

# Statement of Accounts

## Summary 2013/14

### **Introduction**

This summary provides details of the Council's spending during 2013/14, shows how the spending was funded and the financial position at the end of March 2014.

The Council's full set of accounts (the Statement of Accounts), which were approved at the Council's Audit Committee on 23<sup>rd</sup> September 2014, runs to 120 pages.

This summary is intended to give the reader a brief, uncomplicated view of the Council's finances in 2013/14.

The Statement of Accounts complies with proper accounting practice for local government. For the purpose of this statement, some modifications have been made to make them more meaningful to non-technical users.

It should be noted that these summary accounts are not subject to external audit review.

A full copy of the Council's 2013/14 detailed accounts is available on the Council's website ([http://www.doncaster.gov.uk/sections/councilanddemocracy/policiesplansandperformance/councilfinances/The\\_Statement\\_of\\_Accounts.aspx](http://www.doncaster.gov.uk/sections/councilanddemocracy/policiesplansandperformance/councilfinances/The_Statement_of_Accounts.aspx)).

### **Financial Performance**

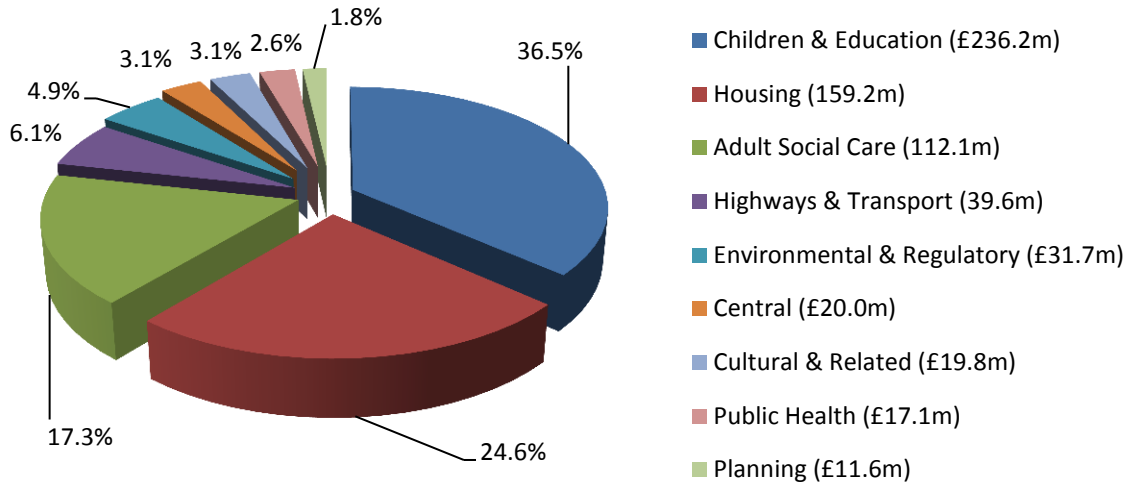
The Council's financial performance for the year was reported to the Cabinet in June 2014. The reported underspend has increased the General Fund reserves to £17.5m.

It is a legal requirement that expenditure and income relating to Local Authority housing provision be accounted for separately. The balance of funds held in respect of the Housing Revenue Account as at 31<sup>st</sup> March 2014 is £5.9m (2012/13: £9.3m).

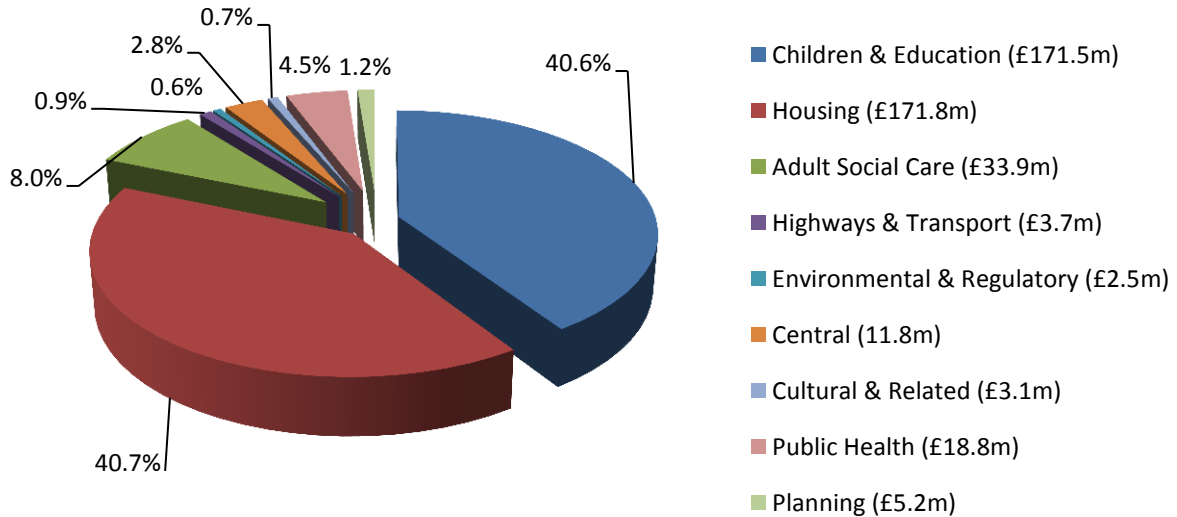
### **Cost of the Council's Services**

The Comprehensive Income and Expenditure Statement ('CI&ES') for 2013/14 shows the net cost of running the Council's services (£225.0m) between April 2013 and March 2014.

## CI&ES Gross Expenditure (£647.3m)



## CI&ES Gross Income (£422.3m)

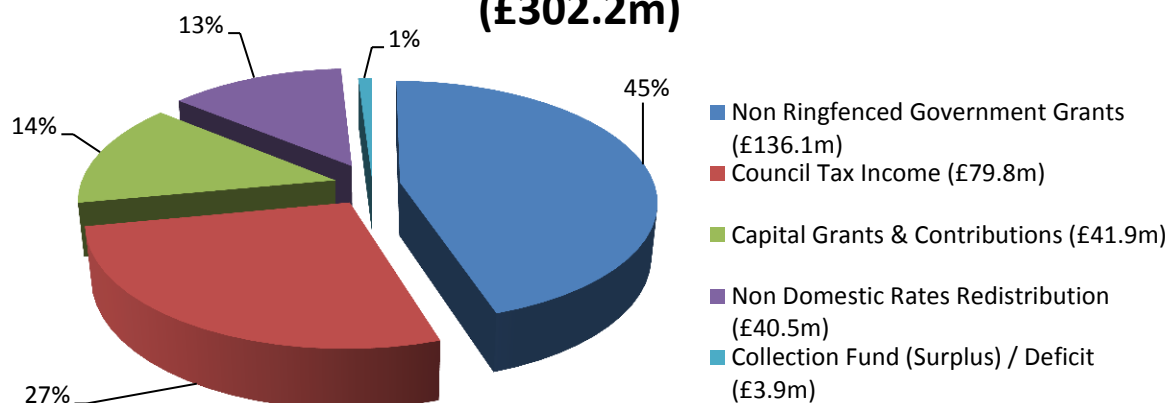


### (Surplus) / Deficit on Provision of Services

£'m

Gross Service Expenditure (as above)	647.3
Gross Service Income (as above)	(422.3)
<b>Net Cost of Services</b>	<b>225.0</b>
Other Operating Expenditure (e.g. losses on disposal of non-current assets)	53.4
Financing and Investment Income & Expenditure (e.g. pensions interest cost)	29.9
<b>Amount to be met by Government Grants &amp; Local Taxation</b>	<b>308.3</b>
Taxation and Non-Specific Grant Income (see below)	(302.2)
<b>Net deficit on provision of services</b>	<b>6.1</b>

## Taxation and Non-Specific Grant Income (£302.2m)



It should be noted that in 2013/14, Doncaster's Council Tax was the 3<sup>rd</sup> lowest Council Tax (Band D) of the 91 Metropolitan Districts and Unitary Authorities in England.

### **Financial outturn position 2013/14**

The below table shows the reconciliation between the figure reported in the CI&ES to the position reported to Cabinet in June as part of the 2013/14 outturn report.

The CI&ES includes some costs and incomes that are not allowed to be charged as income and expenditure in the General Fund (the account used to set the level of council tax).

It is therefore necessary to adjust the surplus or deficit on the CI&ES to obtain the movement on the General Fund.

	Total	General Fund	HRA
	£m	£m	£m
<b>(Surplus) / Deficit on Provision of Services (CI&amp;ES) (as above)</b>	<b>6.1</b>	<b>3.5</b>	<b>2.6</b>
Adjustments for costs not to be included within Council Tax, includes depreciation, capital grants and contributions, gains and losses on disposal of non-current assets etc.	<u>(18.1)</u>	<u>(18.8)</u>	<u>0.7</u>
Total before transfers to / from earmarked reserves	(12.0)	(15.3)	3.3
Transfer to / (from) earmarked reserves	<u>9.7</u>	<u>9.7</u>	<u>0.0</u>
(Increase)/Decrease in 2013/14	(2.3)	(5.6)	3.3
Opening balance 1 <sup>st</sup> April 2013	<u>(21.1)</u>	<u>(11.9)</u>	<u>(9.2)</u>
<b>Closing balance 31<sup>st</sup> March 2014 (outturn position)</b>	<b><u>(23.4)</u></b>	<b><u>(17.5)</u></b>	<b><u>(5.9)</u></b>

## Cash Flow Statement

This represents the Council's movement in cash (and cash equivalents) during the year. Cash flows from operating activities are cash generated from the Council's core business activities.

Investing activities are those activities which include capital expenditure and acquisitions.

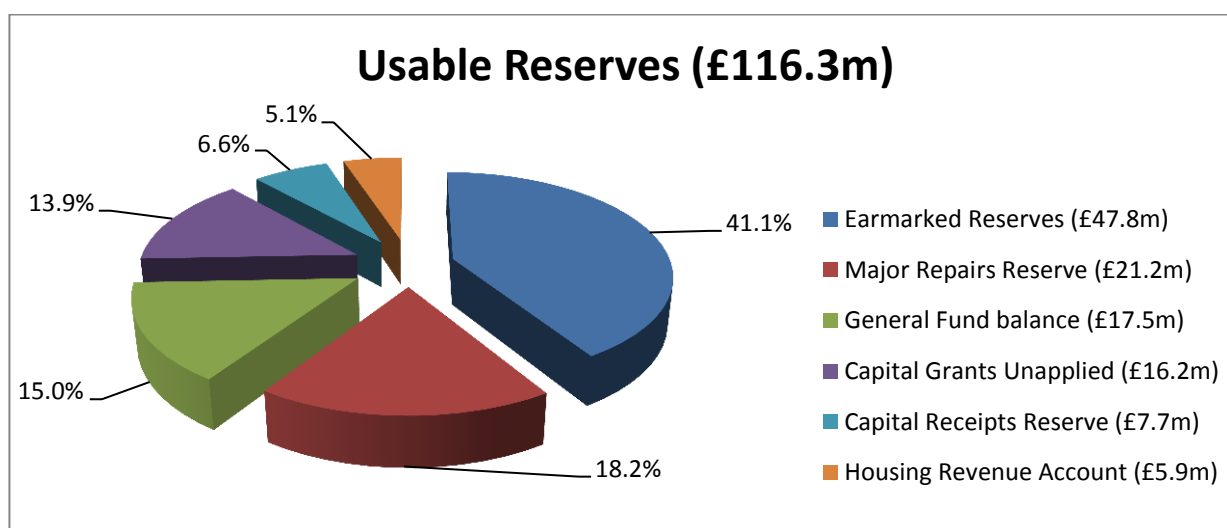
Financing activities include activities such as the issue and repayment of debt.

	£m
<b>Cash and cash equivalents 1<sup>st</sup> April 2013</b>	<b>27.7</b>
plus Net Cash Flows from Operating Activities	32.1
less Net Cash Flows from Investing Activities	(5.0)
plus Net Cash Flows from Financing Activities	5.4
<b>Cash and cash equivalents 31<sup>st</sup> March 2014 (see Balance Sheet below)</b>	<b>60.2</b>

## Balance Sheet

This provides a statement of the Council's financial standing at the financial year end. It shows what the Council owns (its assets) and what it owes (its liabilities) and the funds which support them.

<u>Balance Sheet</u>	31 <sup>st</sup> March 2014
	£m
Non-Current Assets (e.g. Property, Plant & Equipment)	1,312.4
Current Assets (e.g. short term debtors)	82.7
Cash and cash equivalents	60.2
Current Liabilities (e.g. short term creditors, short term borrowing)	(190.6)
Long Term Liabilities (e.g. long term borrowing, pension deficit)	(668.7)
<b>Net Worth (31<sup>st</sup> March 2013: £480.9m)</b>	<b>596.0</b>
<b>Financed by:</b>	
Usable Reserves (see below)	116.3
Unusable Reserves	479.7
<b>Net Worth (31<sup>st</sup> March 2013: £480.9m)</b>	<b>596.0</b>

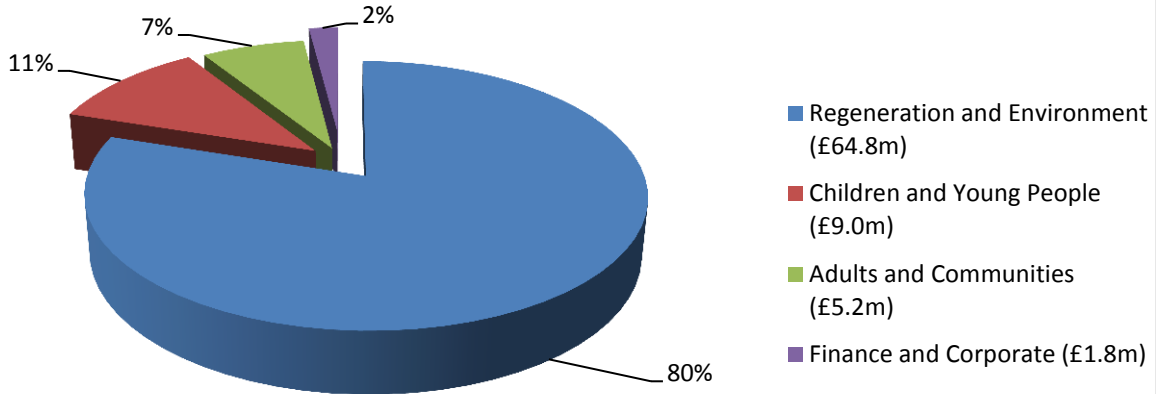


## Capital Expenditure

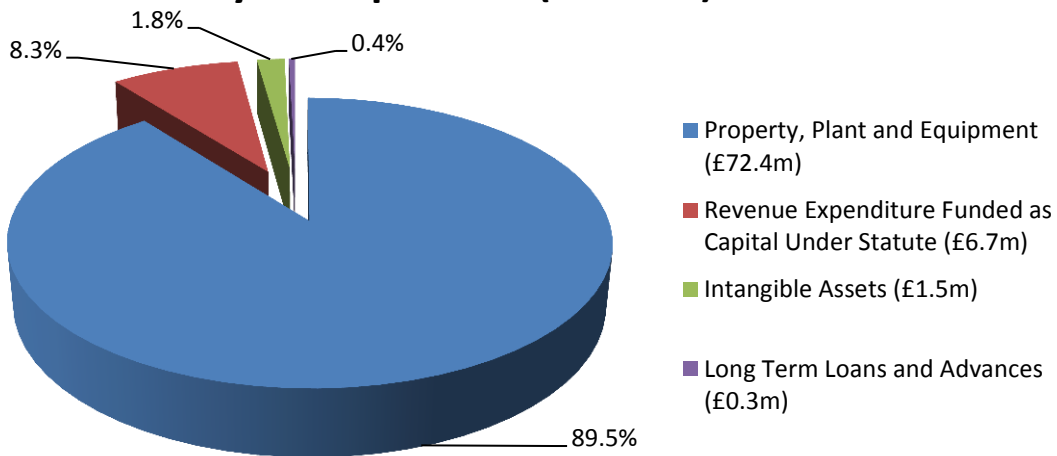
Capital expenditure represents money spent by the Council to purchase, upgrade or improve assets such as buildings, vehicles and roads. The distinction between capital and revenue expenditure is that the Council and its communities receive the benefit from capital expenditure over a longer period of time, usually over a number of years.

In the year the Council spent **£80.8m** on capital expenditure.

### Where the money was spent (£80.8m)



### What the money was spent on (£80.8m)



### How the costs were financed (£80.8m)

