

# **BARNSLEY MBC DRAFT STATEMENT OF ACCOUNTS**

**2022/23**



# STATEMENT OF ACCOUNTS 2022/23

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**SECTION 1**

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# **Barnsley Metropolitan Borough Council**

## **2022/23 Narrative Report**

# Introduction and Contents

This narrative report aims to outline the Council's corporate performance for the 2022/23 financial year, summarising the key messages for the reader of these accounts.

The report will cover:

## **Introduction & Contents**

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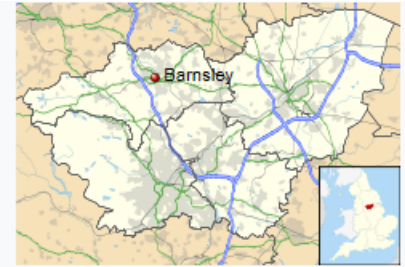
[Change of Accounting Policies in 2022/23](#)

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# Introducing Barnsley

## Where is Barnsley?

**Barnsley** is a large town in **South Yorkshire**, located approximately halfway between Leeds and Sheffield. The **town centre** lies on the west bank of the Dearne Valley. **Barnsley** is surrounded by several smaller settlements which together form the **Metropolitan Borough of Barnsley**. The **borough** is dissected by the M1 motorway.



Barnsley shown within South Yorkshire

OS grid reference	SE3406
• London	175 mi (281 km) SSE
Metropolitan borough	Barnsley
Metropolitan county	South Yorkshire
Region	Yorkshire and the Humber
Country	England
Sovereign state	United Kingdom
Post town	BARNSELY
Postcode district	S70-S75
Dialling code	01226
Police	South Yorkshire
Fire	South Yorkshire
Ambulance	Yorkshire
UK Parliament	Barnsley Central

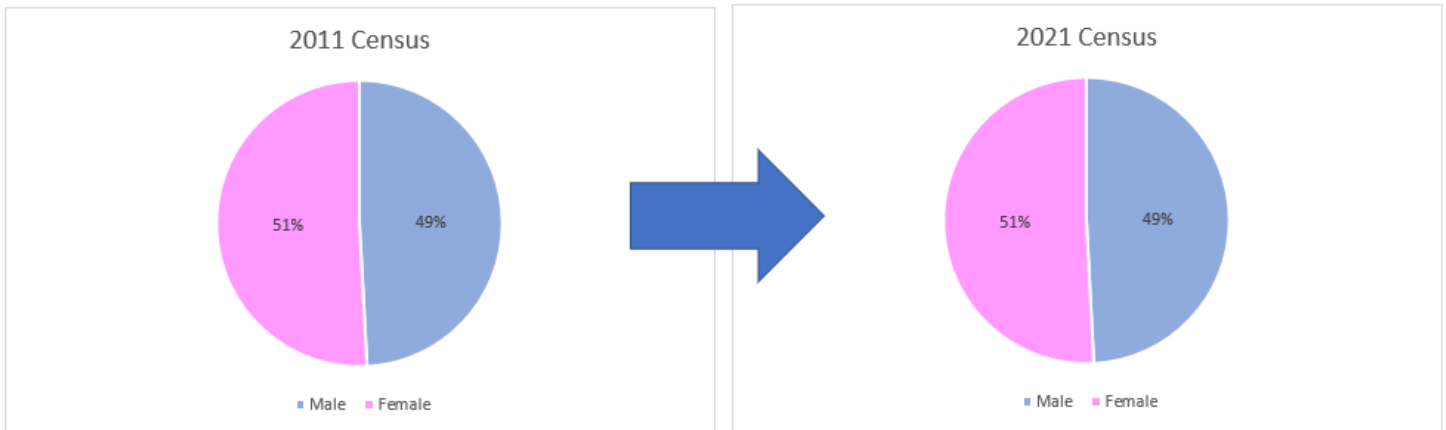
## What is Barnsley's Profile?

The National Census for England and Wales was conducted in March 2021 and has started to be published by the Office of National Statistics in June 2022, with the initial population / demographic data released. The information below provides an initial analysis of the changes for the Borough on this initial data release, comparing to the 2011 Census.

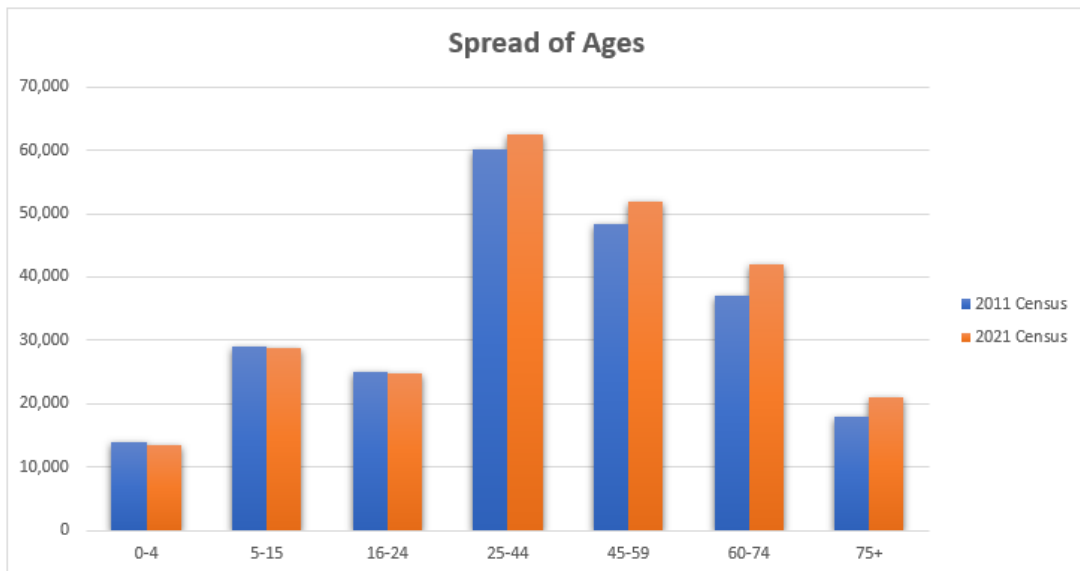
## STATEMENT OF ACCOUNTS 2022/23

Barnsley MBC					Yorks & Humber	England
Measure	2011 Census	2021 Census	Change	% Change	% Change	% Change
Total Population	231,221	244,600	+13,379	+5.8%	+3.7%	+6.6%
<b>Gender:</b>						
Male	113,634	120,300	+6,666	+5.9%	+3.5%	+6.1%
Female	117,587	124,300	+6,713	+5.7%	+4.0%	+7.0%
<b>Age:</b>						
0-4	13,957	13,500	-457	-3.3%	-9.1%	-7.3%
5-15	28,929	28,800	-129	-0.4%	-1.6%	+0.9%
16-24	24,934	24,700	-234	-0.9%	+0.8%	+5.5%
25-44	60,171	62,400	+2,229	+3.7%	+0.2%	+3.1%
45-59	48,377	52,000	+3,623	+7.5%	+6.0%	+10.1%
60-74	36,923	42,100	+5,177	+14.0%	+13.1%	+14.2%
75+	17,930	21,100	+3,170	+17.7%	+15.8%	+17.7%

### Gender Split



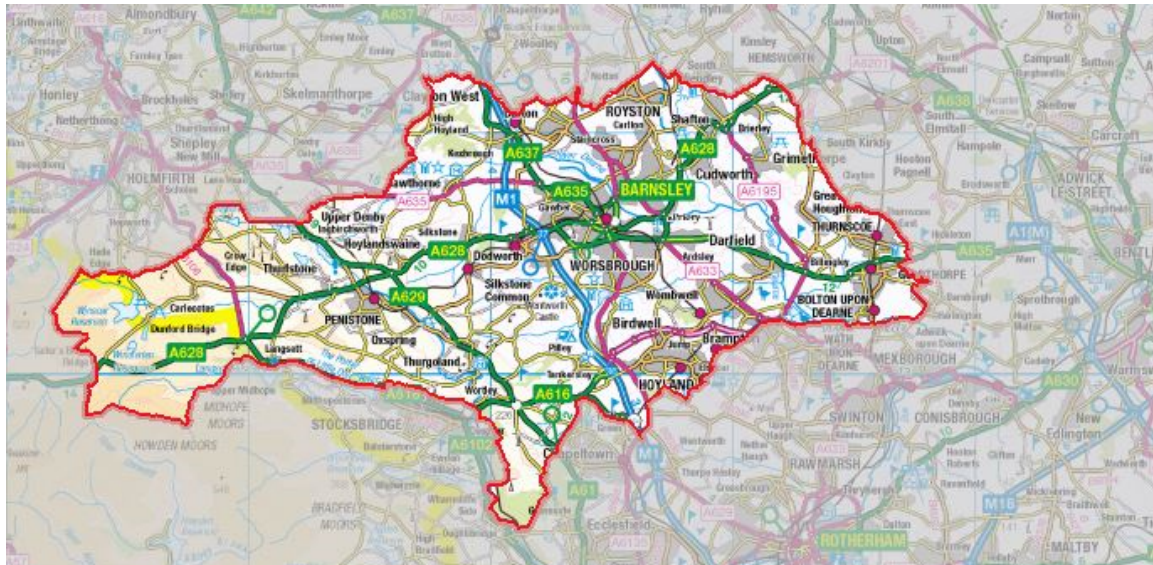
### Spread of Ages



The second and third phases, that relate to more detailed data is expected in mid 2023.

# STATEMENT OF ACCOUNTS 2022/23

## Interactive Maps of the Borough



These interactive maps give key information about both the Borough in general and more specifically about the Council's functions. The interactive maps that can be viewed from the link below include:

- |   |  |   |   |
|---|--|---|---|
| <ul style="list-style-type: none"> <li>Administration             <ul style="list-style-type: none"> <li>Area Councils</li> <li>Safer Neighbourhood Teams</li> <li>Parishes</li> <li>Polling Districts</li> <li>Wards</li> </ul> </li> <li>Education             <ul style="list-style-type: none"> <li>Advanced Learning Centres</li> <li>Nursery</li> <li>Pre School</li> <li>Primary Schools</li> <li>Secondary Schools</li> <li>Special Schools</li> </ul> </li> <li>Childcare             <ul style="list-style-type: none"> <li>Breakfast Clubs</li> <li>Childrens Centre</li> <li>Out of School Clubs</li> </ul> </li> <li>Services             <ul style="list-style-type: none"> <li>Customer Service Centres</li> <li>Bring It Recycling</li> <li>Household Waste Recycling</li> </ul> </li> <li>Transport             <ul style="list-style-type: none"> <li>Bus Stops</li> <li>Car Parks</li> <li>Train Stations</li> <li>Variable Message Signs</li> </ul> </li> <li>Healthcare             <ul style="list-style-type: none"> <li>Dentist</li> <li>GP Surgery</li> <li>Hospital</li> <li>Opticians</li> <li>Pharmacy</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>Leisure             <ul style="list-style-type: none"> <li>Leisure Centre</li> <li>Library</li> </ul> </li> <li>Winter Maintenance             <ul style="list-style-type: none"> <li>Primary Gritting Route</li> <li>Grit Bins</li> </ul> </li> <li>English Heritage             <ul style="list-style-type: none"> <li>Listed Buildings</li> <li>Historic Parks &amp; Gardens</li> </ul> </li> <li>Residential             <ul style="list-style-type: none"> <li>Area to Remain Free From Development Due To Impact On Historic Environment</li> <li>Housing Allocation</li> <li>Site for Travellers</li> </ul> </li> <li>Commercial / Retail             <ul style="list-style-type: none"> <li>District or Local Centre</li> <li>Primary Shopping Area</li> <li>Primary Shopping Frontage</li> <li>Retail Park</li> <li>Secondary Shopping Frontage</li> </ul> </li> <li>Employment             <ul style="list-style-type: none"> <li>Employment Allocation</li> <li>Land Reserved for Employment</li> <li>Land Proposed for Mixed Use</li> <li>Proposed School Site</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>Resources             <ul style="list-style-type: none"> <li>Area of Search for New Minerals</li> <li>Site Safeguarded for Mineral Extraction</li> <li>Site with Planning Permission for Mineral Extraction</li> </ul> </li> <li>Town Centre             <ul style="list-style-type: none"> <li>Town Centre: Landmark Building</li> <li>Town Centre: Gateway</li> <li>Town Centre: The Green Sprint</li> <li>Town Centre: Junction Improvement</li> <li>Town Centre: Primary Shopping Area</li> <li>Town Centre: Shopping Frontages</li> <li>Town Centre: Proposed Cycle Route</li> <li>Town Centre: Development Site</li> <li>Town Centre: Priority Site Public Space Improvement</li> <li>Town Centre: Other Public Space Improvement</li> <li>Town Centre: Gateway Site for Public Open Space Improvement</li> </ul> </li> <li>Water             <ul style="list-style-type: none"> <li>Canal - Historic Route</li> <li>Canal - Safeguarded Route</li> <li>Functional Floodplain (Floodzone 3b)</li> </ul> </li> <li>Area of Search (Wind Turbines)             <ul style="list-style-type: none"> <li>Industrial / Business Parks</li> <li>Moorland Fringes / Upland Pastures</li> <li>Rolling Wooded Farmland</li> <li>Settled Arable Slopes</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>Green Belt, Greenspace &amp; Conservation             <ul style="list-style-type: none"> <li>Greenspace</li> <li>Allotment</li> <li>Biodiversity or Geological Interest Site</li> <li>Conservation Area</li> <li>Green Belt</li> <li>Green Way</li> <li>Nature Improvement Area</li> <li>Park and Garden of Historic Interest</li> <li>Scheduled Ancient Monument</li> <li>Peak District National Park</li> <li>School Grounds</li> <li>Safeguarded Strategic Waste Management Site</li> <li>Settlement</li> <li>Town Centre</li> <li>Urban Fabric</li> <li>Approved Planning Applications</li> <li>Undetermined Planning Applications</li> <li>Refused Planning Applications</li> <li>Planning Applications (All)</li> <li>Planning Constraints</li> <li>Public Rights of Way             <ul style="list-style-type: none"> <li>Bridleway</li> <li>Footpath</li> <li>Restricted byway</li> </ul> </li> </ul> </li> </ul> |
|---|--|---|---|

The link to all the above maps can be found here:

<https://www.barnsley.gov.uk/barnsley-maps/>



# Introducing Barnsley Metropolitan Borough Council

## Who Are We?

**Barnsley Metropolitan Borough Council**, created on **1 April 1974**, is the local authority of the Metropolitan Borough of Barnsley in **South Yorkshire**, England. It is a **Metropolitan District Council**, one of four in South Yorkshire and one of 36 in the metropolitan counties of England and provides the majority of **local government services** in Barnsley.

Further information on the Council's **Constitution** can be found on the Council's website and via the link below:

### [Council's Constitution](#)

### Local Councillors (The Council)

**Local Councillors** are elected by the community to decide how the **Council** should carry out its various activities. They represent **public interest** as well as individuals living within the ward in which he or she has been **elected** to serve a term of office.


They have regular contact with the **general public** through council meetings, telephone calls or surgeries. **Surgeries** provide an opportunity for any ward resident to go and talk to their **Councillor** face to face and these take place on a regular basis.

A list of current **Councillors** can be found on the Council's website and via the link below:


### [Councillors](#)

Barnsley Metropolitan Borough Council

Third of council elected three years out of four



Type	
Type	Metropolitan district
History	
Founded	1 April 1974
Structure	
Seats	63 councillors
Meeting place	



### The Cabinet

**The Cabinet** is composed of the **Leader** and seven other **Councillors**, who are all members of the **biggest political group** of the Council. It has overall responsibility for the services that the Council provides and works within the **agreed policies** and **approved budget** of the Council.

Recommendations on major items of **policy** and on the

**annual budget** and **capital programme** are passed to the Council for consideration and **approval**.

Details of **Council, Cabinet** and **other committees**, including decisions / reports can be found on the Council's website and via the link below:

### [Committee Details](#)

### Council Structure & Senior Management Team

Following a change to the Council's responsibilities, specifically a new joint role in respect of the South Yorkshire Integrated Care Board (SYICB), a restructure took place as of 1<sup>st</sup> June 2022 with the Council and Cabinet portfolios being structured into four main service directorates:

**Place Health and Adults, Growth & Sustainability, Children's Services & Public Health** which are supported by a central suite of **Core Services** including:

- > Business Improvement, HR & Communications;
- > Governance & Business Support;
- > Financial Services;
- > Legal Services; and
- > Customer, Information & Digital Services.

The 2022/23 **management structure** can be found on the Council's website and via the link below:

## Our Council Plan

Our Council Plan for 2021 to 2024 sets out what we aim to achieve over three years. Our plan gives us a clear direction to recover from the COVID-19 pandemic and build our borough back better and more resilient. It focuses on how we collectively deliver our services across the Council to best support residents, communities, partners and business. It explains what we want to do, how we plan to do it, and how we'll measure whether we're on track to achieve it.

OUR COUNCIL PLAN

<https://www.barnsley.gov.uk/services/our-council/council-plan/our-council-plan/>

## Our Key Strategies

To help us deliver the priorities in the Council plan, we have a number of key strategies that set out the detail of the work we need to do.

OUR KEY STRATEGIES

<https://www.barnsley.gov.uk/services/our-council/our-strategies/key-strategies/>

## Our Vision & Priorities

Our Be Even Better Strategy will provide the focus for all our staff to work together as our ambition to be even better never stops. Now it's time to look forward and move into a new phase of our organisation's improvement journey where we strive to be even better. We have already set out our new priorities based upon the engagement with our communities, residents, businesses and employees from the Barnsley 2030 project and they are:

**Barnsley - the place of possibilities**

**Healthy  
Barnsley**

**Learning  
Barnsley**

**Growing  
Barnsley**

**Sustainable  
Barnsley**

**Enabling  
Barnsley**

We are a modern, inclusive, efficient, productive and high-performing council

**Our Corporate Priorities**

Across these new priorities, we have set out the outcomes that describe our intentions for the next three years, to ensure that we focus on Barnsley as a place of possibilities.

**Barnsley - the place of possibilities**

Healthy Barnsley	Learning Barnsley	Growing Barnsley	Sustainable Barnsley
People are safe and feel safe.	People have the opportunities for lifelong learning and developing new skills including access to apprenticeships.	Business start ups and existing local businesses are supported to grow and attract new investment, providing opportunities for all.	People live in great places, are recycling more and wasting less, feel connected and valued in their community.
People live independently with good physical and mental health for as long as possible.	Children and young people achieve the best outcomes through improved educational achievement and attainment.	People have a welcoming, safe and enjoyable town centre and principal towns as destinations for work, shopping, leisure and culture.	Our heritage and green spaces are promoted for all people to enjoy.
We have reduced inequalities in health and income across the borough.	People have access to early help and support.	People are supported to have safe, warm, sustainable homes.	Fossil fuels are being replaced by affordable and sustainable energy and people are able to enjoy more cycling and walking.

**Enabling Barnsley** We are a modern, inclusive, efficient, productive and high-performing council

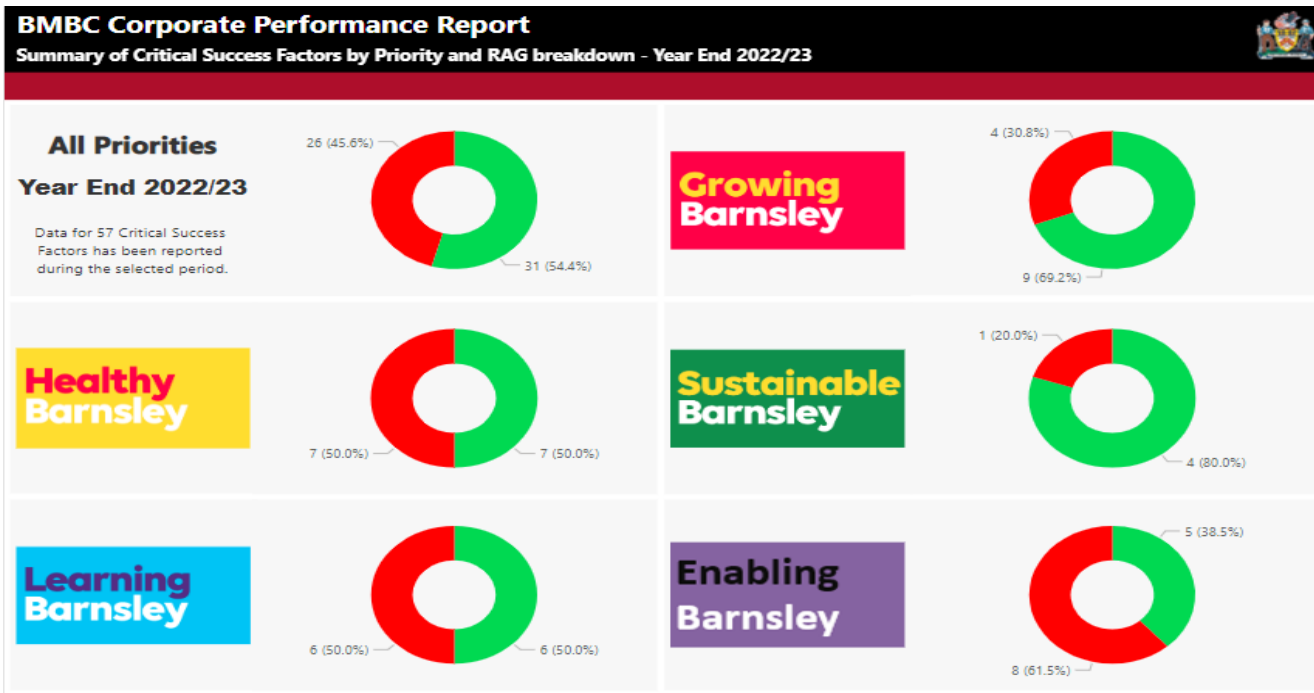
In working towards meeting these priorities our employees continue to use the values that are deeply embedded within the culture of the organisation

			
We always say what we mean. Most of all we're reliable, fair and true.	We all work together towards the same goal - to make Barnsley a better place for the people.	We work hard to provide the best quality and value for money for the people of Barnsley. Only our best is good enough.	We're dedicated to making Barnsley a better place. We take pride in our work.

# STATEMENT OF ACCOUNTS 2022/23

## Key Performance Against Priorities

The Council continues to work progressively to meet its Corporate Priorities. The charts and tables below show the progress during 2022/23



	Outcome	Red	Green	Total
Healthy Barnsley	1. People are safe and feel safe	1	4	5
	2. People live independently with good physical and mental health for as long as possible	4		4
	3. We have reduced inequalities in health and income across the borough	2	3	5
Learning Barnsley	4. People have the opportunities for lifelong learning and developing new skills including access to apprenticeships	3		3
	5. Children & young people achieve the best outcomes through improved educational achievement & attainment	3	5	8
	6. People have access to Early help and support		1	1
Growing Barnsley	7. Business Start ups & existing local businesses are supported to grow and attract new investment providing opportunities for all	1	5	6
	8. People have a welcoming safe and enjoyable town centre and principal towns as a destination for work, shopping, leisure and culture	2	1	3
	9. People are supported to have safe warm and welcoming homes	1	3	4
Sustainable Barnsley	10. People live in great places, are recycling more and wasting less, feel connected and valued in their community	1	2	3
	11. Our Heritage and green spaces are promoted for all people to enjoy		1	1
	12. Fossil fuels are being replaced by affordable and sustainable energy & people are able to enjoy more cycling and walking		1	1
Enabling Barnsley	13. Enabling Barnsley	8	5	13
	<b>Total</b>	<b>26</b>	<b>31</b>	<b>57</b>

Individual quarterly performance reports for 2022/23 can be accessed via the links below:

Quarter	Date Presented to Cabinet	Cabinet Reference	Link to Cabinet Meeting
1	21st September 2022	Cab.21.9.2022/6	<a href="#">Quarter 1 Cabinet</a>
2	14th December 2022	Cab.14.12.2022/9	<a href="#">Quarter 2 Cabinet</a>
3	8th March 2023	Cab.8.3.2023/7	<a href="#">Quarter 3 Cabinet</a>
4	14th June 2023		

## STATEMENT OF ACCOUNTS 2022/23

# Our 2022/23 Financial Performance

### What The Council Spent in 2022/23 – Day to Day (Revenue)

#### General Fund Executive Overview:

When the Council approved the 2022/23 budget on 24<sup>th</sup> February 2022, it did so with the anticipation that the COVID Pandemic was behind us although the budget highlighted the risks attached to the long-term effects of the pandemic, together with wider macro-economic factors which have driven the cost of living crisis. However, no one could have predicted the impact these factors would have on the cost of providing council services.

The Council's approved budget for 2022/23 totalled **£211.4M** (see below). During the year, the Council used reserves of **£19.0M**, increasing the final year end budget to **£230.4M**. Against this, the Council spent **£240.9M**, resulting in an overspend against resources of **£10.5M**. This position is after £32.1M of resources have been earmarked for slippage of schemes and specific expenditure commitments which are required to be resourced in 2023/24, **leaving a movement in reserves of £2.6M**.

This position is in line with what has been reported consistently throughout the financial year with a slight improvement being reported at the end of the year compared to the forecast position (£12.1M) reported at Quarter 3 (31st December 2022). The £10.5M overspend has been funded via the drawdown of reserves previously earmarked for this purpose.

The table below provides a breakdown of the total costs during 2022/23 by key service (directorate) areas, as reported to the Council's Cabinet.

Directorate	Approved Net Budget 2022/23	Projected Net Outturn 2022/23	Variance*
	£'000	£'000	£'000
Children's	50,806	57,782	6,976
Growth & Sustainability	50,408	55,884	5,476
Place Health and Adults	54,411	49,243	(5,168)
Public Health & Communities	13,443	12,854	(589)
Core Services	24,308	24,295	(13)
<b>Service Totals</b>	<b>193,376</b>	<b>200,058</b>	<b>6,682</b>
Corporate / General Items	18,019	21,825	3,806
<b>Total</b>	<b>211,395</b>	<b>221,883</b>	<b>10,488*</b>
HRA	3,044	3,709	665

\* after approved earmarked reserves

The management accounts for 2022/23 presented to Cabinet, outlines the overall position in line with quarterly reports. In line with accounting requirements, the earmarking's are not presented within the accounts in this manner.

#### 2022/23 Approved Budget

The Council set a net revenue expenditure budget of **£211.4M** for 2022/23 which was funded from grants from Central Government including Revenue Support Grant (RSG) and Business Rate Top-Up Grant, the locally retained element of the business rates retention scheme, Section 31 Grants and income from Council Tax payers, Adult

## STATEMENT OF ACCOUNTS 2022/23

Social Care and Public Health Grant. In addition, some **£19.0M** of specific earmarked revenue reserves from 2021/22 were drawn down, increasing the overall 2022/23 in year net budget to **£230.4M**.

The table below analyses the **proportion** of income received by the Council from these sources during the year. The level of RSG is determined by Central Government whereas income from Business Rates and Council Tax is determined locally.

<b>2022/23 Revenue Budget – Corporate Funding:</b>	<b>£M</b>	<b>%</b>
Revenue Support Grant	13.4	5.8
Business Rates Retained Share including Collection Fund Surplus	25.4	11.0
Business Rates Top Up	32.7	14.2
Council Tax including Collection Fund Surplus	112.5	48.8
Section 31 Grants	6.6	2.9
Adult Social Care Grant	13.7	6.0
Public Health Grant	0.3	0.1
Core Services Grant	3.9	1.7
Market Sustainability Grant	0.8	0.4
Improved Better Care Fund (22/23 increase only)	2.1	0.9
Earmarked Reserves	19.0	8.2
<b>Total Net Revenue Expenditure Budget</b>	<b>230.4</b>	<b>100.0%</b>

### Housing Revenue Account (HRA) Executive Overview:

The Council's overall Housing Revenue Account position, which relates specifically to the costs of providing Council houses within the Borough was an overspend of **£0.7M**. Cabinet have approved the use of reserves previously earmarked to fund this position.

Budget Head	Original Budget £M	Actual £M	Variation from Original Budget £M
<b>Income:</b>			
Rental Income	(73.618)	(73.738)	(0.120)
Other Income	(2.064)	(2.359)	(0.295)
<b>Total Income</b>	<b>(75.682)</b>	<b>(76.097)</b>	<b>(0.415)</b>
<b>Expenditure:</b>			
Repairs & Maintenance	20.457	20.846	0.389
Supervision & Management	20.068	20.513	0.445
Bad Debt Provision	0.990	0.990	0.000
Interest Payable & Investment Income	9.431	9.431	0.000
Contribution to Capital Funding	24.386	24.386	0.000
Use of Reserves	3.045	3.045	0.000
Other Expenditure	0.349	0.595	0.246
<b>Total Expenditure</b>	<b>78.726</b>	<b>79.806</b>	<b>1.080</b>
<b>Total Net Position</b>	<b>3.044</b>	<b>3.709</b>	<b>0.665</b>
Proposed Earmarkings			<b>0.000</b>
<b>In Year (Surplus) / Deficit</b>			<b>0.665</b>

Individual quarterly monitoring reports for 2022/23 can be accessed via the links above.

## STATEMENT OF ACCOUNTS 2022/23

### The Council's Reserves Position

#### Executive Summary

Where the Council generates a surplus against its budget, the cumulative amount is held within reserves until required in the future. The Council's total reserves at the end of 2022/23 totalled **£244.8M** split between general reserves of **£219.7M** and housing reserves of **£25.1M**. These reserves are earmarked for specific, one off projects/initiatives. A detailed breakdown can be found in [Note 4](#) to the accounts.

#### General Fund Reserves

The level of general fund reserves increased from **£217.1M** at the start of 2021/22 to **£219.7M** at the end of the financial year, a net increase of **£2.6M** which is outlined in the table below:

General Fund:	£M
<b>Reserves at 1<sup>st</sup> April 2022</b>	<b>217.1</b>
Reserves Used in 2022/23	(29.5)
Reserves Earmarked into Future Years	26.8
Statutory Transfer of in Year SEND Deficit	(3.9)
SEND/DSG Safety Valve	9.2
<b>Total Movement</b>	<b>2.6</b>
<b>Reserves at 31<sup>st</sup> March 2023</b>	<b>219.7</b>

The movement includes **£26.8M** of resources earmarked to fund current and future spend commitments in addition to slippage to schemes and programmes and therefore, those reserves are committed, but unspent at the end of the financial year.

The position also includes the statutory transfer of the SEND deficit (**£3.9M**) together with earmarking **£9.2M** being the first instalment of the funding received via the DfE Safety Valve Programme (see below).

However, the Council did use **£29.5M** of reserves during the year to fund the year end position on the general fund.

The table below breaks down the 2022/23 General Fund Reserves:

Reserve Type Description		1 <sup>st</sup> April 2022	Used	Earmarked	31 <sup>st</sup> March 2023
		£M	£M	£M	£M
<b>Specific Service Earmarkings</b>	Resources held / committed for service specific purposes, including unspent grants and funding relating to projects that have been slipped into future periods	68.3	(32.6)	19.1	54.8
<b>Capital Programme Earmarkings</b>	Resources held / committed for the Council's capital investment programme	42.6	(11.8)	6.5	37.3
<b>Glassworks Earmarkings</b>	Resources held / committed for the Council's Glassworks Project	23.6	(5.2)	10.9	29.3
<b>Revenue Investment Earmarkings</b>	Resources held / committed for specific revenue investments as set out in the 2020/21 budget process	2.5	(1.6)	-	0.9
<b>Other Corporate Earmarkings</b>	Resources held / committed for corporate / Council wide priorities, including Be Even Better Strategy, Insurance Fund, Future Redundancy and the MRP policy	60.1	(19.7)	37.0	77.4
<b>Minimum Working Balance</b>	Resources held as a contingency for unforeseen events	20.0	-	-	20.0
<b>TOTAL</b>		<b>217.1</b>	<b>(70.9)</b>	<b>73.5</b>	<b>219.7</b>

## STATEMENT OF ACCOUNTS 2022/23

### DSG Safety Valve Agreement: Barnsley

During 2022/23 Barnsley Council was successful in gaining financial support from the DfE as part of the Safety Valve Programme. This resulted in an additional payment of £9.160m of DSG on the 31 March 2023, which reduced the cumulative deficit amount to be carried forward into 2023/24. This additional DSG funding represents the first payment under the 5 year Safety Valve agreement, which commits the local authority to managing the DSG into an in-year balanced position by 2025/26 and in each subsequent year. Further instalment payments are conditional on the local authority (1) reaching a positive in-year balance by the end of 2025-26; (2) implementing the actions as set out in the DSG Management Plan, and (3) reporting annually to the DfE on progress towards the plan. The total additional payments from the DfE, under this agreement (£22.9m), would result in the elimination of the accumulated deficit in full by 2026/27.

### Housing Revenue Account Reserves

The level of Housing Revenue Account reserves decreased from **£28.8M** at the start of 2022/23 to **£25.1M** at the end of the financial year, a net decrease of **£3.7M** which is outlined in the table below:

Housing Revenue Account:	£M
<b>Reserves at 1<sup>st</sup> April 2022</b>	<b>28.8</b>
<b>Reserves Used in 2022/23</b>	(3.0)
<b>In Year Deficit</b>	(0.7)
<b>Total Movement</b>	<b>(3.7)</b>
<b>Reserves at 31<sup>st</sup> March 2023</b>	<b>25.1</b>

The main reason for this overall decrease is due to utilising specific reserves totalling **£3.0M**, namely housing growth reserves, on specific capital projects during 2022/23, and the drawdown of strategic reserves to fund the in year HRA deficit of **£0.7M** in 2022/23.

The table below breaks down the 2022/23 Housing Revenue Account Reserves:

Reserve Type	Description	1 <sup>st</sup> April 2022	Used	Earmarked	31 <sup>st</sup> March 2023
		£M	£M	£M	£M
<b>Housing Growth Investment</b>	Resources held / committed for the approved housing growth capital investment programme	19.0	(3.0)	-	16.0
<b>30 Year Business Plan Earmarking's</b>	Resources held / committed pending the review of the Council's 30 year HRA business plan	0.1	-	-	0.1
<b>Other Revenue Earmarking's</b>	Resources held / committed for service specific purposes including mitigation of the impact of welfare reform	2.5	-	-	2.5
<b>Other Capital Earmarking's</b>	Resources held / committed for known capital commitments	-	-	-	-
<b>Minimum Working Balance</b>	Resources held as a contingency for unforeseen events	7.2	(0.7)	-	6.5
<b>TOTAL</b>		<b>28.8</b>	<b>(3.7)</b>	<b>-</b>	<b>25.1</b>



## STATEMENT OF ACCOUNTS 2022/23

### What The Council Spent in 2022/23 (Capital)

#### Executive Overview:

In 2022/23, the Council spent **£91.6M** through its capital programme with the majority of the expenditure relating to the Council's property, plant and equipment, such as land and buildings, the road / infrastructure network and council houses.

The **capital expenditure** was funded from **£82.3M** worth of the Council's own resources, such as grants, capital receipts and reserves. The remaining expenditure, totalling **£9.3M**, has been funded by prudential borrowing / leasing.

#### Capital Expenditure

**Capital expenditure** during the year amounted to **£91.6M** (**£94.8M** in 2021/22), including Private Finance Initiative and other finance lease purchases. The table and chart below analyse the capital expenditure against the Council's asset categories.

<b>Asset Categories</b>	<b>2022/23 £M</b>
<b>Council Dwellings</b>	21.5
<b>Property, Plant &amp; Equipment</b>	24.3
<b>Vehicles, Plant, Furniture &amp; Equipment</b>	1.6
<b>Assets Under Construction</b>	18.2
<b>Infrastructure Assets</b>	16.7
<b>Intangible Assets</b>	-
<b>Heritage Assets</b>	0.1
<b>Long Term Debtors</b>	-
<b>Non BMBC Assets</b>	9.2
<b>Total</b>	<b>91.6</b>

The most significant scheme included within the table above is the Glassworks project which spent £7.8M during the year, included above within Property, Plant & Equipment. Other significant schemes to note are the Barnsley Homes Standard scheme relating to the Council's houses and empty homes acquisitions and works to the highway network, including the scheme in relation to construction works around J37 of the M1.

#### Capital Financing

The table below shows the major sources of **financing** capital expenditure:

<b>Funding Source</b>	<b>2022/23 £M</b>
<b>Capital Grants</b>	40.9
<b>Third Party Contributions (Inc. S106)</b>	7.2
<b>Capital Receipts</b>	5.9
<b>Revenue / Reserves</b>	10.2
<b>Major Repairs Reserve</b>	18.1
<b>Sub Total – Own Resources</b>	<b>82.3</b>
<b>Prudential Borrowing</b>	9.3
<b>Leasing</b>	-
<b>Sub Total – Borrowing/ Leasing</b>	<b>9.3</b>
<b>Total</b>	<b>91.6</b>

#### Details of Material Assets Disposals

## STATEMENT OF ACCOUNTS 2022/23

The Council disposed of a number of assets during 2022/23. The **material disposals** are shown in the table below.

Asset	Description	£M
<b>Council House Sales</b>	Council Dwellings Sold	7.7
<b>Priory Campus</b>	Community asset previously leased to Barnsley Community Voluntary Sector	1.1

Individual quarterly monitoring reports for 2022/23 can be accessed via the links below:

Quarter	Date Presented to Cabinet	Cabinet Reference	Link to Cabinet Meeting
<b>1</b>	21st September 2022	Cab.21.9.2022/7	<a href="#">Quarter 1 Cabinet</a>
<b>2</b>	14th December 2022	Cab.14.12.2022/10	<a href="#">Quarter 2 Cabinet</a>
<b>3</b>	8th March 2023	Cab.8.3.2023/8	<a href="#">Quarter 3 Cabinet</a>
<b>4</b>	14th June 2023	<b>Cab.20.9.2023/8</b>	<a href="#">Quarter 4 Cabinet</a>

## 2022/23 Treasury Management Overview

### Executive Overview:

Facing continued economic uncertainty, the focus of the Council's Treasury Management Strategy for 2022/23 was on **managing risk**:

- The focus of the Council's borrowing strategy was on reducing its exposure to **interest rate** and **refinancing risk**, whilst maintaining a small under-borrowed position to keep its financing costs to a minimum.
- The purpose of the Council's investment strategy was to ensure that its cash balances were **invested prudently** and were **available when needed** to meet the Council's spending commitments. This reflects the recommended investment priorities of **security, liquidity** and **yield** (in that order).

### Borrowing Overview:

The Council's borrowing strategy is to actively reduce its exposure to interest rate risk, whilst maintaining an under-borrowed position. There was no new long-term borrowing undertaken during the year resulting in a net decrease of £32.7M on the Council's borrowing portfolio during the 2022/23 financial year (shown in the table below). This decrease consisted of scheduled principal repayments of £22.7M and the repayment of £10.0M local authority borrowing.

The Council has delivered to the approved interest rate exposure targets for 2022/23 earlier than planned during 2021/22 and created significant savings by taking advantage of low interest rates at that time. This means that 70% of the Council's overall borrowing requirement is being financed by long term, fixed rate borrowing. The decision to undertake any further borrowing has been delayed while interest rates remain at elevated levels and the Council has the option to utilise cash balances and reserves in lieu of long-term external borrowing.

The exposure targets are kept under review and reflect the medium term forecasts for interest rates and the current uncertainties within the economy. Fixing out 70% of the Council's Capital Financing Requirement (CFR) is considered prudent and affordable whilst leaving sufficient flexibility to maximise the use of internal balances and less expensive short-term/temporary borrowing.

Balance on 01/04/2022	New Borrowing	Principal Redeemed	Balance on 31/03/2023	Net Movement
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## STATEMENT OF ACCOUNTS 2022/23

	£M	£M	£M	£M	£M
PWLB Borrowing	575.3	-	(21.3)	554.0	(21.3)
Other Long-Term Loans	92.1	-	(1.4)	90.7	(1.4)
Temporary Loans	-	40.0	(40.0)	-	-
Longer Term Local Authority Loans	16.8	-	(10.0)	6.8	(10.0)
<b>Total External Borrowing</b>	<b>684.2</b>	<b>40.0</b>	<b>(72.7)</b>	<b>651.5</b>	<b>(32.7)</b>

The Council reports its in year debt costs as a proportion of its net revenue stream [budget]. For 2022/23, the estimate at the start of the year was 9.50%, with the actual measure being some 8.90%, well within the target. This was predominantly as a result of the temporary increase in investment returns in line with the rising interest rates throughout the year which has offset the Council's debt costs in 2022/23.

### Investment Overview:

The Council's investment strategy is to ensure that its cash balances are invested prudently and are available when needed to meet its spending commitments.

The majority of transactions during the financial year related to short term fixed deposits with high rated financial institutions that met the Authority's approved counterparty list. To maintain sufficient liquidity, an appropriate balance of cash was deposited in the Council's Money Market Funds and instant access accounts. In terms of presentation in the [Balance Sheet](#), the instant access investment balances are accounted for as "Cash and Cash Equivalents".

The Council's investment balances decreased by £35.1M during the year primarily as a result of the repayment of borrowing as detailed above.

	Balance on 01/04/2022 £M	New Investments £M	Principal Redeemed £M	Balance on 31/03/2023 £M	Net Movement £M
Short Term Deposits	134.5	264.3	(273.5)	125.3	(9.2)
Money Market Funds / Instant Access Accounts	54.5	420.8	(446.7)	28.6	(25.9)
<b>Total Investments</b>	<b>189.0</b>	<b>685.1</b>	<b>(720.2)</b>	<b>153.9</b>	<b>(35.1)</b>

### Treasury Reporting

Individual quarterly monitoring reports for 2022/23 can be accessed via the links below:

Quarter	Date Presented to Cabinet	Cabinet Reference	Link to Cabinet Meeting
<b>1</b>	21st September 2022	Cab.21.9.2022/7	<a href="#">Quarter 1 Cabinet</a>
<b>2</b>	14th December 2022	Cab.14.12.2022/10	<a href="#">Quarter 2 Cabinet</a>
<b>3</b>	8th March 2023	Cab.14.6.2023/11	<a href="#">Quarter 3 Cabinet</a>
<b>4</b>	14th June 2023	Cab.14.6.2023/11	<a href="#">Quarter 4 Cabinet</a>

## STATEMENT OF ACCOUNTS 2022/23

### Summary of the Council's Balance Sheet

The Council's summarised [Balance Sheet](#) is shown below, together with an explanation detailing what the categories represent:

1 <sup>st</sup> April 2022	Category	31 <sup>st</sup> March 2023	Explanation	Movement
£M		£M		£M
1,358.0	<b>Non-Current Assets</b>	<b>1,597</b>	Assets owned or owed to the Council, that are expected to be used / received in more than 1 year	<b>Increased by 239</b>
246.5	<b>Current Assets</b>	<b>202.0</b>	Assets owned or owed to the Council, that are expected to be used / received in the next year	<b>Decreased by 44.5</b>
(159.6)	<b>Current Liabilities</b>	<b>(133.3)</b>	Amounts that the Council owes, due within the next year	<b>Decreased by 26.3</b>
(1,170.3)	<b>Long Term Liabilities</b>	<b>(844.2)</b>	Amounts that the Council owes, due in more than 1 year	<b>Decreased by 326.1</b>
274.6	<b>NET ASSETS / (LIABILITIES)</b>	<b>821.6</b>		<b>Increased by 546.9</b>
308.7	<b>USEABLE RESERVES</b>	<b>319.0</b>	Reserves held that can be used by the Council on spending	<b>Increased by 10.3</b>
(34.1)	<b>UNUSABLE RESERVES</b>	<b>502.6</b>	Reserves held that are for specific purposes, ordinarily statutory accounting adjustments	<b>Increased by 536.6</b>
274.6	<b>TOTAL RESERVES</b>	<b>821.6</b>		<b>Increased by 546.9</b>

The table below provides a high-level explanation of the Council's [Balance Sheet](#) from 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023:

Category	Movement £M	Explanation
<b>Non-Current Assets</b>	<b>Increased by 239</b>	Net revaluations of assets upwards of +£160M, enhancing capital spend of +£42M, (7M) disposals, (£37M) consumption of assets in the year (depreciation) and other increases of +£6M and 74M pension surplus
<b>Current Assets</b>	<b>Decreased by 44.5</b>	Decrease in investment balances (£8M) and cash balance decrease (£28M). Total decrease of £36M in investment balances due to utilising cash balances in lieu of external borrowing; comprising the repayment of some long-term PWLB loans that had reached maturity and local authority short-term loans that were not replaced with further borrowing. Short term debtors decrease (6M) and other decreases of (2M).
<b>Current Liabilities</b>	<b>Decreased by 26.3</b>	A decrease in short term borrowing of (£15M) due to the repayment of maturing debt, offset partly by the movement between long term and short term borrowing to reflect the due date of debt on the Authority's balance sheet, (5M) decrease in creditors and (7M) decrease in other areas.
<b>Long Term Liabilities</b>	<b>Decreased by 326.1</b>	Pension liabilities decreased by (300M) due to the triannual review roll forward, a decrease in borrowing of (£18M) due to the repayment of maturing debt, offset partly by the movement between long term and short term borrowing to reflect the due date of debt on the Authority's balance sheet, (9M) decrease in Long term liabilities relating to PFI and BSF
<b>NET ASSETS / (LIABILITIES)</b>	<b>Increased by 546.9</b>	
<b>USEABLE RESERVES</b>	<b>Increased by 10.2</b>	GF / HRA Reserves decreased by (1M), unspent capital receipts increased by +£3M, unspent capital grants increased by +£2M, Major repairs reserve increased by +6M.
<b>UNUSABLE RESERVES</b>	<b>Increased by 536.6</b>	Betterment of Pensions Reserve +372M, revaluation reserve increased by +£174.4M mainly relating to increase in council house values offset by other decreases of (10M)
<b>TOTAL RESERVES</b>	<b>Increased by 546.9</b>	

## STATEMENT OF ACCOUNTS 2022/23

# Summary of the Council's Pension Fund Position as at 31<sup>st</sup> March 2023

### Accounting Basis

The Council accounts for its Pension Fund position in accordance with IAS 19, which means that it accounts for the costs of retirement benefits when entitlement to those benefits has been earned rather than when they are actually paid to employees, which may be many years into the future. These future liabilities are to be met by fund assets which are acquired from employer and employee contributions and subsequently invested for a return. As at 31st March 2023, fund assets exceeded fund liabilities by £45.3M [(£327.5M) as at 31st March 2022], when an entity has a surplus in a defined benefit plan IFRIC 14 states it shall measure the net defined benefit asset at the lower of: (a) the surplus in the defined benefit plan; and (b) the asset ceiling.

### Funding Basis

The Pension Fund position, when assessed **on a funding basis**, is calculated in a different way to the accounting methodology and ultimately reflects the actual performance of the Council's Pension Fund. It is the pension fund position on a funding basis that informs the Council's ongoing contribution rate and the employees' contribution rate. Any pension deficit on this funding basis must be made good over time. A triennial actuarial review assesses key assumptions and agrees any changes, including any increase in employer contributions, for a subsequent 3 year period with the aim of having a **100% funded scheme** over the longer term. The latest review [in 2019] applies to the period 1st April 2020 to 31st March 2023.

## The Council's Approach to Risk Management

### Executive Overview:

The new risk management approach continues to be embedded across all management levels of the Council. The management of threats and concerns and the assurances needed regarding the achievement of the Council's objectives is considered a fundamental part of the normal business process and is crucial to the delivery of effective risk management and the implementation of good governance arrangements.

A robust and dynamic Strategic Risk Register (SRR) sets the culture and tone for the management of threats, concerns and assurances across and throughout the Council. The proactive engagement of the Senior Management Team (SMT) in the Risk Management process through their ownership and review of the SRR demonstrates a strong commitment to lead and champion Risk Management 'from the top' and to further reinforce the continuing development of a Risk Management culture.

The risks in the SRR are owned by SMT, with the management of individual risks being allocated to a Risk Manager (a member of SMT) and measures to mitigate risks allocated to Action Owners (being those senior managers best placed to take responsibility to drive the implementation of those actions).

SMT is also responsible for ensuring that the SRR continues to express those high-level concerns, issues and areas of strategic focus which have a significant bearing upon the overall achievement of corporate objectives and that they are being appropriately managed.

The Audit and Governance Committee provides assurances to the Council on the adequacy and effectiveness of the risk management framework, ensuring it is fit for purpose. The Audit and Governance Committee receives regular reports on the Council's risk management arrangements and on the management of key strategic risks; these include detailed presentations "a deep dive review" from the relevant Executive Director on strategic risks in their area. Executive Directors will attend the Audit and Governance Committee to present an update on their strategic

## STATEMENT OF ACCOUNTS 2022/23

risk(s) and answer questions raised by committee members. Oversight of the risk management framework is a key responsibility of the Audit and Governance Committee. Cabinet also receives six-monthly updates on strategic risks.

# Future Spending Plans & Assessment of the Future Economic Climate

### Key Documents

Title	Description	Date Presented Cabinet/Council	Cabinet Reference	Link to Cabinet Meeting
<b>Service &amp; Financial Planning 2023/24</b>	General Fund Budget Proposals for 2023/24	23rd February 2023	Cab.8.2.2023/6	<a href="#">Budget Council</a>
<b>Housing Revenue Account – 2023/24</b>	HRA Budget Proposals for 2023/24	23rd February 2023	Cab.8.2.2023/7	<a href="#">Budget Council</a>
<b>Treasury Management Policy &amp; Strategy 2023/24</b>	The Council's Strategy with Regards Borrowing & Investing	23rd February 2023	Cab.8.2.2023/6	<a href="#">Budget Council</a>
<b>Capital Investment Strategy 2023/24</b>	The Council's Strategy with Regards Capital Investment	23rd February 2023	Cab.8.2.2023/6	<a href="#">Budget Council</a>
<b>Council Tax Base Report 2023/24</b>	The Council's Approved Council Tax Base	11th January 2023	Cab.11.1.2023/7	<a href="#">Cabinet Meeting</a>
<b>Business Rates – Calculation of Local Share 2023/24</b>	The Council's Approved Business Rate Tax Base	11th January 2023	Cab.11.1.2023/8	<a href="#">Cabinet Meeting</a>

Our Council Plan for 2021 to 2024 sets out what we aim to achieve over three years. Our plan gives us a clear direction to recover from the COVID-19 pandemic and build our borough back better and fairer. It focuses on how we collectively deliver our services across the council to best support residents, communities, partners and business. It explains what we want to do, how we plan to do it, and how we'll measure whether we're on track to achieve it.

The Council Plan has been developed by the work that has taken place for the Barnsley 2030 project through a series of activities with residents, businesses, employees and other key stakeholders across the borough to build a picture of what Barnsley is like now and want it to be like by 2030.

In February 2023, the Council agreed an updated **Medium Term Financial Strategy (MTFS)** for the period 2023 – 2025. This included presenting balanced budget proposals for 2023/24 (after delivering agreed efficiency of £7.3M) together with a funding gap of £14M through to 2024/25.

The Council agreed a subsequent strategy and 5-point action plan to address and mitigate these gaps, including developing a major all service transformation programme split into 2 phases. Work is progressing against this strategy with updates being provided to Cabinet during 2023/24. However, the approved MTFS also highlighted a number of ongoing significant risks that could impact the current position:

- Front line service pressures do not abate e.g., children's social care.
- Ongoing negotiations over the 2023/24 Employee Pay award
- Inflation remaining at higher levels for longer than anticipated.
- Transformation / savings not delivered.
- New burdens/priorities e.g., Zero 40, CYP enrichment, environment bill etc.
- Future funding reductions/uncertainty.

As a result, an updated MTFS is due to be presented to Cabinet during the summer 2023.

## STATEMENT OF ACCOUNTS 2022/23

# Our 2022/23 Statement of Accounts

### The Form of the Statement of Accounts

The Statement of Accounts is a statutory publication required under the Accounts and Audit Regulations and prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (The Code), published by the Chartered Institute of Public Finance and Accountancy (CIPFA). The Code specifies the principles and practices of accounting required to give a true and fair view of the Council's financial position at the end of the year and the transactions of the Council during the year.

The information contained in the various statements and notes are of a highly technical nature. To aid readers of the accounts, some of the technical areas around the accounting policies have been provided in [Annex A](#) through [Annex E](#), with links to the individual areas of the accounts that they relate to.

The layout of the 2022/23 Statement of Accounts is comprised of:

- Statement of Responsibilities for the Statement of Accounts;
- The Core Financial Statements;
- The Expenditure & Funding Analysis;
- Notes to the Core Financial Statements;
- The Supplementary Financial Statements and Notes including the Housing Revenue Account and the Collection Fund; and
- The Group Accounts

These are explained in more detail below.

All figures are rounded to the nearest thousand pounds. This may create rounding discrepancies between the disclosure notes which do not reduce the accuracy and understanding of the statement.

### [Statement of Responsibilities for the Statement of Accounts](#)

This section explains the respective responsibilities of the Council and the Chief Finance Officer (CFO) in relation to the Statement of Accounts. The Council is responsible for ensuring that there are proper arrangements in place for financial administration, ensuring that value for money is achieved and approving the annual Statement of Accounts. The CFO is responsible for selecting and applying accounting policies, keeping accurate and timely accounting records, taking reasonable steps for the prevention and detection of fraud and complying with proper accounting practice as defined by The Code.

### The Core Financial Statements

[The Movement in Reserves Statement \(MIRS\)](#) – This statement shows the movement in the year on the different reserves held by the Council, analysed into 'useable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other reserves.

The surplus or deficit on the Provision of Services line shows the accounting / economic cost of providing the Council's services, more details of which are shown in the Comprehensive Income and Expenditure Statement. These are different from the statutory amounts required to be charged to the General Fund balance and the Housing Revenue Account for Council Tax setting and dwellings rent setting purposes. The Net Increase / Decrease before Transfers to Earmarked Reserves line shows the statutory General Fund balance and Housing Revenue Account balance before any discretionary transfers to or from earmarked reserves undertaken by the Council.

[The Comprehensive Income and Expenditure Statement \(CI&ES\)](#) – 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 is different to the accounting cost. The taxation position is shown in the Movement in Reserves Statement.

## STATEMENT OF ACCOUNTS 2022/23

[The Balance Sheet](#) – The Balance Sheet shows the value of the assets and liabilities recognised by the Council, as at 31<sup>st</sup> March 2023. The net assets of the Council (assets less liabilities) are matched by the reserves held by the Council.

Reserves are reported in two categories. The first category of reserves is useable reserves, i.e. those reserves that the Council 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 of reserves is those that the Council is not able to use to provide services. This 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 were sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'adjustments between accounting basis and funding basis under regulations'.

[The Cash Flow Statement](#) – The Cash Flow Statement shows the changes in cash and cash equivalents of the Council during the reporting period. The statement shows how the Council 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 Council are funded by way of taxation and grant income, or from the recipients of services provided by the Council. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Council'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 Council.

### **Notes to the Core Financial Statements**

[The Expenditure and Funding Analysis](#) is designed to demonstrate to council tax and rent payers, how the funding available to the Council (i.e. government grants, rents, council tax and business rates) for the year has been used in providing services, in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. The Expenditure and Funding Analysis also shows how this expenditure is allocated for decision making purposes between the Council's directorates. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

There are a number of disclosure notes that present further detail behind the figures in the Core Financial Statements, categorised by the predominant statement that they support.

- [Notes Relating to the Expenditure & Funding Analysis;](#)
- [Notes Relating to the Movement in Reserves Statement;](#)
- [Notes Relating to the Comprehensive Income & Expenditure Statement;](#)
- [Notes Relating to the Balance Sheet;](#)
- [Notes Relating to the Cash Flow Statement;](#)
- [Notes Relating to Other Disclosures.](#)

### **The Supplementary Financial Statements**

[The Housing Revenue Account Comprehensive Income and Expenditure Statement](#) - Local authorities are required by law to account separately for all transactions relating to the cost of local authority housing by way of the Housing Revenue Account (HRA). This account shows in more detail where the resources are spent in maintaining and managing the Council's council houses, and the sources of income to meet these costs.

[The Collection Fund](#) - The Collection Fund is an agent's statement that reflects the statutory obligation for billing authorities to maintain a separate Collection Fund. The statement shows the transactions of the Council in relation to the collection from taxpayers and distribution to local authorities and Central Government of Council Tax and Business Rates.

### **The Group Accounts**



## **STATEMENT OF ACCOUNTS 2022/23**

[The Group Accounts](#) – The Group Accounts are a consolidated set of financial statements that represent the overall activities of the companies that the Council has an interest in, where deemed material.

### **Changes of Accounting Policies in 2022/23**

There has been no change to the Council's accounting policies for 2022/23.

### **Post Balance Sheet Events**

The Council has had one school transfer to an academy as at 31<sup>st</sup> May 2023. The net book value of this school is £2.2m. This is a non-adjusting post Balance Sheet event.

[Note 18](#) details the post balance sheet events in more depth including the potential impact on the Council.

N COPLEY BA (HONS), CPFA.

DATE:

DIRECTOR OF FINANCE, CHIEF FINANCIAL OFFICER

## **STATEMENT OF ACCOUNTS 2022/23**

### **SECTION 3 - STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS**

#### The Council's Responsibilities

The Council 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 Council, that Officer is the Director of Finance (Chief Finance Officer);
- ◆ Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets; and
- ◆ Approve the Statement of Accounts.

COUNCILLOR R Franklin

DATE:

CABINET SPOKESPERSON FOR CORPORATE SERVICES

#### The Chief Finance Officer's Responsibilities

The Chief Finance Officer is responsible for the preparation of the Council's Statement of Accounts in accordance with proper practices as set out in the CIPFA / LASAAC Code of Practice on Local Authority Accounting in the United Kingdom ('The Code').

In preparing this Statement of Accounts, the Chief Finance Officer has:

- ◆ Selected suitable accounting policies and then applied them consistently;
- ◆ Made judgements and estimates that were reasonable and prudent;
- ◆ Complied with the Local Authority Code;
- ◆ Kept proper accounting records which were up to date;
- ◆ Taken reasonable steps for the prevention and detection of fraud and other irregularities;
- ◆ Assessed the Council's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- ◆ Used the going concern basis of accounting on the assumption that the functions of the Council and the Group will continue in operational existence for the foreseeable future; and
- ◆ Maintained such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In conclusion, the Chief Finance Officer certifies that this Statement of Accounts presents a true and fair view of the financial position of the Council as at 31st March 2023.

N COPLEY BA (HONS), CPFA.

DATE:

DIRECTOR OF FINANCE, CHIEF FINANCIAL OFFICER

## STATEMENT OF ACCOUNTS 2022/23

### SECTION 4 – CORE FINANCIAL STATEMENTS

#### THE MOVEMENT IN RESERVES STATEMENT

For a description of this statement – click [here](#)

<u>Movement in Reserves During 2022/23</u>	General Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied Reserve	Total Useable Reserves	Total Unusable Reserves	Total Council Reserves	
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	
<b>Balance of Reserves at 1st April 2022</b>	<b>217,132</b>	<b>28,843</b>	<b>25,093</b>	<b>18,119</b>	<b>19,573</b>	<b>308,760</b>	<b>(34,122)</b>	<b>274,638</b>	<a href="#">Balance Sheet</a>
Total Comprehensive Expenditure & Income	-19758	(23,752)	0	0	0	<b>(43,510)</b>	<b>590,459</b>	<b>546,949</b>	<a href="#">CI&amp;ES</a>
Adjustments Between Accounting Basis & Funding Basis Under Regulations	22298	20,042	3,008	6,269	2,100	<b>(53,719)</b>	<b>-53,719</b>	<b>0</b>	<a href="#">Note 3</a>
<b>Net Increase / (Decrease) in 2022/23</b>	<b>2,538</b>	<b>(3,710)</b>	<b>3,008</b>	<b>6,269</b>	<b>2,100</b>	<b>10,205</b>	<b>536,740</b>	<b>546,949</b>	<a href="#">Note 4 &amp; HRA</a>
<b>Balance of Reserves at 31st March 2023</b>	<b>219,670</b>	<b>25,133</b>	<b>28,101</b>	<b>24,388</b>	<b>21,673</b>	<b>318,965</b>	<b>502,618</b>	<b>821,587</b>	<a href="#">Balance Sheet</a>
	<a href="#">Balance Sheet</a>	<a href="#">Balance Sheet</a>	<a href="#">Balance Sheet</a>	<a href="#">Balance Sheet</a>	<a href="#">Balance Sheet</a>	<a href="#">Balance Sheet</a>	<a href="#">Balance Sheet / Note 5</a>	<a href="#">Balance Sheet</a>	

**STATEMENT OF ACCOUNTS 2022/23**  
**THE MOVEMENT IN RESERVES STATEMENT**

<b><u>Movement in Reserves During 2021/22</u></b>	General Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied Reserve	Total Useable Reserves	Total Unusable Reserves	Total Council Reserves
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
<b>Balance of Reserves at 1st April 2021</b>	<b>195,302</b>	<b>30,952</b>	<b>17,086</b>	<b>19,014</b>	<b>11,062</b>	<b>273,416</b>	<b>(144,898)</b>	<b>128,518</b>
Total Comprehensive Expenditure & Income	(80,605)	(21,231)	-	-	-	<b>(101,836)</b>	<b>247,956</b>	<b>146,120</b>
Adjustments Between Accounting Basis & Funding Basis Under Regulations	102,435	19,122	8,007	(895)	8,511	<b>137,180</b>	<b>(137,180)</b>	-
<b>Net Increase / (Decrease) in 2021/22</b>	<b>21,830</b>	<b>(2,109)</b>	<b>8,007</b>	<b>(895)</b>	<b>8,511</b>	<b>35,344</b>	<b>110,776</b>	<b>146,120</b>
<b>Balance of Reserves at 31st March 2022</b>	<b>217,132</b>	<b>28,843</b>	<b>25,093</b>	<b>18,119</b>	<b>19,573</b>	<b>308,760</b>	<b>(34,122)</b>	<b>274,638</b>
	<a href="#">Balance Sheet</a>	<a href="#">Balance Sheet</a>	<a href="#">Balance Sheet</a>	<a href="#">Balance Sheet</a>	<a href="#">Balance Sheet</a>	<a href="#">Balance Sheet</a>	<a href="#">Balance Sheet / Note 5</a>	<a href="#">Balance Sheet</a>

[CI&ES](#)

[Note 3](#)

[Note 4 & HRA](#)

[Balance Sheet](#)

## STATEMENT OF ACCOUNTS 2022/23

### THE COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

For a description of this statement – click [here](#)

2021/22				2022/23		
Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s		Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s
			<b>Net Cost of Services:</b>			
159,912	(98,318)	61,594	Children Services	178,614	(115,810)	62,804
211,163	(35,962)	175,201	Growth & Sustainability*	183,780	(71,031)	112,749
81,320	(73,471)	7,849	Housing Revenue Account	83,540	(76,105)	7,435
104,859	(51,123)	53,736	Adults & Communities*	-	-	-
11,414	(8,944)	2,470	Public Health*	-	-	-
-	-	-	Place Health & Adult Social Care*	97,666	(49,243)	48,423
-	-	-	Public Health & Communities*	37,117	(23,442)	13,675
99,749	(99,368)	381	Core Services	106,340	(99,694)	6,646
20,348	(30,877)	(10,529)	Corporate Services	14,336	(21,119)	(6,783)
24,066	(23,217)	849	Exceptional Item – COVID 19	-	-	-
-	-	-	Exceptional Item – HSG	4,395	(4,652)	(257)
<b>712,831</b>	<b>(421,280)</b>	<b>291,551</b>	<b>Net Cost of Services</b>	<b>705,788</b>	<b>(461,096)</b>	<b>244,692</b>
			<b>Other Operating Income &amp; Expenditure:</b>			
468	-	468	Parish Council Precepts	479	-	479
1,666	-	1,666	Payments to Central Government Housing Capital Receipts Pool	-	-	-
12,921	(13,208)	(287)	(Gains) / Losses on The Disposal of Non-Current Assets	7,272	(8,823)	(1,551)
2,920	-	2,920	Exceptional Item – Loss on Disposal of Non-Current Assets Relating to School Transfers	-	-	-
<b>17,975</b>	<b>(13,208)</b>	<b>4,767</b>	<b>Total Other Operating Expenditure</b>	<b>7,751</b>	<b>(8,823)</b>	<b>(1,072)</b>
			<b>Financing &amp; Investment Income &amp; Expenditure:</b>			
23,475	-	23,475	Interest Payable on Debt	23,521	-	23,521
57	-	57	Interest Element of Finance Leases	39	-	39
19,621	-	19,621	Interest Payable on PFI Unitary Payments	19,035	-	19,035
9,499	-	9,499	Net Interest on The Defined Benefit Liability / Asset	9,099	-	9,099
-	-	-	Movement in Fair Value of Financial Assets	-	-	-
50	-	50	Expected Credit Loss Model	332	-	332
-	-	-	Premium Incurred on Early Redemption of Debt	-	-	-
-	(631)	(631)	Investment Interest Income	-	(3,067)	(3,067)
-	(446)	(446)	Dividends Receivable	-	(74)	(74)
-	(10)	(10)	Interest Received on Finance Leases	-	(10)	(10)
5,188	(5,985)	(797)	(Surplus) / Deficit of Trading Undertakings or Other Operations	4,247	(4,546)	(299)
<b>57,890</b>	<b>(7,072)</b>	<b>50,818</b>	<b>Total Financing &amp; Investment Income &amp; Expenditure</b>	<b>56,273</b>	<b>(7,697)</b>	<b>48,576</b>

Continued overleaf.

## STATEMENT OF ACCOUNTS 2022/23

### THE COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT (CONTINUED)

2021/22			2022/23			
Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s		Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s
			<b>Taxation &amp; Non-Specific Grant Income:</b>			
-	(46,170)	(46,170)	Recognised Capital Grants & Contributions	-	(50,466)	(50,466)
-	(15,555)	(15,555)	Section 31 Grant	-	(10,240)	(10,240)
-	(8,215)	(8,215)	Exceptional Item – COVID 19 Related General Grants	-	-	-
-	(13,026)	(13,026)	Revenue Support Grant (RSG)	-	(13,429)	(13,429)
-	-	-	Core Spending Power Service Grant	-	(3,925)	(3,925)
-	-	-	Lower Service Grant	-	(327)	(327)
-	(107,693)	(107,693)	Council Tax	-	(110,434)	(110,434)
-	(21,906)	(21,906)	Business Rates Retention Scheme – Locally Retained	-	(26,653)	(26,653)
-	(32,735)	(32,735)	Business Rates Retention Scheme – Top Up Grant	-	(32,735)	(32,735)
-	-	-	Business Rates Retention Scheme – Levy Surplus	-	(477)	(477)
-	<b>(245,300)</b>	<b>(245,300)</b>	<b>Total Taxation &amp; Non Specific Grant Income</b>	-	<b>(248,686)</b>	<b>(248,686)</b>
<b>788,696</b>	<b>(686,860)</b>	<b>101,836</b>	<b>(Surplus) / Deficit on Provision of Services</b>	<b>769,812</b>	<b>(726,302)</b>	<b>43,511</b>
			<b>Other Comprehensive Income &amp; Expenditure:</b>			
5,649	(108,999)	(103,350)	(Gains) / Losses on Revaluation of Property, Plant & Equipment Assets	8,586	(197,513)	(188,927)
-	-	-	(Gains) / Losses on Revaluation of Financial Instruments	-	-	-
-	(144,606)	(144,606)	Actuarial (Gains) / Losses on Pension Assets / Liabilities	-	(401,532)	(401,532)
<b>5,649</b>	<b>(253,605)</b>	<b>(247,956)</b>	<b>Other Comprehensive Income &amp; Expenditure</b>	<b>8,586</b>	<b>(599,045)</b>	<b>(590,459)</b>
<b>794,345</b>	<b>(940,465)</b>	<b>(146,120)</b>	<b>Total Comprehensive Income &amp; Expenditure</b>	<b>778,398</b>	<b>(1,325,347)</b>	<b>(546,948)</b>

\* Cabinet approved a revised structure in May 2022. This revised structure effectively deleted the old directorate of Adults and Communities as of this date and created a new directorate titled Place Health and Adult Social Care reflecting the creation of new joint role across South Yorkshire Integrated Care System and Barnsley Council blending responsibilities of Place Director for NHS South Yorkshire in Barnsley & Director of Adult Social Care.

The restructure also created the new directorate of Public Health and Communities. The 2021/22 accounts have not been restated as the above structure did not exist at this date.

# STATEMENT OF ACCOUNTS 2022/23

## BALANCE SHEET AS AT 31st MARCH 2023

For a description of this statement – click [here](#)

2021/22 £000s		2022/23 £000s	2022/23 £000s	Note / Statement
	<b>NON-CURRENT ASSETS</b>			
	<b>Property Plant and Equipment:</b>			
715,990	- Council Dwellings	850,021		<a href="#">19</a>
303,569	- Other Land & Buildings	309,891		<a href="#">19</a>
8,308	- Vehicles, Plant, Furniture & Equipment	7,841		<a href="#">19</a>
299,733	- Infrastructure Assets	306,244		<a href="#">19</a>
8,592	- Assets Under Construction	26,437		<a href="#">19</a>
2,228	- Surplus Assets	2,876		<a href="#">19</a>
<b>1,338,420</b>			<b>1,503,311</b>	
11,659	Heritage Assets	11,659		<a href="#">21</a>
548	Intangible Assets	304		<a href="#">22</a>
4,254	Long Term Investments	4,201		<a href="#">27</a>
3,140	Long Term Debtors	3,439		<a href="#">27</a>
-	Retirement Benefit Asset	74,155		<a href="#">27</a>
<b>19,601</b>			<b>93,758</b>	
<b>1,358,021</b>	<b>Total Non-Current Assets</b>		<b>1,597,069</b>	
	<b>CURRENT ASSETS</b>			
4,664	Assets 'Held for Sale'	3,598		<a href="#">23</a>
134,594	Short Term Investments	126,278		<a href="#">27</a>
1,513	Inventories	1,090		<a href="#">29</a>
10,341	Local Taxation Debtors	11,198		<a href="#">30</a>
(10,341)	Impairment of Local Taxation Debtors	(10,433)		<a href="#">30</a>
55,483	Other Short Term Debtors	49,385		<a href="#">31</a>
(6,430)	Impairment of Short Term Debtors	(7,928)		<a href="#">31</a>
56,695	Cash & Cash Equivalents	28,856		<a href="#">Cash Flow</a>
<b>246,519</b>	<b>Total Current Assets</b>		<b>202,044</b>	
<b>1,604,540</b>	<b>TOTAL ASSETS</b>		<b>1,799,113</b>	
	<b>CURRENT LIABILITIES</b>			
(37,307)	Short Term Borrowing	(22,763)		<a href="#">27</a>
(8,428)	Other Short Term Liabilities	(8,939)		<a href="#">27</a>
(71,233)	Short Term Creditors	(66,475)		<a href="#">32</a>
(4,754)	Short Term Provisions	(3,227)		<a href="#">34</a>
(34,528)	Capital Grants Receipts in Advance	(29,790)		<a href="#">33</a>
(3,335)	Revenue Grants Receipts in Advance	(2,108)		<a href="#">33</a>
<b>(159,585)</b>	<b>Total Current Liabilities</b>		<b>(133,302)</b>	
	<b>LONG TERM LIABILITIES</b>			
(653,158)	Long Term Borrowing	(634,708)		<a href="#">27</a>
(185,633)	Other Long Term Liabilities	(176,693)		<a href="#">27</a>
(4,060)	Long Term Provisions	(4,005)		<a href="#">34</a>
(327,466)	Retirement Benefit Obligations	(28,820)		<a href="#">37</a>
<b>(1,170,317)</b>	<b>Total Long Term Liabilities</b>		<b>(844,226)</b>	
<b>(1,329,902)</b>	<b>TOTAL LIABILITIES</b>		<b>(977,528)</b>	
<b>274,638</b>	<b>NET ASSETS / (LIABILITIES)</b>		<b>821,585</b>	

Continued overleaf

## STATEMENT OF ACCOUNTS 2022/23

### BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2023 (CONTINUED)

2021/22 £000s		2022/23 £000s	2022/23 £000s	Note / Statement
	<b>USEABLE RESERVES:</b>			
217,132	- General Fund	214,369		<a href="#">4 / MIRS</a>
-	- DSG Reserve	5,301		
28,843	- Housing Revenue Account	25,133		<a href="#">4 / MIRS / HRA</a>
25,093	- Useable Capital Receipts Reserve	28,102		<a href="#">MIRS</a>
18,119	- Major Repairs Reserve	24,388		<a href="#">MIRS</a>
19,573	- Capital Grant Unapplied Reserve	21,673		<a href="#">MIRS</a>
<b>308,760</b>	<b>TOTAL USEABLE RESERVES</b>		<b>318,966</b>	
	<b>UNUSABLE RESERVES:</b>			
(133,502)	- Capital Adjustment Account	(145,772)		<a href="#">5</a>
496	- Deferred Capital Receipts Reserve	496		<a href="#">5</a>
(10,889)	- Financial Instruments Adjustment Account	(10,304)		<a href="#">5</a>
(328,247)	- Pensions Reserve	45,335		<a href="#">5</a>
(431)	- Financial Instrument Revaluation Reserve	(431)		<a href="#">5</a>
442,894	- Revaluation Reserve	617,235		<a href="#">5</a>
(2,548)	- Accumulated Absences Account	(3,159)		<a href="#">5</a>
16,051	- Collection Fund Adjustment Account	17,166		<a href="#">5</a>
(17,946)	- DSG Deficit Adjustment Account *	(17,946)		<a href="#">5</a>
<b>(34,122)</b>	<b>TOTAL UNUSABLE RESERVES</b>		<b>502,620</b>	
<b>274,638</b>	<b>TOTAL RESERVES</b>		<b>821,585</b>	

\* The DSG Adjustment account was a new requirement for 2020/21. The [Movement in Reserves Statement](#) shows the adjustment to the opening balances, in accordance with SI The Local Authorities (Capital Finance and Accounting) Regulations (the 2003 Regulations) as amended.



# STATEMENT OF ACCOUNTS 2022/23

## CASH FLOW STATEMENT

For a description of this statement – click [here](#)

2021/22 £000s		2022/23 £000s	2022/23 £000s	Note
<b>101,836</b>	<b>Net (Surplus) / Deficit on Provision of Services</b>		<b>43,511</b>	<a href="#">CI&amp;ES</a>
	<b>Adjustments to Net Surplus or Deficit on The Provision of Services for Non-Cash Movements:</b>			
(167,339)	- Depreciation & Impairment	(100,433)		
(28,674)	- Pension Fund Adjustments	(28,733)		
(15,842)	- Carrying Amount of Non-Current Assets Sold	(7,272)		
2,025	- (Increase) / Decrease in Provisions	1,582		
327	- Increase / (Decrease) in Inventories	(423)		
1,699	- Increase / (Decrease) in Debtors	(7,284)		
(12,337)	- (Increase) / Decrease in Creditors	5,391		
544	- Other Non-Cash Adjustments	28,202		
<b>(219,597)</b>			<b>(108,970)</b>	
	<b>Adjustments for Items Included in the Net (Surplus) or Deficit on the Provision of Services that are Investing &amp; Financing Activities:</b>			
46,170	- Capital Grants Recognised Through Comprehensive Income & Expenditure Statement	50,466		
	- Net adjustment from the sale of short term and long term investments	(9,314)		
13,444	- Proceeds From The Sale of Property, Plant & Equipment, Investment Property & Intangible Assets	8,983		
<b>59,614</b>			<b>50,135</b>	
<b>(58,147)</b>	<b>Net Cash (Inflow) / Outflow From Operating Activities</b>		<b>(15,324)</b>	
90,725	<b>Net Cash (Inflow) / Outflow From Investing Activities</b>		809	<a href="#">39</a>
(36,263)	<b>Net Cash (Inflow) / Outflow From Financing Activities</b>		42,354	<a href="#">40</a>
<b>(3,685)</b>	<b>Net (Increase) / Decrease in Cash &amp; Cash Equivalents</b>		<b>27,839</b>	
<b>53,010</b>	<b>Cash &amp; Cash Equivalents as at 1<sup>st</sup> April</b>		<b>56,695</b>	
3,685	Net Increase / (Decrease) in Cash & Cash Equivalents		(27,839)	
<b>56,695</b>	<b>Cash &amp; Cash Equivalents as at 31<sup>st</sup> March</b>		<b>28,856</b>	<a href="#">Balance Sheet</a>
	<b>Made Up Of The Following Elements:</b>			
7	Cash Held By The Council		5	
(3,542)	Cash in Transit *		(3,103)	
5,720	Bank Current Accounts		3,236	
54,510	Short Term Deposits With Financial Institutions		28,718	
<b>56,695</b>	<b>Total Cash &amp; Cash Equivalents</b>		<b>28,856</b>	

\* Cash in Transit represents the timing difference between payments being made by the Council to its creditors and receipts received from its debtors, which have been accounted for in the Council's Statement of Accounts and the clearing of those payments in the year end bank balance.

[Accounting Policy 5](#) defines the Council's policy with regards classification of financial instruments as cash equivalents.

# STATEMENT OF ACCOUNTS 2022/23

## SECTION 5 – NOTES TO THE CORE FINANCIAL STATEMENTS

### THE EXPENDITURE AND FUNDING ANALYSIS

For a description of this note – click [here](#)

2021/22			2022/23			
Net Expenditure Chargeable to the General Fund and HRA Balances	Adjustments Between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement		Net Expenditure Chargeable to the General Fund and HRA Balances	Adjustments Between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
£000s	£000s	£000s		£000s	£000s	£000s
47,006	14,588	61,594	Children Services	47,240	15,562	62,803
45,033	130,168	175,201	Growth & Sustainability	54,657	58,092	112,749
(15,572)	23,421	7,849	Housing Revenue Account	(14,941)	22,376	7,435
47,774	5,962	53,736	Adults & Communities	-	-	-
1,613	857	2,470	Public Health	-	-	-
-	-	-	Place Health & Adult social care	41,830	6,592	48,422
-	-	-	Public Health & Communities	10,988	2,687	13,675
(5,767)	6,148	381	Core Services	421	6,225	6,646
(10,727)	198	(10,529)	Corporate Services	(6,791)	9	(6,782)
849	-	849	Exceptional Item – COVID 19	-	-	-
-	-	-	Exceptional Item – HSG	(257)	-	(257)
<b>110,209</b>	<b>181,342</b>	<b>291,551</b>	<b>Net Cost of Services</b>	<b>133,147</b>	<b>111,544</b>	<b>244,692</b>
468	4,299	4,767	Other Operating Income & Expenditure	479	(1,554)	<b>(1,075)</b>
41,319	9,499	50,818	Financing & Investment Income & Expenditure	39,478	9,099	<b>48,577</b>
(191,730)	(53,570)	(245,300)	Taxation & Non Specific Grant Income	(197,104)	(51,582)	<b>(248,686)</b>
<b>(39,734)</b>	<b>141,570</b>	<b>101,836</b>	<b>(Surplus) / Deficit on Provision of Services</b>	<b>(24,000)</b>	<b>67,507</b>	<b>43,508</b>
20,015	(20,015)	-	Items Presented Within The Movement in Reserves Statement	25,169	(25,169)	-
<b>(19,719)</b>	<b>121,555</b>	<b>101,836</b>	<b>TOTAL</b>	<b>1,167</b>	<b>42,338</b>	<b>43,508</b>
<a href="#">Note 1 / MIRS</a>	<b>Split Between:</b>	<a href="#">CI&amp;ES</a>		<a href="#">Note 1 / MIRS</a>	<b>Split Between:</b>	<a href="#">CI&amp;ES</a>
General Fund	102,433			General Fund	22,296	
HRA	19,122			HRA	20,042	
	<b>121,555</b>				<b>42,338</b>	
	<a href="#">Note 2 / Note 3 / MIRS</a>				<a href="#">Note 2 / Note 3 / MIRS</a>	

## STATEMENT OF ACCOUNTS 2022/23

### THE EXPENDITURE AND FUNDING ANALYSIS (CONTINUED)

2021/22			Movement on Reserves:	2022/23		
General Fund	Housing Revenue Account	Total		General Fund	Housing Revenue Account	Total
£000s	£000s	£000s		£000s	£000s	£000s
195,302	30,952	226,254	<b>Opening Balances as at 1<sup>st</sup> April</b>	217,132	28,843	245,975
21,830	(2,109)	19,721	Plus/(Less) Surplus or (Deficit) on General Fund & HRA Balances in Year	2,538	(3,710)	(1,168)
<b>217,132</b>	<b>28,843</b>	<b>245,975</b>	<b>Closing Balances as at 31<sup>st</sup> March</b>	<b>219,670</b>	<b>25,133</b>	<b>244,803</b>
<a href="#">Note 4 / MIRS</a>	<a href="#">Note 4 / MIRS</a>	<a href="#">Note 4 / MIRS</a>		<a href="#">Note 4 / MIRS</a>	<a href="#">Note 4 / MIRS</a>	<a href="#">Note 4 / MIRS</a>

### NOTES PRIMARILY RELATING TO THE EXPENDITURE & FUNDING ANALYSIS

#### Note 1 – Reconciliation Between Management Accounts and Expenditure & Funding Analysis

Description:	This note provides a reconciliation between the Council's Management Accounts and the first column of the Expenditure & Funding Analysis which represents the actual movement on the Council's useable reserves for the year. The respective adjustments are outlined in the explanatory notes in the pages overleaf.
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<b>Adjustments from Management Accounts to Financial Reporting Format</b>	2022/23					
	Management Accounts as Per Final Accounts Report (Note 1A)	Presentational Adjustments from Management Accounts to Financial Accounts (Note 1B)	Items Not Included in Net Cost of Services (Note 1C)	Items Not Included Within The CI&ES (Note 1D)	Corporate Funding / Expenditure (Note 1E)	Net Expenditure Chargeable to the General Fund and HRA Balances (Note 1F)
	£000s	£000s	£000s	£000s	£000s	£000s
Children Services	57,782	(10,541)	-	-	-	47,241
Growth & Sustainability*	55,884	(1,877)	650	-	-	54,657
Housing Revenue Account	76,762	(76,762)	(9,534)	(5,407)	-	(14,941)
Place Health & Adult social care*	49,243	(4,463)	-	-	(2,949)	41,831
Public Health & Communities*	12,854	(1,571)	-	-	(295)	10,988
Core Services	24,295	(24,152)	293	(15)	-	421
Corporate Services	21,825	29,371	(28,260)	(16,037)	(13,692)	(6,793)
Exceptional Item – HSG	-	(257)	-	-	-	(257)
<b>Net Cost of Services</b>	<b>298,645</b>	<b>(90,252)</b>	<b>(36,851)</b>	<b>(21,459)</b>	<b>(16,936)</b>	<b>133,147</b>

## STATEMENT OF ACCOUNTS 2022/23

Other Operating Income & Expenditure	-		-	-	479	479
Financing & Investment Income & Expenditure	-		39,478	-	-	39,478
Taxation & Non Specific Grant Income	-		(2,627)	-	(194,477)	(197,104)
<b>(Surplus) / Deficit on Provision of Services</b>	<b>298,645</b>	<b>(90,252)</b>	<b>(0)</b>	<b>(21,459)</b>	<b>(210,934)</b>	<b>(24,000)</b>
Items Presented Within The Movement in Reserves Statement (Note 1G)	-		-	21,459	3,710	25,169
<b>TOTAL NET EXPENDITURE</b>	<b>298,645</b>	<b>(90,252)</b>	<b>(0)</b>	<b>-</b>	<b>(207,224)</b>	<b>1,169</b>

[EFA](#)

\* A report approved by Cabinet in May 2022 agreed a revised management structure for the Council

\* During 2022/23, the Communities Directorate, which was once managed by Adults & Communities and has now been moved to Public Health & Communities

## STATEMENT OF ACCOUNTS 2022/23

<b>Adjustments from Management Accounts to Financial Reporting Format</b>	<b>2021/22</b>					
	Management Accounts as Per Final Accounts Report (Note 1A)	Presentational Adjustments from Management Accounts to Financial Accounts (Note 1B)	Items Not Included in Net Cost of Services (Note 1C)	Items Not Included Within The CI&ES (Note 1D)	Corporate Funding / Expenditure (Note 1E)	Net Expenditure Chargeable to the General Fund and HRA Balances (Note 1F)
	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
Children Services	46,964	42	-	-	-	47,006
Growth & Sustainability	50,795	(6,667)	905	-	-	45,033
Housing Revenue Account	73,095	(73,095)	(10,237)	(5,335)	-	(15,572)
Adults & Communities	76,434	(28,660)	-	-	-	47,774
Public Health	6,433	(4,520)	-	-	(300)	1,613
Core Services	(4,957)	(1,588)	793	(15)	-	(5,767)
Corporate Services	32,000	3,827	(20,005)	(18,749)	(7,800)	(10,727)
Exceptional Item – COVID 19	(26,036)	26,885	-	-	-	849
<b>Net Cost of Services</b>	<b>254,728</b>	<b>(83,776)</b>	<b>(28,544)</b>	<b>(24,099)</b>	<b>(8,100)</b>	<b>110,209</b>
Other Operating Income & Expenditure	-	-	-	-	468	468
Financing & Investment Income & Expenditure	-	-	41,319	-	-	41,319
Taxation & Non-Specific Grant Income	-	-	(12,775)	-	(178,955)	(191,730)
<b>(Surplus) / Deficit on Provision of Services</b>	<b>254,728</b>	<b>(83,776)</b>	<b>-</b>	<b>(24,099)</b>	<b>(186,587)</b>	<b>(39,734)</b>
Items Presented Within the Movement in Reserves Statement (Note 1G)	-	-	-	17,906	2,109	20,015
<b>TOTAL NET EXPENDITURE</b>	<b>254,728</b>	<b>(83,776)</b>	<b>-</b>	<b>(6,193)</b>	<b>(184,478)</b>	<b>(19,719)</b>

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### **Adjustments From Management Accounts to Financial Reporting Format – Explanatory Notes**

#### Note 1A: Management Accounts as Per Final Accounts Report

This column represents the net revenue expenditure (management accounts) of the Council's Directorates, as reported to Cabinet throughout the financial year.

#### Note 1B: Presentational Adjustments from Management Accounts to Financial Accounts

This column represents the presentational adjustments from the management accounts to align to the financial statements. Such adjustments include the treatment and presentation of reserves and earmarkings, separate reporting of exceptional items and to reflect differences in reporting for specific corporate items, e.g. COVID 19.

#### Note 1C: Items Not Included in Net Cost of Services

Adjustments for items that are not deemed, as per the Accounting Code of Practice, as service specific income and expenditure but which represent other corporate items:

- **Other Operating Income & Expenditure** – generally relates to precepts / levies that are accounted for within service budgets from a management accounts perspective but a corporate cost as per the financial reporting requirements;

## STATEMENT OF ACCOUNTS 2022/23

- **Financing & Investment Income & Expenditure** – generally relates to corporate income and expenditure such as interest payments servicing the Council’s debt and interest receivable from its financial investments and dividends from its interests in companies. Also included within this are the external element of services that are accounted for as trading undertakings;
- **Taxation & Non-Specific Grant Income & Expenditure** – relates to non-specific grant received and accounted for within service budgets from a management accounts perspective.

### Note 1D: Items Not Included Within The CI&ES

Adjustments that, under the Accounting Code of Practice, are not reported from a financial reporting point of view within the Comprehensive Income & Expenditure Statement but as a movement in reserves:

- These adjustments generally relate to capital items such as the statutory charges for capital financing i.e. Minimum Revenue Provision and capital funded by revenue / reserves and the statutory accounting for the treatment of the Council’s DSG Deficit. Also included is the accounting recognition of the element of the pension deficit payment and the adjustment in relation to financial instruments.

### Note 1E: Corporate Funding / Expenditure

This column brings in the Council’s corporate, non-specific funding for the year together with other corporate items of expenditure:

- **Other Operating Income & Expenditure** – generally relates to the precept payments collected by the Council and paid over to the parish councils;
- **Taxation & Non-Specific Grant Income & Expenditure** – relates to the non-specific income that the Council receives in year to fund its net expenditure, including Revenue Support Grant (RSG), Council Tax, Business Rates and S31 Grants.

### Note 1F: Net Expenditure Chargeable to the General Fund and HRA Balances

This column shows the Council’s financial position in terms of its in-year movement in general fund and housing revenue account reserve positions. These can be seen in terms of both types of reserves in [Note 4](#).

### Note 1G: Items Presented Within The Movement in Reserves Statement

The items captured within this row are such items that, in accordance with the Code of Practice, are not to be included within the Comprehensive Income & Expenditure Statement (Accounting Basis) but are chargeable to the General Fund Balance under statutory provisions. These are duly deducted or added to the General Fund Balance via the Movement in Reserves Statement (Funding Basis). This row therefore purely represents presentational adjustments to allow reconciliation between the accounting basis and funding basis.

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### Note 2 - Adjustments between Funding and Accounting Basis per Directorate

Description:	This note provides an analysis of the adjustments between the accounting basis as stipulated by the Code of Practice and the funding basis as stipulated by Legislation, per directorate. The respective adjustments are outlined in the explanatory notes in the pages overleaf.
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<b>Adjustments from General Fund / HRA to Arrive at the Comprehensive Income and Expenditure Statement Amounts</b>	<b>2022/23</b>			
	Adjustments for Capital Purposes (Note 2A)	Net Change for the Pensions Adjustments (Note 2B)	Other Differences (Note 2C)	<b>Total Adjustments</b>
	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
Children Services	5,659	9,196	677	<b>15,532</b>
Growth & Sustainability	53,722	4,317	13	<b>58,052</b>
Housing Revenue Account	22,376	-	-	<b>22,376</b>
Place Health & Adult social care	5,262	1,454	(124)	<b>6,592</b>
Public Health & Communities	759	1,861	91	<b>2,711</b>
Core Services	3,594	2,787	(40)	<b>6,341</b>
Corporate Services	-	15	(6)	<b>9</b>
<b>Net Cost of Services</b>	<b>91,372</b>	<b>19,631</b>	<b>611</b>	<b>111,614</b>
Other Operating Income & Expenditure	(1,554)	-	-	<b>(1,551)</b>
Financing & Investment Income & Expenditure	-	9,099	-	<b>9,099</b>
Taxation & Non Specific Grant Income	(50,466)	-	(1,116)	<b>(51,582)</b>
<b>Difference Between General Fund /HRA Surplus or Deficit and Comprehensive Income &amp; Expenditure Statement Surplus or Deficit on the Provision of Services</b>	<b>39,355</b>	<b>28,730</b>	<b>(505)</b>	<b>67,577</b>
Items resented Within the Movement in Reserves Statement	(23,803)	(781)	(585)	<b>(25,169)</b>
<b>TOTAL NET EXPENDITURE</b>	<b>15,552</b>	<b>27,949</b>	<b>(1,090)</b>	<b>42,411</b>

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## STATEMENT OF ACCOUNTS 2022/23

<b>Adjustments from General Fund / HRA to Arrive at the Comprehensive Income and Expenditure Statement Amounts</b>	<b>2021/22</b>			
	Adjustments for Capital Purposes (Note 2A)	Net Change for the Pensions Adjustments (Note 2B)	Other Differences (Note 2C)	Total Adjustments
	£000s	£000s	£000s	£000s
Children's Services	5,581	8,954	53	<b>14,588</b>
Place	126,155	4,000	13	<b>130,168</b>
Housing Revenue Account	23,421	-	-	<b>23,421</b>
Adults & Communities	3,672	2,246	44	<b>5,962</b>
Public Health	-	858	(1)	<b>857</b>
Core Services	3,272	2,918	(42)	<b>6,148</b>
Corporate Services	-	199	(1)	<b>198</b>
<b>Net Cost of Services</b>	<b>162,101</b>	<b>19,175</b>	<b>66</b>	<b>181,342</b>
Other Operating Income & Expenditure	4,299	-	-	<b>4,299</b>
Financing & Investment Income & Expenditure	-	9,499	-	<b>9,499</b>
Taxation & Non Specific Grant Income	(46,170)	-	(7,400)	<b>(53,570)</b>
<b>Difference Between General Fund /HRA Surplus or Deficit and Comprehensive Income &amp; Expenditure Statement Surplus or Deficit on the Provision of Services</b>	<b>120,230</b>	<b>28,674</b>	<b>(7,334)</b>	<b>141,570</b>
Items Presented Within The Movement in Reserves Statement	(24,839)	(781)	5,605	<b>(20,015)</b>
<b>TOTAL NET EXPENDITURE</b>	<b>95,391</b>	<b>27,893</b>	<b>(1,729)</b>	<b>121,555</b>

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### **Adjustments between Funding and Accounting Basis per Directorate – Explanatory Notes**

#### Note 2A: Adjustments for Capital Purposes

Adjustments for capital purposes – this column adds in depreciation and impairment and revaluation gains and losses in the services line and for:

- **Other Operating Income & Expenditure** – adjusts for capital disposals with a transfer of income on disposal of assets and the amounts written off for those assets.
- **Taxation & Non-Specific Grant Income & Expenditure** – capital grants are adjusted for income not chargeable under generally accepted accounting practices. Revenue grants are adjusted from those receivable in the year to those receivable without conditions or for which conditions were satisfied throughout the year. The Taxation and Non Specific Grant Income and Expenditure line is credited with capital grants receivable in the year without conditions or for which conditions were satisfied in the year.
- **Items Presented Within The Movement in Reserves Statement** – generally relate to capital items such as the statutory charges for capital financing i.e. Minimum Revenue Provision and capital funded by revenue / reserves.

#### Note 2B: Net Change for the Pensions Adjustments

Net change for the removal of pension contributions and the addition of IAS 19 *Employee Benefits* pension related expenditure and income:



## STATEMENT OF ACCOUNTS 2022/23

- For **Net Cost of Services** this represents the removal of the employer pension contributions made by the Council as allowed by statute and the replacement with current service costs and past service costs. The change also includes the recognition of the pension deficit payment, relating to the year.
- For **Financing & Investment Income & Expenditure** – the net interest on the defined benefit liability is charged to the CIES.
- For **Items Presented Within The Movement in Reserves Statement** – the pension deficit element recognised against the general fund.

### Note 2C: Other Differences

Other differences between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute:

- For **Financing & Investment Income & Expenditure** - the other differences column recognises adjustments to the General Fund for the timing differences for premiums and discounts.
- The charge under **Taxation & Non-Specific Grant Income & Expenditure** represents the difference between what is chargeable under statutory regulations for Council Tax and NDR that was projected to be received at the start of the year and the income recognised under generally accepted accounting practices in The Code. This is a timing difference as any difference will be brought forward in future Surpluses or Deficits on the Collection Fund.
- For **Items Presented Within The Movement in Reserves Statement** – these adjustments relate to the entries relating to the financial instrument adjustment account and the Council's DSG deficit.

# STATEMENT OF ACCOUNTS 2022/23

## NOTES PRIMARILY RELATING TO THE MOVEMENT IN RESERVES STATEMENT

### **Note 3 – Adjustments Between Accounting Basis and Funding Basis Under Regulations**

Description:	This note details the adjustments that are made to the Comprehensive Income and Expenditure Statement, in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Council to meet future capital and revenue expenditure.
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The following sets out a description of the reserves that the adjustments are made against:

#### General Fund Balances

The General Fund is the statutory fund into which all the receipts of a Council are required to be paid and out of which all liabilities of the Council 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 Council 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. However, the balance is not available to be applied to fund HRA Services.

There are two types of General Fund balances as detailed below:

- Non-Specific Reserves – these reserves are general in nature and are not earmarked for a specific use in the future. Included within this balance are the Minimum Working Balance which is retained for unforeseen circumstances and Strategic Reserves that are held with consideration towards the Council's Medium Term Financial Strategy; and
- Earmarked Reserves – these reserves have a specific use on a particular activity / scheme.

[Note 4](#) identifies the movement between the two types of General Fund Reserves.

#### Housing Revenue Account (HRA) Balances

The Housing Revenue Account Balance reflects the statutory obligation to maintain a revenue account for local authority council housing provision in accordance with Part IV of the Local Government and Housing Act 1989. It contains the balance of income and expenditure as defined by the 1989 Act that is available to fund future expenditure in connection with the Council's landlord function or, where in deficit, that is required to be recovered from tenants in future years.

The services provided by the HRA include; Council house management, rent collection, letting, tenant participation, repairs and maintenance, estate management, caretaking and other tenant related services.

#### Useable Capital Receipts Reserve

The Useable 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 year end.

#### Major Repairs Reserve

The Council is required to maintain the Major Repairs Reserve, which controls the application of the notional Major Repairs Allowance (MRA). The MRA is restricted to being applied to new capital investment in HRA assets or the financing of historical capital expenditure by the HRA. The balance shows the notional MRA that has yet to be applied at year end.

#### Capital Grants Unapplied Reserve

The Capital Grants Unapplied Reserve holds the grants and contributions received towards capital projects for which the Council has met the conditions that would otherwise require repayment of the monies, but which have yet to be applied to meet expenditure.

## STATEMENT OF ACCOUNTS 2022/23

**Note 3**

	Useable Reserves					Unusable Reserves
	General Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied Reserve	Movement in Unusable Reserves
<b>2022/23 Adjustments</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
<b>Adjustments to Revenue Resources</b>						
Amounts by which Income and Expenditure Included in the Comprehensive Income and Expenditure Statement are different from Revenue for the Year Calculated in Accordance with Statutory Requirements:						
Pensions Costs <i>(Transferred to (or from) the Pensions Reserve)</i>	27,949	-	-	-	-	(27,949)
Financial Instruments <i>(Transferred to the Financial Instruments Adjustments Account)</i>	(547)	(38)	-	-	-	585
Dedicated Schools Grant Deficit <i>(Transfers to or from DSG Adjustment Account)</i>	-	-	-	-	-	-
Council Tax and NDR <i>(Transfers to or from Collection Fund Adjustment Account)</i>	(1,116)	-	-	-	-	1,116
Holiday Pay <i>(Transferred to the Accumulated Absences Reserve)</i>	611	-	-	-	-	(611)
Reversal of Entries Included in the Surplus or Deficit on the Provision of Services in Relation to Capital Expenditure <i>(These Items are Charged to the Capital Adjustment Account)</i>	69,416	29,159	-	18,354	-	(116,929)
<b>Sub Total – Adjustments to Revenue Resources</b>	<b>96,313</b>	<b>29,121</b>	<b>-</b>	<b>18,354</b>	<b>-</b>	<b>(143,788)</b>
<b>Adjustments Between Revenue and Capital Resources</b>						
Transfer of Non-Current Asset Sale Proceeds from Revenue to the Capital Receipts Reserve	(8,983)	-	8,983	-	-	-
Administrative Costs of Non-Current Asset Disposals <i>(Funded by a Contribution from the Capital Receipts Reserve)</i>	160	-	(160)	-	-	-
Payments to the Government Housing Receipts Pool <i>(Funded by a Transfer from the Capital Receipts Reserve)</i>	-	-	-	-	-	-
Posting of HRA Resources from Revenue to the Major Repairs Reserve	-	(6,034)	-	6,034	-	-
Statutory Provision for the Repayment of Debt <i>(Transfer from the Capital Adjustment Account)</i>	(7,552)	-	-	-	-	7,552
Capital Expenditure Financed from Revenue Balances <i>(Transfer to the Capital Adjustment Account)</i>	(7,172)	(3,045)	-	-	-	10,217
<b>Sub Total – Adjustments Between Revenue &amp; Capital Resources</b>	<b>(23,547)</b>	<b>(9,079)</b>	<b>8,823</b>	<b>6,034</b>	<b>-</b>	<b>17,769</b>
<b>Adjustments to Capital Resources</b>						
Use of the Capital Receipts Reserve to Finance Capital Expenditure	-	-	(5,814)	-	-	5,814
Use of the Major Repairs Reserve to Finance Capital Expenditure	-	-	-	(18,117)	-	18,117
Application of Capital Grants to Finance Capital Expenditure / Write Down Debt	(42,416)	-	-	-	(5,954)	48,370
Capital Grants Recognised, Not Yet Applied	(8,054)	-	-	-	8,054	-
Use of Resources to Write Down Debt	-	-	-	-	-	-
Receipts Received Relating to Loans/Investments Repaid in Year, Originally Funded From Capital Resources	-	-	-	-	-	-
Cash Payments in Relation to Deferred Capital Receipts	-	-	-	-	-	-
<b>Sub Total – Adjustments to Capital Resources</b>	<b>(50,470)</b>	<b>-</b>	<b>(5,815)</b>	<b>(18,118)</b>	<b>2,100</b>	<b>72,301</b>
<b>Total Adjustments</b>	<b>22,296</b>	<b>20,042</b>	<b>3,008</b>	<b>6,270</b>	<b>2,100</b>	<b>(53,716)</b>
	<i>MIRS / EFA</i>	<i>MIRS / EFA</i>	<i>MIRS</i>	<i>MIRS</i>	<i>MIRS</i>	<i>MIRS</i>

## STATEMENT OF ACCOUNTS 2022/23

Note 3

	Useable Reserves					Unusable Reserves
	General Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied Reserve	Movement in Unusable Reserves
<b>2021/22 Adjustments</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
<b>Adjustments to Revenue Resources</b>						
Amounts by which Income and Expenditure Included in the Comprehensive Income and Expenditure Statement are Different from Revenue for the Year Calculated in Accordance with Statutory Requirements:						
Pensions Costs <i>(Transferred to (or from) the Pensions Reserve)</i>	27,893	-	-	-	-	(27,893)
Financial Instruments <i>(Transferred to the Financial Instruments Adjustments Account)</i>	(546)	(38)	-	-	-	584
Dedicated Schools Grant Deficit <i>(Transfers to or from DSG Adjustment Account)</i>	6,189		-	-	-	(6,189)
Council Tax and NDR <i>(Transfers to or from Collection Fund Adjustment Account)</i>	(7,400)	-	-	-	-	7,400
Holiday Pay <i>(Transferred to the Accumulated Absences Reserve)</i>	66	-	-	-	-	(66)
Reversal of Entries Included in the Surplus or Deficit on the Provision of Services in Relation to Capital Expenditure <i>(These Items are Charged to the Capital Adjustment Account)</i>	146,796	31,150	-	16,580	-	(194,526)
<b>Sub Total – Adjustments to Revenue Resources</b>	<b>172,998</b>	<b>31,112</b>	<b>-</b>	<b>16,580</b>	<b>-</b>	<b>(220,690)</b>
<b>Adjustments Between Revenue and Capital Resources</b>						
Transfer of Non-Current Asset Sale Proceeds from Revenue to the Capital Receipts Reserve	(8,860)	(4,584)	13,444	-	-	-
Administrative Costs of Non-Current Asset Disposals <i>(Funded by a Contribution from the Capital Receipts Reserve)</i>	238	-	(238)	-	-	-
Payments to the Government Housing Receipts Pool <i>(Funded by a Transfer from the Capital Receipts Reserve)</i>	1,666	-	(1,666)	-	-	-
Posting of HRA Resources from Revenue to the Major Repairs Reserve	-	(3,690)	-	3,690	-	-
Statutory Provision for the Repayment of Debt <i>(Transfer from the Capital Adjustment Account)</i>	(7,165)	-	-	-	-	7,165
Capital Expenditure Financed from Revenue Balances <i>(Transfer to the Capital Adjustment Account)</i>	(10,272)	(3,716)	-	-	-	13,988
<b>Sub Total – Adjustments Between Revenue &amp; Capital Resources</b>	<b>(24,393)</b>	<b>(11,990)</b>	<b>11,540</b>	<b>3,690</b>	<b>-</b>	<b>21,153</b>
<b>Adjustments to Capital Resources</b>						
Use of the Capital Receipts Reserve to Finance Capital Expenditure	-	-	(1,910)	-	-	1,910
Use of the Major Repairs Reserve to Finance Capital Expenditure	-	-	-	(21,165)	-	21,165
Application of Capital Grants to Finance Capital Expenditure / Write Down Debt	(36,124)	-	-	-	(1,535)	37,659
Capital Grants Recognised, Not Yet Applied	(10,046)	-	-	-	10,046	-
Use of Resources to Write Down Debt	-	-	(1,704)	-	-	1,704
Receipts Received Relating to Loans/Investments Repaid in Year, Originally Funded From Capital Resources	-	-	80	-	-	(80)
Cash Payments in Relation to Deferred Capital Receipts	-	-	1	-	-	(1)
<b>Sub Total – Adjustments to Capital Resources</b>	<b>(46,170)</b>	<b>-</b>	<b>(3,533)</b>	<b>(21,165)</b>	<b>8,511</b>	<b>62,357</b>
<b>Total Adjustments</b>	<b>102,435</b>	<b>19,122</b>	<b>8,007</b>	<b>(895)</b>	<b>8,511</b>	<b>(137,180)</b>
	<a href="#">MIRS / EFA</a>	<a href="#">MIRS / EFA</a>	<a href="#">MIRS</a>	<a href="#">MIRS</a>	<a href="#">MIRS</a>	<a href="#">MIRS</a>

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<b>Note 4 – General Fund and Housing Revenue Account Reserves</b>	
Description:	This note sets out the amounts set aside from the General Fund and HRA balances in earmarked reserves to provide financing for future expenditure plans.
Relevant Accounting Policies:	<a href="#">Accounting Policy 26</a>

	Balance at 31 <sup>st</sup> March 2021	Transfers Out 2021/22	Transfers In 2021/22	Balance at 31 <sup>st</sup> March 2022	Transfers Out 2022/23	Transfers In 2022/23	Balance at 31 <sup>st</sup> March 2023
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
<b>General Fund :</b>							
<b><u>Service Earmarked Reserves :</u></b>							
<u>Children’s Directorate:</u>							
School Balances	5,267	(5,267)	4,844	4,844	(4,844)	3,637	3,637
Centrally Retained DSG Budgets	-	-	-	-	-	5,301	5,301
Future Demography / Social Care Pressures	16,000	-	4,000	20,000	(10,000)	-	10,000
Other Children’s Directorate Earmarkings	942	(881)	975	1,036	(783)	1,602	1,855
<u>Growth &amp; Sustainability Directorate:</u>							
Adult Learning - Grants	1,167	(95)	-	1,072	(797)	1,004	1,279
Other Growth & Sustainability Directorate Earmarkings	2,947	(857)	2,193	4,283	(2,652)	914	2,545
<u>Place Health and Adult Social Care Directorate:</u>							
CCG Funding	-	-	7,870	7,870	(5,318)	2,542	5,094
Other Place Health and Adults SC Directorate Earmarkings	16,126	(11,647)	5,077	9,556	(3,872)	3,492	9,176
<u>Public Health and Communities Directorate:</u>							
Public Health Earmarking’s	1,454	(602)	1,504	2,356	(79)	-	2,277
Area Council Funding	1,127	-	-	1,127	(300)	-	827
<u>Core Services Directorate:</u>							
PFI / BSF Programme	7,279	(42)	1,154	8,391	(2,451)	-	5,940
Other Core Services Directorate Earmarkings	5,439	(236)	2,508	7,711	570	(1,475)	6,806
<b><u>Corporate Earmarked Reserves:</u></b>							
<u>Capital Programme Earmarkings:</u>							
Future Council Priorities	52,471	(10,469)	34,141	76,143	(17,140)	17,431	76,434
<u>Corporate Earmarkings</u>							
Revenue Investments – 20/21 Budgets	4,581	(2,116)	-	2,465	(1,565)	-	900
Future Council – Downsizing Costs / KLOE Mitigation	6,906	(1,168)	4,262	10,000	-	-	10,000
Insurance Fund Reserve	6,149	-	49	6,198	-	-	6,198
Invest to Grow	526	(77)	-	449	(207)	-	242
Commercial Fund	648	(94)	-	554	(486)	-	68
MRP Future Years	7,636	-	3,071	10,707	-	6,625	17,332
MTFS 22/23 & 23/24 Mitigation	-	-	5,700	5,700	(14,397)	27,211	18,514
COVID 19 - Recovery Strategy	1,909	(956)	-	953	(132)	5,719	6,540
S31 Grant for Business Rates Relief	31,156	(31,156)	11,388	11,388	(6,087)	-	5,301
Other Corporate Earmarkings	5,572	(3,424)	2,181	4,329	(991)	66	3,404
<b>Sub Total – G/F Earmarked Reserves</b>	<b>175,302</b>	<b>(69,087)</b>	<b>90,917</b>	<b>197,132</b>	<b>(71,531)</b>	<b>74,069</b>	<b>199,670</b>

## STATEMENT OF ACCOUNTS 2022/23

<b>Non-Earmarked Reserves:</b>						
Minimum Working Balances (Contingency for Unforeseen Events)	20,000	-	-	20,000	-	20,000
In Year Surplus / (Deficit)	-	-	-	-	-	-
<b>Sub Total – G/F Non-Earmarked Reserves</b>	<b>20,000</b>	<b>-</b>	<b>-</b>	<b>20,000</b>	<b>-</b>	<b>20,000</b>
<b>Total – General Fund Reserves</b>	<b>195,302</b>	<b>(69,087)</b>	<b>90,917</b>	<b>217,132</b>	<b>(71,531)</b>	<b>74,069</b>
<b>Total General Fund Movement</b>		<b>21,830</b>			<b>2,538</b>	<b>-</b>

\* The DSG Adjustment account was a new requirement for 2020/21. The [Movement in Reserves Statement](#) shows the adjustment to the opening balances, in accordance with SI The Local Authorities (Capital Finance and Accounting) Regulations (the 2003 Regulations) as amended.

	Balance at 31 <sup>st</sup> March 2021	Transfers Out 2021/22	Transfers In 2021/22	Balance at 31 <sup>st</sup> March 2022	Transfers Out 2022/23	Transfers In 2022/23	Balance at 31 <sup>st</sup> March 2023
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
<b>Housing Revenue Account:</b>							
<b>Earmarked Reserves:</b>							
Housing Growth	17,656	(2,461)	3,362	19,027	(3,045)	-	15,982
Welfare Reform	2,000	-	-	2,000	-	-	2,000
New Build Bungalows	354	(354)	-	-	-	-	-
Held Pending Review of 30 Year Business Plan	3,143	(3,008)	-	135	-	-	135
COVID 19 Financial Recovery	-	-	-	-	-	-	-
Electrical Testing	396	-	-	396	-	-	396
Repairs & Maintenance Slippage	273	(273)	-	-	-	-	-
Investment in Council HRA System	100	-	-	100	-	-	100
Legal Fees	30	-	-	30	-	-	30
<b>Sub Total – HRA Earmarked Reserves</b>	<b>23,952</b>	<b>(6,096)</b>	<b>3,832</b>	<b>21,688</b>	<b>(3,045)</b>	<b>-</b>	<b>18,643</b>
<b>Non-Earmarked Reserves:</b>							
Minimum Working Balances (Contingency for Unforeseen Events)	7,000	-	-	7,000	-	-	7,000
In Year Surplus	-	-	155	155	(665)	-	(510)
<b>Sub Total – HRA Non-Earmarked Reserves</b>	<b>7,000</b>	<b>-</b>	<b>-</b>	<b>7,155</b>	<b>(665)</b>	<b>-</b>	<b>6,490</b>
<b>Total – HRA Reserves</b>	<b>30,952</b>	<b>(6,096)</b>	<b>3,987</b>	<b>28,843</b>	<b>(3,710)</b>	<b>-</b>	<b>25,133</b>
<b>Total HRA Movement</b>		<b>(865)</b>		<a href="#">Balance Sheet / HRA</a>	<b>(3,710)</b>		<a href="#">Balance Sheet / HRA</a>
		<a href="#">EFA / MIRS</a>			<a href="#">EFA / MIRS</a>		

## STATEMENT OF ACCOUNTS 2022/23

### Note 5 – Unusable Reserves

Description: This note provides an analysis of the Council's unusable reserves. These reserves cannot be used to reduce Council Tax or Rents and ordinarily represent statutory accounting requirements.

31 <sup>st</sup> March 2021 £000s	31 <sup>st</sup> March 2022 £000s		31 <sup>st</sup> March 2023 £000s
(35,182)	(133,502)	Capital Adjustment Account	(145,772)
497	496	Deferred Capital Receipts Reserve	496
(11,473)	(10,889)	Financial Instruments Adjustment Account	(10,304)
(444,961)	(328,247)	Pensions Reserve	45,335
(431)	(431)	Financial Instruments Revaluation Reserve	(431)
352,241	442,894	Revaluation Reserve	617,235
(2,482)	(2,548)	Accumulated Absences Account	(3,159)
8,650	16,051	Collection Fund Adjustment Account	17,166
(11,757)	(17,946)	DSG Deficit Adjustment Account	(17,946)
<b>(144,898)</b>	<b>(34,122)</b>	<b>Total Unusable Reserves</b>	<b>502,620</b>

[Balance Sheet](#)

#### Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement as charges for 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 an historical cost basis). The Account is credited with the amounts set aside by the Council as finance for the costs of acquisition, construction and enhancement.

Where applicable, the Account will contain accumulated gains and losses on Investment Properties and gains on donated assets that have yet to be consumed by the Council.

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

[Note 3](#) provides details of the source of all transactions posted to the Account, apart from those involving the Revaluation Reserve.

2021/22 £000s		2022/23 £000s	
		£000s	£000s
<b>-35,182</b>	<b>Balance at 1<sup>st</sup> April</b>		<b>-133,502</b>
	<b>Reversal of Items Relating to Capital Expenditure Debited or Credited to the Comprehensive Income &amp; Expenditure Statement:</b>		
-167,071	- Charges for Depreciation & Impairment of Non-Current Assets	-100,192	
-267	- Amortisation of Intangible Assets	-244	
-11,346	- Revenue Expenditure Funded From Capital Under Statute	-9,220	
-15,842	- Amounts of Non-Current Assets Written Off on Disposal or Sale as Part of Gain / Loss on Disposal to the Comprehensive Income & Expenditure Statement	-7,271	
<b>-194,526</b>			<b>-116,928</b>
<b>12,697</b>	Adjusting Amount Written Out to the Revaluation Reserve		<b>14,5870</b>
<b>-181,829</b>	<b>Net Written Out Amount of the Cost of Non-Current Assets Consumed in Year</b>		<b>-102,341</b>
	<b>Capital Financing Applied in Year:</b>		
1,910	- Use of the Capital Receipts Reserve to Finance New Expenditure	5,815	
1,703	- Use of the Capital Receipts Reserve to Write Down Debt Requirement	108	
36,123	- Capital Grants & Contributions Credited to the Comprehensive Income & Expenditure Statement That Have Been Applied to Capital Financing / Write Down Debt	48,366	
21,166	- Use of Major Repairs Reserve to Finance New Capital Expenditure	18,118	
1,535	- Application of Grants to Capital Financing From Capital Grants Unapplied Account	-	
7,165	- Statutory Provision for the Financing of Capital Investment Charged Against the General Fund & HRA Balances	7,552	
13,987	- Capital Expenditure Charged Against the General Fund & HRA Balances	10,217	
<b>83,589</b>			<b>90,176</b>

## STATEMENT OF ACCOUNTS 2022/23

-	Movement in the Market Value of Investment Properties Debited / Credited to the Comprehensive Income & Expenditure Statement		
-80	Receipts Received Relating to Loans, Advances & Investments Made By The Council, Originally Funded From Capital Resources, Thus Reducing The Ongoing Requirement to Borrow	-108	
<b>-80</b>			<b>-108</b>
<b>-133,502</b>	<b>Balance at 31<sup>st</sup> March</b>		<b>-145,772</b>

### Deferred Capital Receipts Reserve

The Deferred Capital Receipts Reserve holds the gains recognised on the disposal of non-current assets but for which cash settlement has yet to take place. Under statutory arrangements, the Council does not treat these gains as useable for financing new capital expenditure until they are received. When the deferred cash settlement eventually takes place, amounts are transferred to the Capital Receipts Reserve.

2021/22 £000s		2022/23 £000s
<b>497</b>	<b>Balance at 1<sup>st</sup> April</b>	<b>496</b>
-	Transfer of Deferred Sale Proceeds Credited as Part of the Gain / Loss on Disposal to the Comprehensive Income & Expenditure Statement	-
(1)	Transfer to the Capital Receipts Reserve Upon Receipt of Cash	-
<b>496</b>	<b>Balance at 31<sup>st</sup> March</b>	<b>496</b>

### Financial Instruments Adjustment Account

The Financial Instruments Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for income and expenses relating to certain financial instruments and for bearing losses or benefiting from gains per statutory provisions. The Council uses the Account to manage premiums paid on the early redemption of loans. Premiums are debited to the Comprehensive Income and Expenditure Statement when they are incurred but reversed out of the General Fund balance to the Account in the Movement in Reserves Statement. Over time, the expense is posted back to the General Fund balance in accordance with statutory arrangements for spreading the burden on Council Tax. The balance on the Account as at 31<sup>st</sup> March 2020 will be charged to the General Fund over the next 37 years.

2021/22 £000s		2022/23	
		£000s	£000s
<b>(11,473)</b>	<b>Balance at 1<sup>st</sup> April</b>		<b>(10,889)</b>
-	Premiums Incurred in the Year & Charged to the Comprehensive Income & Expenditure Statement	-	
584	Proportion of Premiums Incurred in Previous Financial Years to be Charged Against the General Fund Balance in Accordance With Statutory Requirements	585	
<b>584</b>	<b>Amount by Which Finance Costs Charged to the Comprehensive Income &amp; Expenditure Statement are Different from Finance Costs Chargeable in the Year in Accordance with Statutory Requirements</b>		<b>585</b>
<b>(10,889)</b>	<b>Balance at 31<sup>st</sup> March</b>		<b>(10,304)</b>

### 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 Council accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service. The liabilities recognised are updated 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 Council makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pension's Reserve therefore shows a substantial shortfall in benefits earned by past and current employees and the resources the Council 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.



## STATEMENT OF ACCOUNTS 2022/23

2021/22 £000s		2022/23 £000s	
<b>(444,961)</b>	<b>Balance at 1<sup>st</sup> April</b>	<b>(328,247)</b>	
144,607	Actuarial Gains or (Losses) on Pensions Assets & Liabilities	401,532	<a href="#">CI&amp;ES</a>
(47,612)	Reversal of Items Relating to Retirement Benefits Debited or Credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income & Expenditure Statement	(48,845)	
19,720	Employer's Pensions Contributions	20,895	
<b>(328,247)</b>	<b>Balance at 31<sup>st</sup> March</b>	<b>45,335</b>	

### Financial Instruments Revaluation Reserve

The Financial Instruments Revaluation Reserve contains the gains made by the Council arising from increases in the value of its investments that are measured at fair value through other comprehensive income and expenditure. The balance is reduced when investments with accumulated gains are:

- revalued downwards or impaired and the gains are lost; and
- disposed of and the gains are realised.

2021/22 £000s		2022/23	
		£000s	£000s
<b>(431)</b>	<b>Balance at 1<sup>st</sup> April</b>		<b>(431)</b>
-	Upward Revaluation of Investments	-	
-	Downward Revaluation of Investments	-	
-	Change in Impairment Loss Allowance	-	
-			-
-	Accumulated Gains or Losses on Assets Sold and Maturing Assets Written Out to the Comprehensive Income & Expenditure Statement as Part of Other Investment Income	-	
-	Accumulated Gains or Losses on Assets Sold and Maturing Assets Written Out to the General Fund Balance for Financial Assets Designated to Fair Value Through Other Comprehensive Income	-	
-			-
<b>(431)</b>	<b>Balance at 31<sup>st</sup> March</b>		<b>(431)</b>

## STATEMENT OF ACCOUNTS 2022/23

### Revaluation Reserve

The Revaluation Reserve contains the gains made by the Council 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<sup>st</sup> 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.

2021/22		2022/23	
£000s		£000s	£000s
<b>352,241</b>	<b>Balance at 1<sup>st</sup> April</b>		<b>442,894</b>
113,225	Upward Revaluation of Assets	198,438,	
(5,649)	Downward Revaluation of Assets & Impairment Losses Not Charged to the Surplus / Deficit on the Provision of Services	(8,586)	
(4,226)	Reversal Of Revaluation Loss (Net of Depreciation)	(922)	
<b>103,350</b>	<b>Surplus or Deficit on Revaluation of Non-Current Assets Not Posted to The Surplus or Deficit on the Provision of Services</b>		<b>188930</b>
(8,520)	Difference Between Fair Value Depreciation & Historical Cost Depreciation	(10,908)	
-	Revaluation Reserve Balances of Investment Properties Written Out on Transfer of Asset Category		
(4,177)	Accumulated Gains on Assets Sold or Scrapped	(3,681)	
<b>(12,697)</b>	<b>Amount Written Off to the Capital Adjustment Account</b>		<b>(14,5882)</b>
<b>442,894</b>	<b>Balance at 31<sup>st</sup> March</b>		<b>617,235</b>

[CI&ES](#)

### 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<sup>st</sup> March 2022. Statutory arrangements require that the impact on the General Fund balance is neutralised by transfer to or from the Account.

2021/22		2022/23	
£000s		£000s	£000s
<b>(2,482)</b>	<b>Balance at 1<sup>st</sup> April</b>		<b>(2,548)</b>
2,428	Settlement or Cancellation of Accrual Made at the End of the Preceding Year	2,548	
(2,548)	Amounts Accrued at the End of the Current Year	(3,159)	
<b>(66)</b>	<b>Amount By Which Officer Remuneration Charged to the Comprehensive Income &amp; Expenditure Statement on an Accruals Basis is Different from Remuneration Chargeable in the Year in Accordance With Statutory Requirements</b>		<b>(611)</b>
<b>(2,548)</b>	<b>Balance at 31<sup>st</sup> March</b>		<b>(3,159)</b>

## STATEMENT OF ACCOUNTS 2022/23

### Collection Fund Adjustment Account

The Collection Fund Adjustment Account manages the differences arising from the recognition of Council Tax income in the Comprehensive Income and Expenditure Statement, as it falls due from Council Tax payers compared with the statutory arrangements for paying across amounts to the General Fund from the Collection Fund.

<b>2021/22</b>		<b>2022/23</b>
<b>£000s</b>		<b>£000s</b>
<b>8,650</b>	<b>Balance at 1<sup>st</sup> April</b>	<b>16,051</b>
7,401	Amount by which council tax income credited to the Comprehensive Income & Expenditure Statement is different from council tax income calculated for the year in accordance with statutory requirements	1,115
<b>16,051</b>	<b>Balance at 31<sup>st</sup> March</b>	<b>17,166</b>

[Collection Fund](#)

### Dedicated Schools Grant Deficit Adjustment Account

The Dedicated Schools Grant Deficit Adjustment Account is a statutory account where the Council must hold its DSG schools deficit, in accordance with amended statutory instrument, The Local Authorities (Capital Finance and Accounting) Regulations 2003, as amended.

<b>2021/22</b>		<b>2022/23</b>
<b>£000s</b>		<b>£000s</b>
<b>(11,757)</b>	<b>Balance at 1<sup>st</sup> April</b>	<b>(17,946)</b>
(6,189)	Deficit Charged in Year	-
<b>(17,946)</b>	<b>Balance at 31<sup>st</sup> March</b>	<b>(17,946)</b>

## STATEMENT OF ACCOUNTS 2022/23

### NOTES PRIMARILY RELATING TO THE COMPREHENSIVE INCOME & EXPENDITURE STATEMENT

#### Note 6 – Expenditure & Income Analysed By Nature

Description:	This note shows the Surplus or Deficit on the Provision of Services within the CI&ES on both a subjective and segmental basis.
Relevant Accounting Policies:	<a href="#">Accounting Policy 2</a>

The Council's expenditure and income is analysed as follows:

Expenditure / Income	2021/22	2022/23
	£000s	£000s
<b>Expenditure:</b>		
Employee Benefits Expenses	193,850	206,459
Other Services Expenses	345,532	394,254
Support Service Recharges	-	-
Depreciation, Amortisation, Impairment *	178,687	109,654
Interest Payments	52,652	51,694
Precepts & Levies	468	479
Payments to Housing Capital Receipts Pool	1,666	-
Write Out NBV Relating to the Disposal of Assets	15,841	7,272
<b>Total Expenditure</b>	<b>788,696</b>	<b>769,812</b>
<b>Income:</b>		
Fees, Charges & Other Service Income	(143,033)	(176,231)
Interest & Investment Income	(1,086)	(3,151)
Income From Council Tax & Non-Domestic Rates	(129,599)	(137,087)
Government Grants & Contributions	(399,934)	(401,012)
Sale Proceeds Relating to the Disposal of Assets	(13,208)	(8,823)
<b>Total Income</b>	<b>(686,860)</b>	<b>(726,304)</b>
<b>Surplus or Deficit on the Provision of Services</b>	<b>101,836</b>	<b>43,511</b>
	<a href="#">CI&amp;ES</a>	<a href="#">CI&amp;ES</a>

[Note 15](#)

#### Segmental Expenditure & Income

The table above has been analysed between reporting segments of the Council (e.g Directorates) and the non-directorate specific entries which predominately relates to the adjustments of a corporate nature, not included within the Net Cost of Services.

TOTAL EXPENDITURE	2022/23							TOTAL
	Employee Benefits Expenses	Other Services Expenses	Depreciation, Amortisation Impairment	Interest Payments	Precepts & Levies	Payments to Housing Capital Receipts Pool	Write Out NBV Relating to the Disposal of Assets	
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Children Services	87,370	85,554	5,686	-	-	-	-	178,610
Growth & Sustainability	46,468	86,263	53,766	-	-	-	-	186,497
HRA	345	42,467	40,728	10,000	-	-	-	93,540
Place Health & Adult social care	15,323	77,082	5,262	-	-	-	-	97,667
Public Health & Communities	19,527	16,854	734	-	-	-	-	37,117
Core Services	31,730	72,668	3,478	-	-	-	-	107,875
Corporate Services	5,696	8,971	-	32,595	-	-	-	47,261
Exceptional Item – HSG	-	4,395	-	-	-	-	-	4,395
Non Directorate	-	-	-	9,099	479	-	7,272	16,850
<b>Total</b>	<b>206,459</b>	<b>394,254</b>	<b>109,654</b>	<b>51,694</b>	<b>479</b>	<b>-</b>	<b>7,272</b>	<b>769,812</b>

## STATEMENT OF ACCOUNTS 2022/23

<b>TOTAL INCOME</b>	2022/23					
	Fees, Charges & Other Service Income	Interest & Investment Income	Income From Council Tax & Non-Domestic Rates	Government Grants & Contributions	Sale Proceeds Relating to the Disposal of Assets	<b>TOTAL</b>
	£000s	£000s	£000s	£000s	£000s	£000s
Children Services	(1,341)	-	-	(114,466)	-	<b>(115,807)</b>
Growth & Sustainability	(55,022)	(113)	-	(19,262)	-	<b>(74,397)</b>
HRA	(75,538)	(466)	-	(567)	-	<b>(76,571)</b>
Place Health & Adult social care	(15,842)	-	-	(30,453)	-	<b>(46,295)</b>
Public Health & Communities	(1,525)	-	-	(21,622)	-	<b>(23,147)</b>
Core Services	(22,543)	(532)	-	(78,447)	-	<b>(101,522)</b>
Corporate Services	(4,421)	(2,040)	2,401	(8,036)	-	<b>(12,096)</b>
Exceptional Item – COVID 19	-	-	-	(4,652)	-	<b>(4,652)</b>
Non Directorate	-	-	(139,487)	(123,507)	(8,823)	<b>(271,817)</b>
<b>Total</b>	<b>(176,232)</b>	<b>(3,151)</b>	<b>(137,086)</b>	<b>(401,012)</b>	<b>(8,823)</b>	<b>(726,303)</b>

<b>TOTAL EXPENDITURE (Prior Year Comparator)</b>	2021/22							
	Employee Benefits Expenses	Other Services Expenses	Depreciation, Amortisation Impairment	Interest Payments	Precepts & Lewies	Payments to Housing Capital Receipts Pool	Write Out NBV Relating to the Disposal of Assets	<b>TOTAL</b>
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Children's Services	78,926	75,404	5,581	-	-	-	-	<b>159,911</b>
Place	41,892	45,606	126,161	-	-	-	-	<b>213,659</b>
HRA	345	40,974	40,001	10,267	-	-	-	<b>91,587</b>
Adults & Communities	23,709	77,479	3,672	-	-	-	-	<b>104,860</b>
Public Health	8,539	2,874	-	-	-	-	-	<b>11,413</b>
Core Services	31,688	67,483	3,272	-	-	-	-	<b>102,443</b>
Corporate Services	8,751	11,646	-	32,886	-	-	-	<b>53,283</b>
Exceptional Item – COVID 19	-	24,066	-	-	-	-	-	<b>24,066</b>
Non Directorate	-	-	-	9,499	468	1,666	15,841	<b>27,474</b>
<b>Total</b>	<b>193,850</b>	<b>345,532</b>	<b>178,687</b>	<b>52,652</b>	<b>468</b>	<b>1,666</b>	<b>15,841</b>	<b>788,696</b>

<b>TOTAL INCOME (Prior Year Comparator)</b>	2021/22					
	Fees, Charges & Other Service Income	Interest & Investment Income	Income From Council Tax & Non-Domestic Rates	Government Grants & Contributions	Sale Proceeds Relating to the Disposal of Assets	<b>TOTAL</b>
	£000s	£000s	£000s	£000s	£000s	£000s
Children's Services	(1,578)	-	-	(96,739)	-	<b>(98,317)</b>
Place	(23,128)	(52)	-	(16,183)	-	<b>(39,363)</b>
HRA	(72,817)	(30)	-	(654)	-	<b>(73,501)</b>
Adults & Communities	(16,821)	-	-	(34,302)	-	<b>(51,123)</b>
Public Health	(378)	-	-	(8,265)	-	<b>(8,643)</b>
Core Services	(22,500)	(848)	-	(79,507)	-	<b>(102,855)</b>
Corporate Services	(5,811)	(156)	7,284	(37,325)	-	<b>(36,008)</b>
Exceptional Item – COVID 19	-	-	-	(23,217)	-	<b>(23,217)</b>
Non Directorate	-	-	(136,883)	(103,742)	(13,208)	<b>(253,833)</b>
<b>Total</b>	<b>(143,033)</b>	<b>(1,086)</b>	<b>(129,599)</b>	<b>(399,934)</b>	<b>(13,208)</b>	<b>(686,860)</b>

## STATEMENT OF ACCOUNTS 2022/23

### Note 7 – Revenue From Contracts With Service Recipients

Description:	This note shows the level of revenue received by the Council from its contractual arrangements.
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Amounts included in the Comprehensive Income & Expenditure Statement for contracts with service recipients are as follows:

2021/22 £000s		2022/23 £000s
(127,438)	Revenue From Contracts With Service Recipients	(142,401)
<b>(127,438)</b>	<b>Total Included in Comprehensive Income &amp; Expenditure Statement</b>	<b>(142,401)</b>

There are no amounts included in the Balance Sheet for contracts with service recipients as the material contractual arrangements relate to the specific financial year.

### Note 8 – Material Items of Income and Expense & Exceptional Items

Description:	<p>The first part of this note identifies any material items of income or expense that occurred during 2022/23, defined as any material individual transaction to or from a single vendor or customer.</p> <p>The second part of the note identifies any exceptional items which are items of income or expenditure which are material in net terms, in respect of the Council's overall expenditure and are not expected to recur frequently or regularly.</p>
Relevant Accounting Policies:	<a href="#">Accounting Policy 6</a>

### Material Items of Income & Expense

The following items are deemed material to the accounts and are explained below:

#### Household Support Grant

During 2022/23, the Council accessed the Government's Household Support Fund to provide support to low-income households with energy and food costs. Almost £4.7m was paid out to Barnsley residents.

#### COVID

During 2021/22, the Council incurred significant expenditure as a result of the COVID-19 global pandemic, along with a number of significant grants provided by the Government, to fund such expenditure. There was no significant spend as a result of the pandemic in 2022/23.

These items, which are also classed as exceptional items, are shown on the face of the [Comprehensive Income & Expenditure Statement](#) and explained in further detail below.

### Exceptional Items

These exceptional items are exceptional under the definition and had a material net effect on the Council's statements in 2021/22. However, no exceptional items have been identified in 2022/23.

#### COVID Expenditure and Specific COVID Related Grants

As a result of the COVID-19 pandemic, the Government announced multiple support packages to fund the financial challenges presented to local authorities during the latter part of 2019/20 and both the full 2020/21 and 2021/22 financial years respectively. Where grants were provided for a specific purpose, these are accounted for, in accordance with the Code of Practice, in the Net Cost of Services within the [Comprehensive Income & Expenditure Statement](#), together with the associated expenditure.

The Council incurred COVID related costs totalling £24.2M during 2021/22. No related spend was incurred during 2022/23.

No new specific COVID-19 related grants were received during 2022/23. The Council accounted for specific grants and income totalling £23.217M during 2021/22. This includes other contributions / income that are not accounted for as grants, totalling £0.985M. A breakdown of the grants, totalling £23.232M is provided in [Note 15](#) to these accounts.

## STATEMENT OF ACCOUNTS 2022/23

### General COVID Related Grants

The Council received no general COVID-19 related grants during 2022/23. The Council accounted for £8.215M during 2021/22. A breakdown of these grants is provided in [Note 15](#) to these accounts. Such grants have no restrictions and are therefore deemed as general grants. These grants were accounted for within the Taxation and Non Specific Grant Income section of the [Comprehensive Income & Expenditure Statement](#).

### The Council Acting as an Agent on Behalf of The Government

In addition to the above, where the Council has been deemed to be acting as an agent on behalf of the Government, where the Council facilitates the payments but has no discretion in terms of what the payments should be and who they are to be made to, these payments and associated grant funding are not accounted for as Council spend and income, in accordance with the Code. The balance of payments / receipts is shown as a creditor / debtor to The Government on the Council's Balance Sheet representing monies owed back to the Government (creditor) or monies owed to the Council (debtor).

The Council recognised a creditor totalling £16.050M and a debtor totalling £1.806M in 2021/22. In 2022/23, no new grants were received and all payments to third parties were made. The table shows the composition of these positions.

As At 31 <sup>st</sup> March 2022					As At 31 <sup>st</sup> March 2023			
Payments Made	Grant Received	Net Debtor	Net (Creditor)		Payments Made	Grant Received	Net Debtor	Net (Creditor)
£000s	£000s	£000s	£000s		£000s	£000s	£000s	£000s
-	-	-	-	BEIS Business Support Grant	-	-	-	-
376	(453)	-	(77)	Local Restrictions Grant	77	-	-	-
992	(814)	178	-	Test and Trace Payments	-	(178)	-	-
1,125	(1,295)	-	(170)	Additional Restrictions Grant	170	-	-	-
11,648	(10,020)	1,628	-	Restart Grant	-	(1,628)	-	-
-	(15,803)	-	(15,803)	Council Tax Rebate 22/23	15,803	-	-	-
<b>14,141</b>	<b>(28,385)</b>	<b>1,806</b>	<b>(16,050)</b>	<b>Total</b>	<b>16,050</b>	<b>(1,806)</b>	<b>-</b>	<b>-</b>

### School Academy Conversions

Where a maintained school transfers to Academy status, the Council's assets are leased to the respective academy trust. In accounting terms, the academy trust controls these assets; therefore, the transfer is accounted for as a disposal (see arrangements at [Note 25](#)). In 2022/23, no maintained schools transferred to Academy status. The amounts written out of the Council's Balance Sheet in 2021/22 are as follows:

2021/22	Other Land & Buildings	Vehicles, Plant, Furniture & Equipment	Total
Assets Relating To:	£000s	£000s	£000s
Milefield Primary	2,920	-	2,920
<b>Total</b>	<b>2,920</b>	<b>-</b>	<b>2,920</b>

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These exceptional items are presented within the 'Other Operating Income & Expenditure' section of the [Comprehensive Income & Expenditure Statement](#).

### Note 9 – Trading Operations

Description:	This note outlines the Council's trading units which operates in a commercial environment by charging service users or internal customers.
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Details of those units are as follows:

2021/22		Trading Service	2022/23		
£000s	£000s		£000s	£000s	
(1,458) 869	<b>(589)</b>	<b>Waste &amp; Recycling</b>	Turnover	(1,528)	<b>(524)</b>
			Expenditure	1,004	
			<b>(Surplus)/Deficit</b>		
(14,639) 11,001	<b>(3,638)</b>	<b>Engineering Services</b>	Turnover	(15,254)	<b>(3,577)</b>
			Expenditure	11,677	
			<b>(Surplus)/Deficit</b>		
(9,569) 15,236	<b>5,667</b>	<b>Building Services</b>	Turnover	(8,113)	<b>7,286</b>
			Expenditure	15,399	
			<b>(Surplus)/Deficit</b>		
(3,802) 5,637	<b>1,835</b>	<b>Fleet Services</b>	Turnover	(3,671)	<b>2,240</b>
			Expenditure	5,911	
			<b>(Surplus)/Deficit</b>		
(2,933) 3,023	<b>90</b>	<b>Schools Catering</b>	Turnover	(2,826)	<b>521</b>
			Expenditure	3,347	
			<b>(Surplus)/Deficit</b>		
(3,214) 1,770	<b>(1,444)</b>	<b>Cemetery, Crem, Mortuary</b>	Turnover	(3,084)	<b>(1,151)</b>
			Expenditure	1,933	
			<b>(Surplus)/Deficit</b>		
(822) 958	<b>136</b>	<b>Markets</b>	Turnover	(1,046)	<b>265</b>
			Expenditure	1,311	
			<b>(Surplus)/Deficit</b>		
(2,112) 4,220	<b>2,108</b>	<b>Neighbourhood Services</b>	Turnover	(2,180)	<b>2,656</b>
			Expenditure	4,836	
			<b>(Surplus)/Deficit</b>		
(4,793) 5,561	<b>768</b>	<b>The Consolidated Results of the Other Trading Units</b>	Turnover	(4,095)	<b>698</b>
			Expenditure	4,793	
			<b>(Surplus)/Deficit</b>		
<b>(43,342)</b> <b>48,275</b>		<b>TOTALS</b>	<b>Turnover</b>	<b>(41,797)</b>	
			<b>Expenditure</b>	<b>50,211</b>	
	<b>4,933</b>	<b>Net (Surplus) / Deficit on Trading Operations</b>			<b>8,414</b>

Trading operations are incorporated into the Comprehensive Income and Expenditure Statement. Some are an integral part of the Council's services to the public (e.g. refuse collection), whilst others are support services to those services (e.g. Information Services). The internal expenditure of these operations is allocated or recharged to headings in the Net Cost of Services. Only a residual amount of the net surplus / deficit on trading operations is charged as Financing and Investment Income and Expenditure (see [Comprehensive Income & Expenditure Statement](#)) relating to trading with external organisations:



## STATEMENT OF ACCOUNTS 2022/23

2021/22 £000s		2022/23 £000s	
4,933	Net Deficit on Trading Operations	8,498	
2,746	Services to the Public Included in the Net Cost of Services	1,468	
(8,476)	Support Services Reported in the Net Cost of Services	(10,265)	
<b>(797)</b>	<b>Net Deficit / (Surplus) Posted to Financing &amp; Investment Income &amp; Expenditure</b>	<b>(299)</b>	<a href="#">CI&amp;ES</a>

### Note 10 – Impairment / Revaluation Losses

Description:	The Comprehensive Income & Expenditure Statement is charged with any revaluation / impairment losses, over and above the balance on the revaluation reserve. These charges are reversed out and have no impact on the Council Tax payer as per statute.
Relevant Accounting Policies:	<a href="#">Accounting Policy 8</a>

During 2022/23, the Council has recognised impairment / revaluation losses of £62.372M (£130.324M in 2021/22) through the Comprehensive Income & Expenditure Statement as shown below:

2021/22 £000s	Asset Categories:	2022/23 £000s
22,724	<b>Charged to Net Cost of Services:</b>	
107,647	Council Dwellings	21,519
(14)	Other Land & Buildings	40,739
(33)	Surplus Assets	-
	Assets Held for Sale	114
<b>130,324</b>	<b>Total Charged to Net Cost of Services</b>	<b>62,372</b>
	<b>Charged to Financing &amp; Investment Income &amp; Expenditure:</b>	
-	Investment Properties	-
-	<b>Total Charged to Financing &amp; Investment Income &amp; Expenditure</b>	-
<b>130,324</b>	<b>Total Charged to Comprehensive Income &amp; Expenditure Statement</b>	<b>62,372</b>

### Note 11 – Pooled Budgets

Description:	Pooled Budgets are non-entity arrangements where two or more bodies contribute towards achieving a joint set of outcomes. This note describes the arrangements that the Council is party to in respect of pooled budgets.
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### Children & Young People Service Aligned Budget Arrangement

The Council has continued with the Children & Young People (CYP) aligned budget arrangement with the former Barnsley Clinical Commissioning Group (1 April to 30 June 2023) and its replacement from July 2023 – Barnsley Place Integrated Care Board (ICB). Barnsley ICB was legally established from July 2023. It is a statutory NHS body responsible for meeting the health needs of the population, managing the NHS budget and arranging for the provision of health services in a geographical area.

The CYP aligned budget arrangement, which is constituted under Section 75 of the NHS Act, is underpinned by a formal partnership agreement. The aligned budget arrangement has been subsumed within the Children's Trust arrangement and is managed by the Executive Commissioning Group (ECG), which is a sub-body of the Trust Executive Group (TEG). The ECG, on behalf of the TEG, agrees the respective aligned budgets of both organisations and the funding allocations for the provision of integrated social & community health care services.

## STATEMENT OF ACCOUNTS 2022/23

2021/22 £000s		People Directorate £000s	Revenue Account £000s	2022/23 £000s
	<b>Value of Aligned Budgets:</b>			
(3,120)	Opening Balance at 1 <sup>st</sup> April			(3,028)
(34,409)	BCCG / ICB	(3,028)	-	(3,028)
(37,529)	Barnsley MBC	(35,483)	-	(35,483)
	<b>Total</b>	<b>(38,511)</b>	<b>-</b>	<b>(38,511)</b>
	<b>Value of Commissioned Services:</b>			
411	BCCG / ICB	269	-	269
35,422	BMBC	36,448	-	36,448
1,696	SWYPFT*	1,794	-	1,794
4,006	Balance on Revenue Account	-	7,320	7,320
	<b>Total</b>	<b>38,511</b>	<b>7,320</b>	<b>45,831</b>
<b>(4,006)</b>	<b>Balance as at 31<sup>st</sup> March</b>	<b>-</b>	<b>7,320</b>	<b>7,320</b>

\*SWYPFT – South & West Yorkshire Partnership Foundation Trust.

2021/22 £000s		2022/23 £000s
	<b>Distribution of Over / (Under) Spend:</b>	
(35)	BCCG / ICB	(87)
4,041	Barnsley MBC	7,407
<b>4,006</b>	<b>Total</b>	<b>7,320</b>

### Income & Expenditure Account

2021/22 £000s		2022/23 £000s
	<b>Income from Pooled Budget:</b>	
-	Balance Brought Forward	-
37,529	Aligned Budgets	38,511
-	Other Funding	-
<b>37,529</b>	<b>Total</b>	<b>38,511</b>
	<b>Provider Expenditure:</b>	
376	Barnsley CCG	182
39,578	Barnsley MBC (CYP&F / PH)	44,022
1,581	SWYPFT	1,627
<b>41,535</b>	<b>Total</b>	<b>45,831</b>
<b>4,006</b>	<b>Over / (Under) Spend</b>	<b>7,320</b>
-	Ring-Fenced & Carried Forward	-
<b>4,006</b>	<b>NET EXPENDITURE</b>	<b>7,320</b>

### Governance Arrangements

The budget alignment arrangement with the ICB does not pose any significant financial risk to the Council as the funding / budget arrangement (with associated risks) is clearly separated and reflects the statutory functions of both organisations. The following explain the current contractual arrangements in respect to health services:

1. BMBC will continue to act as the lead commissioner for all community health services (on behalf of the NHS Barnsley Clinical Commissioning Group (CCG)).
2. Children's community health services are delivered by South West Yorkshire Partnership NHS Foundation Trust (SWYPFT) under contract with clear accountability (in terms of performance and clinical risk) to the ICB for delivering improved outcomes. These health services include Children and Adolescent Mental Health Services (CAMHS), Children's Therapy (including physiotherapy, occupational and speech & language therapies), etc.

### **The Better Care Fund Pooled Arrangement**

The Council and the NHS have been operating a 'pooled' budget arrangement with respect to the Better Care Fund (BCF) since April 2015. The aims of the BCF are to improve outcomes for the population of Barnsley through increased integration of health and social care services. The BCF pooling arrangement is underpinned by a Section 75 agreement between the Council and Integrated Care Board

## STATEMENT OF ACCOUNTS 2022/23

(which replaced the Barnsley Clinical Commissioning Group from July 2023). Governance arrangements are in place through the Barnsley Health and Wellbeing Board. The ICB (previously the CCG) is the host organisation of the BCF 'pooled budget' during the 2022/23 financial year.

A summary of the pooled budget is shown below:

2021/22 £000s	<b>BCF Pooled Account</b>	2022/23 £000s
-	<b>Balance as at 1<sup>st</sup> April</b>	
	<b>Contribution to the BCF Pool:</b>	
(22,844)	Barnsley CCG / ICB	(24,600)
(16,432)	Barnsley MBC	(17,860)
<b>(39,276)</b>	<b>Total</b>	<b>(42,460)</b>
	<b>Value of Commissioned Services:</b>	
10,068	Barnsley CCG / ICB	12,158
29,208	Barnsley MBC	30,302
<b>39,276</b>	<b>Total</b>	<b>42,460</b>
-	<b>Balance as at 31<sup>st</sup> March</b>	-

### Explanation of Above Tables

- **Value of Aligned Budgets** – Represents the resources made available and aligned by both organisations to the arrangement from which services are commissioned.
- **Value of Commissioned Services** – Represents the value of the various services commissioned from the pool / aligned resources. It forms the budget figures against the individual service areas / client groups in the Income and Expenditure Account. This table also brings in any over or under-spends from the Income and Expenditure Account.
- **Balance at 31<sup>st</sup> March** – Represents the balance of funding across the pool, based on actual expenditure incurred against the resources made available by both organisations.
- **Distribution of Overspend** – Represents the additional contribution required from both organisations in order to fund the over-spend and hence balance the pool.
- **Income and Expenditure Account** – Represents the value of services commissioned from the pool (budget) and the actual costs incurred by the providers in delivering those services, resulting in a net over / underspend across the pool. This net over / underspend is reflected in the Services Commissioned from Pooled Budget table.

### South Yorkshire Regional Adoption Agency

The Children's Act 2002 (s3) requires each Council to maintain within its area an adoption service designed to meet the needs of children who may be adopted, their parents, natural parents and former guardians. In June 2015, the Department for Education (DfE) published their plans for 'Regionalising Adoption services' with the expectation for all authorities to be part of a Regional Adoption Agency by 2020.

The South Yorkshire Regional Adoption Agency (SYRAA) was legally established (underpinned by a legal partnership agreement) on 1 January 2021 and consist of the following contributing authorities - Rotherham MBC, Barnsley MBC, Sheffield CC and City of Doncaster Council. The financial model for the SYRAA is based on each Local Authority transferring their operational budget (2020/21 baseline) for Adoption into the SYRAA. The City of Doncaster Council is the Lead Authority and maintain central expenditure incurred in the provision of adoption service by the SYRAA. Subject to the decision by the SYRAA Partnership Board, year-end surpluses or deficits are redistributed across all contributing authorities. This represents the net position or liability for the Council and is included in the CI&ES.

## STATEMENT OF ACCOUNTS 2022/23

2021/22 £000s		2022/23 £000s
	<b>Budget contribution from each LA*:</b>	
(825)	Barnsley MBC	(887)
(1,048)	Rotherham MBC	(1,123)
(993)	City of Doncaster Council	(1,063)
(1,375)	Sheffield CC	(1,478)
<b>(4,241)</b>	<b>Total Gross income</b>	<b>(4,551)</b>
	<b>Expenditure:</b>	
3,971	Revenue Expenditure	4,484
<b>3,971</b>	<b>Total Gross Expenditure</b>	<b>4,484</b>
(270)	Over / (Under) Spend	(67)
-	Carry Forward from Previous Year	(270)
-	Use of Balances	20
<b>(270)</b>	<b>Net Balance as at 31 March held by Doncaster Council</b>	<b>(317)</b>

\* The budget contribution for each local authority shown above is net of any redistribution of year-end surpluses (or underspends) as agreed by the SYRAA Partnership Board.

### Note 12 – Members’ Allowances

Description: This note shows the cost to the Council of its elected Members.

The Council paid the following amounts to members of the Council during the year:

2021/22 £000s		2022/23 £000s
744	Basic Allowances	719
267	Special Responsibility Allowances	257
12	Expenses	10
<b>1,023</b>	<b>Total</b>	<b>986</b>

### Note 13 – Officers’ Remuneration & Exit Packages

Description: This note shows:

- The Senior Executive Officers remuneration;
- An analysis of other Council employees with remuneration of greater than £50k;
- The cost to the Council of exit packages given.

Relevant Accounting Policies:

The table below sets out the remuneration disclosures for Senior Executive Officers of the Council (as defined in Local Authority Accounting Panel Bulletin 85):

Post	2022/23				
	Remuneration £000s	Redundancy / Severance £000s	Expenses / Allowances £000s	Total Direct Remuneration £000s	Pension Contributions * £000s
Sarah Norman - Chief Executive	185	-	-	185	30
Executive Director – Childrens Services <b>A</b>	16	-	-	16	2
Executive Director – Childrens Services <b>B</b> ^	92	-	-	92	15
Executive Director – Growth & Sustainability <b>C</b>	113	-	-	113	17
Executive Director – Place Health & Care	144	-	-	144	24
Executive Director – Public Health	129	-	-	129	13
Executive Director – Core Services <b>D</b>	116	-	-	116	18
Director of Finance – Chief Financial Officer (S151 Officer)	105	-	-	105	17
	<b>900</b>	<b>-</b>	<b>-</b>	<b>900</b>	<b>136</b>

^ the post holder left the position in Feb 2023

\* Pension contributions are paid on behalf of the officer, as opposed to paid directly to the officer.

## STATEMENT OF ACCOUNTS 2022/23

### Explanatory Notes:

- A** Post holder left their post on 31<sup>st</sup> May 2022  
**B** Post holder started their post on 21<sup>st</sup> July 2022  
**C** Post holder started their post on 24<sup>st</sup> May 2022  
**D** Post holder left the post on 5<sup>th</sup> February 2023

Post	2021/22				
	Remuneration	Redundancy / Severance	Expenses / Allowances	Total Direct Remuneration	Pension Contributions *
	£000s	£000s	£000s	£000s	£000s
Sarah Norman - Chief Executive	183	-	-	183	30
Executive Director – Childrens Services	131	-	-	131	21
Executive Director – Place <b>A</b>	106	-	-	106	17
Executive Director – Place Health & Care	131	-	-	131	21
Executive Director – Public Health	121	-	-	121	5
Executive Director – Core Services	135	-	-	135	22
Service Director – Finance – Chief Financial Officer (S151 Officer)	99	-	-	99	13
	<b>906</b>	-	-	<b>906</b>	<b>129</b>

\* Pension contributions are paid on behalf of the officer, as opposed to paid directly to the officer.

### Explanatory Notes:

- A** Post holder left their post on 31<sup>st</sup> January 2022

The number of other employees whose remuneration, excluding pension contributions, was £50,000 or more, in bands of £5,000, is shown in the table below. The total number of employees falling within the various bands is affected by termination / redundancy payments made to certain employees who left the Council during the year (in accordance with the Authority and Pension Authority's retirement schemes). Senior Officers disclose in the remuneration table above are excluded from below.

Total Including One Off Payments (Redundancy, Equal Pay Claims, and Expenses etc.)		Remuneration Only		Total Including One Off Payments (Redundancy, Equal Pay Claims, and Expenses etc.)	Remuneration Only
2021/22 Council Officers Total	2021/22 Schools Total	2021/22 Council Officers Total	Remuneration Band	2022/23 Council Officers Total	2022/23 Council Officers Total
49	25	49	£50,000 - £54,999	79	77
17	13	16	£55,000 - £59,999	33	33
20	9	20	£60,000 - £64,999	17	18
14	12	14	£65,000 - £69,999	18	15
6	11	7	£70,000 - £74,999	9	8
14	3	13	£75,000 - £79,999	10	11
10	-	10	£80,000 - £84,999	13	13
1	-	1	£85,000 - £89,999	4	4
2	-	2	£90,000 - £94,999		
7	-	7	£95,000 - £99,999	3	2
5	1	5	£100,000 - £104,999	9	9
-	-	-	£105,000 - £109,999	1	1
1	-	2	£110,000 - £114,999	-	-
-	-	-	£115,000 - £119,999	-	-
-	-	-	£120,000 - £124,999	-	-
-	-	-	£125,000 - £129,999	-	-
-	-	-	£130,000 - £134,999	-	-
1	-	-	£175,000 - £179,999	-	-
<b>147</b>	<b>74</b>	<b>146</b>		<b>196</b>	<b>194</b>

## STATEMENT OF ACCOUNTS 2022/23

The numbers of exit packages with total cost per band and total cost of the redundancies and other departures are set out in the table below:

Exit Package Cost Band	Number of Redundancies		Number of Other Departures		Total Number of Exit Packages		Total Cost of Exit Packages	
	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	£000s 2021/22	£000s 2022/23
£0 - £20,000	8	36	7	15	15	51	180	472
£20,001 - £40,000	2	7	1	1	3	7	68	245
£40,001 - £60,000	0	0	0	0	0	1	0	0
£60,001 - £80,000	0	0	1	0	1	0	66	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
<b>Total Number of Exit Packages</b>	<b>10</b>	<b>43</b>	<b>9</b>	<b>16</b>	<b>19</b>	<b>59</b>		
<b>Total Cost Included In Bandings</b>							<b>314</b>	<b>717</b>
Add: Amounts Provided For in CI&ES Not Included In Bandings							-	-
<b>Total Cost Included In The CI&amp;ES</b>							<b>314</b>	<b>717</b>

The exit packages relating to Senior Officers are not included in the exit packages table above as they are shown in the Senior Officers table.

### Note 14 – External Audit Costs

Description: This note shows the cost to the Council of services provided by external audit.

2021/22 £000s		2022/23 £000s
180	Fees Payable for External Audit Services Carried Out by the Appointed Auditor for the Year (Year End Accounts / VfM)	180
-	Additional Fees Payable for External Audit Services Carried Out by the Appointed Auditor for the Year - Agreed by PSAA	-
37	Fees Payable for the Certification of Grant Claims and Returns carried out by the Appointed Auditor for the Year	57
<b>217</b>	<b>Total</b>	<b>237</b>

The Council's appointed external auditor for 2021/22 and 2022/23 was Grant Thornton UK LLP. The above table shows the cost of the audit services in respect of external audit work relating to both financial years. In practice, due to when the work is undertaken by the auditors, these costs can be charged in different financial years to the one in which their work relates.

### Note 15 – Grant Income Recognised Through The Comprehensive Income & Expenditure Statement

Description: Grants are recognised through the Comprehensive Income & Expenditure Statement when the specific conditions of the grants are satisfied. This note details these grants in respect of the Council.

Relevant Accounting Policies: [Accounting Policy 12](#)

All specific income relating to grants, contributions and donations that are significant in value are listed individually in the table below:

2021/22 £000s		2022/23 £000s
	<b>Credited to Taxation &amp; Non-Specific Grant Income</b>	
(13,026)	Revenue Support Grant	(13,429)
-	Core Spending Power Services Grant	(3,925)
-	Lower Tier Services Grant	(327)
(32,735)	Business Rates Retention Scheme – Top Up Grant	(32,735)
-	Levy Account Surplus Grant	(477)
(15,555)	Section 31 Grant	(10,240)
(8,215)	COVID 19 – General Grants	-
(39,498)	Capital Grants	(44,726)
(6,672)	Capital Contributions	(5,740)
<b>(115,701)</b>	<b>Total Credited to Taxation &amp; Non-Specific Grant Income</b>	<b>(111,599)</b>
	<b>Credited to Services</b>	
(43,689)	Housing Benefit Subsidy	(42,330)
(88,824)	Dedicated Schools Grant	(103,591)
(32,195)	PFI Grant	(32,195)

## STATEMENT OF ACCOUNTS 2022/23

2021/22 £000s		2022/23 £000s
(2,410)	New Homes Bonus	(2,176)
(18,237)	Public Health Grant	(18,381)
(11,776)	Better Care Fund	(12,442)
(13,055)	Improved Better Care Fund	(13,451)
(10,130)	Adult Social Care Support Grant	(13,692)
(23,232)	COVID-19 – Specific Grants (See Table Below)	-
(26,590)	Other Grants	(37,206)
(14,095)	Other Contributions	(13,941)
<b>(284,233)</b>	<b>Total Credited to Services</b>	<b>(289,405)</b>
<b>(399,934)</b>	<b>Total Credited to The Comprehensive Income &amp; Expenditure Statement</b>	<b>(401,004)</b>

2021/22 £000s	<u>COVID Related Grants</u>	2022/23 £000s
	<b>Credited to Taxation &amp; Non-Specific Grant Income</b>	
(7,835)	Local Authority Support Grant	-
-	Taxation Losses Compensation Grant	-
(380)	Fee & Charges Income Losses Compensation Grant	-
<b>(8,215)</b>	<b>Total Credited to Taxation &amp; Non-Specific Grant Income</b>	<b>-</b>
	<b>Credited to Services</b>	
(3,930)	Additional Relief Fund	-
(3,596)	Contain Outbreak Control Management	-
(2,731)	Infection & Prevention Control	-
(2,387)	Workforce Recruitment & Retention	-
(2,351)	DWP Household Support Grant	-
(1,626)	Lateral Testing	-
(1,449)	Test & Trace Payments - Discretionary Element	-
(1,113)	DWP Local Support Grant	-
(1,094)	Outbreak Control	-
(741)	Practical Support	-
(360)	Test & Trace Administration	-
(310)	Omicron Support	-
(309)	ERDF Re-opening High Streets	-
(307)	Add/New Burden Funding	-
(306)	SCR Additional Restrictions Grant – Discretionary Element	-
(286)	ERDF Restart & Recovery Grants	-
(194)	Community Testing	-
(96)	Community Champion	-
(30)	Clinically Extremely Vulnerable	-
(16)	Hardship Fund	-
<b>(23,232)</b>	<b>Total Credited to Services</b>	<b>-</b>
<b>(31,447)</b>	<b>Total Credited to The Comprehensive Income &amp; Expenditure Statement</b>	<b>-</b>

### Note 16 – Dedicated Schools Grant (DSG)

Description:	The Dedicated Schools Grant is a grant given to local education authorities from the Department for Education. This note details the level of Dedicated Schools Grant that the Council is in receipt of and how it has been applied or allocated in the year.
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DSG is ring fenced and can only be applied to meet expenditure properly included in the Schools' Budget. The Schools' Budget comprised the element delegated (in the form of budget shares) to maintained schools to meet the provision of education to pupils and the element centrally retained and managed by the Council to meet a range of educational services provided on a Council-wide basis to all schools / sometimes academies. Over and under spends on the two DSG elements are required to be accounted for separately.

## STATEMENT OF ACCOUNTS 2022/23

Details of the deployment of DSG funding received by the Council for the year are as follows:

2021/22		2022/23		
Total		Central Expenditure	Individual Schools' Budget (ISB)	Total
£000s		£000s	£000s	£000s
(221,090)	Final DSG for Year Before Academy Recoupment			(233,884)
132,008	Academy Figure Recouped for Year			138,369
(89,082)	<b>Total DSG After Academy Recoupment</b>			<b>(95,515)</b>
	Plus: Brought Forward	-	-	-
	Less: Carry Forward Agreed in Advance	-	-	-
(89,082)	<b>Agreed Initial Budgeted Distribution</b>	<b>(32,797)</b>	<b>(62,718)</b>	<b>(95,515)</b>
142	In Year Adjustments*	(9,227)	(62,718)	(71,945)
(88,940)	<b>Final Budgeted Distribution For Year</b>	<b>(42,024)</b>	<b>(62,718)</b>	<b>(104,742)</b>
33,036	Less: Actual Central Expenditure	36,723	-	36,723
62,093	Less: Actual ISB Deployed To Schools		62,718	62,718
-	Plus: Council Contribution For Year	-	-	-
6,189	<b>In Year Carry Forward To Following Year</b>	<b>(5,301)</b>	<b>-</b>	<b>(5,301)</b>
-	Plus/Minus: Carry-forward agreed in advance			-
-	Carry Forward (useable reserve)			(5,301)
17,946	Total of DSG unusable reserve brought forward			17,946
6,189	Addition to DSG unusable reserve			-
17,946	Total of DSG unusable reserve carry forward			17,946
17,946	<b>Net DSG position at the end of March</b>			<b>12,645</b>

\*Central Expenditure in-year adjustments includes a £9.160m Safety Valve grant received from the Government in March 2023.

The safety valve programme targets those local authorities with the highest DSG deficits and requires the Council to set out (via the DSG Management Plan) how it will control the DSG deficit (relating to Special Education Needs & Disabilities) and reach an in-year balance. The Council was successful in entering into a Safety Valve Agreement with the DfE in 2022/23. Under this agreement the DfE has committed to meeting the accumulated DSG deficit (held in the DSG unusable reserve). Safety Valve payments would be made in instalments over 5 years and is subject to continued satisfactory progress in delivering the actions to achieve a sustainable SEND system.

### Note 17 – Related Parties

Description:	This note explains the relationships that the Council is party to including companies that the Council has an interest in.
Relevant Accounting Policies:	<a href="#">Accounting Policy 15</a> / <a href="#">Accounting Policy 18</a>

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

### ***The Public Sector***

#### *Central Government*

Central Government has effective control over the general operations of the Council – it is responsible for providing the statutory framework within which the Council operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions with other parties (e.g. Council Tax bills, housing benefits). Grants received from Government Departments are set out in the subjective analysis in [Note 6](#). Grant receipts outstanding at 31<sup>st</sup> March 2023 are shown in [Note 33](#) and Grants recognised through the Comprehensive Income & Expenditure statement during the year are shown in [Note 15](#).

#### *Local Authorities*

All local authorities are subject to common control by Central Government. They often work in partnership with each other to provide services to the public. The Council has several specific relationships / partnerships with different local authorities including where it is a member of a City Region and other joint authorities such as South Yorkshire Fire & Rescue Authority, South Yorkshire Police & Crime Commissioner, and South Yorkshire Pensions Authority.

#### *NHS Bodies*



## STATEMENT OF ACCOUNTS 2022/23

The Council has pooled / aligned budget arrangements with NHS Barnsley Integrated Care Board (ICB), formerly referred to as the Clinical Commissioning Group (CCG), for both the provision of Children Services within Barnsley and the Better Care Fund (BCF). Transactions and balances outstanding specifically related to the pooling arrangements are detailed in [Note 11](#).

### **Related Individuals**

#### **Members**

Members of the Council have direct control over the Council's financial and operating policies. The total of members' allowances paid in 2022/23 is shown in [Note 12](#).

During 2022/23, no material works, or services were commissioned from companies with which a Member had an interest.

#### **Senior Officers**

Senior Officers within the Council's Senior Management Team (SMT) are responsible for ensuring that policies approved, and decisions made by members are implemented effectively. The remuneration of senior officers is shown in [Note 13](#).

During 2022/23, no senior officers of the Council have declared a material interest in any companies.

### **Subsidiaries**

The Council has interests in a number of wholly owned subsidiaries, details of which are shown below:

#### **Berneslai Homes Ltd**

Berneslai Homes Ltd is an Arm's Length Management Organisation responsible for managing homes on behalf of the Council. Specifically, it is responsible for managing all the landlord services for the Council's 17,979 homes including rent collection, arrears recovery, repairs and maintenance, dealing with empty properties and all tenancy matters.

Berneslai Homes Ltd is an independent company committed to working in partnership with the Council and the communities in which it works to deliver high quality housing services to local people. The company came into existence in December 2002 and is a wholly owned subsidiary of the Council but overseen by a Board of Directors rather than a Committee of the Council.

The Council guarantees the full amount of any pension fund deficit of Berneslai Homes. The actuary has assessed a net surplus at £24.352M as at 31<sup>st</sup> March 2023 (£25.716M deficit as at 31<sup>st</sup> March 2022).

The Council's [group accounts](#) consolidate Berneslai Homes' financial position into the overall group position.

Berneslai Homes' accounting year is the same as the Council's (April – March).

The latest two sets of Berneslai Homes' financial statements are summarised below:

<b>Profit / Loss Account:</b>	<b>2021/22 £000s</b>	<b>2022/23 £000s</b>
Income	(39,285)	(39,863)
Expenditure	44,665	48,003
<b>(Profit) / Loss</b>	<b>5,380</b>	<b>8,140</b>
Actuarial (Gain) / Loss on Pension Scheme	(18,921)	(54,847)
<b>Total Comprehensive (Income) / Expenditure for the Year</b>	<b>(13,541)</b>	<b>(46,707)</b>

<b>Balance Sheet:</b>	<b>2021/22 £000s</b>	<b>2022/23 £000s</b>
Assets	15,794	13,580
Liabilities	(30,059)	(5,019)
<b>Net Assets</b>	<b>(14,265)</b>	<b>8,561</b>
Retained Surplus / (Deficit)	11,451	8,561
Pension (Deficit) / Surplus	(25,716)	
<b>Net Reserves</b>	<b>(14,265)</b>	<b>8,561</b>

## STATEMENT OF ACCOUNTS 2022/23

An analysis of both Berneslai Homes' income and expenditure for the accounting periods above and asset and liability balances at the end of those accounting periods is shown in the table below, specifically showing:

- Of the income and expenditure amounts above, the amounts that relate to the Council; and
- Of the assets and liabilities position above, the amounts that relate to the Council.

<b>Related Party Transactions:</b>	<b>2021/22 £000s</b>	<b>2022/23 £000s</b>
Income	(39,495)	(37,839)
Expenditure	1,022	1,023
Assets	3,290	4,446
Liabilities	(652)	(1,653)

## STATEMENT OF ACCOUNTS 2022/23

### Joint Ventures

The Council holds shareholdings in several joint ventures but does not hold overall control of those entities. The tables below show the individual entities, their financial performance and the relationship with the Council. The figures represent the latest two sets of accounts lodged with Companies House.

Organisation	<b>Oakwell Community Assets Ltd (OCAL)</b>		<b>Burleigh Court (Barnsley) Management Ltd</b>		<b>Barnsley Estates Partnership Ltd</b>			
Incorporation Date	30 <sup>th</sup> September 2003		20 <sup>th</sup> May 1992		23 <sup>rd</sup> June 2003			
Council Share	50% of the share capital of the company		Ownership of shares – More than 25% but not more than 50%		10% of the share capital of the company			
Nature of the Activities	The purchase of land and buildings at Oakwell which are subsequently leased to Barnsley Football Club 2002 Ltd		Residents' property management		To provide management services to its subsidiaries, Barnsley Community Solutions Limited (Tranches 1, 2 and 3)			
<b>Financials (P&amp;L):</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>		
Income	(150)	(150)	(4)	(1)	(1,204)	(1,700)		
Expenditure	34	65	4	1	1,082	1,704		
<b>(Profit) / Loss</b>	<b>(116)</b>	<b>(85)</b>	<b>0</b>	<b>0</b>	<b>(122)</b>	<b>4</b>		
<b>Financials (Bal. Sheet):</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>		
Assets	5,509	5,659	64	64	5,386	5,205		
Liabilities	(1,074)	(1,140)	(64)	(64)	(5,023)	(4,846)		
<b>Net Assets</b>	<b>4,435</b>	<b>4,519</b>	<b>-</b>	<b>-</b>	<b>363</b>	<b>359</b>		
Reserves	4,435	4,519	-	-	363	359		
<b>Total Reserves</b>	<b>4,435</b>	<b>4,519</b>	<b>-</b>	<b>-</b>	<b>363</b>	<b>359</b>		
Organisation	<b>Barnsley Local Education Partnership Ltd</b>		<b>Modern Schools Barnsley</b>		<b>BDR (Property) Limited</b>		<b>Municipal Bonds Agency</b>	
Incorporation Date	11 <sup>th</sup> March 2009		14 <sup>th</sup> October 2004		3 <sup>rd</sup> May 1998		3 <sup>rd</sup> June 2014	
Council Share	10% of the share capital of the company		Has significant influence on the company		6.66% of the share capital of the company		£0.010M shareholding	
Nature of the Activities	The construction and operations of 3 schools in the Barnsley area and ICT services on 11 schools		Finance, design, develop, construct and then maintain and part operate thirteen schools		Management of the joint Waste disposal at Manvers		To provide the Local Government bodies an alternative for borrowing	
<b>Financials (P&amp;L):</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>
Income	(3,404)	(4,166)	(7,965)	(6,127)	(2,004)	(887)	(207)	(340)
Expenditure	3,386	4,182	7,319	4,882	677	216	809	774
<b>(Profit) / Loss</b>	<b>(18)</b>	<b>16</b>	<b>(646)</b>	<b>(1,245)</b>	<b>(1,327)</b>	<b>(671)</b>	<b>602</b>	<b>434</b>
<b>Financials (Bal. Sheet):</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>
Assets	4,596	4,820	23,752	21,517	1,892	732	781	152
Liabilities	(4,125)	(4,365)	(26,461)	(22,981)	(1,224)	(1,167)	(1,500)	(1,305)
<b>Net Assets</b>	<b>471</b>	<b>455</b>	<b>(2,709)</b>	<b>(1,464)</b>	<b>668</b>	<b>(435)</b>	<b>(719)</b>	<b>(1,153)</b>
Reserves	471	455	(2,709)	(1,464)	668	(435)	(719)	(1,153)
<b>Total Reserves</b>	<b>471</b>	<b>455</b>	<b>(2,709)</b>	<b>(1,464)</b>	<b>668</b>	<b>(435)</b>	<b>(719)</b>	<b>(1,153)</b>

# STATEMENT OF ACCOUNTS 2022/23

## **Arrangements where the Council is a Trustee**

### Barnsley Business and Innovation Centre Limited

The company began trading in 1987. The main activities of the company are to offer flexible managed work space to businesses together with targeted business support. The private company is jointly owned by the Council and GLE Enterprise Partners Ltd and is limited by guarantee without share capital.

*Enquiries regarding obtaining copies of the accounts should be made to BBIC, Innovation Way, Wilthorpe Road, Barnsley, South Yorkshire, S75 1JL*

### Barnsley Premier Leisure

The charity began trading in 1999. The main activities of the charity are to provide or assist in the provision of facilities for recreation or other leisure time occupation for the general public. The charitable company has a board of trustees made up of 15 members of which the Council is one.

*Enquiries regarding obtaining copies of the accounts should be made to The Metrodome Leisure Complex, Queens Road, Queens Ground, Barnsley, South Yorkshire, S71 1AN*

### Penistone Grammar School Foundation Trust

The charity was originally incorporated in 1957 but started operating on 24<sup>th</sup> August 1965. The main objective of the charity is to give grants to individuals or organisations for the further education of the pupils at Penistone Grammar School. The Council is the only trustee of the charity with 7 volunteers making up the rest of the board.

The accounts of Penistone Grammar School Foundation Trust are incorporated in the Council's [Group Accounts](#).

*Enquiries regarding obtaining copies of the accounts should be made to Barnsley MBC, Financial Services, PO Box 14, Level 3, Westgate Plaza, Barnsley, S70 2AQ*

## **Joint Arrangements:**

### Waste Private Finance Initiative (PFI)

BDR is a partnership of Barnsley, Doncaster and Rotherham councils that jointly manage waste generated in the three boroughs. The Partnership secured PFI funding from Central Government towards a new facility to deal with treatment of leftover household waste, turning it into a valuable resource rather than sending to landfill. The facility at Bolton Road, Manvers, Rotherham is part of a further partnership of BDR, Renewi and Scottish Southern Energy (3SE) which became operational in July 2015. This arrangement is explained further in [Note 26](#).

## **Other Arrangements:**

### Agency Arrangements

The Council also acts as an agent for other Government departments, local precepting authorities and Local Parish Councils, in the collection of Council Tax and National Non-Domestic Rates. The expenditure incurred and income received in relation to these arrangements is shown within the [Collection Fund Statement](#).

## **NOTES PRIMARILY RELATING TO THE BALANCE SHEET**

### **Note 18 – Events After The Balance Sheet Date**

Description:	This note explains any significant event that occurs following the balance sheet date.
Relevant Accounting Policies:	<a href="#">Accounting Policy 10</a>

The Statement of Accounts was submitted to the Council's External Auditors by the Section 151 Officer, the Director of Finance, on 31<sup>st</sup> May 2023. Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing at 31<sup>st</sup> March 2023, the figures in the financial statements and notes have been adjusted in all material aspects to reflect the impact of this information.

The Council has had one school transfer to an academy as at 31<sup>st</sup> May 2023. The net book value of this school is £2.2m. This is a non-adjusting post Balance Sheet event.

## STATEMENT OF ACCOUNTS 2022/23

### Note 19 – Property, Plant and Equipment

Description:	Property, Plant & Equipment are assets that the Council uses to provide services to the public. This note shows the value and movement in those assets together with the valuation methodology.
Relevant Accounting Policies:	<a href="#">Accounting Policy 21</a>

### Note 19A – Property, Plant and Equipment

Following Statutory Instrument 2022 No, 1232 that came into effect from 25th December 2022 the PPE tables below excludes infrastructure assets. The table shows the changes in the value of Property, Plant and Equipment (excluding infrastructure assets) in the year due to acquisitions, revaluations, reclassifications, disposals, depreciation and impairments.

2022/23	Council Dwellings	Other Land and Buildings	Vehicles, Plant, Furniture & Equipment	Assets Under Construction	Surplus Assets	Total	PFI Assets included in Property, Plant & Equipment
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
<b>Cost or Valuation:</b>							
<b>At 1<sup>st</sup> April 2022</b>	<b>715,992</b>	<b>321,430</b>	<b>14,892</b>	<b>8,591</b>	<b>2,233</b>	<b>1,063,138</b>	<b>38,523</b>
Additions / Enhancements	1	5,750	1,596	18,230	126	25,703	-
Additions / Enhancements – Non-Value Adding	21,519	18,426	-	-	-	39,945	-
Revaluation Increases / (Decreases) Recognised in the Revaluation Reserve	138,875	19,668	-	-	(280)	158,263	(345)
Revaluation Increases / (Decreases) Recognised in the Surplus / Deficit on the Provision of Services	-	(22,313)	-	-	-	(22,313)	(74)
Impairments – Non-Value Adding Expenditure	(21,519)	(18,426)	-	-	-	(39,945)	-
De-recognition – Disposals	(6,771)	(165)	-	-	-	(7,460)	-
Assets Reclassified (To) / From Held for Sale	-	4,314	-	-	(3,712)	602	-
Transfer	1,926	(6,063)	-	(385)	4,522	-	-
<b>At 31<sup>st</sup> March 2023</b>	<b>850,023</b>	<b>322,621</b>	<b>16,488</b>	<b>26,436</b>	<b>2,889</b>	<b>1,218,457</b>	<b>38,104</b>
<b>Accumulated Depreciation:</b>							
<b>At 1<sup>st</sup> April 2022</b>	<b>(3)</b>	<b>(17,862)</b>	<b>(6,585)</b>	<b>-</b>	<b>(5)</b>	<b>(24,275)</b>	<b>(3,716)</b>
Depreciation Charge	(17,805)	(7,809)	(2,062)	-	(12)	(27,688)	(619)
Depreciation Written Out to the Revaluation Reserve	17,831	7,715	-	-	15	25,561	1,553
De-recognition – Disposals	-	14	-	-	-	14	-
Transfers	(27)	38	-	-	(11)	-	-
<b>At 31<sup>st</sup> March 2023</b>	<b>(4)</b>	<b>(17,904)</b>	<b>(8,647)</b>	<b>-</b>	<b>(13)</b>	<b>(26,568)</b>	<b>(2,782)</b>
<b>Net Book Value:</b>							
<b>At 1<sup>st</sup> April 2022</b>	<b>715,989</b>	<b>303,568</b>	<b>8,307</b>	<b>8,591</b>	<b>2,228</b>	<b>1,038,683</b>	<b>34,807</b>
<b>At 31<sup>st</sup> March 2023</b>	<b>850,019</b>	<b>304,717</b>	<b>7,841</b>	<b>26,436</b>	<b>2,876</b>	<b>1,191,889</b>	<b>35,322</b>
	<a href="#">Balance Sheet</a>	<a href="#">Balance Sheet</a>	<a href="#">Balance Sheet</a>	<a href="#">Balance Sheet</a>	<a href="#">Balance Sheet</a>	<a href="#">Balance Sheet</a>	

## STATEMENT OF ACCOUNTS 2022/23

Comparative Movements in 2021/22	Council Dwellings	Other Land and Buildings	Vehicles, Plant, Furniture & Equipment	Assets Under Construction	Surplus Assets	Total	PFI Assets included in Property, Plant & Equipment
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
<b>Cost or Valuation</b>							
<b>At 1<sup>st</sup> April 2021</b>	<b>663,395</b>	<b>303,183</b>	<b>15,924</b>	<b>107,118</b>	<b>1,773</b>	<b>1,091,393</b>	<b>38,752</b>
Additions / Enhancements	51	13,893	1,327	5,610	-	20,877	-
Additions / Enhancements – Non-Value Adding	22,680	16,059	-	-	-	38,739	-
Revaluation Increases / (Decreases) Recognised in the Revaluation Reserve	56,445	2,623	-	-	491	59,559	(197)
Revaluation Increases / (Decreases) Recognised in the Surplus / Deficit on the Provision of Services	-	(91,588)	-	-	14	(91,574)	(32)
Impairments – Non-Value Adding Expenditure	(22,680)	(16,059)	-	-	-	(38,739)	-
De-recognition – Disposals	(7,684)	(3,739)	(2,358)	-	(36)	(13,817)	-
Assets Reclassified (To) / From Held for Sale	-	10	-	-	(150)	(140)	-
Transfer	3,786	97,049	-	(104,136)	141	(3,160)	-
<b>At 31<sup>st</sup> March 2022</b>	<b>715,992</b>	<b>321,430</b>	<b>14,892</b>	<b>8,591</b>	<b>2,233</b>	<b>1,063,138</b>	<b>38,523</b>
<b>Accumulated Depreciation</b>							
<b>At 1<sup>st</sup> April 2021</b>	<b>(15,932)</b>	<b>(20,500)</b>	<b>(7,061)</b>	<b>-</b>	<b>(4)</b>	<b>(43,497)</b>	<b>(4,042)</b>
Depreciation Charge	(16,031)	(8,727)	(1,882)	-	(7)	(26,647)	(644)
Depreciation Written Out to the Revaluation Reserve	32,000	11,012	-	-	6	43,018	970
De-recognition – Disposals	-	313	2,358	-	-	2,671	-
Transfers	(40)	40	-	-	-	-	-
<b>At 31<sup>st</sup> March 2022</b>	<b>(3)</b>	<b>(17,862)</b>	<b>(6,585)</b>	<b>-</b>	<b>(5)</b>	<b>(24,455)</b>	<b>(3,716)</b>
<b>Net Book Value</b>							
<b>At 1<sup>st</sup> April 2021</b>	<b>647,463</b>	<b>282,683</b>	<b>8,863</b>	<b>107,118</b>	<b>1,769</b>	<b>1,047,896</b>	<b>34,710</b>
<b>At 31<sup>st</sup> March 2022</b>	<b>715,992</b>	<b>303,569</b>	<b>8,308</b>	<b>8,591</b>	<b>2,228</b>	<b>1,038,683</b>	<b>34,807</b>
	<a href="#">Balance Sheet</a>	<a href="#">Balance Sheet</a>	<a href="#">Balance Sheet</a>	<a href="#">Balance Sheet</a>	<a href="#">Balance Sheet</a>	<a href="#">Balance Sheet</a>	

### Depreciation:

Please see [Annex A](#), the Statement of Accounting Policies for details regarding depreciation methods and the useful lives of each asset type.

### Capital Commitments:

As at 31st March 2023, the Council had contractually committed to £20.8M of capital works within its capital programme. The corresponding amount contractually committed as at 31st March 2022 was £58.8M. The major commitments are:

- Worsborough & Elsecar Reservoirs - £3.0M
- M1 Junction 37 Phase 2 - £2.6M
- Market Gate Bridge - £2.4M
- Goldthorpe Market - £2.0M
- Birkwood Primary School Extension - £1.8M
- Others - £9.0M

### Effects of Changes in Estimates:

There have been no changes to the depreciation methodologies used in 2022/23.

## STATEMENT OF ACCOUNTS 2022/23

### Revaluations:

The Council 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. All valuations are completed by an MRICS Registered valuer and the valuation programme certified by Paul Allison MRICS Registered valuer (Strategic Asset Manager), an employee of the Council.

The basis for valuation is set out in [Annex A](#)– Statement of Accounting Policies.

	Council Dwellings	Other Land and Buildings	Vehicles, Plant, Furniture & Equipment	Infrastructure Assets	Assets Under Construction	Surplus Assets	Total
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Carried at Historical Cost	-	-	16,489	440,670	26,437	-	483,596
Valued at Fair Value:							
2022/23	850,025	294,322	-	-	-	2,889	1,147,232
2021/22	-	13,189	-	-	-	-	13,189
2020/21	-	4,664	-	-	-	-	4,664
2019/20	-	6,389	-	-	-	-	6,389
2018/19	-	9,184	-	-	-	-	9,184
	-	-	-	-	-	-	-
<b>Gross Book Value</b>	<b>850,025</b>	<b>327,748</b>	<b>16,489</b>	<b>440,670</b>	<b>26,437</b>	<b>2,889</b>	<b>1,664,254</b>

### Fair Value Measurement of Surplus Assets:

Details of the Council's Surplus Assets and information about the fair value hierarchy are as follows:

Recurring Fair Value Measurements Using:	Quoted Prices in Active Markets for Identical Assets (Level 1) £000s	Other Significant Observable Inputs (Level 2) £000s	Significant Unobservable Inputs (Level 3) £000s	Fair Value as at 31 <sup>st</sup> March 2023 £000s	Accumulated Depreciation £000s	Net Book Value as at 31 <sup>st</sup> March 2023 £000s
Surplus Buildings	-	167	-	167	(12)	155
Surplus Land – Amenity Land	-	-	-	-	-	-
Surplus Land – Garden Land	-	95	-	95	-	95
Surplus Land – Grazing Land	-	240	-	240	-	240
Surplus Land – Residential	-	2,387	-	2,387	(1)	2,386
Surplus Land - Commercial	-	-	-	-	-	-
<b>Net Book Value</b>	<b>-</b>	<b>2,889</b>	<b>-</b>	<b>2,889</b>	<b>(13)</b>	<b>2,876</b>

[Balance Sheet](#)

### Prior Year Comparator:

Recurring Fair Value Measurements Using:	Quoted Prices in Active Markets for Identical Assets (Level 1) £000s	Other Significant Observable Inputs (Level 2) £000s	Significant Unobservable Inputs (Level 3) £000s	Fair Value as at 31 <sup>st</sup> March 2022 £000s	Accumulated Depreciation £000s	Net Book Value as at 31 <sup>st</sup> March 2022 £000s
Surplus Buildings	-	177	-	177	(5)	172
Surplus Land – Amenity Land	-	-	-	-	-	-
Surplus Land – Garden Land	-	-	-	-	-	-
Surplus Land – Grazing Land	-	-	-	-	-	-
Surplus Land – Residential	-	2,012	-	2,012	-	2,012
Surplus Land - Commercial	-	44	-	44	-	44
<b>Net Book Value</b>	<b>-</b>	<b>2,233</b>	<b>-</b>	<b>2,233</b>	<b>(5)</b>	<b>2,228</b>

[Balance Sheet](#)

## STATEMENT OF ACCOUNTS 2022/23

### Valuation Techniques used to Determine Level 2 Fair Values for Surplus Assets

#### Significant Observable Inputs – Level 2 – Market Approach

The fair value for the areas of land or buildings, both Commercial and Residential, have been based on the market approach using current market conditions and recent sales evidence and other relevant information for similar assets in the local authority area. Market conditions are such that similar areas of land or buildings are actively purchased and sold and the level of observable inputs are significant, leading to the properties being categorised at Level 2 in the fair value hierarchy.

#### Significant Observable Inputs – Level 2 – Income Approach

Where the income approach has been adopted the fair value has been based on observable rental evidence and then capitalised based on observable yields derived from market transactions.

### Note 19B – Property, Plant and Equipment – Infrastructure Assets

Statutory Instrument 2022 No. 1232 came into effect from 25th December 2022. This provides that where a component of an infrastructure asset is replaced, the council has a choice how to identify the carrying amount to be derecognised in respect of that component. In accordance with the temporary relief offered by this update to the Code on infrastructure assets, the amount to be derecognised is nil. This Temporary Relief allows for this note not to include disclosure of gross cost and accumulated depreciation for infrastructure assets because historical reporting practices and resultant information deficits mean that this would not faithfully represent the asset position to the users of the financial statements.

The Council has taken the temporary relief offered by the update to the code, not to report gross cost and accumulated depreciation for infrastructure assets but this information is maintained in the permanent records of the Council.

The Council has chosen not to disclose this information as the previously reported practices and resultant information deficits mean that gross cost and accumulated depreciation are not measured accurately and would not provide the basis for the users of the financial statements to take economic or other decisions relating to infrastructure assets.

	2021/22 £000s	2022/23 £000s
<b>Net Book Value</b>		
<b>At 1<sup>st</sup> April 2021</b>	<b>283,291</b>	<b>299,733</b>
Additions	23,546	16,712
Derecognition	-	
Depreciation	(9,664)	(10,201)
Impairment	(481)	
Other movements in cost	3,041	
<b>Net book value at 31st March</b>	<b>299,733</b>	<b>306,244</b>

Reconciliation of note 19 to PPE on the face of the Balance Sheet

	2021/22 £000s	2022/23 £000s
Infrastructure Assets	299,733	306,244
Other PPE Assets	1,038,688	1,191,862
<b>Total PPE Assets</b>	<b>1,338,421</b>	<b>1,498,106</b>

The Council has determined in accordance with Regulation 30M England of the Local Authorities (Capital Finance and Accounting) (England/Wales) (Amendment) Regulations 2022 that the carrying amounts to be derecognised for infrastructure assets when there is replacement expenditure is nil

### Note 20 – Investment Properties

Description:	Investment Properties are Council assets that are held purely for return and capital appreciation. This note shows the value and movement in those assets.
Relevant Accounting Policies:	<a href="#">Accounting Policy 17</a>

A fundamental review was undertaken during 2015/16 around the definition and criteria for investment properties against the Council's asset base, with consideration given towards the Council's revised operating model of 'Future Council'. The outcome of this review was



## STATEMENT OF ACCOUNTS 2022/23

that the assets that were previously held as investment properties no longer met the definition, thus they have been transferred to operational Property, Plant & Equipment as these assets were now contributing to the Council's overall vision of a Better Barnsley and assisting in achieving the Corporate Outcomes of the Council.

### Note 21 – Heritage Assets

<u>Description:</u>	Heritage Assets are Council assets that have historical, artistic, scientific, technological, geophysical or environmental qualities. This note shows the value and movement in those assets.
<u>Relevant Accounting Policies:</u>	<a href="#">Accounting Policy 13</a>

Reconciliation of the Carrying Value of Heritage Assets Held by the Council:

	Ceramics £000s	Art Collections £000s	Other £000s	Total Assets £000s
<b><u>Cost or Valuation</u></b>				
<b>At 31<sup>st</sup> March 2021</b>	<b>594</b>	<b>9,143</b>	<b>1,478</b>	<b>11,215</b>
Additions / Enhancements	-	-	325	325
Disposals	-	-	-	-
Revaluations	-	-	-	-
Transfers	-	-	119	119
<b>At 31<sup>st</sup> March 2022</b>	<b>594</b>	<b>9,143</b>	<b>1,922</b>	<b>11,659</b>
Additions / Enhancements	-	-	-	-
Disposals	-	-	-	-
Revaluations	-	-	-	-
Transfers	-	-	-	-
<b>At 31<sup>st</sup> March 2023</b>	<b>594</b>	<b>9,143</b>	<b>1,922</b>	<b>11,659</b>
<b><u>Net Book Value</u></b>				
<b>At 31<sup>st</sup> March 2022</b>	<b>594</b>	<b>9,143</b>	<b>1,922</b>	<b>11,659</b>
<b>At 31<sup>st</sup> March 2023</b>	<b>594</b>	<b>9,143</b>	<b>1,922</b>	<b>11,659</b>

[Balance Sheet](#)

[Balance Sheet](#)

#### Detail of Movements in Heritage Assets: Additions / Enhancements

During 2022/23, the Council spent nil on Heritage Assets (£325k in 2021/22).

#### Detail of Movements in Heritage Assets: Disposals

There were no disposals of heritage assets during 2022/23 (nil in 2021/22).

#### Detail of Movements in Heritage Assets: Revaluations

There was no revaluation of heritage assets during 2022/23 (nil in 2021/22).

#### Intangible Heritage Assets

There are no intangible heritage assets held by the Council as at 31<sup>st</sup> March 2023 (nil as at 31<sup>st</sup> March 2022).

#### Further Details of Heritage Assets

##### Ceramics, Porcelain Work and Figurines

The collection of ceramics, porcelain work and figurines include some 766 pieces held on display by the Cannon Hall Museum and the Town Hall, dating back to the late 17<sup>th</sup> century. Most of the collection was acquired in the 18<sup>th</sup> and 19<sup>th</sup> centuries from local benefactors. This is a diverse collection of figurines, decorated porcelain vases and dinner service pieces.

The Council's collection of ceramics, porcelain work and figurines at Cannon Hall totals £0.443M and Civic Regalia totals £0.151M. The Cannon Hall pieces were valued by Bonhams in August 2009 and the Civic Regalia pieces were valued by Douglas Brill Associates in October 2006. The assets were valued, based on insurance valuations as a proxy for open market valuations.

##### Art Collection

## STATEMENT OF ACCOUNTS 2022/23

The collection consists of 479 paintings dating from over the last 500 years. Approximately £1.838M of the collection was provided by Cooper Bequest and £0.912M by Sadler Gifts. The arts collection is housed in the Council's Cannon Hall and Cooper Gallery Museums. The collection also contains a landscape painting by Giovanni Antonio Canaletto.

The Council's art collection consists of paintings held at Cooper Gallery totalling £4.449M and Cannon Hall totalling £4.694M. The Cooper Gallery paintings were valued by Bonhams in April 2016 and the Cannon Hall pieces were valued by Bonhams in August 2009. The assets have been valued, based on insurance valuations as a proxy for open market valuations.

### Other

The remaining Heritage Assets held by the Council totals £1.922M mainly relating to the Mining Artwork sculpture, The Newcomen Beam Engine, Civic Regalia pieces, furniture. Covid Memorial and metal work pieces. The assets have been valued, based on insurance valuations as a proxy for open market valuations, except for the Covid Memorial which is currently valued at cost.

Details in respect of the records held by the Council on its Heritage Assets, together with information relating to access of those assets can be obtained by contacting the Council.

### **Note 22 – Intangible Assets**

Description:	Intangible Assets are non-physical assets, used by the Council. This note shows the value and movement in those assets.
Relevant Accounting Policies:	<a href="#">Accounting Policy 14</a>

The Council accounts for its software as intangible assets, to the extent that the software is not an integral part of a particular IT system, in which case it would be accounted for as part of the hardware item of Property, Plant and Equipment. The intangible assets include both purchased licenses and internally generated software.

All software is given a finite useful life, based on assessments of the period that the software is expected to be of use to the Council. The economic useful life assigned to the major software suites is ordinarily 7 years.

The carrying amount of intangible assets are amortised on a straight-line basis. The amortisation of £0.244M has been charged to the Net Cost of Services within the Comprehensive Income and Expenditure Statement.

## STATEMENT OF ACCOUNTS 2022/23

The movement of Intangible Asset balances during the year are as follows:

2021/22 Purchased Software £000s		2022/23 Purchased Software £000s
	<b>Balance at 1<sup>st</sup> April:</b>	
1,872	- Gross Carrying Amounts	1,872
(1,057)	- Accumulated Amortisation	(1,324)
<b>815</b>	<b>Net Carrying Amount at 1<sup>st</sup> April</b>	<b>548</b>
	<b>Additions:</b>	
-	Purchases	-
	<b>Disposals:</b>	
-	Other Disposals – Gross Carrying Amounts	(250)
-	Other Disposals – Accumulated Amortisation	250
(267)	<b>Amortisation:</b> Amortisation for the Period	(244)
<b>548</b>	<b>Net Carrying Amount at 31<sup>st</sup> March</b>	<b>304</b>
	<b>Comprising:</b>	
<b>1,872</b>	Gross Carrying Amounts	<b>1,622</b>
<b>(1,324)</b>	Accumulated Amortisation	<b>(1,318)</b>
<b>548</b>		<b>304</b>

[Balance Sheet](#)

### Note 23 – Assets Held for Sale

Description:	Assets Held for Sale are Council assets that are: <ul style="list-style-type: none"> <li><input type="checkbox"/> Being actively marketed for sale;</li> <li><input type="checkbox"/> Expected to sell in the next 12 months.</li> </ul> This note shows the value and movement in those assets.
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2021/22 £000s	<b>Current Assets</b>	2022/23 £000s
<b>8,413</b>	<b>Balance Outstanding at 1<sup>st</sup> April</b>	<b>4,664</b>
150	Assets Newly Classified as Held for Sale: - Surplus Assets	3,712
807	Revaluation Gains	-
-	Revaluation Losses	(114)
(10)	Assets Declassified as Held for Sale: - Surplus Assets	(4,314)
(4,696)	Assets Sold	(350)
<b>4,664</b>	<b>Balance Outstanding at 31<sup>st</sup> March</b>	<b>3,598</b>

[Balance Sheet](#)

### Fair Value Measurement of Assets Held for Sale:

Details of the Council's Assets Held for Sale and information about the fair value hierarchy are as follows:

Recurring Fair Value Measurements Using:	Quoted Prices in Active Markets for Identical Assets (Level 1) £000s	Other Significant Observable Inputs (Level 2) £000s	Significant Unobservable Inputs (Level 3) £000s	Fair Value / Net Book Value as at 31 <sup>st</sup> March 2023 £000s
Surplus Buildings	-	2,346	-	2,346
Surplus Land – Commercial	-	-	-	-
Surplus Land – Garden Land	-	1,252	-	1,252
Surplus Land – Residential	-	-	-	-
<b>Net Book Value</b>	-	<b>3,598</b>	-	<b>3,598</b>

[Balance Sheet](#)

## STATEMENT OF ACCOUNTS 2022/23

Prior Year Comparator:

Recurring Fair Value Measurements Using:	Quoted Prices in Active Markets for Identical Assets (Level 1) £000s	Other Significant Observable Inputs (Level 2) £000s	Significant Unobservable Inputs (Level 3) £000s	Fair Value / Net Book Value as at 31 <sup>st</sup> March 2022 £000s
Surplus Buildings	-	-	-	-
Surplus Land – Commercial	-	3,564	-	3,564
Surplus Land – Garden Land	-	-	-	-
Surplus Land – Residential	-	1,100	-	1,100
<b>Net Book Value</b>	<b>-</b>	<b>4,664</b>	<b>-</b>	<b>4,664</b>

[Balance Sheet](#)

Valuation Techniques used to Determine Level 2 Fair Values for Assets Held for Sale

Significant Observable Inputs – Level 2 – Market Approach

The fair value for the areas of land or buildings, both Commercial and Residential, have been based on the market approach using current market conditions and recent sales evidence and other relevant information for similar assets in the local authority area. Market conditions are such that similar areas of land or buildings are actively purchased and sold and the level of observable inputs are significant, leading to the properties being categorised at Level 2 in the fair value hierarchy.

Significant Observable Inputs – Level 2 – Income Approach

Where the income approach has been adopted the fair value has been based on observable rental evidence and then capitalised based on observable yields derived from market transactions.

### Note 24 – Capital Expenditure and Capital Financing

Description:	This note shows the Council's capital financing requirement (CFR), which is the underlying requirement to borrow, and how that has changed during the year.
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The total amount of capital expenditure incurred in the year is shown in the table below (including the value of assets acquired under finance leases and PFI / PPP Contracts), 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 Council, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Council that has yet to be financed. The CFR is analysed in the second part of this note.

2021/22				2022/23		
General Fund	HRA	Total		General Fund	HRA	Total
£000s	£000s	£000s		£000s	£000s	£000s
<b>751,555</b>	<b>271,734</b>	<b>1,023,289</b>	<b>Opening Capital Financing Requirement</b>	<b>801,670</b>	<b>271,734</b>	<b>1,073,404</b>
			<i>Capital Investment:</i>			
-	22,731	22,731	Council Dwellings	-	21,520	21,520
28,489	1,462	29,951	Other Land & Buildings	23,800	502	24,302
1,326	-	1,326	Vehicles, Plant, Furniture & Equipment	1,596	-	1,596
23,546	-	23,546	Infrastructure Assets	16,712	-	16,712
3,708	1,901	5,609	Assets Under Construction	12,745	5,485	18,230
325	-	325	Heritage Assets	1	-	1
-	-	-	Intangible Assets	-	-	-
-	-	-	Long Term Investment	-	-	-
-	-	-	Long Term Debtors	-	-	-
10,657	689	11,346	Revenue Expenditure Funded from Capital Under Statute	8,458	762	9,220
<b>68,051</b>	<b>26,783</b>	<b>94,834</b>	<b>Total Capital Investment</b>	<b>63,311</b>	<b>28,269</b>	<b>91,581</b>
			<i>Sources of Finance – For Capital Expenditure Purposes:</i>			
(743)	(1,167)	(1,910)	Capital Receipts	(3,697)	(2,118)	(5,815)
(35,998)	(759)	(36,757)	Government Grants & Other Contributions	(43,002)	(5,093)	(48,095)
(10,295)	(24,857)	(35,152)	Other Revenue Funding	(7,277)	(21,058)	(28,335)
<b>(47,036)</b>	<b>(26,783)</b>	<b>(73,819)</b>	<b>Total Resources Utilised to Fund In Year Capital Expenditure</b>	<b>(53,976)</b>	<b>(28,269)</b>	<b>(82,245)</b>
<b>21,015</b>	<b>-</b>	<b>21,015</b>	<b>Increase in Capital Financing Requirement as a Result of In Year Capital Expenditure</b>	<b>9,334</b>	<b>-</b>	<b>9,3354</b>

## STATEMENT OF ACCOUNTS 2022/23

2021/22				2022/23		
General Fund	HRA	Total		General Fund	HRA	Total
£000s	£000s	£000s		£000s	£000s	£000s
			<i>Sources of Finance – Set Aside to Repay Debt:</i>			
(1,623)	-	(1,623)	Capital Receipts	-	-	-
-	-	-	Other Revenue Funding	-	-	-
(902)	-	(902)	Other	(271)	-	(271)
(80)	-	(80)	Repayment of Long Term Debtors / Investments	(108)	-	(108)
(7,165)	-	(7,165)	MRP	(7,552)	-	(7,552)
<b>(9,770)</b>	<b>-</b>	<b>(9,770)</b>	<b>Total Set Aside to Repay Debt</b>	<b>(7,931)</b>	<b>-</b>	<b>(7,931)</b>
<b>801,670</b>	<b>271,734</b>	<b>1,073,404</b>	<b>Closing Capital Financing Requirement</b>	<b>803,074</b>	<b>271,734</b>	<b>1,074,808</b>

An explanation of the movement in the Council's capital financing requirement is summarised in the table below:

2021/22				2022/23		
General Fund	Housing Revenue Account	Total		General Fund	Housing Revenue Account	Total
£000s	£000s	£000s		£000s	£000s	£000s
			<b>Explanation of Movements in Year</b>			
20,915	-	20,915	Increase / (Decrease) in Underlying Need to Borrow (Funded from Council's Own Base Resources)	9,335	-	9,335
100	-	100	Assets Acquired Under Finance Leases	-	-	-
-	-	-	Assets Acquired Under PFI / PPP Contracts	-	-	-
(7,165)	-	(7,165)	Amounts Set Aside to Repay Debt – Statutory	(7,552)	-	(7,552)
(2,605)	-	(2,605)	Amounts Set Aside to Repay Debt – Voluntary	(379)	-	(379)
<b>11,245</b>	<b>-</b>	<b>11,245</b>	<b>Increase / (Decrease) in Capital Financing Requirement</b>	<b>1,404</b>	<b>-</b>	<b>1,404</b>

### Note 25 – Leases

Description:	A lease is a contractual arrangement that allows the lessee the use of an asset, in exchange for consideration to the lessor. This note details the arrangements that the Council is party to which are classed as leases
Relevant Accounting Policies:	<a href="#">Accounting Policy 19</a>

### Council as Lessee

#### Finance Leases

*Other Land and Buildings* – There are currently 6 buildings recognised within the Council's Balance Sheet acquired via finance lease. The first relates to a 15 year lease in respect of a residential bungalow. The rentals payable in 2022/23 were £0.030M (£0.030M in 2021/22) - accounted for as £0.026M principal payment and £0.004M finance costs.

The second relates to a 999 year lease in respect of the town centre museum, The Cooper Art Gallery. The rentals payable for the duration of the term are nil.

During 2013/14, the Council entered into two further leases that were accounted for as finance leases. The leases of both Royston Meadstead Children's Centre and Hoyland Common Children's Centre are both for 125 years with the rentals payable for the duration of the term being nil. Both properties relate to Council maintained community schools that transferred to Academy status during 2013/14. Thus, these leases represent the Council leasing back the children's centre element of those respective assets. Each respective asset was recognised as an acquisition at £1 and then subsequently revalued during the year.

In 2019/20, Wentworth Castle & Gardens was accounted for as a finance lease and recognised at an acquisition cost of £0 on the basis that the Council assumed the existing lease between Wentworth Castle Trust. The lease was for 99 years at inception in 2007, with rentals payable for the duration of the term being nil. Subsequently, several sub-leases of specific buildings on the site have also been assumed by the Council, with the Council as lessor. These leases, which have a 25 year lease term, have been accounted for as operating leases.

In 2021/22, the Council acquired the Hoyland Co-op Building via a finance lease. The asset was recognised at £0.100M with the associated liability. During 2021/22, the Council 'repaid' the £0.100M via MRP, therefore no liability remains. The rentals payable for the duration of the term are nil.

## STATEMENT OF ACCOUNTS 2022/23

*Vehicle, Plant, Furniture and Equipment* – The Council has 4 agreements in place in 2022/23 for various types of asset including wheeled bins and vehicles, accounted for as finance leases. The rentals payable in 2022/23 were £0.557M (£0.599M in 2021/22) – accounted for as £0.521M principal payment and £0.036M finance costs

The assets acquired under these leases are carried as Property, Plant and Equipment in the Balance Sheet at the following net amounts:

31 <sup>st</sup> March 2022 £000s			31 <sup>st</sup> March 2023 £000s	
3,466		Other Land & Buildings		3,501
1,749		Vehicles, Plant, Furniture & Equipment		1,170
<b>5,215</b>		<b>Total</b>		<b>4,671</b>

The Council is committed to making minimum payments under these leases, comprising settlement of the long term liability for the interest in the property acquired by the Council and finance costs that will be payable by the Council in future years, while the liability remains outstanding.

The minimum lease payments are made up of the following amounts:

31 <sup>st</sup> March 2022 £000s			31 <sup>st</sup> March 2023 £000s	
		Finance Lease Liabilities (Net Present Value of Minimum Lease Payments):		
547		- Current		508
1,488		- Non-Current		981
64		Finance Costs Payable in Future Years		25
<b>2,099</b>		<b>Minimum Lease Payments</b>		<b>1,514</b>

The minimum lease payments will be payable over the following periods:

31 <sup>st</sup> March 2022			31 <sup>st</sup> March 2023	
Minimum Lease Payments £000s	Finance Lease Liabilities £000s		Minimum Lease Payments £000s	Finance Lease Liabilities £000s
587	547	Not later than one year	531	508
1,512	1,488	Later than one year and not later than five years	983	981
0	0	Later than five years	0	0
<b>2,099</b>			<b>1,514</b>	<b>1,489</b>

The above minimum lease payments did not include any rents that are contingent on events taking place after the lease was entered into.

### Operating Leases

*Other Land and Buildings* – The Council leases 38 properties, which have been accounted for as operating leases. The length of each lease varies with the maximum lease being 125 years. Total amounts paid under these leases in 2022/23 was £1.696M (£1.771M in 2021/22)

*Vehicles, Plant, Furniture and Equipment* – The Council uses cars and wheeled waste bins financed under the terms of an operating lease. The amount paid under these arrangements in 2022/23 was £1.171M (£0.932M in 2021/22). The Code requires charges to be made evenly throughout the period of the lease.

*Commitments Under Operating Leases* – The Council was committed at 31st March 2023 to making payments of £30.606M under operating leases (£30.807M as at 31st March 2022), comprising of the following elements:

The future minimum lease payments due under non-cancellable leases in future years are:

## STATEMENT OF ACCOUNTS 2022/23

31 <sup>st</sup> March 2022 £000s		31 <sup>st</sup> March 2023 £000s
2,532	Not Later Than One Year	2,702
8,520	Later Than One Year & Not Later Than Five Years	9,188
19,755	Later Than Five Years	18,716
<b>30,807</b>		<b>30,606</b>

The expenditure charged to the Net Cost of Services in the Comprehensive Income and Expenditure Statement during the year in relation to these leases was:

2021/22 £000s		2022/23 £000s
2,703	Minimum Lease Payments	2,867
-	Contingent Rents	-
-	Sub-Lease Payments Receivable	-
<b>2,703</b>		<b>2,867</b>

### **Council as Lessor**

#### Finance Leases

The Council leases a number of properties to Housing Associations over long periods (50 to 99 years). These leases meet the finance lease criteria of IAS 17 but are not accounted for fully in accordance with the standard.

At the commencement of the lease, the assets have been de-recognised within the Council's Balance Sheet with a corresponding debtor recognised representing the sale proceeds due from the asset.

The minimum lease payments expected to be received comprise of settlement of the long-term debtor for the interest in the property acquired and finance income to be received over the life of the lease. In the majority of cases, a premium payment is received at commencement of the lease which is used to immediately write down the debtor recognised. In addition to this premium payment, an annual peppercorn rent is often receivable for the property let. However, due to the immateriality of these payments (total undiscounted) of £0.294M due over their remaining lives as at 31st March 2023 and the length over which they are payable, no debtor is recognised in respect of these residual lease payments and the full amount received is accounted for as trade income in the year in which it is received.

The Council also leases an outdoor activity centre which has been identified as a finance lease. The lease element relating to the land is accounted for as an operating lease (see section below) and the lease of the buildings is accounted for as a finance lease. At the commencement of the lease the building was de-recognised from within the Council's Balance Sheet with a corresponding debtor recognised totalling £0.066M representing the sale proceeds due from the asset. The agreement of the lease states that the property will be let rent free for a period of 5 years. 2012/13 represented the first year where income had been received (£0.013M). The rentals received in 2022/23 were £0.025M. This income is split between the land and buildings element of the lease and then for the building's element, split between principal and interest paid. The amount relating to the building element equates to £0.011M with the principal element being £0.001M. Therefore, the debtor is reduced to £0.058M

In 2020/21, the Council entered into a Development Agreement Lease with Keepmoat Homes to build out the site at St Helens Boulevard for residential development. This has been accounted for as a finance lease. At the commencement of the lease, the land was de-recognised from the Council's Balance Sheet with a corresponding long-term debtor recognised, totalling £0.437M, representing the sale premium for the site as a whole. Over time, as individual plots are sold to the end purchaser of those properties, those receipts will be transferred into the Council's useable capital receipts reserve.

In 2020/21, the Council entered into a Development Agreement Lease with Keepmoat Homes to build out the site at Seasons Phase 3, Thurnscoe for residential development. This has been accounted for as a finance lease. At the commencement of the lease the land was de-recognised from within the Council's Balance Sheet with an upfront premium of £0.159M transferred to the useable capital receipts reserve in 2020/21.

#### Operating Leases

The Council leases out a number of properties to Community Organisations, Public Bodies and Housing Associations for an ongoing rental.

Total amounts received under these leases in 2022/23 was £4.739M (£3.594M in 2021/22).

The future minimum lease payments receivable under non-cancellable lease in future years are:

31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2023

## STATEMENT OF ACCOUNTS 2022/23

£000s		£000s
3,355	Not Later Than One Year	4,531
11,437	Later Than One Year & Not Later Than Five Years	16,194
35,048	Later Than Five Years	48,380
<b>49,840</b>		<b>69,105</b>

None of the above minimum lease payments are contingent on events taking place after the lease was entered into.

In addition to the operating leases above, the Council has entered into a number of arrangements with housing associations for periods ranging from 60 years to 999 years, which are premium operating leases. Premium leases are where the lessee makes an upfront payment for the full term of the lease rather than paying an annual rental. Accounting rules dictate that those leases should be accounted for as a receipt in advance on the Balance Sheet and should be spread equally across the full term of the lease, recognising an amount into the revenue account each year.

Premium leases that were entered into prior to the conversion to IFRS, pre 2010/11, were treated under the UK GAAP compliant SORP and accounted for in the year of receipt, which was permitted at that time. Leases entered into since then have also been accounted for in the year of receipt due to the materiality of the amounts involved.

The amount released to the Comprehensive Income & Expenditure Account in 2022/23 was £0.003M.

The release of the lease premiums to the Comprehensive Income & Expenditure Account in future years are as follows:

31 <sup>st</sup> March 2022 £000s		31 <sup>st</sup> March 2023 £000s
3	Not Later Than One Year	3
12	Later Than One Year & Not Later Than Five Years	12
671	Later Than Five Years	668
<b>686</b>		<b>683</b>

### Academies

#### Community Schools

The Council also leases a number of schools to charitable trusts (e.g Academies). No schools became Academies during 2022/23. In comparison during 2021/22 using powers derived from the Academies Act 2010, one Primary School (Milefield) converted to Academy status during 2021/22. As part of those agreements, the school and associated land is leased from the Council to the Academy Trust, over a period of 125 years. The lease of the school buildings has been treated as a finance lease whereas the lease of the school land has been treated as an operating lease.

In 2008, the Council granted a 125-year lease of a land asset to a charitable trust to allow Barnsley Academy to be built. This arrangement has been treated as an operating lease in the Council's accounts since this time.

The building assets relating to the schools outlined above have been de-recognised from within the Council's Balance Sheet as a disposal for nil consideration in the year of transfer. Due to the nature of the agreements, no rental payments are due and therefore no long-term debtor is recognised. The land assets in respect of the schools outlined above are treated as operating leases and remain on the Council's Balance Sheet.

#### Voluntary Aided (VA) / Voluntary Controlled (VC) Schools

No Voluntary Aided Primary Schools have converted during 2022/23.

Prior to conversion to Academy status, VA / VC school building assets were already held by the respective dioceses, therefore no lease exists for the building element. The Council does still hold some land in respect of some of these schools, usually in the form of playing fields. Again, the individual arrangements are dictated by the respective circumstances. Where such arrangements exist, the lease of the land is treated as an operating lease and remains on the Council's Balance Sheet.



## STATEMENT OF ACCOUNTS 2022/23

### Academy Summary

The tables below summarise the Council's academy conversions thus far:

School	Conversion Year	Lease Arrangements
<b>Community Schools:</b>		
Barnsley Academy	2008/09	Lease of Land Only
Oakhill Primary	2011/12	Lease of Land & Buildings
Dearne Carrfield Primary	2012/13	Lease of Land & Buildings
Gooseacre Primary	2012/13	Lease of Land & Buildings
The Hill Primary	2012/13	Lease of Land & Buildings
Darfield Upperwood Primary	2012/13	Lease of Land & Buildings
Dearne Highgate Primary	2012/13	Lease of Land & Buildings
St Helen's Primary	2012/13	Lease of Land & Buildings
Shafton Primary	2012/13	Lease of Land & Buildings
Darton Primary	2013/14	Lease of Land & Buildings
West Meadows Primary	2013/14	Lease of Land & Buildings
Littleworth Grange Primary	2013/14	Lease of Land & Buildings
Kendray Primary	2013/14	Lease of Land & Buildings
Royston Meadstead Primary	2013/14	Lease of Land & Buildings
Hoyland Common Primary	2013/14	Lease of Land & Buildings
Piper's Grove Primary	2013/14	Lease of Land & Buildings
Darfield Valley Primary	2013/14	Lease of Land & Buildings
Heather Garth Primary	2013/14	Lease of Land & Buildings
Kirk Balk Community College	2014/15	Lease of Land & Buildings
Shafton ALC	2014/15	Lease of Land & Buildings
Springwell Special School / PRU	2014/15	Lease of Land & Buildings
The Edmunds Primary	2014/15	Lease of Land & Buildings
Carlton Community College	2015/16	Lease of Land & Buildings
Greenacre Special School	2015/16	Lease of Land & Buildings
Richard Newman Primary	2015/16	Lease of Land & Buildings
Hoyland Springwood Primary	2015/16	Lease of Land & Buildings
High View Primary	2015/16	Lease of Land & Buildings
Wombwell Park Street	2015/16	Lease of Land & Buildings
Sandhill Primary	2015/16	Lease of Land & Buildings
Ward Green Primary	2016/17	Lease of Land & Buildings
Doncaster Road Primary	2016/17	Lease of Land & Buildings
Kexborough Primary	2016/17	Lease of Land & Buildings
Wellgate Primary	2016/17	Lease of Land & Buildings
Worsborough Bank End Primary	2017/18	Lease of Land & Buildings
Hunningley Primary	2017/18	Lease of Land & Buildings
Netherwood ALC	2017/18	Lease of Land & Buildings
Dearne ALC	2018/19	Lease of Land & Buildings
Darton College	2018/19	Lease of Land & Buildings
Worsbrough Common Primary	2019/20	Lease of Land & Buildings
Mapplewell Primary	2019/20	Lease of Land & Buildings
Cudworth Churchfield Primary	2019/20	Lease of Land & Buildings
Athersley South Primary	2020/21	Lease of Land & Buildings
Dearne Goldthorpe Primary	2020/21	Lease of Land & Buildings
Milefield Primary	2021/22	Lease of Land & Buildings

School	Conversion Year	Lease Arrangements
<b>VA / VC Schools:</b>		
St Mary's Primary	2011/12	Lease of Land Only
Darfield All Saints Primary	2012/13	Lease of Land Only
Carlton Primary	2012/13	No Lease – Freehold Transfer to Diocese
Royston Parkside Primary	2012/13	No Lease – Freehold Transfer to Diocese
Royston Summerfields Primary	2012/13	No Lease – Freehold Transfer to Diocese
Dodworth St John's Primary	2013/14	Lease of Land & Caretaker's Bungalow
Elsecar Trinity C of E Primary	2015/16	Lease of Land Only
Royston St John The Baptist C of E Primary	2015/16	Lease of Land Only

## STATEMENT OF ACCOUNTS 2022/23

### Note 26 – Private Finance Initiatives and Similar Contracts

Description:	PFI arrangements are contractual arrangements which utilise the use of private financing for major capital projects. This note details the arrangements that the Council is party to.
Relevant Accounting Policies:	<a href="#">Accounting Policy 22</a>

The Council has recognised assets on its Balance Sheet relating to three arrangements that constitute a PFI arrangement or similar contract which are outlined below.

#### Primary Schools PFI

The contract binds the contractor to design, build, maintain and operate thirteen primary schools across the Borough, for a concession period of 25 years. At the end of the concession, the legal ownership of the assets transfers to the Council, without consideration. The table below shows the PFI Primary schools and their respective operational dates:

PFI Primary Schools	Opened
High View Primary Learning Centre *	2006/07
Kings Oak Primary Learning Centre	2006/07
Littleworth Grange Primary *	2006/07
Wombwell Park Street Primary *	2006/07
Darfield Valley Primary *	2006/07
Hoyland Common Primary *	2006/07
Springvale Primary	2006/07
Lacewood Primary	2006/07
Darton Primary *	2007/08
Joseph Locke Primary	2007/08
Sandhill Primary *	2007/08
Cherry Dale Primary	2007/08
Piper's Grove Primary *	2007/08

\* These schools have since converted to Academy status and have been de-recognised from the Council's balance sheet in the year of conversion. A further explanation can be found in [Note 25](#).

#### Local Improvement Financial Trusts (LIFT) Schemes

The contract binds the contractor to design, build, maintain and operate an asset where healthcare and Council services can be provided to the public, for a concession period of 25 years. The schemes are joint arrangements between the Council and Barnsley ICB. At the end of the concession, the Council holds an option to purchase the assets.

LIFT Buildings	Opened
Cudworth LIFT	2008/09
Darton LIFT	2011/12

#### Building Schools for the Future (BSF) Programme

The overall BSF contract binds the contractor to design, build, maintain and operate eleven secondary schools / advanced learning centres across the Borough, over three phases. The concession period of the respective phases is 25 years, at the end of which, the legal ownership of the assets transfers to the Council without consideration. Eight of the eleven schools were procured by way of Private Finance Initiative. The table below shows the BSF schools, their respective operational dates and the pre-existing schools that they replaced:

BSF School	Pre-Existing School(s)	Procurement Vehicle	Opened
Darton College ****	Darton High	PFI	2010/11
Dearne ALC ****	The Dearne High	Design & Build	2010/11
Carlton Community College ****	Edward Sheerien, Royston High	Design & Build	2010/11
Kirk Balk Community College ****	Kirk Balk High	PFI	2011/12
Penistone Grammar ALC **	Penistone Grammar	PFI	2011/12
Shafton ALC ****	Priory School & Sports College, Willowgarth High	PFI	2011/12
Greenacre Special School ****	Greenacre School	Design & Build	2011/12
Springwell Community Special School ****	Springwell School	PFI	2011/12
Netherwood ALC ****	Darfield Foulstone, Wombwell High	PFI	2012/13
Horizon Community College ***	Holgate & Kingstone	PFI	2012/13
Holy Trinity ALC *	St Michael's High, St Dominic's Primary, Holy Cross Catholic Primary	PFI	2012/13

## STATEMENT OF ACCOUNTS 2022/23

\* Holy Trinity ALC is a voluntary aided school and consequently sits with the Diocese of the respective areas. Therefore, the school was transferred to the Diocese during 2012/13 and has been subsequently de-recognised from the Council's Balance Sheet.

\*\* The old Penistone Grammar School, which was replaced by the Penistone Grammar ALC when it became operational in 2011/12, was originally held in trust by Penistone Grammar School Foundation Trust, as part of an agreement that has existed since 1957. This agreement still legally stands and therefore during 2011/12, the new Penistone Grammar ALC was transferred to the Trust and was subsequently de-recognised from the Council's Balance Sheet.

\*\*\* Horizon Community College, which replaced Kingstone Secondary and Holgate Secondary schools, was transferred into Horizon Archbishop Holgate Foundation Trust during 2017/18 and has been subsequently de-recognised from the Council's Balance Sheet.

\*\*\*\* These schools have since converted to Academy status and have been de-recognised from the Council's balance sheet in the year of conversion. A further explanation can be found in [Note 25](#).

### Waste PFI

The Council's Waste PFI facility became fully operational on the 3<sup>rd</sup> July 2015. This scheme involves a joint arrangement with the Council, Doncaster Metropolitan Borough Council and Rotherham Metropolitan Borough Council which will see operation of new Waste facilities to deal with the treatment of leftover waste rather than send it to landfill.

The contract is with 3SE (Barnsley, Doncaster & Rotherham) Limited which is owned 75% by Renew PFI Investments Limited and 25% by SSE Generation Limited. It is for 25 years from the service commencement date and the local authorities have the option to extend the service element of the contract by a further 5 years, to the end of the new facility's design life of 30 years. If this option is not exercised, the facility reverts to the ownership of the local authorities at the end of the 25 year contract at nil consideration; otherwise it will revert after 30 years.

The assets in respect of the Council's share of the facility, which equates to 30% of the total value, are recognised on the Council's balance sheet.

### Property, Plant and Equipment

The assets used to provide services at the primary schools, LIFT buildings, the secondary schools and the Waste facility are recognised on the Council's Balance Sheet, with the exception of Penistone Grammar ALC and Holy Trinity ALC. Movements in their value over the year are detailed in the analysis of the movement on Property, Plant and Equipment in [Note 19](#).

### Payments

The Council makes an agreed payment each year which is increased by inflation and can be reduced if the contractor fails to meet availability and performance standards in any year, but which is otherwise fixed. Payments remaining to be made under the PFI and similar contracts at 31<sup>st</sup> March 2023 (excluding any estimation of inflation and availability / performance deductions) are as follows:

	<b>Payment for Services £000s</b>	<b>Reimbursement of Capital Expenditure £000s</b>	<b>Interest £000s</b>	<b>Total £000s</b>
Payable in 2023/24	22,418	8,429	17,533	<b>48,380</b>
Payable Within Two to Five Years	98,092	39,561	62,974	<b>200,627</b>
Payable Within Six to Ten Years	137,426	64,847	55,891	<b>258,164</b>
Payable Within Eleven to Fifteen Years	101,980	67,109	26,194	<b>195,283</b>
Payable Within Sixteen to Twenty Years	21,814	3,514	326	<b>25,654</b>
Payable Within Twenty One to Twenty Five Years	0	0	0	<b>0</b>
<b>Total</b>	<b>381,730</b>	<b>183,460</b>	<b>162,918</b>	<b>728,108</b>

Although the payments made to the contractor are described as unitary payments, they have been calculated to compensate the contractor for the fair value of the services they provide, the capital expenditure incurred and interest payable whilst the capital expenditure remains to be reimbursed.

## STATEMENT OF ACCOUNTS 2022/23

The liability outstanding to pay to the contractor for capital expenditure incurred is as follows:

2021/22 £000s		2022/23 £000s
199,562	<b>Balance As At 1<sup>st</sup> April</b>	191,339
(8,223) -	Payments During the Year Capital Expenditure Incurred in the Year	(7,879) -
191,339	<b>Balance As At 31<sup>st</sup> March</b>	183,460

### Note 27 – Financial Instruments

Description:55	Financial Instruments are any contract that gives rise to a financial asset of one entity and a financial liability of another entity. This note explains the Council's financial instruments and the impact on the accounts.
Relevant Accounting Policies:	<a href="#">Accounting Policy 5</a> / <a href="#">Accounting Policy 11</a>

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

31 <sup>st</sup> March 2022			31 <sup>st</sup> March 2023		
Long Term £000s	Short Term £000s		Long Term £000s	Short Term £000s	
		<b>Investments:</b>			
2,254	134,594	Amortised Cost	2,201	126,278	
2,000	-	Fair Value through Other Comprehensive Income - Designated Equity Instruments	2,000	-	
<b>4,254</b>	<b>134,594</b>	<b>Total Investments</b>	<b>4,201</b>	<b>126,278</b>	<a href="#">Balance Sheet</a>
		<b>Debtors:</b>			
2,527	-	Loan and Finance Lease Receivables at Amortised Cost	3,439	-	
-	42,731	Other Debtors at Amortised Cost	-	37,694	
<b>2,527</b>	<b>42,731</b>	<b>Total Debtors *</b>	<b>3,439</b>	<b>37,694</b>	<a href="#">Balance Sheet</a>
		<b>Cash Equivalents:</b>			
-	56,695	Amortised Cost	-	28,856	<a href="#">Cash Flow</a>
	<b>56,695</b>	<b>Total Cash Equivalents **</b>		<b>28,85</b>	<a href="#">Balance Sheet</a>
<b>6,781</b>	<b>234,020</b>	<b>Total Financial Assets</b>	<b>7,640</b>	<b>192,828</b>	
		<b>Borrowing:</b>			
(653,158)	(37,307)	Amortised Cost	(634,708)	(22,763)	
<b>(653,158)</b>	<b>(37,307)</b>	<b>Total Borrowing</b>	<b>(634,708)</b>	<b>(22,763)</b>	<a href="#">Balance Sheet</a>
		<b>Creditors:</b>			
-	(46,189)	Creditors at Amortised Cost	-	(39,748)	
-	<b>(46,189)</b>	<b>Total Creditors *</b>	-	<b>(41,480)</b>	
		<b>Other Liabilities:</b>			
(185,633)	(8,428)	PFI/Lease Liabilities	(176,693)	(8,939)	
<b>(185,633)</b>	<b>(8,428)</b>	<b>Total Other Liabilities</b>	<b>(176,693)</b>	<b>(48,687)</b>	<a href="#">Balance Sheet</a>
<b>(838,791)</b>	<b>(91,924)</b>	<b>Total Financial Liabilities</b>	<b>(811,401)</b>	<b>(71,450)</b>	<a href="#">Balance Sheet</a>

\* It should be noted that within the Balance Sheet totals for debtors and creditors, there are some amounts that do not meet the definition of financial instruments. As such they have not been disclosed again in the above table. These include:

- Debtors - £11.748M (£12.752M in 2021/22) comprising local taxation debtors, prepayments and amounts owed in respect of VAT; and
- Creditors - £24.995M (£25.044M in 2021/22) comprising receipts in advance, payroll creditors, NNDR, Council Tax and other amounts payable in relation to VAT and other social security.

The full Balance Sheet values are analysed in [Note 30](#), [Note 31](#) and [Note 32](#) respectively.

## STATEMENT OF ACCOUNTS 2022/23

\*\* The full Balance Sheet values of Cash and Cash Equivalents are analysed in the [Cash Flow](#) statement.

### Reclassifications:

A number of financial assets were reclassified following the initial application of IFRS 9 Financial Instruments. This is reflected in the above table.

### Impairment:

Also reflected in the above table is the loss allowance recognised of £0.332M (£0.050M in 2021/22) - following the transition from an incurred losses model to an expected losses model for impairment calculations – there was no reduction in fair value of financial assets (£0M in 2020/21) following remeasurement. These amounts are shown separately in the table below:

### Income, Expense, Gains and Losses:

2021/22					2022/23			
Financial Liabilities: Measured at Amortised Cost	Financial Assets: Loans and Receivables at Amortised Cost	Financial Assets: Fair Value Through Other Comprehensive Income	Total		Financial Liabilities: Measured at Amortised Cost	Financial Assets: Loans and Receivables at Amortised Cost	Financial Assets: Fair Value Through Other Comprehensive Income	Total
£000s	£000s	£000s	£000s		£000s	£000s	£000s	£000s
23,475	-	-	23,475	Interest Expense	23,521	-	-	23,521
38	-	-	38	Fee Expenses	6	-	-	6
50	-	-	50	Expected Credit Losses	332	-	-	332
<b>23,563</b>	-	-	<b>23,563</b>	<b>Total Expense in Surplus or Deficit on the Provision of Services</b>	<b>23,859</b>	-	-	<b>23,859</b>
-	(631)	(446)	(1,077)	Interest / Dividend Income	-	(3,067)	(74)	(3,141)
-	<b>(631)</b>	<b>(446)</b>	<b>(1,077)</b>	<b>Total Income in Surplus or Deficit on the Provision of Services</b>	-	<b>(3,067)</b>	<b>(74)</b>	<b>(3,141)</b>
-	-	-	-	(Surplus) / Deficit Arising on Revaluation of Financial Assets in Other Comprehensive Income & Expenditure	-	-	-	-
<b>23,563</b>	<b>(631)</b>	<b>(446)</b>	<b>22,486</b>	<b>Net (Gain) / Loss for the Year</b>	<b>23,859</b>	<b>(3,067)</b>	<b>(74)</b>	<b>20,718</b>

## STATEMENT OF ACCOUNTS 2022/23

### Fair Values of Assets: Assets Carried at Fair Value:

Some of the Council's financial assets have been designated at Fair Value through Other Comprehensive Income following the application of IFRS9, a breakdown of which is included in the table below:

Recurring Fair Value Measurements Using:	2022/23			
	Quoted Prices in Active Markets for Identical Assets (Level 1) £000s	Other Significant Observable Inputs (Level 2) £000s	Significant Unobservable Inputs (Level 3) £000s	Fair Value as at 31 <sup>st</sup> March 2023 £000s
<u>Designated Equity Investments:</u>				
Oakwell Community Assets Limited	-	2,000	-	2,000
<b>Carrying Value</b>		<b>2,000</b>		<b>2,000</b>
BDR Property Limited (formerly known as Arpley Gas Ltd)	-	405	-	405
<i>Less Reduction in Fair Value Following Remeasurement</i>	-	(405)	-	(405)
<b>Carrying Value</b>		-		-
BSF Programme (Building Schools for the Future)	-	16	-	16
<i>Less Reduction in Fair Value Following Remeasurement</i>	-	(16)	-	(16)
<b>Carrying Value</b>	-	-	-	-
UK Municipal Bonds Agency	-	10	-	10
<i>Less Reduction in Fair Value Following Remeasurement</i>	-	(10)	-	(10)
<b>Carrying Value</b>	-	-	-	-
<b>Total Carrying Value</b>	-	<b>2,000</b>	-	<b>2,000</b>

### Prior Year Comparator:

Recurring Fair Value Measurements Using:	2021/22			
	Quoted Prices in Active Markets for Identical Assets (Level 1) £000s	Other Significant Observable Inputs (Level 2) £000s	Significant Unobservable Inputs (Level 3) £000s	Fair Value as at 31 <sup>st</sup> March 2022 £000s
<u>Designated Equity Investments:</u>				
Oakwell Community Assets Limited	-	2,000	-	2,000
<b>Carrying Value</b>		<b>2,000</b>		<b>2,000</b>
BDR Property Limited (formerly known as Arpley Gas Ltd)	-	405	-	405
<i>Less Reduction in Fair Value Following Remeasurement</i>	-	(405)	-	(405)
<b>Carrying Value</b>		-		-
BSF Programme (Building Schools for the Future)	-	16	-	16
	-	(16)	-	(16)
<b>Carrying Value</b>	-	-	-	-
UK Municipal Bonds Agency	-	10	-	10
<i>Less Reduction in Fair Value Following Remeasurement</i>	-	(10)	-	(10)
<b>Carrying Value</b>	-	-	-	-
<b>Total Carrying Value</b>	-	<b>2,000</b>	-	<b>2,000</b>

### Valuation Techniques used to Determine Level 2 Fair Values for Financial Assets

Shares in the above organisations are not traded in an active market and as such, the fair values have been assessed using valuation techniques that are not based on observable current market transactions or available market data. The valuation has been made based on an analysis of the assets and liabilities in the company's latest audited accounts.

There were no transfers between input levels 1 and 2 or changes in the valuation technique used during the year.

The current level of uncertainty in the future path of economic growth, unemployment, fiscal and monetary policy makes it very difficult to accurately assess the impact on the investments held by the Council. We will continue to closely monitor the situation and where

## STATEMENT OF ACCOUNTS 2022/23

required any expected credit loss provision and/or movement in fair value will be reported and recognised during the 2023/24 financial year.

### Assets Not Measured at Fair Value

Except for financial assets carried at fair value (see above), all other financial assets held by the Council are classified as short term receivables, short term investments and long term debtors are carried in the balance sheet at amortised cost. A breakdown of these assets has been provided in the table below:

	<b>Carrying Value as at 31<sup>st</sup> March 2023 £000s</b>
Fixed Term Local Authority Deposits	126,278
Fixed Term Bank Deposits	-
Money Market Funds	22,504
Call and Notice Bank Accounts	6,215
Other Debtors at Amortised Cost	37,694
Other Loans and Receivables	5,640
<b>Total Valuation</b>	<b>198,331</b>

[Balance Sheet](#)

Prior Year Comparator:

	<b>Carrying Value as at 31<sup>st</sup> March 2022 £000s</b>
Fixed Term Local Authority Deposits	124,584
Fixed Term Bank Deposits	10,010
Money Market Funds	48,510
Call and Notice Bank Accounts	6,000
Other Debtors at Amortised Cost	42,731
Other Loans and Receivables	4,781
<b>Total Valuation</b>	<b>236,616</b>

[Balance Sheet](#)

Debtors and creditors are measured at amortised cost which is typically the transactional value or invoiced amount. They are low risk in nature and largely comprise of amounts owed by and to the Council as a result of its day to day business. The fair value of short-term investments, including trade payables and receivables is assumed to be approximate to the carrying amount.

### Fair Values of Liabilities: Liabilities Not Measured at Fair Value

All financial liabilities are carried in the balance sheet at amortised cost. The fair values of such liabilities are disclosed for comparison purposes. Fair value is the amount for which a liability could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. There were no transfers between input levels 1 and 2 or changes in the valuation technique used during the year.

Financial liabilities represented by loans are carried in the Balance Sheet at amortised cost. The fair values are calculated as follows:

Recurring Fair Value Measurements Using:	<b>Carrying Value as at 31<sup>st</sup> March 2023 £000s</b>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1) £000s</b>	<b>Other Significant Observable Inputs (Level 2) £000s</b>	<b>Significant Unobservable Inputs (Level 3) £000s</b>	<b>Fair Value as at 31<sup>st</sup> March 2023 £000s</b>
PWLB Borrowings	(558,135)	-	(433,683)	-	(433,683)
LOBOs	(56,636)	-	(55,387)	-	(55,387)
Temporary Loans	(40,943)	-	(34,994)	-	(34,994)
Other	(1,758)	-	(1,259)	-	(1,259)
<b>Total Borrowing</b>	<b>(657,472)</b>	<b>-</b>	<b>(525,323)</b>	<b>-</b>	<b>(525,323)</b>

[Balance Sheet](#)

Within the Council's total borrowings are three LOBO (Lender Option, Borrower Option) loans, where the lender has the option to increase the interest rate at any 6 month interval. Should this option be triggered, the Council has the option to repay the loan without penalty. However, this would mean having to borrow an additional £55.000M within the next few years to replace the principal repaid.

## STATEMENT OF ACCOUNTS 2022/23

The Council continues to closely monitor the 'call dates' on the LOBO loans with the rate on these loans (4.75%) currently comparable to today's PWLB rates.

Recurring Fair Value Measurements Using:	Carrying Value as at 31 <sup>st</sup> March 2023	Quoted Prices in Active Markets for Identical Assets (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value as at 31 <sup>st</sup> March 2023
	£000s	£000s	£000s	£000s	£000s
PFI Liabilities	(183,460)	-	(251,950)	-	(251,950)
Finance Lease Liabilities	(1,488)	-	(1,488)	-	(1,488)
Other Local Authority Debt	-	-	-	-	-
Other Liabilities	(683)	-	(683)	-	(683)
<b>Total Other Liabilities</b>	<b>(185,631)</b>	<b>-</b>	<b>(254,121)</b>	<b>-</b>	<b>(254,121)</b>

[Balance Sheet](#)

The fair value of financial liabilities is higher than the carrying amount because the Council's portfolio of loans includes a number of loans where the interest rate payable is higher than the rates available for similar loans at the Balance Sheet date.

### Prior Year Comparator:

Recurring Fair Value Measurements Using:	Carrying Value as at 31 <sup>st</sup> March 2022	Quoted Prices in Active Markets for Identical Assets (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value as at 31 <sup>st</sup> March 2022
	£000s	£000s	£000s	£000s	£000s
PWLB Borrowings	(579,616)	-	(648,237)	-	(648,237)
LOBOs	(56,651)	-	(30,813)	-	(30,813)
Temporary Loans	(52,440)	-	(52,287)	-	(52,287)
Other	(1,758)	-	(1,419)	-	(1,419)
<b>Total Valuation</b>	<b>(690,465)</b>	<b>-</b>	<b>(732,756)</b>	<b>-</b>	<b>(732,756)</b>

[Balance Sheet](#)

Recurring Fair Value Measurements Using:	Carrying Value as at 31 <sup>st</sup> March 2022	Quoted Prices in Active Markets for Identical Assets (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value as at 31 <sup>st</sup> March 2022
	£000s	£000s	£000s	£000s	£000s
PFI Liabilities	(191,339)	-	(246,546)	-	(246,546)
Finance Lease Liabilities	(2,036)	-	(2,036)	-	(2,036)
Other Local Authority Debt	-	-	-	-	-
Other Liabilities	(686)	-	(686)	-	(686)
<b>Total Other Liabilities</b>	<b>(194,061)</b>	<b>-</b>	<b>(249,268)</b>	<b>-</b>	<b>(249,268)</b>

[Balance Sheet](#)

### Valuation Techniques used to Determine Level 2 Fair Values for Financial Liabilities

The financial liabilities' fair value can be assessed by calculating the present value of cash flows that take place over the remaining life of the instruments using the following assumptions:

- Fair value calculations have been provided by the Council's Treasury Advisors, Link Asset Services, in relation to the loan portfolio (including Market loans) and also the PFI and Finance Lease Liabilities. Fair Values have been calculated by discounting the contractual cash flows over the life of the loan based on the PWLB New Loan Rate at the Balance Sheet date;
- No early repayment or impairment is recognised for any financial instrument; and
- The fair value of short term investments, including trade payables and receivables is assumed to be approximate to the carrying amount.

There were no transfers between input levels 1 and 2 or changes in the valuation technique used during the year.



# STATEMENT OF ACCOUNTS 2022/23

## Note 28 – Nature and Extent of Risks Arising From Financial Instruments

Description:	This note explains the risk of the financial instruments detailed in <a href="#">Note 27</a> in respect of credit risk, liquidity risk and market risk.
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### Financial Instruments – Risks

The Council's treasury activities expose it to a variety of financial risks. The key risks are:

- Credit Risk – the possibility that other parties might fail to pay amounts due to the Council;
- Liquidity Risk – the possibility that the Council might not have funds available to meet its commitments to make payments;
- Market Risk – the possibility that financial loss might arise for the Council as a result of interest rate movements.

### Overall Procedures for Managing Risk

The Council has adopted CIPFA's Treasury Management Code which provides a framework for effective treasury management in public sector organisations, including the effective control of risk.

In accordance with the Treasury Management Code, the Council produces an annual Treasury Management Strategy (approved by Full Council prior to each financial year) which sets out the high level parameters for managing these risks. The Council also maintains a suite of Treasury Management Practice (TMP) documents which specify the practical arrangements to be followed in each risk area.

The Council has strong arrangements around the governance and scrutiny of Treasury Management activities, over and above those prescribed in the Treasury Management Code. The Treasury Management Panel, comprising of Elected Members and Senior Officers from within the Council, meets on a quarterly basis to oversee operations and to make decisions on strategy.

### Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Council's customers. The effective management of credit risk and safeguarding the security of the Council's investments was a key Treasury Management priority in 2022/23.

### Regular Treasury Investments

The Treasury Management Strategy includes an Annual Investment Strategy (AIS) in compliance with the DLUHC's Investment Guidance. The AIS aims to reduce credit risk by requiring that deposits are not made with financial institutions unless they meet specified criteria. During 2022/23 the *minimum* criteria for investments has remained as a long term Fitch rating of A-, or the equivalent rating from other agencies.

Whilst credit ratings remain a key source of information, the Council bases investment decisions on a range of credit indicators and takes account of the following market information:

- GDP;
- Net Debt as a Percentage of GDP;
- Sovereign Support Mechanisms / potential support from parent institution;
- Share Price; and
- Credit Default Swaps.

In accordance with the Council's AIS, investments were made with the following institution types, none of which were considered to pose an immediate credit risk (further details are available in the Council's Treasury Final Accounts Report):

- Local Authorities;
- Banks; and
- AAA Rated Money Market Funds.

The Council recognises expected credit losses on all of its financial assets held at amortised cost, either on a 12-month or lifetime basis. Since the Council only invests in high quality institutions and products, its regular treasury investments have been measured on a 12-month basis. Based on the historic risk of default data provided by Link Asset Services (the Council's treasury management advisors), the loss allowance required is immaterial.

From a credit risk perspective, the Council is not anticipating any significant issues with its treasury investments despite the currently uncertain economic climate. For instance, the majority of the Council's investments are placed with high quality Money Market Funds designed to provide security and liquidity. The parameters in which these funds are managed have been tightened (e.g. shorter investment durations) to further reduce the risk of default. It is also worth noting that officers closely monitor changes in the credit ratings/CDS prices of Link Asset Services' suggested counterparties. On that basis we have no evidence to suggest that the expected credit loss calculations need revising.

### Trade Debtors

## STATEMENT OF ACCOUNTS 2022/23

In addition to its regular treasury investments, the Council had £37.694M of debtors at amortised cost at year end. Of this, £10.766M of trade debt was outstanding at the year end. The Council does not generally allow credit for its trade debtors, such that £5.221M of the outstanding balance is past its due date for payment (£5.434M of £11.716M in 2021/22). The past due amount can be analysed by age as follows:

31 <sup>st</sup> March 2022 £000s	Aged Debt Analysis:	31 <sup>st</sup> March 2023 £000s
2,755	Less Than Three Months	2,053
782	Three to Six Months	1,043
729	Six Months to One Year	673
1,168	More Than One Year	1,452
<b>5,434</b>		<b>5,221</b>

The Council also recognises expected credit losses on its trade debtors on a lifetime basis. Trade debtors are not subject to internal credit rating and have been collectively assessed using provision matrices - based on historical data for defaults adjusted for current and forecast economic conditions. Debt write-off is considered when normal recovery procedures have been unable to secure payment. Prior to write-off, all possible action will have been taken to secure the debt, however the extent to which it is pursued is dependent on the amount of the debt and the financial circumstances of the debtor. Further details are disclosed in [Note 27](#).

### Third Party Loans

The Council also holds a number of third party loans on its balance sheet, which are assessed on an individual instrument basis. Loss allowances have been assessed using a range of factors such as the purpose of the loan, any amounts past due, any rescheduling that has taken place and whether or not the loan is secured. Where the risk of loss has increased since the loan was made, expected credit losses have been assessed on a lifetime basis. All other loans have been assessed on a 12-month basis. Further details are disclosed in [Note 27](#).

### Liquidity Risk

The Council continues to maintain a short maturity duration for investments, primarily using instant access Call Accounts and Money Market Funds to manage liquidity requirements. Additionally, the Barclays Flexible Interest Bearing Current Account (FIBCA) continued to be used to move funds between accounts and manage day to day cash requirements.

To protect itself in the current economic climate, the Council kept other fixed-term investments short-term to cover cash flow needs, but also sought out value available in periods up to 12 months with high credit rated financial institutions, using the Link suggested creditworthiness approach. In addition, the Council has ready access to borrowings from the Money Markets and the Public Works Loan Board. As such there is no perceived risk that the Council will be unable to raise finance to meet its commitments.

The maturity of investments made with banks and financial institutions is as follows:

2021/22 Carrying Value £000s	2021/22 Percentage %	Years	2022/23 Carrying Value £000s	2022/23 Percentage %
189,104	100	Less Than One Year	154,996	100
-	-	Between One & Two Years	-	-
-	-	Between Two & Three Years	-	-
-	-	More Than Three Years	-	-
-	-	Uncertain Date	-	-
<b>189,104</b>	<b>100</b>	<b>Carrying Value</b>	<b>154,996</b>	<b>100</b>

### Refinancing Risk

The Council maintains a significant debt portfolio and has to ensure that it will not be exposed to refinancing a significant proportion of its borrowing at a time of unfavourable interest rates. The approved prudential indicator for the maturity structure of debt is a key control in managing this risk.

## STATEMENT OF ACCOUNTS 2022/23

The maturity analysis of the carrying amount of the Council's borrowing as at 31<sup>st</sup> March 2023 is as follows:

2021/22 Carrying Value	2021/22 Percentage	Years	2022/23 Carrying Value	2022/23 Percentage
£000s	%		£000s	%
(32,739)	5	Less Than 1 Year	(18,436)	3
(18,435)	3	Between One & Two Years	(12,385)	2
(24,703)	4	Between Two & Five Years	(19,784)	3
(29,420)	4	Between Five & Ten Years	(38,413)	6
(29,500)	4	Between Ten & Twenty Years	(14,971)	2
(91,061)	13	Between Twenty & Thirty Years	(89,132)	14
(173,930)	26	Between Thirty & Forty Years	(193,930)	30
(227,700)	33	More Than Forty Years	(207,700)	32
(56,757)	8	Uncertain Date *	(56,757)	8
<b>(684,245)</b>	<b>100</b>	<b>Total</b>	<b>(651,508)</b>	<b>100</b>

A maturity analysis of the Council's PFI and finance lease liabilities is provided [Note 25](#) and [Note 26](#).

\* The Council has £55M of "Lender's Option, Borrower's Option" (LOBO) loans where the lender has the option to propose an increase in the rate payable; the Council will then have the option to accept the new rate or repay the loan without penalty. Due to rising interest rates, the lender may exercise the option to propose a rate increase and the maturity date is therefore uncertain.

In addition, the Council has a loan arrangement with the West Yorkshire Combined Authority (£1.757M). Repayment of the loan is directly connected to Business Rate levels and the maturity date is therefore uncertain.

### Market Risk

**Interest Rate Risk:** The Council is exposed to risks arising from movements in interest rates. Movements in interest rates have a complex impact on the Council. For instance, a rise in interest rates would have the following effects:

- borrowing at variable levels – the interest expense will rise;
- borrowing at fixed rates – the fair value of the liabilities will fall;
- investments at variable rates – the interest income will rise; and
- investments at fixed rates – the fair value of the assets will fall.

The Council has a number of strategies for managing interest rate risk which are set out in the Annual Treasury Management Strategy. The main control is to set an upper limit on variable interest rate exposures, measured against the Council's **overall borrowing requirement** (including temporary loans, where the rate available is dependent on market conditions at the time and LOBO loans, where the lender has the option to propose an increase in the rate payable. It also includes the Council's under-borrowed position). As illustrated in the table below, the Council was within the limit set as at 31<sup>st</sup> March 2023.

Limit on Variable Rate Borrowing / Unfinanced CFR	Actual (%)	Limit (%)
Measured against the Council's overall borrowing requirement	30	30

Borrowings and investments measured at amortised cost are not carried at fair value so any nominal changes to their fair value will not have an impact on the Comprehensive Income and Expenditure Statement. 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. Movements in the fair value of fixed rate investments that have a quoted market price will be reflected in Other Comprehensive Income and Expenditure.

This is illustrated in the table below. If all interest rates had been 1% higher (with all other variables held constant) the financial effect would be:

	£000s
<b>Impact on the Provision of Services (Surplus) / Deficit:</b>	
Increase in Interest Payable on Variable Rate Borrowings	-
Decrease in Interest Payable on Variable Rate Investments	(287)
<b>Impact on the Provision of Services (Surplus) / Deficit</b>	<b>(287)</b>
Share of Overall Impact Debited / Credited to HRA	
Share of Overall Impact Debited / Credited to General Fund	(287)
	<b>(287)</b>
<b>Impact on Other Comprehensive Income &amp; Expenditure:</b>	
Decrease in Fair Value of Fixed Rate Investment Assets	-
<b>Impact on Other Comprehensive Income &amp; Expenditure</b>	<b>-</b>
Decrease in Fair Value of Fixed Rate Borrowings (Premature Repayment Rate)	(92,288)
Decrease in Fair Value of Fixed Rate Borrowings (New Loan Rate)	(71,943)
Decrease in Fair Value of borrowings and investments measured at amortised cost	-

## STATEMENT OF ACCOUNTS 2022/23

The approximate impact of a 1% fall in interest rates would be as above but with the movements being reversed.

A 1% change in interest rates has a significant impact on the revenue account, and is an area of risk that is closely monitored by officers.

**Price Risk:** The Council does not generally invest in equity shares but does have shareholdings to the value of £2.000M in a number of joint ventures and in local industry. The Council is consequently exposed to losses arising from movements in the prices of the shares. These equity investments have been designated as fair value through other comprehensive income on the basis that:

- They're not quoted in an active market; and
- They're not held for trading.

**Foreign Exchange Risk:** The Council has no financial assets or liabilities denominated in a foreign currency. It therefore has no exposure to loss arising as a result of adverse movements in exchange rates.

### Note 29 – Inventories

Description:	Inventories are assets held by the Council for consumption on rendering services. This note details the level and movement of these assets.
Relevant Accounting Policies:	<a href="#">Accounting Policy 16</a>

2021/22					2022/23			
Consumable Stores	Maintenance Materials	Client Services – Work in Progress	Total		Consumable Stores	Maintenance Materials	Client Services – Work in Progress	Total
£000s	£000s	£000s	£000s		£000s	£000s	£000s	£000s
120	1,066	-	1,186	Balance Outstanding at 1 <sup>st</sup> April	182	1,331	-	1,513
1,067	1,865		2,932	Purchases	1,356	1,690		3,046
(1,005)	(1,599)		(2,604)	Recognised as an Expense in the Year	(1,347)	(2,131)		(3,478)
			-	Transfers		-		-
	(1)		(1)	Written on/off Balance		9		9
182	1,331	-	1,513	Balance Outstanding 31 <sup>st</sup> March	191	899	-	1,090

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### Note 30 – Local Taxation Debtors

Description:	Local Taxation Debtors are assets representing the amounts owed to the Council in respect of local taxation (NNDR and Council Tax).
Relevant Accounting Policies:	<a href="#">Accounting Policy 2</a> / <a href="#">Accounting Policy 3</a>

31 <sup>st</sup> March 2022				31 <sup>st</sup> March 2023		
Debtors £000s	Impairment for Bad Debts £000s	Net £000s		Debtors £000s	Impairment for Bad Debts £000s	Net £000s
553	(553)	-	Business Rates	524	(669)	(145)
9,788	(9,788)	-	Council Tax	10,674	(9,764)	910
10,341	(10,341)	-	Local Taxation Debtors	11,198	(10,443)	765

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## STATEMENT OF ACCOUNTS 2022/23

### Note 31 – Other Short Term Debtors

Description:	Other Short-Term Debtors are assets representing the amounts owed to the Council in respect of other debts.
Relevant Accounting Policies:	<a href="#">Accounting Policy 2</a>

31 <sup>st</sup> March 2022				31 <sup>st</sup> March 2023		
Total Debtors	Impairment for Bad Debts	Total		Total Debtors	Impairment For Bad Debts	Total
£000s	£000s	£000s		£000s	£000s	£000s
11,718	(6,430)	<b>5,288</b>	Trade Receivables	10,766	(7,928)	<b>2,838</b>
16,330	-	<b>16,330</b>	Prepayments & Accrued Grant Income	14,541	-	<b>14,541</b>
27,435	-	<b>27,435</b>	Other Receivable Amounts	24,135	-	<b>24,135</b>
<b>55,483</b>	<b>(6,430)</b>	<b>49,053</b>	<b>Total</b>	<b>49,442</b>	<b>(7,928)</b>	<b>41,514</b>

[Balance Sheet](#)

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### Note 32 – Short Term Creditors

Description:	Short Term Creditors are financial liabilities arising from the contractual and statutory obligation to pay cash in the future for goods or services or other benefits that have been received or supplied and have been invoiced or formally agreed with the supplier.
Relevant Accounting Policies:	<a href="#">Accounting Policy 2</a> / <a href="#">Accounting Policy 3</a>

31 <sup>st</sup> March 2022 £000s		31 <sup>st</sup> March 2023 £000s
(11,022)	Trade Creditors	(11,922)
(28,313)	Other Creditors	(18,723)
(6,792)	Capital Creditors	(9,041)
(3,945)	Receipts in Advance	(3,750)
(6,230)	Payroll Creditors	(6,601)
(7,432)	NNDR	(8,390)
(4,581)	Council Tax	(5,795)
(2,918)	Other Tax & Social Security	(2,253)
<b>(71,233)</b>	<b>Total</b>	<b>(66,475)</b>

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[Balance Sheet](#)

## STATEMENT OF ACCOUNTS 2022/23

### Note 33 – Grants & Contributions Receipts in Advance

Description:	Grants and Contributions Receipts in Advance are held on the balance sheet until the specific conditions are satisfied. This note outlines the level of receipts in advance held by the Council.
Relevant Accounting Policies:	<a href="#">Accounting Policy 12</a>

The Council has received a number of grants, contributions and donations that have yet to be recognised as income as they have conditions attached to them that will require the monies or property to be returned to the transferor if the conditions are not met. All specific income relating to grants, contributions and donations that are significant in value are listed individually in the table below:

31 <sup>st</sup> March 2022 £000s	Current Liabilities - Capital	31 <sup>st</sup> March 2023 £000s
	<b>Capital Grants Receipts in Advance:</b>	
(4,791)	Growth & Sustainability - Sustainable Warmth - LAD	(4,791)
(1,214)	Growth & Sustainability - BEIS Public Sector Decarbonisation Grant	(1,214)
(1,104)	Growth & Sustainability - A628 Safer Roads	(1,023)
(522)	Growth & Sustainability - Sustainable Warmth - HUG	(522)
(1,674)	Growth & Sustainability - Social Housing Decarb Fund	(414)
(134)	Growth & Sustainability - Highways England Grant	(134)
(5,502)	Growth & Sustainability - J37 Phase 2	(106)
(1,055)	Growth & Sustainability - Market Gate Bridge	-
(507)	People – Devolved Formula Capital (DFC)	(929)
(5,839)	Place Health & Adult Social Care – Disabled Facilities Grant (DFG)	(4,082)
(1,844)	Other Grants	(3,439)
<b>(24,186)</b>	<b>Total Capital Grants Receipts in Advance</b>	<b>(16,654)</b>
	<b>Capital Contributions Receipts in Advance:</b>	
(9,150)	Section 106 Contributions	(11,951)
(1,192)	Other Contributions	(1,185)
<b>(10,342)</b>	<b>Total Capital Contributions Receipts in Advance</b>	<b>(13,136)</b>
<b>(34,528)</b>	<b>Total Capital Grants &amp; Contributions Receipts in Advance</b>	<b>(29,790)</b>

[Balance Sheet](#)

31 <sup>st</sup> March 2022 £000s	Current Liabilities - Revenue	31 <sup>st</sup> March 2023 £000s
	<b>Revenue Grants Receipts in Advance:</b>	
(43)	People - Adoption Support Fund	-
-	Growth & Sustainability - Business Energy & Industrial Strategy Grant	-
(582)	Growth & Sustainability – Community Renewal Fund	-
(72)	Various – COVID Grants	-
(698)	Other	(215)
<b>(1,395)</b>	<b>Total Revenue Grants Receipts in Advance</b>	<b>(215)</b>
	<b>Revenue Contributions Receipts in Advance:</b>	
(1,537)	Growth & Sustainability – Section 278 Contributions	(1,582)
(341)	Growth & Sustainability – Maintenance Agreements	(278)
(62)	People – Children’s Social Work Matters	(33)
<b>(1,940)</b>	<b>Total Revenue Contributions Receipts in Advance</b>	<b>(1,893)</b>
<b>(3,335)</b>	<b>Total Revenue Grants &amp; Contributions Receipts in Advance</b>	<b>(2,108)</b>

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## STATEMENT OF ACCOUNTS 2022/23

### Note 34 – Provisions

Description:	A provision is a liability of uncertain timing or amount. This note details the provisions that the Council has set aside for future obligations.
Relevant Accounting Policies:	<a href="#">Accounting Policy 23</a>

	Insurance Fund	Municipal Mutual Insurance	Trading Standards Legal Case	Rating List / NNDR Appeals	LGYH	Other	Total
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
<b>Balance at 31<sup>st</sup> March 2021</b>	<b>(4,380)</b>	<b>(141)</b>	<b>(388)</b>	<b>(5,867)</b>	<b>(100)</b>	<b>(13)</b>	<b>(10,889)</b>
Additional Provisions Made in 2021/22	(2,605)	-	-	-	-	-	<b>(2,605)</b>
Amounts Used in 2021/22	957	-	-	460	-	-	<b>1,417</b>
Unused Amounts Reversed in 2021/22	2,016	93	-	1,154	-	-	<b>3,263</b>
<b>Balance at 31<sup>st</sup> March 2022</b>	<b>(4,012)</b>	<b>(48)</b>	<b>(388)</b>	<b>(4,253)</b>	<b>(100)</b>	<b>(13)</b>	<b>(8,814)</b>
Additional Provisions Made in 2022/23	(963)	(6)	-	-	-	-	<b>(969)</b>
Amounts Used in 2022/23	207	-	-	2,091	-	-	<b>2,298</b>
Unused Amounts Reversed in 2022/23	817	-	-	(564)	-	-	<b>253</b>
<b>Balance at 31<sup>st</sup> March 2023</b>	<b>(3,951)</b>	<b>(54)</b>	<b>(388)</b>	<b>(2,726)</b>	<b>(100)</b>	<b>(13)</b>	<b>(7,232)</b>
Short Term Provisions	-	-	(388)	(2,726)	(100)	(13)	<b>(3,227)</b>
Long Term Provisions	(3,951)	(54)	-	-	-	-	<b>(4,005)</b>

[Balance Sheet](#)

#### Insurance Fund

The Council self-insures part of its insurable financial risk by holding excesses on the various insurance policies that it has in place. These excesses apply to various categories of cover including property, public liability and employer's liability. As such, any claim that falls below the policy excess will be a cost to the Council.

In order to fund the cost of these claims, a provision has been made by the Council. The provision included in the 2022/23 accounts is £3.950M (£4.012M in 2021/22) and is based upon 80% of total identified outstanding claims. This level of provision is considered appropriate to fund the cost of claims on the basis of past experience and timescales in resolving outstanding claims.

The Council also continues to monitor claims experience and has identified an appropriate reserve to meet other potential insurance claims.

#### Municipal Mutual Insurance (MMI)

Municipal Mutual Insurance was the Council's insurer until their demise in 1992. A Scheme of Arrangement was set up with its creditors under which MMI continued to settle all outstanding claims whilst they had sufficient funds to do so. In the eventuality that the company became insolvent, a clawback clause would be triggered with the Council liable to repay MMI in full or part. This Scheme of Arrangement was triggered in November 2012 and as such the Council set aside an amount totalling £1.689M in the 2012/13 accounts. This was based on an estimate of its maximum liability at that time.

The remaining provision as at 31<sup>st</sup> March 2023 is £0.054M.

#### South Yorkshire Trading Standards

The Council carries a provision for the anticipated losses relating to the alleged financial irregularities in the South Yorkshire Trading Standards Service. As at 31<sup>st</sup> March 2014, this provision remained at £2.300M. In May 2014, the Council received further information regarding a provisional settlement figure to be paid during 2014/15, equating to £1.912M for its share of the losses. The remaining provision stands at £0.388M.

# STATEMENT OF ACCOUNTS 2022/23

## Provision for Amendments to The Rating List / NNDR Appeals

On 1<sup>st</sup> April 2013, The Local Government Finance Act 2012 introduced the business rates retention scheme enabling local authorities to retain a proportion of the business rates generated in their area. Under the scheme, billing authorities are required to make provisions for refunding ratepayers who have appealed against the rateable value of their properties on the rating list.

The total provision on the Collection Fund as at 31<sup>st</sup> March 2023 has been set at £5.563M, based on a combination of information provided by Analyse Local (a system developed to calculate the value of outstanding appeals using an extensive range of property and historical rating information, used by a number of local authorities across the country) and local knowledge. The total decrease in provision is £3.117M, taking into account settled appeals and including the respective preceptors' share, which is shown within the [Collection Fund Statement](#). The Council's share of this provision as at 31<sup>st</sup> March 2023 equated to £2.726M.

## Local Government Yorkshire & Humber

Local Government Yorkshire and Humber (LGYH) was the partnership of local authorities, including police and crime commissioners, fire and national park authorities. It brought local authorities together on key issues, supported the improvement of service delivery, lobbied Government on the future of local government, promoted good employment practices, and worked with local authorities to improve the public perception of local government.

The decision was made by member authorities to dissolve LGYH with effect from 31<sup>st</sup> March 2015 and terminate the LGYH Admission Body Agreement with the West Yorkshire Pension Fund (WYPF).

The respective authorities decided that the exit payment due to WYPF as a result of the termination would be apportioned between each organisation. The estimate of the full exit payment is £2.4M of which £0.1M relates to Barnsley MBC's share.

## Other Provisions – Section 117 Provision

On the 28<sup>th</sup> July 1999, the High Court ruled that local authorities may not charge for services provided under Section 117 of the Mental Health Act 1983. This provision relates to the possible reimbursement of charges where these have previously been levied.

### **Note 35 – Contingent Liabilities**

Description:	This note outlines the areas by which the Council may incur a potential liability, depending on the outcome of an uncertain future event.
Relevant Accounting Policies:	<a href="#">Accounting Policy 24</a>

## Municipal Mutual Insurance

As highlighted above, the Council has set aside a provision relating to a liability for the outstanding insurance claims placed with Municipal Mutual Insurance (MMI) Limited. The amount set aside is higher than the recommended amount set by MMI Ltd's insolvency scheme administrator and is therefore considered prudent to sufficiently settle the Council's potential liability.

## Business Rate Appeals

As highlighted above, the Council has included a provision of £2.726M in relation to business rates appeals outstanding as at 31<sup>st</sup> March 2023. It is difficult to estimate the likelihood of businesses both submitting and being successful with an appeal and the Council has therefore made no provision in the accounts in relation to un-lodged appeals.

## Term Time Holiday Pay

The Council may be subject to a legal challenge from its part time employees over the calculation of their holiday entitlement as a result of the ongoing legal case - *Brazel v The Harper Trust*. As at the 31<sup>st</sup> March 2023, the case was still ongoing where the defendant was given the right to appeal in the Supreme Court.

### **Note 36 – Defined Contribution Pension Schemes**

Description:	A Defined Contribution Pension Scheme is a pension scheme where the Council pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets.
Relevant Accounting Policies:	<a href="#">Accounting Policy 9</a>

## Teachers' Pensions Scheme

Teachers employed by the Council are members of the Teachers' Pension Scheme, administered by Capita Business Services Ltd on behalf of the Department for Education (DfE). The scheme provides teachers with specified benefits upon their retirement, and the Council contributes towards the costs by making contributions based on a percentage of members' pensionable salaries.



## STATEMENT OF ACCOUNTS 2022/23

The Scheme is a multi-employer defined benefit scheme. The Scheme is technically a defined benefit scheme. However, the Scheme is unfunded, and the Department for Education uses a notional fund as the basis for calculating the employers' contribution rate paid by local authorities. Valuations of the notional fund are undertaken every four years.

The Scheme has in excess of 3,700 participating employers and consequently the Council is not able to identify its share of underlying financial position and performance of the Scheme with sufficient reliability for accounting purposes. For the purposes of this Statement of Accounts, it is therefore accounted for on the same basis as a defined contribution scheme.

In 2022/23, the council paid £5.434M to teachers' Pensions in respect of teachers' retirement benefits representing 23.68% of pensionable pay. 2021/22, payments were £5.252M representing 23.68% of pensionable pay. There were no contributions remaining payable at the year end.

The Council is responsible for the costs of any additional benefits awarded upon early retirement outside of the terms of the teachers' scheme. These costs are accounted for on a defined benefit basis and detailed in [Note 37](#) below.

### NHS Pensions Scheme

As at 1<sup>st</sup> April 2013, the Council took full responsibility for the Public Health function from the NHS as per The Health and Social Care Act 2012. Public Health employees were transferred to the Council at this time under The Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE). In addition, from the 1<sup>st</sup> April 2016, the 0-19's group transferred to the Council.

Public Health employees employed by the Council are members of the NHS Pension Scheme, administered by the NHS Business Service Authority. The scheme provides employees with specified benefits upon their retirement, and the Council contributes towards the costs by making contributions based on a percentage of members' pensionable salaries. The Public Health employees that were transferred on the 1<sup>st</sup> April 2014 will remain in the NHS Pension Scheme. All new employees will be enrolled into the Local Government Pension Scheme.

The Scheme is a multi-employer defined benefit scheme. The NHS Pension Scheme, is an unfunded occupational scheme backed by the Exchequer. In 2022/23, the Council paid £0.276M to NHS Pensions in respect of Public Health employees' retirement benefits, representing 14.38% of pensionable pay, with 0.08% of this being a levy cost. The comparative figures for 2021/22 were £0.254M representing 14.38% of pensionable pay.

<b>Note 37 – Defined Benefit Pension Schemes</b>	
Description:	A Defined Benefit Pension Scheme is one that is not classed as a Defined Contribution Scheme. This note explains such schemes that the Council has.
Relevant Accounting Policies:	<a href="#">Accounting Policy 9</a>

### Participation in Pension Schemes

As part of the terms and conditions of employment of its officers and other employees, the Council offers retirement benefits. Although these benefits will not actually be payable until employees retire, the Council has a commitment to make the payments that need to be disclosed at the time that employees earn their future entitlement.

The Council participates in the South Yorkshire Pension Fund. This is a funded scheme, meaning that the Council and employees pay contributions into a fund, calculated at a level intended to balance the pension's liabilities with investment assets.

In addition to the funded element of the scheme, the Council also accounts for an unfunded element in relation to discretionary benefits. These amounts have been shown as a separate column in the tables below for information.

### Transactions Relating to Post-Employment Benefits

The Council recognises the cost of retirement benefits in the reported Net Cost of Services in the Comprehensive Income and Expenditure Statement when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge required to be made 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 on Reserves Statement during the year:

## STATEMENT OF ACCOUNTS 2022/23

2021/22 £000s		2022/23 £000s
	<b>Comprehensive Income &amp; Expenditure Statement:</b>	
	<i>Cost of Services:</i>	
38,448	- Current Service Cost	38,250
292	- Past Service Costs	1,497
(626)	- Settlements & Curtailments	-
-	- Administration Expenses	-
	<i>Financing &amp; Investment Income &amp; Expenditure:</i>	
9,499	- Net Interest Cost	9,098
<b>47,613</b>	<b>Total Post Employment Benefit Charged to the Surplus or Deficit on the Provision of Services</b>	<b>48,845</b>
	<i>Other Post-Employment Benefits Charged to the Comprehensive Income &amp; Expenditure Statement:</i>	
	<i>Re-measurement of The Net Benefit Liability Comprising:</i>	
(86,081)	- Return on Plan Assets (Excluding The Amount Included In Net Interest Expense)	72,909
3,739	- Experience (Gains) / Losses	122,318
-	- Actuarial (Gains) and Losses On Changes in Demographic Assumptions	237
(62,264)	- Actuarial (Gains) and Losses On Changes in Financial Assumptions	(584,783)
-	- Business Combinations	-
<b>(144,606)</b>	<b>Total Post Employment Benefit Charged to Other Comprehensive Income &amp; Expenditure *</b>	<b>(389,319)</b>
<b>(96,993)</b>	<b>Total Post Employment Benefit Charged to the Comprehensive Income &amp; Expenditure Statement</b>	<b>(340,474)</b>

\* The remeasurement of the net benefit liability is a result of the change in assumptions made by the Actuary over the period. A table of these assumptions used and how they have changed over time can be found within this Note. Relatively small changes in these assumptions can sometimes result in significant (gains) / losses within the year as they are all interdependent with each other.

\*\*IAS 19 limits the measurement of the defined benefit asset to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan

2021/22 £000s		2022/23 £000s
	<b>Movement in Reserves Statement:</b>	
<b>(47,613)</b>	- Reversal of Charges Made to the Surplus or Deficit for the Provision of Services for Post-Employment Benefits in Accordance with The Code	<b>(48,845)</b>
	<b>Actual Amount Charged Against the General Fund Balance for Pensions for the Year:</b>	
<b>19,720</b>	Employers' Contributions Payable to Scheme	<b>20,895</b>
-	Retirement Benefits Payable to Pensioners	-
<b>(27,893)</b>	<b>Net Adjustment to Surplus or Deficit for the Provision of Services</b>	<b>(27,950)</b>

[Note 3](#)

[Note 3](#)

### Pension Assets and Liabilities Recognised in the Balance Sheet

2021/22 £000s		2022/23	
		Funded £000s	Unfunded £000s
(1,569,445)	Present Value of The Defined Benefit Obligation	(1,125,318)	(28,820)
1,241,979	Fair Value of Plan Assets	1,199,473	-
<b>(327,466)</b>	<b>Net Liability Arising From Defined Benefit Obligation</b>	<b>74,155</b>	<b>(28,820)</b>

[Balance Sheet](#)

[Balance Sheet](#)

The unfunded obligations were £37.030M as at 31<sup>st</sup> March 2022

### Reconciliation of Fair Value of the Scheme (Plan) Assets

## STATEMENT OF ACCOUNTS 2022/23

2021/22		2022/23
£000s		£000s
<b>1,148,649</b>	<b>Opening Balance at 1<sup>st</sup> April</b>	<b>1,241,979</b>
23,924	Interest Income	33,308
	<i>Re-measurement Gains and (Losses):</i>	
86,081	- The Return on Plan Assets, Excluding the Amount Included in Net Interest Expense	(72,909)
-	- Business Combinations	-
-	- Experience Gains/Losses	12,213
(639)	Settlements	-
18,939	Employer Contributions	20,113
6,436	Contributions by Scheme Participants	6,864
(41,411)	Benefits Paid	(42,101)
<b>1,241,979</b>	<b>Closing Balance at 31<sup>st</sup> March</b>	<b>1,199,473</b>

Local Government Pension Scheme Assets Comprised:

Asset Type	2022/23			
	Quoted £000s	Unquoted £000s	Total £000s	Percentage of Total %
Cash & Cash Equivalents	11,430	-	11,430	0.95
<b>Total Cash &amp; Cash Equivalents</b>	<b>11,430</b>	<b>-</b>	<b>11,430</b>	<b>0.95</b>
Equity Securities	80	12	92	0.01
<b>Total Equity Securities</b>	<b>80</b>	<b>12</b>	<b>92</b>	<b>0.01</b>
<u>Debt Securities:</u>				
Corporate Bonds (Non-Investment Grade)	-	24	24	0.00
UK Government	-	4,462	4,462	0.37
Other	3,628	66,224	69,852	5.82
<b>Total Debt Securities</b>	<b>3,628</b>	<b>70,710</b>	<b>74,338</b>	<b>6.19</b>
Private Equity	2,100	125,342	127,442	10.62
<b>Total Private Equity</b>	<b>2,100</b>	<b>125,342</b>	<b>127,442</b>	<b>10.62</b>
<u>Real Estate:</u>				
UK	1,628	98,432	100,060	8.34
Overseas	-	1,504	1,504	0.15
<b>Total Real Estate</b>	<b>1,628</b>	<b>99,936</b>	<b>101,564</b>	<b>8.49</b>
<u>Investment Funds &amp; Unit Trusts:</u>				
Equities	-	541,827	541,827	45.17
Bonds	-	200,434	200,434	16.71
Infrastructure	12,702	107,641	120,343	10.03
Other	-	21,997	21,997	1.83
<b>Total Investment Funds &amp; Unit Trust</b>	<b>12,702</b>	<b>871,899</b>	<b>884,601</b>	<b>73.74</b>
<b>Total Scheme Assets*</b>	<b>31,568</b>	<b>1,167,899</b>	<b>1,199,467</b>	<b>100.00</b>

## STATEMENT OF ACCOUNTS 2022/23

### Reconciliation of Present Value of the Scheme Liabilities (Defined Benefit Obligation)

2021/22		2022/23
£000s		£000s
<b>(1,592,047)</b>	<b>Opening Balance at 1<sup>st</sup> April</b>	<b>(1,569,445)</b>
(38,448)	Current Service Cost	(38,250)
(33,423)	Past Service Cost	(42,406)
(292)	Interest Cost	(1,497)
(6,436)	Contributions by Scheme Participants	(6,869)
	<i>Re-measurement Gains and (Losses):</i>	-
(3,739)	- Experience Gains / (Losses)	(122,318)
-	- Actuarial Gains / (Losses) Arising From Changes in Demographic Assumptions	(237)
62,264	- Actuarial Gains / (Losses) Arising From Changes in Financial Assumptions	584,783
-	Gains / (Losses) Curtailments	-
41,411	Benefits Paid	42,101
1,265	Liabilities Extinguished on Settlements	-
-	Business Combinations	-
<b>(1,569,445)</b>	<b>Closing Balance at 31<sup>st</sup> March</b>	<b>(1,154,138)</b>

#### Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit cost method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels, etc. The liabilities have been assessed by Hyman Robertson LLP, an independent firm of actuaries with estimates for the Council fund being based on the latest full valuation of the scheme which took place on 31<sup>st</sup> March 2020 for the period 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2023.

The principal assumptions used by the actuary have been:

2021/22			2022/23	
1 <sup>st</sup> April	31 <sup>st</sup> March		1 <sup>st</sup> April	31 <sup>st</sup> March
Years	Years	<b>Mortality Assumptions:</b>	Years	Years
22.5	22.6	Longevity at 65 for Current Pensioners (Male)	22.6	20.5
25.3	25.4	Longevity at 65 for Current Pensioners (Female)	25.4	23.7
24.0	24.1	Longevity at 65 for Future Pensioners (Male)	24.1	21.5
27.2	27.3	Longevity at 65 for Future Pensioners (Female)	27.3	25.2
%	%	<b>Other:</b>	%	%
2.8	3.2	Rate of CPI	3.2	2.95
3.95	4.2	Rate of Increase in Salaries	4.2	3.55
2.8	3.2	Rate of Increase in Pensions	3.2	2.95
2.1	2.7	Discount Rate	2.7	4.75

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all other assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increases or decreases 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 credit method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

2021/22		2022/23
Increase in Assumption £000s	Impact on the Defined Benefit Obligation in the Scheme *	Increase in Assumption £000s
(62,748)	- Longevity (Increase or Decrease in 1 Year)	(44,333)
(23,535)	- Rate of Inflation (Increase or Decrease by 0.1%)	(16,593)
(3,659)	- Rate of Increase in Salaries (Increase or Decrease by 0.1%)	(1,986)
27,430	- Rate of Discounting Scheme Liabilities (Increase or Decrease by 0.1%)	18,307

\* A negative figure represents an increase to the obligation whereas a positive figure represents a decrease to the obligation.

#### Other Considerations

There are currently a number of cases that are in the process of being presented from a legal perspective, that may or may not have an impact on the Council's ongoing obligations in terms of its net pension liability.

## STATEMENT OF ACCOUNTS 2022/23

McCloud Case – This case relates to an age discrimination issue and is currently in the judicial process. The estimated impact on the Council's pension fund net liability is included within these accounts.

Goodwin Case – This case relates to a gender discrimination issue in relation to widower's pensions and is currently also in the judicial system. The estimated impact on the Council's pension fund net liability is not included within these accounts as is expected to be not material.

### Impact on the Council's Cash Flows

Funding levels are monitored on an annual basis. The latest triennial valuation that the 2022/23 figures are based was completed on 31<sup>st</sup> March 2020 in respect of the 3 year period 2020/21 – through 2022/23.

The scheme will need to take account of the national changes to the scheme under the Public Pensions Act 2013. Under the Act, the Local Government Pension Scheme in England and Wales and the other main existing public service schemes may not provide benefits in relation to service after 31<sup>st</sup> March 2015. The Act provides for scheme regulations to be made within a common framework, to establish new career average revalued earning schemes to pay pensions and other benefits to certain public servants.

The Council anticipates paying £17.629M expected contributions to the scheme in 2022/23.

The weighted average duration of the defined benefit obligation for scheme members is 18 years during 2022/23.

## **NOTES PRIMARILY RELATING TO THE CASHFLOW STATEMENT**

### **Note 38 – Cash Flow Statement – Operating Activities**

Description:	Operating activities are the activities of the Council that are not investing or financing activities.
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Included within the cash flows for operating activities include the following items:

2021/22 £000s		2022/23 £000s
43,014	Interest Paid	47,851
(805)	Interest Received	(2,193)
(113)	Dividends Received	(74)

### **Note 39 – Cash Flow Statement – Investing Activities**

Description:	Investing activities are the acquisition and disposal of long-term assets and other investments not included in cash equivalents.
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2021/22 £000s		2022/23 £000s
81,206	Purchase of Property, Plant & Equipment, Investment Property & Intangible Assets	85,802
-	Other Payments for Investing Activities	490
(13,445)	Proceeds From The Sale of Property, Plant & Equipment, Investment Property & Intangible Assets	(8,983)
75,013	Net (Receipts) / Payments From Short Term & Long Term Investments	(25,809)
(52,049)	Other Receipts From Investing Activities	(50,691)
<b>90,725</b>	<b>Net Cash (Inflows) / Outflows From Investing Activities</b>	<b>809</b>

[Cash Flow](#)

### **Note 40 – Cash Flow Statement – Financing Activities**

Description:	Financing activities are activities that result in changes in the size and composition of the principal, received from or repaid to external providers of finance.
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2021/22 £000s		2022/23 £000s
(37,758)	Net (Receipts) / Payments From Short Term & Long Term Borrowing	27,738
(7,400)	Council Tax & NNDR Adjustment / Collection Fund	6,189
8,895	Cash Payments for the Reduction of the Outstanding Liabilities Relating to Finance Leases & On-Balance Sheet PFI Contracts	8,427
<b>(36,263)</b>	<b>Net Cash (Inflows) / Outflows From Financing Activities</b>	<b>42,354</b>

[Cash Flow](#)

## STATEMENT OF ACCOUNTS 2022/23

### Note 41 – Cash Flow Statement – Reconciliation of Liabilities Arising from Financing Activities

Description: This note provides reconciliation of outstanding liabilities which have arisen from financing activities.

	2022/23				
	Long Term Borrowing	Short Term Borrowing	Finance Lease Liabilities	On Balance Sheet PFI Liabilities	Total Liabilities from Financing Activities
	£000s	£000s	£000s	£000s	£000s
<b>Opening Balance at 1<sup>st</sup> April</b>	<b>(653,158)</b>	<b>(37,306)</b>	<b>(2,036)</b>	<b>(191,339)</b>	<b>(883,839)</b>
Financing Cash Flows	18,450	9,333	548	7,879	36,154
Non Cash Changes:					
- Acquisition	-	-	-	-	-
- Other Non-Cash Changes	-	5,256	-	-	5,256
<b>Closing Balance at 31<sup>st</sup> March</b>	<b>(634,708)</b>	<b>(22,763)</b>	<b>(1,488)</b>	<b>(183,460)</b>	<b>(842,419)</b>

	2021/22				
	Long Term Borrowing	Short Term Borrowing	Finance Lease Liabilities	On Balance Sheet PFI Liabilities	Total Liabilities from Financing Activities
	£000s	£000s	£000s	£000s	£000s
<b>Opening Balance at 1<sup>st</sup> April</b>	<b>(628,230)</b>	<b>(21,788)</b>	<b>(2,608)</b>	<b>(199,562)</b>	<b>(852,188)</b>
Financing Cash Flows	(24,928)	(12,830)	672	8,223	(28,863)
Non Cash Changes:					
- Acquisition	-	-	(100)	-	(100)
- Other Non-Cash Changes	-	(2,688)	-	-	(2,688)
<b>Closing Balance at 31<sup>st</sup> March</b>	<b>(653,158)</b>	<b>(37,306)</b>	<b>(2,036)</b>	<b>(191,339)</b>	<b>(883,839)</b>

### NOTES RELATING TO OTHER DISCLOSURES

#### Note 42– Trust Funds & Other Third-Party Funds

Description: Trust Funds are charity funds that the Council is trustee for. This note explains the purpose of those major funds.

The Council acts as sole or custodian trustee for 13 trust funds and as one of several trustees for a further 24 funds. In neither case do the funds represent assets of the Council and they have not been included in the Council's Balance Sheet.

2021/22 £000s	Trust Funds / Charities	Details	2022/23 £000s
161	<b>Sole / Custodian Trustees:</b> Hoyland Nether Recreation Ground	Land left in trust to benefit the residents of Hoyland	168
297	Captain Allots	Assist groups / clubs in Hemmingfield & Jump	300
47	Amenity Funds	Monies for residents of Social Services Residential Homes	47
10	Cutlers Charity	Relief of financial hardship within the Barnsley Borough	-
32,770	Penistone Grammar School – Foundation Fund	Provide special benefits not normally provided by the LEA for Penistone Grammar School	33,643
-	Others	Various Other Funds	
<b>33,285</b>			<b>34,158</b>
123	<b>Other Funds:</b> Prisoner of War Fund	Grants / Loans for the benefit of ex-service personnel	119
59	Goldthorpe Recreation Ground	Benefits the community of Goldthorpe	65
110	Others	Other Funds	48
<b>292</b>			<b>232</b>
<b>33,577</b>	<b>Total Capital Value of Funds</b>		<b>34,390</b>

## STATEMENT OF ACCOUNTS 2022/23

The assets shown below represent the above fund balances:

2021/22		2022/23
£000s	Balance Sheet at 31 <sup>st</sup> March	£000s
	<b>Assets:</b>	
32,310	Fixed Assets	33,179
630	Investments	626
495	Cash	445
142	Other Net Assets	140
<b>33,577</b>		<b>34,390</b>
	Represented by:	
<b>33,577</b>	<b>Fund Balances</b>	<b>34,390</b>

In respect of Penistone Grammar Trust, as the Council is sole trustee and the value is deemed material, the accounts of the Trust are recognised within the Council's [Group Accounts](#).

# STATEMENT OF ACCOUNTS 2022/23

## SECTION 6 – ACCOMPANYING FINANCIAL STATEMENTS

### THE HOUSING REVENUE ACCOUNT

#### HOUSING REVENUE ACCOUNT – COMPREHENSIVE INCOME & EXPENDITURE STATEMENT

The HRA Comprehensive Income and Expenditure Statement shows the economic cost in the year of providing housing services in accordance with generally accepted accounting practices, rather than the amount to be funded from rents and Central Government grants. Authorities charge rent to cover expenditure in accordance with regulations; this may be different from the accounting cost. The increase or decrease in the year, on the basis of which rents are raised, is shown in the Movement on the HRA Statement.

2021/22 £000s		2022/23 £000s	
	<b>Income</b>		
(71,133)	Dwelling Rents (Gross)	(73,431)	
(297)	Non-Dwelling Rents (Gross)	(307)	
(1,031)	Charges for Services and Facilities	(1,028)	
(1,010)	Contributions Towards Expenditure	(1,339)	
<b>(73,471)</b>	<b>Total Income</b>	<b>(76,105)</b>	<a href="#">CI&amp;ES</a>
	<b>Expenditure</b>		
21,551	Repairs & Maintenance	20,839	
18,433	Supervision & Management	20,274	
240	HRA Share of Corporate & Democratic Core	241	
295	Rents, Rates, Taxes & Other Charges	454	
16,580	Depreciation	18,352	<a href="#">Note E</a>
800	Impairment of Bad Debts	990	
22,732	Impairment / (Reversal of Previous Years' Impairments) of Non-Current Assets	21,614	<a href="#">Note F</a>
689	Revenue Expenditure Funded By Capital Under Statute	762	<a href="#">Note G</a>
<b>81,320</b>	<b>Total Expenditure</b>	<b>83,540</b>	<a href="#">CI&amp;ES</a>
<b>7,849</b>	<b>Net Cost of HRA Services as Included in the Comprehensive Income &amp; Expenditure Statement</b>	<b>7,435</b>	<a href="#">CI&amp;ES</a>
	<b>HRA Share of Other Operating Income &amp; Expenditure in The CI&amp;ES</b>		
3,145	(Gain) / Loss on Disposal of HRA Fixed Assets	6,783	
<b>3,145</b>	<b>HRA Share of Financing &amp; Investment Income &amp; Expenditure in The CI&amp;ES</b>		
10,267	Interest Payable & Similar Charges	10,000	
-	Premium Incurred on Early Redemption of Debt	-	
(30)	Interest & Investment Income	(466)	
<b>10,237</b>		<b>9,534</b>	
<b>21,231</b>	<b>(Surplus) / Deficit for the Year on HRA Services</b>	<b>23,752</b>	<a href="#">MIRS</a>

#### MOVEMENT ON THE HOUSING REVENUE ACCOUNT BALANCE

2021/22 £000s		2022/23 £000s	
<b>30,952</b>	<b>Balance on the HRA at the End of the Previous Year</b>	<b>28,843</b>	
(21,231)	Surplus or (Deficit) for the Year on the HRA Income & Expenditure Statement	(23,752)	<a href="#">MIRS</a>
19,122	Adjustments Between Accounting Basis and Funding Basis Under Statute	20,042	<a href="#">Note 3 / MIRS</a>
<b>(2,109)</b>	<b>Increase / (Decrease) in the Housing Revenue Account Balance</b>	<b>(3,710)</b>	
<b>28,843</b>	<b>Balance on the HRA at the End of the Current Year</b>	<b>25,133</b>	<a href="#">EFA / Note 4</a>



## STATEMENT OF ACCOUNTS 2022/23 NOTES TO THE HOUSING REVENUE ACCOUNT

### Note A – Analysis of Housing Stock as at 31<sup>st</sup> March

Description:	This note gives an analysis of the Council's housing stock in terms of both types of dwellings within the portfolio and valuation information.
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The number of council house dwellings held at the year-end can be analysed as follows:

31 <sup>st</sup> March 2022	Analysis of Housing Stock	31 <sup>st</sup> March 2023
8,430	Detached/Semi Detached Houses	8,338
1,887	Terraced House	1,870
4	House/Shop	4
3,117	Flats / Bedsits	3,110
4,638	Bungalows	4,639
19	Maisonette	18
<b>18,095</b>	<b>Total</b>	<b>17,979</b>

HRA Balance Sheet Information:

2021/22	Asset Category	2022/23
Value as at 31st March £000s		Value as at 31st March £000s
715,990	Dwellings	850,021
20,941	Other Land & Buildings	19,871
204	Vehicles, Plant, Furniture & Equipment	115
110	Infrastructure Assets	101
2,026	Assets Under Construction	7,511
692	Surplus Assets	715
20	Intangible Assets	6
-	Assets Held for Sale	-
<b>739,983</b>	<b>Total</b>	<b>878,340</b>

### Note B – Vacant Possession Value of Council Housing Stock

Description:	This note explains the valuation methodology of the Council's dwellings in respect of the discount factor applied.
--------------	--

The vacant possession value of dwellings within the HRA as at 31st March 2023 was £2.073 Billion (31st March 2022 value: £1.746 Billion).

To arrive at the Balance Sheet value of dwellings, the vacant possession value is reduced to reflect the fact that there are sitting tenants enjoying sub-market rents and tenants' rights including the Right to Buy. The adjustment factor (41% of the vacant possession value) measures the difference between market rents and sub-market rents. It shows the economic cost to Central Government of providing council housing at less than market rents.

### Note C – Analysis of the Movement on the Major Repairs Reserve

Description:	This note shows the movement on the Council's major repairs reserve.
--------------	--

2021/22 £000s	Major Repairs Reserve	2022/23 £000s
<b>(19,014)</b>	<b>Balance Brought Forward</b>	<b>(18,119)</b>
	<b>Credits:</b>	
(16,580)	In Year Depreciation Charge	(18,352)
(3,690)	Additional Contribution to Major Repairs Reserve	(6,034)
<b>(20,270)</b>		<b>(24,386)</b>
	<b>Debits:</b>	
21,165	Capital Expenditure for HRA Purposes	18,117
<b>21,165</b>		<b>18,118</b>
<b>(18,119)</b>	<b>Balance to Carry Forward</b>	<b>(24,388)</b>

[Note E](#)

## STATEMENT OF ACCOUNTS 2022/23

### Note D – HRA Capital Expenditure and Capital Receipts

Description:	This note shows the total capital expenditure within the HRA and the amount of receipts received during the period.
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An analysis of capital expenditure within the HRA and sources of finance:

2021/22 £000s	Capital Financing	2022/23 £000s
-	Borrowing	-
1,167	Capital Receipts	2,118
1,255	Revenue Contributions	-
2,437	Reserves	2,940
21,165	Major Repairs Reserve	18,118
759	Grants and Contributions	5,093
<b>26,783</b>	<b>Total Capital Expenditure Within the HRA</b>	<b>28,269</b>

A summary of total capital receipts within the Council's HRA:

2021/22 £000s	Capital Receipts	2022/23 £000s
4,585	Council House Sales (Net)	7,490
-	Other Land	-
-	Other Buildings	-
-	Non Disposals	-
-	Mortgages and Housing Act Advances	-
<b>4,585</b>	<b>Total</b>	<b>7,490</b>

### Note E – HRA Depreciation

Description:	This note outlines the Council's depreciation methodology in respect of its Council Dwelling stock together with the actual charge for the period.
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Authorities are required to charge depreciation on all HRA properties calculated in accordance with proper practices. The Service Director – Finance (S151 Officer) has determined a componentised approach to depreciation of Council Dwellings.

The straight line depreciation method has also been used for non-dwelling properties in accordance with proper practices including IAS 16 principles. The table below details the depreciation charge made to the HRA.

2021/22 £000s	Depreciation	2022/23 £000s
16,031	Council Dwellings	17,805
436	Other Land & Buildings	436
90	Vehicle, Plant, Furniture & Equipment	89
9	Infrastructure Assets	9
-	Surplus Assets Not Held for Sale	-
14	Intangible Assets	14
<b>16,580</b>	<b>Total</b>	<b>18,352</b>

### Note F – HRA Impairments / Revaluation Losses

Description:	This note shows the charges to the HRA in respect of revaluation losses on assets.
--------------	--

2021/22 £000s	Impairments / Revaluation Losses	2022/23 £000s
22,680	Impairments / Revaluations Losses – Non-Value Adding Expenditure	21,519
80	Impairments / Revaluations Losses	158
(28)	Reversal of Previous Revaluation Losses	(63)
<b>22,732</b>	<b>Total</b>	<b>21,614</b>

## STATEMENT OF ACCOUNTS 2022/23

### Note G – HRA Revenue Expenditure Funded from Capital Under Statute

Description:	This note explains any HRA expenditure that is defined as revenue but under statute, can be treated as capital.
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During 2022/23, the Council's HRA incurred capital expenditure totalling £0.762M that relates to assets not controlled by the Council. The related assets are a new housing repairs system that is controlled by Berneslai Homes, on the Council's behalf.

The total expenditure incurred in 2021/22 was £0.689M

### Note H – HRA Rent Arrears

Description:	This note explains the level of outstanding rent arrears together with the debts provided for, that are potentially uncollectable.
--------------	--

Housing rent arrears total £3.860M as at 31st March 2023 (£3.477M as at 31st March 2022).

A bad debts provision has been made in the accounts in respect of potentially uncollectable rent. The value of the provision at 31st March 2023 is £3.860M (£3.477M as at 31st March 2022).

### Note I – Income / Expenditure in the HRA directed by the Secretary of State

Description:	This note explains any HRA income or expenditure that has been directed by the Secretary of State.
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There has not been any income or expenditure incurred by the HRA that required the Secretary of State's approval.

### Note J – Exceptional Items

Description:	This note details any material, exceptional items within the HRA.
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There have not been any material exceptional items within the HRA in 2022/23.

# STATEMENT OF ACCOUNTS 2022/23

## COLLECTION FUND

The Collection Fund is an agent's statement that reflects the 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 local authorities and Central Government of Council Tax and Non-Domestic Rates.

2021/22			<b>COLLECTION FUND ACCOUNT</b>	2022/23		
COUNCIL TAX	BUSINESS RATES	TOTAL		COUNCIL TAX	BUSINESS RATES	TOTAL
£000s	£000s	£000s		£000s	£000s	£000s
			<b>INCOME:</b>			
(128,276)	-	(128,276)	Council Tax	(132,456)	-	(132,456)
-	(44,326)	(44,326)	Non-Domestic Rates (Note A)	-	(57,273)	(57,273)
<b>(128,276)</b>	<b>(44,326)</b>	<b>(172,602)</b>	<b>Total Income</b>	<b>(132,456)</b>	<b>(57,273)</b>	<b>(189,729)</b>
			<b>EXPENDITURE:</b>			
			<i>Precepts and Demands on Collection Fund by Major Preceptors &amp; the Council:</i>			
103,888	22,959	126,847	BMBC (Including Parish Council Precepts) (Note C)	109,750	26,105	135,855
-	803	803	Transitional Protection Payments	-	-	-
13,896	-	13,896	South Yorkshire Police Authority (Note C)	14,851	-	14,851
4,962	455	5,417	South Yorkshire Fire & Civil Defence Authority (Note A / Note C)	5,166	518	5,684
<b>122,746</b>	<b>24,217</b>	<b>146,963</b>		<b>129,767</b>	<b>26,623</b>	<b>156,390</b>
			<i>Non-Domestic Rates:</i>			
-	22,769	22,769	Payment to Central Government (Note A)	-	25,881	25,881
-	313	313	Cost of Collection Allowance (to BMBC) (Note A)	-	313	313
-	<b>23,082</b>	<b>23,082</b>		-	<b>26,194</b>	<b>26,194</b>
893	555	1,448	Bad Debts Written Off	2,075	584	2,659
361	(240)	121	Increase / (Reduction) in Provision for Non-Payment of Council Tax / Business Rates	(27)	146	119
-	(2,355)	(2,355)	Provision for Business Rate Appeals		1,151	1,151
<b>1,254</b>	<b>(2,040)</b>	<b>(786)</b>	<i>Estimated Surplus on Collection Fund:</i>	<b>2,048</b>	<b>1,881</b>	<b>3,929</b>
3,200	(7,284)	(4,084)	Transfer to General Fund	3,200	(2,401)	799
233	-	233	Transfer to South Yorkshire Police Authority	243	-	243
151	(149)	2	Transfer to South Yorkshire Fire & Civil Defence Authority	148	(49)	99
-	(7,433)	(7,433)	Central Government	-	(2,450)	(2,450)
<b>3,584</b>	<b>(14,866)</b>	<b>(11,282)</b>		<b>3,591</b>	<b>(4,900)</b>	<b>(1,309)</b>
<b>127,584</b>	<b>30,393</b>	<b>157,977</b>	<b>Total Expenditure</b>	<b>135,406</b>	<b>49,798</b>	<b>185,204</b>
<b>(692)</b>	<b>(13,933)</b>	<b>(14,625)</b>	<b>(Surplus) / Deficit for Year</b>	<b>2,950</b>	<b>(7,475)</b>	<b>(4,525)</b>
			<b>COLLECTION FUND BALANCE:</b>			
<b>(18,076)</b>	<b>13,551</b>	<b>(4,525)</b>	(Surplus) / Deficit Brought Forward	<b>(18,768)</b>	<b>(382)</b>	<b>(19,150)</b>
<b>(692)</b>	<b>(13,933)</b>	<b>(14,625)</b>	(Surplus) / Deficit for Year	<b>2,949</b>	<b>(7,476)</b>	<b>(4,527)</b>
<b>(18,768)</b>	<b>(382)</b>	<b>(19,150)</b>	<b>(Surplus) / Deficit Carried Forward</b>	<b>(15,819)</b>	<b>(7,858)</b>	<b>(23,677)</b>
			<b>SHARE OF (SURPLUS) / DEFICIT BALANCE:</b>			
(15,863)	(191)	(16,054)	Barnsley MBC	(13,316)	(3,850)	(17,166)
(2,905)	(4)	(2,909)	Precepting Authorities	(2,503)	(79)	(2,582)
-	(187)	(187)	Central Government	-	(3,929)	(3,929)
<b>(18,768)</b>	<b>(382)</b>	<b>(19,150)</b>	<b>Total</b>	<b>(15,819)</b>	<b>(7,858)</b>	<b>(23,677)</b>

## STATEMENT OF ACCOUNTS 2022/23

### NOTES TO THE COLLECTION FUND

#### Note A – National Non-Domestic Rates

Description:	This note explains how the NDR charges are levied and applied to the Borough's businesses.
--------------	--

Non-Domestic Rates are calculated on the basis of a property's rateable value (as determined by the Valuation Office Agency) and the annual multipliers set by Central Government. The amount payable may then be subject to transitional arrangements and various reliefs (both mandatory and discretionary).

The income presented in the collection fund statement is based on the total rateable value of the local 'rating list' (adjusted for transitional arrangements and reliefs), and is based on the following values:

	2021/22	2022/23
Total Rateable Value as at 31st March	£142,023	£145,481
Standard Multiplier	0.512	0.512
Small Business Multiplier	0.499	0.499

Non-Domestic rates are collected locally and distributed between authorities in the following proportions:

	%
Central Government	50
Barnsley MBC	49
South Yorkshire Fire & Rescue Authority	1

#### Note B – Calculation of the Council Tax Base

Description:	This note explains how the Council's Council Tax Base is calculated.
--------------	--

Council Tax is calculated on the basis of local (residential) property values and the estimated income required by the Council and its preceptors for the forthcoming year.

Each property is classified into one of nine valuation bands (A- to H) based on its estimated value at the 1st April 1991, and adjusted to reflect any discounts, reliefs or exemptions that apply. The number of properties in each valuation band is then multiplied by a specified fraction to arrive at a band D equivalent figure.

The basic charge is calculated by dividing the total Council Tax Requirement (the Council Tax demand on the Collection Fund) for the forthcoming year, by the total number of band D equivalent properties (also referred to as the Council's tax base). This amount is then multiplied by a specified fraction to arrive at the basic charge for each valuation band. The amount payable may then be subject to various discounts, reliefs or exemptions and Parish Council precepts.

The basic amount of Council Tax for a band D property in 2022/23 was £1,942.17 (£1,875.15 for 2021/22), and was based on the tax base in the table below (65,226.24 for 2021/22):

Band	Total No of Dwellings*	Proportion of Band D Charge	Band D Equivalent	Adjusted for Estimated Collectable Band D Equivalent (95%)
A-	170	5/9	94.50	89.775
A	44,174	6/9	29,449.20	27,976.740
B	15,571	7/9	12,110.90	11,505.355
C	12,290	8/9	10,924.10	10,378.180
D	9,694	9/9	9,694.10	9,209.395
E	3,693	11/9	4,513.50	4,287.825
F	1,487	13/9	2,148.30	2,040.885
G	656	15/9	1,093.70	1,039.015
H	30	18/9	60.50	57.475
	<b>87,765</b>		<b>70,089.10</b>	<b>66,584.645</b>

\* Total number of chargeable dwellings (adjusted for discounts), rounded to nearest whole property.

## STATEMENT OF ACCOUNTS 2022/23

### Note C – Precepts and Demands on the Collection Fund

Description: This note shows the demands on the collection fund from the respective organisations

2021/22 £000s	Demand per Collection Fund	2022/23 £000s
101,763	BMBC	109,302
437	Parish Precepts	448
13,896	Police Authority	14,851
4,962	Fire & Civil Defence Authority	5,166
<b>121,058</b>	<b>Total Precepts</b>	<b>129,767</b>

**STATEMENT OF ACCOUNTS 2022/23**  
**SECTION 7 - GROUP ACCOUNTS**

**THE GROUP MOVEMENT IN RESERVES STATEMENT**

<b><u>Movement in Reserves During 2022/23</u></b>	General Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied Reserve	Total Useable BMBC Reserves	Unusable BMBC Reserves	Total BMBC Reserves	Authority's Share of Reserves of Subsidiaries, Associates and Joint Ventures	Total Group Reserves
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
<b>Balance of Reserves at 1st April 2022</b>	<b>217,132</b>	<b>28,843</b>	<b>25,093</b>	<b>18,119</b>	<b>19,573</b>	<b>308,760</b>	<b>(34,122)</b>	<b>274,638</b>	<b>18,475</b>	<b>293,113</b>
Total Comprehensive Expenditure & Income	17,058	(23,752)	-	-	-	<b>(6,694)</b>	<b>590,459</b>	<b>583,765</b>	<b>5,588</b>	<b>589,353</b>
Adjustments Between Council and Group Reserves	(36,816)	-	-	-	-	<b>(36,816)</b>	-	<b>(36,816)</b>	<b>36,816</b>	-
Adjustments Between Accounting Basis & Funding Basis Under Regulations	22298	20,042	3,008	6,269	2,100	<b>53,716</b>	<b>(53,716)</b>	-	-	-
<b>Net Increase / (Decrease) in 2022/23</b>	<b>2,538</b>	<b>(3,710)</b>	<b>3,008</b>	<b>6,269</b>	<b>2,100</b>	<b>10,205</b>	<b>536,743</b>	<b>546,949</b>	<b>42,404</b>	<b>589,353</b>
<b>Balance of Reserves at 31st March 2023</b>	<b>219,670</b>	<b>25,133</b>	<b>28,101</b>	<b>24,388</b>	<b>21,673</b>	<b>318,965</b>	<b>502,621</b>	<b>821,587</b>	<b>60,879</b>	<b>882,466</b>

## STATEMENT OF ACCOUNTS 2022/23

### THE GROUP MOVEMENT IN RESERVES STATEMENT (CONTINUED)

<b><u>Movement in Reserves During 2021/22</u></b>	General Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied Reserve	<b>Total Useable BMBC Reserves</b>	<b>Unusable BMBC Reserves</b>	<b>Total BMBC Reserves</b>	Authority's Share of Reserves of Subsidiaries, Associates and Joint Ventures	<b>Total Group Reserves</b>
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
<b>Balance of Reserves at 1st April 2021</b>	<b>195,302</b>	<b>30,952</b>	<b>17,086</b>	<b>19,014</b>	<b>11,062</b>	<b>273,416</b>	<b>(144,898)</b>	<b>195,302</b>	<b>30,952</b>	<b>17,086</b>
Total Comprehensive Expenditure & Income	(42,132)	(21,231)	-	-	-	<b>(63,363)</b>	<b>247,956</b>	<b>184,593</b>	<b>(28,450)</b>	<b>156,143</b>
Adjustments Between Council and Group Reserves	(38,473)	-	-	-	-	<b>(38,473)</b>	-	<b>(38,473)</b>	<b>38,473</b>	-
Adjustments Between Accounting Basis & Funding Basis Under Regulations	102,435	19,122	8,007	(895)	8,511	<b>137,180</b>	<b>(137,180)</b>	-	-	-
<b>Net Increase / (Decrease) in 2021/22</b>	<b>21,830</b>	<b>(2,109)</b>	<b>8,007</b>	<b>(895)</b>	<b>8,511</b>	<b>35,344</b>	<b>110,776</b>	<b>146,120</b>	<b>10,023</b>	<b>156,143</b>
<b>Balance of Reserves at 31st March 2022</b>	<b>217,132</b>	<b>28,843</b>	<b>25,093</b>	<b>18,119</b>	<b>19,573</b>	<b>308,760</b>	<b>(34,122)</b>	<b>274,638</b>	<b>18,475</b>	<b>293,113</b>



## STATEMENT OF ACCOUNTS 2022/23

### THE GROUP COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

2021/22				2022/23		
Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s		Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s
			<b>Net Cost of Services:</b>			
159,912	(98,318)	61,594	Children's Services	178,614	(115,810)	62,804
211,160	(35,962)	175,198	Growth & Sustainability	183,780	(71,031)	112,749
41,825	(73,471)	(31,646)	Housing Revenue Account	45,701	(76,105)	(30,404)
104,859	(51,123)	53,736	Adults & Communities	-	-	-
11,414	(8,944)	2,470	Public Health	-	-	-
-	-	-	Place Health & Adults Social Care	97,666	(49,242)	48,424
-	-	-	Public Health & Communities	37,117	(23,442)	13,675
99,749	(98,346)	1,403	Core Services	106,340	(98,671)	7,669
20,348	(30,877)	(10,529)	Corporate Services	14,337	(21,122)	(6,785)
24,066	(23,217)	849	Exceptional Item – COVID 19	-	-	-
-	-	-	Exceptional Item – HSG	4,395	(4,652)	(257)
42,806	218	43,024	Berneslai Homes	46,144	(2,003)	44,141
585	(65)	520	Penistone Grammar Trust	665	(70)	595
<b>716,724</b>	<b>(420,105)</b>	<b>296,619</b>	<b>Net Cost of Services</b>	<b>714,758</b>	<b>(462,146)</b>	<b>252,612</b>
			<b>Other Operating Income &amp; Expenditure:</b>			
468	-	468	Parish Council Precepts	479	-	479
1,666	-	1,666	Payments to Central Government Housing Capital Receipts Pool	-	-	-
12,921	(13,208)	(287)	(Gains) / Losses on The Disposal of Non-Current Assets	7,272	(8,823)	(1,551)
2,920	-	2,920	Exceptional Item – Loss on Disposal of Non-Current Assets Relating to School Transfers	-	-	-
<b>17,975</b>	<b>(13,208)</b>	<b>4,767</b>	<b>Total Other Operating Expenditure</b>	<b>7,751</b>	<b>(8,823)</b>	<b>(1,072)</b>
			<b>Financing &amp; Investment Income &amp; Expenditure:</b>			
23,475	-	23,475	Interest Payable on Debt	23,521	-	23,521
57	-	57	Interest Element of Finance Leases	39	-	39
19,621	-	19,621	Interest Payable on PFI Unitary Payments	19,035	-	19,035
10,374	-	10,374	Net Interest on The Defined Benefit Liability / Asset	9,847	-	9,847
-	-	-	Movement in Fair Value of Financial Assets	-	-	-
50	-	50	Expected Credit Loss Model	332	-	332
-	-	-	Premium Incurred on Early Redemption of Debt	-	-	-
-	(639)	(639)	Investment Interest Income	-	(3,248)	(3,248)
-	(446)	(446)	Dividends Receivable	-	(74)	(74)
-	(10)	(10)	Interest Received on Finance Leases	-	(10)	(10)
5,188	(5,985)	(797)	(Surplus) / Deficit of Trading Undertakings or Other Operations	4,247	(4,546)	(299)
-	-	-	Subsidiary Taxation	-	-	-
<b>58,765</b>	<b>(7,080)</b>	<b>51,685</b>	<b>Total Financing &amp; Investment Income &amp; Expenditure</b>	<b>57,021</b>	<b>(7,878)</b>	<b>49,143</b>

Continued

overleaf.

## STATEMENT OF ACCOUNTS 2022/23

### THE GROUP COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT (CONTINUED)

2021/22				2022/23		
Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s		Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s
			<b>Taxation &amp; Non Specific Grant Income:</b>			
-	(46,170)	(46,170)	Recognised Capital Grants & Contributions	-	(50,466)	(50,466)
-	(15,555)	(15,555)	Exceptional Item – COVID 19 Related General Grants	-	(10,240)	(10,240)
-	(8,215)	(8,215)	Section 31 Grant	-	-	-
-	(13,026)	(13,026)	Revenue Support Grant (RSG)	-	(17,681)	(17,681)
-	(107,693)	(107,693)	Council Tax	-	(110,434)	(110,434)
-	(21,906)	(21,906)	Business Rates Retention Scheme – Locally Retained	-	(26,653)	(26,653)
-	(32,735)	(32,735)	Business Rates Retention Scheme – Top Up Grant	-	(33,212)	(33,212)
-	<b>(245,300)</b>	<b>(245,300)</b>	<b>Total Taxation &amp; Non Specific Grant Income</b>	-	<b>(248,686)</b>	<b>(248,686)</b>
<b>793,464</b>	<b>(685,693)</b>	<b>107,771</b>	<b>(Surplus) / Deficit on Provision of Services</b>	<b>779,530</b>	<b>(727,533)</b>	<b>52,067</b>
			<b>Other Comprehensive Income &amp; Expenditure:</b>			
5,649	(106,018)	(100,369)	(Gains) / Losses on Revaluation of Property, Plant & Equipment Assets	8,586	(198,990)	(190,404)
-	(20)	(20)	(Gains) / Losses on Revaluation of Financial Instruments	-	6	6
(163,527)	-	(163,527)	Actuarial (Gains) / Losses on Pension Assets / Liabilities	(49,420)	-	(49,420)
<b>(157,878)</b>	<b>(106,038)</b>	<b>(263,916)</b>	<b>Other Comprehensive Income &amp; Expenditure</b>	<b>(40,834)</b>	<b>(198,984)</b>	<b>(239,818)</b>
<b>635,586</b>	<b>(791,731)</b>	<b>(156,145)</b>	<b>Total Comprehensive Income &amp; Expenditure</b>	<b>738,696</b>	<b>(926,517)</b>	<b>(187,821)</b>

# STATEMENT OF ACCOUNTS 2022/23

## GROUP BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2023

2021/22 £000s		2022/23 £000s	2022/23 £000s
	<b>NON-CURRENT ASSETS</b>		
	<b>Property Plant and Equipment:</b>		
715,990	- Council Dwellings	850,021	
335,255	- Other Land & Buildings	342,409	
8,308	- Vehicles, Plant, Furniture & Equipment	7,841	
299,733	- Infrastructure Assets	306,244	
-	- Community Assets	-	
8,592	- Assets Under Construction	26,437	
2,228	- Surplus Assets	2,876	
<b>1,370,106</b>			<b>1,535,828</b>
11,659	Heritage Assets	11,659	
759	Investment Properties	770	
548	Intangible Assets	304	
4,487	Long Term Investments	4,428	
3,140	Long Term Debtors	3,439	
-	Retirement Benefit Asset	93,080	
<b>20,593</b>			<b>113,680</b>
<b>1,390,699</b>	<b>Total Non-Current Assets</b>		<b>1,649,508</b>
	<b>CURRENT ASSETS</b>		
4,664	Assets 'Held for Sale'	3,598	
134,710	Short Term Investments	126,394	
2,127	Inventories	1,794	
10,341	Local Taxation Debtors	11,198	
(10,424)	Impairment of Local Taxation Debtors	(10,433)	
55,862	Other Short Term Debtors	48,907	
(6,351)	Impairment of Short Term Debtors	(7,929)	
-	Corporation Tax Asset	-	
67,521	Cash & Cash Equivalents	36,157	
<b>258,450</b>	<b>Total Current Assets</b>		<b>209,685</b>
<b>1,649,149</b>	<b>TOTAL GROUP ASSETS</b>		<b>1,859,193</b>
	<b>CURRENT LIABILITIES</b>		
(37,307)	Short Term Borrowing	(22,763)	
(8,430)	Other Short Term Liabilities	(8,940)	
(71,651)	Short Term Creditors	(65,679)	
-	Corporation Tax Liability	-	
(4,754)	Provisions	(3,227)	
(34,528)	Capital Grants Receipts in Advance	(29,790)	
(3,335)	Revenue Grants Receipts in Advance	(2,108)	
-	Bank Overdraft	-	
<b>(160,005)</b>	<b>Total Current Liabilities</b>		<b>(132,507)</b>
	<b>LONG TERM LIABILITIES</b>		
(653,158)	Long Term Borrowing	(634,708)	
(185,633)	Other Long Term Liabilities	(176,693)	
(4,060)	Long Term Provisions	(4,005)	
(353,182)	Retirement Benefit Obligations	(28,820)	
<b>(1,196,033)</b>	<b>Total Long Term Liabilities</b>		<b>(844,226)</b>
<b>(1,356,038)</b>	<b>TOTAL GROUP LIABILITIES</b>		<b>(976,732)</b>
<b>293,111</b>	<b>GROUP NET ASSETS</b>		<b>882,461</b>

Continued overleaf

## STATEMENT OF ACCOUNTS 2022/23

### GROUP BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2023 (CONTINUED)

2021/22 (Restated) £000s		2022/23 £000s	2022/23 £000s
	<b>BMBC USEABLE RESERVES:</b>		
217,132	- General Fund	219,671	
28,843	- Housing Revenue Account	25,133	
25,093	- Useable Capital Receipts Reserve	28,102	
18,119	- Major Repairs Reserve	24,388	
19,573	- Capital Grant Unapplied Reserve	21,673	
<b>308,760</b>	<b>TOTAL BMBC USEABLE RESERVES</b>		<b>318,967</b>
	<b>BMBC UNUSABLE RESERVES:</b>		
(133,502)	- Capital Adjustment Account	(145,773)	
496	- Deferred Capital Receipts Reserve	495	
(10,889)	- Financial Instruments Adjustment Account	(10,304)	
(328,247)	- Pensions Reserve	45,335	
(431)	- Financial Instrument Revaluation Reserve	(431)	
442,894	- Revaluation Reserve	617,235	
(2,548)	- Accumulated Absences Account	(3,159)	
16,051	- Collection Fund Adjustment Account	17,166	
(17,946)	- DSG Deficit Adjustment Account	(17,946)	
<b>(34,122)</b>	<b>TOTAL BMBC UNUSABLE RESERVES</b>		<b>502,618</b>
<b>274,638</b>	<b>TOTAL BMBC RESERVES</b>		<b>821,585</b>
	<b>OTHER GROUP ENTITY USEABLE RESERVES:</b>		
11,413	- Berneslai Homes Retained Surplus	8,300	
585	- Penistone Grammar Trust – Unrestricted Funds	590	
(25,716)	- Berneslai Homes Pensions Reserve	18,925	
32,191	- Penistone Grammar Trust – Restricted Funds	33,061	
<b>18,473</b>	<b>TOTAL OTHER GROUP ENTITY RESERVES</b>		<b>60,876</b>
<b>293,111</b>	<b>TOTAL GROUP RESERVES</b>		<b>882,461</b>

# STATEMENT OF ACCOUNTS 2022/23

## GROUP CASH FLOW STATEMENT

2021/22 (Restated) £000s		2022/23 £000s	2022/23 £000s
<b>107,771</b>	<b>Net (Surplus) / Deficit on Provision of Services</b>		<b>51,998</b>
	<b><u>Adjustments to Net Surplus or Deficit on The Provision of Services for Non-Cash Movements:</u></b>		
(167,952)	- Depreciation & Impairment	(101,068)	
(32,810)	- Pension Fund Adjustments	(32,764)	
(15,842)	- Carrying Amount of Non-Current Assets Sold	(7,272)	
2,025	- (Increase) / Decrease in Provisions	1,582	
376	- Increase / (Decrease) in Inventories	(333)	
(4,365)	- Increase / (Decrease) in Debtors	(12,080)	
(9,003)	- (Increase) / Decrease in Creditors	10,548	
(323)	- Other Non-Cash Adjustments	27,635	
<b>(227,894)</b>			<b>(113,753)</b>
-	- Taxation Paid		-
	<b><u>Adjustments for Items Included in the Net (Surplus) or Deficit on the Provision of Services that are Investing &amp; Financing Activities:</u></b>		
46,170	- Capital Grants Recognised Through Comprehensive Income & Expenditure Statement	50,466	
-	- Net adjustment from the sale of short term and long term investments	(9,314)	
-	- Premiums Paid on Early Settlement of Debt	-	
13,444	- Proceeds From The Sale of Property, Plant & Equipment, Investment Property & Intangible Assets	8,983	
<b>59,614</b>			<b>50,135</b>
<b>(60,509)</b>	<b>Net Cash (Inflow) / Outflow From Operating Activities</b>		<b>(11,619)</b>
90,724	<b>Net Cash (Inflow) / Outflow From Investing Activities</b>		628
(36,263)	<b>Net Cash (Inflow) / Outflow From Financing Activities</b>		42,354
<b>(6,048)</b>	<b>Net (Increase) / Decrease in Cash &amp; Cash Equivalents</b>		<b>31,363</b>

### Reconciliation and Analysis of Group Cash & Cash Equivalent Balances

2021/22 £000s (Restated)		2022/23 £000s
<b>61,473</b>	<b>Group Cash &amp; Cash Equivalents as at 1<sup>st</sup> April</b>	<b>67,521</b>
6,048	Net Increase / (Decrease) in Cash & Cash Equivalents	(31,363)
<b>67,521</b>	<b>Group Cash &amp; Cash Equivalents as at 31<sup>st</sup> March</b>	<b>36,158</b>
	<b>Made Up Of The Following Elements:</b>	
	<b><u>BMBC Cash &amp; Cash Equivalents:</u></b>	
7	Cash Held By The Council	5
(3,542)	Cash in Transit	(3,104)
5,720	Bank Current Accounts	3,237
54,510	Short Term Deposits With Financial Institutions	28,718
<b>56,695</b>	<b>Total BMBC Cash &amp; Cash Equivalents</b>	<b>28,856</b>
	<b><u>Other Group Entity Cash &amp; Cash Equivalents:</u></b>	
1,526	Bank Current Accounts	1,701
9,300	Short Term Deposits With Financial Institutions	5,601
<b>10,826</b>	<b>Total Other Group Entity Cash &amp; Cash Equivalents</b>	<b>7,302</b>
<b>67,521</b>	<b>Group Cash &amp; Cash Equivalents as at 1<sup>st</sup> April</b>	<b>36,158</b>

# STATEMENT OF ACCOUNTS 2022/23

## NOTES TO THE GROUP ACCOUNTS

### **Note A – Critical Judgements**

Description:	This note sets out the Council's approach to consideration of the group accounts.
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The Council has reviewed its relationship and interest with external organisations and concludes that it does have an interest in subsidiaries, associated companies and joint ventures that are material both individually and in aggregate and therefore a set of Group Accounts has been prepared. This consideration has been made under the provisions of IFRS 10 ('Consolidated Financial Statements') and IFRS 11 ('Joint Arrangements') as required by The Code.

### **Note B – Group Boundary**

Description:	This note explains the rationale of the related organisations that have been consolidated into the group accounts and on the basis of consolidation.
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A review has been undertaken by the Council considering all companies in which it has an interest. The interests in these bodies have been analysed to consider whether the Council has the potential to control or influence the bodies' operating and financial policies.

Entities identified to be included within the group's boundary are detailed below:

#### Berneslai Homes Ltd

Berneslai Homes Ltd is a 100% wholly owned company of the Council and is an Arm's Length Management Organisation responsible for managing homes on behalf of the Council. Specifically, it is responsible for managing all the landlord services for the Council's 18,095 homes including rent collection, arrears recovery, repairs and maintenance, dealing with empty properties and all tenancy matters.

Financial Year End - Berneslai Homes Ltd shares the same financial year as the Council (1<sup>st</sup> April – 31<sup>st</sup> March).

Consolidation Method - The accounts of Berneslai Homes Ltd have been consolidated on a line by line basis with intra-group balances and transactions being eliminated in full on consolidation as per The Code. There is no statutory provision for Berneslai Homes' pension liability included with these Group Accounts.

#### Penistone Grammar Trust

Penistone Grammar Trust is a charity trust that is responsible for the running of Penistone Grammar Advanced Learning Centre (ALC) and associated buildings. The Council is sole trustee in Penistone Grammar Trust.

Financial Year End – Penistone Grammar Trust shares the same financial year as the Council (1<sup>st</sup> April – 31<sup>st</sup> March).

Consolidation Method - The accounts of Penistone Grammar Trust have been consolidated on a line by line basis with intra-group balances and transactions being eliminated in full on consolidation as per The Code.

#### Joint Ventures

The Council also holds shareholdings in a number of other companies that is deemed non-material for group accounts purposes. For information on these entities, [Note 17](#) refers.

## STATEMENT OF ACCOUNTS 2022/23

### Note C - Expenditure & Income Analysed By Nature

Description:	This note shows the Surplus or Deficit on the Provision of Services within the Group CIES on a subjective basis.
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The Group's expenditure and income is analysed as follows:

<b>Expenditure / Income</b>	<b>2021/22</b>	<b>2022/23</b>
	<b>£000s</b>	<b>£000s</b>
<b>Expenditure:</b>		
Employee Benefits Expenses	212,489	226,991
Other Services Expenses	330,170	382,058
Support Service Recharges	-	-
Depreciation, Amortisation, Impairment	179,303	110,289
Interest Payments	53,527	52,442
Precepts & Levies	468	479
Payments to Housing Capital Receipts Pool	1,666	-
Write Out NBV Relating to the Disposal of Assets	15,841	7,272
<b>Total Expenditure</b>	<b>793,464</b>	<b>779,531</b>
<b>Income:</b>		
Fees, Charges & Other Service Income	(140,916)	(175,907)
Interest & Investment Income	(1,103)	(3,343)
Income From Council Tax & Non-Domestic Rates	(129,599)	(137,087)
Government Grants & Contributions	(400,867)	(402,374)
Sale Proceeds Relating to the Disposal of Assets	(13,208)	(8,823)
<b>Total Income</b>	<b>(685,693)</b>	<b>(727,534)</b>
<b>Surplus or Deficit on the Provision of Services</b>	<b>107,771</b>	<b>51,999</b>

### Note D – Financial Instruments

Description:	Financial Instruments are any contract that gives rise to a financial asset of one entity and a financial liability of another entity. This note explains the Group's financial instruments and the impact on the accounts.
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The following categories of financial instrument are carried in the Group Balance Sheet:

<b>31<sup>st</sup> March 2022</b>			<b>31<sup>st</sup> March 2023</b>	
<b>Long Term £000s</b>	<b>Short Term £000s</b>		<b>Long Term £000s</b>	<b>Short Term £000s</b>
		<b>Investments:</b>		
2,254	134,593	Loans & Receivables at Amortised Cost	2,201	126,278
2,233	117	Unquoted Equity Investment at Fair Value through Other Comprehensive Income	2,233	117
<b>4,487</b>	<b>134,710</b>	<b>Total Investments</b>	<b>4,434</b>	<b>126,395</b>
		<b>Debtors:</b>		
2,527	-	Amortised Cost	3,439	0
<b>2,527</b>	<b>-</b>	<b>Total Debtors **</b>	<b>3,439</b>	<b>0</b>
		<b>Cash Equivalents:</b>		
-	63,810	Amortised Cost	0	34,318
<b>-</b>	<b>63,810</b>	<b>Total Cash Equivalents *</b>	<b>0</b>	<b>34,318</b>
<b>7,014</b>	<b>198,520</b>	<b>Total Financial Assets</b>	<b>7,873</b>	<b>160,713</b>
		<b>Borrowings:</b>		
(653,157)	(37,307)	Financial Liabilities at Amortised Cost	(634,708)	(22,763)
<b>(653,157)</b>	<b>(37,307)</b>	<b>Total Borrowings</b>	<b>(634,708)</b>	<b>(22,763)</b>
		<b>Other Liabilities:</b>		
(185,633)	(8,428)	Amortised Cost	(176,693)	(8,939)

## STATEMENT OF ACCOUNTS 2022/23

(185,633)	(8,428)	<b>Total Other Liabilities</b>	(176,693)	(8,939)
(838,790)	(45,735)	<b>Total Financial Liabilities</b>	(811,401)	(31,702)

\* The total Cash Equivalents figure in the table above is included within the 'Cash & Cash Equivalents' figure in the Balance Sheet, rather than within 'Short Term Investments'.

\*\* The Total Debtors figures in the table above is included within the 'Short Term Debtors' figure in the Balance Sheet.

### Note E - Debtors

Description:	Other Short-Term Debtors are assets representing the amounts owed to the Group in respect of other debts.
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31 <sup>st</sup> March 2022				31 <sup>st</sup> March 2023		
Total Debtors	Impairment For Bad Debts	Total		Total Debtors	Impairment For Bad Debts	Total
£000s	£000s	£000s		£000s	£000s	£000s
11,536	(6,348)	<b>5,188</b>	Trade Receivables	9,587	(7,929)	<b>1,658</b>
16,394	-	<b>16,394</b>	Prepayments & Accrued Grant Income	14,582	-	<b>14,582</b>
27,930	-	<b>27,930</b>	Other Receivable Amounts	24,795	-	<b>24,795</b>
<b>55,860</b>	<b>(6,348)</b>	<b>49,512</b>	<b>Total</b>	<b>48,964</b>	<b>(7,929)</b>	<b>41,035</b>

### Note F - Creditors

Description:	Short Term Creditors are financial liabilities arising from the contractual obligation to pay cash in the future for goods or services or other benefits that have been received or supplied and have been invoiced or formally agreed with the supplier.
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31 <sup>st</sup> March 2022 £000s		31 <sup>st</sup> March 2023 £000s
(10,154)	Trade Creditors	(9,209)
(28,202)	Other Creditors	(19,049)
(6,312)	Capital Creditors	(9,041)
(4,777)	Receipts in Advance	(4,119)
(6,230)	Payroll Creditors	(6,601)
(7,432)	NNDR	(8,390)
(4,581)	Council Tax	(5,795)
(3,963)	Other Tax & Social Security	(3,475)
<b>(71,651)</b>	<b>Total</b>	<b>(65,679)</b>



## STATEMENT OF ACCOUNTS 2022/23

### Note G - Defined Benefit Pension Schemes

Description: A Defined Benefit Pension Scheme is one that is not classed as a defined contribution scheme. This note explains such schemes that the Group is party to.

2021/22 (Restated)				2022/23		
BMBC £000s	BH £000s	Group £000s		BMBC £000s	BH £000s	Group £000s
			<b>Comprehensive Income &amp; Expenditure Statement:</b>			
			<i>Cost of Services:</i>			
38,448	5,837	44,285	- Current Service Cost	38,248	5,916	44,164
292	-	292	- Past Service Costs	1,497	-	1,497
(626)	-	(626)	- Settlements & Curtailments	-	-	-
-	-	-	- Administration Expenses	-	-	-
			<i>Financing &amp; Investment Income &amp; Expenditure:</i>			
9,499	875	10,374	- Net Interest Cost	9,099	748	9,847
<b>47,613</b>	<b>6,712</b>	<b>54,325</b>	<b>Total Post Employment Benefit Charged to the Surplus or Deficit on the Provision of Services</b>	<b>48,844</b>	<b>6,664</b>	<b>55,508</b>
			<i>Other Post-Employment Benefits Charged to the Comprehensive Income &amp; Expenditure Statement:</i>			
			<i>Re-measurement of The Net Benefit Liability Comprising:</i>			
(86,081)	(10,478)	(96,559)	- Return on Plan Assets (Excluding The Amount Included In Net Interest Expense)	72,909	8,978	81,887
3,739	335	4,074	- Experience (Gains) / Losses	88,725	21,742	110,467
-	-	-	- Actuarial (Gains) and Losses On Changes in Demographic Assumptions	(24,185)	1,459	(22,726)
(62,264)	(8,778)	(71,042)	- Actuarial (Gains) and Losses On Changes in Financial Assumptions	(584,780)	(81,599)	(666,379)
-	-	-	- Business Combinations	-	-	-
<b>(144,606)</b>	<b>(18,921)</b>	<b>(163,527)</b>	<b>Total Post Employment Benefit Charged to Other Comprehensive Income &amp; Expenditure</b>	<b>(447,331)</b>	<b>(49,420)</b>	<b>(496,751)</b>
<b>(96,993)</b>	<b>(12,209)</b>	<b>(109,202)</b>	<b>Total Post Employment Benefit Charged to the Comprehensive Income &amp; Expenditure Statement</b>	<b>(398,487)</b>	<b>(42,756)</b>	<b>(441,243)</b>

2021/22 (Restated)				2022/23		
BMBC £000s	BH £000s	Group £000s		BMBC £000s	BH £000s	Group £000s
			<b>Movement in Reserves Statement:</b>			
<b>(47,613)</b>	-	(47,613)	- Reversal of Charges Made to the Surplus or Deficit for the Provision of Services for Post-Employment Benefits in Accordance with The Code	<b>(48,844)</b>	-	(48,844)
			<b>Actual Amount Charged Against the General Fund Balance for Pensions for the Year:</b>			
<b>19,720</b>	-	19,720	Employers' Contributions Payable to Scheme	<b>17,804</b>	-	17,804
-	-	-	Retirement Benefits Payable to Pensioners	-	-	-
<b>(27,893)</b>	-	<b>(27,893)</b>	<b>Net Adjustment to Surplus or Deficit for the Provision of Services</b>	<b>(31,040)</b>	-	<b>(31,040)</b>

## STATEMENT OF ACCOUNTS 2022/23

Pension Assets and Liabilities Recognised in the Balance Sheet

### Funded

2021/22 (Restated)				2022/23		
BMBC £000s	BH £000s	Group £000s		BMBC £000s	BH £000s	Group £000s
(1,532,415)	(177,810)	(1,747,255)	Present Value of The Defined Benefit Obligation	(1,125,318)	(128,953)	(1,254,271)
1,241,979	152,094	1,394,073	Fair Value of Plan Assets	1,199,473	147,878	1,347,351
<b>(290,436)</b>	<b>(25,716)</b>	<b>(316,152)</b>	<b>Net Liability Arising From Defined Benefit</b>	<b>74,155</b>	<b>18,925</b>	<b>93,080</b>

### Unfunded

2021/22 (Restated)				2022/23		
BMBC £000s	BH £000s	Group £000s		BMBC £000s	BH £000s	Group £000s
(37,030)	-	(37,030)	Present Value of The Defined Benefit Obligation	(28,820)	-	(28,820)
-	-	-	Fair Value of Plan Assets	-	-	-
<b>(37,030)</b>	<b>-</b>	<b>(37,030)</b>	<b>Net Liability Arising From Defined Benefit Obligation</b>	<b>(28,820)</b>	<b>-</b>	<b>(28,820)</b>

### Reconciliation of Fair Value of the Scheme (Plan) Assets

2021/22 (Restated)				2022/23		
BMBC £000s	BH £000s	Group £000s		BMBC £000s	BH £000s	Group £000s
<b>1,148,649</b>	<b>138,936</b>	<b>1,287,585</b>	<b>Opening Balance at 1<sup>st</sup> April</b>	<b>1,241,979</b>	<b>152,094</b>	<b>1,394,073</b>
23,924	2,913	26,837	Interest Income	33,308	4,101	37,408
		-	<i>Re-measurement Gains and (Losses):</i>			-
86,081	10,478	96,559	- The Return on Plan Assets, Excluding the Amount Included in Net Interest Expense	(72,909)	(8,978)	(81,887)
-	-	-	Administration Expenses	-	-	-
-	-	-	Business Combinations	-	-	-
(639)	-	(639)	Experience (Gains) / Losses	12,213	842	
18,939	1,701	20,640	Settlements	-	-	-
6,436	992	7,428	Employer Contributions	20,113	1,885	21,998
(41,411)	(2,926)	(44,337)	Contributions by Scheme Participants	6,864	1,081	7,945
			Benefits Paid	(42,101)	(3,147)	(45,248)
<b>1,241,979</b>	<b>152,094</b>	<b>1,394,073</b>	<b>Closing Balance at 31<sup>st</sup> March</b>	<b>1,199,473</b>	<b>147,878</b>	<b>1,347,345</b>

### Reconciliation of Present Value of the Scheme Liabilities (Defined Benefit Obligation)

2021/22 (Restated)				2022/23		
BMBC £000s	BH £000s	Group £000s		BMBC £000s	BH £000s	Group £000s
<b>(1,592,047)</b>	<b>(178,562)</b>	<b>(1,770,609)</b>	<b>Opening Balance at 1<sup>st</sup> April</b>	<b>(1,569,445)</b>	<b>(177,810)</b>	<b>(1,747,255)</b>
(38,448)	(5,837)	(44,285)	Current Service Cost	(38,250)	(5,916)	(44,166)
(33,423)	-	(33,423)	Past Service Costs	(42,406)	-	(42,406)
(292)	(3,788)	(4,080)	Interest Cost	(1,497)	(4,849)	(6,346)
(6,436)	(992)	(7,428)	Contributions by Scheme Participants	(6,869)	(1,081)	(7,950)
			<i>Re-measurement Gains and (Losses):</i>			
(3,739)	(335)	(4,074)	- Experience Gains / (Losses)	(122,318)	(22,584)	(144,902)

## STATEMENT OF ACCOUNTS 2022/23

-	-	-	- Actuarial Gains / (Losses) Arising From Changes in Demographic Assumptions	(237)	(1,459)	(1,696)
62,264	8,778	71,042	- Actuarial Gains / (Losses) Arising From Changes in Financial Assumptions	584,783	81,599	666,382
-	-	-	Gains / (Losses) Curtailments	-	-	-
41,411	2,926	44,337	Benefits Paid	42,101	3,147	45,248
1,265	-	1,265	Liabilities Extinguished on Settlements	-	-	-
-	-	-	Business Combinations	-	-	-
<b>(1,569,445)</b>	<b>(177,810)</b>	<b>(1,747,255)</b>	<b>Closing Balance at 31<sup>st</sup> March</b>	<b>(1,154,138)</b>	<b>(128,953)</b>	<b>(1,283,091)</b>

# STATEMENT OF ACCOUNTS 2022/23

## TECHNICAL ANNEX A

### THE COUNCIL'S ACCOUNTING POLICIES

#### **1. General Principles**

The Statement of Accounts summarises the Council's transactions for the 2022/23 financial year and its position at the year-end of 31<sup>st</sup> March 2023. The Council is required to prepare an annual Statement of Accounts by the Accounts and Audit Regulations 2015 which those regulations require to be prepared in accordance with proper accounting practice. For local authorities, this proper accounting practice is predominantly contained in the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (The Code), supported by International Financial Reporting Standards and statutory guidance where applicable.

The accounting convention adopted is historic cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

#### **2. Accruals of Income and Expenditure – General**

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

- Income from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract;
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date of supply and 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; and
- Where income and expenditure has 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 it is doubtful that debts will be settled, the balance of debtors is written down and a charge made to the Comprehensive Income & Expenditure Statement for the income which might not be collected.

#### **3. Accruals of Income and Expenditure – Accounting for Local Taxation**

Billing authorities in England are required by statute to maintain a separate fund for the collection and distribution of amounts due in respect of Council Tax and National Non-Domestic Rates (NNDR). The localisation of Business Rates from 1<sup>st</sup> April 2013 changed the way in which the Council accounts for NNDR. The key features of the fund relevant to accounting for Council Tax and National Non Domestic Rates in the core financial statements are:

- In its capacity as a billing authority, the Council acts as agent; it collects and distributes Council Tax / NNDR income on behalf of the major preceptors and itself;
- Whilst the income from Council Tax and NNDR for the year credited to the Collection Fund is the accrued income for the year, regulations determine when it should be released from the Collection Fund and transferred to the General Fund of the billing authority or paid out of the Collection Fund to major preceptors;
- The Council Tax and NNDR income included in the Comprehensive Income and Expenditure Statement is the Council's share of accrued income for the year. However, regulations determine the amount of Council Tax and NNDR that must be included in the Council's General Fund. Therefore, the difference between the income included in the Comprehensive Income & Expenditure Statement and the amount required by regulation to be credited to the General Fund is taken to the Collection Fund Adjustment Account and included as a reconciling item in the Movement in Reserves Statement;
- The Balance Sheet includes the Council's share of the end of year balances in respect of Council Tax and NNDR relating to arrears, impairment allowances for doubtful debts, overpayments and prepayments and appeals; and
- Where debtor balances for the above are identified as impaired because of a likelihood arising from a past event that payments due under the statutory arrangements will not be made (fixed or determinable payments), the asset is written down and a charge made to the Collection Fund. The impairment loss is measured as the difference between the carrying amount and the revised future cash flows.

## STATEMENT OF ACCOUNTS 2022/23

### 4. Acquired and Discontinued Operations

There was no material acquired or discontinued operations during 2022/23.

### 5. Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable to the Council without notice or penalty (sometimes referred to as 'on call').

### 6. Material Items of Income and Expense / Exceptional Items

Where items of income or expense are material, their nature and amount are disclosed separately in [Note 8](#). The Council has identified separately, any material transactions to or from a single supplier or customer.

Any exceptional items that are material in net terms are identified on the face of the Comprehensive Income and Expenditure Statement and analysed further in [Note 8](#) to the accounts. The Council has identified separately, items of expense or income which are material in terms of the Council's overall expenditure and are not expected to recur frequently or regularly.

### 7. Prior Period Adjustments, Changes in Accounting Policies, Estimates and Errors

Prior period adjustments may arise as a result of a change in accounting policy or to correct material errors. 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 Council's financial position.

Where a change is made, it is applied retrospectively by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Any new accounting policies which have been adopted by the Council have been reflected within these accounting policies, together with a quantification of the impact of each accounting policy change on the prior period closing balances and comparative figures shown within this Statement of Accounts.

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

### 8. 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 the 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 the losses can be written off; and
- Amortisation of intangible fixed assets attributable to the service.

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

### 9. Employee Benefits

#### Benefits Payable During Employment

Short term employee benefits are those due to be settled within 12 months of the year end. For the Council, they typically include such benefits as wages and salaries and paid annual, flexi and sick leave. These are recognised in the accounts in the year in which the employee rendered service for the Council. An accrual has been made for the cost of holiday entitlement (including flexi-leave entitlement) earned by employees but not taken before the year end which employees can carry forward into the next financial year. The accrual has been based on wage and salary rates for the 2022/23 financial year, being the period in which the employee earns the

## STATEMENT OF ACCOUNTS 2022/23

benefit. The accrual is charged to the Surplus or Deficit on the Provision of Services within the Comprehensive Income and Expenditure Statement, but then reversed out through the Movement in Reserves Statement so that holiday benefits 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 Council to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy. They are charged on an accruals basis to the Surplus or Deficit on the Provision of Services within the Comprehensive Income and Expenditure Statement at the earlier of when the Council can no longer withdraw the offer of those benefits or when the Council recognises costs for a restructuring. It is the Council's policy not to offer enhanced termination benefits.

### Post-Employment Benefits

Employees of the Council are members of three separate pension schemes:

1. The Teachers' Pension Scheme, administered by Capita Teachers' Pensions on behalf of the Department for Education (DfE);
2. The NHS Pensions Scheme, administered by the NHS Business Services Authority; and
3. The Local Government Pension Scheme administered by the South Yorkshire Pensions Authority.

These respective schemes provide defined benefits to members (retirement lump sums and pensions), earned as employees work for the Council.

However, the arrangements for the Teachers' Scheme and the NHS Scheme mean that liabilities for these benefits cannot ordinarily be identified specifically to the Council. The schemes are therefore accounted for as if it was a defined contribution scheme and no liability for future payments of benefits is recognised in the Balance Sheet. The People service line in the Comprehensive Income and Expenditure Statement is charged with contributions payable to Teachers' Pensions Scheme in the year and the Public Health line in the Comprehensive Income and Expenditure Statement is charged with contributions payable to the NHS Pensions Scheme.

### The Local Government Pension Scheme

The Local Government Pension Scheme is accounted for as a defined benefit scheme:

1. The liabilities of the South Yorkshire Pension Fund attributable to the Council 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 and projections of future earnings for current employees;
2. Liabilities are discounted to their value at current prices, using a discount rate of 2.6%, based on the weighted average of spot yields on AA rated corporate bonds;
3. The assets of the South Yorkshire Pension Fund attributable to the Council are included in the Balance Sheet at their fair value:
  - Quoted securities – current bid price;
  - Unquoted securities – professional estimate;
  - Unitised securities – current bid price; and
  - Property – market value.
4. The change in the net pensions liability is analysed into the following components:
  - Current Service Cost – the increase in liabilities as a result of a year's 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 arising from current year decisions whose effect relates to years of service earned in earlier years, charged to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement;
  - Net Interest on the Net Defined Benefit Liability / Asset, i.e. Net Interest Expense for the Council – 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;

# STATEMENT OF ACCOUNTS 2022/23

- Re-measurements comprising:
  - a. The Return on Plan Assets – excluding amounts included in net interest on the net defined benefit liability / asset – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure; and
  - b. Actuarial Gains and Losses – changes in the net pensions 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 South Yorkshire Pensions Authority – cash paid as employer’s contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

In relation to retirement obligations, statutory provisions require the General Fund balance to be charged with the amount payable by the Council to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year end. The 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 such cash flows rather than as benefits are earned by employees. When the pension fund becomes an asset, IFRIC 14 requires the Council to recognise the net defined benefit asset at the lower of: (a) the surplus in the defined benefit plan; and (b) the asset ceiling.

## Discretionary Benefits

The Council has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. The Council’s current policy is not to award enhancements for non-school Council employees i.e. those who are members of the Local Government Pension Scheme. However, awards are not prohibited and can be made in exceptional circumstances. Where they are made, any liabilities estimated to arise as a result 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.

## **10. Events After the Balance Sheet Date**

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 event can be identified:

1. Those that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events, where material; and
2. Those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material impact, disclosure is made in the notes of the nature of the events and their estimated financial effect.

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

## **11. Financial Instruments**

### Financial Liabilities

Financial liabilities are recognised on the Balance Sheet when the Council becomes 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 section of 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 Council 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.

Gains and losses on the repurchase or early settlement of borrowing are credited and debited to the Financing and Investment Income and Expenditure section of the Comprehensive Income and Expenditure Statement in the year of repurchase / settlement. However, where repurchase has taken place as part of a restructuring of the loan portfolio that involves the modification or exchange of existing instruments, the premium or discount is respectively added to or deducted from the amortised cost of the new or modified loan and the write-down to the Comprehensive Income and Expenditure Statement is spread over the life of the loan by an adjustment to the effective interest rate.

## STATEMENT OF ACCOUNTS 2022/23

Where premiums and discounts have been charged to the Comprehensive Income and Expenditure Statement, regulations allow the impact on the General Fund balance to be spread over future years. The Council has a policy of either spreading the gain / loss over the remaining term of the loan against which the premium was payable or discount receivable when it was repaid or a shorter period where it is deemed to be more prudent to do so. The reconciliation of amounts charged to the Comprehensive Income and Expenditure Statement to the net charge required against the General Fund balance is managed by a transfer to or from the Financial Instruments Adjustment Account (FIAA) in the Movement in Reserves Statement.

### Financial Assets

Financial assets are classified based on a classification and measurement approach that reflects the business model for holding the financial assets and their cash flow characteristics. There are three main classes of financial assets measured at:

- amortised cost
- fair value through profit or loss (FVPL), and
- fair value through other comprehensive income (FVOCI)

The Council's business model is to hold investments to collect contractual cash flows. Financial assets are therefore classified as amortised cost, except for those whose contractual payments are not solely payment of principal and interest (i.e. where the cash flows do not take the form of a basic debt instrument).

### Financial Assets Measured at Amortised Cost

Financial assets measured at amortised cost are recognised on the Balance Sheet when the Council 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 (CIES) 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 financial assets held by the Council, this means that the amount presented in the Balance Sheet is the outstanding principal receivable (plus accrued interest) and interest credited to the CIES is the amount receivable for the year in the loan agreement.

- Any gains and losses that arise on the derecognition of an asset are credited or debited to the Financing and Investment Income and Expenditure line in the CIES.

### Expected Credit Loss Model

The Council recognises expected credit losses on all of its financial assets held at amortised cost [or where relevant FVOCI], either on a 12-month or lifetime basis. The expected credit loss model also applies to lease receivables and contract assets. Only lifetime losses are recognised for trade receivables (debtors) held by the Council.

The Council's trade debtors are not subject to internal credit rating and have been collectively assessed using provision matrices - based on historical data for defaults adjusted for current and forecast economic conditions. Debt write-off is considered when normal recovery procedures have been unable to secure payment. Prior to write-off, all possible action will have been taken to secure the debt, however the extent to which it is pursued is dependent on the amount of the debt and the financial circumstances of the debtor.

With the exception of trade debtors where the simplified approach has been adopted, impairment losses are calculated to reflect the expectation that the future cash flows might not take place because the borrower could default on their obligations. Credit risk plays a crucial part in assessing losses. Where risk has increased significantly since an instrument was initially recognised, losses are assessed on a lifetime basis. Where risk has not increased significantly or remains low, losses are assessed on the basis of 12-month expected losses.

The Council has a portfolio of loans to local businesses which are assessed on an individual instrument basis. Loss allowances have been assessed using a range of factors such as the purpose of the loan, any amounts past due, any rescheduling that has taken place and whether or not the loan is secured. Where the risk of loss has increased since the loan was made, expected credit losses have been assessed on a lifetime basis. All other loans have been assessed on a 12-month basis. Further details are disclosed in [Note 27](#).

### Financial Assets Measured at Fair Value through Profit of Loss

Financial assets that are measured at FVPL are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured and carried at fair value. Fair value gains and losses are recognised as they arrive in the Surplus or Deficit on the Provision of Services.

The Council has a limited number of shareholdings which would typically be measured at FVPL; however, the Council has designated these equity investments as fair value through other comprehensive income on the basis that:

- They are not quoted in an active market; and
- They are not held for trading.



## STATEMENT OF ACCOUNTS 2022/23

### 12. Government Grants and Contributions

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

- The Council will comply with the 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 acquired using 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 Receipts in Advance under liabilities. When conditions are satisfied, the grant or contribution is credited to the relevant service line in the Net Cost of Services within the Comprehensive Income and Expenditure Statement (for service specific revenue grants) or to the Taxation and Non-Specific Grant Income line (for all capital grants, non-ring-fenced and general revenue grants).

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.

### 13. Heritage Assets (Tangible and Intangible)

The Council's Heritage Assets are held in various locations across the Borough. These assets are held to increase people's knowledge, understanding and appreciation of the Borough's history and local area.

Heritage Assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the Council's accounting policy on Property, Plant and Equipment (see Accounting Policy 21 below). However, some of the rules are relaxed in relation to Heritage Assets as detailed below:

- All of the Heritage Assets are deemed to have an indeterminable life with a high residual value and therefore the Council does not consider it appropriate to charge depreciation on these assets;
- Each category of Heritage Assets is revalued periodically by external valuers for insurance purposes and is carried on the Council's Balance Sheet at this valuation, as a proxy for open market valuations. There is no prescribed minimum period in which these valuations should occur within The Code of Practice;
- The collection of Heritage Assets held by the Council is relatively static with acquisitions and donations being rare. Where acquisitions have been made, these are initially valued at cost and subsequently revalued in accordance with the rest of the collection. Donations are recognised at valuation undertaken by an external valuer as appropriate;
- The carrying value of Heritage Assets is reviewed where there is evidence of impairment (e.g. where there is evidence of physical deterioration or breakage etc.). Any impairment identified is recognised and measured in accordance with the Council's policy on impairment of Property, Plant and Equipment (see Accounting Policy 21 below); and
- Where Heritage Assets have been disposed of, the proceeds are accounted for in accordance with the Council's policy on disposal of Property, Plant and Equipment. Disposal proceeds are accounted for in accordance with the statutory requirements relating to capital expenditure and capital receipts and are disclosed separately in the notes to the accounts.

### 14. Intangible Assets

Expenditure on non-monetary assets that do not have physical substance but are identifiable and controlled by the Council (e.g. software licences) is capitalised at cost, when it is expected that future economic benefits or service potential will flow to the Council.

Internally generated assets are capitalised where it is demonstrable that the project is technically feasible, is intended to be completed and the Council will be able to generate future economic benefits or service potential from the asset. Expenditure is capitalised where it can be measured reliably as attributable to the asset and is restricted to that incurred during the development phase.

Intangible assets are measured initially at cost. Amounts are only revalued where the fair value of the assets held by the Council can be determined by reference to an active market. No intangible asset held by the Council meets these conditions and therefore all such assets are carried at amortised cost.

## STATEMENT OF ACCOUNTS 2022/23

The depreciable amounts for intangible assets are amortised over their useful lives and debited to the relevant services line 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 lines in the Comprehensive Income and Expenditure Statement.

The written off value of disposal 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.

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation and impairment losses are not permitted to have an impact on the General Fund balance. Amounts are appropriated to the Capital Adjustment Account from the General Fund balance in the Movement in Reserves Statement.

### **15. Interest in Companies and Other Entities**

The Council has interests in companies and other entities that have the nature of subsidiaries, associates and joint ventures which may require it to prepare Group Accounts, where material. Included within these entities are three Trading Companies recently set up to allow the Council to trade more flexibly, in a commercial environment. Details of these companies are shown within [Note 17](#). Within the Council's own single entity accounts, the interests in companies and other entities are recorded as financial assets at cost, less any provision for losses.

### **16. Inventories and Long-Term Contracts**

Inventories are included in the Balance Sheet at the lower of cost and net realisable value.

Long term contracts are accounted for on the basis of charging the Surplus or Deficit on the Provision of Services with the value of works and services received under the contract during the financial year.

### **17. Investment Properties**

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

Investment Properties are initially measured at cost and subsequently at fair value, being the price that would be received to sell such an asset in an orderly transaction between market participants at the measurement date. As a non-financial asset, investment properties are measured at highest and best use.

The inputs to the measurement techniques are categorised in accordance with Accounting Policy 30 below.

Investment Properties are not depreciated but are revalued annually according to market conditions during the year. Gains and losses on revaluation are posted to the Financing and Investment Income and Expenditure section of 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 section of the Comprehensive Income and Expenditure Statement and result in a gain in 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 on Reserves Statement and posted to the Capital Adjustment Account and the Capital Receipts Reserve.

Revaluation / Impairment losses on HRA non-dwelling assets are not permitted to be reversed out of the HRA balance following the change to the HRA Self Financing arrangements.

### **18. Jointly Controlled Operations and Jointly Controlled Assets**

Jointly controlled operations are activities undertaken by the Council in conjunction with other parties that involve the use of assets and resources of the other parties rather than the establishment of a separate entity. The Council recognises on its Balance Sheet, the assets that it controls and the liabilities it incurs and debits and credits the Comprehensive Income and Expenditure Statement with the expenditure it incurs and the share of income it earns from the activity of the operation.

Jointly controlled assets are items of Property, Plant and Equipment that are jointly controlled by the Council and other parties. The joint venture does not involve the establishment of a separate entity. The Council accounts only for its share of the jointly controlled assets, the liabilities and expenses that it incurs on its own behalf or jointly with others in respect of interests in the joint venture and income that it earns from the venture.

## STATEMENT OF ACCOUNTS 2022/23

### 19. 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.

Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification.

Arrangements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy, where fulfilment of the arrangement is dependent on the use of specific assets.

#### The Council as Lessee

##### Finance Leases

Items of Property, Plant and Equipment held under finance leases are recognised on the Balance Sheet at the commencement of the lease at its fair value measured at the lease's inception (or the present value of the minimum lease payments, if lower). The asset recognised is matched by a liability for the obligation to pay the lessor. Lease payments are apportioned between:

- A charge for the acquisition of the interest in the property, plant or equipment – applied to write down the lease liability; and
- A finance charge (debited to the Financing and Investment Income and Expenditure section of the Comprehensive Income and Expenditure Statement).

Items of Property, Plant and Equipment recognised under finance leases are accounted for using the policies applied generally to such assets, subject to depreciation being charged over the lease term if this is shorter than the asset's estimated useful life.

The Council is not required to raise Council Tax to cover depreciation or revaluation and impairment losses arising on leased assets. Depreciation and revaluation and impairment losses are therefore substituted by a revenue contribution in the General Fund balance, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

##### Operating Leases

Rentals paid under operating leases are charged to the Comprehensive Income and Expenditure Statement as an expense of the service benefiting from the use of the leased property, plant or equipment. Charges are made on a straight line basis over the life of the lease; even if this does not match the pattern of cash payments e.g. there is a rent free period at the commencement of the lease.

#### The Council as Lessor

##### Finance Leases

Where the Council grants a finance lease over a property or an item of plant or equipment, the relevant asset is written out of the Balance Sheet. At the commencement of the lease, the carrying amount of the asset in the Balance Sheet is written off to the Other Operating Expenditure section of the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. A gain, representing the Council's net investment in the lease, is credited to the same line within the Comprehensive Income and Expenditure Statement as part of the profit or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal, matched by a long term lease debtor in the Balance Sheet for the capital value outstanding).

Subsequent lease rentals are apportioned between:

- A charge for the acquisition of the interest in the property – applied to write down the long term debtor; and
- Finance income – credited to the Financing and Investment Income and Expenditure section of the Comprehensive Income and Expenditure Statement.

The gain credited to the Comprehensive Income and Expenditure Statement on disposal is not permitted by statute to increase the General Fund balance and is required to be treated as a capital receipt. Where a premium is received, this is posted out of the General Fund balance to the Capital Receipts Reserve in the Movement in Reserves Statement. Where the amount due in relation to the lease asset is to be settled by the payment of rentals in future financial years, this is posted out of the General Fund balance to the Deferred Capital Receipts Reserve in the Movement in Reserves Statement. When the future rentals are received, the element of the capital receipt for the disposal of the asset is used to write down the lease debtor. At this point, the deferred capital receipts are transferred to the Capital Receipts Reserve.

The written off value of disposals is not a charge against Council Tax, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are therefore appropriated to the Capital Adjustment Account from the General Fund balance in the Movement in Reserves Statement.

# STATEMENT OF ACCOUNTS 2022/23

## Operating Leases

Where the Council grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the relevant line in the Net Cost of Services in the Comprehensive Income and Expenditure Statement. Credits are made on a straight line basis over the life of the lease, even if this does not match the pattern of payments.

## **20. Overheads and Support Services**

The costs of overheads and support services are charged to the service segments in accordance with the Council's arrangement for accountability and its financial performance arrangements.

## **21. Property, Plant and Equipment**

Assets that have physical substance and are held for use in the production 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 Council and that the costs of the item can be measured reliably. Expenditure that maintains but does not add value or increase an asset's potential to deliver future economic benefits or service potential is charged as an expense to the Comprehensive Income and Expenditure Statement.

### Measurement

Assets are initially measured at cost, comprising:

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

Where an asset is not fully completed and is still under construction at the balance sheet date, the cumulative historic cost at that point will be treated as an Asset Under Construction. Once the asset becomes operational in a subsequent year, the total historic cost is transferred from the Asset Under Construction category to the relevant asset category that the asset falls under. Where material, the asset will be formally revalued in line with the methodology below, in the year it becomes operational. Otherwise, the asset will be formally revalued in the year following its operational status.

The Council does not capitalise borrowing costs incurred whilst assets are under construction.

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

- Infrastructure Assets, Intangible Assets and Vehicles, Furniture, Plant and Equipment – depreciated historical cost;
- Assets Under Construction – historical cost;
- Council Dwellings – current value, determined using the basis of existing use value for social housing (EUV-SH);
- School Buildings – current value, but due to their specialist nature, are measured at depreciated replacement cost which is used as an estimate of current value;
- Surplus Assets – the current value measurement base is fair value, estimated at highest and best use from a market participant's perspective; and
- All other assets – current value, determined as the amount that would be paid for the asset in its existing use (existing use value – EUV).

In respect of the Council's Group Accounts, capital expenditure between the respective organisations, where material, will be recognised on the balance sheet following completion of the project where the asset becomes operational.

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 that have short useful lives or low values (or both), depreciated historical cost is used as a proxy for fair value.

Assets included in the Balance Sheet at fair value are revalued with sufficient regularity to ensure that their carrying amount is not materially different from their fair value at the year end, but as a minimum every 5 years. The Council's policy is to review all significant assets annually to ensure that the carrying values are materially accurate.

## STATEMENT OF ACCOUNTS 2022/23

Where assets are revalued in year, the Council's policy is to use the standard effective date of measurement of 30<sup>th</sup> September [the midpoint of the financial year] which minimises the risk of any significant changes in the carrying values presenting themselves by the 31<sup>st</sup> March reporting date. Upon review at the reporting date, where material changes to the valuations have materialised since the 30<sup>th</sup> September effective date, the Council's policy is to use the more recent valuation and effective date.

Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains are credited to the Comprehensive Income and Expenditure Statement 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); and
- Where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount is written down against the relevant service lines in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1<sup>st</sup> 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 accumulated gains); and
- 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 in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusting for the 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 useful life (e.g. freehold land and certain community assets) and assets that are not yet available for use i.e. Assets Under Construction.

Depreciation is calculated based on the average net book value using the following bases:

Category	Basis	No. Of Years
Council Dwellings	Straight Line	15 – 50
Other Buildings	Straight Line	15 – 60
Plant & Equipment (Contents)	Straight Line	3 – 24
Vehicles	Straight Line	5 – 8
Surplus Assets	Straight Line	5 – 40
Land	N/A	Infinite
Community Assets	N/A	N/A

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.

In respect of the Council's dwellings, the level of depreciation is charged on a material component basis as outlined below:

Depreciation Component	Useful Economic Life
Land	Indefinite
Host / Building	50
Roof	40
Windows / Doors	35
Bathroom	30
Kitchen	20
Boiler / Heating System	15

## STATEMENT OF ACCOUNTS 2022/23

Vehicles, Plant, Furniture & Equipment, Infrastructure Assets and Intangible Assets are fully depreciated down to nil based on their economic useful lives but remain on the Council's asset register until the following year. At this time, these assets are written out of the Council's books in terms of gross book value and the accumulated depreciation on the basis of prudence. Individual services may still hold the asset but due to the immaterial nature of the values involved, they are removed accordingly, based on the accounting policy for disposals as outlined below.

Revaluation gains are also depreciated, with an amount equal to the difference between the current value depreciation charged on assets and the depreciation that would have been chargeable based on 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 Surplus or Deficit on Provision of Services in the Comprehensive Income and Expenditure Statement. Gains in fair value are only recognised up to the amount of any previous losses recognised in the Surplus or Deficit on Provision of Services in the Comprehensive Income and Expenditure Statement.

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, amortisations 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.

Assets that are to be abandoned or scrapped are not classified as Assets Held for Sale.

When an asset is disposed of, demolished or decommissioned, the carrying amount of the asset in the Balance Sheet is written off to the Other Operating Expenditure section of the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal. Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

A proportion of receipts relating to housing disposals are payable to Central Government. The balance of receipts is required to be credited to the Capital Receipts Reserve, and then can only be used for new capital investment (or set aside to reduce the Council's underlying need to borrow). Receipts are appropriated to the reserve from the General Fund balance in the Movement in Reserves Statement.

The written off value of disposal 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.

## **22. Private Finance Initiative**

PFI contracts are agreements to receive services, where the responsibility for making available the Property, Plant or Equipment needed to provide the services passes to the PFI contractor. As the Council is deemed to control the services that are provided under its PFI schemes and as ownership of the Property, Plant or Equipment assets will pass to the Council at the end of the contracts for no additional charge, the Council carries these assets used in delivering the services on its Balance Sheet as part of Property, Plant and Equipment.

The original recognition of these fixed assets at fair value (based on the cost to purchase the Property, Plant or Equipment) was balanced by the recognition of a liability for amounts due to the scheme operator to pay for the assets. For the Secondary School Building Schools for the Future contract, the liability was written down by an initial capital contribution of £6.866M in 2010/11, an additional capital contribution of £25.540M in 2011/12 and a final capital contribution of £36.671M in 2012/13.

Non-current assets recognised on the Balance Sheet are revalued and depreciated in the same way as Property, Plant and Equipment owned by the Council.

The amounts payable to the PFI operators each year are analysed into five elements:

- Fair value of the services received during the year – debited to the relevant service in the Comprehensive Income and Expenditure Statement;
- Finance cost – a notional interest charge of 9.49% (BSF Phase 1), 9.28% (BSF Phase 2), 8.08% (BSF Phase 3), 9.01% (Primary Schools PFI), 7.11% (Cudworth LIFT), 3.33% (Darton LIFT) and 7.02% (Waste PFI) on the outstanding Balance Sheet liability, debited to the Financing and Investment Income and Expenditure section of the Comprehensive Income and Expenditure Statement;

## STATEMENT OF ACCOUNTS 2022/23

- Contingent rent – increases in the amount to be paid for the property arising during the contract, debited to the Financing and Investment Income section of the Comprehensive Income and Expenditure Statement;
- Payment towards liability – applied to write down the Balance Sheet liability towards the PFI operator; and
- Lifecycle replacement costs – expensed through the Comprehensive Income and Expenditure Statement as this expenditure has been deemed to be of a revenue nature within the contract.

### 23. **Provisions**

Provisions are made where an event has taken place which gives the Council an obligation that probably requires settlement by a transfer of economic benefits, which can be reliably estimated, but where the timing of the transfer is uncertain. For instance, the Council may be involved in a court case which could eventually result in the making of a settlement or the payment of compensation.

Provisions are charged to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the Council becomes aware of the obligation, based on the best estimate of the likely settlement. When payments are eventually made, they are charged to the provision set up in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year – where it becomes more likely than not that a transfer of economic benefits will not be required (or a lower settlement than anticipated is made), the provision (or part thereof) is reversed and credited back to the relevant service line in the Comprehensive Income and Expenditure Statement.

Where some or all of the payment required to settle a provision is expected to be met by another party (e.g. from an insurance claim), this is only recognised as income in the relevant service line of the Comprehensive Income and Expenditure Statement if it is virtually certain that reimbursement will be received if the obligation is settled.

### 24. **Contingent Liabilities**

A contingent liability arises where an event has taken place that gives the Council 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 Council. 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.

### 25. **Contingent Assets**

A contingent asset arises when an event has taken place that gives the Council 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 Council.

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.

### 26. **Reserves**

The Council sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by transferring amounts out of the General Fund balance. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then transferred back into the General Fund Balance so that there is no net charge against Council Tax for the expenditure.

Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments and retirement and employee benefits and therefore are not available for use by the Council – these reserves are explained in the notes to the accounts.

### 27. **Revenue Expenditure Funded from Capital Under Statute**

Expenditure incurred during the year, which may be capitalised under statutory provisions but 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 Council 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 there is no impact on the level of Council Tax.

## STATEMENT OF ACCOUNTS 2022/23

### 28. Value Added Tax (VAT)

VAT payable is included as an expense only to the extent that it is non-recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

### 29. Accounting for Schools

#### Maintained Community Schools

A maintained community school in England and Wales is a type of state-funded school that is run wholly by the Local Council. The Council is responsible for the school's admissions, owns the school's estate and employs the school's staff.

The Council is the freeholder of community school premises and has a significant role in the running of the school (e.g. administration procedures, employment and payroll of staff / management).

Accordingly, the school premises that fall under this category are recognised as Property, Plant & Equipment in the Council's Balance Sheet.

The income and expenditure of such schools is also recognised within the Council's Comprehensive Income & Expenditure Statement.

#### Voluntary Aided Schools

A voluntary aided school is a state-funded school in England and Wales in which a foundation or trust (usually a religious organisation) owns the school buildings, contributes to building costs and has a substantial influence in the running of the school. Such schools have more autonomy than voluntary controlled schools, which are entirely funded by the state.

Voluntary aided schools are a type of "maintained school", meaning that they receive all their income from Central Government via the Council, and do not charge fees to students. In contrast to other types of maintained school, only up to 90% of the capital costs of a voluntary aided school are met by Central Government. The foundation contributes the rest of the capital costs, owns the school's land and buildings and appoints a majority of the school governors. The governing body runs the school, employs the staff and decides the school's admission arrangements, subject to rules imposed by Central Government. Pupils follow the National Curriculum, except that faith schools may teach Religious Education according to their own faith.

Accordingly, the school premises of such schools have been de-recognised from the Council's Balance Sheet as these are controlled by the charitable organisation / trust. However, the Council does hold the freehold of the land in certain arrangements which thus remain on the Council's Balance Sheet.

The income and expenditure of such schools is recognised within the Council's Comprehensive Income & Expenditure Statement.

#### Voluntary Controlled Schools

A voluntary controlled school is a state-funded school in England, Wales and Northern Ireland in which a foundation or trust (usually a Christian denomination) has some formal influence in the running of the school. Such schools have less autonomy than voluntary aided schools, in which the foundation pays part of any building costs.

Voluntary controlled schools are a type of "maintained school", meaning that they are funded by Central Government via the Council, and do not charge fees to students. However, the land and buildings are typically owned by a charitable foundation or Trust organisation, which also appoints about a quarter of the school governors. However, the Council employs the school's staff and has primary responsibility for the school's admission arrangements. Pupils follow the National Curriculum.

In a similar way to Voluntary Aided Schools, the school premises of such schools have been de-recognised from the Council's Balance Sheet as these are maintained by the charitable organisation / trust. However, the Council does hold the freehold of the land in certain arrangements which thus remain on the Council's Balance Sheet.

The income and expenditure of such schools is recognised within the Council's Comprehensive Income & Expenditure Statement.

#### Academy Schools

An academy school in the education system in England is a type of school which is independent of Council control but is publicly funded, with some private sponsorship. The transfer of schools from the Council to an Academy generally takes the form of a 125 year lease.

The accounting for such arrangements follows the accounting policy for leases (see accounting policy 19 above).

Ordinarily, the lease of school premises is accounted for as a finance lease. Therefore, the assets relating to these arrangements are accounted for as disposals and subsequently de-recognised from the Council's Balance Sheet.



## STATEMENT OF ACCOUNTS 2022/23

The lease of school land is generally accounted for as an operating lease. Therefore, the assets relating to these arrangements are accounted for under IAS 16 and still remain on the Council's Balance Sheet at nil value.

The income and expenditure of such schools is not recognised within the Council's Comprehensive Income & Expenditure Statement.

### **30. Fair Value Measurement**

The Council measures some of its non-financial assets such as surplus assets and investment properties and some of its financial instruments such as equity shareholdings at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- a) in the principal market for the asset or liability, or
- b) in the absence of a principal market, in the most advantageous market for the asset or liability.

The Council measures the fair value of an asset or liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. When measuring the fair value of a non-financial asset, the Council takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Council uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Inputs to the valuation techniques in respect of assets and liabilities for which fair value is measured or disclosed in the Council's financial statements are categorised within the fair value hierarchy, as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities that the Council can access at the measurement date;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – unobservable inputs for the asset or liability.

# STATEMENT OF ACCOUNTS 2022/23

## TECHNICAL ANNEX B

### CRITICAL JUDGEMENTS AND ASSUMPTIONS / ESTIMATIONS MADE WITHIN THE ACCOUNTS

#### Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out in [Annex A](#), the Council has had to make certain judgements about complex transactions or those involving uncertainty about future events.

The critical judgements made in the Statement of Accounts are:

No	Item	Judgements
1	<b>Leases</b>	<p>The Council is party to a significant number of lease arrangements, both as lessee and lessor. In accounting terms, the Council has to make judgements around the substance of those leases to identify whether it has effective control of the associated assets.</p> <p>The judgement uses a number of factors such as whether the lease is for a major part of the economic life of the asset, whether the lease payments represent a significant proportion of the asset value and whether there's any clauses around the Council gaining ownership at the end of the term.</p> <p>Where the balance of assumed control resides with the Council [as lessee], the assets are accounted for as Council controlled assets, i.e., recognised on the Council's balance sheet.</p>
2	<b>Group Accounts</b>	<p>The Council currently produces a set of Group Accounts alongside its single entity accounts. In order to establish the entities that are included in the Council's group, there are a number of judgements around whether the Council effectively controls a number of organisations. Where the Council is judged to hold effective control, those entities are included in the Council's group boundary. For 2022/23, the Council consolidates two organisations, Penistone Grammar Trust and Berneslai Homes.</p>
3	<b>Schools</b>	<p>In formulating the accounts, the Council assesses each school based on its status as to determine the treatment of both the school assets, and the school's income and expenditure for the year.</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> All community schools are owned by the Council and the land and buildings used by the schools are included on the Council's Balance Sheet.</li> <li><input type="checkbox"/> Legal ownership of Voluntary Controlled (VC) and Voluntary Aided (VA) school land and buildings usually rests with a charity, normally by a religious body. Similarly, the services provided [education provision] from those assets are controlled by those religious bodies. Therefore, these assets are not included on the Council's Balance Sheet.</li> <li><input type="checkbox"/> Academies are not considered to be maintained schools in the Council's control. The land and building assets are either, not owned by the Council, or let on a long-term lease (125 years) by the Council and therefore not included on the Council's Balance Sheet.</li> </ul>

# STATEMENT OF ACCOUNTS 2022/23

## Key Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the Council about the future, or that are otherwise uncertain. Estimates are made considering historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Council's Balance Sheet at 31<sup>st</sup> March 2023 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

No	Item	Uncertainties	Effect If Actual Results Differ From Assumptions
1	<b>Non-Current Assets - Depreciation</b>	Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate makes it uncertain that the Council will be able to sustain its current spending on repairs and maintenance, bringing into doubt the useful lives assigned to assets.	If the useful life of assets is reduced, depreciation increases and the carrying amount of the assets falls. It is estimated that the total annual depreciation charge for all non-current assets would increase by £2.3M in 2022/23 if the useful lives had been reduced by one year.
2	<b>Non-Current Assets (Non Dwellings) - Valuations</b>	The Council's non-current assets are required to be carried at an up to date valuation. The Council adopts a rolling programme of works that captures all assets within the recommended 5 year period. In addition to this, the Council also reviews the largest 100 assets in terms of valuation, which covers a large proportion of the total asset value.	A reduction in the estimated valuations would result in reductions to the Revaluation Reserve and / or a loss recorded as appropriate in the Comprehensive Income and Expenditure Statement. If the value of the Council's operational properties (excluding Council Dwellings) were to reduce by 10%, this would result in a combined reduction to the Revaluation Reserve and a charge to the Comprehensive Income and Expenditure Statement of approximately £19M.
3	<b>Non-Current Assets (Dwellings) - Valuations</b>	The value of the Council's housing dwellings stock is calculated using beacon properties. These valuations are then adjusted for the vacant possession value for the properties and to reflect their occupation by a secure tenant. This adjustment is considered to reflect the additional risk and liability that public sector landlords undertake when compared with private sector investors	The fair value of the Council's housing dwellings stock as at 31 <sup>st</sup> March 2023 has been determined using MHCLG's Social Housing adjustment factor for Yorkshire and Humber of 41%. A 1% decrease in this adjustment factor would have resulted in reduction in valuation of approximately £20.7%.
4	<b>Provisions</b>	The Council has a number of provisions, the two largest being insurance fund and NNDR business rate appeals / rating list review. These provisions are based on the number of claims received and an average settlement amount. It is not certain that all valid claims have yet been received by the Council, or that precedents set by other authorities in the settlement of claims will be applicable.	Both of the Council's significant provisions are based on assumptions made on potential financial liabilities for the Council. For Business Rates, the Council utilises the Valuation Office's data to assess the potential of any appeals that may present themselves. Should the provision be estimated at 5% higher, then the in-year charge would increase by £0.1M. For the Insurance Fund, a list of outstanding claims is analysed with a percentage of expected rate of settlement of those claims. Should the overall provision be 5% higher, then the in-year charge would increase by £0.2M.
5	<b>Pensions Liability</b>	Estimation of the net liability to pay pensions 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 Council with expert advice about the assumptions to be applied.  See Note 37 for further details.	The effects on the net pension liability of changes in individual assumptions can be measured. For instance, a 0.1% decrease in the discount rate assumption would result in a increase in the pension liability of £18.3M. However, the assumptions interact in complex ways.  During 2022/23, the Council's actuaries advised that the net pension liability had decreased by £418.6M as a result of estimates relating to fund assets being corrected based on experience. Assets increased by £42.5M attributable to updating of the assumptions around pension liabilities impact of a decreased liability of £461.1M.
6	<b>Provision for Bad Debts</b>	The Council has a balance of sundry debtors that is subject to uncertainty in respect of the overall collectability. To mitigate this uncertainty and risk, the Council undertakes a review each year on the likelihood of the debt outstanding being recovered based on the respective stages of the debt. The Council provides for an element of this debt in the event of default, whilst still proceeding to collect, as long as this is economical viable.	As at 31 <sup>st</sup> March 2023, the Council had provided for £7.9M in respect of its sundry debtors balance. Should that provision had increased by 10%, then the in-year charge would increase by £0.8M

# STATEMENT OF ACCOUNTS 2022/23

## TECHNICAL ANNEX C

### ACCOUNTING STANDARDS REFERENCED BY THE CODE OF PRACTICE

The Code of Practice is based on approved accounting standards and reflects specific statutory accounting requirements. Compliance with The Code is therefore necessary (except in exceptional circumstances) in order that a Council's accounts give a 'true and fair' view of the financial position, financial performance and cash flows of the Council.

The requirements of International Financial Reporting Standards (IFRS) and other pronouncements by the International Accounting Standards Board in effect for accounting periods commencing on or before 1 January 2015 (as adopted by the EU) apply unless specifically adapted by The Code.

IFRS's are considered a "principles based" set of standards in that they establish broad rules as well as dictating specific treatments.

International Financial Reporting Standards comprise:

- Financial Reporting Standards (FRS);
- International Accounting Standards (IAS);
- International Financial Reporting Standards (IFRS);
- International Financial Reporting Interpretations Committee (IFRIC); and
- Standing Interpretations Committee (SIC).

A further set of interpretations, specifically for the Public Sector, are International Public Sector Accounting Standards (IPSAS).

There are also some UK GAAP accounting standards that remain relevant to Local Authorities as they have no equivalent standard under IFRS and The Code interprets them accordingly.

The paragraphs below give a brief description of the accounting standards that are referred to in CIPFA's Code of Practice. Where relevant, interpretations have been grouped with the standard that they are interpreting.

#### Financial Reporting Standards (FRS):

Accounting Standard	Link	Accounting Standard	Link
<b>FRS 25</b> – Financial Instruments: Presentation	<a href="#">FRS 25</a>	<b>FRS 26</b> – Financial Instruments: Recognition & Measurement	<a href="#">FRS 26</a>
<b>FRS 29</b> – Financial Instruments: Disclosures	<a href="#">FRS 27</a>	<b>FRS 102</b> – The Financial Reporting Standard Applicable in the UK	<a href="#">FRS 102</a>

#### International Accounting Standards (IAS)

Accounting Standard	Link	Accounting Standard	Link
<b>IAS 1</b> – Presentation of Financial Statements	<a href="#">IAS 1</a>	<b>IAS 2</b> – Inventories	<a href="#">IAS 2</a>
<b>IAS 7</b> – Statement of Cash Flows	<a href="#">IAS 7</a>	<b>IAS 8</b> – Accounting Policies, Changes in Accounting Estimates and Errors	<a href="#">IAS 8</a>
<b>IAS 10</b> – Events After the Reporting Period	<a href="#">IAS 10</a>	<b>IAS 11</b> – Construction Contracts	<a href="#">IAS 11</a>
<b>IAS 12</b> – Income Taxes	<a href="#">IAS 12</a>	<b>IAS 16</b> – Property, Plant and Equipment	<a href="#">IAS 16</a>
<b>IAS 17</b> – Leases	<a href="#">IAS 17</a>	<b>IAS 18</b> – Revenue	<a href="#">IAS 18</a>
<b>IAS 19</b> – Employee Benefits	<a href="#">IAS 19</a>	<b>IAS 20</b> – Accounting for Government Grants and Disclosure of Government Assistance	<a href="#">IAS 20</a>
<b>IAS 21</b> – Effects of Changes in Foreign Exchange Rates	<a href="#">IAS 21</a>	<b>IAS 23</b> – Borrowing Costs	<a href="#">IAS 23</a>
<b>IAS 24</b> – Related Party Disclosures	<a href="#">IAS 24</a>	<b>IAS 26</b> – Retirement Benefit Plans	<a href="#">IAS 26</a>
<b>IAS 27</b> – Consolidated and Separate Financial Statements	<a href="#">IAS 27</a>	<b>IAS 28</b> – Investments in Associates & Joint Ventures	<a href="#">IAS 28</a>
<b>IAS 29</b> – Financial Reporting in Hyperinflationary Economies	<a href="#">IAS 29</a>	<b>IAS 32</b> – Financial Instruments: Presentation	<a href="#">IAS 32</a>
<b>IAS 36</b> – Impairment of Assets	<a href="#">IAS 36</a>	<b>IAS 37</b> – Provisions, Contingent Liabilities and Assets	<a href="#">IAS 37</a>
<b>IAS 38</b> – Intangible Assets	<a href="#">IAS 38</a>	<b>IAS 39</b> – Financial Instruments: Recognition & Measurement	<a href="#">IAS 39</a>
<b>IAS 40</b> – Investment Property	<a href="#">IAS 40</a>	<b>IAS 41</b> – Agriculture	<a href="#">IAS 41</a>

## STATEMENT OF ACCOUNTS 2022/23

### International Financial Reporting Standards (IFRS)

Accounting Standard	Link	Accounting Standard	Link
<b>IFRS 2</b> – Share Based Payment	<a href="#">IFRS 2</a>	<b>IFRS 3</b> – Business Combinations	<a href="#">IFRS 3</a>
<b>IFRS 4</b> – Insurance Contracts	<a href="#">IFRS 4</a>	<b>IFRS 5</b> – Non-Current Assets Held for Sale and Discontinued Operations.	<a href="#">IFRS 5</a>
<b>IFRS 6</b> – Exploration for and Evaluation of Mineral Resources	<a href="#">IFRS 6</a>	<b>IFRS 7</b> – Financial Instruments: Disclosures	<a href="#">IFRS 7</a>
<b>IFRS 8</b> – Operating Segments	<a href="#">IFRS 8</a>	<b>IFRS 9</b> – Financial Instruments	<a href="#">IFRS 9</a>
<b>IFRS 10</b> - Consolidated Financial Statements	<a href="#">IFRS 10</a>	<b>IFRS 11</b> - Joint Arrangements	<a href="#">IFRS 11</a>
<b>IFRS 12</b> - Disclosure in Other Entities	<a href="#">IFRS 12</a>	<b>IFRS 13</b> - Fair Value Measurement	<a href="#">IFRS 13</a>
<b>IFRS 15</b> – Revenue from Contracts with Customers	<a href="#">IFRS 15</a>		

### International Financial Reporting Interpretations Committee (IFRIC)

Accounting Standard	Link	Accounting Standard	Link
<b>IFRIC 1</b> - Changes in Existing Decommissioning, Restoration & Similar Liabilities	<a href="#">IFRIC 1</a>	<b>IFRIC 4</b> – Determining Whether an Arrangement Contains a Lease.	<a href="#">IFRIC 4</a>
<b>IFRIC 5</b> - Rights to Interest Arising From Decommissioning, Restoration & Environmental Rehabilitation Funds	<a href="#">IFRIC 5</a>	<b>IFRIC 6</b> - Liabilities Arising From Participating in a Specific Market-Waste Electrical & Electronic Equipment	<a href="#">IFRIC 6</a>
<b>IFRIC 7</b> - Applying the Restatement Approach Under IAS 29	<a href="#">IFRIC 7</a>	<b>IFRIC 12</b> – Service Concession Arrangements	<a href="#">IFRIC 12</a>
<b>IFRIC 14</b> - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction (IAS 19 - Employee Benefits)	<a href="#">IFRIC 14</a>	<b>IFRIC 21</b> - Levies	<a href="#">IFRIC 21</a>

### Standing Interpretations Committee (SIC)

Accounting Standard	Link	Accounting Standard	Link
<b>SIC 15</b> - Operating Leases: Incentives	<a href="#">SIC 15</a>	<b>SIC 25</b> - Income Taxes: Changes in the Tax Status of an Entity or its Shareholders	<a href="#">SIC 25</a>
<b>SIC 27</b> - Evaluating the Substance of Transactions Involving The Legal Form of a Lease	<a href="#">SIC 27</a>	<b>SIC 29</b> - Disclosure - Service Concession Arrangements	<a href="#">SIC 29</a>
<b>SIC 32</b> - Intangible Assets: Web Site Costs	<a href="#">SIC 32</a>		

### International Public Sector Accounting Standards (IPSAS)

Accounting Standard	Link	Accounting Standard	Link
<b>IPSAS 1</b> - Presentation of Financial Statements	<a href="#">IPSAS 1</a>	<b>IPSAS 2</b> - Cash Flow Statements	<a href="#">IPSAS 2</a>
<b>IPSAS 3</b> - Accounting Policies, Changes in Accounting Estimates and Errors	<a href="#">IPSAS 3</a>	<b>IPSAS 4</b> - Effects of Changes in Foreign Exchange Rates	<a href="#">IPSAS 4</a>
<b>IPSAS 5</b> - Borrowing Costs	<a href="#">IPSAS 5</a>	<b>IPSAS 9</b> - Revenue From Exchange Transactions	<a href="#">IPSAS 9</a>
<b>IPSAS 10</b> - Financial Reporting in Hyperinflationary Economies	<a href="#">IPSAS 10</a>	<b>IPSAS 11</b> - Construction Contracts	<a href="#">IPSAS 11</a>
<b>IPSAS 12</b> - Inventories	<a href="#">IPSAS 12</a>	<b>IPSAS 13</b> - Leases	<a href="#">IPSAS 13</a>
<b>IPSAS 14</b> - Events After the Reporting Period	<a href="#">IPSAS 14</a>	<b>IPSAS 16</b> - Investment Property	<a href="#">IPSAS 16</a>
<b>IPSAS 17</b> - Property, Plant and Equipment	<a href="#">IPSAS 17</a>	<b>IPSAS 19</b> - Provisions, Contingent Liabilities and Assets	<a href="#">IPSAS 19</a>
<b>IPSAS 20</b> - Related Party Disclosures	<a href="#">IPSAS 20</a>	<b>IPSAS 21</b> - Impairment of Non-Cash Generating Assets	<a href="#">IPSAS 21</a>
<b>IPSAS 23</b> – Revenue From Non-Exchange Transactions (Taxes & Transfers)	<a href="#">IPSAS 23</a>	<b>IPSAS 25</b> - Employee Benefits	<a href="#">IPSAS 25</a>
<b>IPSAS 26</b> - Impairment of Cash Generating Assets	<a href="#">IPSAS 26</a>	<b>IPSAS 27</b> - Agriculture	<a href="#">IPSAS 27</a>
<b>IPSAS 28</b> - Financial Instruments: Presentation	<a href="#">IPSAS 28</a>	<b>IPSAS 29</b> - Financial Instruments: Recognition & Measurement	<a href="#">IPSAS 29</a>
<b>IPSAS 30</b> - Financial Instruments: Disclosures	<a href="#">IPSAS 30</a>	<b>IPSAS 31</b> - Intangible Assets	<a href="#">IPSAS 31</a>
<b>IPSAS 32</b> - Service Concession Arrangements: Grantor	<a href="#">IPSAS 32</a>	<b>IPSAS 34</b> - Separate Financial Statements	<a href="#">IPSAS 34</a>
<b>IPSAS 35</b> - Consolidated Financial Statements	<a href="#">IPSAS 35</a>	<b>IPSAS 36</b> - Investments in Associates and Joint Ventures	<a href="#">IPSAS 36</a>
<b>IPSAS 37</b> - Joint Arrangements	<a href="#">IPSAS 37</a>	<b>IPSAS 38</b> - Disclosure of Interests	<a href="#">IPSAS 38</a>
<b>IPSAS 39</b> - Employee Benefits	<a href="#">IPSAS 39</a>		

# STATEMENT OF ACCOUNTS 2022/23

## TECHNICAL ANNEX D

### ACCOUNTING STANDARDS THAT HAVE BEEN ISSUED BUT HAVE NOT YET BEEN ADOPTED

A Council shall 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. A Council shall provide known, or reasonably estimable information, relevant to assessing the possible impact that application of the new IFRS will have on the Council's financial statements, including the group statements in the period of initial application. 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 2023 for 2023/24).

There were no material changes to the 2022/23 Code resulting in any meaningful alteration in accounting policies.

Looking further ahead;

- Adoption of IFRS16 – Leases. The adoption of this standard was originally scheduled to be from the 1<sup>st</sup> April 2020 (for the 2020/21 financial year). Due to the impact of the COVID-19 pandemic and external auditor market, it has been subsequently deferred to 1st April 2024 [for 2024/25 accounts]. The Council has yet to quantify the potential impact of this adoption. Under IFRS 16 there will be no distinction between Finance and Operating Leases. All leases-in will come with a 'right of use' assets and corresponding liabilities being recognised on the council's balance sheet for all leases of more than a year's duration. This will bring all such leases within the scope of the statutory capital accounting framework for local authorities and will increase the Capital Financing Requirement. However, regulations will ensure that the total amount chargeable to the General Fund and to the HRA for former operating leases will match the actual payments due under the leases.

## TECHNICAL ANNEX E

### STATUTORY SOURCES

<b>Great Britain Legislation</b>
1 Local Government and Housing Act 1989 ( <i>including HRA in England and Wales</i> )
2 Local Government Finance Act 1992 ( <i>Council tax</i> )
3 Waste and Emissions Trading Act 2003 ( <i>Landfill allowances</i> )
<b>England &amp; Wales Legislation</b>
1 Local Government Act 1972
2 Superannuation Act 1972 ( <i>Pension funds</i> )
3 Local Government Finance Act 1988 ( <i>General Fund and Collection Fund</i> )
4 Local Government and Housing Act 1989
5 School Standards and Framework Act 1998 ( <i>School balances</i> )
6 Transport Act 2000
7 Education Act 2002 ( <i>Dedicated Schools Grant</i> )
8 Local Government Act 2003, Part 1 ( <i>Capital finance and accounts</i> )
9 Local Government Act 2003, Part IV ( <i>Business Improvement Districts</i> )
10 Waste and Emissions Trading Act 2003
11 Public Audit (Wales) Act 2004
12 National Health Service Act 2006
13 National Health Service (Wales) Act 2006
14 Planning Act 2008 ( <i>Community Infrastructure Levy</i> )
15 Business Rate Supplements Act 2009
16 The Local Audit and Accountability Act 2014
17 The Accounts and Audit (Wales) Regulations 2014 (Welsh SI)