and Pheasant Wood Improvements	121	
Cell Eleven Monitoring - In house fees	3,537	
Cleveleys Phase 4b	259	
Cleveleys Recovery Steel Mould - In house costs	260	
Fleetwood and Cleveleys Beach Works - In house fees	2,022	
Knott End Revetment Works - In house fees	3,649	
Rossall Sea Wall Improvement Works - In house fees	2,516	
Disabled Facilities Grants	986	49,387
Reduced Spending:		
Sea Change	(5,521)	
Cleveleys Recovery Steel Mould - External costs	(260)	
Fleetwood and Cleveleys Beach Works - External costs	(2,022)	
Knott End Revetment Works - External costs	(3,649)	
Rossall Sea Wall Improvement Works - External costs	(3,254)	
Beach Bungalows Fleetwood	(731)	
E-Benefits Software	(1,177)	
Content Management System	(400)	
Other Variations (net)	(12)	(17,026)
		<u>(5,531,850)</u>

IMPACT OF SPENDING

The impact of the actual spending patterns for the year needs to be considered and this will generally depend on the type of expenditure because both revenue and capital expenditure have different sources of funding.

Revenue Expenditure – the Council’s net expenditure, i.e. after income from fees and charges that we receive from users of the facilities and grants and contributions, is primarily funded by the government in the form of grants (approximately 55%) and the balance is funded by the council tax payer (approximately 45%).

The funding of the revenue expenditure in 2014/15 was as follows:

	£
Government Grant	
Revenue Support Grant	3,467,744
Council Tax Freeze Grant	72,037
Non Domestic Rate Grant (S31 grant net of levy)	338,293
New Homes Bonus	1,193,228
New Homes Bonus Adjustment	10,236
Non Domestic Rate Redistribution (net of tariff)	3,034,274
Non Domestic Rate Previous years’ surplus	9,280
Council Tax	
Precept on the Collection Fund – Wyre Borough Council	6,146,403
Precept on the Collection Fund – Parishes	472,111
Previous years’ surplus	100,261
	<u>14,843,867</u>

Some of the spending that was planned to take place during 2014/15 has “slipped” into 2015/16 and will be covered by the increased Balances at year-end. This includes:

Revenue Slippage	£
Economic Development and Promotion - Flood Compensation	17,500
Development Control - Consultancy	20,400
Local Plan - Consultancy fees and Statutory Notices	79,140
Poulton and Thornton Leisure Centres - Portable Equipment	24,500
Community Safety - Various	13,100
Homelessness - Repossession Prevention	32,070
Taxi Licensing - Signs and maintenance works undertaken by LCC	11,380
Shaping Your Neighbourhood - Various Schemes	16,650
Contingency Provision - Insurance excess and Building Surveys	62,040
Contingency Provision - Planning Enforcement	50,000
Contingency Provision - VAT adjustment and Elections Funding	188,150
Civic Centre - Alterations	13,380
Parks and Open Spaces - Various	18,760
Domestic Waste Management - Various	44,450
Street Cleansing - Salaries and Bins, Boxes and Sacks	22,010
Revenue Funding for Capital Schemes	220,698
Other Minor Slippage	150,570
Less Reserve Funded Items	(278,008)
	<u>706,790</u>

The Council maintains revenue balances to protect against unforeseen sudden costs which might occur during the year. The current level of balances, compared to the Updated Revised Budget is as follows:

	<u>Anticipated Position</u> £	<u>Actual Position</u> £
Opening Balance	7,142,487	7,142,487
Additions/(Withdrawals) in Year	(1,385,285)	(678,495)
Closing Balance	<u>5,757,202</u>	<u>6,463,992</u>

The Council also maintains a number of earmarked reserves for specific purposes. The additions to those reserves, or their use during the year, are identified in the table below.

	Balance at 1st April £	Transfers To/(From) £	Balance at 31 March £
Building Control	8,339	(4,650)	3,689
Business Growth Incentive	28,245	(13,517)	14,728
Capital Investment	2,706,870	(1,692,381)	1,014,489
Community Safety	30,000	(30,000)	0
Elections	78,500	39,250	117,750
Investment - I.T. Strategy	396,092	2,771	398,863
Land Charges	32,160	(7,717)	24,443
Leisure Management	237,626	(116,628)	120,998
New Homes Bonus	1,299,800	594,228	1,894,028
Non-Domestic Rates Equalisation	204,353	336,270	540,623
Performance Reward Initiatives	241,683	(136,707)	104,976
Value for Money	515,119	62,087	577,206
Vehicle Replacement/Street Cleansing Maintenance	449,503	12,040	461,543
Total Earmarked Reserves	<u>6,228,290</u>	<u>(954,954)</u>	<u>5,273,336</u>

Compared to the Council's Updated Revised Estimate, the reserves are just over £1m higher than expected. This is primarily due to the top-up of the Capital Investment Reserve by an additional £501,770, IT savings of £253,755 earmarked to fund the rolling replacement strategy, the topping up of the Value for Money reserve with £35,595 new burden grant in respect of business rates and DWP start-up and administration grants for various initiatives and the slippage of reserve funded schemes totalling £278,008 to 2015/16. There was also an increase in the transfer to the Non-Domestic Rates Equalisation Reserve of £18,808.

Capital Expenditure – can be financed by earmarked reserves which have been built up from revenue contributions, taking out loans or in some cases the Council receives capital grants from the government. The Council can also use the proceeds from the disposal of land or other assets.

In 2014/15 capital expenditure was funded as follows:-

Financing	£
Grants and Other Contributions	9,117,909
Revenue	4,781,337
Capital Receipts	1,428,624
Borrowing	0
	<u>15,327,870</u>

The Council maintains a fund of capital receipts from the disposal of fixed assets to fund new capital expenditure. At 31 March 2015, the funds available were:-

	<u>Revised</u> £	<u>Actual Position</u> £
Opening Balance	0	0
Received in Year	2,070,000	1,932,838
Applied in Year	(1,882,606)	(1,428,624)
Closing Balance	<u>187,394</u>	<u>504,214</u>

Compared with the Council's budgeted position the available capital receipts at 31 March are higher than anticipated, mainly as a result of re-phased expenditure at Poulton Leisure Centre. Following commitments in the Capital Programme for 2015/16 the available balance is expected to reduce to £8,317. The Council, in accordance with the report to Cabinet 18 February 2015, has continued to apply the policy of ensuring that assets with the shortest charge life are financed from capital receipts.

LEVELS OF BORROWING

With effect from the 2007/08 financial year, the Council once again become reliant on borrowing to support capital expenditure. The Council has borrowed £3.552m to date and this value is used to calculate the minimum revenue provision which must be reflected in the accounts. The borrowing to date is made up as follows:

Date	Loan Ref	Value (£)	Period	Rate (%)	Maturing
05.03.08	494403	1,000,000	3	4.18	Sept'2010
05.03.08	494404	552,000	30	4.48	Sept'2037
05.03.08	494405	1,000,000	50	4.41	Sept'2057
09.03.09	495360	1,000,000	4	2.05	Sept'2012

In an effort to reduce the Council's reliance on borrowing and following concerns about the sustainability of continuing to borrow in the current economic climate, a Capital Investment Reserve was created as part of the 2009/10 closure of accounts.

CURRENT ECONOMIC CLIMATE

In the current economic climate it is especially important that the Council considers its future budgets and continues to closely monitor the Medium Term Financial Plan. The identification of earmarked reserves often takes account of risk assessments and contingency planning with funding being provided for known events such as the rolling replacement of IT equipment and vehicles. The level of

general balances also supports contingency planning and recognises anticipated future financial pressure on revenue resources and the difficulties of securing immediate savings. The Council's Policy on the level of reserves and balances is included as part of the Medium Term Financial Plan which is considered annually by Cabinet in September.

SIGNIFICANT LIABILITIES

As part of the terms and conditions of employment of its officers, the Council offers retirement benefits. Although not required to be paid until employees retire, the Council is committed to making the payments and is required to disclose the authority's liability at the time that employees earn their future entitlement. The scheme is funded, however, meaning that both the authority and its employees pay contributions into the fund calculated at a level intended to balance the pension liabilities with investment assets.

The underlying commitment that the authority has to pay retirement benefits is reflected in the net liability of £38,663,000. However, statutory arrangements for funding the deficit mean that the financial position of the authority remains healthy as the deficit on the scheme will be made good by increased contributions over the remaining working life of employees as assessed by the Scheme Actuary.

TRADING OPERATIONS

In accordance with the Service Reporting Code of Practice (SeRCOP) trading services or undertakings with the public or with third parties includes, amongst other categories, catering undertakings, industrial units and markets.

The aim of this note to the accounts reflects considerations of stewardship in that where the authority is trading and taking commercial risks then there should be assurance that the authority is not exposing itself unreasonably to loss.

Where trading accounts are an integral part of the total cost of particular services they should be fully consolidated into the total cost of that service and this is the case for those services listed below. Some are an integral part of the Authority's services to the public such as the operation of Fleetwood Market or the letting of industrial units and others are support services such as the bar/catering facility at the Marine Hall.

2013/14			2014/15			
Income	Total Expenditure	(Surplus) / Deficit	Income	Total Expenditure	(Surplus) / Deficit	
£	£	£	£	£	£	
			Trading Operations			
(76,517)	128,472	51,955	Catering	(65,786)	96,290	30,504
(606,777)	1,169,346	562,569	Industrial Sites	(472,971)	475,461	2,490
(24,073)	9,703	(14,370)	Poulton Market	(22,385)	12,280	(10,105)
(645,174)	444,788	(200,386)	Fleetwood Market	(612,558)	433,571	(178,987)
(1,352,541)	1,752,309	399,768	TOTAL	(1,173,700)	1,017,602	(156,098)

The Catering operation relates solely to the bar/catering facility at the Marine Hall and shows a reduction in the deficit from £51,955 in 2013/14 to £30,504 in 2014/15. This is attributable to a reduction in agency staff costs (£8,860) and a reduction in tools and equipment expenditure (£13,234) following the purchase of an Electronic Point of Sale system in 2013/14.

The grouping referred to as 'Industrial sites' covers a variety of land holdings including Fleetwood Golf Course, the waste disposal site, Copse Road and Thornton depots and industrial units. Compliance with International Financial Reporting Standards (IFRS) means that any revaluation gains or losses on investment properties together with any rental income is now shown in the financing and investment income and expenditure section of the Comprehensive Income and Expenditure Statement as opposed to net operating expenditure. The surplus/deficit reported above is therefore shown partly in the net

cost of services and partly in the financing and investment section. Whilst it appears that the financial position has improved, the true position excluding notional charges has worsened from a surplus of £331,843 in 2013/14 to a surplus of £237,085 in 2014/15. The reduced profitability in respect of the industrial sites of £94,758 reflects a reduction in net income for the waste disposal site of £151,111, offset by an increased surplus at Butts Close of £21,692 and reduced costs for Thornton Depot (which was sold 27 March 2015) of £29,003.

Finally, the surplus at Fleetwood Market, after removing the notional charges, has decreased by £19,585 from £284,307 in 2013/14 to £264,722 in 2014/15 and the surplus at Poulton Market has reduced by £4,265 from £14,370 in 2013/14 to £10,105 in 2014/15.

FURTHER INFORMATION

Further information about the Accounts is available from the Financial Services Section at Wyre Council, Civic Centre, Breck Road, Poulton-le-Fylde, Lancashire, FY6 7PU, or via the Council's web site at www.wyre.gov.uk.

If you would like this information in another language or format please ask our Contact Centre. Tel: 01253 891000; email: mailroom@wyre.gov.uk; fax: 01253 899000.

STATEMENT OF RESPONSIBILITIES

The Authority's Responsibilities

The Authority is required:

- to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Authority, that officer is the Corporate Director of Resources (Chief Financial Officer).
- to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- to approve the Statement of Accounts.

The Chief Financial Officer's Responsibilities

The Corporate Director of Resources (Chief Financial Officer) is responsible for the preparation of the Authority's Statement of Accounts in accordance with proper practices as set out in the Chartered Institute of Public Finance and Accountancy / Local Authority (Scotland) Accounts Advisory Committee (CIPFA/LASAAC) Code of Practice on Local Authority Accounting in the United Kingdom ('the Code of Practice').

In preparing this Statement of Accounts, the Corporate Director of Resources (Chief Financial Officer) has:

- selected suitable accounting policies and applied them consistently.
- made judgements and estimates that were reasonable and prudent.
- complied with the local authority Code of Practice.
- kept proper accounting records which are up to date.
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

The Chief Financial Officer's Certification

I certify that the Statement of Accounts presents a true and fair view of the financial position of the authority at the accounting date and its income and expenditure for the year ended 31 March 2015.

P DAVIES
CORPORATE DIRECTOR OF RESOURCES (CHIEF FINANCIAL OFFICER)

(Authorised for issue) 30 June 2015
(Authorised for issue) 22 September 2015

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WYRE
BOROUGH COUNCIL**

The Auditor's Report will be included here once the audit of the Accounts has been concluded and an opinion has been issued.

The Auditor's Conclusion will be included here once the audit of the Accounts has been completed.

ANNUAL GOVERNANCE STATEMENT

1.0 INTRODUCTION TO CORPORATE GOVERNANCE

- 1.1 Good governance leads to good management, good performance, good stewardship of public money, good public engagement and ultimately leads to good outcomes for the citizens and the service users of Wyre. Good governance also enables the Council to pursue its corporate vision effectively, as well as underpinning that vision, with mechanisms for control and management of risks.

2.0 SCOPE OF RESPONSIBILITY

- 2.1 Wyre Council is responsible for ensuring that its business is conducted in accordance with the law and appropriate standards, that public money is safeguarded and properly accounted for, and that funding is used economically, efficiently and effectively. Wyre Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 2.2 In discharging this overall responsibility Wyre Council is responsible for putting in place suitable arrangements for the governance of its affairs, which facilitate the effective exercise of its functions and includes arrangements for the management of risk.
- 2.3 Wyre Council has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE 'Delivering Good Governance in Local Government' framework.

3.0 THE PURPOSE OF THE GOVERNANCE FRAMEWORK

- 3.1 The governance framework comprises the systems and processes, and culture and values, by which the authority is directed and controlled, together with the activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.
- 3.2 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to meet the targets in our policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Wyre Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.
- 3.3 The governance framework has been in place at Wyre Council for the year ended 31 March 2015 and up to the date of approval of the annual statement of accounts.

4.0 WYRE COUNCIL'S LOCAL CODE OF CORPORATE GOVERNANCE

- 4.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) have published a framework and guidance for delivering good governance in local government. The guidance helps local authorities to interpret the overarching principles contained in the framework prior to developing and maintaining their own 'local' corporate governance arrangements. The framework recognises that effective governance is achieved through six core principles and 18 supporting principles.

- 4.2 It should be noted that the CIPFA/SOLACE guidance is not prescriptive and authorities are encouraged to use it in a way that best reflects their structure, type, functions and size.

5.0 MEETING THE CORE PRINCIPLES

- 5.1 The tables below demonstrate how each of the core principles has been upheld during the 2014/15 financial year.

Core Principle No 1 - Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area.

Supporting Principles

- Exercising strategic leadership by developing and clearly communicating the Authority's purpose and vision and its intended outcome for citizens and service users.
- Ensuring that users receive a high quality of service whether directly, or in partnership or by commissioning.
- Ensuring that the Authority makes best use of resources and that tax payers and service users receive excellent value for money.

Specific Evidence

- The Council has made a clear statement of the Authority's purpose and vision in its Business Plan and uses this as a basis for corporate and service planning.
- The Business Plan includes a set of measures which we report quarterly to the Overview and Scrutiny Committee.
- Annual financial statements are produced with an easy to read executive summary.
- There is an annual review of performance which is publically reported.
- There are effective arrangements to deal with failure in service delivery. There is a corporate complaints procedure with annual reports being available on the web site.
- The Medium Term Financial Plan, budgets and Capital Programme are soundly based and are designed to deliver the Council's strategic priorities.
- The Council embraces community engagement and involvement and uses its Shaping Your Neighbourhood initiative to encourage neighbourhood engagement and works collectively with ward councillors, parish and town councillors, community groups and other partner organisations to identify local issues and priorities.
- There is a Health Plan for Wyre reflecting the priorities of the Fylde and Wyre Clinical Commissioning Groups and the Fylde and Wyre Health and Wellbeing Partnership.
- Relationships have been established with clinical leads from the Blackpool, Preston and Lancaster North Clinical Commissioning Groups.
- The Value for Money indicators are reviewed annually with the results being reported to Cabinet.
- The Council's approach to Value for Money is reflected in the Annual Efficiency Statement reported to Cabinet.

Core Principle No 2 - Members and officers working together to achieve a common purpose with clearly defined functions and roles.

Supporting Principles

- Ensuring effective leadership throughout the Authority by being clear about executive and non-executive functions and of the roles and responsibilities of the scrutiny function.
- Ensuring that a constructive working relationship exists between elected Members and officers and that the responsibilities of Members and officers are carried out to a high standard.
- Ensuring relationships between the Authority, its partners and the public are clear so that

each know what to expect of the other.

Specific Evidence

- The Constitution sets out the responsibilities of elected Members by defining the decision-making powers of the Council, Executive, Overview and Scrutiny and Regulatory and other committees, providing clear terms of reference, and describing roles and functions.
- There is also a clearly defined management structure and a scheme of delegation to officers, which is underpinned by the Members' Code of Conduct and a Protocol for Officer/Member relations.
- The scheme of delegation is regularly reviewed in the light of legal and organisational changes.
- There are published job descriptions and established protocols, which ensure that the Leader and Chief Executive establish their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained.
- A comprehensive review of the Members Allowance Scheme is carried out every 3 years with an annual interim review being performed prior to 1 April. The last full review was reported to Council in January 2015.
- The Council's vision, strategic plans, priorities and targets are developed through robust mechanisms, and in consultation with the local community and other key stakeholders, and are clearly articulated and disseminated.
- Key partnerships are periodically reviewed through the Internal Audit plan and the Financial Regulations and Financial Procedure Rules include a Partnership Toolkit which can assist officers in managing the key risks of the partnership.
- Effective mechanisms exist to monitor service delivery through the Overview and Scrutiny arrangements and quarterly performance reports highlight where corrective action is necessary.
- Effective management arrangements are in place both at the top of and throughout the organisation.
- The Chief Executive is responsible and accountable to the Authority for all aspects of operational management and is required to attend regular performance appraisal meetings with the Leader.
- The Corporate Director of Resources (S151 officer) is responsible to the Authority for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control.
- The authority has complied with the CIPFA statement on the Role of the Chief Financial Officer in Local Government.
- Financial Regulations and Financial Procedure Rules are reviewed annually by the Audit Committee.
- The Monitoring Officer is responsible to the Authority for ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with.
- Up to date job descriptions and person specifications are maintained for the Chief Executive, S151 Officer and the Monitoring Officer.
- There is an established pay and grading structure for employees referred to as the Job Evaluation system and a process for appeals.
- There is an agreement between the Council and the YMCA identifying arrangements for the management of the Councils Health and Fitness Centres.

Core Principle No 3 - Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.

Supporting Principles

- Ensuring Authority Members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance.

- Ensuring that organisational values are put into practice and are effective.

Specific Evidence

- The Council has a set of values for its staff reflecting public expectations about the conduct and behaviour of individuals.
- The Council operates a formal complaints procedure.
- Established Codes of Conduct define expected standards of personal behaviour.
- Effective arrangements are in place to ensure that high standards of conduct for elected members are firmly embedded within the culture.
- Induction training is arranged for all newly elected members.
- Arrangements are in place to ensure that Members and employees of the Authority are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders.
- Systems and processes are designed in conformity with appropriate ethical standards, and are monitored to ensure their continuing effectiveness in practice.
- A register of interests is maintained for members and staff.
- An up-to-date register of gifts and hospitality is maintained.
- Anti-fraud and anti-corruption policies are in place and reviewed annually by Audit Committee.
- The Council uses an on-line e-learning package to promote information security; 'focus on information security'.
- Lancashire County Council carried out a review of the Council's Information Governance arrangements in February 2015.
- Regular training is provided to elected members who sit on regulatory committees such as Planning or Licensing.
- Whistleblowing arrangements are in place and protect individuals raising concerns.
- Protocols are in place for partnership working.
- There is an effective Standards Committee.

Core Principle No 4 - Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.

Supporting Principles

- Being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny.
- Having good quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs.
- Ensuring that an effective risk management system is in place.
- Using their legal powers to the full benefit of the citizens and communities in their area.

Specific Evidence

- The Council has an effective scrutiny function which encourages constructive challenge and enhances the Authority's performance overall.
- An effective Internal Audit function is resourced and maintained.
- Internal Audit reviews are conducted under the Auditing Practices Board Guidelines and in-line with Public Sector Internal Audit Standards which came into force in April 2014.
- In accordance with the Accounts and Audit Regulations 2015, an annual assessment of the Council's systems of internal audit is carried out in May each year using the Public Sector Internal Audit Standards and the checklist provided in the Local Government Application Note published by CIPFA.
- The Head of Governance (Chief Internal Auditor) has developed a Quality Assurance Improvement Programme to ensure the continual improvement of the Internal Audit Service.
- As the Head of Governance (Chief Internal Auditor) has not yet attained a full Consultative

Committee of Accountancy Bodies (CCAB) qualification, the Council is required in accordance with CIPFA's 'The role of the head of internal audit' to publicly state this in the Annual Governance Statement. The post holder does have over 15 years internal audit experience, holds the Association of Accounting Technicians qualification and is working towards the Chartered Institute of Public Finance and Accountancy qualification (CIPFA).

- There are effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based.
- Arrangements are in place so that conflicts of interest on behalf of Members and officers are avoided.
- Arrangements are in place for whistleblowing, to which all staff and all those contracting with the Authority have access. The policy is reviewed annually by the Audit Committee.
- Effective, transparent and accessible arrangements are in place for dealing with complaints.
- An effective Audit Committee is in place, which is independent of the Executive and the scrutiny function.
- The Audit Committee undertakes an annual review of its own effectiveness against the checklist in the CIPFA guidance 'Effective Audit Committees' and is satisfied that it meets the required standard.
- There is a calendar of dates for submitting, publishing and distributing timely reports that is adhered to.
- Those making decisions are provided with information that is fit for the purpose, relevant, timely and gives clear explanations of technical and financial issues and their implications.
- Effective arrangements are in place for determining the remuneration of senior staff.
- Proper professional advice on matters that have legal or financial implications is available and recorded well in advance of decision-making and used appropriately.
- Risk management is embedded into the culture of the Authority, with Members and managers at all levels recognising that risk management is part of their job. The Risk Management Policy is agreed annually by the Audit committee.
- Strategic and Operational risk registers are maintained and workshops are held throughout the year to review current risks and identify new risks.
- Limits of lawful activity are recognised by the ultra vires doctrine and managers strive to utilise their powers to the full benefit of the community.
- Specific legislative requirements are observed, as well as the requirements of general law, and in particular the key principle of good administrative law, rationality, legality and natural justice form part of procedures and decision-making.

Core Principle No 5 - Developing the capacity and capability of Members and officers to be effective.

Supporting Principles

- Making sure that Members and officers have the skills, knowledge, experience and resources they need to perform well in their roles.
- Developing the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group.
- Encouraging new talent for membership of the Authority so that best use can be made of individuals' skills and resources in balancing continuity and renewal.

Specific Evidence

- The Authority assesses the skills required by Members and officers and makes a commitment to develop these to enable roles to be carried out effectively.
- Performance reviews are undertaken as part of the performance appraisal system.
- The Authority ensures that the statutory officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the Authority.
- Training programmes are tailored to meet individual needs and there are opportunities for

Members and officers to update their knowledge on a regular basis. An induction programme is provided for all new members.

- Members and staff have personal development plans.
- Skills are developed on a continuing basis to improve performance, including the ability to scrutinise and challenge and to recognise when outside expert advice is needed.
- Arrangements are in place via the volunteering initiative to encourage individuals from all sections of the community to engage with, contribute to and participate in the work of the Authority.
- A competency framework exists to ensure that all staff have appropriate skills enabling them to deliver top quality services.
- Career structures are in place for members and officers to facilitate succession planning.
- The Council retained its gold award for Investors in People in January 2014.

Core Principle No 6 - Engaging with local people and other stakeholders to ensure robust public accountability.

Supporting Principles

- Exercising leadership through a robust scrutiny function, which effectively engages local people and all local institutional stakeholders, including partnerships and develops constructive accountable relationships.
- Taking an active and planned approach to dialogue with and accountability to the public to ensure effective and appropriate service delivery, whether directly by the authority, in partnership or by commissioning.
- Making the best use of human resources by taking an active and planned approach to meet responsibilities to staff.

Specific Evidence

- A database of stakeholders with whom the authority engages is maintained on behalf of the Council by Wyre and Fylde Together.
- Staff consider those institutional stakeholders to whom they are accountable and assess the effectiveness of the relationships and any changes required.
- Clear channels of communication are in place with all sections of the community and other stakeholders including monitoring arrangements to ensure that they operate effectively.
- The Shaping Your Neighbourhood initiative has been refreshed and extended into 2015/16.
- Arrangements are in place to enable the Authority to engage with all sections of the community effectively. These arrangements recognise that different sections of the community have different priorities and there are explicit processes for dealing with these competing demands. (Shaping your Neighbourhood and the Wyre Together consultation database)
- Corporate guidance has been issued on consultation and public involvement mechanisms offering practical steps and advice.
- A business plan is published annually giving information on the Authority's vision, objectives, priorities and performance measures which is shared with all staff, partners, elected members and the community.
- The Annual Efficiency statement is published with the Revenue Estimates.
- The Corporate Director of Resources (S151 Officer) is responsible for publishing annual accounts in a timely basis to communicate the organisation's activities and achievements, its financial position and performance.
- An executive summary supports the financial statements, which are statutorily produced as at 31 March each year.
- There are clear policies on how staff and their representatives are consulted and involved in decision-making.
- Periodic reports are produced on scrutiny function activity.

- The Authority as a whole is open and accessible to the community, service users and its staff and is committed to openness and transparency in all its dealings, including partnerships; subject only to the need to preserve confidentiality in those specific circumstances where it is proper and appropriate to do so.
- The Authority has been awarded a 3 star rating in the last annual SOCITM review (March 2015).
- Wyre Voice, an information leaflet produced by the Council is delivered to every household twice a year.
- The Authority complies with the Local Government Transparency Code 2015.

6.0 RISK MANAGEMENT

- 6.1 The Council has adopted a corporate risk management policy and operates a fully integrated risk management system across the organisation. Relevant officers have received training in risk management enabling the production of operational risk registers with associated risk action plans, which are reviewed on a regular basis.
- 6.2 Each year the Council's Management Team hold a workshop, to identify and prioritise strategic risks and to produce action plans. Significant business risks that may impact upon the Council's priorities have been identified and assessed, and appropriate control measures are in place. The report and associated action plans are presented to Management Board and Audit Committee and progress is monitored on a regular basis through the Management Team.

7.0 REVIEW OF EFFECTIVENESS

- 7.1 In accordance with the Audit and Account Regulations 2015 which came into force on 1 April 2015, The Authority must ensure that it has a sound system of internal control which:
- a) facilitates the effective exercise of its functions and the achievement of its aims and objectives,
 - b) ensures that the financial and operational management of the authority is effective; and
 - c) includes effective arrangements for the management of risk.
- 7.2 The Authority is also responsible for conducting each financial year a review of effectiveness of the system of internal control.
- 7.3 The Corporate Director of Resources (S151) Officer is responsible for the proper administration of the Council's financial affairs. This includes responsibility for maintaining and reviewing Financial Regulations and Financial Procedure Rules, to ensure they remain fit for purpose, submitting any additions or changes necessary to the Audit Committee for approval and reporting, where appropriate, breaches of the Regulations to the Cabinet and/or the Council.
- 7.4 The Corporate Director of Resources (S151 Officer) also has responsibility for:
- overseeing the implementation and monitoring the operation of the Code of Corporate Governance;
 - maintaining and updating the Code in the light of latest guidance on best practice;
 - reporting annually to the Corporate Management Team and to Members on compliance with the Code and any changes that may be necessary to maintain it and ensure effectiveness in practice
- 7.5 Wyre Council's Internal Audit Service, via a specific responsibility assigned to the Head of Governance (Chief Internal Auditor) is required to provide an independent and objective opinion to the Authority on its risk management, governance and internal control environment.

The Chief Internal Auditor's Annual report for 2014/15 concluded that the Council continues to maintain an effective control environment.

- 7.6 The review of compliance with the governance framework has involved a review of the latest position on the core principles by the Corporate Director of Resources (Section 151 Officer), the Head of Governance (Chief Internal Auditor) and the Audit Committee.

8.0 VALUE FOR MONEY CONCLUSION

- 8.1 The External Auditors issued an unqualified value for money conclusion in their most recent review for 2013/14. This means that they are satisfied that the Council has proper arrangements for securing financial resilience and challenging how it secures economy, efficiency and effectiveness. To arrive at that conclusion they looked at the Council's financial governance, financial planning and financial control processes, as well as reviewing how the Council prioritises its resources, improves efficiency and productivity.

9.0 SIGNIFICANT GOVERNANCE ISSUES

- 9.1 There are no significant governance issues to report. Minor issues have been highlighted and these have been documented within an action plan that will be monitored by Management Team and reported to the Audit Committee in November of each year.

10.0 REVIEWING AND REPORTING ARRANGEMENTS

- 10.1 The CIPFA/SOLACE guidance recommends that authorities should undertake annual reviews of their governance arrangements to ensure continuing compliance with best practice as set out in the framework.
- 10.2 Each year, during the months of March and April, members of the Management Team and individual key officers are required to complete a 'Governance Assurance Questionnaire'. Any issues highlighted are documented and this, together with an action plan, is submitted for consideration by the Leader and Chief Executive who then sign to certify they are aware of the governance issues within the Authority and of the measures that are required to improve the control environment.

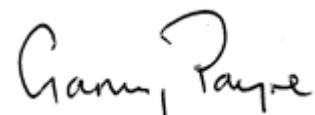
11.0 CERTIFICATION

As the Leader of the Council, I am aware of the governance issues within this Authority and of the measures that are needed to improve the control environment. Overall, my assessment of the control environment as at 31st March 2015 is satisfactory.



COUNCILLOR P GIBSON
LEADER OF THE COUNCIL

As the Chief Executive, I am aware of the governance issues within this Authority and of the measures that are needed to improve the control environment. Overall, my assessment of the control environment as at 31st March 2015 is satisfactory.



G PAYNE
CHIEF EXECUTIVE

MOVEMENT IN RESERVES STATEMENT

	General Fund Balance	Earmarked General Fund Reserves	Capital Receipts Reserve	Capital Grants Unapplied	Total Usable Reserves (Note 22)	Unusable Reserves (Note 23)	Total Authority Reserves
	£	£	£	£	£	£	£
Balance at 31 March 2013	5,119,795	5,697,993	5,725	20,062	10,843,575	24,220,141	35,063,716
Movement in Reserves during 2013/14							
Surplus or (Deficit) on the Provision of Services	(46,544)	0	0	0	(46,544)	0	(46,544)
Other Comprehensive Income and Expenditure (Note 11,12 and 38)	0	0	0	0	0	5,990,703	5,990,703
Total Comprehensive Income and Expenditure	(46,544)	0	0	0	(46,544)	5,990,703	5,944,159
Adjustments between accounting basis and funding basis under Regulations (Note 6)	2,599,533	0	(5,725)	(1,432)	2,592,376	(2,592,376)	0
Net Increase / (Decrease) before Transfers to Earmarked Reserves	2,552,989	0	(5,725)	(1,432)	2,545,832	3,398,327	5,944,159
Transfers to / from Earmarked Reserves (Note 7)	(530,297)	530,297	0	0	0	0	0
Increase / (Decrease) Movement in 2013/14	2,022,692	530,297	(5,725)	(1,432)	2,545,832	3,398,327	5,944,159
Balance at 31 March 2014 carried forward (Note 22 and 23)	7,142,487	6,228,290	0	18,630	13,389,407	27,618,468	41,007,875
Movement in Reserves during 2014/15							
Surplus or (Deficit) on the Provision of Services	9,559,270	0	0	0	9,559,270	0	9,559,270
Other Comprehensive Income and Expenditure (Note 11,12 and 38)	0	0	0	0	0	(4,625,368)	(4,625,368)
Total Comprehensive Income and Expenditure	9,559,270	0	0	0	9,559,270	(4,625,368)	4,933,902
Adjustments between accounting basis and funding basis under Regulations (Note 6)	(11,192,719)	0	504,214	984,233	(9,704,272)	9,704,272	0
Net Increase / (Decrease) before Transfers to Earmarked Reserves	(1,633,449)	0	504,214	984,233	(145,002)	5,078,904	4,933,902
Transfers to / from Earmarked Reserves (Note 7)	954,954	(954,954)	0	0	0	0	0
Increase / (Decrease) Movement in 2014/15	(678,495)	(954,954)	504,214	984,233	(145,002)	5,078,904	4,933,902
Balance at 31 March 2015 carried forward (Note 22 and 23)	6,463,992	5,273,336	504,214	1,002,863	13,244,405	32,697,372	45,941,777

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

2013/14							2014/15		
Gross Expenditure	Gross Income	Net Expenditure		Notes	Gross Expenditure	Gross Income	Net Expenditure		
£	£	£			£	£	£		
1,823,996	(1,371,518)	452,478	Central Services to the Public		1,949,881	(1,433,091)	516,790		
5,039,381	(638,728)	4,400,653	Cultural and Related Services		5,748,284	(747,089)	5,001,195		
			Environmental and Regulatory						
7,495,018	(2,257,803)	5,237,215	Services		7,187,403	(2,155,054)	5,032,349		
2,583,267	(1,550,311)	1,032,956	Planning Services		2,411,240	(1,883,938)	527,302		
			Highways and Transport						
1,780,525	(1,071,713)	708,812	Services		1,375,591	(1,166,173)	209,418		
34,571,906	(33,894,229)	677,677	Other Housing Services		35,109,979	(34,438,885)	671,094		
			Corporate and Democratic						
1,674,260	(25,707)	1,648,553	Core		1,620,075	(28,133)	1,591,942		
87,000	0	87,000	Non Distributed Costs		698,451	0	698,451		
55,055,353	(40,810,009)	14,245,344	Cost of Services		56,100,904	(41,852,363)	14,248,541		
569,116	0	569,116	Other Operating Expenditure	8	498,111	(926,838)	(428,727)		
2,453,850	(564,049)	1,889,801	Financing and Investment						
			Income and Expenditure	9	1,452,869	(471,253)	981,616		
0	0	0	(Surplus) or Deficit on						
			discontinued operations		0	0	0		
0	(16,657,717)	(16,657,717)	Taxation and Non-Specific	10	0	(24,360,700)	(24,360,700)		
			Grant Income						
		46,544	(Surplus) or Deficit on the				(9,559,270)		
			Provision of Services						
		94,297	(Surplus) or Deficit on	11					
			Revaluation of Property,	and					
			Plant and Equipment Assets	12			(3,777,632)		
		0	(Surplus) or Deficit on						
			Revaluation of Available for						
			Sale Financial Assets				0		
		(6,085,000)	Remeasurements of the Net						
			Defined Benefit Liability						
			(asset)	38			8,403,000		
		(5,990,703)	Other Comprehensive				4,625,368		
			Income and Expenditure						
		(5,944,159)	Total Comprehensive Income				(4,933,902)		
			and Expenditure						

BALANCE SHEET

For the Year Ended 31st March 2015

31 March 2014		Notes	31 March 2015
£			£
63,209,130	Property, Plant and Equipment	11	77,811,569
250,650	Heritage Assets	12	293,725
5,229,087	Investment Property	13	4,604,944
129,304	Intangible Assets	14	131,068
19	Long Term Investments	15	19
0	Long Term Debtors	15	0
68,818,190	Long Term Assets		82,841,325
0	Short Term Investments	15	560,000
0	Assets Held for Sale	19	0
63,826	Inventories	16	45,883
3,091,086	Short Term Debtors	17	3,106,933
7,868,980	Cash and Cash Equivalents	18	16,737,911
11,023,892	Current Assets		20,450,727
0	Bank Overdrafts	18	0
0	Short Term Borrowing	15	0
(3,975,719)	Short Term Creditors	20	(6,824,003)
(447,235)	Provisions	21	(772,035)
(4,422,954)	Current Liabilities		(7,596,038)
0	Long Term Creditors		0
0	Provisions		0
(1,552,000)	Long Term Borrowing	15	(1,552,000)
(8,147)	Deferred Liabilities		(4,460)
(29,480,000)	Liability related to Defined Benefit Pension Scheme	38	(38,663,000)
(3,371,106)	Capital Grants Received In Advance	32	(9,534,777)
(34,411,253)	Long Term Liabilities		(49,754,237)
41,007,875	Net Assets		45,941,777
13,389,407	Usable Reserves	22	13,244,405
27,618,468	Unusable Reserves	23	32,697,372
41,007,875	Total Reserves		45,941,777

CASH FLOW STATEMENT**As at 31 March 2015**

2013/14		Notes	2014/15
£			£
46,544	Net (Surplus) or Deficit on the Provision of Services		(9,559,270)
(6,648,260)	Adjustments to Net Surplus or Deficit on the Provision of Services for Non-cash Movements	24	(6,357,140)
2,285,392	Adjustments for items included in the Net Surplus or Deficit on the Provision of Services that are Investing and Financing activities	24	12,034,980
(4,316,324)	Net Cash Flows from Operating Activities		(3,881,430)
(2,381,214)	Investing Activities	25	(4,425,428)
672,874	Financing Activities	26	(562,073)
(6,024,664)	Net (Increase) or Decrease in Cash and Cash Equivalents		(8,868,931)
(1,844,316)	Cash and Cash Equivalents at the beginning of the reporting period		(7,868,980)
(7,868,980)	Cash and Cash Equivalents at the end of the reporting period	18	(16,737,911)

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

General Principles

The Statement of Accounts summarises the Council's transactions in the 2014/15 financial year and its position for the year-ended 31 March 2015. The Authority is required to prepare an annual Statement of Accounts by the Accounts and Audit Regulations 2011, and must comply with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2014/15 and the Service Reporting Code of Practice 2014/15, supported by International Financial Reporting Standards (IFRS).

The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Revenue from the sale of goods is recognised when the Authority transfers the significant risks and rewards of ownership to the purchaser and it is probable that economic benefits or service potential associated with the transaction will flow to the Authority.
- Revenue from the provision of services is recognised when the Authority can measure reliably the percentage of completion of the transaction and it is probable that economic benefits or service potential associated with the transaction will flow to the Authority.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of no more than 24 hours. Cash equivalents are highly liquid investments that mature no more than three months from the date of acquisition and are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Authority's cash management.

Prior Period Adjustments, changes in Accounting Policies and Estimates and Errors

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Authority's financial position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

Charges to Revenue for Non-Current Assets

Services, support services and trading accounts are debited with the following amounts to record the cost of holding non-current assets during the year:

- Depreciation attributable to assets used by the relevant service.
- Revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which losses can be written off.
- Amortisation of intangible fixed assets attributable to the service.

The Authority is not required to raise council tax to fund depreciation, revaluation and impairment losses or amortisations. However, it is required to make an annual contribution from revenue towards the reduction in its overall borrowing requirement referred to as the Minimum Revenue Provision (MRP) and equal to an amount calculated on a prudent basis determined by the authority in accordance with statutory guidance. Depreciation, revaluation and impairment losses and amortisations are therefore replaced by the MRP contribution, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

Employee Benefits

Benefits Payable During Employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as salaries, paid annual leave and paid sick leave for current employees and are recognised as an expense for services in the year in which employees render service to the Authority. An accrual is made for the cost of holiday entitlements earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is made at the salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to the Surplus or Deficit on the Provision of Services, but then reversed out through the Movement in Reserves Statement so that holiday entitlements are charged to revenue in the financial year in which the holiday absence occurs.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Authority to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy in exchange for those benefits and are charged on an accruals basis to the appropriate service or, where applicable, to the Non Distributed Costs line in the Comprehensive Income and Expenditure Statement at the earlier of when the Authority can no longer withdraw the offer of those benefits or when the Authority recognises costs for a restructuring.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable by the Authority to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pension Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Post Employment Benefits

Employees of the Authority are members of the Local Government Pension Scheme, administered by Lancashire County Council.

The scheme provides defined benefits to members (retirement lump sums and pensions), earned as employees worked for the Authority.

The Local Government Pension Scheme

- The liabilities of the Lancashire County Council pension scheme attributable to the Authority are included in the Balance Sheet on an actuarial basis using the projected unit method – i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc., and projected earnings for current employees.
- Liabilities are discounted to their value at current prices, using a discount rate of 3.2% (based on the indicative rate of return on high quality Corporate bond).
- The assets of the Lancashire County Council pension fund attributable to the Authority are included in the Balance Sheet at their fair value:
 - quoted securities – current bid price.
 - unquoted securities – professional estimate.
 - unitised securities – current bid price.
 - property – market value.

The change in the net pensions liability is analysed into the following components:

- Service Cost comprising:
 - current service cost – the increase in liabilities as a result of years of service earned this year – allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked.
 - past service cost – the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years – debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non Distributed Costs.

- net interest on the net defined benefit liability (asset), i.e. net interest expense for the Authority – the change during the period in the net defined benefit liability (asset) that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement – this is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability (asset) at the beginning of the period – taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments.
- Remeasurements comprising:
 - the return on plan assets - excluding amounts included in the net interest on the net defined benefit liability (asset) – charged to the Pension Reserve as Other Comprehensive Income and Expenditure.
 - actuarial gains and losses - changes in net pension liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
- Contributions paid to the Lancashire County Council pension fund – cash paid as employer's contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the Authority to the pension fund or directly to pensioners in the year, not that amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are transfers to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Discretionary Benefits

The Authority also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

Events After the Reporting Period

Events after the Balance Sheet date are those events both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- Adjusting events: Those that provide evidence of conditions that existed at the end of the reporting period – the financial statements and notes to the accounts are adjusted to reflect the impact of the events.
- Non-adjusting events: Those that are indicative of conditions that arose after the reporting period – the financial statements and notes to the accounts are not amended to reflect the events, but where necessary an explanatory note is added.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

Financial Liabilities

Financial liabilities are recognised on the Balance Sheet when the Authority becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

For most of the borrowings that the Authority has, this means that the amount presented in the Balance Sheet is the outstanding principal repayable (plus accrued interest) and interest charged to the Comprehensive Income and Expenditure Statement is the amount payable for the year according to the loan agreement.

Financial Assets

Financial assets are classified into two types:

- loans and receivables – assets that have fixed or determinable payments but are not quoted in an active market.
- available-for-sale assets – assets that have a quoted market price and/or do not have fixed or determinable payments.

Loans and Receivables

Loans and receivables are recognised on the Balance Sheet when the Authority becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the loans that the Authority has made, this means that the amount presented in the Balance Sheet is the outstanding principal receivable (plus accrued interest) and interest credited to the Comprehensive Income and Expenditure Statement is the amount receivable for the year in the loan agreement.

The Authority has not made any loans to voluntary organisations at less than market value (soft loans).

Available-for-sale Assets

The Authority has no available for sale assets, which includes instruments with quoted market prices, other instruments with fixed and determinable payments or equity share with no quoted market prices.

Government Grants and Contributions

Whether paid on account, by instalments or in arrears, government grants and third party contributions and donations are recognised as due to the Authority when there is reasonable assurance that:

- The Authority will comply with conditions attached to the payments, and
- The grants or contributions will be received.

Amounts recognised as due to the Council are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset in the form of the grant or contribution are required to be consumed by the

recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-ringfenced revenue grants and most capital grants) in the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied Reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied Reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

Heritage Assets

A tangible heritage asset has historical, artistic, scientific, technological, geophysical or environmental qualities and is held and maintained principally for its contribution to knowledge and culture. An intangible heritage asset has cultural, environmental or historical significance and would include recordings of significant historical events.

Heritage Assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the Authority's accounting policies on property, plant and equipment. The carrying amounts of heritage assets are reviewed where there is evidence of impairment e.g. where an item has suffered physical deterioration or breakage. Any impairment is recognised and measured in accordance with the Authority's general policies on impairment. The Authority's collection of tangible heritage assets is accounted for as follows:

Eros Statue

The bronze statue of Eros in Fleetwood is an exact replica of the London original and was donated permanently to the Authority, provided it remained in Fleetwood.

This item is reported in the Balance Sheet at the valuation used for insurance purposes which is based on market values. The insurance valuation is updated on an annual basis. The item is deemed to have an indeterminate life and a high residual value; hence the Authority does not consider it appropriate to charge depreciation.

Civic Regalia

The collection consists of assorted items kept by the Authority as part of its civic role. The items are carried on the Balance Sheet at the valuation used for insurance purposes, which is based on market values. The items are deemed to have indeterminate lives and a high residual value; hence the Authority does not consider it appropriate to charge depreciation.

Intangible Assets

Expenditure on non-monetary assets that do not have physical substance but are controlled by the Authority as a result of past events (e.g. software licences) is capitalised when it is expected that future economic benefits or service potential will flow from the intangible asset to the Authority.

Expenditure on the development of the Authority's website is capitalised as the website is not solely or primarily intended to promote or advertise the Authority's goods or services.

Intangible assets are measured initially at cost. Amounts are only revalued where the fair value of

the assets held by the Authority can be determined by reference to an active market. In practice, no intangible asset held by the Authority meets this criterion, and they are therefore carried at amortised cost. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service line(s) in the Comprehensive Income and Expenditure Statement. An asset is tested for impairment whenever there is an indication that the asset might be impaired – any losses recognised are posted to the relevant service line(s) in the Comprehensive Income and Expenditure Statement. Any gain or loss arising on the disposal or abandonment of an intangible asset is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement.

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Capital Receipts Reserve.

Interests in Companies and other Entities

The Authority has no material interests in companies and other entities, that have the nature of subsidiaries, associates and jointly controlled entities, which require it to prepare group accounts.

Inventories

Inventories are included in the Balance Sheet at cost price.

Investment Property

Investment properties are those used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or is held for sale.

Investment properties are measured initially at cost and subsequently at fair value, based on the amount at which the asset could be exchanged between knowledgeable parties at arm's-length. Investment properties are not depreciated but are revalued annually according to market conditions at the year-end. Gains and losses on revaluation are posted to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal.

Rentals received in relation to investment properties are credited to the Financing and Investment Income line and result in a gain for the General Fund Balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Capital Receipts Reserve.

Leases

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases. The Authority does not have any finance leases or operating leases.

Overheads and Support Services

The cost of overheads and support services are charged to those that benefit from the supply or service in accordance with the costing principles of the CIPFA Service Reporting Code of Practice 2014/15 (SeRCOP). The total absorption costing principle is used – the full cost of overheads and support services are shared between users in proportion to the benefits received, with the exception of:

- Corporate and Democratic Core – costs relating to the Authority's status as a multi-functional, democratic organisation.
- Non Distributed Costs – retirement benefits (excluding current service pension costs) such as past service costs and gains/losses on settlements and unused and unusable shares of assets.

These two cost categories are defined in SeRCOP and accounted for as separate headings in the Comprehensive Income and Expenditure Statement, as part of the Cost of Services.

Property, Plant and Equipment

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

Recognition: expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Authority and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.

Measurement: assets are initially measured at cost, comprising:

- the purchase price.
- any cost attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Donated assets are measured initially at fair value. The difference between fair value and any consideration paid is credited to the Taxation and Non-specific Grant Income line of the Comprehensive Income and Expenditure Statement, unless the donation has been made conditionally. Until conditions are satisfied, the gain is held in the Donated Assets Account. Where gains are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance to the Capital Adjustment Account in the Movement in Reserves Statement.

Assets are carried in the Balance Sheet using the following measurement bases:

- infrastructure, community assets and assets under construction – depreciated historical cost.
- all other assets – fair value, determined as the amount that would be paid for the asset in its existing use (existing use value – EUV).

Where there is no market-based evidence of fair value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of fair value.

Where non-property assets have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for fair value.

Assets included in the Balance Sheet at fair value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their fair value at the year-end, but as a minimum every five years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. (Exceptionally, gains might be credited to the Surplus or Deficit on the Provision of Services where they arise from the reversal of a loss previously charged to a service.)

Where decreases in value are identified they are accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains).
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

Impairment

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where impairment losses are identified, they are accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains).
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line(s) in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Depreciation

Depreciation is provided for on all Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life (i.e. freehold land, certain Community Assets and assets under construction).

Depreciation is calculated on the following bases:

- buildings / car parks – straight-line allocation over the useful life of the property as estimated by the valuer which can be up to 80 years.
- vehicles, plant and equipment – straight-line allocation over the life of the asset.
- infrastructure – straight-line allocation over 50 years.

Where an item of Property, Plant and Equipment has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately.

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

Disposals and Non-current Assets Held for Sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Gains in fair value are recognised only up to the amount of any previously recognised losses in the Surplus or Deficit on the Provision of Services. Depreciation is not charged on Assets Held for Sale.

If assets no longer meet the criteria to be classified as Assets Held for Sale, they are reclassified back to non-current assets and valued at the lower of their carrying amount before they were classified as held for sale; adjusted for depreciation, amortisation or revaluations that would have been recognised had they not been classified as Held for Sale, and their recoverable amount at the date of the decision not to sell.

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts received for a disposal in excess of £10,000 are categorised as capital receipts. A proportion of receipts relating to the disposal of housing assets, which the Authority no longer holds, (75% for dwellings, 50% for land and other assets, net of statutory deductions and allowances) is payable to the Government. The balance of receipts is required to be credited to the Capital Receipts Reserve, and can then only be used for new capital investment or set aside to reduce the Council's underlying need to borrow (the Capital Financing Requirement). Receipts are appropriated to the Reserve from the General Fund Balance in the Movement in Reserves Statement.

The written-off value of disposals is not a charge against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are made where an event has taken place that gives the Authority a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the authority becomes aware of the obligation, and are measured at the best estimate, at the balance sheet date, of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

Contingent Liabilities

A contingent liability arises when an event has taken place that gives the authority a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the authority. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

Contingent Assets

A contingent asset arises where an event has taken place that gives the authority a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the authority.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

Reserves

The Authority sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts out of the General Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the General Fund Balance in the Movement in Reserves Statement so that there is no net charge against council tax for the expenditure. The Council operates a number of different reserves, the purpose of each is summarised below:-

- **Building Control** - a fundamental principle of the Building Regulations Scheme, introduced 1 April 1999 and subsequently amended by the 2010 Regulations, is that there is a three to five year rolling accounting period over which costs should equate with charge income. This reserve can assist with achieving that aim in future periods or fund expenditure promoting increased efficiency and reduced costs.
- **Business Growth Incentive** – established in 2005/06 to raise the prosperity of all communities and release the economic potential of the area, funded from increased income from National Non-Domestic Rates on new developments.
- **Capital Investment** – established in 2009/10 to fund capital investment, thereby avoiding the need to borrow in the future.
- **Community Safety (CAB)** – established in 2008/09 in anticipation of a continuing contribution to Police Community Support Officers which were funded up to 2012/13. The use of second homes monies previously administered by the Local Strategic Partnership (LSP) released £60,000 which was used to provide grant support to the Citizens Advice Bureau for two years from 1 June 2013.
- **Elections** – established in 2008/09 to fund future Borough Elections.
- **Investment - IT Strategy** – to meet costs of the rolling replacement of IT equipment, infrastructure and other known future costs.
- **Land Charges** – a fundamental principle of the Local Authority (Charges for Property Services) Regulations 2008 introduced 1 April 2009 is to ensure that over a three year

accounting period, the total income from charges does not exceed the total costs of granting access to property records. It is also used to accommodate income and expenditure in relation to the implications of the personal search revocation.

- **Leisure Management** – established with the implementation of the new Leisure Management Partnership to fund the Council's 50% share of costs above the agreed target level or fund service improvements.
- **New Homes Bonus** – established in 2011/12 using funding encouraging local authorities to facilitate housing growth to compensate for the impact of accepting the Council Tax Freeze grant.
- **Non-Domestic Rates Equalisation** – established in 2013/14 to protect against the volatility in funding associated with the new Business Rate Retention Scheme.
- **Performance Reward Initiatives** – established in 2009/10 using performance reward grant which was previously administered by the LSP until its dissolution at the end of March 2013. The monies have more recently been used to promote the Shaping Your Neighbourhood initiative, which was agreed by the Council in April 2012.
- **Value for Money** – originally established in 2005/06 for future value for money initiatives and now incorporates supplementary grants awarded for the administration of council tax, localised council tax support, NDR and housing benefit.
- **Vehicle Replacement/Street Cleansing Maintenance** – originally established in 2005/06 to fund the future replacement of the mobile advice centre, but now reflects the current and anticipated requirements for the vehicle fleet council wide and the maintenance of Street Cleansing vehicles.

Certain reserves are kept to manage, for example, the accounting process for non-current assets or retirement and employee benefits and do not represent usable resources for the Authority – these reserves are explained in the relevant policies.

Revenue Expenditure Funded from Capital under Statute

Expenditure incurred during the year that may be capitalised under statutory provisions but that does not result in the creation of a non-current asset has been charged as expenditure to the relevant service in the Comprehensive Income and Expenditure Statement in the year. Where the Authority has determined to meet the cost of this expenditure from existing capital resources or by borrowing, a transfer in the Movement in Reserves Statement from the General Fund Balance to the Capital Adjustment Account then reverses out the amounts charged so that there is no impact on the level of council tax.

VAT

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

2. Accounting Standards that have been issued but have not yet been adopted

The code requires authorities to disclose information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted. This requirement applies to accounting standards that come into effect for financial years commencing on or before 1 January of the financial year in question (i.e. on or before 1 January 2016 for 2015/16).

IFRS 13 Fair Value Measurement

This standard provides a consistent definition of fair value and enhanced disclosure requirements.

It is designed to apply to assets and liabilities covered by those IFRS standards that currently permit or require measurement at fair value (with some exceptions). The adoption of this standard will require surplus assets (assets that are not being used to deliver services, but which do not meet the criteria to be classified as either investment properties or non-current assets held for sale) to be revalued to market value rather than value in existing use as at present. Operational property, plant and equipment assets are outside the scope of IFRS 13. Overall this standard is not expected to have a material impact on the Statement of Accounts, due to the relatively low value of surplus assets held by the Authority.

IFRIC 21 Levies

This standard provides guidance on levies imposed by government in the financial statements of entities paying the levy. The IFRIC specifies the obligating event as the activity that triggers the timing of the payment of the levy. The amount payable may be based on information relating to a period before the obligation to pay arises or the levy is payable only if a threshold is reached, or both. This standard will have no impact on the Statement of Accounts.

IFRS 1,3,13 and IAS 40 - Annual Improvements to IFRSs (2011 – 2013 Cycle)

These improvements are minor, principally providing clarification and will have no impact on the Statement of Accounts.

3. Critical Judgements in applying accounting policies

There are no critical judgements made by management in the process of applying the Authority's accounting policies that have a significant effect on the amounts recognised in the financial statements.

4. Assumptions made about the future and other major sources of estimation uncertainty

The liability related to the Defined Benefit Pension Scheme is based on assumptions made about the future and depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Authority with expert advice about the assumptions to be applied.

The effects on the net pensions liability of changes in individual assumptions can be measured. For instance, a 0.1% per annum increase in the discount rate assumption would result in a decrease in the pension liability of £1,791,000.

5. Events after the Reporting Period

There are no events taking place after the authorised for issue date which require reporting.

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 Authority in the year in accordance with proper accounting practice, to the resources that are specified by statutory provisions as being available to the Authority to meet future capital and revenue expenditure. The reserves against which adjustments are made include:

General Fund Balance

The General Fund is the statutory fund into which all the receipts of an authority are required to be paid and out of which all liabilities of the Authority are to be met, except to the extent that statutory rules might provide otherwise. These rules can also specify the financial year in which liabilities and payments should impact on the General Fund Balance, which is not necessarily in accordance with proper accounting practice. The General Fund Balance therefore summarises the resources that the Authority is statutorily empowered to spend on its services or on capital investment (or the deficit of resources that the Council is required to recover) at the end of the financial year.

Capital Receipts Reserve

The Capital Receipts Reserve holds the proceeds from the disposal of land or other assets, which are restricted by statute from being used other than to fund new capital expenditure or to be set aside to finance historical capital expenditure. The balance on the reserve shows the resources that have yet to be applied for these purposes at the year-end.

Capital Grants Unapplied

The Capital Grants Unapplied Account holds the grants and contributions received towards capital projects for which the Authority has met the conditions that would otherwise require repayment of the monies but which have yet to be applied to meet expenditure. The balance is restricted by grant terms as to the capital expenditure against which it can be applied and/or the financial year in which this can take place.

2014/15	Usable Reserves			Movement in Unusable Reserves
	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	
	£	£	£	£

Adjustments primarily involving the Capital Adjustment Account:

1. Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:

Charges for depreciation and impairment of non-current assets.	2,943,091			(2,943,091)
Revaluation losses on Property, Plant and Equipment.	0			0
Movements in the market value of Investment Properties.	85,487			(85,487)
Amortisation of Intangible Assets.	60,717			(60,717)
Capital grants and contributions applied.	(8,447,017)			8,447,017
Movement in the Donated Assets Account.	0			0
Revenue expenditure funded from capital under statute.	976,670			(976,670)
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement.	1,016,400			(1,016,400)

2. Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:

Statutory provision for the financing of capital investment.	(95,559)			95,559
Capital expenditure charged against the General Fund (Direct Revenue Contributions).	(4,781,336)			4,781,336

Adjustment primarily involving the Capital Grants Unapplied Account:

Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement.	(1,655,125)		1,655,125	
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2014/15	Usable Reserves			Movement in Unusable Reserves
	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	
	£	£	£	£
Application of grants and capital financing transferred to the Capital Adjustment Account.			(670,892)	670,892
<u>Adjustment primarily involving the Capital Receipts Reserve:</u>				
Transfer of cash sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement.	(1,932,838)	1,932,838		
Use of Capital Receipts Reserve to finance new capital expenditure.		(1,428,624)		1,428,624
Contribution from the Capital Receipts Reserve towards administrative costs of non-current asset disposal.	0	0		
Contribution from the Capital Receipts Reserve to finance the payment to the Government capital receipts pool.	0	0		
Transfer from the Deferred Capital Receipts Reserve upon receipt of cash.			0	0
<u>Adjustment primarily involving the Deferred Capital Receipts Reserve:</u>				
Transfer of deferred sale proceeds credited as part of the gains/loss on disposal to the Comprehensive Income and Expenditure Statement.	0			0
<u>Adjustments primarily involving the Financial Instruments Adjustment Account:</u>				
Amount by which finance costs charged to the Comprehensive Income and Expenditure Statement are different from finance costs chargeable in the year in accordance with statutory requirements.	0			0
<u>Adjustments primarily involving the Pension Reserve:</u>				
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement (see Note 38).	780,000			(780,000)
Employer's pensions contributions and direct payments to pensioners payable in the year.	0			0

2014/15	Usable Reserves			Movement in Unusable Reserves
	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	
	£	£	£	£
<u>Adjustments primarily involving the Collection Fund Adjustment Account:</u>				
Amount by which council tax income and non-domestic rates income credited to the Comprehensive Income and Expenditure Statement is different from council tax income calculated for the year in accordance with statutory requirements.	(210,802)			210,802
<u>Adjustments primarily involving the Accumulated Absences Account:</u>				
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements.	67,593			(67,593)
Total Adjustments	(11,192,719)	504,214	984,233	9,704,272

2013/14 Comparative Figures	Usable Reserves			Movement in Unusable Reserves
	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	
	£	£	£	£

Adjustments primarily involving the Capital Adjustment Account:

1. Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:

Charges for depreciation and impairment of non-current assets.	2,833,948			(2,833,948)
Revaluation losses on Property, Plant and Equipment.	0			0
Movements in the market value of Investment Properties.	982,910			(982,910)
Amortisation of Intangible Assets.	121,924			(121,924)
Capital grants and contributions applied.	(1,621,912)			1,621,912
Movement in the Donated Assets Account.	0			0
Revenue expenditure funded from capital under statute.	857,490			(857,490)
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement.	170,895			(170,895)

2. Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:

Statutory provision for the financing of capital investment.	(95,559)			95,559
Capital expenditure charged against the General Fund (Direct Revenue Contributions).	(982,669)			982,669

Adjustment primarily involving the Capital Grants Unapplied Account:

Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement.	(649,217)		649,217	
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2013/14 Comparative Figures	Usable Reserves			Movement in Unusable Reserves
	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	
	£	£	£	£
Application of grants and capital financing transferred to the Capital Adjustment Account.			(650,649)	650,649
<u>Adjustment primarily involving the Capital Receipts Reserve:</u>				
Transfer of cash sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement.	(14,262)	14,262		
Use of Capital Receipts Reserve to finance new capital expenditure.		(19,987)		19,987
Contribution from the Capital Receipts Reserve towards administrative costs of non-current asset disposal.	0	0		
Contribution from the Capital Receipts Reserve to finance the payment to the Government capital receipts pool.	0	0		
Transfer from the Deferred Capital Receipts Reserve upon receipt of cash.			0	0
<u>Adjustment primarily involving the Deferred Capital Receipts Reserve:</u>				
Transfer of deferred sale proceeds credited as part of the gains/loss on disposal to the Comprehensive Income and Expenditure Statement.	0			0
<u>Adjustments primarily involving the Financial Instruments Adjustment Account:</u>				
Amount by which finance costs charged to the Comprehensive Income and Expenditure Statement are different from finance costs chargeable in the year in accordance with statutory requirements.	0			0
<u>Adjustments primarily involving the Pension Reserve:</u>				
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement (see Note 38).	1,253,000			(1,253,000)
Employer's pensions contributions and direct payments to pensioners payable in the year.	0			0

2013/14 Comparative Figures	Usable Reserves			Movement in Unusable Reserves
	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	
	£	£	£	£

Adjustments primarily involving the Collection Fund Adjustment Account:

Amount by which council tax income and non-domestic rates income credited to the Comprehensive Income and Expenditure Statement is different from council tax income calculated for the year in accordance with statutory requirements.	(218,129)			218,129
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Adjustments primarily involving the Accumulated Absences Account:

Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements.	(38,886)			38,886
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Total Adjustments	2,599,533	(5,725)	(1,432)	(2,592,376)
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7. Transfers to/from Earmarked Reserves

This note sets out the amounts set aside from the General Fund Balance in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund expenditure in 2014/15.

	Balance at 1 April 2013	Transfers In 2013/14	Transfers Out 2013/14	Balance at 31 March 2014	Transfers In 2014/15	Transfers Out 2014/15	Balance at 31 March 2015
	£	£	£	£	£	£	£
General Fund							
Building Control	6,268	2,071	0	8,339	0	(4,650)	3,689
Business Growth Incentive	58,604	0	(30,359)	28,245	0	(13,517)	14,728
Capital Investment	2,497,984	1,071,381	(862,495)	2,706,870	735,050	(2,427,431)	1,014,489
Community Safety	60,000	0	(30,000)	30,000	0	(30,000)	0
Elections	39,250	39,250	0	78,500	39,250	0	117,750
Investment - I.T. Strategy	431,134	108,523	(143,565)	396,092	259,388	(256,617)	398,863
Land Charges	40,884	160	(8,884)	32,160	15,382	(23,099)	24,443
Leisure Management	191,948	147,153	(101,475)	237,626	11,344	(127,972)	120,998
New Homes Bonus	690,563	785,403	(176,166)	1,299,800	770,394	(176,166)	1,894,028
Non-Domestic Rate Equalisation	0	204,353	0	204,353	338,293	(2,023)	540,623
Pension Fund Actuarial Review	185,000	0	(185,000)	0	0	0	0
Performance Reward Initiatives	534,641	0	(292,958)	241,683	0	(136,707)	104,976
Planning Development	47,435	0	(47,435)	0	0	0	0
Value for Money	422,672	131,936	(39,489)	515,119	160,571	(98,484)	577,206
Vehicle Replacement/ Street Cleansing Maintenance	491,610	185,253	(227,360)	449,503	198,905	(186,865)	461,543
Total	5,697,993	2,675,483	(2,145,186)	6,228,290	2,528,577	(3,483,531)	5,273,336

8. Other Operating Expenditure

2013/14		2014/15
£		£
387,483	Parish council precepts	472,111
25,000	Pension administration costs	26,000
156,633	(Gains)/losses on disposal of non-current assets (excl. investment assets)	(926,838)
569,116	Total	(428,727)

9. Financing and Investment Income and Expenditure

2013/14		2014/15
£		£
68,940	Interest payable and similar charges	100,982
1,402,000	Net interest on defined benefits liability (asset)	1,256,000
(46,516)	Interest receivable and similar income	(78,754)
465,377	Income and Expenditure in relation to Investment properties and changes to their fair value (See Note 13)	(296,612)
1,889,801	Total	981,616

10. Taxation and Non-Specific Grant Income and Expenditure

2013/14		2014/15
£		£
(6,568,317)	Council Tax income	(6,766,863)
(2,773,926)	Non-domestic rates income and expenditure	(2,749,594)
(5,845,820)	Non-ringfenced government grants (See Note 32)	(5,538,212)
(1,469,654)	Capital grants and contributions (See Note 32)	(9,306,031)
(16,657,717)	Total	(24,360,700)

11. Property, Plant and Equipment**Movements in 2014/15**

	Other Land and Buildings	Vehicles, Plant, Furniture and Equipment	Infrastructure Assets	Community Assets	Assets Under Construction	Surplus Assets	Total Property, Plant and Equipment
	£	£	£	£	£	£	£
Cost or valuation							
B/fwd at 01/04/14	46,554,041	4,080,364	30,501,946	878,874	0	573,333	82,588,558
Additions	5,878,435	391,287	335,891	1,253,852	6,371,508	0	14,230,973
Derecognition – Disposals	0	0	0	0	0	0	0
Derecognition – Other	0	0	0	0	0	0	0
Impairments	(506)	(20,375)	(24,137)	(7,525)	0	(624,885)	(677,428)
Reclassifications	(1,384,152)	0	0	2	0	964,150	(420,000)
Revaluations	4,295,446	0	0	42	0	(612,598)	3,682,890
Sub-Total	55,343,264	4,451,276	30,813,700	2,125,245	6,371,508	300,000	99,404,993
Depreciation							
B/fwd at 01/04/14	(11,891,536)	(1,882,401)	(5,553,824)	0	0	(51,667)	(19,379,428)
Charge in year	(1,277,362)	(358,510)	(608,491)	0	0	(21,300)	(2,265,663)
Revaluations	0	0	0	0	0	51,667	51,667
C/fwd at 31/03/15	(13,168,898)	(2,240,911)	(6,162,315)	0	0	(21,300)	(21,593,424)
Net Book Value C/fwd at 31/03/15	42,174,366	2,210,365	24,651,385	2,125,245	6,371,508	278,700	77,811,569

Movements in 2013/14

	Other Land and Buildings	Vehicles, Plant, Furniture and Equipment	Infrastructure Assets	Community Assets	Assets Under Construction	Surplus Assets	Total Property, Plant and Equipment
	£	£	£	£	£	£	£
Cost or valuation							
B/fwd at 01/04/13	47,598,379	3,613,749	29,246,241	743,097	0	0	81,201,466
Additions	467,596	466,615	1,282,260	141,843	0	0	2,358,314
Derecognition – Disposals	0	0	0	(106)	0	0	(106)
Derecognition – Other	(170,790)	0	0	0	0	0	(170,790)
Impairments	(510,927)	0	(26,555)	(5,960)	0	0	(543,442)
Reclassifications	(735,920)	0	0	0	0	573,333	(162,587)
Revaluations	(94,297)	0	0	0	0	0	(94,297)
Sub-Total	46,554,041	4,080,364	30,501,946	878,874	0	573,333	82,588,558
Depreciation							
B/fwd at 01/04/13	(10,568,277)	(1,544,688)	(4,975,957)	0	0	0	(17,088,922)
Charge in year	(1,323,259)	(337,713)	(577,867)	0	0	(51,667)	(2,290,506)
Revaluations	0	0	0	0	0	0	0
C/fwd at 31/03/14	(11,891,536)	(1,882,401)	(5,553,824)	0	0	(51,667)	(19,379,428)
Net Book Value C/fwd at 31/03/14	34,662,505	2,197,963	24,948,122	878,874	0	521,666	63,209,130

Depreciation

The following useful lives and depreciation rates have been used in the calculation of depreciation;

- Other Land and Buildings - up to 80 years.
- Vehicles, Plant, Furniture and Equipment - straight-line allocation over the life of the asset.
- Infrastructure – 50 years.

Commitments on the Capital Programme

The following significant contracts for capital investment have been entered into:

<u>Scheme</u>	<u>Purpose</u>	<u>Approx Value</u> £	<u>Period over which Investment will take place</u>
Thornton Leisure Centre	Improvement of leisure centre facilities	64,800	April '15
Poulton Leisure Centre	Improvement of leisure centre facilities	411,500	April '15 - June '15
Rossall Seawall Improvement Works	Improvement to coastal sea defences at Rossall	46,412,300	April '15 - December '17
Skate Park - CCF2	Construction of skate park in Fleetwood	73,100	April '15 - June '15
Water Park and Café - CCF2	Construction of water park and café in Fleetwood	521,400	April '15 - July '15
Euston Park - CCF2	Restoration of Euston Park Fleetwood	151,600	April '15 - June '15
Link Road	Contribution to LCC towards a link road in Poulton	100,000	July '15
Memorial Park Fleetwood	Restoration of Memorial Park Fleetwood	489,000	April '15 - July '15

Slippage totalling £5,596,252 has also been requested in respect of capital schemes and this will therefore fall into future years.

Revaluations

The Authority carries out a rolling programme that ensures that all Property, Plant and Equipment required to be measured at fair value is revalued at least every five years. Valuations of land and buildings were carried out in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors. Valuations of vehicles, plant, furniture and equipment are based on current prices where there is an active second-hand market or latest list prices adjusted for the condition of the asset.

The following statement shows the progress of the Authority's rolling programme for the revaluation of Property, Plant and Equipment.

	Other Land and Buildings	Vehicles, Plant, Furniture and Equipment	Infrastructure Assets	Community Assets	Surplus Assets	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<u>Book Value</u>						
Carried at historic cost.	0	0	0	0	0	0
Valued at fair value in:						
2010/11	4,430	0	0	18	0	4,448
2011/12	195	0	0	0	0	195
2012/13	696	0	0	0	0	696
2013/14	(94)	0	0	0	0	(94)
2014/15	4,295	0	0	0	(561)	3,734
Total Cost or Valuation	9,522	0	0	18	(561)	8,979

12. Heritage Assets

Movements in 2014/15

	Civic Regalia	Sculptures	Total
	£	£	£
<u>Cost or Valuation</u>			
B/fwd at 01/04/14	50,650	200,000	250,650
Additions			
Derecognition – Disposals	0	0	0
Derecognition – Other	0	0	0
Impairments	0	0	0
Reclassifications	0	0	0
Revaluations	43,075	0	43,075
Sub-Total	43,075	0	43,075
Net Book Value C/fwd at 31/03/15	93,725	200,000	293,725

Movements in 2013/14

	Civic Regalia	Sculptures	Total
	£	£	£
<u>Cost or Valuation</u>			
B/fwd at 01/04/13	50,650	200,000	250,650
Additions	0	0	0
Derecognition – Disposals	0	0	0
Derecognition – Other	0	0	0
Impairments	0	0	0
Reclassifications	0	0	0
Revaluations	0	0	0
Sub-Total	<u>0</u>	<u>0</u>	<u>0</u>
Net Book Value C/fwd at 31/03/14	50,650	200,000	250,650

Depreciation

In accordance with FRS30 and the CIPFA Code of Practice heritage assets are not subject to depreciation.

The Authority's collection of Civic Regalia and the Eros Statue are both reported in the Balance Sheet at the valuation used for insurance purposes which is based on market values and updated periodically.

Two Year Summary of Transactions

	2013/14	2014/15
	£'000	£'000
Cost of Acquisitions of Heritage Assets		
Civic Regalia	0	0
Sculptures	0	0
Total Cost of Purchases	<u>0</u>	<u>0</u>
Value of Heritage Assets Acquired by Donation		
Civic Regalia	0	0
Sculptures	0	0
Total Donations	<u>0</u>	<u>0</u>
Disposal of Civic Regalia Assets		
Carrying Value	<u>0</u>	<u>0</u>
Proceeds	0	0
Disposal of Sculpture Assets		
Carrying Value	<u>0</u>	<u>0</u>
Proceeds	0	0
Impairment Recognised in the period		
Civic Regalia	0	0
Sculptures	0	0

Information prior to 1 April 2010 is not available for Heritage Assets. The Code of Practice states that this information need not be given for any period before April 2010 where it is not practicable to do so.

13. Investment Property

The following items of income and expense have been accounted for in the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement and together with the gain or loss on disposal of investment assets and gain or loss on

revaluation total £296,612 at 31 March 2015 as reported in Note 9.

	2013/14	2014/15
	£	£
Rental Income from Investment property	517,533	392,499
Direct operating expenses arising from Investment property	0	0
Net gain/(loss)	517,533	392,499

There are no restrictions on the Authority's ability to realise the value inherent in its investment property or on the Authority's right to the remittance of income and the proceeds of disposal. The Authority has no contractual obligations to purchase, construct or develop investment property or repair, maintain or enhance it.

The following table summarises the movement in the fair value of investment properties over the year.

	2013/14	2014/15
	£	£
Balance B/fwd at start of the year	5,998,410	5,229,087
Additions:		
• Purchases	0	0
• Construction	0	0
• Subsequent expenditure	51,000	57,744
Disposals*	0	(596,400)
Net gain/(losses) from fair value adjustments	(982,910)	(85,487)
Transfers:		
• To/from Property, Plant and Equipment	162,587	0
Other changes	0	0
Balance C/fwd at end of the year	5,229,087	4,604,944

* Proceeds from the sale of investment property were £586,000 which resulted in a loss of £10,400.

14. Intangible Assets

The Authority accounts for its software as intangible assets, to the extent that the software is not an integral part of a particular IT system and accounted for as part of the hardware item of Property, Plant and Equipment. The intangible assets include purchased software licenses.

All software is given a finite useful life, based on assessments of the period that the software is expected to be of use and the useful life assigned to software by the Authority is 5 years.

The carrying amount of intangible assets is amortised on a straight-line basis. The amortisation of £60,717 charged to revenue in 2014/15 was charged to the relevant service headings in the Comprehensive Income and Expenditure Statement.

The movement on Intangible Asset balances during the year is as follows:

	2013/14	2014/15
	£	£
Balance at start of the year comprising:		
• Gross carrying amounts	2,293,903	2,302,319
• Accumulated amortisation	(2,051,090)	(2,173,015)
Net carrying amount at start of the year	242,813	129,304
Additions	8,415	62,481
Assets reclassified as held for sale	0	0
Other disposals	0	0
Revaluations increases or decreases	0	0
Impairment losses	0	0
Amortisation for the period	(121,924)	(60,717)
Net carrying amount at end of period	129,304	131,068
Comprising:		
• Gross carrying amounts	2,302,319	2,364,800
• Accumulated amortisation	(2,173,015)	(2,233,732)
	129,304	131,068

15. Financial Instruments

Categories of Financial Instruments

The following categories of financial instrument are carried in the Balance Sheet:

	Long Term		Current	
	31 March 2014	31 March 2015	31 March 2014	31 March 2015
	£	£	£	£
Investments				
Loans and receivables (including short and long term investments and short term deposits Note 18)	19	19	7,500,000	17,072,269
Total Investments	19	19	7,500,000	17,072,269
Short Term Debtors				
Financial assets carried at contract amounts	0	0	3,091,086	3,106,933
Total Short Term Debtors	0	0	3,091,086	3,106,933
Borrowings				
Financial liabilities at amortised cost	(1,552,000)	(1,552,000)	0	0
Total Borrowings	(1,552,000)	(1,552,000)	0	0

Short Term Creditors

Financial liabilities carried at contract amounts	0	0	(3,975,719)	(6,824,003)
Total Short Term Creditors	0	0	(3,975,719)	(6,824,003)

Income, Expense, Gains and Losses

	2014/15				Total
	Financial Liabilities measured at amortised cost	Financial Assets Loans and receivables	Financial Assets Available for sale	Assets and Liabilities at Fair Value through Profit and Loss	
	£	£	£	£	£
Interest Expense	(100,982)	-	0	-	(100,982)
Total expense in Surplus or Deficit on the Provision of Service	(100,982)	-	0	-	(100,982)
Interest Income	-	78,754	-	-	78,754
Total income in Surplus or Deficit on the Provision of Service	-	78,754	-	-	78,754
Gains on revaluation	-	-	0	-	0
Losses on revaluation	-	-	0	-	0
Amounts recycled to the Surplus or Deficit on the Provision of Services after impairment	-	-	0	-	0
Surplus/Deficit arising on revaluation of financial assets in Other Comprehensive Income and Expenditure	-	-	0	-	0
Net gain/(loss) for the year	(100,982)	78,754	0	-	(22,228)

	2013/14				
	Financial Liabilities measured at amortised cost	Financial Assets Loans and receivables	Financial Assets Available for sale	Assets and Liabilities at Fair Value through Profit and Loss	Total
	£	£	£	£	£
Interest Expense	(68,940)	-	0	-	(68,940)
Total expense in Surplus or Deficit on the Provision of Service	(68,940)	-	0	-	(68,940)
Interest Income	-	46,516	-	-	46,516
Total income in Surplus or Deficit on the Provision of Service	-	46,516	-	-	46,516
Gains on revaluation	-	-	0	-	0
Losses on revaluation	-	-	0	-	0
Amounts recycled to the Surplus or Deficit on the Provision of Services after impairment	-	-	0	-	0
Surplus/Deficit arising on revaluation of financial assets in Other Comprehensive Income and Expenditure	-	-	0	-	0
Net gain/(loss) for the year	(68,940)	46,516	0	-	(22,424)

Fair Values of Assets and Liabilities

Financial liabilities, financial assets represented by loans and receivables and long term debtors and creditors are carried in the Balance Sheet at amortised cost. Their fair value can be assessed by calculating the present value of the cash flows that will take place over the remaining term of the instruments, using the following assumptions:

- the Authority has the choice of adopting either the new borrowing rate or the premature repayment rate as the discount factor for Public Works Loan Board (PWLB) borrowing. Whilst PWLB have indicated that they will be using the premature repayment rates, the authority has chosen to use the new borrowing rate as the Code's Guidance Notes for Practitioners confirms that it is acceptable for either or both valuations to be used.
- no early repayment or impairment is recognised.
- where an instrument will mature in the next 12 months, the carrying amount is assumed to approximate to fair value.
- the fair value of trade and other receivables is taken to be the invoiced or billed amount.

The fair values calculated are as follows:

	31 March 2014		31 March 2015	
	Carrying amount	Fair Value	Carrying amount	Fair Value
	£	£	£	£
Market Debt	0	0	0	0
PWLB Debt (short and long term)	1,552,000	1,588,993	1,552,000	1,991,808
Total Borrowings	1,552,000	1,588,993	1,552,000	1,991,808
Creditors	3,975,719	3,975,719	6,824,003	6,824,003
Total Financial Liabilities	5,527,719	5,564,712	8,376,003	8,815,811

The fair value of the liabilities is greater than the carrying amount in 2014/15 because the Authority's portfolio of loans includes a number of fixed rate loans where the interest rate payable is higher than the prevailing rates at the Balance Sheet date. This shows a notional future loss (based on economic conditions at 31 March 2015) arising from a commitment to pay interest to lenders above current market rates.

	31 March 2014		31 March 2015	
	Carrying amount	Fair Value	Carrying amount	Fair Value
	£	£	£	£
Investments (short term investments and short term deposits Note 18)	7,500,000	7,503,190	17,072,269	17,075,672
Long Term Debtors	0	0	0	0
Debtors	3,091,086	3,091,086	3,106,933	3,106,933
Total Loans and Receivables	10,591,086	10,594,276	20,179,202	20,182,605

The fair value of the loans and receivables is greater than the carrying amount in 2014/15 because the Authority's portfolio of loans includes a number of fixed rate loans where the interest rate payable is higher than the rates available for similar loans in the market at the balance sheet date. This shows a notional future gain (based on economic conditions at 31 March 2015) attributable to the commitment to receive interest above current market rates.

16. Inventories

2013/14	Analysis	2014/15
£		£
53,627	Consumable Stores:	
489,825	Balance at 1 April	63,826
(479,631)	Purchases	407,913
5	Recognised as an expense in the year	(425,856)
0	Written (off)/on balances	0
0	Reversal of write-offs in previous years	0
63,826	Balance at 31 March	45,883

There was no work in progress at 31 March 2015.

17. Short Term Debtors

2013/14	Analysis	2014/15
£		£
	Amounts falling due in one year:	
427,401	Central Government Bodies	576,194
1,094,290	Other Local Authorities	378,528
150,000	NHS Bodies	100,148
0	Public Corporations	0
1,419,395	Other Entities and Individuals	2,052,063
3,091,086	Total	3,106,933

18. Cash and Cash Equivalents

2013/14	Analysis	2014/15
£		£
2,141	Cash held by the Authority	2,214
366,839	Bank current accounts	223,428
0	Bank overdrafts	0
7,500,000	Short term deposits	16,512,269
7,868,980	Total	16,737,911

19. Current Assets Held for Sale

2013/14	Analysis	2014/15
£		£
0	Balance outstanding at start of year	0
	Assets newly classified as held for sale:	
0	Property, Plant and Equipment	420,000
0	Intangible Assets	0
0	Other assets/liabilities in disposal groups	0
0	Assets sold	(420,000)
0	Balance outstanding at year-end	0

20. Short Term Creditors

2013/14	Analysis	2014/15
£		£
(1,356,698)	Central Government Bodies	(2,159,757)
(829,377)	Other Local Authorities	(1,013,772)
(91,396)	NHS Bodies	(222,976)
0	Public Corporations	0
(1,698,248)	Other Entities and Individuals	(3,427,498)
(3,975,719)	Total	(6,824,003)

21. Provisions

Changes to the Business rates system came into force with effect from 1st April 2013 under the Localism Act. The Authority, County Council and Combined Fire Authority now retain 50% of rates collected, and also assume responsibility for 50% of any losses due to appeals. The process for lodging and processing appeals is beyond the control of the Authority, and reductions can be backdated. The Business Rates provision is to cover the backdating of appeals lodged, but not yet heard.

2013/14	Analysis	2014/15
£		£
0	Balance at 1 April 2014	(447,235)
(447,235)	Additional Provisions made 2014/15	(324,800)
0	Amounts used in 2014/15	0
(447,235)	Balance at 31 March 2015	(772,035)

22. Usable Reserves

Movements in the Authority's usable reserves are detailed in the Movement in Reserves Statement at page 24.

2013/14	Analysis	2014/15
£		£
7,142,487	General Fund	6,463,992
6,228,290	Earmarked Reserves	5,273,336
0	Capital Receipts Reserve	504,214
18,630	Capital Grants Unapplied	1,002,863
13,389,407	Total	13,244,405

23. Unusable Reserves

2013/14	Analysis	2014/15
£		£
8,774,441	Revaluation Reserve	12,073,682
48,208,496	Capital Adjustment Account	59,027,950
(29,480,000)	Pensions Reserve	(38,663,000)
223,731	Collection Fund Adjustment Account	434,533
(108,200)	Accumulated Absences Account	(175,793)
27,618,468	Total	32,697,372

Revaluation Reserve

The Revaluation Reserve contains the gains made by the Authority arising from increases in the value of its Property, Plant and Equipment. 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 the 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 the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

2013/14		2014/15
£		£
9,318,566	Balance at 1 April	8,774,441
2,092,376	Upward revaluation of assets	4,602,634
(2,186,673)	Downward revaluation of assets and impairment losses not charged to the Surplus or (Deficit) on the Provision of Services	(825,002)
(94,297)	Surplus or deficit on revaluation of non-current assets not posted to the Surplus or (Deficit) on the Provision of Services	3,777,632
(382,848)	Difference between fair value depreciation and historic cost depreciation	(412,177)
(66,980)	Accumulated gains on assets sold or scrapped	(66,214)
(449,828)	Amounts written off to the Capital Adjustment Account	(478,391)
8,774,441	Balance at 31 March	12,073,682

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 additions to those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or subsequent costs as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Authority as finance for the costs of acquisition, construction and subsequent costs.

The Account contains accumulated gains and losses on Investment Properties and gains recognised on donated assets that have yet to be consumed by the Authority.

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

2013/14		2014/15
£		£
49,355,059	Balance at 1 April	48,208,496
	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:	
(2,833,948)	• Charges for depreciation and impairment of non-current assets	(2,943,091)
0	• Revaluation losses on Property, Plant and Equipment	0
(121,924)	• Amortisation of intangible assets	(60,717)
(857,490)	• Revenue expenditure funded from capital under statute	(976,670)
(170,895)	• Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	(1,016,400)
(3,984,257)		(4,996,878)
449,828	Adjusting amounts written out of the Revaluation Reserve	478,391
(3,534,429)	Net written out amount of the cost of non-current assets consumed in the year	(4,518,487)
	Capital financing applied in the year:	
19,987	• Use of the Capital Receipts Reserve to finance new capital expenditure	1,428,624
2,271,129	• Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	8,447,017
1,432	• Application of grants to capital financing from the Capital Grants Unapplied Account	670,892
95,559	• Statutory provision for the financing of capital investment charged against the General Fund	95,559
982,669	• Capital expenditure charged against the General Fund	4,781,336
3,370,776		15,423,428
(982,910)	Movements in the market value of Investment Properties debited or credited to the Comprehensive Income and Expenditure Statement	(85,487)
0	Movement in the Donated Assets Account credited to the Comprehensive Income and Expenditure Statement	0
48,208,496	Balance at 31 March	59,027,950

Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Authority accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Authority makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Authority has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

2013/14		2014/15
£		£
(34,312,000)	Balance at 1 April	(29,480,000)
6,085,000	Remeasurement of the net defined benefit liability / (asset)	(8,403,000)
(1,253,000)	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	(780,000)
0	Employer's pensions contributions and direct payments to pensioners payable in the year	0
<u>(29,480,000)</u>	Balance at 31 March	<u>(38,663,000)</u>

Collection Fund Adjustment Account

The Collection Fund Adjustment Account manages the differences arising from the recognition of council tax and non-domestic rates income in the Comprehensive Income and Expenditure Statement as it falls due from council tax payers and business rates payers compared with the statutory arrangements for paying across amounts to the General Fund from the Collection Fund.

2013/14		2014/15
£		£
5,602	Balance at 1 April	223,731
218,129	Amount by which council tax and non-domestic rates income credited to the Comprehensive Income and Expenditure Statement is different from council tax and non-domestic rates income calculated for the year in accordance with statutory requirements	210,802
<u>223,731</u>	Balance at 31 March	<u>434,533</u>

Accumulated Absences Account

The Accumulated Absences Account absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

2013/14		£	2014/15
£		£	£
(147,086)	Balance at 1 April		(108,200)
147,086	Settlement or cancellation of accrual made at the end of the preceding year	108,200	
(108,200)	Amounts accrued at the end of the current year	(175,793)	
38,886	Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements		(67,593)
(108,200)	Balance at 31 March		(175,793)

24. Cash Flow Statement – Operating Activities

The cash flows for operating activities include the following items:

2013/14		£	2014/15
£		£	£
(46,516)	Interest received		(78,754)
68,940	Interest paid		100,982
0	Dividends received		0
22,424	Total		22,228

The surplus or deficit on the provision of services has been adjusted for the following non-cash movements

2013/14		£	2014/15
£		£	£
2,290,506	Depreciation		2,265,663
543,442	Impairment and downward valuations		677,428
121,924	Amortisation		60,717
0	Increase / (decrease) in impairment of bad debts		0
1,105,581	Increase / (decrease) in creditors		1,596,263
190,201	(Increase) / decrease in debtors		(467,561)
(10,199)	(Increase) / decrease in inventories		17,943
1,253,000	Movement in pension liability (Retirement benefits)		780,000
170,895	Carrying amount of non-current assets and non-current assets held for sale, sold or derecognised		1,016,400
982,910	Movement in Investment Property values (Net gain/losses from fair value adjustments) and Provisions		410,287
6,648,260	Total		6,357,140

The surplus or deficit on the provision of services has been adjusted for the following items that are investing and financing activities.

2013/14		2014/15
£		£
(14,263)	Proceeds from the sale of property plant and equipment, investment property and intangible assets	(1,932,838)
(2,271,129)	Capital Grants credited to surplus or deficit on the provision of services	(10,102,142)
<u>(2,285,392)</u>	Total	<u>(12,034,980)</u>

25. Cash Flow Statement – Investing Activities

2013/14		2014/15
£		£
(2,516,938)	Purchase of property, plant and equipment, investment property and intangible assets	(13,213,223)
0	Purchase of short term and long term investments	(560,000)
0	Other payments for investing activities	0
14,263	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	1,932,838
0	Proceeds from short term and long term investments	0
4,883,889	Other receipts from investing activities	16,265,813
<u>2,381,214</u>	Total	<u>4,425,428</u>

26. Cash Flow Statement – Financing Activities

2013/14		2014/15
£		£
0	Cash receipts of short and long term borrowing	0
0	Other receipts from financing activities	0
0	Cash payments for the reduction of the outstanding liabilities relating to finance leases and on-balance sheet PFI contracts	0
(21,052)	Repayments of short and long term borrowing	(3,687)
(651,822)	Billing Authorities - Council Tax and NNDR adjustments	565,760
0	Other payments for financing activities	0
<u>(672,874)</u>	Total	<u>562,073</u>

27. Trading Operations

In accordance with the Service Reporting Code of Practice (SeRCOP) trading services or undertakings with the public or with third parties includes, amongst other categories, catering undertakings, industrial units and markets.

The aim of this note to the accounts reflects considerations of stewardship in that where the authority is trading and taking commercial risks then there should be assurance that the authority is not exposing itself unreasonably to loss.

Where trading accounts are an integral part of the total cost of particular services they should be fully consolidated into the total cost of that service and this is the case for those services listed below. Some are an integral part of the Authority's services to the public such as the operation of Fleetwood Market or the letting of industrial units and others are support services such as the bar facility at the Marine Hall.

2013/14			2014/15			
Income	Total Expenditure	(Surplus) / Deficit		Income	Total Expenditure	(Surplus) / Deficit
£	£	£		£	£	£
			Trading Operations			
(76,517)	128,472	51,955	Catering	(65,786)	96,290	30,504
(606,777)	1,169,346	562,569	Industrial Sites	(472,971)	475,461	2,490
(24,073)	9,703	(14,370)	Poulton Market	(22,385)	12,280	(10,105)
(645,174)	444,788	(200,386)	Fleetwood Market	(612,558)	433,571	(178,987)
(1,352,541)	1,752,309	399,768	TOTAL	(1,173,700)	1,017,602	(156,098)

28. Agency Services

The Highways Partnership agency arrangement was terminated at the end of June 2006, with Lancashire County Council assuming direct responsibility for the delivery of highway related functions from 1 July 2006. There remains a residual agreement in place which covers the maintenance of highway verges and roundabouts, weed control, leaf sweeping, tree maintenance and the management of Public Rights of Way. Total reimbursement in 2014/15 was £78,861 (2013/14 £84,709). The above sums are not included in the Comprehensive Income and Expenditure Statement.

29. Members' Allowances

The Authority's Members' Allowance Scheme is based on recommendations from an Independent Remuneration Panel. Basic Allowance is an annual sum payable to all Members and a Special Responsibility Allowance is paid to certain Members with specific additional responsibilities. The total of the payments made in 2014/15 was £308,094 (2013/14 £304,604). In addition £6,503 (2013/14 £7,739) was paid to cover Members' Travel and Subsistence claims. No claims, as in 2013/14, were submitted for the payment of Dependents' Carers' Allowances.

30. Officers' Remuneration

Statutory provisions exclude senior employees whose remuneration is disclosed within the accounts from being included in the table below. However, the authority has decided to include them in the banding note in the interest of transparency.

The number of employees whose remuneration including reimbursement for election work and redundancy payments but excluding employer's pension contributions, was £50,000 or more in bands of £5,000 were:

Remuneration Bands	2013/14 Number of Employees	2014/15 Number of Employees
£50,000 - £54,999	-	1
£55,000 - £59,999	-	-
£60,000 - £64,999	-	-
£65,000 - £69,999	-	-
£70,000 - £74,999	-	-
£75,000 - £79,999	2	2
£80,000 - £84,999	-	-
£85,000 - £89,999	-	-
£90,000 - £94,999	-	-
£95,000 - £99,999	1	1
£100,000 - £104,999	-	-

Senior employees whose salary is £50,000 or more per year but less than £150,000, are required to be listed individually by way of job title. Persons whose salary is £150,000 or more per year must be identified by name. The Authority has no employees with a salary greater than £150,000.

2014/15 Senior Officers' emoluments-Salary is between £50,000 and £150,000 per year						
Post holder information (Post title)	Year	Salary (Including fees and Allowances) £	Expenses Allowances £	Compensation for loss of office (Redundancy payments) £	Pension contributions (Incl. strain / augmented costs) £	Total Remuneration £
Chief Executive	2014/15	95,704	567	0	12,453	108,724
	2013/14	95,793	453	0	22,590	118,836
Corporate Director People and Places	2014/15	76,674	253	0	10,430	87,357
	2013/14	75,362	238	0	18,825	94,425
Corporate Director of Resources	2014/15	76,686	200	0	10,430	87,316
	2013/14	75,455	218	0	18,825	94,498

31. External Audit Costs

The Authority incurred the following fees relating to external audit and inspection:

2013/14 £	Audit Fee Type	2014/15 £
55,227	Fees payable to KPMG with regard to external audit services carried out by the appointed auditor.	57,407
0	Fees payable to the Audit Commission in respect of the National Fraud Initiative	2,300
0	Fees payable in respect of other services provided by KPMG	0
6,854	Fees payable to KPMG for the certification of grant claims and returns	9,240
62,081	Total	68,947

Fees payable to KPMG with regard to external audit services carried out in 2014/15 are net of a rebate of £6,576 (£8,756 in 2013/14) from the Audit Commission.

32. Grant Income

The Authority credited the following grants to the Taxation and Non-Specific Grant Income line in the Comprehensive Income and Expenditure Statement:

	2013/14	2014/15
	£	£
Non-ringfenced Government Grants		
Revenue Support Grant (net of LCTS adjustment)	4,451,686	3,467,744
Council Tax Freeze Grant	71,250	72,037
New Homes Bonus	785,403	1,203,464
NNDR Section 31 Grant	537,481	794,967
	5,845,820	5,538,212
Capital Grants and Contributions		
Clinical Commissioning Group	0	149,059
Contribution from a Local Benefactor	0	1,000,000
Heritage Lottery	86,273	996,536
DCLG Coastal Communities Fund	0	379,653
Environment Agency	973,792	6,595,522
ERDF Grant	235,286	0
S106 Contributions	56,000	75,257
Other Contributions	118,303	110,004
	1,469,654	9,306,031

The Authority has received a number of capital grants and contributions that have yet to be recognised as income as they have conditions attached to them that may require monies to be returned to the giver. The balance at year-end is £9,534,777 and has been recognised in the Balance Sheet as Capital Grants Received in Advance.

33. Related Parties

The Authority is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Authority or to be controlled or influenced by the Authority. Disclosure of these transactions allows readers to assess the extent to which the Authority might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Authority. Related parties include:

- Central Government
- Members
- Officers
- Other Public Bodies
- Entities Controlled or Significantly Influenced by the Authority

Central Government

Central government has significant influence over the general operations of the Authority – it is responsible for providing the statutory framework within which the Authority operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Authority has with other parties (e.g. council tax bills, housing benefits). Grants received from Government departments are set out in Note 10 with 32 providing a detailed analysis.

Members

Members of the Council have direct control over the Council's financial and operating policies. The total of members' allowances paid in 2014/15 is shown in Note 29. During 2014/15, some Councillors of Wyre Borough acted in a number of other capacities for related parties, namely being either employed by other local organisations or serving on the management boards of companies and voluntary bodies.

There is one transaction to disclose in relation to 2014/15 relating to a payment of £300 to Pams Kitchen for catering provided at an event hosted at the Civic Centre. Cllr Murphy has an interest in Pams Kitchen and this is recorded in the register of Members' interests.

Officers

There are no material transactions to disclose in respect of officers.

Other Public bodies

The following transactions involving related parties to the Council are disclosed elsewhere within the accounts:

- Payments to the Local Government Pension Scheme – see Note 38.
- Precepts in relation to Lancashire County Council, the Police and Crime Commissioner for Lancashire and Lancashire Combined Fire Authority – see Notes to the Collection Fund Statement.

Entities Controlled or Significantly Influenced by the Authority

The Authority doesn't have any control or significant influence on any other entity.

34. Capital Expenditure and Capital Financing

The total amount of capital expenditure incurred in the year is shown in the table below, together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Authority, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Authority that has yet to be financed.

	2013/14	2014/15
	£	£
Opening Capital Financing Requirement	2,426,254	2,330,695
Capital Investment;		
Property, Plant and Equipment*	2,358,313	14,230,974
Investment Property*	51,000	57,744
Intangible Assets*	8,415	62,481
Revenue Expenditure Funded from Capital under Statute	857,490	976,670
Sources of Finance;		
Capital Receipts	(19,988)	(1,428,624)
Government grants and other contributions	(2,272,561)	(9,117,909)
Sums set aside from Revenue;		
Direct revenue contributions	(982,669)	(4,781,336)
Minimum Revenue Provision	(95,559)	(95,559)
Closing Capital Financing Requirement	2,330,695	2,235,136
Explanation of movement in the year;		
Increase in underlying need to borrow (unsupported by government financial assistance)	0	0
Minimum Revenue Provision set aside to repay debt	(95,559)	(95,559)
Increase / (decrease) in Capital financing Requirement	(95,559)	(95,559)

* These figures match to the Additions lines in the notes detailing movements on the non-current asset balances.

35. Leases

The Authority as a lessee has no Operating or Finance leases and no un-discharged obligations for future years.

36. Impairment Losses

During 2014/15 the Authority has recognised impairment losses of £677,428. These relate to revaluations of Property, Plant and Equipment which includes non-enhancing capital expenditure (see Note 11).

37. Termination Benefits

The Authority terminated the contracts of 14 employees in 2014/15 (11 employees in 2013/14), incurring liabilities of £149,587 (£125,259 in 2013/14), who left the Authority following a review of service delivery arrangements. These figures include an overprovision of £33 in respect of 2013/14 and £323 in respect of 2012/13.

The number of exit packages with total cost per band and total cost of the compulsory and other redundancies are set out in the table below.

Exit package cost band (including special payments)	Number of compulsory redundancies (a)		Number of other departures agreed (b)		Total number of exit packages by cost band (a) + (b)		Total cost of exit packages in each band	
	2013/14	2014/15	2013/14	2014/15	2013/14	2014/15	2013/14	2014/15
							£	
£0 - £20,000	3	4	7	8	10	12	89,816	84,232
£20,001 - £40,000	1	0	0	2	1	2	35,766	65,388
£40,001 - £60,000	0	0	0	0	0	0	0	0
£60,001 - £80,000	0	0	0	0	0	0	0	0
£80,001 - £100,000	0	0	0	0	0	0	0	0
£100,001 - £150,000	0	0	0	0	0	0	0	0
Total	4	4	7	10	11	14	125,582	149,620

38. Defined Benefit Pension Scheme

The Authority participates in one post-employment scheme, the Local Government Pension Scheme, administered by Lancashire County Council. This is a funded scheme, meaning that the Authority and employees pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. In 2014/15 the employer's contribution rate was 13.7% plus a deficit recovery contribution of £764,900, an equated rate of 25.2%. This rate was determined following the 2013 triennial actuarial review of the Pension Fund, which impacts in the 2014/15, 2015/16 and 2016/17 financial years.

The award of discretionary post-retirement benefits upon early retirement is an unfunded defined benefit arrangement, under which liabilities are recognised when awards are made. However, there are no investment assets built up to meet these pension liabilities, and cash has to be generated to meet actual pension payments as they eventually fall due.

The Lancashire County Council pension scheme is operated under the regulatory framework for the Local Government Pension Scheme and the governance of the scheme is the responsibility of the pensions committee of Lancashire County Council. Policy is determined in accordance with the Pension Fund Regulations. The investment managers of the fund are appointed by the committee.

The principal risks to the Authority of the scheme are longevity assumptions, statutory changes to the scheme, structural changes to the scheme (i.e. large scale withdrawals from the scheme), changes to inflation, bond yields and the performance of the equity investments held by the scheme. These are mitigated to a certain extent by the statutory requirements to charge to the General Fund the amounts required by statute as described in the accounting policy note.

The Authority recognises the cost of retirement benefits in the Cost of Services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge the Authority is required to make against council tax is based on the cash payable in the year, so the real cost of post-employment / retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the Movement in Reserves Statement during the year:

2013/14 £'000	Local Government Pension Scheme	2014/15 £'000
Comprehensive Income and Expenditure Statement		
Cost of Services		
Service cost comprising:		
1,579	- Current Service Cost	1,337
0	- Past Service Cost	0
87	- (Gain)/Loss from Settlements and Curtailments	101
Other Operating Expenditure		
25	- Administration Expenses	26
Financing and Investment Income and Expenditure		
1,402	- Net Interest Expense	1,256
3,093	Total Post-employment Benefits charged to the Surplus or Deficit on the Provision of Services	2,720
Other Post-employment Benefits charged to the Comprehensive Income and Expenditure Statement		
Remeasurement of the net defined benefit liability comprising:		
322	- Return on plan assets (excluding amount included in the net interest expense)	(5,225)
388	- Actuarial gains and losses arising on changes in demographic assumptions	0
(6,249)	- Actuarial gains and losses arising on changes in financial assumptions	13,628
(546)	- Other	0
(6,085)	Total Remeasurements charged to Other Comprehensive Income and Expenditure	8,403
(2,992)	Total Post-employment Benefits charged to the Comprehensive Income and Expenditure Statement	11,123
Movement in Reserves Statement		
(1,253)	- Reversal of net changes made to the surplus or deficit on the provision of services for the post-employment benefits in accordance with the Code	(780)
Actual amount charged against the General Fund Balance for pensions in the year		
1,840	- Employer's contributions payable to scheme	1,940

Pension Assets and Liabilities Recognised in the Balance Sheet

The amount included in the Balance Sheet arising from the Authority's obligation in respect of its defined benefit plans is as follows:

	2013/14 £'000	2014/15 £'000
Fair value of plan assets	64,063	70,802
Present value of the defined benefit obligation	(93,543)	(109,465)
Net liability arising from defined benefit obligation	(29,480)	(38,663)

Reconciliation of the Movement in the Fair Value of Scheme (Plan) Assets**Reconciliation of fair value of the scheme assets**

	2013/14	2014/15
	£'000	£'000
Opening fair value of scheme assets	63,151	64,063
Interest income	2,624	2,791
Remeasurements gain and (loss):		
- The return on plan assets, excluding the amount included in the net interest expense	(322)	5,225
Other Operating Expenditure - Administration	(25)	(26)
Contributions from Employer	1,840	1,940
Contributions from Employees	402	430
Benefits Paid	(3,607)	(3,621)
Closing fair value of scheme assets	64,063	70,802

Reconciliation of present value of the scheme liabilities

	2013/14	2014/15
	£'000	£'000
Opening balance at 1 April	(97,463)	(93,543)
Current Service Cost	(1,579)	(1,337)
Interest Cost	(4,026)	(4,047)
Contribution by Scheme Participants	(402)	(430)
Remeasurements gain and (loss):		
- Actuarial gains/losses arising from changes in demographic assumptions	(388)	0
- Actuarial gains/losses arising from changes in financial assumptions	6,249	(13,628)
- Other	546	0
Past Service Cost	0	0
Curtailements	(87)	(101)
Benefits Paid	3,607	3,621
Settlements	0	0
Closing balance at 31 March	(93,543)	(109,465)

The liabilities show the underlying commitments that the Authority has in the long-run to pay retirement benefits. The net liability of £38,663,000 has a substantial impact on the net worth of the Authority as recorded in the Balance Sheet. However, statutory arrangements for funding the deficit mean that the financial position of the Authority remains healthy as the deficit on the Scheme will be made good by increased contributions over the remaining working life of employees, as assessed by the Scheme Actuary.

Local Government Pension Scheme assets comprised:

	2013/14	2014/15
	£'000	£,000
Cash and cash equivalents	1,112	3,430
Equity instruments:		
By industry type		
- Consumer	8,240	7,827
- Manufacturing	5,098	4,357
- Energy and utilities	2,598	1,584
- Financial institutions	4,724	4,195
- Health and care	2,888	2,406
- Information technology	4,250	4,002
Miscellaneous/Unclassified	174	0
Sub-total equity	27,972	24,371
Bonds:		
By sector		
- Corporate	5,899	983
- Government	1,963	2,222
Sub-total bonds	7,862	3,205
Property:		
By type		
- Retail	2,408	2,879
- Commercial	2,830	3,788
- Residential	0	0
Sub-total property	5,238	6,667
Private equity:		
- UK	1,609	1,776
- Overseas	1,759	2,516
Sub-total private equity	3,368	4,292
Other investment funds:		
- Infrastructure	3,485	3,940
- Indirect property funds	322	519
- Credit funds	9,093	18,241
- Emerging Markets ETF	0	0
- UK Pooled equity funds	19	0
- Overseas Pooled equity funds	5,592	6,137
Sub-total other investment funds	18,511	28,837
Total Assets	64,063	70,802

Basis for Estimating Assets and Liabilities

Both the Local Government Pension Scheme and Discretionary Benefits liabilities have been assessed by Mercers Limited, an independent firm of actuaries, estimates for the fund being based on the latest full valuation of the scheme as at 31 March 2013.

The significant assumptions used by the actuary have been:

	2013/14	2014/15
Mortality assumptions		
Longevity at 65 for current pensioners		
Men	22.8 years	22.9 years
Women	25.3 years	25.4 years
Longevity at 65 for future pensioners		
Men	25.0 years	25.1 years
Women	27.7 years	27.8 years
Rate of CPI inflation	2.4%	2.0%
Rate of increase in salaries	*3.9%	*3.5%
Rate of increase in pensions	2.4%	2.0%
Rate for discounting scheme liabilities	4.4%	3.2%

(*An adjustment has been made for short term pay restraint in line with the most recent actuarial valuation.)

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions as set out above.

The sensitivity analysis below have been determined based on reasonably possible changes to the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all the other assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increases for men and women. In practice this is unlikely to occur, and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit cost method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

Sensitivity Analysis - Impact on the Defined Benefit obligation in the Scheme

	Approximate Increase / (Decrease)	
	2013/14	2014/15
	£'000	£'000
1 year increase in members life expectancy	1,870	2,188
0.1% increase in Discount Rate	(1,530)	(1,791)
0.1% increase in the Salary Increase Rate	287	334
0.1% increase in the Pension Increase Rate	1,556	1,820

Impact on the Authority's Cash Flows

The objectives of the scheme are to keep employers' contributions at as constant a rate as possible. The County Council has agreed a strategy with the scheme's actuary to achieve a funding level of 100%. The maximum deficit recovery period for the Fund has been set as 19 years. Funding levels are monitored on an annual basis. Following the 2013 valuation, the next triennial valuation is due to be completed 31 March 2016.

The scheme will need to take account of the national changes to the scheme under the Public Pensions Services Act 2013. Under the act, the Local Government Pension Scheme in England and Wales and other main existing public service schemes may not provide benefits in relation to service after 31 March 2014 (or service after 31 March 2015 for other main existing public service pension schemes in England and Wales). The Act provides for scheme regulations to be made within a common framework, to establish new career average revalued earnings schemes to pay pensions and other benefits.

The Actuary anticipates that the Authority will pay £1.926m contributions to the scheme in 2015/16.

The weighted average duration of the defined benefit obligation for scheme members in 2014/15 is 17 years (17 years in 2013/14).

39. Contingent Liabilities

There is a dispute over the liability to maintain the ground around a church which is subject to an agreement made in 1953. The agreement is considered to be void as the ground was never a disused burial ground as stated in the agreement. The Council has notified the Diocese that maintenance would cease after 31/3/15. The Diocese do not agree with the decision and may challenge it.

40. Nature and Extent of Risks arising from Financial Instruments

The Authority's activities expose it to a variety of financial risks:

- Credit risk – the possibility that other parties might fail to pay amounts due to the Authority.
- Liquidity risk – the possibility that the Authority might not have funds available to meet its commitments to make payments.
- Market risk - the possibility that financial loss might arise for the Authority as a result of changes in such measures as interest rates movements.

The Authority's overall risk management procedures focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the resources available to fund services. The Treasury Management Practices are agreed annually by the Cabinet in March and the Treasury Management and Annual Investment Strategy is approved annually by Council in April.

Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Authority's customers. Deposits are not made with banks and financial institutions unless they meet the minimum requirements of the investment criteria and limits approved by Council.

The following analysis summarises the Authority's potential maximum exposure to credit risk, based on experience of default assessed by the ratings agencies and the Authority's experience of its customer collection levels over the last three financial years, adjusted to reflect current market conditions.

	31/03/2015	Historical experience of default	Adjustment for market conditions at 31/03/15	Estimated maximum exposure to default
	£'000	%	%	£'000
	a	b	c	a x c
Deposits with banks and financial institutions (market value):				
High rated counterparties	17,072	0.0	0.0	0
Trade debtors (o/s Sundry Debtors at 31/03/15)	917	1.8	4.0	37
	17,989			37

No credit limits were exceeded during the reporting period and the authority does not expect any losses from non-performance by any of its counterparties in relation to deposits.

The Authority does not generally allow credit for its trade debtors. Of the £916,971 outstanding for trade debtors, £551,056 is overdue. The overdue amount can be analysed by age as follows:

	2014/15
	£'000
Less than three months	162
Three months to one year	315
More than one year	74
	<hr/> 551 <hr/>

Liquidity Risk

The Authority has ready access to borrowings from the Money Markets to cover any day to day cash flow need, and the PWLB provides access to longer term funds. There is therefore no significant risk that it will be unable to raise finance to meet its commitments under financial instruments.

The Authority manages its liquidity position through the risk management procedures above (the setting and approval of prudential indicators and the approval of the treasury and investment strategy reports), as well as through cash flow management procedures required by the Code.

The Authority sets limits on the proportion of its fixed rate borrowing during specified periods.

The maturity analysis of financial liabilities is as follows:

	2014/15
	£'000
Less than one year (short term creditors and short term borrowing)	6,824
Between one and two years	0
Between two and five years	0
Between five and ten years	0
More than ten years (long term borrowing)	1,552
	<hr/> 8,376 <hr/>

Market Risk

Interest rate risk - The Authority is exposed to risk in terms of its exposure to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the authority. For instance, a rise in interest rates would have the following effects:

- borrowings at variable rates – the interest expense charged to the Surplus or Deficit on the Provision of Services will rise.
- borrowings at fixed rates – the fair value of the liabilities borrowings will fall.
- investments at variable rates – the interest income credited to the Surplus or Deficit on the Provision of Services will rise.
- investments at fixed rates – the fair value of the assets will fall.

Borrowings are not carried at fair value, so nominal gains and losses on fixed rate borrowings would not impact on the Surplus or Deficit on the Provision of Services or Other Comprehensive Income and Expenditure. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Surplus or Deficit on the Provision of Services and affect the General Fund Balance. Movements in the fair value of fixed rate investments that have a quoted market price will be reflected in Other Comprehensive Income and Expenditure.

The Authority has a number of strategies for managing interest rate risk. The Annual Treasury Management Strategy draws together the Authority's prudential indicators and its expected treasury operations, including an expectation of interest rate movements. From this Strategy a prudential indicator is set which provides maximum and minimum limits for fixed and variable interest rate exposure. The in-house treasury team will monitor the market and forecast interest rates within the

year to adjust exposures appropriately. For instance, during periods of falling interest rates, and where economic circumstances make it favourable, fixed rate investments may be taken for longer periods to secure better long term returns.

Price risk - The Authority is not responsible for administering the pension fund and therefore does not invest in instruments with this type of risk.

Foreign exchange risk - The Authority has no financial assets or liabilities denominated in foreign currencies. It therefore has no exposure to loss arising from movements in exchange rates.

41. Bequests and Trust Funds

The Authority administers a number of trust funds totalling £53,476 at 31 March 2015. The two main items are:

- Kenyon Park bequest being £10,070 left by an inhabitant many years ago. During 2014/15 £3,000 has been used for maintenance of the Park.
- The Authority administers the Fielden Trust Fund, being £7,620 in respect of monies for the former Fleetwood Museum and Library, which will be utilised for the benefit of the Fleetwood community.

These sums are not included in the Balance Sheet.

COLLECTION FUND ACCOUNT

Foreword

1. The Collection Fund is a statement that reflects the statutory requirement contained in section 89 of the Local Government Finance Act 1988 (as amended by the Local Government Finance Act 1992) for billing authorities to establish and maintain a separate fund for the collection and distribution of amounts due in respect of council tax and national non-domestic rates (NNDR).

2013/14			Notes	2014/15		
Business Rates	Council Tax			Business Rates	Council Tax	Total
£	£		£	£	£	
<u>INCOME:</u>						
-	(51,440,521)	Council Tax Receivable	1	-	(53,426,843)	(53,426,843)
-	0	Council Tax Annex Grant		-	(2,921)	(2,921)
(26,599,704)	-	Business Rates Receivable	2	(27,035,290)	-	(27,035,290)
(202,409)	-	Transitional Protection Payment		(50,467)	-	(50,467)
(0)	(0)	Contributions to previous year's Collection Fund deficit		(0)	(0)	(0)
(26,802,113)	(51,440,521)	TOTAL INCOME		(27,085,757)	(53,429,764)	(80,515,521)
<u>EXPENDITURE:</u>						
12,504,109	-	Precepts, Demands and Share - Central Government		12,736,639	-	12,736,639
2,250,740	36,651,089	- Lancashire County Council - Police and Crime		2,292,595	37,792,057	40,084,652
-	5,160,235	Commissioner for Lancashire - Lancashire Combined Fire Authority		-	5,320,788	5,320,788
250,082	2,147,841	- Wyre Borough Council		254,733	2,171,509	2,426,242
10,003,287	6,466,901			10,189,311	6,618,514	16,807,825
25,008,218	50,426,066			25,473,278	51,902,868	77,376,146
Charges to Collection Fund						
65,900	82,366	- Less Write offs of uncollectable amounts		207,109	133,340	340,449
150,142	146,372	- Less: Increase / (Decrease) in Bad Debt Provisions		9,097	225,182	234,279
1,118,087	-	- Less: Increase / (Decrease) in Provisions for Appeals		812,000	-	812,000
154,556	-	- Costs of Collection Allowance		154,288	-	154,288
1,488,685	228,738			1,182,494	358,522	1,541,016
Contributions						
0	42,885	- To previous year's Collection Fund surplus	3	23,200	781,794	804,994
26,496,903	50,697,689	TOTAL EXPENDITURE		26,678,972	53,043,184	79,722,156
(305,210)	(742,832)	(Surplus) / Deficit arising during the year		(406,785)	(386,580)	(793,365)
0	(44,674)	(Surplus) / Deficit B/fwd as at 1 April		(305,210)	(787,506)	(1,092,716)
(305,210)	(787,506)	(Surplus) / Deficit C/fwd as at 31 March	4	(711,995)	(1,174,086)	(1,886,081)

NOTES TO THE COLLECTION FUND

1. Council Tax

The Council Tax base for 2014/15 was calculated at 34,116.36 and a Band D Council Tax set at £1,507.51. The tax base was calculated as follows:

	Total No. of Chargeable Dwellings	**Relevant Amount
Additional Band	31	16.53
Band A	11,351	6,504.49
Band B	11,597	8,030.01
Band C	11,916	9,612.12
Band D	7,134	6,595.75
Band E	4,606	5,324.51
Band F	2,239	3,068.99
Band G	971	1,545.86
Band H	54	103.00
	49,899	40,801.26

Less Council Tax Reduction		(5,988.65)
		34,812.61

Collection Rate 98% = Relevant Amount x 0.98 **34,116.36**

** Total number of chargeable dwellings adjusted where discounts apply and converted to an equivalent number of Band D dwellings.

2. Income from Business Ratepayers

The total non-domestic rateable value at 31 March 2015 was £68,877,749. The Government set a National Non-domestic multiplier (rate in the pound) of 48.2 pence for 2014/15 and a Small Business non-domestic multiplier of 47.1 pence. This rateable value figure is different from the figure in the accounts due to various relief awards.

3. Distribution of Collection Fund prior year Balance

2013/14		2013/14		2014/15		
Business Rates	Council Tax			Business Rates	Council Tax	Total
£	£			£	£	£
Attributable to Central Government and other Local Authorities as follows:						
0	-	Central Government		11,600	-	11,600
0	31,453	Lancashire County Council		2,088	568,230	570,318
-	4,255	Police and Crime Commissioner for Lancashire		-	80,003	80,003
0	1,806	Lancashire Combined Fire Authority		232	33,300	33,532
0	5,371	Wyre Borough Council		9,280	100,261	109,541
0	42,885			23,200	781,794	804,994

4. Closing (Surplus) / Deficit Balance on the Collection Fund

2013/14				2014/15		
Business Rates	Council Tax			Business Rates	Council Tax	Total
£	£			£	£	£
Attributable to Central Government and other Local Authorities as follows:						
(152,605)	-	Central Government		(355,997)	-	(355,997)
(27,469)	(571,841)	Lancashire County Council		(64,080)	(854,872)	(918,952)
-	(80,512)	Police and Crime Commissioner for Lancashire		-	(120,358)	(120,358)
(3,052)	(33,506)	Lancashire Combined Fire Authority		(7,120)	(49,121)	(56,241)
(122,084)	(101,647)	Wyre Borough Council		(284,798)	(149,735)	(434,533)
(305,210)	(787,506)	(Surplus) / Deficit as at 31 March		(711,995)	(1,174,086)	(1,886,081)

GLOSSARY OF ACCOUNTING TERMS

- **ACCRUALS**

Spending and income included in the accounts for the year in which relevant services or goods have been supplied.

- **ACCUMULATED ABSENCES**

Absences earned but not taken by the end of the financial year i.e. holiday pay entitlement.

- **AGENCY SERVICES**

Services provided by the Authority, as an agent on behalf of the responsible body, where the Authority is acting as an intermediary.

- **AMORTISATION**

The writing down in value of intangible assets, which is charged to service revenue accounts to reflect the cost of such assets, used in the provision of those services. This is the equivalent of depreciation for fixed assets.

- **ASSETS**

Something of worth which is measurable in monetary terms.

- **AUDITOR'S OPINION**

The opinion required by statute from the Authority's external auditors, indicating whether the accounting statements give a true and fair view of the financial position of the Authority.

- **BALANCE SHEET**

A statement of the recorded assets, liabilities and reserves at the end of an accounting period.

- **BUDGET**

A statement of the Authority's spending plans for a financial year.

- **CAPITAL EXPENDITURE**

Expenditure on the acquisition and/or improvement of assets which adds to, and not merely maintains, its value.

- **CAPITAL RECEIPTS**

Income from asset disposals with a value in excess of £10,000.

- **CASH AND CASH EQUIVALENTS**

Money held either as cash-in-hand, a deposit with a financial institution repayable without penalty on notice of no more than 24 hours or investments that mature within 3 months of the date of acquisition.

- **COLLECTION FUND**

The account which shows the transactions of the Authority in relation to non-domestic rates and council tax, and the distribution of these to preceptors and the general fund. The collection fund is consolidated with the other accounts of the Authority.

- **CONSISTENCY**

The concept that the accounting treatment of like items is the same within an accounting period and from one period to the next.

- **CONTINGENCY**

A sum set-aside in addition to approved budgets to meet unforeseen items of expenditure, e.g. excess inflation, pay awards.

- **CONTINGENT LIABILITY**

A possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the authority.

- **COUNCIL TAX**

This is a property based local tax. Each domestic property is valued and placed in one of eight bands A to H; the tax paid is fixed in relation to the Band D tax. Dwellings shown in 'Additional Band' refer to those dwellings in Band A which it is estimated will qualify for a Disabled Persons Reduction of an amount equal to 1/9 of the Band D Council Tax.

- **CURRENT ASSETS**

Assets held by the Authority which will be consumed or cease to have value within the next financial year e.g. stock and debtors.

- **CURRENT LIABILITIES**

Amounts which will become payable or could be called in within the next accounting period, e.g. creditors or cash overdrawn.

- **CURTAILMENT COST**

For a defined benefit scheme, an event that reduces the expected years of future service of present employees or reduces for a number of employees the accrual of defined benefits for some or all of their future service. Curtailments include:

(a) termination of employees' services earlier than expected, for example discontinuing a segment of a business, and

(b) termination, or amendment to the terms, of a defined benefit scheme so that some or all future service by current employees will no longer qualify for benefits or will qualify only for reduced benefits.

- **DEFERRED LIABILITIES**

Future income for the Council that is not due in the following financial year such as money received from developers for maintenance of grounds and open spaces transferred to the Council.

- **DEFINED BENEFIT SCHEME**

A pension or other retirement benefit scheme other than a defined contribution scheme. Usually, the scheme rules define the benefits independently of the contributions payable, and the benefits are not directly related to the investments of the scheme. The Lancashire County Pension Fund is a funded scheme meaning that the Authority and employees pay contributions into the fund calculated at a level intended to balance the pension liabilities with investment assets.

- **DEPRECIATION**

The reduction in the value of assets, for example through wear and tear.

- **EXPECTED RATE OF RETURN ON PENSIONS ASSETS**

For a funded defined benefit scheme, the average rate of return, including both income and changes in fair value but net of scheme expenses, expected over the remaining life of the related obligation on the actual assets held by the scheme.

- **EXPENDITURE**

The costs incurred relating to the accounting period irrespective of whether or not the amounts due have been paid or not. The difference between expenditure and payments is calculated by reference to the levels of accruals.

- **FAIR VALUE**

The fair value of an asset is the price at which it could be exchanged between knowledgeable, willing parties in an arm's length transaction.

- **FINANCIAL INSTRUMENTS**

Defined as contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

This includes the borrowing and lending of money and the making of investments and also extends to include debtors and creditors.

- **GENERAL FUND**

The main revenue fund of the Authority. Day-to-day spending on services is met from the fund.

- **GOING CONCERN**

The concept that the Authority will remain in operational existence for the foreseeable future, with no consequential amendments being required to valuations of assets or a need for provisions for closure costs or redundancies.

- **GROSS EXPENDITURE**

The cost of service provision before allowing for any income.

- **IMPAIRMENT**

Assets are reviewed at the end of each financial year for evidence of material reductions in value.

- **INCOME**

Amounts due to the Authority that have been or are due to be received. The difference between income and receipts is calculated by reference to the levels of accruals.

- **INTANGIBLE ASSETS**

Expenditure on assets that do not have a physical substance but are identifiable such as software licenses.

- **INVENTORIES**

Items of raw materials and stores the Authority has procured to use on a continuing basis and which it has not yet used. These comprise the following categories:

- (a) Consumable stores
- (b) Maintenance materials
- (c) Client services work in progress
- (d) Property acquired or constructed for sale

- **LIABILITIES**

Money the Authority will have to pay to people or organisations in the future.

- **LONG TERM ASSETS**

Non-current assets that yield benefits to the Authority and the services it provides for a period of more than one year.

- **LONG TERM BORROWING**

The total amount borrowed from external lenders for capital purposes which has not been repaid at the balance sheet date.

- **LONG TERM DEBTORS**

These are debts of a capital nature repayable over a period of time e.g. mortgage advances.

- **MATERIALITY**

The concept that the financial statements should include all amounts which, if omitted, or mis-stated, could be expected to lead to a distortion by a reader of those statements.

- **NET ASSETS**

Assets less liabilities which are matched by the reserves held by the authority.

- **NET EXPENDITURE**

Gross expenditure less Gross income.

- **NON-DOMESTIC RATES**

A National Non-Domestic Rate multiplier (rate in the pound) for commercial premises is set annually by the Government which is applied to the rateable value and collected by Local Authorities.

- **NON-RINGFENCED GRANT**

Grants received with no stipulations imposed as to their use, ensuring full local control over how funding can be used.

- **OPERATING LEASE**

Leases that do not meet the definition of a finance lease i.e. where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee, are accounted for as operating leases.

- **OUTTURN**

Final Account position of the authority as at 31 March each year in terms of income and expenditure.

- **PRECEPT**

The amount the County Council, the Police and Crime Commissioner for Lancashire, the Combined Fire Authority and the parish councils (the precepting authorities) ask the Authority to collect every year.

- **PROVISIONS**

Provisions are required for any obligation that require a settlement by a transfer of economic benefits but where the timing of the transfer is uncertain.

- **PRUDENCE**

Accounts should be prepared in accordance with the prudence concept. Income should only be anticipated to the extent that it will be received, as cash or other assets, with reasonable certainty and full and proper allowance should be made for all known and foreseeable losses and liabilities.

- **REMUNERATION**

Amounts paid to or receivable by a person including sums by way of expenses or allowances and the value of any other benefits received by an employee otherwise than in cash.

- **RESERVES**

Amounts created for future policy purposes or to cover contingencies.

- **RETIREMENT BENEFITS**

All forms of consideration given by an employer in exchange for services rendered by employees that are payable after the completion of employment. Retirement benefits do not include termination benefits as these are not given in exchange for services tendered by employees. Termination benefits are amounts payable as a result of either (i) an employer's decision to terminate an employee's employment before the normal retirement date or (ii) an employee's decision to accept voluntary redundancy in exchange for those benefits.

- **REVENUE EXPENDITURE**

Expenditure of a day to day nature incurred in the course of providing services, earning revenue, maintaining assets and on the acquisition of goods for resale.

- **REVENUE SUPPORT GRANT**

Government grant to support local authority services.

- **SCHEME LIABILITIES**

The liabilities of a defined benefit scheme for outgoings due after the valuation date. Scheme liabilities measured using the projected unit method reflect the benefits that the employer is committed to provide for service up to the valuation date.

- **SHORT TERM BORROWING**

Loans where repayment can be demanded or made within one year but excluding deposits which can be recalled without penalty on notice of no more than 24 hours.

- **SHORT TERM CREDITORS**

Money the Authority owes for work, goods or services which have not been paid for by the end of the financial year.

- **SHORT TERM DEBTORS**

Money that is owed to the Authority but is not received by the end of the financial year.

- **SLIPPAGE**

Expenditure of a capital or revenue nature that is not spent within the accounting period and the carry forward of the commitment to future years.

- **UNUSABLE RESERVES**

Reserves that the Authority is not able to use to provide services as they reflect unrealised gains and losses.

- **USABLE RESERVES**

Reserves that the Authority may use to provide services subject to maintaining a prudent level and any statutory limitations.

- **USEFUL LIFE**

The period over which the Authority will derive benefits from the use of a fixed asset.

- **WORK IN PROGRESS**

The cost of work done on an uncompleted project at a specified date, which should be accrued where appropriate.

LINKS TO OTHER FINANCIAL INFORMATION

The Statement of Accounts is a key financial document published by the Council.

The Council's website contains the Statement of Accounts for previous financial years and other financial information:

http://www.wyre.gov.uk/info/200339/council_budgets_and_spending

Capital Financing Report

Appendix 2 - Table 1

	Updated Revised 2014/15 Budget £	To 31st March 15 Actuals £	Funded By.....						Total Funded £
			Grants and Contributions £	Revenue £	Capital Receipts £	Loan £	p	p	
ECONOMY PORTFOLIO									
<u>Corporate Director of People and Places</u>									
Sea Change	5,581	60.00	0.00	60.00	0.00	0.00	0.00	60.00	
Skate Park CCF2	44,843	24,130.69	24,130.69	0.00	0.00	0.00	0.00	24,130.69	
Water Park CCF2	194,087	78,962.04	78,962.04	0.00	0.00	0.00	0.00	78,962.04	
Euston Park CCF2	160,844	116,501.73	116,501.73	0.00	0.00	0.00	0.00	116,501.73	
Marine Lakes CCF2: External Costs	100,000	121,007.14	121,007.14	0.00	0.00	0.00	0.00	121,007.14	
Marine Lakes CCF2: In House Costs	0	9,778.72	9,778.72	0.00	0.00	0.00	0.00	9,778.72	
Café CCF2	133,261	29,272.39	29,272.39	0.00	0.00	0.00	0.00	29,272.39	
Portfolio Total	638,616	379,712.71	379,652.71	60.00	0.00	0.00	0.00	379,712.71	
LEISURE AND CULTURE PORTFOLIO									
<u>Corporate Director of People and Places</u>									
Leisure Centre Refurbishment Programme	0	1,037.62	0.00	1,037.62	0.00	0.00	0.00	1,037.62	
Poulton Leisure Centre	2,161,123	1,774,658.23	0.00	497,186.00	1,277,472.23	0.00	0.00	1,774,658.23	
Thornton Leisure Centre	3,508,003	3,443,245.29	0.00	3,433,245.29	10,000.00	0.00	0.00	3,443,245.29	
Health and Fitness Equipment - Poulton LC	142,234	142,230.41	0.00	142,230.41	0.00	0.00	0.00	142,230.41	
Health and Fitness Equipment - Thornton LC	240,926	240,926.31	0.00	240,926.31	0.00	0.00	0.00	240,926.31	
QS Consultants costs for Client Side Leisure Centre Refurbishments	97,465	116,292.17	0.00	116,292.17	0.00	0.00	0.00	116,292.17	
Tower Wood and Pheasant Wood Improvements	6,089	7,465.00	7,465.00	0.00	0.00	0.00	0.00	7,465.00	
Portfolio Total	6,155,840	5,725,855.03	7,465.00	4,430,917.80	1,287,472.23	0.00	0.00	5,725,855.03	
NEIGHBOURHOOD SERVICES PORTFOLIO									
<u>Corporate Director of People and Places</u>									
New Link Road through Hardhorn Rd Car Park, Poulton	100,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Air Quality - Paths	15,062	5,375.00	5,375.00	0.00	0.00	0.00	0.00	5,375.00	
Coast Protection									
Cleveleys Promenade Beach Urgent works	30,716	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Cell Eleven (2011 to 2016) Monitoring: External Costs	9,460	5,231.33	5,231.33	0.00	0.00	0.00	0.00	5,231.33	
Cell Eleven (2011 to 2016) Monitoring: In House Fees	11,140	18,905.95	18,905.95	0.00	0.00	0.00	0.00	18,905.95	
Cleveleys Phase 4b	19,080	19,339.47	0.00	19,339.47	0.00	0.00	0.00	19,339.47	
Cleveleys Recovery Steel Mould: External Costs	-2,386	-2,646.40	-2,646.40	0.00	0.00	0.00	0.00	-2,646.40	
Cleveleys Recovery Steel Mould: In House Costs	0	260.00	260.00	0.00	0.00	0.00	0.00	260.00	
Fleetwood and Cleveleys Beach Works: External Costs	300,000	277,299.34	277,299.34	0.00	0.00	0.00	0.00	277,299.34	
Fleetwood and Cleveleys Beach Works: In House Fees	0	2,021.53	2,021.53	0.00	0.00	0.00	0.00	2,021.53	
Knott End Revetment Works: External Costs	17,822	11,831.55	11,831.55	0.00	0.00	0.00	0.00	11,831.55	
Knott End Revetment Works: In House Costs	0	3,649.25	3,649.25	0.00	0.00	0.00	0.00	3,649.25	
Rossall Seawall Improvement Works: External Costs	10,672,158	6,251,971.72	6,251,971.72	0.00	0.00	0.00	0.00	6,251,971.72	
Rossall Seawall Improvement Works: In House Fees	117,020	119,536.31	119,536.31	0.00	0.00	0.00	0.00	119,536.31	
Wyre Beach Management Study	22,862	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

NB. Reflects Portfolio Holder responsibilities at 31/3/15.

	Updated Revised 2014/15 Budget £	To 31st March 15 Actuals			Funded By.....			Capital Receipts			Loan			Total Funded		
		£	p	p	£	p	p	£	p	p	£	p	p	£	p	p
NEIGHBOURHOOD SERVICES PORTFOLIO - Continued																
<u>Corporate Director of Resources</u>																
<u>Housing</u>																
Disabled Facilities Mandatory Grants	945,125	945,170.36	0.00	0.00	945,170.36	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	945,170.36		
Empty Homes Delivery	31,500	31,500.00	0.00	0.00	31,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	31,500.00		
Portfolio Total	12,289,559	7,689,445.41			7,670,105.94	19,339.47			0.00			0.00		7,689,445.41		
RESOURCES PORTFOLIO																
<u>Corporate Director of People and Places</u>																
Vehicle Fleet Replacement Programme	186,865	186,865.48	0.00	0.00	0.00	186,865.48	0.00	0.00	0.00	0.00	0.00	0.00	0.00	186,865.48		
Beach Bungalows Fleetwood	43,325	42,243.80	0.00	0.00	0.00	42,243.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	42,243.80		
Renovation Wyreside Café	30,000	15,500.00	0.00	0.00	0.00	15,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15,500.00		
<u>Corporate Director of Resources</u>																
E Benefits Software	47,104	45,331.45	10,000.00	0.00	10,000.00	35,331.45	0.00	0.00	0.00	0.00	0.00	0.00	0.00	45,331.45		
Content Management System	16,000	15,600.00	0.00	0.00	0.00	15,600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15,600.00		
Flexi and Absent Management System	1,550	1,550.00	0.00	0.00	0.00	1,550.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,550.00		
Portfolio Total	324,844	307,090.73	10,000.00		10,000.00	297,090.73	0.00		0.00		0.00		0.00	307,090.73		
STREET SCENE PORTFOLIO																
<u>Corporate Director of People and Places</u>																
New Depot	0	-12.82	0.00	0.00	0.00	-12.82	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-12.82		
Famham Way Playground Improvements	34,465	34,465.00	0.00	0.00	0.00	9,465.00	25,000.00	0.00	0.00	0.00	0.00	0.00	0.00	34,465.00		
Memorial Park Fleetwood Heritage scheme Phase 2	1,335,970	1,119,432.71	996,536.00	0.00	996,536.00	6,744.71	116,152.00	0.00	0.00	0.00	0.00	0.00	0.00	1,119,432.71		
Kepple Lane Park Development (SYN)	15,000	15,000.00	0.00	0.00	0.00	15,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15,000.00		
Stanah Country Park Play Facilities	2,729	2,729.60	0.00	0.00	0.00	2,729.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,729.60		
Preesall Playing Fields MUGA	39,000	39,000.00	39,000.00	0.00	39,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	39,000.00		
Roundway Activity Equipment	4,757	4,759.21	4,757.22	1.99	4,757.22	1.99	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,759.21		
Mount Grounds	18,940	10,392.00	10,392.00	0.00	10,392.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10,392.00		
Portfolio Total	1,450,861	1,225,765.70	1,050,685.22		1,050,685.22	33,928.48	141,152.00		0.00		0.00		0.00	1,225,765.70		
GRAND TOTAL	20,859,720	15,327,869.58	9,117,908.87		9,117,908.87	4,781,336.48	1,428,624.23		0.00		0.00		0.00	15,327,869.58		

<u>Reconciliation</u>						
<u>Summary Impact on Capital Programme and Funding 2015/16 of 2014/15 outturn and slippage to 2015/16</u>						
	2015/16 Budget	Funded by	Capital Receipts	Loan	Total Funded	
	£	£	£	£	£	£
Capital Budget - 2015/16	22,208,900	21,405,330	151,070	0	22,208,900	
As approved at Council 05/03/15	24,906	0	0	0	24,906	
Subsequent changes in aggregate agreed to date	22,233,806	21,405,330	151,070	0	22,233,806	
Current 2015/16 approval	1,179,320	572,157	320,208	0	1,179,320	
2014/15 Year End slippage to 2015/16	-32,041	-32,041	0	0	-32,041	
2014/15 Year End advance use of 2015/16 budget	6,000	0	0	0	6,000	
2015/16 eBenefits VFM Reserve funded(see 14/15 IDEA grant)	-390	-390	0	0	-390	
2015/16 Better Care Fund DFG external grant minor reduction.	23,386,695	21,945,056	471,278	0	23,386,695	
Latest 2015/16 Capital Budget		970,361				

<u>Reconciliation</u>						
<u>Summary Impact on Capital Programme and Funding 2016/17 of 2014/15 outturn</u>						
	2016/17 Budget	Funded by	Capital Receipts	Loan	Total Funded	
	£	£	£	£	£	£
Capital Budget - 2016/17	22,476,559	22,152,536	2,023	0	22,476,559	
As approved at Council 05/03/15	0	0	0	0	0	
Subsequent amendments in aggregate agreed to date	22,476,559	22,152,536	2,023	0	22,476,559	
Current and latest 2016/17 Capital Budget approval	22,476,559	22,152,536	2,023	0	22,476,559	

<u>Reconciliation</u>						
<u>Summary Impact on Capital Programme and Funding 2017/18 of 2014/15 outturn</u>						
	2017/18 Budget	Funded by	Capital Receipts	Loan	Total Funded	
	£	£	£	£	£	£
Capital Budget - 2017/18	13,260,621	13,087,827	6,294	0	13,260,621	
As approved at Council 05/03/15	0	0	0	0	0	
Subsequent amendments in aggregate agreed to date	13,260,621	13,087,827	6,294	0	13,260,621	
Current 2017/18 Capital Budget approval	4,417,670	4,417,670	0	0	4,417,670	
2014/15 Year End slippage to 2017/18	-738	-738	0	0	-738	
2014/15 Rossall Seawall revenue costs EA funded offset 17/18	17,677,553	17,504,759	6,294	0	17,677,553	
Latest 2017/18 Capital Budget		166,500				

<u>Reconciliation</u>						
Capital Budget - 2018/19	2018/19 Budget	<u>Summary Impact on Capital Programme and Funding 2018/19 of 2014/15 outturn</u>				
	£	Funded by	Capital Receipts	Loan	Total Funded	
		Grants and Contributions	Revenue	Revenue	£	£
		£	£	£	£	£
	1,081,500	892,000	189,500	0	0	1,081,500
	0	0	0	0	0	0
	<u>1,081,500</u>	<u>892,000</u>	<u>189,500</u>	<u>0</u>	<u>0</u>	<u>1,081,500</u>

As approved at Council 05/03/15
 Subsequent amendments in aggregate agreed to date
Current and latest 2018/19 Capital Budget approval

Comparison of Capital Expenditure to Budget

Appendix 2 - Table 2

	Updated Revised 2014/15 Budget	To 31st March 15 Actuals	Variance	Advance spend of 15/16 Budget	Overspend	Underspend	Slippage	Comments
	£	£	£	£	£	£	£	
ECONOMY PORTFOLIO								
Corporate Director of People and Places								
Sea Change	5,581	60	-5,521	0	0	-5,521	0	0 Scheme complete.
Skate Park CCF2	44,843	24,131	-20,712	0	0	0	-20,712	Rephasing of expenditure.
Water Park CCF2	194,087	78,962	-115,125	0	0	0	-115,125	Rephasing of expenditure.
Euston Park CCF2	160,844	116,502	-44,342	0	0	0	-44,342	Rephasing of expenditure.
Mainline Lakes CCF2: External Costs	100,000	121,007.00	21,007	21,007	0	0	0	Rephasing of expenditure.
Marine Lakes CCF2: In House Costs	0	9,779.00	9,779	9,779	0	0	0	Internal labour used to reduce costs.
Café CCF2	133,261	29,272	-103,989	0	0	0	-103,989	Rephasing of expenditure.
Portfolio Total	638,616	379,713	-258,903	30,786	0	-5,521	-284,168	
LEISURE AND CULTURE PORTFOLIO								
Corporate Director of People and Places								
Leisure Centre Refurbishment Programme	0	1,038	1,038	0	1,038	0	0	0 Release of retention in respect of historic works.
Poulton Leisure Centre	2,161,123	1,774,658	-386,465	0	0	0	-386,465	Rephasing of expenditure.
Thornton Leisure Centre	3,508,003	3,443,245	-64,758	0	0	0	-64,758	Rephasing of expenditure.
Health and Fitness Equipment - Poulton LC	142,234	142,231	-3	0	0	-3	0	Completed with minor underspend.
Health and Fitness Equipment - Thornton LC	240,926	240,926	0	0	0	0	0	Scheme complete.
QS Consultants costs for Client Side Leisure Centre Refurbishments	97,465	116,292	18,827	0	34,999	0	-16,172	Increased costs reflecting additional Leisure Centre works.
Tower Wood and Pheasant Wood Improvements	6,089	7,465	1,376	1,255	121	0	0	Advance spend of Forestry Commission grant claimed in April. Minor overspend to contra previous year underspend.
Portfolio Total	6,155,840	5,725,855	-429,985	1,255	36,158	-3	-467,395	
NEIGHBOURHOOD SERVICES PORTFOLIO								
Corporate Director of People and Places								
New Link Road through Hardhorn Rd Car Park, Poulton	100,000	0	-100,000	0	0	0	-100,000	Scheme expected to start June 2015.
Air Quality - Paths	15,062	5,375	-9,687	0	0	0	-9,687	Slippage to be used for signage (July) and bicycle shelter at Poulton railway station(Sept).
Coast Protection								
Cleiveleys Promenade Beach Urgent works	30,716	0	-30,716	0	0	0	-30,716	Residual monies allocated for works to link with the Rossall scheme.
Cell Eleven (2011 to 2016) Monitoring: External Costs	9,460	5,231	-4,229	0	0	-4,229	0	Underspend on external costs.
Cell Eleven (2011 to 2016) Monitoring: In House Fees	11,140	18,906	7,766	0	3,537	4,229	0	Increased internal labour recharge funded by EA.
Cleiveleys Phase 4b	19,080	19,339	259	0	259	0	0	Minor overspend.
Cleiveleys Recovery Steel Mould: External Costs	-2,386	-2,646	-260	0	0	-260	0	Project complete unused grant to be repaid to EA.
Cleiveleys Recovery Steel Mould: In House Costs	0	260	260	0	260	0	0	
Fleetwood and Cleiveleys Beach Works: External Costs	300,000	277,299	-22,701	0	0	-2,022	-20,679	Slippage includes retention monies and residual monies allocated for works to link with the Rossall scheme.
Knott End Revetment Works: External Costs	17,822	11,832	-5,990	0	2,022	0	0	Capital works planned for end of financial year delayed due to licencing issues.
Knott End Revetment Works: In House Costs	0	3,649	3,649	0	3,649	0	0	
Rossall Seawall Improvement Works: External Costs	10,672,158	6,251,972	-4,420,186	0	0	-3,254	-4,416,932	Risk monies that have not yet materialised slipped to final year of scheme (2017/18) to ensure sufficient funds should risks materialise.
Rossall Seawall Improvement Works: In House Fees	117,020	119,536	2,516	0	2,516	0	0	
Wyre Beach Management Study	22,862	0	-22,862	0	0	0	-22,862	Residual monies slipped (externally funded) to extend study to Rossall.
Housing								
Disabled Facilities Mandatory Grants	945,125	945,170	45	0	986	0	-941	Overspend on Regenda projects and minor slippage on external funding.
Empty Homes Delivery	31,500	31,500	0	0	0	0	0	
Portfolio Total	12,289,559	7,689,445	-4,600,114	0	13,229	-9,185	-4,604,158	

Comparison of Capital Expenditure to Budget - Continued

Appendix 2 - Table 2

NB. Reflects Portfolio Holder responsibilities at 31/3/15.

	Updated Revised 2014/15 Budget	To 31st March 15 Actuals	Variance	Advance spend of 15/16 Budget	Overspend	Underspend	Slippage	Comments
	£	£	£	£	£	£	£	
RESOURCES PORTFOLIO								
Corporate Director of People and Places								
Vehicle Fleet Replacement Programme	186,865	186,866	1	0	1	0	0	
Beach Bungalows Fleetwood	43,325	42,244	-1,081	0	0	-731	-350	Door handles to be replaced during 2015 season.
Renovation Wyreside Café	30,000	15,500	-14,500	0	0	0	-14,500	Rephrasing of expenditure.
Corporate Director of Resources								
E Benefits Software	47,104	45,331	-1,773	0	0	-1,177	-596	Slippage for server back up licences. Underspend on penetration testing and signature pads
Content Management System	16,000	15,600	-400	0	0	-400	0	Completed with small underspend.
Flexi and Absent Management System	1,550	1,550	0	0	0	0	0	Project on budget continuing in 2015/16.
Portfolio Total	324,844	307,091	-17,753	0	1	-2,308	-15,446	
STREET SCENE PORTFOLIO								
Corporate Director of People and Places								
New Depot	0	-13	-13	0	0	-13	0	Completed with minor underspend.
Farnham Way Playground Improvements	34,465	34,465	0	0	0	0	0	Scheme complete.
Memorial Park Fleetwood Heritage scheme Phase 2(88.67% Lottery Funde	1,335,970	1,119,433	-216,537	0	0	0	-216,537	Rephrasing of expenditure
Kepple Lane Park Development (SYN)	15,000	15,000	0	0	0	0	0	Scheme complete.
Stanah Country Park Play Facilities	2,729	2,730	1	0	1	0	0	Completed with minor overspend.
Preesall Playing Fields MUGA	39,000	39,000	0	0	0	0	0	Scheme complete.
Roundway Activity Equipment	4,757	4,759	2	0	2	0	0	Completed with minor overspend.
Mount Grounds	18,940	10,392	-8,548	0	0	0	-8,548	Rephrasing of expenditure.
Portfolio Total	1,450,861	1,225,766	-225,095	0	3	-13	-225,085	
GRAND TOTAL	20,859,720	15,327,870	-5,531,850	32,041	49,391	-17,030	-5,596,252	

Major Revenue Variances**Comparison of 2014/15 Actuals against Updated Revised Estimate**

	Updated	Actuals	Variance Analysis	
	Revised		Overspend	Underspend
NB. Reflects Portfolio service responsibilities at 31/3/15.	Estimate	2014/15	£	£
	2014/15	2014/15	£	£
Aggregate 14/15 slippage to 15/16, see Appendix 3b.	£	£		-725,980
Aggregate 14/15 income increase to fund additional new 15/16 costs, see Appendix 3b.				-39,770
Above offset by advance use of 15/16 budget in 14/15, see Appendix 3b.				1,650
				<u>-764,100</u>
There is no 14/15 slippage affecting future years.				0
Net Slippage - Sub Total				<u><u>-764,100</u></u>

Other Services within Portfolios**Economy Portfolio**WBC Highways - Non Agency -

Maintenance of Unadopted Assets	35,520	22,083		-13,437
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Leisure and Culture Portfolio

<u>Leisure Management</u> - operational increases whilst Poulton and Thornton LC major improvements being carried out.	457,740	576,659	118,919	
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Neighbourhood Services PortfolioOff Street Car Parking -

Parking Fee income.	-716,550	-734,757		-18,207
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<u>Benefits Administration</u> - unused Welfare Reforms grant(s) to VFM Reserve.	17,120	0		-17,120
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<u>Benefits (including Rent Rebates: Local Scheme (War Widows) and Rent Allowances</u> - Net Changes.	-82,000	-57,275	24,725	
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Resources Portfolio

<u>Democratic Services</u> - Misc. Expenses no use of	16,400	0		-16,400
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Community Right to Bid and Challenge Government Grants.				
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<u>Land Charges Personal Searches</u> - Compensation provision.	105,090	147,028	41,938	
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Contingency -

Provision for Waste Bin savings for Leisure Centre extra capital costs. Saving transferred to Capital Invest. Reserve.	42,570	0		-42,570
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Provision for Thornton Depot demolition/security not required in 2014/15. Saving transferred to Capital Invest. Reserve.	50,350	0		-50,350
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Provision for Election costs not required in 2014/15	28,310	0		-28,310
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<u>Legal Team</u> - Other Legal Fee Income, asset sales part re	-15,000	-40,496		-25,496
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Ashdell/Thornton Depot transfer to Capital Invest. Reserve.				
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IT and Telephony Team -

Consultant savings - no costs incurred.	37,060	0		-37,060
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Hardware savings/rephasing to IT Reserve	332,680	103,898		-228,782
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Internet and Telephone Charges savings to IT Reserve	56,440	40,243		-16,197
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<u>Estates Team</u> - Fee income (Asset sales)	-4,000	-27,380		-23,380
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<u>Engineers</u> - Fylde contrib. Wyre staff coast management.	0	-10,994		-10,994
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Parks and Open Spaces Team

Private Contractors (excluding slippage element).	87,610	61,212		-26,398
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<u>Council Tax Collection</u> - Other Legal Fees (Summons).	-350,500	-402,687		-52,187
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<u>Council Tax Benefit</u> - Net residual transactions.	-16,000	-65,097		-49,097
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<u>National Non-Domestic Rates Collection</u> - Government Grant	-950	-12,541		-11,591
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Street Scene PortfolioOpen Spaces - Poulton/Thornton -

UU Disturbance compensation	0	-10,000		-10,000
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Major Revenue Variances - Continued

Appendix 3a

Comparison of 2014/15 Actuals against Updated Revised Estimate

	Updated	Actuals	Variance Analysis	
	Revised		Overspend	Underspend
	Estimate	2014/15	£	£
	2014/15	2014/15	£	£
	£	£		
<u>Aggregates across and between all Services and Portfolios</u>				
<u>(excluding any IT Reserve/slippage elements included in Appendix 3b)</u>				
Employee costs.	9,577,710	9,529,861		-47,849
Electricity and Gas (net) costs.	303,570	279,436		-24,134
Building costs	304,990	325,022	20,032	
NNDR costs	461,660	441,694		-19,966
Vehicle and Travel costs (incl. all Car Allowance payments)	396,470	349,255		-47,215
Tools and Equipment (purchase, hire and maintenance).	153,040	134,209		-18,831
Postage	218,630	198,309		-20,321
Services within Portfolios - Sub Totals			205,614	-855,892
Non Service Specific				
Engineers Team capitalisation costs in Capital Programme.	-140,370	-154,152		-13,782
Financing of Capital Expenditure by Revenue	4,983,580	4,781,336		-202,244
Interest payable - Personal Search compensation reduction.	126,450	100,982		-25,468
Interest received.	-64,950	-78,754		-13,804
NDR Levy payment to Government as a result of additional NDR income (see Reserve).	468,551	456,674		-11,877
Non Service Specific - Sub Totals			0	-267,175
Reserve movements				
Slippage of capital expenditure to 15/16, so reduced use of Reserve income in 14/15:-				
Capital Investment -				
Thornton Leisure Centre	-1,536,003	-1,471,245	64,758	
QS Consultants costs for Client Side Leisure Centre Refurbishments.	0	16,172	16,172	
New Link Road through Hardhorn Rd Car Park, Poulton	-100,000	0	100,000	
Beach Bungalows Fleetwood	-350	0	350	
Renovation Wyreside Café	-30,000	-15,500	14,500	
Memorial Park Fleetwood Heritage scheme	-31,067	-6,745	24,322	
Value for Money - E Benefits software	-37,104	-36,508	596	
Other Reserve movements -				
Building Control - increased deficit to fund.	-3,480	-4,650		-1,170
Business Growth Incentive -				
Sea Change capital scheme underspend.	-5,521	0	5,521	
Other economic initiatives, slippage to 15/16.	-10,930	-7,176	3,754	
Capital Investment - Top Up changes.	233,280	233,284	4	
Capital Investment - scheme cost changes				
QS Consultants costs for Client Side Leisure Centre Refurbishments additional costs.	-15,000	-49,999		-34,999
Other scheme variations - minor.	-185,209	-185,761		-552
Value for Money - E Benefits software	-10,000	1,177	11,177	
Investment IT Reserve -				
Top Up from IT general savings - underspend.	3,045	253,630	250,585	
Usage minor changes.	-257,850	-251,817	6,033	
Land Charges - increased surplus, so Top Up.	12,920	15,382	2,462	
Land Charges - Personal Searches, Legal costs/Grant usage.	-25,486	-23,099	2,387	
Leisure Management -				
Minor Top Up changes.	11,340	11,344	4	
Portable equipment slippage to 15/16.	-70,000	-45,507	24,493	
Non-Domestic Rates Equalisation - Top Up net of levy, changes as a result of amended NDR and grant income.	319,485	338,293	18,808	

Major Revenue Variances - Continued

Appendix 3a

Comparison of 2014/15 Actuals against Updated Revised Estimate

	Updated Revised Estimate 2014/15 £	Actuals 2014/15 £	Variance Analysis	
			Use reduced /Top Up extra £	Use extra / Top Up reduce £
Reserve movements - Continued				
Performance Reward Initiatives - slippage of approved schemes to 15/16.	-65,935	-36,869	29,066	
Performance Reward Initiatives - scheme costs, minor changes.	-3,338	-3,260	78	
Value for Money - minor Top Up changes.	124,976	120,480		-4,496
Value for Money - minor usage changes.	-55,291	-56,203		-912
New Reserve movement recommendations				
Business Growth Incentive - Transfer unused capital funding.	0	-5,521		-5,521
Capital Investment -				
Top up from unused Business Growth Incentive Reserve.	0	5,521	5,521	
Top up from Contingency Thornton Depot savings.	0	50,350	50,350	
Top up from Contingency Waste Bin savings.	0	42,570	42,570	
Top up from Legal/Estates fee part additional reimbursement.	0	40,060	40,060	
Top up from Parks and Open Spaces Private Contractors.	0	26,398	26,398	
Top up from General outturn net underspends. (above for Leisure Centre Improvement cost/funding changes)	0	336,866	336,866	
Investment IT Reserve -				
Additional use for Testing costs.	0	-4,800		-4,800
Top Up, CCTV Fylde Partnership contribution.	0	3,170	3,170	
Value for Money - additional Government grants, top up.	0	39,142	39,142	
Vehicle Replacement/Street Cleansing Maintenance - Street Cleansing savings, Top Up Reserve.	0	14,126	14,126	
Reserve Movements - Sub Totals			1,133,273	-52,450
			£	£
Summary				
Major Variations				
Net aggregate 14/15 slippage/advance funding to 15/16				-764,100
Services within Portfolios	Overspends		205,614	
Services within Portfolios	Underspends		-855,892	
Non Service Specific	Overspends		0	
Non Service Specific	Underspends		-267,175	
				-917,453
Reserve movements			1,133,273	
			-52,450	
				1,080,823
Other Minor variances				
Overall increase in Balances at 31/3/15 after Reserve movement				-106,060
				-706,790

Reconciliation (See Balances Appendix 4a)		£
Balances at 31/3/15 Current latest approved estimate		5,757,202
Actual Balances at 31/3/15 after 2014/15 outturn		6,463,992
Overall increase in Balances at 31/3/15		-706,790

Revenue Budget Savings - Slippage into Future Years less Advance Spend

Appendix 3b

NB. Reflects Portfolio service responsibilities at 31/3/15.

Slippage
Request
£**A1a) Revenue Expenditure Slippage to fund Revenue costs in 2015/16****Economy Portfolio**

<u>Business Support</u> - Miscellaneous initiatives rephased.	3,750
<u>Economic Development and Promotion</u> - awaiting flood compensation claims utilising Govt. funding.	17,500
<u>Wyred Up</u> - net underspends to be used for new extended programme of events in 2015/16.	5,840
<u>Housing Strategy</u> - Contribution to Fylde partnership not required, use in 15/16 for Local Plan costs.	10,000
<u>Development Control</u> - Consultant savings mainly required for additional Local Plan costs.	20,400
<u>Local Plan</u> -	
Consultant Fees - rephasing of preparation timetable.	62,360
Consultant Fees - Community Infrastructure Levy, realigned with Local Plan timetable.	15,000
Advertising Statutory Notices - Consultation on Issues and Options now June 2015.	1,780
<u>Fleetwood Market</u> - Equipment maintenance , rephased servicing into April 2015.	260
<u>Fleetwood/Knott End Ferry</u> - Landing Stage - works linked to Environment Agency improvements.	6,000

Leisure and Culture Portfolio

<u>Coastal Communities Fund - Revenue Schemes</u> - Use of external funding.	
Promotions General - aspects of schemes are still to be agreed.	7,870
Business Workshop/Advice/Surgery/events - aspects of schemes are still to be agreed.	3,600
Special Events - Dizzy Heights Event - underspend to be used for new 2015/16 event.	900
<u>Volunteer Wyre Project</u> - underspending to fund future i bus costs when SYN funding ends.	3,520
<u>Poulton LC</u> - Portable Equipment, rephase reflecting Centre hand over after works completed.	7,990
<u>Thornton LC</u> - Portable Equipment, rephase reflecting Centre hand over after works completed.	16,510
<u>Sports Development</u> - savings to be used as match funding (over a number of years) if successful for a Sport England Community Sports activation Fund bid.	
Amenity Use of Facilities	1,230
Equipment	2,080
Promotions General	1,700
External Coaching	2,610
<u>Skippool Berths</u> - General Repairs - clearing works delayed pending licence approval.	2,190
<u>Marine Hall</u> - Printing, rephased ticket stock replenishment.	2,000

Neighbourhood Services Portfolio

<u>Community Development</u> - Contribution SYN Poulton, Travel Champions for Schools	4,050
<u>Community Safety Operations</u> -	
Volunteer Expenses	1,060
Community Development Initiatives	6,050
(both above to part fund increased cost of CCTV Control room works, joint working with Fylde BC)	
Training - Non HR Controlled to fund ongoing licensing of CCTV SIA operators.	120
Other Contribs.- Financial Assistance Budget, external funds to be used as and when required.	1,560
Other Contribs.- LDAAT - external funding in relation to alcohol and drug related problems.	2,550
Other Community Development Initiatives -	
CCTV costs - Wyre share of CCTV control room radio upgrade, technical aspects being finalised.	850
Community Garden Groundworks - works now partly in 2015/16.	910
<u>Children's Trust</u> - Misc. Expenses, on activities for children, young people and families.	7,240
<u>Working Together with Families</u> -	
Use of Police and Crime Commissioner funding for ongoing work with a group of families.	7,690
<u>Air Pollution</u> - Consultant Fees, monitoring after Hardhorn Car Park link road completed.	9,300
<u>Pest Control</u> -	
Salaries (vacant post) and equipment savings to acquire lifting equipment for officers.	3,500
<u>Care and Repair Service</u> -	
Projects e.g. Winter warmth (09/10 and onwards) rephasing.	253,060
External Grant funded of one off projects above - LCC/PCT/CCG/DCG	-253,060

Revenue Budget Savings - Slippage into Future Years less Advance Spend - Continued.**Appendix 3b**

NB. Reflects Portfolio service responsibilities at 31/3/15.

Slippage
Request
£**A1) Revenue Expenditure Slippage to fund Revenue costs in 2015/16 - Continued****Neighbourhood Services Portfolio - Continued****Homelessness** -

Misc. Expenses - use of external funding, support for single homeless. Recommission of services.	15,270
Other Local Authority - use of external funding, single homeless, due to Fylde as spend is incurred.	8,130
No Second Night Out project - use of grant aid to combat rough sleeping in the borough.	670
Repossession Prevention - external funding, managed in accordance with demand.	8,000
<u>Licensing Enforcement</u> - Signs/signals etc. - underspend earmarked for replacement printer.	2,000
<u>Taxi Licensing</u> - Signs/signals etc. - uncertain as to when LCC taxi rank works will be undertaken.	11,380

Resources Portfolio**Civil Contingencies** -

Hospitality and Incidents - contribution to cross Lancashire public data base.	1,100
<u>Members' Expenses Support and Advice</u> - Training for new intake of Members.	
Training for new intake of Members and additional SRA payment in 15/16.	2,960
Car Allowances - To meet part 15/16 additional SRA cost.	1,300
<u>Civic and Ceremonial</u> - Attendant Chauffeur Service - reduced spend in 15/16 required for new Ballot Boxes.	2,010

Grants -

SYN - Cleveleys - Pheasant Wood rephased improvements to spring 2015.	5,000
SYN - Rural East - People affected by cancer, expected to be complete by June 15.	1,900
SYN - Rural East - Forton Village Hall play area equipment rephased May 15.	4,000
SYN - Rural West - LS Lowry statue, Knott End - delayed installation, now expected by June 15.	2,000
SYN - Thornton - Community Corridor implementation delay due mainly to minor design changes.	3,750

Contingency -

Provision for Insurance Excesses - to cover potential costs in 2015/16.	37,040
Provision for Buildings survey and testing, now rephased to 15/16.	25,000
Provision for Planning Enforcement not required in 2014/15.	50,000
Provision for DFG related VAT and Election costs not required in 2014/15.	188,150

Civic Centre - Alterations, rephased CCTV Control room, joint working with Fylde BC.

	13,380
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Development Management Team - some Agency planning application processing now in 2015/16.

	5,200
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Parks and Open Spaces Team -

Salary, for an additional seasonal worker at Fleetwood Cemetery.	7,910
Routine Maintenance - removal after Easter of old fencing from Memorial Park to Church Road.	4,070
Private Contractors - removal after Easter of old fencing from Memorial Park to Marine Gardens.	6,780

Street Scene Portfolio**Memorial Park, Heritage Lottery funded project** -

Special Events - Pharos - trips delayed until school summer holidays.	1,710
Special Events - Living Names - volunteer programme due to be completed October 15.	4,700
Special Events - Fleetwood Live - reprofiled to December 15.	2,040
Special Events - Fit for Heroes - reprofiled to end of school summer holidays.	1,840
Special Events - Demonstration Garden - utilisation of budget by May 15.	350

Domestic Waste Management -

Provision of Bins, boxes and sacks, late delivery April 15.	8,330
Service Development Board contribution for projects as and when agreed, may slip beyond 15/16.	29,520
Promotions - General, to promote changes in collection of WEEE and batteries.	6,600

Street Cleansing -

Salary - long term sickness/seasonal staff possibly for unadopted asset work.	14,920
Bins, boxes and sacks - ongoing requirement to replace outdated on-street litter bins.	7,090
<u>Foreshore Cleaning</u> - Vehicle Hire - delayed de-stoning works prior to summer season.	1,910

Directorate expenditure slippage requests to 2015/16 **725,980**

Revenue Budget Savings - Slippage into Future Years less Advance Spend - Continued. **Appendix 3b**

NB. Reflects Portfolio service responsibilities at 31/3/15.

Slippage
Request
£

A1) Revenue Expenditure Slippage to fund Revenue costs in 2015/16 - Continued

A1b) Revenue Income increase to fund additional new Revenue costs in 2015/16

Economy Portfolio

Development Control - Planning Application Fees - net increased income, for Local Plan costs. 36,180

Leisure and Culture Portfolio

Cemeteries - Aggregate increased income earmarked for extra Fleetwood columbarium costs. 3,590

Directorate income slippage requests to 2015/16 39,770

Net Directorate slippage requests to 2015/16 765,750

A2) Revenue Expenditure Slippage to fund Revenue costs in Future Years **0**

B) Income Slippage to 2015/16 **0**

Slippage/ Advance
Funding
£ £

C) Advance spend in 2014/15 of 2015/16 Revenue Budget

Leisure and Culture Portfolio

Marsh Mill - Dilapidations, ongoing negotiations, works rephased. **-1,650**

D1) Capital Expenditure slippage to 2015/16, financed by Revenue

Leisure and Culture Portfolio

Thornton Leisure Centre 64,758

QS Consultants costs for Client Side Leisure Centre Refurbishments 16,172

80,930

Neighbourhood Services Portfolio

New Link Road through Hardhorn Rd Car Park, Poulton 100,000

Resources Portfolio

Beach Bungalows Fleetwood 350

Renovation Wyreside Café 14,500

E Benefits Software 596

15,446

Street Scene Portfolio

Memorial Park Fleetwood Heritage scheme 24,322

Aggregate Capital Expenditure slippage to 2015/16 220,698

D2) Capital Expenditure advance use in 2014/15 of 2015/16 budget, financed by Revenue **0**

E) Reserve movements -

Slippage of revenue expenditure (Reserve funded) to 2015/16 -

Business Growth Incentive Reserve - Business Support Initiatives rephasing. -3,754

Leisure Management Reserve - Poulton and Thornton portable equipment slippage. -24,493

Revenue Budget Savings - Slippage into Future Years less Advance Spend - Continued.

Appendix 3b

NB. Reflects Portfolio service responsibilities at 31/3/15.

Slippage
£**E) Reserve movements - Continued****Slippage of revenue expenditure (Reserve funded) to 2015/16 - Continued**

<u>Performance Reward Initiatives Reserve -</u>			
Wyre BC revenue scheme - Wyred Up		-4,845	
Contribution SYN Poulton, Travel Champions for Schools		-4,046	
Volunteer Wyre Project.		-3,522	
SYN - Cleveleys - Pheasant Wood rephased improvements.		-5,000	
SYN - Rural East - People affected by cancer.		-1,900	
SYN - Rural East - Forton Village Hall play area equipment.		-4,000	
SYN - Rural West - LS Lowry statue, Knott End - delayed installation.		-2,000	
SYN - Thornton - Community Corridor implementation.		-3,750	
		<u>-3,750</u>	
			-29,063

Slippage of capital expenditure (Reserve funded) to 2015/16 -

<u>Capital Investment Reserve -</u>			
Thornton Leisure Centre		-64,758	
QS Consultants costs for Client Side Leisure Centre Refurbishments		-16,172	
New Link Road through Hardhorn Rd Car Park, Poulton		-100,000	
Beach Bungalows Fleetwood		-350	
Renovation Wyreside Café		-14,500	
Memorial Park Fleetwood Heritage scheme		-24,322	
<u>Value for Money Reserve -</u>			
E Benefits Software		-596	
		<u>-596</u>	
			-220,698

Advance use of capital budget 2015/16 to fund expenditure in 14/15 (Reserve funded)

0

Aggregate Reserve movements-278,008**Net 2015/16 Slippage and Advance Spend movements funded by Balances**706,790

Reconciliation	Summary Impact on Balances after accounting for Slippage from 2014/15	
	£	£
Actual Balances at 31/3/15 (see Appendices 3a and 4a)		6,463,992
Less:-		
Net Expenditure slippage from 2014/15 to 2015/16 to be funded (see A above).	-765,750	
Income slippage from 2014/15 to 2015/16 (see B above).	0	
Advance spend in 2014/15 of 2015/16 Revenue Budget (see C above).	1,650	
Financing of slipped Capital Expenditure by Revenue (see D1 above).	-220,698	
Financing of advance spend in 2014/15 of 2015/16 Capital Budget by Revenue (see D2 above).	0	
Net additional use of Reserves in respect of slipped expenditure (see E above).	<u>278,008</u>	
		-706,790
Original Balances movement 2015/16 as approved at Council 5/3/15.		1,521,657
Rephased use of Fylde CCTV Partnership contributions (contra IT Reserve)		-5,580
Latest changes in 2015/16.		<u>-15,576</u>
Latest estimated Balances at 31/3/16 (see Appendix 4a)		7,257,703
Reconciliation (See Balances Appendix 4a)	£	£
Balances at 31/3/16 (as estimated at Council 5/3/15).		7,278,859
Increased 14/15 Balances at 31/3/15.	706,790	
Less net change in 2015/16 as a consequence of slippage to 2015/16.	-706,790	
Less Rephased use of Fylde CCTV Partnership contributions	-5,580	
Less latest 15/16 changes.	<u>-15,576</u>	
		-21,156
Latest estimated Balances at 31/3/16 (see Appendix 4a)		<u><u>7,257,703</u></u>

Revenue Budget Savings - Slippage into Future Years less Advance Spend - Continued.

Appendix 3b

	£	£
<u>F) Additional 2015/16 changes as a consequence of 2014/15 year-end reviews</u>		
<u>NOT affecting Balances.</u>		
Poulton LC capital improvement works.	66,257	
Above use of Capital Investment Reserve replacing reduction in capital receipts.	-66,257	
IT Testing budget changes and rephased CCTV Fylde Partnership funding Top Up.	-580	
Increased Top Up of IT Reserve.	580	
New Land Charges Personal Searches Legal costs funded Reserve.	2,387	
Use of Land Charges Reserve (residual Govt. Grant to fund above.	-2,387	
New Welfare Reforms and Universal Credit DWP Grants	-34,211	
Rephased contracts for Contact Centre Apprentices.	2,266	
Additional eBenefits software following 14/15 IDEA grant approval.	6,000	
Net changes in Value for Money Reserve in respect of above.	<u>25,945</u>	
		0
<u>G) Revenue Budget 2016/17 changes affecting Balances</u>		
Wyre BC share of Collection Fund 14/15 year end reduced surpluses to be taken into account in setting the 2016/17 Budget. (Assumes no change to 2015/16 forecast):-		
Council Tax transactions. Reduction in Balances.	1,188	
NDR Transactions. Reduction in Balances.	<u>22,913</u>	
		24,101
<u>H) Additional 2016/17 changes as a consequence of 2014/15 year-end reviews</u>		
<u>NOT affecting Balances.</u>		
IT Testing budget changes and rephased CCTV Fylde Partnership funding Top Up.	15,000	
Rephased contracts for Contact Centre Apprentices.	379	
Increased net use of IT Reserve.	-15,000	
Increased use of Value for Money Reserve in respect of apprentices.	<u>-379</u>	
		0
<u>I) 2017/18 changes as a consequence of 2014/15 year-end</u>		
<u>NOT affecting Balances.</u>		
IT Testing budget changes.	5,000	
Increased use of IT Reserve.	<u>-5,000</u>	
		0
<u>J) 2018/19 changes as a consequence of 2014/15 year-end</u>		
<u>NOT affecting Balances.</u>		
IT Testing budget changes.	-2,500	
Reduced net use of IT Reserve.	<u>2,500</u>	
		0

RESERVES AND BALANCES STATEMENT

Appendix 4a

	Actual Balance at 01/04/2014 £	' Top-up ' £	Less to Fund Expenditure £	Estimated Balance at 31/03/2015 £
2014/15 UPDATED REVISED ESTIMATE *				
Reserves				
Building Control	8,339	0	-3,480	4,859
Business Growth Incentive	28,245	0	-17,271	10,974
Capital Investment	2,706,870	233,280	-2,611,982	328,168
Community Safety	30,000	0	-30,000	0
Elections	78,500	39,250	0	117,750
Investment - I.T. Strategy	396,092	5,633	-257,850	143,875
Land Charges	32,160	13,970	-26,536	19,594
Leisure Management	237,626	11,340	-152,465	96,501
New Homes Bonus	1,299,800	770,394	-176,166	1,894,028
Non-Domestic Rates Equalisation	204,353	319,485	-2,023	521,815
Performance Reward Initiatives	241,683	0	-165,851	75,832
Value for Money	515,119	124,976	-108,395	531,700
Vehicle Replacement/Street Cleansing Maintenance	449,503	184,779	-186,865	447,417
	6,228,290	1,703,107	-3,738,884	4,192,513
Balances				
General	7,142,487	0	-1,385,285	5,757,202
TOTAL	13,370,777	1,703,107	-5,124,169	9,949,715

Note. All of the Performance Reward Initiatives 31/03/15 balance is ring-fenced for revenue purposes.

Note. None of the Land Charges 31/03/15 balance is for Personal Search revocation implications.

	Actual Balance at 01/04/2014 £	' Top-up ' £	Less to Fund Expenditure £	Actual Balance at 31/03/2015 £
2014/15 OUTTURN				
Reserves				
Building Control	8,339	0	-4,650	3,689
Business Growth Incentive	28,245	0	-13,517	14,728
Capital Investment	2,706,870	735,050	-2,427,431	1,014,489
Community Safety	30,000	0	-30,000	0
Elections	78,500	39,250	0	117,750
Investment - I.T. Strategy	396,092	259,388	-256,617	398,863
Land Charges	32,160	15,382	-23,099	24,443
Leisure Management	237,626	11,344	-127,972	120,998
New Homes Bonus	1,299,800	770,394	-176,166	1,894,028
Non-Domestic Rates Equalisation	204,353	338,293	-2,023	540,623
Performance Reward Initiatives	241,683	0	-136,707	104,976
Value for Money	515,119	160,571	-98,484	577,206
Vehicle Replacement/Street Cleansing Maintenance	449,503	198,905	-186,865	461,543
	6,228,290	2,528,577	-3,483,531	5,273,336
Balances				
General	7,142,487	0	-678,495	6,463,992
TOTAL	13,370,777	2,528,577	-4,162,026	11,737,328

Note. All of the Performance Reward Initiatives 31/03/15 balance is ring-fenced for revenue purposes.

Note. £2,387 of the Land Charges 31/03/15 balance is for Personal Search revocation implications.

* Includes changes since Council 5/3/15.

RESERVES AND BALANCES STATEMENT - Continued

Appendix 4a

	Estimated Balance at 01/04/2015 £	' Top-up ' £	Less to Fund Expenditure £	Estimated Balance at 31/03/2016 £
<u>2015/16 CURRENT ESTIMATE *</u>				
Reserves				
Building Control	4,859	0	-3,530	1,329
Business Growth Incentive	10,974	0	-1,546	9,428
Capital Investment	328,168	99,590	-425,000	2,758
Elections	117,750	0	-93,158	24,592
Investment - I.T. Strategy	143,875	52,635	-93,850	102,660
Land Charges	19,594	0	-480	19,114
Leisure Management	96,501	6,340	-60,000	42,841
New Homes Bonus	1,894,028	760,158	-176,166	2,478,020
Non-Domestic Rates Equalisation	521,815	378,468	-204,353	695,930
Performance Reward Initiatives	75,832	0	-74,712	1,120
Value for Money	531,700	24,423	-36,905	519,218
Vehicle Replacement/Street Cleansing Maintenance	447,417	199,050	-227,500	418,967
	<u>4,192,513</u>	<u>1,520,664</u>	<u>-1,397,200</u>	<u>4,315,977</u>
Balances				
General	5,757,202	1,506,081	0	7,263,283
	<u>9,949,715</u>	<u>3,026,745</u>	<u>-1,397,200</u>	<u>11,579,260</u>

Note. All of the Performance Reward Initiatives 31/03/16 balance is ring-fenced for revenue purposes.

Note. None of the Land Charges 31/03/16 balance is for Personal Search revocation implications.

	Actual Balance at 01/04/2015 £	' Top-up ' £	Less to Fund Expenditure £	Estimated Balance at 31/03/2016 £
<u>2015/16 LATEST ESTIMATE * INCLUDING OUTTURN 2014/15 AND SLIPPAGE</u>				
Reserves				
Building Control	3,689	0	-3,530	159
Business Growth Incentive	14,728	0	-5,300	9,428
Capital Investment	1,014,489	99,590	-711,359	402,720
Elections	117,750	0	-93,158	24,592
Investment - I.T. Strategy	398,863	53,215	-93,850	358,228
Land Charges	24,443	0	-2,867	21,576
Leisure Management	120,998	6,340	-84,493	42,845
New Homes Bonus	1,894,028	760,158	-176,166	2,478,020
Non-Domestic Rates Equalisation	540,623	378,468	-204,353	714,738
Performance Reward Initiatives	104,976	0	-103,775	1,201
Value for Money	577,206	58,634	-45,767	590,073
Vehicle Replacement/Street Cleansing Maintenance	461,543	199,050	-227,500	433,093
	<u>5,273,336</u>	<u>1,555,455</u>	<u>-1,752,118</u>	<u>5,076,673</u>
Balances				
General	6,463,992	793,711	0	7,257,703
	<u>11,737,328</u>	<u>2,349,166</u>	<u>-1,752,118</u>	<u>12,334,376</u>

Note. All of the Performance Reward Initiatives 31/03/16 balance is ring-fenced for revenue purposes.

Note. None of the Land Charges 31/03/16 balance is for Personal Search revocation implications.

* Includes changes since Council 5/3/15.

RESERVES AND BALANCES STATEMENT - Continued

Appendix 4a

	Estimated Balance at 01/04/2016 £	' Top-up ' £	Less to Fund Expenditure £	Estimated Balance at 31/03/2017 £
<u>2016/17 LATEST ESTIMATE *</u>				
Reserves				
Building Control	159	0	0	159
Business Growth Incentive	9,428	0	0	9,428
Capital Investment	402,720	99,590	0	502,310
Elections	24,592	42,914	-30,000	37,506
Investment - I.T. Strategy	358,228	66,930	-77,450	347,708
Land Charges	21,576	0	0	21,576
Leisure Management	42,845	6,340	0	49,185
New Homes Bonus	2,478,020	760,158	-568,749	2,669,429
Non-Domestic Rates Equalisation	714,738	0	0	714,738
Performance Reward Initiatives	1,201	0	-1,120	81
Value for Money	590,073	0	-9,659	580,414
Vehicle Replacement/Street Cleansing Maintenance	433,093	214,680	-322,000	325,773
	<u>5,076,673</u>	<u>1,190,612</u>	<u>-1,008,978</u>	<u>5,258,307</u>
Balances				
General	7,257,703	41,598	0	7,299,301
TOTAL	<u>12,334,376</u>	<u>1,232,210</u>	<u>-1,008,978</u>	<u>12,557,608</u>

Note. None of the Land Charges 31/03/17 balance is for Personal Search revocation implications.

	Estimated Balance at 01/04/2017 £	' Top-up ' £	Less to Fund Expenditure £	Estimated Balance at 31/03/2018 £
<u>2017/18 LATEST ESTIMATE *</u>				
Reserves				
Building Control	159	0	0	159
Business Growth Incentive	9,428	0	0	9,428
Capital Investment	502,310	99,590	0	601,900
Elections	37,506	42,915	0	80,421
Investment - I.T. Strategy	347,708	16,620	-77,450	286,878
Land Charges	21,576	0	0	21,576
Leisure Management	49,185	6,340	0	55,525
New Homes Bonus	2,669,429	488,561	-568,749	2,589,241
Non-Domestic Rates Equalisation	714,738	0	0	714,738
Performance Reward Initiatives	81	0	0	81
Value for Money	580,414	0	0	580,414
Vehicle Replacement/Street Cleansing Maintenance	325,773	229,811	-166,500	389,084
	<u>5,258,307</u>	<u>883,837</u>	<u>-812,699</u>	<u>5,329,445</u>
Balances				
General	7,299,301	0	-1,074,936	6,224,365
TOTAL	<u>12,557,608</u>	<u>883,837</u>	<u>-1,887,635</u>	<u>11,553,810</u>

Note. None of the Land Charges 31/03/18 balance is for Personal Search revocation implications.

* Includes changes since Council 5/3/15

RESERVES AND BALANCES STATEMENT - Continued

Appendix 4a

	Estimated Balance at 01/04/2018 £	' Top-up ' £	Less to Fund Expenditure £	Estimated Balance at 31/03/2019 £
<u>2018/19 LATEST ESTIMATE *</u>				
Reserves				
Building Control	159	0	0	159
Business Growth Incentive	9,428	0	0	9,428
Capital Investment	601,900	99,590	0	701,490
Elections	80,421	42,914	0	123,335
Investment - I.T. Strategy	286,878	63,565	-77,450	272,993
Land Charges	21,576	0	0	21,576
Leisure Management	55,525	0	0	55,525
New Homes Bonus	2,589,241	341,192	-568,749	2,361,684
Non-Domestic Rates Equalisation	714,738	0	0	714,738
Performance Reward Initiatives	81	0	0	81
Value for Money	580,414	0	0	580,414
Vehicle Replacement/Street Cleansing Maintenance	389,084	245,946	-189,500	445,530
	<u>5,329,445</u>	<u>793,207</u>	<u>-835,699</u>	<u>5,286,953</u>
Balances				
General	6,224,365	0	-3,015,875	3,208,490
TOTAL	<u>11,553,810</u>	<u>793,207</u>	<u>-3,851,574</u>	<u>8,495,443</u>

Note. None of the Land Charges 31/03/19 balance is for Personal Search revocation implications.

* Includes changes since Council 5/3/15

TRANSFERS TO AND FROM RESERVES

Appendix 4b

Revised 2014/15 Estimate and actuals reflecting slippage to later years

***** Top Up/(-)Expenditure *****

* approved at Council 5/3/15 with subsequent changes

	Current * 2014/15		2014/15 Actual	
	Revised Estimate		£ p	£ p
	£	£		
<u>BUILDING CONTROL</u>				
Chargeable work 2014/15 net deficit.		-3,480		-4,649.63
<u>BUSINESS GROWTH INCENTIVE</u>				
Sea Change, part capital funding, slip from 13/14 to 14/15.	-5,521		0.00	
Transfer unused capital funding above to Capital Investment Reserve.	0		-5,521.00	
Other economic initiatives, slippage from 13/14.	-10,930		-7,176.14	
Coastal Communities Fund pre application costs, Cabinet 13/9/13.	-820		-820.00	
		-17,271		-13,517.14
<u>CAPITAL INVESTMENT</u>				
Top Up for future investment.	208,350		208,350.00	
Top Up for future investment - premium receipt, Beach Bungalow, Fleetwood.	8,230		8,234.12	
Top Up - YMCA equipment contribution, Cabinet 22/10/14 (final year 2019/20). (reflecting related cost changes in quarter 3 review, Cabinet 21/1/15).	16,700		16,700.00	
Top Up - Thornton Depot sale, related revenue savings.	0		50,350.00	
Top Up - Waste bins and Ashdell/Thornton Dept fee reimbursement savings.	0		82,630.00	
Top up - Parks and Open Spaces Private Contractors, revenue saving.	0		26,398.00	
Top up - Business Growth Incentive Reserve unused capital funding.	0		5,521.00	
Top up - General outturn net underspend.	0		336,866.10	
Usage approvals:-				
Beach Bungalows (10) Fleetwood - including additional costs.	-43,325		-42,243.80	
Improvements to Memorial Park - rephasing and additional external grant.	-31,067		-6,744.71	
New Link Road through Hardhorn Rd Car Park, Poulton - slippage from 2013/14.	-100,000		0.00	
Wyre Estuary County Park - Café	-30,000		-15,500.00	
Sea Change additional cost.	60		60.00	
Cleveleys Phase 4b Improvement Works underspend.	-60		-60.00	
Leisure Centre Refurbishment Programme (residual prior year costs).	0		-1,037.62	
Cleveleys Phase 4b minor overspend.	0		-259.47	
New Depot - overstated 2013/14 costs.	0		12.82	
Roundway Equipment minor underspend.	0		-1.99	
<u>Leisure Centre Improvements</u>				
Poulton LC - includes additional roof works.	-473,427		-473,427.00	
Poulton LC - Health and Fitness equipment.	-142,234		-142,230.41	
Thornton LC - advance use of 14/15 budget in 13/14 and additional roof works.	-1,536,003		-1,471,245.29	
Thornton LC - Health and Fitness equipment.	-240,926		-240,926.31	
Leisure Centre Client Support - additional costs.	-15,000		-33,827.17	
		-2,378,702		-1,692,381.73
<u>COMMUNITY SAFETY</u>				
Support for Citizens Advice Bureau (year 2 of 2), Cabinet 5/12/12.		-30,000		-30,000.00
<u>ELECTIONS</u>				
Annual Provision for next i.e. 2015 Borough Elections.		39,250		39,250.00
<u>INVESTMENT - I.T.STRATEGY</u>				
Top Up from IT general savings per latest review.	3,045		253,629.93	
Top Up from Government Grant income re Transparency Code.	2,588		2,588.00	
Top Up re CCTV investment net Fylde contribution (rephased). Cabinet 3/12/14.	0		3,170.00	
Additional Rolling Replacement Hardware Programme.	-241,850		-236,217.00	
Website Content Management System upgrade, Resources PH 31/7/14.	-16,000		-15,600.00	
Additional IT Testing costs	0		-4,800.00	
		-252,217		2,770.93
<u>LAND CHARGES</u>				
Chargeable work 2014/15 net surplus.	12,920		15,381.88	
Personal Searches - Legal Fees costs less adjustment for 13/14 overstatement.	1,050		-810.80	
Personal Searches - Compensation (part) - use of residual Government grant.	-26,536		-22,287.96	
		-12,566		-7,716.88
<u>LEISURE MANAGEMENT</u>				
Top Up, Garstang equipment, YMCA contribution (year 2 of 5).	6,340		6,344.08	
Top Up, no use of residual consultancy, originally approved Cabinet 12/9/12.	5,000		5,000.00	
Client-side costs, Leisure Centre Improvements, part slip to 14/15, Cabinet 23/10/13 and Cabinet 15/1/14. Additional slippage from 13/14 y/end.	-82,465		-82,465.00	
Portable Equipment, Leisure Centre Development - approved Resources and Leisure and Culture PHs 12/2/15 -see also 2015/16.	-70,000		-45,506.75	
		-141,125		-116,627.67

TRANSFERS TO AND FROM RESERVES - Continued
Revised 2014/15 Estimate and actuals reflecting slippage to later years

Appendix 4b

	***** Top Up/(-)Expenditure *****			
	Current * 2014/15			
	Revised Estimate	2014/15 Actual		
	£	£ p	£	p
NEW HOMES BONUS				
Top Up for Government Grant (year 4 of 6), see 2011/12.	271,597	271,597.00		
Top Up for Government Grant (year 3 of 6), see 2012/13.	147,369	147,369.00		
Top Up for Government Grant (year 2 of 6), see 2013/14.	341,192	341,192.00		
Top Up for Government Top Slice allocation pro rata to 2013/14 allocation.	10,236	10,236.00		
Fund Council Taxpayer income foregone from 2012/13 freeze.	<u>-176,166</u>	<u>-176,166.00</u>		
		594,228		594,228.00
NON-DOMESTIC RATES EQUALISATION				
Top-Up - s31 Local Government Act 2003 Grant net of related NDR Levy.	319,485	338,293.31		
Business Rate Safety Net cost.	<u>-2,023</u>	<u>-2,023.00</u>		
		317,462		336,270.31
PERFORMANCE REWARD INITIATIVES				
Wyre BC revenue scheme - Local Record Centre (Bio-Diversity) and Wyred Up now part slip to 14/15.	-12,209	-7,290.38		
Get Rewyred Town Centre Business Support Grant scheme, Cabinet 12/9/12, including slippage from 12/13. Now part slip to 14/15.	-491	-487.00		
Rural West Locality Plan, Cabinet 24/10/12 -				
Contribution to refurbish Great Eccleston Village Centre, including slippage from 12/13. Part slip 13/14 y/end to 14/15.	-4,846	-4,845.53		
Rural East Locality Plan, Cabinet 5/12/12 -				
Barnacre Memorial Hall. 13/14 budget y/end slip to 14/15.	-15,000	-15,000.00		
Scorton and Garstang Millennium Link Path. 13/14 budget y/end slip to 14/15.	-20,000	-20,000.00		
Poulton Locality Plan, Cabinet 5/12/12 -				
Travel Champions for Schools. Part slip 13/14 to 14/15.	-5,051	-1,004.82		
Cleveleys Locality Plan, Cabinet 5/12/12 -				
Benches, Town Centre and Sea Front, including slippage from 12/13. Part slip 13/14 to 14/15.	-19,140	-19,140.00		
Fleetwood Locality Plan, Cabinet 5/12/12 -				
Warren Farm Comm. Assoc. renovation project, less advance 12/13 spend. 13/14 budget at y/end slip to 14/15.	-9,694	-9,694.00		
Cook and Eat Together, including slippage from 12/13. Part slip 13/14 to 14/15.	-23,454	-23,454.00		
Thornton Locality Plan, Cabinet 16/1/13 -				
Stanah Play Facilities, slipped from 13/14, Cabinet 15/1/14. Less advance use of 14/15 budget in 13/14 y/end.	-6,499	-6,499.60		
Rural East Locality Plan, Cabinet 31/7/13 -				
Kepple Lane slipped to 14/15, Cabinet 23/10/13.	-15,000	-15,000.00		
Volunteer Wyre Project, Cabinet 19/6/13. Part slip 13/14, 14/15 and 15/16.	-5,841	-2,317.86		
Neighbourhood Funding (6 areas), Cabinet 15/1/14. Detailed scheme allocation not fully allocated, Cabinet 30/7/14. 4 schemes part slip to 15/16 £11,150.	-45,681	-29,028.54		
Cabinet 30/7/14 Quarter 1 14/15 Review				
Stanah Country Park-SYN underspend.	3,770	3,770.00		
Warren Farm Community Association project, unspent and repaid grant.	13,824	13,824.00		
Thornton Locality Plan, Cabinet 24/9/14 - community sign Kenyon Gardens.	<u>-539</u>	<u>-539.00</u>		
		-165,851		-136,706.73
VALUE FOR MONEY				
New Burden Localisation of Council Tax Support (year 3 of 3).	82,215	82,215.00		
New Burden Single Fraud Investigation Service.	562	562.00		
Universal Credit Delivery Partnership Agreement with DWP (initially to 31/3/15).	34,935	28,745.00		
Migrant Access to Benefit Measures DWP 2 grants.	4,450	4,450.00		
New Burden Real Time Information bulk data matching (now 2 instalments).	2,814	4,507.74		
Fraud and Error Reduction Incentive Scheme DWP start-up grant.	0	10,428.00		
Autumn Statement 2013 Business Rates New Burden grant.	0	12,541.00		
Welfare Reforms 2014/15 Administration costs DWP grant.	0	17,123.00		
Use - Contact Centre 2 year Apprentice Post No. RE4054, deleted ODR.	-10,032	-8,597.49		
Use - Contact Centre 2 year Apprentice to 30/9/15. Post No. RE3044.	-13,403	-13,911.22		
Use - Contact Centre 2 year Apprentice to 8/6/16. Post No. RE4055.	-11,901	-12,538.15		
Use - Contact Centre 2 year Apprentice to 31/8/16. Post No. RE4047.	-8,571	-9,242.36		
Use - IDOX initiative staffing to 31/1/15. Part reduced by Planning Administration restructure Nov14.	-11,384	-11,913.46		
Use - Local Business Rates forecasting software, Resources PH 13/2/14.	-6,000	-6,000.00		

TRANSFERS TO AND FROM RESERVES - Continued

Appendix 4b

Revised 2014/15 Estimate and actuals reflecting slippage to later years

***** Top Up/(-)Expenditure *****

* approved at Council 5/3/15 with subsequent changes

VALUE FOR MONEY - Continued

	Current * 2014/15		2014/15 Actual	
	Revised Estimate		£ p	£ p
	£	£		
Use - E-Benefits and Landlord Portal software, Resources PH 17/7/14.	0		0.00	
Use - E-Benefits software, Resources PH 27/10/14 (update of 17/7/14 approval).	-47,104		-35,331.45	
Use - part of Autumn Statement 2013 Business Rates New Burden grant.	0		-950.00	
		16,581		62,087.61

VEHICLE REPLACEMENT/STREET CLEANSING MAINTENANCE

After Quarter 3 2014/15 review changes, Cabinet 21/1/15:-

Aggregate set-aside for replacement of vehicles, including vehicle sale income (Cabinet 22/10/14 quarter 2 review).	184,779		184,779.00	
Top Up from Street Cleansing vehicle savings in 2014/15.	0		14,126.03	
Use of Reserve to fund vehicle replacements/adaptations.	-186,865		-186,865.48	
		-2,086		12,039.55

TOTAL NET TRANSFER FROM (-) 2014/15 RESERVES

	<u>-2,035,777</u>	<u>-954,953.38</u>
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TRANSFERS TO AND FROM RESERVES - Continued
Updated 2015/16 Estimate reflecting slippage from 2014/15

Appendix 4b

* approved at Council 5/3/15 with subsequent changes

***** Top Up/(-)Expenditure *****

	Current *		Latest	
	2015/16 Estimate		2015/16 Estimate	
	£	£	£	£
<u>BUILDING CONTROL</u>				
Chargeable work 2015/16 net deficit.		-3,530		-3,530
<u>BUSINESS GROWTH INCENTIVE</u>				
Other economic initiatives, slippage from 14/15.		-1,546		-5,300
<u>CAPITAL INVESTMENT</u>				
Top Up -YMCA equipment contribution, Cabinet 22/10/14 (final year 2019/20).	99,590		99,590	
Usage reflects the approvals of Cabinet 21/1/15 (quarter 3 2014/15 review):-				
Garstang LC (subject to detailed scheme approval) - slipped from 2014/15.	-300,000		-300,000	
Fleetwood Leisure Centre Sand filters (New Start, subject to scheme approval).	-125,000		-125,000	
Poulton LC Improvements - use of Reserve instead of capital receipts.	0		-66,257	
Usage re slippage from 2014/15:-				
Beach Bungalows (10) Fleetwood.	0		-350	
Improvements to Memorial Park.	0		-24,322	
New Link Road through Hardhorn Rd Car Park, Poulton.	0		-100,000	
Wyreside Café renovations.	0		-14,500	
<u>Leisure Centre Improvements</u>				
Thornton LC - advance use of 14/15 budget in 13/14 and additional roof works.	0		-64,758	
Leisure Centre Client Support - additional costs.	0		-16,172	
		-325,410		-611,769
<u>ELECTIONS</u>				
Reduced use for 2015 Borough Elections as General Election shared costs.	-60,960		-60,960	
Transfer to General Fund, for CAB funding (year 1 of 2), Cab. 21/1/15.	-30,000		-30,000	
Transfer to General Fund, for part funding SYN I year extension, Cab. 21/1/15.	-2,198		-2,198	
		-93,158		-93,158
<u>INVESTMENT - I.T.STRATEGY</u>				
Top Up from IT general savings per latest review.	48,915		43,915	
Top Up re CCTV investment net Fylde contribution. Cabinet 3/12/14.	3,720		9,300	
Additional Rolling Replacement Hardware Programme.	-93,850		-93,850	
		-41,215		-40,635
<u>LAND CHARGES</u>				
Chargeable work 2015/16 net deficit.	-480		-480	
Personal Searches - Legal Fees costs	0		-2,387	
		-480		-2,867
<u>LEISURE MANAGEMENT</u>				
Top Up, Garstang equipment, YMCA contribution (year 3 of 5).	6,340		6,340	
Portable Equipment, Leisure Centre Development - approved Resources and Leisure and Culture PHs 12/2/15 - includes slippage from 14/15.	-60,000		-84,493	
		-53,660		-78,153
<u>NEW HOMES BONUS</u>				
Top Up for Government Grant (year 5 of 6), see 2011/12.	271,597		271,597	
Top Up for Government Grant (year 4 of 6), see 2012/13.	147,369		147,369	
Top Up for Government Grant (year 3 of 6), see 2013/14.	341,192		341,192	
Fund Council Taxpayer income foregone from 12/13 freeze.	-176,166		-176,166	
		583,992		583,992
<u>NON-DOMESTIC RATES EQUALISATION</u>				
Top-Up - s31 Local Government Act 2003 Grant net of related NDR Levy.	378,468		378,468	
Transfer to General Fund, 2013/14 Reserve surplus.	-204,353		-204,353	
		174,115		174,115
<u>PERFORMANCE REWARD INITIATIVES</u>				
Wyre BC revenue scheme - Wyred Up slip from 14/15.	0		-4,845	
<u>Poulton Locality Plan, Cabinet 5/12/12 -</u>				
Travel Champions for Schools. Part slip 13/14 to 14/15 and slip to 15/16.	0		-4,046	
Volunteer Wyre Project, Cab. 19/6/13, including part slip from 14/15.	-5,760		-9,282	

TRANSFERS TO AND FROM RESERVES - Continued
Updated 2015/16 Estimate reflecting slippage from 2014/15

Appendix 4b

* approved at Council 5/3/15 with subsequent changes

***** Top Up/(-)Expenditure *****

	Current *		Latest	
	2015/16 Estimate		2015/16 Estimate	
	£	£	£	£
PERFORMANCE REWARD INITIATIVES - Continued				
Neighbourhood Funding (6 areas), Cabinet 15/1/14. Detailed scheme allocation Cabinet 30/7/14. Known 14/15 slippage plus 14/15 outturn slippage. Part contribution to 2015/16 1 yr SYN extension, Cabinet 21/1/15.	-11,150		-27,800	
	<u>-57,802</u>		<u>-57,802</u>	
		-74,712		-103,775
VALUE FOR MONEY				
New Burden Localisation of Council Tax Support final additional DCLG grant.	24,423		24,423	
Welfare Reforms 2015/16 Administration costs DWP grant.	0		16,211	
Universal Credit Delivery Partnership Agreement with DWP.	0		18,000	
Use - E-Benefits software, Resources PH 27/10/14 (update of 17/7/14 approval).	0		-596	
Use - E-Revenues software,	0		-6,000	
Use - Contact Centre 2 year Apprentice to 30/9/15. Post No. RE3044.	-6,773		-7,196	
Use - Contact Centre 2 year Apprentice to 8/6/16. Post No. RE4055.	-15,066		-15,987	
Use - Contact Centre 2 year Apprentice to 31/8/16. Post No. RE4047.	<u>-15,066</u>		<u>-15,988</u>	
		-12,482		12,867
VEHICLE REPLACEMENT/STREET CLEANSING MAINTENANCE				
After Quarter 2 2014/15 review changes, Cabinet 22/10/14:- Aggregate set-aside for replacement of vehicles.	195,050		195,050	
Set-aside of vehicle sale income, Cabinet 22/10/14 quarter 2 review.	4,000		4,000	
Use of Reserve to fund vehicle replacements/adaptations. <u>Cabinet 30/7/14 Quarter 1 14/15 Review</u>	-304,000		-304,000	
Vehicle Replacement, slip from 2014/15.	-28,500		-28,500	
<u>Cabinet 22/10/14 Quarter 2 14/15 Review</u> Vehicle Fleet Replacement Programme rephase/recost.	-13,000		-13,000	
<u>Cabinet 21/1/15 Quarter 3 14/15 Review</u> Vehicle Fleet Replacement Programme rephase/recost.	<u>118,000</u>		<u>118,000</u>	
		-28,450		-28,450
TOTAL NET TRANSFER TO / FROM (-) 2015/16 RESERVES		<u>123,464</u>		<u>-196,663</u>

TRANSFERS TO AND FROM RESERVES - Continued
Updated 2016/17 Estimate

Appendix 4b

	***** Top Up/(-)Expenditure *****			
	* approved at Council 5/3/15 with subsequent changes			
	Current *		Latest	
	£	£	£	£
<u>BUILDING CONTROL</u>				
Chargeable work 2016/17 net nil.		0		0
<u>CAPITAL INVESTMENT</u>				
Top Up -YMCA equipment contribution, Cabinet 22/10/14 (final year 2019/20).		99,590		99,590
<u>ELECTIONS</u>				
Annual provision 2019 Borough Elections.	42,914		42,914	
Transfer to General Fund, for CAB funding (year 2 of 2), Cab. 21/1/15.	-30,000		-30,000	
		12,914		12,914
<u>INVESTMENT - I.T. STRATEGY</u>				
Top Up from IT general savings per latest review.	69,250		64,250	
Top Up re CCTV investment net Fylde contribution. Cabinet 3/12/14.	12,680		2,680	
Additional Rolling Replacement Hardware Programme.	-77,450		-77,450	
		4,480		-10,520
<u>LEISURE MANAGEMENT</u>				
Top Up, Garstang equipment, YMCA contribution (year 4 of 5).		6,340		6,340
<u>NEW HOMES BONUS</u>				
Top Up for Government Grant (year 6 of 6), see 2011/12.	271,597		271,597	
Top Up for Government Grant (year 5 of 6), see 2012/13.	147,369		147,369	
Top Up for Government Grant (year 4 of 6), see 2013/14.	341,192		341,192	
Fund Council Taxpayer income foregone from 11/12 freeze.	-176,689		-176,689	
Fund Council Taxpayer income foregone from 12/13 freeze.	-176,166		-176,166	
Fund Council Taxpayer income foregone from 13/14 freeze.	-71,250		-71,250	
Fund Council Taxpayer income foregone from 14/15 freeze.	-72,037		-72,037	
Fund Council Taxpayer income foregone from 15/16 freeze.	-72,607		-72,607	
		191,409		191,409
<u>PERFORMANCE REWARD INITIATIVES</u>				
Volunteer Wyre Project, Cabinet 19/6/13, part slip from 14/15.		-1,120		-1,120
<u>VALUE FOR MONEY</u>				
Use - Contact Centre 2 year Apprentice to 8/6/16. Post No. RE4055.	-2,897		-2,998	
Use - Contact Centre 2 year Apprentice to 31/8/16. Post No. RE4047.	-6,383		-6,661	
		-9,280		-9,659
<u>VEHICLE REPLACEMENT/STREET CLEANSING MAINTENANCE</u>				
After Quarter 3 2014/15 review changes, Cabinet 21/1/15:- Aggregate set-aside for replacement of vehicles.		214,680		214,680
Use of Reserve to fund vehicle replacements/adaptations.	-322,000		-322,000	
		-107,320		-107,320
TOTAL NET TRANSFER TO 2016/17 RESERVES		197,013		181,634

TRANSFERS TO AND FROM RESERVES
Updated 2017/18 Estimate

Appendix 4b

	***** Top Up/(-)Expenditure *****			
	* approved at Council 5/3/15 with subsequent changes			
	Current *		Latest	
	£	£	£	£
<u>BUILDING CONTROL</u>				
Chargeable work 2017/18 net nil.		0		0
<u>CAPITAL INVESTMENT</u>				
Top Up -YMCA equipment contribution, Cabinet 22/10/14 (final year 2019/20).		99,590		99,590
<u>ELECTIONS</u>				
Annual provision for 2019 Borough Elections.		42,915		42,915
<u>INVESTMENT - I.T.STRATEGY</u>				
Top Up from IT general savings per latest review.	8,940		3,940	
Top Up re CCTV investment net Fylde contribution. Cabinet 3/12/14.	12,680		12,680	
Additional Rolling Replacement Hardware Programme.	<u>-77,450</u>		<u>-77,450</u>	
		-55,830		-60,830
<u>LEISURE MANAGEMENT</u>				
Top Up, Garstang equipment, YMCA contribution (year 5 of 5).		6,340		6,340
<u>NEW HOMES BONUS</u>				
Top Up for Government Grant (year 6 of 6), see 2012/13.	147,369		147,369	
Top Up for Government Grant (year 5 of 6), see 2013/14.	341,192		341,192	
Fund Council Taxpayer income foregone from 11/12 freeze.	-176,689		-176,689	
Fund Council Taxpayer income foregone from 12/13 freeze.	-176,166		-176,166	
Fund Council Taxpayer income foregone from 13/14 freeze.	-71,250		-71,250	
Fund Council Taxpayer income foregone from 14/15 freeze.	-72,037		-72,037	
Fund Council Taxpayer income foregone from 15/16 freeze.	<u>-72,607</u>		<u>-72,607</u>	
		-80,188		-80,188
<u>VEHICLE REPLACEMENT/STREET CLEANSING MAINTENANCE</u>				
After Quarter 2 2014/15 review changes, Cabinet 22/10/14:- Aggregate set-aside for replacement of vehicles.		229,811		229,811
Use of Reserve to fund vehicle replacements/adaptations.	<u>-166,500</u>		<u>-166,500</u>	
		63,311		63,311
TOTAL NET TRANSFER TO 2017/18 RESERVES		<u><u>76,138</u></u>		<u><u>71,138</u></u>

TRANSFERS TO AND FROM RESERVES
Updated 2018/19 Estimate

Appendix 4b

* approved at Council 5/3/15 with subsequent changes

***** Top Up/(-)Expenditure *****

	Current *		Latest	
	2018/19 Estimate		2018/19 Estimate	
	£	£	£	£
<u>BUILDING CONTROL</u>				
Chargeable work 2018/19 net nil.		0		0
<u>CAPITAL INVESTMENT</u>				
Top Up -YMCA equipment contribution, Cabinet 22/10/14 (final year 2019/20).		99,590		99,590
<u>ELECTIONS</u>				
Annual provision for 2019 Borough Elections.		42,914		42,914
<u>INVESTMENT - I.T.STRATEGY</u>				
Top Up from IT general savings per latest review.	55,885		50,885	
Top Up re CCTV investment net Fylde contribution. Cabinet 3/12/14.	12,680		12,680	
CCTV Investment.	-7,500		0	
Additional Rolling Replacement Hardware Programme.	-77,450		-77,450	
		-16,385		-13,885
<u>NEW HOMES BONUS</u>				
Top Up for Government Grant (year 6 of 6), see 2013/14.	341,192		341,192	
Fund Council Taxpayer income foregone from 11/12 freeze.	-176,689		-176,689	
Fund Council Taxpayer income foregone from 12/13 freeze.	-176,166		-176,166	
Fund Council Taxpayer income foregone from 13/14 freeze.	-71,250		-71,250	
Fund Council Taxpayer income foregone from 14/15 freeze.	-72,037		-72,037	
Fund Council Taxpayer income foregone from 15/16 freeze.	-72,607		-72,607	
		-227,557		-227,557
<u>VEHICLE REPLACEMENT/STREET CLEANSING MAINTENANCE</u>				
After Quarter 2 2014/15 review changes, Cabinet 22/10/14:- Aggregate set-aside for replacement of vehicles.	245,946		245,946	
Use of Reserve to fund vehicle replacements/adaptations.	-189,500		-189,500	
		56,446		56,446
TOTAL NET TRANSFER FROM (-) 2018/19 RESERVES		-44,992		-42,492