

Summary of accounts 2014/15

Income and Expenditure

The Income & Expenditure Account below presents the cost of running Council Services for the 2014/15 financial year. It also shows where the money came from to finance these costs. The Service Expenditure analysis section has been provided as prescribed by CIPFA and the accounts are presented in the formats as required by the code of practice.

Council Tax:

Council Tax is collected by the Council and where applicable includes precepts for the police and community councils. These precepts are then passed onto the relevant bodies.

| | |
|---|-----------------|
| Band D Council Tax | £ |
| Cardiff Council | 973.77 |
| Police & Crime Commissioner for South Wales | 190.34 |
| Total | 1,164.11 |

| | |
|--------------------------------------|----------------|
| Net Proceeds from Council Tax | £000 |
| Council Tax Collectible | 165,499 |
| Provision for Non-Payment | (779) |
| Total | 164,720 |

Total Council Tax income accounts for just over a quarter of the Council's net expenditure

At the end of March 2015 the provision for bad debt relating to council tax was £5.6m

The council tax collection rate for 2014/15 was 97.0%

Non-Domestic Rates:

Non-Domestic Rates (NDR) are taxes levied based on the value of buildings used in business or for non-domestic purposes. The rates are set by the Welsh Government but collected by the Council. The funds are collected in one pool and redistributed to Councils on the basis of adult population.

| | |
|--|------------------|
| | £000 |
| Non-Domestic Rates collectable | 178,576 |
| Cost of collection allowance | (879) |
| Provision for non payment of NDR | (4,305) |
| Payment into national pool | 173,392 |
| Redistribution from national pool | (109,695) |

The Welsh Government 2014/15 NDR rate is 47.3p per pound of the business' rateable value

The net NDR collected by Cardiff for 14/15 totalled £173m. Cardiff received £110m after redistribution

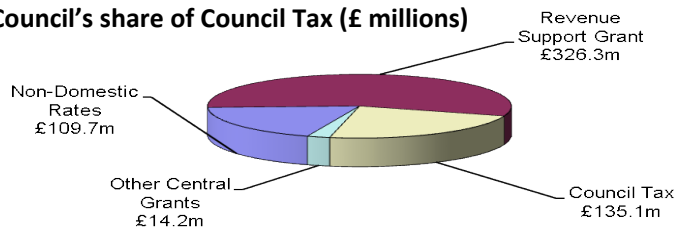
The majority – 53% of total income for the year 2014/15 is received through Grants from the Welsh Government

| Income and Expenditure | Gross Expenditure £000 | Gross Income £000 | Net Expenditure £000 |
|--|---------------------------|----------------------|-------------------------|
| Central Services to the Public | 51,249 | (17,958) | 33,291 |
| Cultural & Related Services | 58,205 | (27,886) | 30,319 |
| Environmental & Regulatory Services | 58,066 | (23,779) | 34,287 |
| Planning Services | 20,081 | (19,905) | 176 |
| Children's and Education Services | 404,850 | (98,971) | 305,879 |
| Highways & Transport Services | 64,252 | (19,387) | 44,865 |
| Housing Revenue Account | 69,971 | (65,231) | 4,740 |
| Housing Services (General Fund) | 181,640 | (175,755) | 5,885 |
| Adult Social Care | 127,857 | (25,777) | 102,080 |
| Corporate & Democratic Core | 9,982 | (2,004) | 7,978 |
| Non-Distributed Costs | 3,405 | 323 | 3,728 |
| Net Cost of Services | 1,049,558 | (476,330) | 573,228 |
| South Wales Police Authority Precept | 26,411 | 0 | 26,411 |
| Community Council Precepts | 256 | 0 | 256 |
| Levies & Contributions | 16,984 | 0 | 16,984 |
| (Gain)/loss on sale of fixed assets | 1,586 | (5,774) | (4,188) |
| Other Operating Expenditure | 45,237 | (5,774) | 39,463 |
| Interest Payable on debt | 24,616 | 0 | 24,616 |
| Pensions Interest cost | 19,416 | 0 | 19,416 |
| Interest & Investment Income | 0 | (1,091) | (1,091) |
| Change in fair value of Investment Properties | 6,161 | (12,391) | (6,230) |
| Financing /Investment Income & Expenditure | 50,193 | (13,482) | 36,711 |
| Recognised Capital Grants & Contributions | 0 | (28,165) | (28,165) |
| Revenue Support Grant | 0 | (326,291) | (326,291) |
| Non-Domestic Rates | 0 | (109,695) | (109,695) |
| Council Tax Income | 779 | (165,499) | (164,720) |
| Other Central Grants | 0 | (13,608) | (13,608) |
| Taxation & Non-Specific Grant Income | 779 | (643,258) | (642,479) |
| Deficit on Provision of Services | | | 6,923 |
| Revaluation Gains | | | (937) |
| Revaluation Losses | | | 2,844 |
| Impairment losses on non-current assets charged to the Revaluation Reserve | | | 412 |
| Deficit on revaluation of available for sale financial assets | | | 2,211 |
| Actuarial (gains)/losses on pension assets/liabilities | | | 51,492 |
| Other Comprehensive Income & Expenditure | | | 56,022 |
| Total Comprehensive Income & Expenditure | | | 62,945 |

| Balance Sheet | | £000 | £000 | Movement on Council Fund Balance | | £000 | | | | | | | | | | | | | | | | | | | | | |
|---------------------------------------|---------------------|--------------------------|------------------|---|--|---------------|------------------|-----------|--------------------|------------|--------------------|-----------------------|----------|--------------------|--------------------------|------------|-------------------|------------------------|-------------|---------------------|-------------------|--------------------|--|-----------------------|--------------------|--|--|
| Property Plant & Equipment | | | 1,882,336 | Surplus or (deficit) on the provision of | | (11,619) | | | | | | | | | | | | | | | | | | | | | |
| Long-term Investments | | 17,316 | | Services (exc. Housing Revenue Account) | | | | | | | | | | | | | | | | | | | | | | | |
| Long-term Debtors | | 2,790 | | Other Comprehensive Income and | | 0 | | | | | | | | | | | | | | | | | | | | | |
| | | | 20,106 | Expenditure | | | | | | | | | | | | | | | | | | | | | | | |
| Total Long Term Assets | | | 1,902,442 | Adjustments between accounting basis & | | 16,625 | | | | | | | | | | | | | | | | | | | | | |
| | | | | funding basis under regulations | | | | | | | | | | | | | | | | | | | | | | | |
| Short-term Investments | | 42,185 | | Transfers to/(from) Earmarked Reserves | | (3,265) | | | | | | | | | | | | | | | | | | | | | |
| Assets held for Sale | | 3,040 | | Other Movements in Reserves | | 0 | | | | | | | | | | | | | | | | | | | | | |
| Inventories | | 2,109 | | Increase/(Decrease) in 2014/15 | | 1,741 | | | | | | | | | | | | | | | | | | | | | |
| Short-term Debtors | | 90,982 | | Balance at 31 March 2014 carried forward | | 11,413 | | | | | | | | | | | | | | | | | | | | | |
| Cash and Cash Equivalents | | 23,137 | | Balance at 31 March 2015 carried forward | | 13,154 | | | | | | | | | | | | | | | | | | | | | |
| Total Current Assets | | | 161,453 | | | | | | | | | | | | | | | | | | | | | | | | |
| Short Term Borrowing | (12,964) | | | <table border="1"> <thead> <tr> <th>The Council Fund</th> <th>Earmarked</th> <th>Earmarked Reserves</th> </tr> </thead> <tbody> <tr> <td>Balance of</td> <td>Reserves for 14/15</td> <td>are sums of money put</td> </tr> <tr> <td>£13.154m</td> <td>totalled £34.062m,</td> <td>aside for specific uses.</td> </tr> <tr> <td>represents</td> <td>including £5.958m</td> <td>A detailed list can be</td> </tr> <tr> <td>accumulated</td> <td>of Schools Reserves</td> <td>found in the full</td> </tr> <tr> <td>surpluses retained</td> <td></td> <td>Statement of Accounts</td> </tr> <tr> <td>by Cardiff Council</td> <td></td> <td></td> </tr> </tbody> </table> | | | The Council Fund | Earmarked | Earmarked Reserves | Balance of | Reserves for 14/15 | are sums of money put | £13.154m | totalled £34.062m, | aside for specific uses. | represents | including £5.958m | A detailed list can be | accumulated | of Schools Reserves | found in the full | surpluses retained | | Statement of Accounts | by Cardiff Council | | |
| The Council Fund | Earmarked | Earmarked Reserves | | | | | | | | | | | | | | | | | | | | | | | | | |
| Balance of | Reserves for 14/15 | are sums of money put | | | | | | | | | | | | | | | | | | | | | | | | | |
| £13.154m | totalled £34.062m, | aside for specific uses. | | | | | | | | | | | | | | | | | | | | | | | | | |
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| surpluses retained | | Statement of Accounts | | | | | | | | | | | | | | | | | | | | | | | | | |
| by Cardiff Council | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Short Term Creditors | (94,801) | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Pension Strain | (2,830) | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Provisions | (9,011) | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Deferred Liabilities | (1,024) | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total Current Liabilities | | (120,630) | | | | | | | | | | | | | | | | | | | | | | | | | |
| Long Term Borrowing | (464,808) | | | Housing Revenue Account | | | | | | | | | | | | | | | | | | | | | | | |
| Provisions | (31,399) | | | £000 | | | | | | | | | | | | | | | | | | | | | | | |
| Deferred Liabilities | (7,217) | | | Income | | | | | | | | | | | | | | | | | | | | | | | |
| Capital Contributions Receipts in | | | | Dwelling rents | | | | | | | | | | | | | | | | | | | | | | | |
| Advance | (10,095) | | | (58,586) | | | | | | | | | | | | | | | | | | | | | | | |
| Revenue Grants Receipts in Advance | (3,734) | | | Non-dwelling rents | | | | | | | | | | | | | | | | | | | | | | | |
| Capital Grants Receipts in Advance | (2,160) | | | (67) | | | | | | | | | | | | | | | | | | | | | | | |
| Pensions Strain | (6,252) | | | Charges for services and facilities | | | | | | | | | | | | | | | | | | | | | | | |
| Net Pensions Liability | (539,786) | | | (6,578) | | | | | | | | | | | | | | | | | | | | | | | |
| Total Long Term Liabilities | | (1,065,451) | | Total Income | | | | | | | | | | | | | | | | | | | | | | | |
| NET ASSETS | | 877,814 | | (65,231) | | | | | | | | | | | | | | | | | | | | | | | |
| Financed by: | | | | Expenditure | | | | | | | | | | | | | | | | | | | | | | | |
| Council Fund Balance | 13,154 | | | Repairs and maintenance | | | | | | | | | | | | | | | | | | | | | | | |
| Council Fund Earmarked Reserves | 33,824 | | | 20,739 | | | | | | | | | | | | | | | | | | | | | | | |
| Housing Revenue Account Balance | 8,438 | | | Supervision and management | | | | | | | | | | | | | | | | | | | | | | | |
| HRA Earmarked Reserves | 238 | | | 17,833 | | | | | | | | | | | | | | | | | | | | | | | |
| Capital Receipts Reserve | 1,336 | | | Rents, rates, taxes and other charges | | | | | | | | | | | | | | | | | | | | | | | |
| Usable Reserves | | 56,990 | | 128 | | | | | | | | | | | | | | | | | | | | | | | |
| Revaluation Reserve | 201,371 | | | Housing Revenue Account subsidy payable | | | | | | | | | | | | | | | | | | | | | | | |
| Capital Adjustment Account | 1,164,708 | | | 14,464 | | | | | | | | | | | | | | | | | | | | | | | |
| Deferred Capital Receipts | 87 | | | Provision for bad and doubtful debts | | | | | | | | | | | | | | | | | | | | | | | |
| Available for Sale Financial | | | | 523 | | | | | | | | | | | | | | | | | | | | | | | |
| Instruments Reserve | 13,563 | | | Depreciation and impairment of non-current | | | | | | | | | | | | | | | | | | | | | | | |
| Financial Instruments Adjustment | (2,367) | | | assets | | | | | | | | | | | | | | | | | | | | | | | |
| Account | | | | 15,899 | | | | | | | | | | | | | | | | | | | | | | | |
| Pensions Reserve | (548,868) | | | Sums directed by the Welsh Government | | | | | | | | | | | | | | | | | | | | | | | |
| Accumulated Absences Adjustment | (7,670) | | | (expenditure) | | | | | | | | | | | | | | | | | | | | | | | |
| Unusable Reserves | | 820,824 | | 353 | | | | | | | | | | | | | | | | | | | | | | | |
| TOTAL RESERVES | | 877,814 | | Debt management costs | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | 32 | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Total Expenditure | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | 69,971 | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | HRA Services' share of Corporate and | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Democratic Core | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | 42 | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Net Cost for HRA Services | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | 4,782 | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | HRA share of the operating income and | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | expenditure | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | (Gain)/loss on sale of HRA non-current assets | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | (2,819) | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Interest payable and similar charges | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | 4,806 | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Changes in fair value of investment properties | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | 80 | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Interest and Investment income | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | (65) | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Capital Grants and Contributions applied | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | (11,480) | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Surplus for year on HRA services | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | (4,696) | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Balance on HRA at end of previous year | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | 8,124 | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Surplus for year on HRA services | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | 4,696 | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Adjustments between accounting basis and | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | funding basis under regulations and reserves | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | (4,828) | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Transfers to/from Reserves | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | 446 | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Net increase in the year on the HRA | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | 314 | | | | | | | | | | | | | | | | | | | | | | | |

Funding of revenue expenditure, including Cardiff

Council's share of Council Tax (£ millions)



Balance on HRA at end of current year

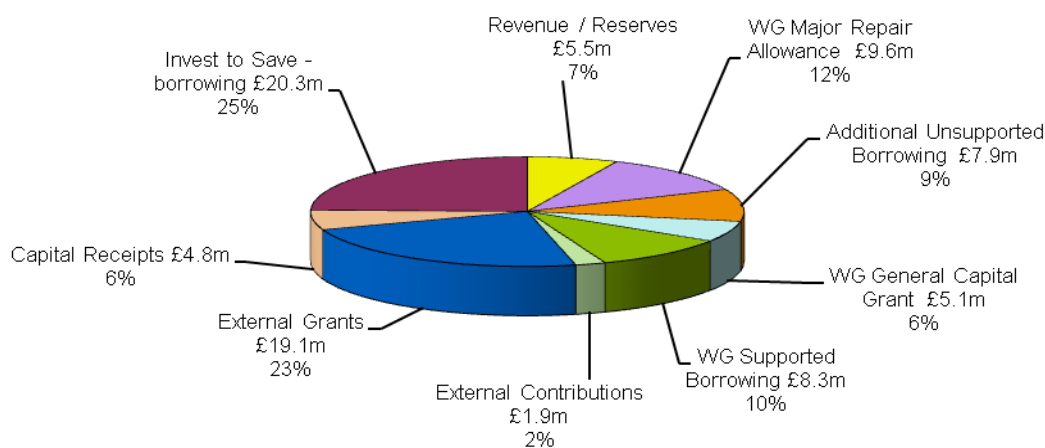
8,438

Capital Expenditure:

Capital expenditure represents money spent on improving, acquiring and enhancing assets that are used in the provision of services as well as a number of items determined by legislation. Capital expenditure during the year totalled £82.5 million, with the main items of expenditure described in the table below:

| | | £m |
|---|--|-------------|
| Housing & Neighbourhood Renewal/Citizen Hubs | Improvements to public housing, local shopping parades and disabled adaptations. Development of citizen hubs at various locations. | 27.2 |
| Education & Lifelong Learning | Significant investment in property renewal, predominantly in relation to new and refurbished schools. | 24.8 |
| Highways & Transportation | Road resurfacing, drainage, street lighting, road safety, public transport and energy efficiency improvements. Implementation of the cycle strategy and moving traffic offences. | 15.9 |
| Economic Development | Development in respect of the Cardiff Enterprise Zone and investment in superfast broadband and public WIFI. | 6.0 |
| Other | Includes loans, grants and equity to businesses, improving IT systems and Waste Management. | 8.6 |

Funding of Capital Expenditure



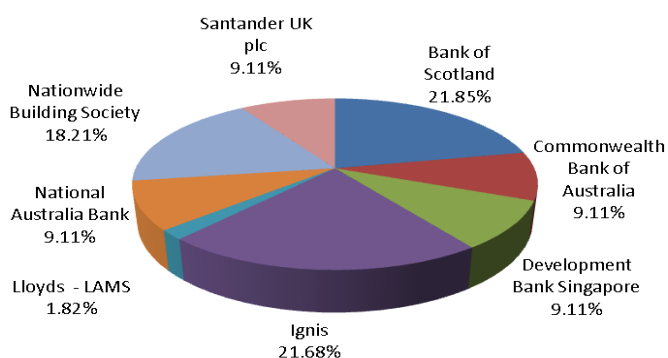
Treasury Management:

The Council follows the CIPFA Treasury Management Code of Practice and is compliant with the Prudential Code of Capital Finance in Local Authorities. Investments of £54.9m are deposited for various maturities with Financial Institutions.

Borrowing

| | Principal (£m) | Average Rate (%) | Average Life (years) |
|-------------------------|-------------------|------------------------|----------------------------|
| Public Work Loan Boards | 418.1 | 5.33 | 28.42 |
| Market and WG | 52.4 | 4.10 | 45.35 |
| Total Fixed Debt | 470.5 | 5.19 | 30.31 |

Investments by Institution



'The information contained in this summary was extracted from the 2014/15 Statement of Accounts of Cardiff Council. A full version is available upon request from Projects and Technical Accountancy, County Hall, Atlantic Wharf, Cardiff CF10 4UW'