

## Blackpool Council

Balance Sheet / Working Capital:

BALANCE SHEET 2023/24				
LAST Y/END		CURRENT	CHANGE	NEXT Y/END
Draft Unaudited 31 Mar 23		31 Jul 23 Actual	Movement since 31 Mar 23	31 Mar 24 Forecast
£000s		£000s	£000s	£000s
588,919	Property, Plant and Equipment	614,586	25,667	675,287
279,731	Infrastructure Assets	280,333	602	263,731
8,540	Heritage Assets	8,540	-	8,600
2,401	Intangible Assets	2,344	(57)	2,171
27,399	Long-term Investments	28,149	750	29,650
77,306	Long-term Debtors	79,543	2,237	81,353
	Current Assets			
76,398	Debtors	78,920	2,522	75,000
836	Inventories	894	58	800
14,284	Cash and cash equivalents	15,024	740	15,000
<b>1,075,814</b>	<b>Total Assets</b>	<b>1,108,333</b>	<b>32,519</b>	<b>1,151,592</b>
	Current Liabilities			
(200,475)	Borrowing Repayable within 12 months	(182,200)	18,275	(200,000)
(81,762)	Creditors	(79,500)	2,262	(82,000)
	Long-term Liabilities			
(196,052)	Borrowing Repayable in excess of 12 months	(196,052)	-	(185,000)
(90,961)	Long-term Creditors	(90,961)	-	(88,131)
(50,576)	Capital Grants in Advance	(50,576)	-	(40,000)
(6,106)	Provisions	(6,152)	(46)	(6,100)
(62)	Other Long-term Liabilities	(62)	-	(62)
<b>449,820</b>	<b>Total Assets less Liabilities</b>	<b>502,830</b>	<b>53,010</b>	<b>550,299</b>
(82,888)	Usable Reserves	(73,229)	9,659	(69,649)
(366,932)	Unusable Reserves	(429,601)	(62,669)	(480,650)
<b>(449,820)</b>	<b>Total Reserves</b>	<b>(502,830)</b>	<b>(53,010)</b>	<b>(550,299)</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 4. 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 (IFRS/IAS's). Each year an accounting adjustment under IAS 19 is made for the value of the pension fund at year-end. In 2022/23, for the first time, this produced a pension asset rather than a pension liability. Based on the latest advice from the Pension Fund the Council has not recognised the pension asset. However this is currently under review and therefore the figure is subject to change. Any change will also affect the unusable reserves. Usable reserves include unallocated General Fund reserves and 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.

## **Appendix 2 (s)**

Due to statutory changes regarding the accounting treatment of infrastructure assets which were approved in Parliament in late November 2022, the 2020/21 and 2021/22 accounts have not yet been signed off by the Council's external auditor. The audits are still ongoing and as soon as they are completed the 2022/23 balance sheet may require amendment, therefore the figures above should be treated as draft.

Over the 4-month period there has been an increase in Property, Plant and Equipment of £25.7m due to capital expenditure which is in line with the Council's approved capital programme for 2023/24. Short-term borrowing has reduced by £18.3m due to the timing of capital and revenue grants.