



Audit Committee Report

| | |
|----------------------------|--|
| Report of: | Eugene Walker |
| Date: | 17 July 2014 |
| Subject: | 2013/14 Statement of Accounts |
| Author of Report: | Allan Rainford (35108) |
| Summary: | The purpose of this report is to provide Members of the Audit Committee with a summary of the 2013/14 Statement of Accounts and explain the core statements and a number of the key notes to the accounts. |
| Recommendations: | The Audit Committee is asked to note the core statements and the key notes to the Statement of Accounts for 2013/14. |
| Background Papers: | None |
| Category of Report: | OPEN |

Statutory and Council Policy Checklist

| |
|---|
| Financial Implications |
| NO |
| Legal Implications |
| NO |
| Equality of Opportunity Implications |
| NO |
| Tackling Health Inequalities Implications |
| NO |
| Human rights Implications |
| NO |
| Environmental and Sustainability implications |
| NO |
| Economic impact |
| NO |
| Community safety implications |
| NO |
| Human resources implications |
| NO |
| Property implications |
| NO |
| Area(s) affected |
| None |
| Relevant Cabinet Portfolio Leader |
| Ben Curran |
| Relevant Scrutiny Committee if decision called in |
| Not applicable |
| Is the item a matter which is reserved for approval by the City Council? |
| NO |
| Press release |
| NO |

AUDIT COMMITTEE – 17 JULY 2014

STATEMENT OF ACCOUNTS 2013/14

Purpose of the Report

1. The purpose of this report is to provide Members of the Audit Committee with a summary of the 2013/14 Statement of Accounts and explain the core statements and a number of the key notes to the accounts. A full set of the draft accounts is now available on the Council's website. A full set of the final audited accounts will be presented to the Audit Committee on 25 September 2014.
2. This report also outlines the approval process for the statement of accounts and the Audit Committee's role in this process.

Introduction

3. The Statement of Accounts has been prepared in accordance with the IFRS-based (International Financial Reporting Standards) Code of Practice on Local Authority Accounting in the United Kingdom and the statutory Accounts and Audit Regulations. This ensures that local authorities produce their Accounts in a standard way, which facilitates comparisons.
4. The Accounts and Audit Regulations 2011 sets out the procedures for certification, approval and publication of the Statement of Accounts. The approval process is as follows:
 - 30 June 2014 – Unaudited accounts to be certified by the Executive Director of Resources
 - July to September 2014 – The statement of accounts are subject to audit by the Authority's auditors, KPMG, and their findings will be reported to the Audit Committee in September. During this time there is a period where the public can inspect the accounts and related documents (18 July – 14 August 2014)
 - No later than 30 September 2014 – Accounts to be re-certified by the Executive Director of Resources.
 - No later than 30 September 2014 – Audit Committee considers and approves the statement of accounts. Following approval, the Chair of

the Audit Committee signs and dates the Statement of Accounts.

- No later than 30 September 2014 – Publish, on the Council’s website, the audited statement of accounts together with any certificate, opinion or report issued by the auditor.

Local authority accounting

5. The presentation of local authority accounts differs greatly to that of the private sector. Many of these differences occur due to legislative requirements for local government accounts and the recognition of costs for the purposes of budgeting and calculating the council tax. These differences mainly relate to the way the Council is required to account (or budget) for capital and pension costs.
6. Local authorities account for capital in line with IFRS on the face of the Comprehensive Income and Expenditure Statement (CI&ES). This means including figures relating to movements in the value/cost of assets, including depreciation, revaluation, disposal and impairment. These “adjustments between accounting basis and funding basis under regulation” are shown in Note 9 to the draft accounts.
7. In terms of pension costs, local authorities are required to comply with an International Accounting Standard called IAS 19 (*Employee Benefits*), which means accounting for pension liabilities when local authorities are committed to giving them, not when they are actually paid out. This includes showing movements in the value of pension scheme assets and liabilities.
8. The Council complies with IAS 19 and recognises the Council’s share of the net liability of the South Yorkshire Pension Scheme in the balance sheet. Within the CI&ES the ‘Cost of Service’ figures have been adjusted so they represent the true costs of pensions earned. As stated above, IAS 19 does not have any effect on the calculation of the Council Tax Requirement as they are again reversed out in an adjustment between accounting basis and funding basis under regulation.
9. The report on the Council’s Revenue Outturn position at the end of the 2013/14 financial year was considered by Cabinet on 18 June 2014. This reported that there was an overall overspend on the General Fund of approximately £0.4m before movement on reserves. In contrast to this, the CI&ES reports a ‘surplus’ of £60.5m. The inclusion of items relating to

capital and pensions is the major reason for this difference. The table below shows the reconciliation from the outturn position to the eventual CI&ES surplus:

| | £'000 |
|---|-----------------|
| Overspend on General Fund Revenue Account (per outturn report) | 416 |
| Net contributions to revenue reserves | (8,378) |
| Surplus on Housing Revenue Account | (11,376) |
| Surplus on Schools Accounts | (921) |
| Total Underspend | (20,259) |
| Removal of debt charges | (28,087) |
| Removal of pension contributions | (44,589) |
| <i>Items that do not affect Council Tax:</i> | |
| Inclusion of accounting charges for depreciation, impairment, holiday pay, PFI, etc. | 173,215 |
| Gains and losses on Revaluation of Non-Current Assets, Pension Assets and other items | (140,738) |
| Surplus on Income & Expenditure Statement | (60,458) |

10. The Statement of Accounts comprise several key statements:

- Movement in Reserves Statement – Appendix 1
- Comprehensive Income and Expenditure Statement – Appendix 2
- Balance Sheet – Appendix 3
- Cash Flow Statement – Appendix 4
- Key Notes to the Core Financial Statements – Appendix 5
- Housing Revenue Account Income and Expenditure Account – Appendix 6
- Collection Fund – Appendix 7

Movement in Reserves – **Appendix 1**

11. This Statement shows the movement in the year on the different reserves held by the authority, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other unusable reserves.

12. The Surplus (or Deficit) on the provision of services line shows the true economic cost of providing the authority's services, more details of which are shown in the CIES. These are different from the statutory amounts required to be charged to the General Fund Balance and Housing Revenue Account for Council Tax setting and dwellings rent setting purposes, therefore an adjustment is made to the movement in reserves statement for adjustments between accounting basis and funding basis under regulation.
13. 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.

Comprehensive Income and Expenditure Statement – **Appendix 2**

14. 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 (Council Tax). As stated earlier, local authorities raise taxation to cover expenditure in accordance with regulations and this is often different from the accounting cost.
15. The presentation of the cost of services is presented using the CIPFA Service Reporting Code of Practice (SeRCOP) classification, a statutory requirement. This is so comparisons between different local authorities can be made.

Consolidated Balance Sheet – **Appendix 3**

16. The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the authority. The net assets of the authority (assets less liabilities) are matched by the reserves held by the authority.
17. Reserves are reported in two categories:
 - Usable reserves - those reserves that the authority may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use.
 - Unusable reserves - those that cannot be used to provide services. This category includes reserves that hold timing differences shown in the Movement in Reserves Statement line "Adjustments between accounting basis and funding basis under regulations".

Cash Flow Statement – **Appendix 4**

18. The Cash Flow statement shows the changes in cash and cash equivalents of the authority during the reporting period. The statement shows how the authority generates and uses cash and cash equivalents.
19. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the authority are funded by way of taxation and grant income or from the recipients of services provided by the authority.

Key Notes to the Accounts – **Appendix 5**

20. The notes to the accounts contain information in addition to that presented in the main statements. They provide narrative descriptions, disaggregation of items presented in the statements and further information about items in the statements.
21. Attached at Appendix 5 are some of the key notes to the accounts including the note on Officers remuneration (note 33). Full details are required for senior employees whose salary is above £50,000 per annum, and an additional summary disclosure is required of the numbers of other staff whose total remuneration (i.e. salary plus overtime and allowances etc.) is above £50,000.
22. The Council's outturn position for 2013/14 reported a net overspend of £0.4m overall for the general fund revenue account. The Statement of Accounts is in line with the outturn report but sets out the more detailed financial position for the Council in a format required by legislation. The following two notes show the reconciliation between the outturn position and the Statement of Accounts CI&ES:
 - *Adjustments between accounting basis and funding basis under regulations* (Note 9) – this note details how the CIES has been adjusted in accordance with accounting practice, and the resources that are specified by statutory provision as being available.
 - *Amounts reported for resource allocation decisions* (Note 30) – this note reconciles the income and expenditure shown in the CIES to the budget outturn report. The note is in three parts:

Part 1 shows the income and expenditure for the Portfolios as reported in the outturn - £416k general fund overspend, £11.4m HRA

underspend, totalling £10.9m underspend.

Parts 2 and 3 reconcile the £10.9m outturn to the two key subtotals in the CIES, by detailing the adjustments made to arrive at the £488.9m subtotal Cost of Services and subtotal for the Deficit on Provision of Services £80.3m.

There are final adjustments, detailed in separate notes, for gains and losses on revaluation of assets and pensions to arrive at the final total of £60.5m deficit on the CIES.

Housing Revenue Account (HRA) – Appendix 6

23. The HRA Income and Expenditure Statement shows the economic cost in year of providing housing services in accordance with generally accepted accounting practices, rather than the amount to be funded from rents and government grants.
24. Authorities charge rents to cover expenditure in accordance with regulations, which may be different from the accounting cost.

Collection Fund – Appendix 7

25. The Collection Fund is a 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 the Government of Council Tax and Business Rates.

Key Issues for 2013/14

Transferred Services

26. On 1 April 2013, Public Health responsibilities and staff were transferred to Local Authorities. A ringfenced grant supports the services (£29.7m in 2013/14).
27. Also on 1 April 2013, Council Housing Services were returned to the direct control of the Council. Over 1,000 staff transferred and the services were re-integrated with the Council, resulting in the wind up of Sheffield Homes Limited. A closing balance of £8.8m was transferred and has been added to HRA reserves.

Local Government Finance

28. 2013/14 saw significant changes to the system of local taxation, both relating to council tax and non-domestic rates. The introduction of the business rates retention system increased the complexity of collection fund accounting and placed additional risk on the authority. The changes to the system of council tax support forced the Council to change its assumptions about the collectability of debts and reorganized cash flows between the general and collection funds.

Net worth

29. The Council's net worth, as shown on the Balance Sheet (Appendix 3), has increased by the surplus from the CI&ES £60.5m (or 9%) in 2013/14; the major factor being the re-measurement of the pension fund, resulting in a £100m reduction in the estimated liability.

Usable Reserves

30. Movements in the Council's usable reserves are detailed in the Movement in Reserves Statement (attached in Appendix 1) and notes 9 and 10. The balance on usable reserves as at 31 March 2014 was £212.4m, which includes the General Fund Balance (£10.8m), Earmarked General Fund Reserves (£86m), Housing Revenue Account Balances (£14.3m), Capital Receipts Reserve (£33m), Major Repairs Reserve (£43.8m) and Capital Grants Unapplied (£24.5m).
31. The table below provides a breakdown of the earmarked reserves balance (£86m). The movement of £17.5m is mainly due to the creation of a new reserve, to allow the Insurance Fund to be split between provision and reserve, and an increase in the PFI Reserve, which absorbs timing differences between grants received and used.

| 31/3/13 | | 31/3/14 |
|-----------------|-----------------------------------|-----------------|
| £000 | | £000 |
| (16,435) | Schools Reserves | (16,277) |
| (529) | Revenue Grants and Contributions | (400) |
| | Other Earmarked Revenue Reserves: | |
| 0 | - Insurance Fund Reserve | (9,394) |
| (1,697) | - Local Growth Fund (LGF) | (1,555) |
| (15,865) | - Major Sporting Facilities | (17,996) |
| (5,311) | - PFI Future Expenditure | (12,175) |
| (6,626) | - Service Area Reserves | (7,569) |
| (22,056) | - Other Earmarked Reserves | (20,639) |
| (68,519) | Total | (86,005) |

Financial Implications

32. There are no direct financial implications arising from the recommendations in this report.

Equal Opportunities Implications

33. There are no specific equal opportunities implications arising from the recommendations in this report.

Property Implications

34. There are no property implications arising from the recommendations in this report.

Recommendations

35. The Audit Committee is asked to note the core statements and the key notes to the Statement of Accounts for 2013/14.

APPENDIX 1 – MOVEMENT IN RESERVES

| 2013/2014 | | | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 26 | |
|-----------|--|-----------------|-------------------|-----------------|------------------|-----------------|------------------|-----------------|------------------|------------------|------------------|-----------------|------|
| | | General Fund | Farmarked General | Housing Revenue | Farmarked | Housing Revenue | Capital Receipts | Major Repairs | Capital Grants | Total Usable | Unusable | Total Council | |
| | | Balance | Fund Reserves | Account Balance | Account Reserves | Reserve | Reserve | Reserve | Unapplied | Reserves | Reserves | Reserves | £000 |
| | | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| | Note | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 26 | | |
| | | (11,183) | (68,519) | (22,528) | 0 | (30,225) | (9,379) | (26,740) | (168,574) | (492,774) | (661,348) | | |
| | Balance at 31 March 2013 | | | | | | | | | | | | |
| | Movement in reserves during 2013/14: | | | | | | | | | | | | |
| | (Surplus) / deficit on provision of services | 114,228 | 0 | (33,948) | 0 | 0 | 0 | 0 | 0 | 80,280 | 0 | 80,280 | |
| | Other Comprehensive (Income) and Expenditure | 0 | (25) | (8,809) | 0 | 62 | 0 | 0 | 0 | (8,772) | (131,966) | (140,738) | |
| | Total Comprehensive (Income) and Expenditure | 114,228 | (25) | (42,757) | 0 | 62 | 0 | 0 | 0 | 71,508 | (131,966) | (60,458) | |
| | Adjustments between accounting basis and funding basis under regulations | 9 | (134,369) | 0 | 31,774 | 0 | (2,732) | (15,256) | 5,199 | (115,384) | 115,384 | 0 | |
| | Net (increase) / decrease before transfers to earmarked reserves | (20,141) | (25) | (10,983) | 0 | (2,670) | (15,256) | 5,199 | (43,876) | (16,582) | (60,458) | | |
| | Transfers (to) / from earmarked reserves | 10 | 20,508 | (17,461) | 20,468 | (1,273) | (93) | (19,196) | (2,953) | 0 | 0 | 0 | |
| | (Increase) / decrease in year | 367 | (17,486) | 9,485 | (1,273) | (2,763) | (34,452) | 2,246 | (43,876) | (16,582) | (60,458) | | |
| | Balance at 31 March 2014 | (10,816) | (86,005) | (13,043) | (1,273) | (32,988) | (43,831) | (24,494) | (212,450) | (509,356) | (721,806) | | |

APPENDIX 2 – COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

| 2012/13 | | | 2013/14 | | | |
|-------------------------------|----------------------|-------------------------|---|---------------------------|----------------------|-------------------------|
| Gross Expenditure £000 | Gross Income £000 | Net Expenditure £000 | Notes | Gross Expenditure £000 | Gross Income £000 | Net Expenditure £000 |
| Continuing Operations: | | | | | | |
| 207,444 | (67,956) | 139,488 | Adult Social Care | 210,540 | (56,600) | 153,940 |
| 600,118 | (434,642) | 165,476 | Children's and Education Services | 489,743 | (378,101) | 111,642 |
| 62,412 | (4,896) | 57,516 | Cultural and Related Services | 78,726 | (5,398) | 73,328 |
| 43,381 | (10,657) | 32,724 | Environment and Regulatory Services | 34,818 | (10,551) | 24,267 |
| 100,450 | (10,871) | 89,579 | Highways and Transport Services | 103,976 | (14,376) | 89,600 |
| 110,214 | (145,250) | (35,036) | Housing - HRA | 109,801 | (152,724) | (42,923) |
| 213,371 | (194,843) | 18,528 | Housing - Other Services | 231,506 | (207,536) | 23,970 |
| 30,021 | (7,070) | 22,951 | Planning Services | 34,055 | (17,644) | 16,411 |
| 90,092 | (63,366) | 26,726 | Central Services | 33,297 | (11,264) | 22,033 |
| 18,050 | (5,023) | 13,027 | Corporate and Democratic Core | 22,170 | (5,882) | 16,288 |
| 234 | (2) | 232 | Non-Distributed Costs (NDC) | (1) | 0 | (1) |
| 1,475,787 | (944,576) | 531,211 | Total Continuing Operations excluding Services Transferred | 1,348,631 | (860,076) | 488,555 |
| 0 | 0 | 0 | Services Transferred: | 25,996 | (25,583) | 413 |
| 1,475,787 | (944,576) | 531,211 | (Surplus) / Deficit on Continuing Operations | 1,374,627 | (885,659) | 488,968 |
| | | 288,669 | Other Operating Expenditure | | | 94,148 |
| | | 65,775 | Financing and Investment Income and Expenditure | | | 95,993 |
| | | (573,471) | Taxation and Non-Specific Grant Income | | | (598,829) |
| | | 312,184 | (Surplus) / Deficit on Provision of Services | | | 80,280 |
| | | 44,427 | (Surplus) / deficit on revaluation of non-current assets | | | (20,404) |
| | | 141,449 | Re-measurements of the pension net defined benefit liability | | | (111,539) |
| | | 25 | Other (gains) / losses | | | (8,795) |
| | | 185,901 | Other Comprehensive (Income) and Expenditure | | | (140,738) |
| | | 498,085 | Total Comprehensive (Income) and Expenditure | | | (60,458) |

* On the 1 April 2013 Public Health staff and services transferred from Primary Care Trusts (PCTs) to Local Authorities. See Note 8 for details.

APPENDIX 3 – BALANCE SHEET

| As at 31 March 2013 £000 | | Notes | As at 31 March 2014 £000 |
|--------------------------------|------------------------------------|---------|--------------------------------|
| 2,360,846 | Property, Plant and Equipment | 14 | 2,336,467 |
| 63,757 | Heritage Assets | 15 | 62,754 |
| 2,210 | Investment Properties | | 1,489 |
| 14,345 | Long term Debtors | 18 | 100,159 |
| 2,441,158 | Long Term Assets | | 2,500,869 |
| 20,000 | Short Term Investments | 16 | 60,000 |
| 57 | Inventories | | 125 |
| 97,160 | Short Term Debtors | 19 | 83,451 |
| 108,336 | Cash and Cash Equivalents | 16 / 20 | 32,802 |
| 3,834 | Assets Held for Sale | 21 | 10,856 |
| 229,387 | Current Assets | | 187,234 |
| (62,925) | Short Term Borrowing | 16 | (36,717) |
| (97,894) | Short Term Creditors | 22 | (125,582) |
| (36,599) | Short Term Provisions | 23 | (38,920) |
| (6,930) | PFI / PPP Finance Lease Liability | 16 / 42 | (8,312) |
| (19,347) | Capital Grants Receipts in Advance | 38 | (20,702) |
| (223,695) | Current Liabilities | | (230,233) |
| (651,000) | Long Term Borrowing | 16 | (666,613) |
| (14,518) | Long Term Provisions | 23 | (9,458) |
| (283,874) | PFI / PPP Finance Lease Liability | 16 / 42 | (327,293) |
| (797,832) | Net Pension Liability | 45 | (697,558) |
| (23,912) | Other Long Term Liabilities | 24 | (21,392) |
| (14,366) | Capital Grants Receipts in Advance | 38 | (13,750) |
| (1,785,502) | Long Term Liabilities | | (1,736,064) |
| 661,348 | Net Assets | | 721,806 |
| (168,574) | Usable Reserves | 25 | (212,450) |
| (492,774) | Unusable Reserves | 26 | (509,356) |
| (661,348) | Total Reserves | | (721,806) |

APPENDIX 4 – CASH FLOW STATEMENT

| 2012/13 £000 | | Notes | 2013/14 £000 |
|-----------------|---|-------|-----------------|
| (312,184) | Net (deficit) on the provision of services | | (80,280) |
| | Adjust net (deficit) on the provision of services for: | | |
| 433,427 | - Non-cash movements | 27 | 247,840 |
| (71,487) | - Items that are investing or financing activities | 27 | (50,161) |
| 49,756 | Net cash flow from operating activities | | 117,399 |
| (78,514) | Investing activities | 28 | (178,504) |
| 100,849 | Financing activities | 29 | (14,429) |
| 72,091 | Net increase / (decrease) in cash and cash equivalents | | (75,534) |
| 36,245 | Cash and cash equivalents at 1 April | 20 | 108,336 |
| 108,336 | Cash and cash equivalents at 31 March | 20 | 32,802 |

APPENDIX 5 – KEY NOTES TO THE CORE FINANCIAL STATEMENTS

Note 34 - Officers' Remuneration

Under the Accounts and Audit Regulations 2011, Local Authorities are required to disclose information on their employees' remuneration in two sections.

The first section must contain the details of those officers defined in the Regulations as senior employees whose salary is above £50,000 per annum. Senior employees are typically categorised as statutory chief officers (i.e. Chief Executive also known as the head of paid service, Director of Children's Services, Director of Adult Social Services, Section 151 Officer, etc.) or non-statutory chief officers. The latter category typically includes those officers who report directly to the Chief Executive (excluding those whose duties are solely secretarial). In addition, those senior officers whose salary is above £150,000 are required to be named in this section.

The second section must include a disclosure of the numbers of other staff whose total remuneration (i.e. salary plus overtime and allowances, etc.) is above £50,000.

The remuneration paid to the Council's senior employees is shown in the table below.

The Chief Executive put in place an arrangement in March 2013 to forgo other fees due to him regarding elections. These fees foregone amount to £14,000 per year pro rata, having the effect of reducing the net salary cost by 7.5%.

| 2013/14 | | | | | | |
|---|-------------|---|----------------------------|---|------------------------------|---|
| Post Holder Information | Note | Salary - including Fees and Allowances | Expenses Allowances | Total Remuneration excluding Pension Contributions | Pension Contributions | Total Remuneration including Pension Contributions |
| | | £ | £ | £ | £ | £ |
| Chief Executive- John Mothersole | | 184,588 | 0 | 184,588 | 35,072 | 219,660 |
| Executive Director - Communities | 1 | 114,219 | 15 | 114,234 | 22,505 | 136,739 |
| Executive Director – Communities (Interim) | 1 | 129,217 | 0 | 129,217 | 24,551 | 153,768 |
| Executive Director – Resources (Interim) | 2 | 83,330 | 0 | 83,330 | 16,310 | 99,640 |
| Executive Director - Place | | 123,066 | 170 | 123,236 | 23,383 | 146,619 |
| Executive Director - Children Young People and Families | | 116,902 | 6 | 116,908 | 22,211 | 139,119 |
| Director of Public Health – Jeremy Wight | 3 | 151,103 | 69 | 151,172 | 18,056 | 169,228 |
| Director of Policy and Performance | 4 | 78,757 | 0 | 78,757 | 14,964 | 93,721 |
| Total | | 981,182 | 260 | 981,442 | 177,052 | 1,158,494 |
| Notes: | | | | | | |
| <p>1 The Executive Director of Communities left on 28 February 2014. His full time equivalent salary was £129,217 in 2013/14. The interim replacement moved from the Executive Director of Resources post from 1 March 2014 but their full salary has been listed in their new interim post.</p> <p>2 An interim replacement for the Executive Director of Resources was appointed on 1 March 2014. The full time equivalent salary for this post would be £116,902. Only £10,792 of the salary listed above related to this post, the rest relates to his previous Director of Finance post.</p> <p>3 The public health function transferred to Council control due to the Health and Social Care Act 2012 requirement for Councils to support integration across health and social care and the phasing out of strategic health authorities and Primary Care Trusts.</p> <p>4 A new post as a result of the merger between the Performance and Corporate Planning and the Policy, Partnership and Research Director posts which now report directly to the Chief Executive.</p> | | | | | | |

The Council's other employees receiving more than £50,000 remuneration for the year (excluding employer's pension contributions) were paid the following amounts:

| 2012/13 | | | Remuneration Band | 2013/14 | | |
|------------|------------|------------|-------------------------------------|------------|------------|------------|
| Teachers | Other | Total | | Teachers | Other | Total |
| 69 | 39 | 108 | £50,000 - 54,999 | 58 | 40 | 98 |
| 51 | 33 | 84 | £55,000 - 59,999 | 47 | 36 | 83 |
| 25 | 9 | 34 | £60,000 - 64,999 | 33 | 8 | 41 |
| 21 | 11 | 32 | £65,000 - 69,999 | 17 | 21 | 38 |
| 16 | 11 | 27 | £70,000 - 74,999 | 11 | 6 | 17 |
| 5 | 14 | 19 | £75,000 - 79,999 | 7 | 12 | 19 |
| 4 | 11 | 15 | £80,000 - 84,999 | 2 | 7 | 9 |
| 4 | 4 | 8 | £85,000 - 89,999 | 6 | 3 | 9 |
| 3 | 1 | 4 | £90,000 - 94,999 | 4 | 1 | 5 |
| 3 | 3 | 6 | £95,000 - 99,999 | 1 | 2 | 3 |
| 1 | 0 | 1 | £100,000 - 104,999 | 2 | 0 | 2 |
| 1 | 0 | 1 | £105,000 - 109,999 | 1 | 0 | 1 |
| 0 | 1 | 1 | £120,000 - 124,999 | 0 | 2 | 2 |
| 203 | 137 | 340 | Total | 189 | 138 | 327 |
| 202 | 124 | 326 | Total Excluding redundancies | 184 | 109 | 293 |

Note: The "other" total excluding redundancies figure for 2013/14 includes an increase of 10 staff due to the incorporation in to the Council of the Public Health function and 8 staff due to the incorporation in to the council of Sheffield Homes. If these had been excluded the figure would have been 91.

Note 9 - Adjustments between accounting basis and funding basis under regulations

| 2013/14 | | General Fund Balance £000 | Housing Revenue Account Balance £000 | Capital Receipts Reserve £000 | Major Repairs Reserve £000 | Capital Grants Unapplied £000 | Total Usable Reserves £000 | Unusable Reserves £000 | Total Council Reserves £000 |
|---------|---|---------------------------|--------------------------------------|-------------------------------|----------------------------|-------------------------------|----------------------------|------------------------|-----------------------------|
| | Note | | | | | | | | 26 |
| | Reversal of items debited or credited to the CI&ES: | | | | | | | | |
| | Depreciation of Non-current assets | (48,645) | 0 | 0 | (16,463) | 0 | (65,108) | 65,108 | 0 |
| | Impairment losses charged to the CI&ES | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Revaluation losses charged to the CI&ES | (26,622) | (5,473) | 0 | 0 | 0 | (32,095) | 32,095 | 0 |
| | Movements in fair value of Investment Properties | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Capital grants and contributions credited to the CI&ES | 33,842 | 0 | 0 | 0 | 5,199 | 39,041 | (39,041) | 0 |
| | Application of grants and contributions to capital financing from the Capital Grants Unapplied Reserve | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Revenue expenditure funded from capital under statute | (14,704) | 0 | 0 | 0 | 0 | (14,704) | 14,704 | 0 |
| | Costs of disposal funded from capital receipts | (131) | 0 | 131 | 0 | 0 | 0 | 0 | 0 |
| | Net gain / (loss) on sale of non-current assets | (95,148) | 4,968 | (16,307) | 0 | 0 | (106,487) | 106,487 | 0 |
| | Amount by which finance costs calculated in accordance with the code are different from the amount of finance costs calculated in accordance statutory requirements | (149) | 1,066 | 0 | 0 | 0 | 917 | (917) | 0 |
| | Reversal of items relating to retirement benefits debited or credited to the CI&ES | (61,943) | 0 | 0 | 0 | 0 | (61,943) | 61,943 | 0 |
| | Amount by which Council Tax and non-domestic rates income adjustment included in the CI&ES is different from the amount taken to the General Fund in accordance with regulation | 1,258 | 0 | 0 | 0 | 0 | 1,258 | (1,258) | 0 |

2012/13 (Continued)

| | General Fund Balance £000 | Housing Revenue Account Balance £000 | Capital Receipts Reserve £000 | Major Repairs Reserve £000 | Capital Grants Unapplied £000 | Total Usable Reserves £000 | Unusable Reserves £000 | Total Council Reserves £000 |
|--|---------------------------------|--|-------------------------------------|----------------------------------|-------------------------------------|----------------------------------|------------------------------|-----------------------------------|
| | | | | | | | 25 | |
| | Note | | | | | 992 | (992) | 0 |
| Amount by which council tax income and residual community charge adjustment included in the CI&ES is different from the amount taken to the General Fund in accordance with regulation | | 0 | 0 | 0 | 0 | 992 | (992) | 0 |
| Amount by which officer remunerations costs calculated in accordance with the code are different from the amount of costs calculated in accordance with statutory requirements | | 0 | 0 | 0 | 0 | 3,219 | (3,219) | 0 |
| Insertion of items not debited or credited to the CI&ES: | | | | | | | | |
| Statutory provision for repayment of debt | 28,471 | 0 | 800 | 0 | 0 | 29,271 | (29,271) | 0 |
| Capital expenditure charged to the General Fund Balance | (154) | 20,734 | 154 | (20,734) | 0 | 0 | 0 | 0 |
| Transfer from Capital Receipts Reserve equal to the amount payable into the Housing Capital Receipts Pool | (2,347) | 0 | 2,347 | 0 | 0 | 0 | 0 | 0 |
| Employer's contribution to pension scheme | 52,213 | 0 | 0 | 0 | 0 | 52,213 | (52,213) | 0 |
| Other: | | | | | | | | |
| Use of Capital Receipts Reserve to finance new capital expenditure | 0 | 0 | 14,921 | 0 | 0 | 14,921 | (14,921) | 0 |
| Use of Major Repairs Reserve to finance new capital expenditure | 0 | 0 | 0 | 37,299 | 0 | 37,299 | (37,299) | 0 |
| Other | (425) | 0 | 425 | 0 | 0 | 0 | 0 | 0 |
| Total | (323,852) | 6,898 | (2) | 727 | 2,357 | (313,872) | 313,872 | 0 |

Note 30 - Amounts Reported for Resource Allocation Decisions

The income and expenditure of the Council's principal portfolios recorded in the budget reports for the year ended 31 March 2014 is as follows:

| | Children, Young People and Families £000 | Place £000 | Communities £000 | Policy, Performance and Communications £000 | Resources £000 | Corporate £000 | Total General Fund £000 | Housing Revenue Account £000 | Total £000 |
|--|--|-----------------|------------------|---|------------------|------------------|-------------------------|------------------------------|------------------|
| Grants | (76,507) | (19,001) | (19,042) | (2,257) | (197,761) | 0 | (314,568) | 0 | (314,568) |
| Other reimbursements and contributions | (1,792) | (1,645) | (12,274) | (123) | 345 | 0 | (15,489) | (1,307) | (16,796) |
| Sales | (3,380) | (1,196) | (103) | 0 | (38) | 0 | (4,717) | (3,221) | (7,938) |
| Fees and charges | (22,664) | (25,788) | (28,810) | (456) | (24,601) | (522) | (102,841) | (3,581) | (106,422) |
| Other Income | (1,338) | (7,072) | (16,269) | (986) | (4,313) | (6,772) | (36,750) | (152,331) | (189,081) |
| Recharges | (33,079) | (12,948) | (5,483) | (2,073) | (83,467) | (299) | (137,349) | 0 | (137,349) |
| Total Income | (138,760) | (67,650) | (81,981) | (5,895) | (309,835) | (7,593) | (611,714) | (160,440) | (772,154) |
| Employees | 71,937 | 40,653 | 61,059 | 4,067 | 47,227 | 0 | 224,943 | 27,009 | 251,952 |
| Premises | 2,929 | 11,301 | 3,072 | 5 | 56,385 | 0 | 73,692 | 48,745 | 122,437 |
| Transport | 6,412 | 2,165 | 2,446 | 17 | 1,742 | 0 | 12,782 | 879 | 13,661 |
| Supplies and services | 44,464 | 58,611 | 14,864 | 2,084 | 15,711 | 42,938 | 178,672 | 39,855 | 218,527 |
| Third party payments | 51,225 | 115,815 | 167,826 | 1,409 | 407 | 0 | 336,682 | 628 | 337,310 |
| Transfer payments | 526 | 0 | 5,419 | 0 | 191,882 | 0 | 197,827 | 0 | 197,827 |
| Support Services | 45,998 | 9,875 | 9,574 | 1,419 | 63,187 | 0 | 130,053 | 11,393 | 141,446 |
| Other | 0 | 9,561 | 0 | 1 | 127 | (552,210) | (542,521) | 20,555 | (521,966) |
| Total Expenditure | 223,491 | 247,981 | 264,260 | 9,002 | 376,668 | (509,272) | 612,130 | 149,064 | 761,164 |
| Net Expenditure | 84,731 | 180,331 | 182,279 | 3,107 | 66,833 | (516,865) | 416 | (11,376) | (10,960) |

Reconciliation to Portfolio Income and Expenditure to Cost of Services in the Comprehensive Income and Expenditure Statement:

This reconciliation shows how the figures in the analysis of portfolio income and expenditure relate to the amounts included in the Comprehensive Income and Expenditure Statement.

| 2012/13 | | 2013/14 |
|----------------|--|-----------------|
| £000 | | £000 |
| (8,578) | Net Expenditure in the Portfolio Analysis | (10,960) |
| 5,806 | Additional segments not included in the analysis | 921 |
| 79,294 | Amounts not included in the analysis but included in the CI&ES | 10,151 |
| 454,689 | Amounts included in the analysis but not included in the CI&ES | 488,856 |
| 531,211 | Cost of Services in the CI&ES | 488,968 |

Reconciliation to Subjective Analysis:

This reconciliation shows how the figures in the analysis of portfolios income and expenditure relate to a subjective analysis of the (Surplus) or Deficit on the Provision of Services included in the Comprehensive Income and Expenditure Statement.

2013/14

| | Net Expenditure in the Portfolio Analysis | Additional segments not included in the analysis | Amounts not included in the analysis but included in the CI&ES | Amounts included in the analysis but not included in the CI&ES | Allocation of Recharges | Cost of Services in the CI&ES | Amounts reported below the net expenditure of Continuing Operation in the CI&ES | Total |
|--|---|--|--|--|-------------------------|-------------------------------|---|--------------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Fees, charges and other service income | (457,532) | (261,502) | 10,194 | 225 | 146,070 | (562,545) | (25) | (562,570) |
| Interest and investment income | (53) | 0 | 0 | 53 | 0 | 0 | (1,473) | (1,473) |
| Income from Council Tax | 0 | 0 | 0 | 0 | 0 | 0 | (165,991) | (165,991) |
| Non Domestic Rates Distribution | 0 | 0 | 0 | 0 | 0 | 0 | (95,673) | (95,673) |
| Government grants and contributions | (314,568) | (3,368) | (5,179) | 0 | 0 | (323,115) | (337,165) | (660,280) |
| Total Income | (772,153) | (264,870) | 5,015 | 278 | 146,070 | (885,660) | (600,327) | (1,485,987) |
| Employee expenses | 251,952 | 203,733 | (22,772) | 0 | 0 | 432,913 | 0 | 432,913 |
| Other service expenses | 478,718 | 62,058 | (54,807) | 504,504 | 0 | 990,473 | 0 | 990,473 |
| Support service recharge | 0 | 0 | 0 | 0 | (146,070) | (146,070) | 0 | (146,070) |
| Depreciation, amortisation, and impairment | 17,105 | 0 | 80,207 | 0 | 0 | 97,312 | 0 | 97,312 |
| Interest payments | 14,693 | 0 | 0 | (14,693) | 0 | 0 | 64,914 | 64,914 |
| Precepts and levies | 478 | 0 | 0 | (478) | 0 | 0 | 478 | 478 |
| Payment to housing capital receipt pool | 0 | 0 | 0 | 0 | 0 | 0 | 2,709 | 2,709 |
| Gain or loss on disposal of fixed assets | 0 | 0 | 0 | 0 | 0 | 0 | 90,180 | 90,180 |
| (Surplus) / deficit of trading undertakings or other operations | (1,753) | 0 | 2,508 | (755) | 0 | 0 | 667 | 667 |
| Pension interest cost, administration expenses and expected return on pension assets | 0 | 0 | 0 | 0 | 0 | 0 | 32,691 | 32,691 |
| Total Expenditure | 761,193 | 265,791 | 5,136 | 488,578 | (146,070) | 1,374,628 | 191,639 | 1,566,267 |
| (Surplus) or deficit on the provision of services | (10,960) | 921 | 10,151 | 488,856 | 0 | 488,968 | (408,688) | 80,280 |

APPENDIX 6 – HOUSING REVENUE ACCOUNT

| Housing Revenue Account Income and Expenditure Statement | | | |
|---|---|-------------|------------------|
| 2012/13 | | Note | 2013/14 |
| £000 | | | £000 |
| | Expenditure: | | |
| 32,898 | Repairs and maintenance | | 33,739 |
| 51,079 | Supervision and management | | 50,861 |
| 387 | Rents, rates, taxes and other charges | | 951 |
| 24,803 | Depreciation and impairment / losses of non-current assets | 8 / 9 | 22,577 |
| 270 | Debt management costs | | 241 |
| 777 | Movement in the allowance for Bad or Doubtful Debts | | 1,432 |
| 110,214 | Total Expenditure | | 109,801 |
| | Income: | | |
| (136,399) | Dwelling rents | 11 | (141,548) |
| (1,554) | Non-dwelling rents - garages, garage sites, shops | 11 | (1,544) |
| (6,131) | Charges for services and facilities | | (8,151) |
| (1,073) | Contributions towards expenditure | | (1,481) |
| (93) | HRA subsidy receivable | | 0 |
| (145,250) | Total Income | | (152,724) |
| (35,036) | Net Income / Cost of HRA Services as included in the whole Council's Comprehensive Income and Expenditure Statement | | (42,923) |
| 622 | HRA share of Corporate and Democratic Core | | 430 |
| (34,414) | Net Income / Cost of HRA Services | | (42,493) |
| | HRA share of operating income and expenditure included in the Comprehensive Income and Expenditure Account: | | |
| 6,824 | (Gain) or loss on sale of HRA non-current assets | | (4,968) |
| 13,475 | Interest payable and similar charges | | 13,572 |
| (53) | Interest and investment income | | (59) |
| (849) | Capital grants and contributions receivable | | 0 |
| (15,017) | (Surplus) / Deficit for the year on HRA services | | (33,948) |

| Movement on the Housing Revenue Account Statement | | | |
|--|---|-------------|-----------------|
| 2012/13 | | Note | 2013/14 |
| £000 | | | £000 |
| (14,409) | Balance as at 1 April | | (22,528) |
| (15,017) | (Surplus) / Deficit on the HRA Income and Expenditure Statement | | (33,948) |
| 0 | Other Comprehensive Income and Expenditure | 1 | (8,809) |
| 6,898 | Adjustments between accounting basis and funding basis under regulation | 2 | 31,774 |
| (8,119) | Net (increase) / decrease before transfers to reserves | | (10,983) |
| 0 | Transfer to reserves | 3 | 20,468 |
| (8,119) | (Increase) / decrease in year on the HRA | | 9,485 |
| (22,528) | Balance as at 31 March | | (13,043) |

APPENDIX 7 – COLLECTION FUND STATEMENT

| Non-domestic Rates £000 | 2012/13 Council Tax £000 | Total £000 | Notes | Non-domestic Rates £000 | 2013/14 Council Tax £000 | Total £000 |
|--|--------------------------------|------------------|-------|----------------------------|--------------------------------|------------------|
| Income | | | | | | |
| 0 | (186,634) | (186,634) | 1 | 0 | (198,996) | (198,996) |
| Council Tax Receivable | | | | | | |
| Transfers from General Fund: | | | | | | |
| 0 | (46,533) | (46,533) | 1 | 0 | 0 | 0 |
| - Council Tax Benefits | | | | | | |
| 0 | (233,167) | (233,167) | | 0 | (198,996) | (198,996) |
| (205,221) | 0 | (205,221) | 2 | (215,211) | 0 | (215,211) |
| Non-domestic Rates Receivable | | | | | | |
| 0 | 0 | 0 | | (15) | 0 | (15) |
| Non-domestic Transitional Payments Protection | | | | | | |
| (205,221) | 0 | (205,221) | | (215,226) | 0 | (215,226) |
| (205,221) | (233,167) | (438,388) | | (215,226) | (198,996) | (414,222) |
| Total Income | | | | | | |
| Expenditure | | | | | | |
| Precepts and Demands: | | | | | | |
| 0 | 197,737 | 197,737 | | 95,265 | 164,733 | 259,998 |
| - Sheffield City Council | | | | | | |
| 0 | 21,153 | 21,153 | | 0 | 18,254 | 18,254 |
| - SY Police Authority | | | | | | |
| 0 | 9,618 | 9,618 | | 1,944 | 8,167 | 10,111 |
| - SY Fire and Rescue Authority | | | | | | |
| 198,298 | 0 | 198,298 | | 97,154 | 0 | 97,154 |
| - Central Government share of NNDR | | | | | | |
| 198,298 | 228,508 | 426,806 | | 194,363 | 191,154 | 385,517 |
| 0 | 0 | 0 | | 1,474 | 0 | 1,474 |
| Non-domestic Transitional Protection Payments | | | | | | |
| Non-domestic Rates Supplement: | | | | | | |
| Impairment of debts: | | | | | | |
| 1,900 | 1,493 | 3,393 | 1 | 2,173 | 903 | 3,076 |
| - Write Offs | | | | | | |
| 4,249 | 1,410 | 5,659 | | 92 | 7,012 | 7,104 |
| - Allowance for impairment | | | | | | |
| Appeals: | | | | | | |
| 0 | 0 | 0 | | 13,600 | 0 | 13,600 |
| - Allowance for impairment | | | | | | |
| 774 | 0 | 774 | | 775 | 0 | 775 |
| Cost of Collection | | | | | | |
| 0 | 0 | 0 | | 55 | 0 | 55 |
| Enterprise Zone Relief | | | | | | |
| 0 | 597 | 597 | | 0 | 0 | 0 |
| Contributions towards previous years estimated Surplus / Deficit | | | | | | |
| 205,221 | 232,008 | 437,229 | | 212,532 | 199,069 | 411,601 |
| Total Expenditure | | | | | | |
| 0 | (1,159) | (1,159) | | (2,694) | 73 | (2,621) |
| Movement on the Fund | | | | | | |
| 0 | (1,210) | (1,210) | | 0 | (2,369) | (2,369) |
| Opening Fund Balance | | | | | | |
| 0 | (2,369) | (2,369) | | (2,694) | (2,296) | (4,990) |
| Closing Fund Balance | | | | | | |

This page is intentionally left blank