

## Blackpool Council

Balance Sheet / Working capital:

BALANCE SHEET 2017/2018				
LAST Y/END		CURRENT	CHANGE	NEXT Y/END
31 Mar 17 Actual £000s		31 Jan 18 Actual £000s	Movement since 31 Mar 17 £000s	31 Mar 18 Forecast £000s
777,280	Property, Plant and Equipment	807,718	30,438	830,000
32	Intangible Assets	32	-	-
36,436	Long-term Assets	57,902	21,466	65,534
	Current Assets			
41,583	Debtors	39,865	(1,718)	66,000
479	Inventories	431	(48)	475
9,878	Cash and cash equivalents	14,476	4,598	9,500
<b>865,688</b>	<b>Total Assets</b>	<b>920,424</b>	<b>54,736</b>	<b>971,509</b>
	Current Liabilities			
(91,697)	Borrowing Repayable within 12 months	(132,500)	(40,803)	(135,000)
(55,720)	Creditors	(52,980)	2,740	(52,000)
	Long-term Liabilities			
(84,701)	Borrowing Repayable in excess of 12 months	(91,772)	(7,071)	(94,700)
(16,073)	Capital Grants in Advance	(16,073)	-	(14,000)
(12,718)	Provisions	(17,739)	(5,021)	(18,500)
(365,166)	Other Long Term Liabilities	(346,696)	18,470	(345,000)
<b>239,613</b>	<b>Total Assets less Liabilities</b>	<b>262,664</b>	<b>23,051</b>	<b>312,309</b>
(58,846)	Usable Reserves	(57,728)	1,118	(54,572)
(180,767)	Unusable Reserves	(204,936)	(24,169)	(257,737)
<b>(239,613)</b>	<b>Total Reserves</b>	<b>(262,664)</b>	<b>(23,051)</b>	<b>(312,309)</b>

Commentary on the key issues:

In order to provide a complete picture of the Council's financial performance, the above table provides a snapshot of the General Fund balance sheet as at the end of month 10. The key areas of focus are any significant movements in debtors, cash and cash equivalents, bank overdraft and creditors as these impact upon the Council's performance in the critical areas of debt recovery, treasury management and Public Sector Payment Policy.

The balance sheet has been prepared under International Financial Reporting Standards (IFRSs). Temporary investments are included within cash and cash equivalents along with bank balance and cash in hand. Usable reserves include unallocated General Fund reserves and earmarked revenue reserves. Unusable reserves are those that the Council is not able to use to provide services. This category 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.

Over the 10-month period there has been a reduction in other long-term liabilities of £18.5m. This reduction is due to the repayment of loan debt with Lancashire County Council relating to the Local Government Reorganisation of 1998. This debt has been replaced with short-term borrowing for the time being. The remaining increase in short-term borrowing of £22.3m and an increase in long-term borrowing of £7.1m reflects borrowing in advance at low interest rates to fund the capital programme (£30.4m) and to fund the increase in long-term assets (£21.5m). The increase in long-term assets is due to an increase in business loans granted and the purchase of shares in Blackpool Airport.