

## Change required to the Statement of Accounts 2024/25

The statement of accounts 2024/25 submitted to the Audit and Governance Committee 26<sup>th</sup> February 2026 requires a material change, The change is in relation to a IFRIC14 pension adjustment which was applied to an incorrect line in the Income and Expenditure statement. The value was £128m and requires the following changes to the accounts. A revised set of accounts have been also submitted alongside this document.

## Revised Income and Expenditure Statement 2024/25

2023/24			2024/25			
Gross Expenditure	Gross Income	Net Expenditure		Gross Expenditure	Gross Income	Net Expenditure
£'000	£'000	£'000		£'000	£'000	£'000
317,850	(184,012)	133,838	Wellbeing	340,412	(203,802)	136,610
285,228	(156,373)	128,855	Children's Services	312,494	(163,644)	148,850
235,575	(131,731)	103,844	Operations	238,410	(128,023)	110,387
46,985	(13,029)	33,956	Resources	51,018	(12,865)	38,153
43,488	(54,812)	(11,323)	Housing Revenue Account	37,770	(59,094)	(21,324)
112,149	(98,173)	13,976	Corporate Items	104,895	(100,538)	4,357
<b>1,041,275</b>	<b>(638,129)</b>	<b>403,145</b>	<b>Cost of Services</b>	<b>1,084,999</b>	<b>(667,966)</b>	<b>417,033</b>
2,078	-	2,078	Other Operating Expenditure (see Note 9)	42,085	-	42,085
79,866	(70,580)	9,285	Financing and Investment Income and Expenditure (see Note 10)	<b>86,365</b>	(73,041)	13,324
-	(363,640)	(363,640)	Taxation and Non-Specific Grant Income (see Note 11)	-	(400,911)	(400,911)
<b>1,123,218</b>	<b>(1,072,350)</b>	<b>50,868</b>	<b>(Surplus) or Deficit on Provision of Services</b>	<b>1,213,449</b>	<b>(1,141,918)</b>	<b>71,531</b>
		(59,475)	(Surplus) / Deficit on Revaluation of Non-Current Assets			(97,040)
		(105,779)	Re-measurement of the Net Defined Benefit Liability			<b>(88,366)</b>
		<b>(165,254)</b>	<b>Other Comprehensive Income and Expenditure</b>			<b>(185,406)</b>
		<b>(114,386)</b>	<b>Total Comprehensive Income and Expenditure</b>			<b>(113,875)</b>

## Revised Movement in Reserves Statement 2024/25

### MOVEMENT IN RESERVES STATEMENT 2024/25

	General Fund Unearmarked Reserves	General Fund Earmarked Reserves	Total General Fund Reserve	Housing Revenue Account Unearmarked	HRA Major Repairs Allowance	Capital Receipts Reserve	Capital Grants Unapplied Account	Total Usable Reserves	Total Unusable Reserves	Total Authority Reserves
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance as at 1 April 2024	(26,114)	(45,403)	(71,517)	(5,503)	0	(9,295)	(48,708)	(135,023)	(1,383,192)	(1,518,215)
(Surplus) or Deficit on Provision of Services (accounting basis) - CIES	<b>97,673</b>	-	97,673	(26,142)	-	-	-	71,531	-	71,531
Other Comprehensive Income and Expenditure - CIES	-	-	-	-	-	-	-	-	<b>(185,406)</b>	(185,406)
<b>Total Comprehensive Income and Expenditure</b>	<b>97,673</b>	-	<b>97,673</b>	<b>(26,142)</b>	-	-	-	<b>71,531</b>	<b>(185,406)</b>	<b>(113,874)</b>
Adjustments Between Accounting Basis and Funding Basis under Regulations (See Note 7)	(113,409)	-	(113,409)	21,201	(1,939)	(2,603)	(3,264)	(100,014)	100,014	-
<b>Net (Increase) / Decrease before Transfers to/ from Earmarked Reserves</b>	<b>(15,736)</b>	-	<b>(15,736)</b>	<b>(4,941)</b>	<b>(1,939)</b>	<b>(2,603)</b>	<b>(3,264)</b>	<b>(28,483)</b>	<b>(85,392)</b>	<b>(113,874)</b>
Transfers (to) / from Earmarked Reserves (See Note 8)	14,524	(14,524)	-	-	-	-	-	-	-	-
<b>(Increase) / Decrease in Year</b>	<b>(1,211)</b>	<b>(14,524)</b>	<b>(15,736)</b>	<b>(4,941)</b>	<b>(1,939)</b>	<b>(2,603)</b>	<b>(3,264)</b>	<b>(28,483)</b>	<b>(85,392)</b>	<b>(113,874)</b>
Balance at 31 March 2025	(27,326)	(59,927)	(87,253)	(10,444)	(1,939)	(11,898)	(51,973)	(163,506)	(1,468,583)	(1,632,090)

## Revised Cash Flow Statement 2024/25

### CASH FLOW STATEMENT 2024/25

	Note	2023/24 £'000	2024/25 £'000
Net surplus or (deficit) on the provision of services		(50,868)	(71,531)
Adjustment to surplus or deficit on the provision of services for noncash movements	21	141,607	121,498
Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities	21	(56,100)	(88,406)
Net Cash flows from operating activities		<b>34,639</b>	<b>(38,439)</b>
Net Cash flows from Investing Activities	22	(24,906)	(43,999)
Net Cash flows from Financing Activities	23	21,070	57,291
Net increase or (decrease) in cash and cash equivalents		<b>30,803</b>	<b>(25,147)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>(9,824)</b>	<b>20,979</b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>20,979</b>	<b>(4,168)</b>

#### 7. Analysis of Adjustments Between Accounting Basis and Funding Basis under Regulations 2024/25 – (Cont'd.)

	General Fund £'000	Housing Revenue Account £'000	Major Repair Reserve £'000	Capital receipts reserve £'000	Capital Grants Unapplied Account £'000	Total Usable Reserves £'000	Unusable Reserves £'000	Total Authority Reserves £'000
<b>Sub Total Bfwd from previous page</b>	(35,879)	21,029	-	(2,603)	(3,264)	(20,718)	20,718	-
<b>Adjustments Primarily Involving the Major Repairs Reserve:</b>								
Transfer of HRA Depreciation to Major Repairs Reserve	-	-	(15,141)	-	-	(15,141)	15,141	-
Use of Major Repairs Reserve to repay debt	-	-	-	-	-	-	-	-
Use of Major Repairs Reserve to finance new Capital Expenditure	-	-	13,201	-	-	13,201	(13,201)	-
<b>Adjustments Primarily involving the Deferred Capital Receipts Reserve:</b>								
Transfer of Deferred Sale Proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	-	-	-	-	-	-	-	-
<b>Adjustments Primarily involving the Financial Instruments Adjustment Account:</b>								
Amount by which Finance Costs charged to the Comprehensive Income and Expenditure Statement are different from the Finance Costs chargeable in the year in accordance with statutory requirements	5	-	-	-	-	5	(5)	-
<b>Adjustments Primarily involving the Pensions Reserve:</b>								
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement	(38,308)	170	-	-	-	(38,138)	38,138	-
Employer's Pensions Contributions and direct payments to Pensioners payable in the year	35,647	-	-	-	-	35,647	(35,647)	-
<b>Sub Total Carried overleaf</b>	<b>(38,536)</b>	<b>21,199</b>	<b>(1,939)</b>	<b>(2,603)</b>	<b>(3,264)</b>	<b>(25,143)</b>	<b>25,143</b>	<b>-</b>

## 10. Financing and Investment Income and Expenditure

	<b>2023/24</b>	<b>2024/25</b>
	<b>£'000</b>	<b>£'000</b>
Interest payable and similar charges	9,255	11,922
Net interest on the net defined benefit liability/asset	8,290	6,460
Interest receivable and similar income	(4,766)	(2,751)
Income and expenditure in relation to investment properties	(5,069)	(3,868)
Changes in their fair value of investment properties	1,575	1,561
<b>Total</b>	<b>9,285</b>	<b>13,324</b>

## 21. Cash Flow Statement - Operating Activities

The cash flows for operating activities include the following items:

	<b>2023/24</b>	<b>2024/25</b>
	<b>£'000</b>	<b>£'000</b>
Interest Received	4,450	2,313
Interest Paid	(9,255)	(11,801)
Dividends	310	311
	<b>2023/24</b>	<b>2024/25</b>
	<b>£'000</b>	<b>£'000</b>
Depreciation	56,752	65,111
Impairment and downward valuations	14,321	1,464
Amortisation	165	126
Movements in pension liabilities	(177)	2,491
Increase / (decrease) in creditors	(4,199)	(3,067)
(Increase) / decrease in debtors	34,415	2,548
(Increase) / decrease in inventories	289	229
Carrying amount of non-current assets and non-current assets held for sale, sold or derecognised	8,226	50,737
Movement in Investment Property Values	1,575	1,561
Other non-cash items charged to the net surplus or deficit on the provision of services	30,240	298
	<b>141,607</b>	<b>121,498</b>

## GROUP COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

Gross Expenditure 2023/24 £'000	Gross Income 2023/24 £'000	Net Expenditure 2023/24 £'000		Gross Expenditure 2024/25 £'000	Gross Income 2024/25 £'000	Net Expenditure 2024/25 £'000
317,850	(184,012)	133,838	Wellbeing	339,790	(202,638)	137,152
285,228	(156,373)	128,855	Children's Services	312,494	(163,644)	148,850
239,196	(134,407)	104,789	Operations	241,910	(130,578)	111,332
46,985	(13,029)	33,956	Resources	51,018	(12,865)	38,153
43,488	(54,812)	(11,324)	Housing Revenue Account	37,770	(59,094)	(21,324)
112,149	(98,173)	13,976	Corporate Items	104,895	(100,538)	4,357
<b>1,044,896</b>	<b>(640,806)</b>	<b>404,090</b>	<b>COST OF SERVICES</b>	<b>1,087,877</b>	<b>(669,357)</b>	<b>418,520</b>
2,078	(3,264)	(1,186)	Other Operating Expenditure	42,085	(3,800)	38,285
79,866	(70,580)	9,286	Financing and Investment Income and Expenditure	86,715	(73,185)	13,530
-	(363,640)	(363,640)	Taxation and Non-Specific Grant Income	(18)	(400,911)	(400,929)
<b>1,126,840</b>	<b>(1,078,290)</b>	<b>48,550</b>	<b>(Surplus) / Deficit on Provision of Services</b>	<b>1,216,659</b>	<b>(1,147,253)</b>	<b>69,406</b>
		(59,475)	(Surplus) / Deficit on Revaluation of Non-current Assets			(97,040)
		(105,779)	Re-measurement of Net Defined Benefit Liability			(88,366)
		<b>(165,254)</b>	<b>Other Comprehensive Income and Expenditure</b>			<b>(185,406)</b>
		<b>(116,704)</b>	<b>Total Comprehensive Income and Expenditure</b>			<b>(116,000)</b>

### GROUP MOVEMENT IN RESERVES STATEMENT 2024/25

	General Fund Unearmarked	GF Earmarked Reserves	Total General Fund	Housing Revenue Account Unearmarked	HRA Major Repairs Allowance	Capital Receipts Reserve	Capital Grants Unapplied Account	Total Usable Reserves	Unusable Reserves	Total Authority Reserves	Authority's share of the reserves of subsidiaries	Total Reserves
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2024	(26,114)	(45,404)	(71,518)	(5,503)	0	(9,295)	(48,708)	(135,025)	(1,383,192)	(1,518,216)	(95,238)	(1,613,454)
Adjusted Balance at 1 April 2024 for Titico	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted Balance at 1 April 2024	(26,114)	(45,404)	(71,518)	(5,503)	0	(9,295)	(48,708)	(135,025)	(1,383,192)	(1,518,216)	(97,689)	(1,615,905)
(Surplus) or Deficit on Provision of Services (accounting basis) - CIES	97,673	-	97,673	(26,142)	-	-	-	71,531	-	71,531	(2,125)	69,406
Other Comprehensive Income and Expenditure - CIES	-	-	-	-	-	-	-	-	(185,406)	(185,406)	-	(185,406)
<b>Total Comprehensive Income and Expenditure</b>	<b>97,673</b>	<b>-</b>	<b>97,673</b>	<b>(26,142)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>71,531</b>	<b>(185,406)</b>	<b>(113,875)</b>	<b>(2,125)</b>	<b>(116,000)</b>
Adjustments Between Group Accounts and Authority Accounts	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments Between Accounting Basis and Funding Basis under Regulations	(241,477)	-	(241,477)	21,201	(1,939)	(2,603)	(3,264)	(228,082)	228,082	-	-	-
<b>Net (Increase) / Decrease before Transfers to/from Earmarked Reserves</b>	<b>(143,804)</b>	<b>-</b>	<b>(143,804)</b>	<b>(4,941)</b>	<b>(1,939)</b>	<b>(2,603)</b>	<b>(3,264)</b>	<b>(156,551)</b>	<b>42,676</b>	<b>(113,875)</b>	<b>(2,125)</b>	<b>(116,000)</b>
Transfers (to) / from Earmarked Reserves	14,524	(14,524)	0.00	-	-	-	-	0.00	-	-	-	-
<b>(Increase) / Decrease in Year</b>	<b>(129,280)</b>	<b>(14,524)</b>	<b>(143,804)</b>	<b>(4,941)</b>	<b>(1,939)</b>	<b>(2,603)</b>	<b>(3,264)</b>	<b>(156,551)</b>	<b>42,676</b>	<b>(113,875)</b>	<b>(2,125)</b>	<b>(116,000)</b>
Balance at 31 March 2025	(155,394)	(59,928)	(215,322)	(10,444)	(1,939)	(11,898)	(51,972)	(291,576)	(1,340,516)	(1,632,091)	(99,814)	(1,731,905)

## GROUP CASH FLOW STATEMENT

	2023/24	2024/25
	£'000	£'000
<b>Net (Deficit)/Surplus on the provision of services</b>	<b>(48,549)</b>	<b>(69,406)</b>
Adjust net Deficit on the Provision of Services for Non Cash Movements	139,288	119,373
Adjust for Items included in the Net Deficit on the Provision of Services that are Investing and Financing Activities	(56,048)	(89,880)
<b>Net Cash Flows from Operating Activities</b>	<b>34,691</b>	<b>(39,913)</b>
Investing Activities	(24,906)	(44,161)
Financing Activities	21,070	57,291
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>30,855</b>	<b>(26,783)</b>
Cash and Cash Equivalents at Beginning of the Reporting Period	(9,369)	27,917
<b>Cash and Cash Equivalents at End of the Reporting Period</b>	<b>21,486</b>	<b>1,134</b>