

Appendix A

STATEMENT OF ACCOUNTS 2019/2020 – ADJUSTMENTS

The following adjustments arising from the external audit have been reflected in the 2019/2020 Statement of Accounts, included with this Agenda:-

Adjustments that Impact on Core Statements

Defined Benefit Pension Schemes

Late information from HM Treasury with proposed remedy regarding McCloud/Sargeant required a revised actuary report from GAD. Their approach in their calculations had overstated the potential McCloud/Sargeant liability.

The revised disclosures resulted in a reduction to the initial estimated past service cost and a small reduction in the current service cost for 2019/2020.

The disclosures also gave a small change in the actuarial gain, the net interest and the benefits paid.

No impact on the General Fund, with pension costs under IAS19 being reversed out in the Movement in Reserves Statement (MiRS) and replaced by actual employer pension contributions.

Core statements amended accordingly.

Notes 3, 6, 7, 10, 14, 20 and 31 amended to reflect the changes.

Section 31 Grants (COVID-19 £273,779 and Business Rates Relief Grant £395,770)

COVID-19 Grant and Business Rates Grant that were allocated in MSS expenditure in the CIES classed as non-specific section 31 grants so moved to Taxation and Non-Specific Grant Income.

CIES amended accordingly.

Note 11 Taxation and Non-Specific Grant Income amended to include the section 31 grants.

Note 27 Grant Income amended to include the grants credited to taxation and non-specific grant income.

Pension Grant (£2,592,711)

Pension grant that was allocated in MSS expenditure in the CIES reallocated across services in line with pensions paid.

CIES amended accordingly.

Note 7 Expenditure and Funding Analysis amended accordingly.

Business Rates Relief Grant (£967,915)

Grant received in advance for 2020/21 moved from creditors on the balance sheet to grants received in advance – revenue.

Balance Sheet amended accordingly.

Note 17 Short Term Creditors amended.

Cash Flow Statement – Investing Activity

Removed the use of capital grant to fund capital expenditure from Investing Activities as this was received in prior years so not a cash movement, and added in the receipt from the sale of non-current assets.

Amended the Cash Flow Statement and Note 22 Cash Flow Statement – Investing Activity.

Revaluations of Property, Plant and Equipment

Revaluations amended to reflect the asset values as at 31st March 2020.

Amended CIES, MiRS and Balance Sheet.

Notes 12 and 20 amended accordingly to reflect the changes.

Adjustments that Impact on Notes to the Accounts only

Assumptions made about the Future and Major Sources of Estimation Uncertainty

Note 4 Assumptions made about the Future and Major Sources of Estimation Uncertainty amended to disclose the Valuer's material uncertainty statement in the property, plant and equipment disclosure due to covid-19, and amendments to the net pension liability disclosure to include the material uncertainty in respect of the Authority's share of the Pension Fund property investment assets.

Reserve Movements

Note 8 Movements in Earmarked Reserves amended to correct 'transfers in' and 'transfers out' of earmarked reserves; no net impact on totals.

Property, Plant and Equipment

Note 12 Property, Plant and Equipment amended to adjust for VPE assets that have removed from the asset register as no longer in ownership.

Revaluation table amended to reflect prior year revaluations.

Financial Instruments

Note 13 Financial Instruments amended to separately disclose prepayments and payments in advance for debtors and creditors.

Members Allowances

Note 24 Members Allowances and Expenses adjusted to remove incorrectly claimed allowances from the constituent authorities.

Capital Expenditure and Capital Financing

Note 29 Capital Financing Requirement amended to include PFI Liabilities in the opening balance of the capital financing requirement.

Capital Investment amended to include smoke alarms.

PFI

Note 30 Private Finance Initiatives and Similar Contracts amended to agree to the PFI models.

Additional table for the outstanding PFI liability added to comply with the Code.

Narrative Statement

Changes made to the Narrative Statement (pages 7-24) to reflect the amendments to the accounts.

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