



**MOYLE
DISTRICT
COUNCIL**

**Financial Statements
For The Year Ended 31 March 2015**

MOYLE DISTRICT COUNCIL
Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

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Explanatory Foreword

Introduction

The Council's financial performance for the year ended 31 March 2015 is as set out in the Comprehensive Income and Expenditure Statement and its financial position as set out in the Balance Sheet and Cashflow Statement.

These financial statements have been prepared in line with the Code of Practice on Local Authority Accounting the United Kingdom 2014/15 (the Code) and the Department of the Environment Accounts Direction, Circular LG 12/15 dated 31st March 2015. It is the purpose of this foreword to explain, in an easily understandable way the financial facts in relation to the Council. Comparative figures have been re-stated to take account of changes in accounting requirements as a result of the introduction of the Code.

This Statement of Accounts explains Moyle District Council's finances during financial year 2014/15 and its financial position at the end of that year. It follows approved accounting standards and is necessarily technical in parts.

The Explanatory Foreword is not part of the financial statements but is prepared on the basis that it is consistent with the financial statements. In addition, the Explanatory Foreword does not purport to comment on Council policies.

Group Accounts

The Code requires Local Authorities to consider all their interests and to prepare a full set of group financial statements where they have material interests in subsidiaries, associates or joint ventures. Moyle District Council does not have material interests in such bodies and accordingly is not required to prepare group financial statements.

The Movement in Reserves Statement

This statement, as set out on page 23, shows the movement in the year on the different reserves held by the Council, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other reserves. The Surplus or (deficit) on the provision of services line shows the true economic cost of providing the Council's services, more details of which are shown in the Comprehensive Income and Expenditure Statement. These are different from the statutory amounts required to be charged to the General Fund Balance for local tax purposes. The 'Net Increase/Decrease before transfers to the other reserves' line shows the statutory General Fund Balance before any discretionary transfers to or from statutory and other reserves undertaken by the Council.

The Comprehensive Income and Expenditure Statement

This statement as set out on page 24, 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. Councils raise taxation to cover expenditure in accordance with regulations, this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.

The Balance Sheet

The Balance Sheet, as set out on page 25, shows the value as at the balance sheet date of the Council's assets and liabilities. The net assets of the Council (assets less liabilities) are matched by the reserves held by the Council. Reserves are reported in two categories – Usable Reserves, reserves that Council may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use, and Unusable Reserves, reserves that Council is not able to use to provide services.

The Cash Flow Statement

The Cash Flow Statement shows the changes in cash and cash equivalents of the Council during the reporting period. This statement shows how the Council generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Council are funded by way of taxation and grant income or from receipts of services provided by the Council. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Council's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (ie borrowing) to the Council.

Financial Report

The Council has reported a deficit of £333,957 for the year ended 31 March 2015. A summary of the income and expenditure reported by the Council with a comparison to the estimates for the year can be seen in the table overleaf.

For the year ended 31 March 2015 the Council decreased its General Fund reserve by £333,957 to £313,684. This deficit was significantly less than anticipated due to a positive outturn on our provisional penny product of £82,636 together with savings within our Minimum Revenue Provision of £62k. Savings in our service expenditure included £40k for the revitalize II project that did not go ahead, £41k in relation to harbours and £30k of an election reserve that was released back to the general fund

The net expenditure reported in the District Fund - Income and Expenditure Account is £7.08m.

The table below compares the actual income and expenditure to the budgeted amounts and illustrates how the deficit was arrived at.

	Actual (14/15)	Estimated (14/15)	Variance (14/15)
	£	£	£
Expenditure including depreciation & impairment	8,645,428	8,571,581	73,847
Loan and pension interest	641,899		641,899
Other operating Expenditure/(Income)			
Income including credits	(2,210,986)	(2,045,179)	(165,807)
Statutory accounting adjustments	(861,005)		(861,005)
Net Cost	6,215,336	6,526,402	(311,066)
Financed By:			
Balance applied	0	724,275	724,275
General Grant	725,804	729,188	3,384
District Rates	5,155,575	5,072,939	(82,636)
Surplus/(Deficit)	(333,957)		(333,957)

Total Expenditure on capital projects during the year amounted to £1.3M. (£1.05M– 2014) The most significant areas of spend during the year was £205k on soft surfacing for playgrounds throughout the district, £170k for new vehicles, £81k for Ballycastle harbour, £63k for Glentaisie MUGA and £57k for Mini Golf at Ballycastle Seafront. In addition £157k was spent on Garron Road Coastal Centre which was fully funded by the Big Lottery Fund.

The total amount outstanding on Government loans at 31 March was £9,696,665 (£8,785,805 – 2014), with advances taken during the year amounting to £1,327,102. The cost of servicing these Government loans during the year was £938,765.

Local Government Reform

From 1 April 2015, under the Reform of Local Government (RLG), the number of Councils in Northern Ireland will reduce from the 26 existing to 11 new Councils, established under the Local Government Act (Northern Ireland) 1972 as amended by the Local Government (Boundaries) Act (Northern Ireland) 2008. From that date the Northern Ireland Executive has agreed to transfer some functions currently carried out by NI Government Departments and give some new responsibilities to the 11 new Councils. The new councils will be stronger, more efficient and will deliver more effective services.

The new councils came into existence on 26th May 2014, operating in shadow form until they take over full responsibility for local government on 1st April 2015 when the 26 existing councils cease to exist. The final accounts for Moyle District Council will therefore be for the 2014/15 financial year.

Post Balance Sheet Events

From 1st April 2015, Moyle District Council will cease to exist and its functions will be transferred to the new Causeway Coast and Glens Borough Council.

Causeway Coast and Glens Borough Council combines the previous councils of Ballymoney, Coleraine, Limavady and Moyle into one new body constituted under the framework established by the Local Government Act (Northern Ireland) 2014.

Under Regulation 11 of the Local Government (Transitional, Supplementary, Incidental Provisions and Modifications) Regulations (Northern Ireland) 2014, the new council will designate an officer as having responsibility for the winding up of its predecessor councils.

This designated officer will have responsibility for the preparation of final statements of account for predecessor councils in a form directed by the Department under regulation 4 of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006.

These accounts are prepared on a going concern basis in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom.

Statement of the Council's and Chief Financial Officer's Responsibilities for the Statement of Accounts

The Council's Responsibilities

Under Section 1 of the Local Government Finance Act (Northern Ireland) 2011 a council shall make arrangements for the proper administration of its financial affairs. A council shall designate an officer of the council as its chief financial officer and these arrangements shall be carried out under the supervision of its chief financial officer.

Under Regulation 5 of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006 the Council, or a Committee, is required by resolution, to approve the accounts.

These accounts were approved by resolution of the Causeway Coast and Glens Borough Council Audit Committee on 29 June 2015.

The Chief Financial Officer's Responsibilities

Under Regulation 4(1) of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006, the Chief Financial Officer is responsible for the preparation of the Council's Statement of Accounts in the form directed by the Department of the Environment.

The accounts must give a true and fair view of the income and expenditure and cash flows for the financial year and the financial position as at the end of the financial year.

In preparing this Statement of Accounts, the Chief Financial officer is required to:

- observe the Accounts Direction issued by the Department of the Environment including compliance with the Code of Practice on Local Authority Accounting in the United Kingdom;
- follow relevant accounting and disclosure requirements and apply suitable accounting policies on a consistent basis, and;
- make judgements and estimates that are reasonable and prudent.

The Chief Financial Officer is also required to:

- keep proper accounting records that are up-to-date, and;
- take reasonable steps for the prevention and detection of fraud and other irregularities.

Moyle District Council

Annual Governance Statement 2014/15

Scope of Responsibility

Moyle District Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiency and effectively. The Council also has a duty under Local Government (Best Value) Act (Northern Ireland) 2002 to make arrangements for continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

The Council is required to prepare an Annual Governance Statement which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. This statement outlines how the Council is complying with the Framework and also meets the requirements of Regulation 2A of the Local Government Accounts and Audit (Amendment) Regulations (Northern Ireland 2006) in relation to the publication of a statement on internal control.

The Purpose of the Governance Framework

The governance framework comprises the systems and processes, and culture and values, by which the Council is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at Moyle District Council for year ended 31 March 2015 and up to the date of approval of the financial statement.

The Governance Framework

Moyle District Council has been working to comply with those systems of Governance Arrangements identified in the Governance Framework. The statements below describe the key elements of the systems and processes that comprise the authority's governance arrangements.

1. Identifying and communicating the Council's vision of its purpose and intended outcomes for citizens and service users.

Council has produced a Corporate Plan for 2012-2015, which was agreed by Council on 26th November 2012. This was developed by Councillors and Senior Managers and has been made available to staff on the intranet and the public via the Moyle District Council website. This plan sets out Council's purpose, vision and core values. The Plan identifies four strategic priorities with associated objectives and success indicators.

Moyle District Council is working with the cluster Councils in the Causeway Coast and Glens to develop objectives for the period beyond 2015, when the new structure for local government will be in place.

The Interim Corporate Plan as approved by the Statutory Transition Committee, for the Causeway Coast and Glens (CCAG) District Council was presented to the Annual Meeting of Shadow Council CCAG on 12th June 2014.

2. Reviewing the Council's vision and its implications for the Council's governance arrangements.

The Corporate Plan states that
"Moyle District Council exists to maintain and improve the well-being of the people of Moyle. It does that by listening to them, by being the voice for Moyle, and by providing good local government services within Moyle. In its work Council wants to:

- Defend the uniqueness of Moyle District
- Be open, friendly and transparent
- Promote and demonstrate equality and good relations
- Make best use of its resources

The Plan is built around four themes:

- Representing the people of Moyle
- Pride in our Area
- Building Stronger Communities
- Working well as a council

The strategic objectives identified in the Councils Corporate Plan for 2012-15 were designed to ensure the vision is realised, with each objective having a series of sub-objectives.

The corporate risk register identifies the factors which could prevent achievement of these objectives and each risk is assigned to a member of the Strategic Management Team.

3. Measuring the quality of services for users through the Citizen Satisfaction Survey, for ensuring they are delivered in accordance with the Council's objectives and for ensuring that they represent the best use of resources.

Council is committed to providing quality services aligned to its strategic objectives and has developed business plans for all key services.

Council considers its performance against other Councils via DOE return of performance and complaints.

Council continue to monitor, review and take corrective action as necessary in striving to achieve maximum satisfaction with council services, within the allocated resources. For certain services this has included the use of evaluation forms, complaints, customer surveys, and analysis of "Complaints, Congratulations and Comments" forms where appropriate.

During the year Council consider all available information in deciding how best to deliver the services within the area.

Council continue to work with cluster colleagues in projects such as joint procurement in order to achieve best value in the use of resources.

4. Defining and documenting the roles and responsibilities of the executive, non-executive, scrutiny and officer functions, with clear delegation arrangements and protocols for effective communication.

The roles and responsibilities of the Members of Council are defined by the Northern Ireland Code of Local Government Conduct. These have been supplemented by a guidance and advice folder on their role and responsibilities which was provided to each councillor by NILGA following the last local government election.

Roles and responsibilities of Senior Officers are defined by job description, job specification, and terms and conditions of employment. There are no formal staff performance appraisal/ management systems in operation at present; however this initiative may be progressed in a consistent manner in future by the Local Government Reform (LGR) Cluster Group.

All internal policies and procedures are available on Council's staff net for information, and are also included as part of the induction process for all new employees.

All Directors report to Council on a monthly basis, on areas of responsibility, and ensure Council are kept informed of progress within each service area.

In terms of decision making, all decisions are taken by full council. Moyle District Council does not operate a committee structure. Meetings of full council are held twice monthly throughout the year (except July). A number of operational matters are delegated to members of the Strategic Management Team. A formal scheme of delegation exists.

Scrutiny is provided by the Audit and Governance Working Group, Internal Audit (which is contracted out up to 2015) and the Local Government Auditor.

Council currently communicates with wider stakeholders through the Council Website, Newsletter (Moyle Matters), Social Media and through press and media releases. Internal communication systems include Councils intranet, email, written correspondence, working group minutes and a mixture of formal and informal team meetings.

Moyle is represented on the LGR Communications Forum and it is anticipated that a formal process of communication will be agreed and implemented by the Cluster councils as LGR progresses.

5. Developing, communicating and embedding codes of conduct, defining the standards of behaviour for members and staff.

Codes of Conduct of Members

Council has adopted the Northern Ireland Code of Local Government Conduct (issued April 2003) prepared by DOE for the guidance of Councillors. Councillors are required by law on accepting office to affirm that they have read and will be guided by the code.

The new mandatory Code of Conduct came into effect in May 2014. A new Register of Interests has been circulated and training was offered to all members.

In terms of travel and subsistence claims, Councillors are required to complete a claim form (submitted by receipts as appropriate) and sign a declaration regarding their claim. Member's payments and allowances are updated on a monthly basis, and circulated to Council. This information is also available on Councils website.

Codes of Conduct for Officers

Council has adopted the "Code of Conduct for Local Government Officers", prepared by the Local Government Staff Commission. Officers are given a copy of their code on taking up appointment and failure to adhere to it is a disciplinary offence. Officers are also issued with terms and conditions of employment on commencing employment with the Council, and would be advised of various policies and procedures on induction. Existing members of staff have access to these documents on the intranet. New policies and

procedures are brought to the attention of staff and are also available via the Councils intranet system.

A register of gifts and hospitality is maintained by the Administration Department and this is updated when relevant information is provided by a member of staff and elected members.

The induction process for all new staff includes a detailed explanation of specific policies on staff conduct, including travelling and subsistence expenses, disciplinary and grievance policies and procedures, absence and sickness reporting, Data Protection, Freedom of Information, Equality and Good Relations and Health and Safety at Work.

Other supplementary codes of practice relating to the conduct expected of employees are available to staff via the Council's intranet system.

6. Reviewing and updating standing orders, standing financial instructions, a scheme of delegation and supporting procedure notes/manuals, which clearly define how decisions are taken and the processes and controls required managing risks.

Moyle District Council does not operate a system of standing orders for the regulation of the proceedings of the Council and Council business.

Financial regulations are in places which are reviewed periodically, e.g. Purchasing Policies and Procedures, which detail policies and procedures in relation to Purchasing and Procurement including expenditure limits and authorisation signatures.

Council has also adopted a Risk Management Strategy, which requires the identification of Corporate and Departmental Risks, the assessment of impact and likelihood of those risks and the mitigating controls in place. Council has Corporate and Departmental risk registers in place, and these are reviewed regularly. Internal audit facilitate a Risk Management Workshop once per annum. This is attended by all of the Strategic Management Team, along with Line Management staff with responsibility for operational issues, and Councillors who sit on the Audit and Governance Working Group are also invited. The output from this annual workshop forms the basis for the areas subject to Internal Audit for the year. All Directors have submitted an annual assurance statement regarding Risk identification, assessment, monitoring and review, in respect of their service area, to the Clerk and Chief Executive

A Treasury Management Policy was approved by Council in February 2012. The policy was developed in the context of the Local Government Finance Act (NI) 2011 and the local Government (Capital Finance and Accounting) Regulations (NI) 2011 and includes the key principles of CIPFA's Treasury Management in the Public Sector Code of Practice. Annual Treasury Management Strategy statements setting out the expected treasury management operations for the year were also approved by Council. The Treasury Management Strategy and Prudential Indicators for 2015/16 were

prepared and approved by Causeway Coast and Glens Shadow Council in February 2015 as part of the Estimates process.

Work continued during the year to update the Risk Register and significant progress has been made in terms of Corporate Health, Safety and Wellbeing. A further programme of work including a review of the Emergency Plan and Business Continuity Plan was progressed during 2014/15.

As we move towards LGR, officers continue to collaborate with cluster colleagues to ensure commonality and consistency in approach in terms of updating policies and procedures.

7. Undertaking the core functions of an Audit Committee, as identified in CIPFA's *Audit Committees - Practical Guidance for Local Authorities*.

Moyle District Council does not operate a committee system, with all business being conducted at full council meeting. However, an Audit and Governance Working Group (AGWG) was established during the 2008-09 financial year, with six elected members, representative of each political party grouping in Council. The Clerk and Chief Executive, the Director of Corporate Services, and the Financial and Management Accountant normally attend all meetings, with other Directors and Heads of Service being called as required. The AGWG has a written constitution, terms of reference and remit.

The AGWG met on four occasions between April 2014 and March 2015. The Internal Auditors were present at all of these meetings and representation was made on behalf of the Local Government Auditor at two of these meetings. Following each meeting, minutes are approved and circulated to full council for consideration and information.

Both the Internal (Moore Stephens) and External Auditor (NIAO) attended the Audit and Governance Working Group meetings to present the following reports

- Annual Audit Letter (LGA)
- Report to those charged with Governance and Audit results (LGA)
- Northern Ireland Audit Office (NIAO) Audit Strategy (LGA)
- Internal Audit Plan, Internal Audit Progress Reports, Annual Internal Audit Report (Internal Auditor)
- Public Sector Internal Audit Standards (PSIAS) 2013

The internal audit function for Moyle District Council is provided by Moore Stephens. This service was jointly procured with Limavady Borough Council for the three year period 2012-2015. During the 2014-15 year internal audits were carried out in line with the internal audit plan. Various aspects of operating activities were sampled and examined to ensure the appropriate legislation, policies and procedures were adhered to and expenditure was lawful. Internal audit reports include award of assurance levels and

recommendations for improvement. There were 5 areas subject to audit during the year, all of which received a Satisfactory Level of assurance. These audit reports are presented to the Audit and Governance Working Group throughout the year with the Annual Internal Audit Report presented to both the Audit and Governance Working Group and Council on 23rd March 2015.

A report on the effectiveness of the internal audit service was also presented to AGWG on 23rd March 2015.

8. Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful.

The Strategic Management Team meets three times per month and the above items would be discussed. Other methods of communication include membership of officer networks, circulation of statements and documents and informal meetings on an ad-hoc basis.

Internal policies and procedures are updated and renewed as and when required to reflect legislative changes and agreed recommendations by both Internal and External Auditors and are circulated to the relevant staff when reviewed. Internal Policies and Procedures would also be available on the Staff Intranet.

In terms of lawful expenditure, special council meetings are held annually to discuss the proposals for the Estimates for the forthcoming year. As part of this process, actual expenditure for the previous year is examined and analysed, and future spending proposals are discussed in detail. Internal audit and Local Government Annual reports are also examined and discussed at these meetings, as well as the meetings of the Audit and Governance Working Group. Council are issued with a detailed booklet which forms the basis for discussion and decision making at the meetings.

The Estimates process for 2015-16 was administered by Causeway Coast and Glens Shadow Council. All relevant information was provided to the Lead Officer for Council consideration.

As previously mentioned, Council appointed Moore Stephens as part of a collaborative procurement exercise with Limavady Borough Council to deliver Internal Audit services. The Internal Audit plan covers a range of Council's main activities, financial and otherwise. Various aspects of operating activities have been sampled and examined to ensure that appropriate legislation, policies and procedures are adhered to and expenditure is lawful. Internal audit reports including award of assurance levels and recommendations for improvement are reported to both Council and the AGWG.

In terms of service specific compliance, service departments are kept up to date in the following ways:

- Subscription to on line expertise e.g. HR - Legal-Island Email Service and Croners On-line Employment Lay Information Service and Advice Line.
- Legal Advice when required - Council subscribe to DAS – Employment Advise as part of the annual Insurance programme.
- Officer Meetings – Service specific
- Support from Northern Group – Technical namely Building Control and Environmental Health
- Various Forum
- Training and Development

The Clerk and Chief Executive is also the Council's Chief Financial Officer, as required by Section 1, of the Local Government Finance Act (Northern Ireland) 2011. The Chief Financial Officer is charged with ensuring the lawfulness and financial prudence of decision making, providing advice, and guidance and ensuring that expenditure is incurred lawfully.

The financial management arrangements conform with the governance requirements of CIPFA Statement on the Role of the Chief Financial Officer (CFO) in Local Government (2010) as set out in the Application Note to Delivering Good Governance in Local Government Framework. The CFO is also supported by suitably qualified and experienced staff (including two qualified accountants) within the finance function to ensure that decisions made by the CFO are based on sound technical knowledge and understanding.

9. Whistle-blowing and for receiving and investigating complaints from the public.

Council has a Whistle-Blowing policy which is issued to all staff. A copy is included in the Staff Induction Pack and is also available on the Staff Intranet. The policy was reviewed in June 2010 but no amendments were considered necessary.

There were no incidents of Whistle-blowing reported during the 2014-15 year.

Council also operates a formal scheme for public complaints and suggestions. These are referred to the relevant department and responded to within set deadlines, with the opportunity to have complaints referred to a higher level in the organisation where the complainant is not satisfied with the response. Where a complainant remains dissatisfied s/he is advised to contact the Northern Ireland Ombudsman.

10. Identifying the development needs of Members and senior officers in relation to their strategic roles, supported by appropriate training.

Council have a limited training and development budget for both Councils and Staff.

All relevant conferences and courses are circulated to Councillors through the fortnightly meetings. Each Councillor has an allocated amount of money set aside for conferences and courses and capacity building in relation to LGR/LGR. This covers course fees, travel and subsistence. This is monitored on a monthly basis to ensure the budget is not exceeded. This may include further education leading to a recognised qualification.

In terms of officers, training needs are identified on an ongoing basis. Corporate Wide training during the year included Social Media, Microsoft Office, Employee Investigation Training, IOSH Training, CPC Training, Health and Safety Training, Risk Assessment Training, Basic Fire Safety Awareness Training, and the Role of Fire Warden Training.

A Further education policy exists and this has been applied consistently.

Service specific training would be identified by managers and employees and the necessary arrangements made.

As part of our ongoing convergence work towards LGR the cluster group of HR Managers are progressing on a consistent and co-ordinated approach to training, which is being implemented in each of the LGR areas.

11. Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation.

Council consults with various bodies in relation to important strategic or policy development matters. Provisions are in place for communication in various formats and languages if required.

Council publishes two bulletins annually called Moyle Matters. These are distributed to all households within the Council area, and further copies are available on request. A range of leaflets and publications are also available in public buildings across the Council area. The internet also provides information on services, council meetings, council minutes and the "Contact us" section on the webpage allows for enquiries, feedback or complaints to be submitted electronically.

Council also publishes a range of citizen advice leaflets which are available at public buildings in the district and also on line.

Council meetings are open to the press and members of the public, and minutes are published on the council's website and made available in public libraries and the Council Offices. Minutes of the SMT meetings are published on the Council's "Staff net".

The Council also responds to Freedom of Information requests as received throughout the year.

In terms of the Local Government Reform (LGR), elected representatives from Moyle District Council sat on the Statutory Transition Committee following on from the Voluntary Transition Committee. This Committee operated existence until 19th June 2014. Following the elections on 22nd May, the Shadow Council for Causeway Coast and Glens held its first annual meeting on Thursday 12th June 2014, and continued in existence until 31st March 2015.

Council continued to work with the cluster councils during the 2014-15 year.

Review of Effectiveness

The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the Senior Managers within the Council who have responsibility for the development and maintenance of the governance environment, the Internal Auditor's annual report, comments made by the external auditors and the Audit and Governance Working Group which includes elected members representative of the political membership of Council. The Internal Auditor carried out an annual programme of work in 2014/15 based upon the output of a Risk workshop. This plan was approved by Council and takes account of risk inherent in Council's activities.

Under the terms of reference for the Audit and Governance Working Group, they are charged with responsibility for ensuring good stewardship of the Council's resources, and committed to making the Council, its working groups and departments more responsive to the audit function.

The Internal Auditor provides an independent opinion on the adequacy and effectiveness of the internal control system. The Internal Auditor forwards draft reports to the relevant Director/Head of Service, for Management comments, and responses. The reports are co-ordinated by the Director of Corporate Services and then issued in their final format, presented to the Audit and Governance Working Group initially and then to Council. The Annual Internal Audit Report for 2014/15 provided a satisfactory level of assurance.

During the year the Audit and Governance Working Group reviewed Corporate Governance arrangements, Internal and External Audit Reports, and draft policies and procedures of internal control. The minutes of the Group are brought to full council for discussion.

Councils Internal Auditors presented to the Audit and Governance Working Group on 23rd March 2015, on the implications of the Public Sector Internal Audit Standards (PSIAS) – Local Government Application. A checklist developed by Moore Stephens, following the recommended checklist provided in the CIPFA Local Government Application Note for the UK Public Sector Internal Audit Standards (PSIAS) 2013, was completed by the Internal

Auditors for assessing conformance with the PSIAS and the Local Government Application Note, and presented to the working group.

Governance and Risk is a standing item on the SMT Monthly agenda. The Internal Audit Plan and previous recommendations are monitored and reviewed to ensure progress is being made.

Significant Governance Issues

- As progress continues towards LGR there are significant resources required to implement various projects and initiatives associated with this, whilst maintaining current service delivery. This includes systems convergence, analysis, data gathering etc.
- Current Economic climate. This brings challenges in terms of funding services with cuts to central government funding and reduced ability by ratepayers and service users to pay for council services.
- Procurement has been identified as an area of both opportunities in terms of collaboration and savings, but also an area of high risk in terms of legislative compliance and challenge
- Waste Management and challenges associated with meeting EU targets, and the abandonment of the Waste Management Project

Council have continued to

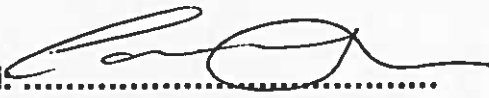
- Meet cluster councils regarding strategic direction towards LGR.
- Take part in collaborative procurement exercises
- Implement the Corporate Health and Safety Action Plan

Local Government Reform

From 1 April 2015, under the Reform of Local Government (RLG), the number of Councils in Northern Ireland will reduce from the 26 existing to 11 new Councils, established under the Local Government Act (Northern Ireland) 1972 as amended by the Local Government (Boundaries) Act (Northern Ireland) 2008. From that date the Northern Ireland Executive has agreed to transfer some functions currently carried out by NI Government Departments and give some new responsibilities to the 11 new Councils. The new councils will be stronger, more efficient and will deliver more effective services.

The new councils came into existence on 26th May 2014, operating in shadow form until they take over full responsibility for local government on 1st April 2015 when the 26 existing councils cease to exist. The final accounts for Moyle District Council will therefore be for the 2014/15 financial year. The Local Government (Transitional, Supplementary, Incidental Provisions and Modifications) Regulations (Northern Ireland) 2014 made transitional provision with respect to local government reorganisation including positions of responsibility within the new council for the winding up and final accounts of existing councils.

The Local Government Act (Northern Ireland) 2014 introduced the legislative frame work for Northern Ireland's 11 new councils and has made transitional provisions to provide for the transfer of staff, assets and liabilities from the current 26 councils to the 11 new councils, and from departments transferring functions to the new councils.

Signed: 

Date: 14 October 2015

**Chair of Audit Committee
Causeway Coast and Glens Borough Council**

Signed: 

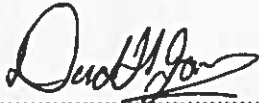
Date: 14 October 2015

**Chief Executive
Causeway Coast and Glens Borough Council**

Certificate of the Chief Financial Officer

I certify that:

- (a) the Statement of Accounts for the year ended 31 March 2015 on pages 23 to 89 has been prepared in the form directed by the Department of the Environment and under the accounting policies set out on pages 27 to 42.
- (b) in my opinion the Statement of Accounts gives a true and fair view of the income and expenditure and cash flows for the financial year and the financial position as at the end of the financial year ending 31 March 2015.

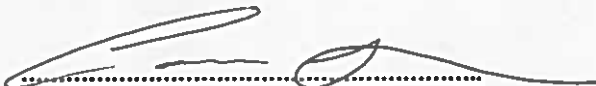


.....
Chief Financial Officer
Causeway Coast and Glens Borough Council

Date 14 October 2015

Council Approval of Statement of Accounts

These accounts were approved by resolution of the Causeway Coast and Glens Borough Council Audit Committee on 29th June 2015.



.....
Chair of Audit Committee
Causeway Coast and Glens Borough Council

Date 14 October 2015

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAUSEWAY COAST AND GLENS BOROUGH COUNCIL

I have audited the financial statements of Moyle District Council for the year ended 31 March 2015 under the Local Government (Northern Ireland) Order 2005. The financial statements comprise the Movement in Reserves Statement, Comprehensive Income and Expenditure Statement, Balance Sheet, Cash Flow Statement, and the related notes. The financial statements have been prepared under the accounting policies set out within them.

This report is made solely to the Members of the Causeway Coast and Glens Borough Council in accordance with the Local Government (Northern Ireland) Order 2005 and for no other purpose, as specified in the Statement of Responsibilities. Under the transitional arrangements set out in the Local Government (Transitional, Supplementary, Incidental Provisions and Modifications) Regulations Northern Ireland) 2014, the Causeway Coast and Glens Borough Council takes responsibility for the financial statements of Moyle District Council.

Respective responsibilities of the Chief Financial Officer and the independent auditor

As explained more fully in the Statement of Council's and Chief Financial Officer's Responsibilities, the Chief Financial Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view of the income and expenditure and cash flows for the financial year and the financial position as at the end of the financial year. My responsibility is to audit the financial statements in accordance with the Local Government (Northern Ireland) Order 2005 and the Local Government Code of Audit Practice. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to Moyle District Council's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by Moyle District Council; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Explanatory Foreword and Governance Statement to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view, in accordance with relevant legal and statutory requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2014-15, of the financial position of Moyle District Council as at 31 March 2015 and its income and expenditure for the year then ended; and

- the financial statements have been properly prepared in accordance with the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006 and the Department of the Environment directions issued thereunder.

Opinion on other matters

- In my opinion the information given in the Explanatory Foreword for the financial year ended 31 March 2015 is consistent with the financial statements.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- The Annual Governance Statement:
 - does not reflect compliance with the Code of Practice on Local Authority Accounting in the United Kingdom 2014-15;
 - does not comply with proper practices specified by the Department of the Environment;
 - is misleading or inconsistent with other information I am aware of from my audit; or
- adequate accounting records have not been kept; or
- the statement of accounts is not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit.

Certificate

I certify that I have completed the audit of accounts of Moyle District Council in accordance with the requirements of the Local Government (Northern Ireland) Order 2005 and the Local Government Code of Audit Practice.



Louise Mason
Local Government Auditor
Northern Ireland Audit Office
106 University Street
Belfast
BT7 1EU

27 October 2015

**Moyle District Council
Movement in Reserves Statement
For the current and comparative year**

This Statement shows the movement in the year on the different reserves held by the Council, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other reserves. The 'Surplus or (Deficit) on the provision of services' line shows the true economic cost of providing the Council's services, more details of which are shown in the Comprehensive Income and Expenditure Statement. These are different from the statutory amounts required to be charged to the General Fund Balance for local tax purposes. The 'Net increase /Decrease before transfers to statutory and other reserves' line shows the statutory General Fund Balance before any discretionary transfers to or from statutory and other reserves undertaken by the Council.

	General Fund Summary	Statutory Reserves	Other Fund Balances & Reserves	Capital Receipts Reserve	Total Usable Reserves	Total Unusable Reserves	Total Council Reserves
	£	£	£	£	£	£	£
At 1 April 2013	757,134	0	30,228	519,960	1,307,322	12,603,413	13,910,735
Movement in reserves during the year							
Pension adjustment re prior year				24,851			24,851
Surplus or (deficit) on the provision of services	(237,036)	0	0	0	(237,036)	0	(237,036)
Other Comprehensive Income and Expenditure	0	0	0	0	0	9,158,297	9,158,297
Total Comprehensive Income and Expenditure	(237,036)	0	0	0	(237,036)	9,158,297	8,921,261
Adjustments between accounting basis & funding basis under regulations	127,543	0	0	0	127,543	(127,543)	0
Net Increase/Decrease before Transfers to Statutory and Other Reserves	(109,493)	0	0	0	(109,493)	9,055,605	8,946,112
Transfers to/from Statutory and Other Reserves	0	0	0	0	0	0	0
Increase/Decrease in Year	(109,493)	0	0	0	(109,493)	9,055,605	8,946,112
At 31 March 2014	647,641	0	30,228	519,960	1,197,829	21,659,018	22,856,847
Movement in reserves during the year							
Surplus or (deficit) on provision of services	(1,194,962)	0	0	0	(1,194,962)	0	(1,194,962)
Other Comprehensive Income and Expenditure	0	0	0	0	0	829,099	829,099
Total Comprehensive Income and Expenditure	(1,194,962)	0	0	0	(1,194,962)	829,099	(365,863)
Adjustments between accounting basis & funding basis under regulations	830,778	0	0	0	830,778	(830,778)	0
Net Increase/Decrease before Transfers to Statutory and Other Reserves	(364,185)	0	0	0	(364,185)	(1,678)	(365,863)
Transfers to/from Statutory and Other Reserves	30,228	0	(30,228)	0	0	0	0
Increase/Decrease in Year	(333,957)	0	(30,228)	0	(364,185)	(1,678)	(365,863)
At 31 March 2015	313,684	0	0	519,960	833,644	21,657,340	22,490,984

MOYLE DISTRICT COUNCIL

Comprehensive Income and Expenditure Statement for the year ended 31 March 2015

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. Councils raise taxation to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.

	<i>Notes</i>	Gross Expenditure	2014/15 Gross Income	Net Cost	Gross Expenditure	2013/14 Gross Income	Net Cost
		£	£	£	£	£	£
Services Expenditure							
Leisure and Recreational Services		2,809,611	712,515	2,097,096	3,172,568	1,095,409	2,077,159
Environmental Services		3,464,497	335,603	3,128,894	3,537,318	417,382	3,119,936
DRM and Corporate Management		1,028,137	33,030	995,107	799,759	189,858	809,901
Other Services		1,343,183	480,187	862,996	1,573,737	947,120	626,617
Cost of Services on Continuing Operations	4-6	8,645,428	1,561,335	7,084,093	9,083,382	2,649,769	6,433,613
Other Operating Expenditure	7	0	385,492	(385,492)	0	399,289	(399,289)
Financing and Investment Income and Expenditure	8	641,899	14,040	627,860	673,974	15,214	658,760
Surplus or Deficit on Discontinued Operations		0	0	0	0	0	0
Net Operating Expenditure		9,287,327	1,960,867	7,326,461	9,757,356	3,064,272	6,693,084
Taxation and Non-Specific Grant Income	9	0	6,131,498	(6,131,498)	0	6,456,048	(6,456,048)
Surplus/(Deficit) on the Provision of Services		9,287,327	8,092,365	(1,184,962)	9,757,356	9,520,320	(237,036)
Surplus/(Deficit) on revaluation of non-current assets	10a/10b/10d			1,398,099			8,170,297
Impairment losses on non-current assets charged to the Revaluation Reserve	10a/10b/10d			0			0
Surplus/(Deficit) arising on revaluation of available-for-sale financial assets	25a/25b			0			0
Remeasurements of the Net Defined Benefit Liability (Asset)	20			(569,000)			988,000
Other Comprehensive Income and Expenditure				829,099			9,158,297
Total Comprehensive Income and Expenditure				(365,863)			8,921,261

MOYLE DISTRICT COUNCIL
Balance Sheet As At 31 March 2015

	<i>Notes</i>	2014/15 £	2013/14 £
Property Plant & Equipment (PP&E)	10a/10b	33,246,677	31,756,009
Heritage Assets	10d	135,850	159,000
Investment Properties	10a/10b	0	0
Intangible Assets	10a/10b	530	6,623
Long Term Investments	15a	0	0
Investment in Associates and Joint Ventures		0	0
Long Term Debtors	14a	1,053,551	1,053,742
LONG TERM ASSETS		34,436,608	32,975,374
Short Term Investments		0	0
Inventories	13	34,498	38,818
Short Term Debtors	14b	834,548	1,345,075
Cash and Cash Equivalents	24b	1,109,966	1,358,872
Assets Held for Sale	10e	150,000	150,000
CURRENT ASSETS		2,129,012	2,892,765
Bank Overdraft		0	0
Short Term Borrowing	16a	495,241	416,240
Short Term Creditors	17a	543,066	945,090
Provisions	18	0	0
Liabilities in Disposal Groups		0	0
CURRENT LIABILITIES		1,038,307	1,361,330
Long Term Creditors	17b	0	0
Provisions	18	0	0
Long Term Borrowing	16b	9,201,424	8,369,565
Other Long Term Liabilities	5,20	3,810,000	3,009,000
Donated Assets Account	21	0	0
Capital Grants Receipts in Advance	22	24,905	271,397
LONG TERM LIABILITIES		13,036,329	11,649,962
NET ASSETS		22,490,984	22,856,847
USABLE RESERVES	25a/25b	833,644	1,197,829
UNUSABLE RESERVES	25a/25b	21,657,340	21,659,018
NET WORTH		22,490,984	22,856,847

MOYLE DISTRICT COUNCIL
Cash Flow Statement at 31 March 2015

The Cash Flow Statement shows the changes in cash and cash equivalents of the Council during the reporting period. The statement shows how the Council generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. 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 Council. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Council's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Council. The Council reports cash flows from operating activities using the indirect method, whereby net Surplus or Deficit on the Provision of Services is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of revenue or expense associated with investing or financing cash flows.

	Notes	2014/15 £	2013/14 £
Net (surplus) or deficit on the provision of services		(1,194,962)	(237,036)
Adjustment to surplus or deficit on the provision of services for noncash movements		1,252,497	894,722
Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities		(252,092)	(709,818)
		<hr/>	<hr/>
Net cash flows from operating activities	24a), 24c)	(194,557)	(52,132)
Net Cash flows from Investing Activities	24d)	(965,211)	(99,395)
Net Cash flows from Financing Activities	24e)	910,862	461,586
Net increase or decrease in cash and cash equivalents		(248,906)	310,059
Cash and cash equivalents at the beginning of the reporting period		1,358,872	1,048,812
		<hr/>	<hr/>
Cash and cash equivalents at the end of the reporting period		<u>1,109,966</u>	<u>1,358,871</u>

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements

1a Accounting Policies

General Principles

The Statement of Accounts summarises the Council's transactions for the 2014/15 financial year and its position at the year-end of 31 March 2015. The Council is required to prepare an annual Statement of Accounts in a form directed by the Department of the Environment in accordance with regulations 4 (1) and (2) in the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006 in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2014/15 and the Service Reporting Code of Practice 2013/14 (SeRCOP), supported by International Financial Reporting Standards (IFRS). The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments. The Code of Practice on Local Authority Accounting in the United Kingdom 2014/15 also requires disclosure in respect of:

Summary of Significant Accounting Policies

i) Accruals of Income and Expenditure

- Revenue from the sale of goods is recognised when the Council transfers the significant risks and rewards of ownership to the purchaser and it is probable that economic benefits or service potential associated with the transaction will flow to the Council.

- Revenue from the provision of services is recognised when the Council can measure reliably the percentage of completion of the transaction and it is probable that economic benefits or service potential associated with the transaction will flow to the Council.

- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.

- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.

- Interest payable on borrowings and receivable on investments is accounted for on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.

- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where it is doubtful that debts will be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

ii) Acquisitions

Council has not acquired any operations during the financial year

iii) Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in no more than three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Council's cash management.

iv) Contingent Assets

A contingent asset arises where an event has taken place that gives the Council a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

v) Contingent Liabilities

A contingent liability arises where an event has taken place that gives the Council a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably. Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

vi) Discontinued Operations

The Council no longer operates at the Giants Causeway Visitor Centre, on the 19th April 2010 the Council entered into a lease agreement with the National Trust who are now responsible for managing and operating the site.

vii) Employee Benefits

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g. cars) for current employees, and are recognised as an expense in the year in which employees render service to the Council. An accrual is made for the cost of holiday entitlements earned by employees but not taken before the year-end and which employees can carry forward into the next financial year.

Termination benefits

Termination benefits are amounts payable as a result of a decision by the Council to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged on an accruals basis to the Non Distributed Costs line in the Comprehensive Income and Expenditure Statement at the earlier of: a) when the offer cannot be withdrawn or b) when the related restructuring costs are incurred.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable by the Council to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Post Employment Benefits

Employees of the Council are members of the Northern Ireland Local Government Officers' Pension Fund administered by the Northern Ireland Local Government Officers' Superannuation Committee. The scheme provides defined benefits to members (retirement lump sums and pensions), earned as employees worked for the Council.

The Northern Ireland Local Government Officers' Pension Fund

The Northern Ireland Local Government Officers' Pension Fund is accounted for as a defined benefits scheme.

The liabilities of the Northern Ireland Local Government Officers' Pension Fund attributable to the Council are included in the Balance Sheet on an actuarial basis using the projected unit method – i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc, and projections of projected earnings for current employees.

Liabilities are discounted to their value at current prices, using a discount rate (based on the indicative rate of return on high quality corporate bonds using the constituents of the iBoxx of AA rated corporate bonds using the duration of the employer's liabilities of around 20 years).

The assets of the Northern Ireland Local Government Officers' pension fund attributable to the Council are included in the Balance Sheet at their fair value:

- cash
- bonds - valuation
- property – market value
- equities - valuation

The change in the net pensions liability is analysed into seven components:

Within the Cost of Services

Current Service Cost – the increase in the present value of the defined benefit obligation (liabilities) resulting from employee service in the current period.

Past Service Cost – (where applicable) the change in the present value of the defined benefit obligation for employee service in prior periods, resulting from a plan amendment (the introduction or withdrawal of, or changes to, a defined benefit plan) or a curtailment (a significant reduction in the number of employees covered by the plan).

Any Gains or Losses on Settlement – (where applicable) arising where a council enters into a transaction that eliminates all further legal or constructive obligations for part or all of the benefits provided under a defined benefit plan.

Within Financing and Investment Income and Expenditure

Net Interest on the Net Defined Benefit Liability (Asset) – the change in the net defined benefit liability (asset) that arises from the passage of time,

Within Other Comprehensive Income and Expenditure (Remeasurements)

The Return on Plan Assets – excluding amounts recognised in the Net Interest on the Net Defined Benefit Liability (Asset). This includes interest, dividends and other income derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less any costs of managing plan assets, and any tax payable by the plan itself other than tax included in the actuarial assumptions used to measure the present value of the defined benefit obligation.

Actuarial Gains and Losses – changes in the present value of the defined benefit obligation resulting from: a) experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and b) the effects of changes in actuarial assumptions.

Any change in the Effect of the Asset Ceiling – (where applicable) excluding amounts included in the Net Interest on the Net Defined Benefit Liability (Asset).

Within the Movement in Reserves Statement Appropriations

Contributions by Scheme Participants – the increase in scheme liabilities and assets due to payments into the scheme by employees (where increased contribution increases pension due to the employee in the future).

Contributions by the Employer - the increase in scheme assets due to payments into the scheme by the employer.

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the Council to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are made to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Discretionary Benefits

The Council also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff are accrued in the year of the decision to make the award and accounted for using the same policies that are applied to the Northern Ireland Local Government Officers' pension fund.

viii) Events After the Balance Sheet Date

Events after the balance sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events

- those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect disclosure is made in the notes of the nature of the events and their estimated financial effect.

The financial statements may subsequently be adjusted up to the date when they are authorised for issue. This date will be recorded on the financial statements and is usually the date the Local Government Auditor issues his certificate and opinion. Where material adjustments are made in this period they will be disclosed.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

ix) Exceptional Items

When items of income and expense are material, their nature and amount is disclosed separately, either on the face of the Comprehensive Income and Expenditure Statement or in the notes to the accounts, depending on how significant the items are to an understanding of the Council's financial performance.

x) Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e., in the current and future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Council's financial position or financial performance. Where a change is made, it is applied retrospectively by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

xi) Financial Instruments

Most financial instruments held by Councils would fall to be classified into just one class of financial liability and two classes of financial assets:

Financial Liabilities

Amortised Cost

Financial Assets

Loans and Receivables

Available for Sale

Financial liabilities are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and are carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

For most of the borrowings that the Council has, this means that the amount presented in the Balance Sheet is the outstanding principal repayable (plus accrued interest); and interest charged to the Comprehensive Income and Expenditure Statement is the amount payable for the year according to the loan agreement.

Gains and losses on the repurchase or early settlement of borrowing are credited and debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement in the year of repurchase/settlement. However, where repurchase has taken place as part of a restructuring of the loan portfolio that involves the modification or exchange of existing instruments, the premium or discount is respectively deducted from or added to the amortised cost of the new or modified loan and the write-down to the Comprehensive Income and Expenditure Statement is spread over the life of the loan by an adjustment to the effective interest rate.

Where premiums and discounts have been charged to the Comprehensive Income and Expenditure Statement, regulations allow the impact on the General Fund Balance to be spread over future years. The Council has a policy of spreading the gain or loss over the term that was remaining on the loan against which the premium was payable or discount receivable when it was repaid. The reconciliation of amounts charged to the Comprehensive Income and Expenditure Statement to the net charge required against the District Fund Balance is managed by a transfer to or from the Financial Instruments Adjustment Account in the Movement in Reserves Statement.

Additional policy detail required where a Council has entered into financial guarantees or has financial liabilities at fair value through profit or loss (such as derivatives).

Financial Assets

Financial assets are classified into two types:

- loans and receivables – assets that have fixed or determinable payments but are not quoted in an active market
- available-for-sale assets – that have a quoted market price and/or do not have fixed or determinable payments.

Loans and Receivables

Loans and receivables are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are then measured at their amortised cost. Annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the loans that the Council has made, this means that the amount presented in the Balance Sheet is the outstanding principal receivable (plus accrued interest) and interest credited to the Comprehensive Income and Expenditure Statement is the amount receivable for the year in the loan agreement.

However, the Council could make a loan to a voluntary organisation at less than market rates (soft loans). When soft loans are made, a loss is recorded in the Comprehensive Income and Expenditure Statement (debited to the appropriate service) for the present value of the interest that will be foregone over the life of the instrument, resulting in a lower amortised cost than the outstanding principal. Interest is credited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement at a marginally higher effective rate of interest than the rate receivable from the voluntary organisations, with the difference serving to increase the amortised cost of the loan in the Balance Sheet. Statutory provisions require that the impact of soft loans on the District Fund Balance is the interest receivable for the financial year – the reconciliation of amounts debited and credited to the Comprehensive Income and Expenditure Statement to the net gain required against the General Fund Balance is managed by a transfer to or from the Financial Instruments Adjustment Account in the Movement in Reserves Statement.

Where assets are identified as impaired because of a likelihood arising from a past event that payments due under the contract will not be made, the asset is written down and a charge made to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The impairment loss is measured as the difference between the carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate.

Any gains and losses that arise on the de-recognition of an asset are credited or debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

Available-for-Sale Assets

Available-for-sale assets are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured and carried at fair value. Where the asset has fixed or determinable payments, annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest receivable are based on the amortised cost of the asset multiplied by the effective rate of interest for the instrument. Where there are no fixed or determinable payments, income (e.g., dividends) is credited to the Comprehensive Income and Expenditure Statement when it becomes receivable by the Council.

Assets are maintained in the Balance Sheet at fair value. Values are based on the following principles:

- instruments with quoted market prices – the market price
- other instruments with fixed and determinable payments – discounted cash flow analysis
- equity shares with no quoted market prices – independent appraisal of company valuations.

Changes in fair value are balanced by an entry in the Available-for-Sale Reserve and the gain/loss is recognised in the Surplus or Deficit on Revaluation of Available-for-Sale Financial Assets. The exception is where impairment losses have been incurred – these are debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement, along with any net gain or loss for the asset accumulated in the Available-for-Sale Reserve.

Where assets are identified as impaired because of a likelihood arising from a past event that payments due under the contract will not be made (fixed or determinable payments) or fair value falls below cost, the asset is written down and a charge made to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. If the asset has fixed or determinable payments, the impairment loss is measured as the difference between the carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. Otherwise, the impairment loss is measured as any shortfall of fair value against the acquisition cost of the instrument (net of any principal repayment and amortisation).

Any gains and losses that arise on the de-recognition of the asset are credited or debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement, along with any accumulated gains or losses previously recognised in the Available-for-Sale Reserve.

Where fair value cannot be measured reliably, the instrument is carried at cost (less any impairment losses).

Additional policy detail required where a Council has financial assets at fair value through profit or loss (such as derivatives).

Instruments Entered Into Before 1 April 2006

The Council entered into a number of financial guarantees that are not required to be accounted for as financial instruments. These guarantees are reflected in the Statement of Accounts to the extent that provisions might be required or a contingent liability note is needed under the policies set out in the sections on Provisions, Contingent Liabilities and Contingent Assets.]

xii) Foreign Currency Translation

Where the Council has entered into a transaction denominated in a foreign currency, the transaction is converted into sterling at the exchange rate applicable on the date the transaction was effective. Where amounts in foreign currency are outstanding at the year-end, they are reconverted at the spot exchange rate at 31 March. Resulting gains or losses are recognised in the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

xiii) Government Grants and Contributions

Whether paid on account, by instalments or in arrears, government grants and third party contributions and donations are recognised as due to the Council when there is reasonable assurance that:

- the Council will comply with the conditions attached to the payments, and
- the grants or contributions will be received.

Amounts recognised as due are not credited to the Comprehensive Income and Expenditure Statement until conditions attaching to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-ring-fenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied Reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied Reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

xiv) Intangible Assets

Expenditure on non-monetary assets that do not have physical substance but are controlled by the Council as a result of past events (e.g. software licences) is capitalised when it is expected that future economic benefits or service potential will flow from the intangible asset to the Council.

Internally generated assets are capitalised where it is demonstrable that the project is technically feasible and is intended to be completed (with adequate resources being available) and the Council will be able to generate future economic benefits or deliver service potential by being able to sell or use the asset. Expenditure is capitalised where it can be measured reliably as attributable to the asset and restricted to that incurred during the development phase (research expenditure is not capitalised).

Expenditure on the development of websites is not capitalised if the website is solely or primarily intended to promote or advertise the Council's goods or services.

Intangible assets are measured initially at cost. Amounts are only revalued where the fair value of the assets held by the Council can be determined by reference to an active market. In practice, no intangible asset held by the Council meets this criterion, and they are therefore carried at amortised cost. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service line(s) in Cost of Services on Continuing Operations in the Comprehensive Income and Expenditure Statement. An asset is tested for impairment whenever there is an indication that the asset might be impaired – any losses recognised are posted to the relevant service line(s) in Cost of Services on Continuing Operations in the Comprehensive Income and Expenditure Statement. Any gain or loss arising on the disposal or abandonment of an intangible asset is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement.

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the District Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £1k) the Capital Receipts Reserve.

xv) Inventories & Long Term Contracts

Inventories are included in the Balance Sheet at the lower of cost and net realisable value. The cost of inventories is assigned using the FIFO costing formula.

Long Term contracts are accounted for on the basis of charging the surplus or deficit on the provision of services with the value of works and services received under the contract during the financial year.

xvi) Investment Property

Investment properties are those that are used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or is held for sale.

Investment properties are measured initially at cost and subsequently at fair value, based on the amount at which the asset could be exchanged between knowledgeable parties at arm's length. Investment properties are not depreciated but are revalued annually according to market conditions at the year-end. Gains and losses on revaluation are posted to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal.

Rentals received in relation to investment properties are credited to the Financing and Investment Income line in the Comprehensive Income and Expenditure Statement and result in a gain for the General Fund Balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the District Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and the Capital Receipts Reserve.

xvii) Landfill Allowance Schemes

The Landfill Allowances Scheme operates under the Landfill Allowances Scheme (Northern Ireland) Regulations 2005. Local Authorities are allocated annual target figures for the maximum amount of biodegradable municipal waste that can be sent to landfill but there are no tradable allowances. It is not a 'cap and trade' scheme since landfill allowances are not tradable. For this reason, landfill allowances are not recognised as assets on the Balance Sheet.

xviii) Leases

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property from the lessor to the lessee. All other leases are classified as operating leases.

Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification.

Arrangements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets.

The Council as Lessee

Finance Lease:

Property, plant and equipment held under finance leases is recognised on the Balance Sheet at the commencement of the lease at its fair value measured at the lease's inception (or the present value of the minimum lease payments, if lower). The asset recognised is matched by a liability for the obligation to pay the lessor. Initial direct costs of the Council are added to the carrying amount of the asset. Premiums paid on entry into a lease are applied to writing down the lease liability. Contingent rents are charged as expenses in the periods in which they are incurred.

Lease payments are apportioned between:

- a charge for the acquisition of the interest in the property – applied to write down the lease liability, and
- a finance charge (debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement)

Property, Plant and Equipment recognised under finance leases is accounted for using the policies applied generally to such assets, subject to depreciation being charged over the lease term if this is shorter than the asset's estimated useful life.

The Council is not required to raise district rates to cover depreciation or revaluation and impairment losses arising on leased assets. Instead, a prudent annual provision is made from revenue towards the deemed capital investment in accordance with statutory requirements. Depreciation and impairment losses are therefore replaced by a revenue provision in the General Fund Balance, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

Operating Leases:

Rentals paid under operating leases are charged to the Comprehensive Income and Expenditure Statement as an expense of the services benefiting from use of the leased property, plant or equipment. Charges are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g., there is a rent-free period at the commencement of the lease).

The Council as Lessor

Finance Leases

Where the Council grants a finance lease over a property or an item of plant or equipment, the relevant asset is written out of the Balance Sheet as a disposal. At the commencement of the lease, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. A gain, representing the Council's net investment in the lease, is credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal), matched by a lease asset (long term debtor) in the Balance Sheet.

Lease rentals receivable are apportioned between:

- a charge for the acquisition of the interest in the property – applied to write down the lease asset (long term debtor) together with any premiums received, and
- finance income (credited to the Financing and Investment income and Expenditure line in the Comprehensive Income and Expenditure Statement).

The gain credited to the Comprehensive Income and Expenditure Statement on disposal is not permitted by statute to increase the General Fund Balance and will be required to be treated as a capital receipt. Where a premium has been received, this is posted out of the General Fund Balance to the Capital Receipts Reserve in the Movement in Reserves Statement. Where the amount due in relation to the lease asset is to be settled by the payment of rentals in future financial years, this is posted out of the General Fund Balance to the Deferred Capital Receipts Reserve in the Movement in Reserves Statement. When the future rentals are paid, the element for the charge for the acquisition of the interest in the property is used to write down the lease asset (debtor). At this point, the deferred capital receipts are transferred to the Capital Receipts Reserve.

The written-off value of disposals is not a charge against council tax, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are therefore appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

Operating Leases

Where the Council grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Credits are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g., there is a premium paid at the commencement of the lease). Initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the relevant asset and charged as an expense over the lease term on the same basis as rental income.

xix) Disposals and Non-Current Assets Held for Sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Gains in fair value are recognised only up to the amount of any previously recognised losses. Depreciation is not charged on Assets Held for Sale. Additional policy detail required where a Council is carrying a disposal group as an Asset Held for Sale.

If assets no longer meet the criteria to be classified as Held for Sale, they are reclassified back to non-current assets and valued at the lower of its carrying amount before they were classified as Held for Sale: adjusted for depreciation, amortisation or revaluations that would have been recognised had they not been classified as Held for Sale, and their recoverable amount at the date of the decision not to sell.

Assets that are to be decommissioned i.e. abandoned or scrapped are not reclassified as Assets Held for Sale.

When an asset is disposed of, or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts received for a disposal are categorised as capital receipts and credited to the Capital Receipts Reserve. Receipts are appropriated to the Reserve from the General Fund Balance in the Movement in Reserves Statement.

The written-off value of disposals is not a charge against district rates, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

xx) Overheads and Support Services

The costs of overheads and support services are charged to those that benefit from the supply or service in accordance with the costing principles of the CIPFA Service Reporting *Code of Practice 2013/14* (SeRCOP). The total absorption costing principle is used – the full cost of overheads and support services are shared between users in proportion to the benefits received, with the exception of:

- Corporate and Democratic Core – costs relating to the Council's status as a multi-functional, democratic organisation.
- Non Distributed Costs – the cost of discretionary benefits awarded to employees retiring early and any depreciation and impairment losses chargeable on non-operational properties.

These two cost categories are defined in SeRCOP and accounted for as separate headings in the Comprehensive Income and Expenditure Statement, as part of Net Expenditure on Continuing Services.

xxi) Property, Plant and Equipment

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e., repairs and maintenance) is charged as an expense when it is incurred.

Measurement

Assets are initially measured at cost, comprising:

- the purchase price
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located

The Council does not capitalise borrowing costs incurred whilst assets are under construction.

The cost of assets acquired other than by purchase is deemed to be its fair value, unless the acquisition will not increase the cash flows of the Council. In the latter case, where the asset is acquired via an exchange, the cost of the acquisition is the carrying amount of the asset given up by the Council.

Donated assets are measured initially at fair value. The difference between fair value and any consideration paid is credited to the Taxation and Non-Specific Grant Income line of the Comprehensive Income and Expenditure Statement, unless the donation has been made conditionally. Until conditions are satisfied, the gain is held in the Donated Assets Account. Where gains are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance to the Capital Adjustment Account in the Movement in Reserves Statement.

Assets are then carried in the Balance Sheet using the following measurement bases:

- infrastructure, community assets and assets under construction – depreciated historical cost
- all other assets – fair value, determined as the amount that would be paid for the asset in its existing use (existing use value – EUV)

Where there is no market-based evidence of fair value because of the specialist nature of an asset, depreciated replacement cost is used as an estimate of fair value.

Assets included in the Balance Sheet at fair value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their fair value at the year-end, but as a minimum every five years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains might be credited to the Comprehensive Income and Expenditure Statement where they arise from the reversal of a loss previously charged to a service.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2008 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

Impairment

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where impairment losses are identified, they are accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains), with any excess charged to the service line in the Comprehensive Income and Expenditure Statement.

- where there is no balance in the Revaluation Reserve, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line(s) in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

The same accounting treatment is applied to revaluation losses as a result of a general fall in asset prices across the board as opposed to a consumption of economic benefit specific to an asset as is in the case of impairment losses.

Depreciation

Depreciation is provided for on all Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life (i.e., freehold land and certain Community Assets) and assets that are not yet available for use (i.e., assets under construction).

Depreciation is calculated on the following bases:

- vehicles, plant and equipment – a percentage of the value of each class of assets in the Balance Sheet, as advised by a suitably qualified officer

- infrastructure – straight-line allocation over 5-15 years.

Componentisation

Where an item of Property, Plant and Equipment asset has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately.

Revaluations

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

xxii) Heritage Assets

Heritage Assets are assets with historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture.

Heritage Assets are those assets that are intended to be preserved in trust for future generations because of their cultural, environmental or historic associations, they would be held by this authority in pursuit of our overall objectives in relation to the maintenance of heritage.

The Council's Heritage assets are held in the Council's museum. The Museum has one main collection of heritage assets which are held in support of the primary objective of the Council's Museum i.e increasing the knowledge, understanding and appreciation of the Council's history and local area. Heritage assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the Council's accounting policies on property, plant and equipment. However some of the measurement rules are relaxed in relation to heritage assets as detailed below.

The accounting policies in relation to heritage assets that are deemed to include elements of intangible heritage assets are also presented below. The Council's collection of heritage assets are accounted for as follows.

Art Collection

The art collection includes paintings (both oil and watercolour) and sketches and is reported in the balance sheet at a value determined by an independent valuer during the year. The assets within the art collection are deemed to have indeterminate lives and a high residual value, hence the Council does not consider it appropriate to charge depreciation.

Heritage Assets - General

The carrying amounts of heritage assets are reviewed where there is evidence of impairment for heritage assets, eg where an item has suffered physical deterioration or breakage or where doubts arise as to its authenticity. Any impairment is recognised and measured in accordance with the Council's general policies on impairment - see note xxii in this summary of significant accounting policies. The trustees of the Council's Museum will occasionally dispose of heritage assets which have a doubtful provenance or are unsuitable for public display. The proceeds of such items are accounted for in accordance with the Council's general provisions relating to the disposal of property, plant and equipment. Disposal proceeds are disclosed separately in the notes to the financial statements and are accounted for in accordance with statutory accounting requirements relating to capital expenditure and capital receipts (again see notes xx and xxii in this summary of significant accounting policies).

xxiii) Provisions

Provisions are made where an event has taken place that gives the Council a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. For instance, the Council may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the Council becomes aware of the obligation, and measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year – where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service.

Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the Council settles the obligation.

xxiv) Reserves

The Council sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts out of the General Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the General Fund Balance in the Movement in Reserves Statement so that there is no net charge against District Rates for the expenditure.

Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments and retirement benefits and do not represent usable resources for the Council – these reserves are explained in the relevant note to the accounts.

xxv) Charges to Revenue for Non-Current Assets

Charges to revenue for non-current assets e.g. services, support services and trading accounts are debited with the following amounts to record the cost of holding fixed assets during the year:

- depreciation attributable to the assets used by the relevant service

- revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off
- amortisation of intangible fixed assets attributable to the service.

The Council is not required to raise District Rates to cover depreciation, revaluation and impairment losses or amortisations. However, it is required to make an annual provision from revenue to contribute towards the reduction in its overall borrowing requirement [equal to either an amount calculated on a prudent basis determined by the Council in accordance with statutory guidance]. Depreciation, revaluation and impairment losses and amortisations are therefore replaced by [minimum revenue provision MRP] in the General Fund Balance, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

xxvi) Revenue Expenditure Funded from Capital under Statute

Expenditure incurred during the year that may be capitalised under statutory provisions but that does not result in the creation of a non-current asset has been charged as expenditure to the relevant service in the Comprehensive Income and Expenditure Statement in the year. Where the Council has determined to meet the cost of this expenditure from existing capital resources or by borrowing, a transfer in the Movement in Reserves Statement from the General Fund Balance to the Capital Adjustment Account then reverses out the amounts charged, so that there is no impact on the level of District Rates.

xxvii) Value Added Tax

All expenditure and income, irrespective of whether it is revenue or capital in nature, is shown net of Value Added Tax, unless it is irrecoverable.

1b Accounting Standards That Have Been Issued but Have Not Yet Been Adopted

for 2014/15, the following accounting standards have been issued but not yet adopted within the Code of Practice on Local Authority Accounting

IFRS 13 Fair Value Measurement (2011)

The adoption of IFRS 13 Fair Value Measurement was deferred from the 2015/16 Code. Work has been carried out with HM Treasury to establish objectives for measuring property, plant and equipment that are consistent with the objective for the financial statements prescribed in the Code.

This work has confirmed that it is appropriate to focus on valuing the service potential and thus operating capacity used to deliver goods and services. Proposals were taken forward into the consultation for the 2015/16 Code that property, plant and equipment used to support service delivery is measured on the basis of its service potential, i.e. and existing use basis. Where no market is in existence or assets are specialised, a depreciated replacement cost measurement would be needed. These assets will not be formally valued at 'fair value' and thus under the requirements of IFRS 13 will be outside its scope.

The Council is of the view that these changes will have no material impact on the authorities financial position or performance at this stage.

The Council does not have material liabilities measured on a fair value basis and therefore does not anticipate that the provision of IFRS 13 will have any material impact on liabilities.

Amendments to IAS 19 Employee Benefits (Defined Benefit Plans: Employee Contributions)

In November 2013 the IASB issued its amendments to IAS 19. CIPFA/LASAAC considered the options in the standard for accounting for employee contributions and concluded that if the amount of the contributions is independent of the years of service a council is permitted to recognise such contributions as a reduction to service cost in the period in which the related service is rendered. This is consistent with the approach currently adopted and therefore there will not be any significant change in accounting practice for the council.

1c Critical Judgements in Applying Accounting Policies

In applying accounting policies set out from 1a below the Council has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:

- There is a high degree of uncertainty about future levels of funding for local government. However, the Council has determined that this uncertainty is not yet sufficient to provide an indication that the assets of the Council might be impaired as a result of a need to close facilities and reduce levels of service provision.

1d Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the Council about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Council's Balance Sheet at 31 March 2015 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

i) Property, Plant and Equipment

Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate makes it uncertain that the Council will be able to sustain its current spending on repairs and maintenance, bringing into doubt the useful lives assigned to assets.

If the useful life of assets is reduced, depreciation increases and the carrying amount of the assets falls.

ii) Pensions Liability

Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Council with expert advice about the assumptions to be applied.

The effects on the net pensions liability of changes in individual assumptions can be measured. For instance, a 0.1% increase in the discount rate assumption would result in a decrease in the pension liability of £1.9%.

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

2a Segmental Reporting Analysis - Current Year

The analysis of income and expenditure by service on the face of the Comprehensive Income and Expenditure Statement is specified by the Service Reporting Code of Practice. The segmental reporting notes within the financial statements are based on the summary first page of the General Fund – Service Income and Expenditure Analysis in the Department of Environment's Accounts Direction.

The General Fund – Service Income and Expenditure Analysis as presented to the Department of Environment is as follows:

[Comparative disclosures are reported in Note 2b]

Services	2014/15		
	Gross Expenditure	Gross Income	Net Expenditure/(Income)
	£	£	£
Culture and Heritage	105,324	2,721	102,603
Recreation and Sport	1,453,186	200,689	1,252,497
Tourism	778,417	347,485	430,932
Community Services	472,684	161,620	311,065
Leisure and Recreational Services	2,809,611	712,515	2,097,096
Cemetery, Cremation and Mortuary	2,541	270	2,271
Environmental Health	485,547	84,576	400,971
Flood Defence and Land Drainage	3,399	3,098	301
Public Conveniences	200,583	18,893	181,690
Licensing	28,614	13,808	14,806
Other Cleaning	492,001	2,166	489,835
Waste Collection	992,553	108,618	883,935
Waste Disposal	778,080	3,886	774,194
Building Control	226,575	88,560	138,015
Other Community Assets	133,263	11,728	121,534
Minor Works	121,342	0	121,342
Environmental Services	3,464,497	335,603	3,128,894
Democratic Representation and Management	506,204	1,994	504,210
Corporate Management	521,933	31,036	490,898
DRM and Corporate Management	1,028,137	33,030	995,108
Economic Development	267,743	95,706	172,036
Trading Services	657,260	208,672	448,587
Non Distributed Costs	0	0	0
Central Services to the Public	418,180	175,808	242,372
Other Services	1,343,183	480,187	862,996
CONTINUING OPERATIONS	8,645,428	1,561,334	7,084,094

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

2a Segmental Reporting Analysis - Current Year

Reconciliation to Net 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

	£	£
Net Cost of Services in Service Analysis		7,084,094
<i>Items excluded from Service Analysis:</i>		
Add amounts not reported in Service Analysis but included in Net Cost of Services in Comprehensive Income and Expenditure Statement	0	
Remove amounts reported in Service Analysis but not included in Net Cost of Services in Comprehensive Income and Expenditure Statement	0	
		<u>0</u>
Cost of Services on Continuing Operations in the Comprehensive Income and Expenditure Statement		7,084,094
<i>Items included in Net Operating Expenditure excluded from Service Analysis:</i>		
Other Operating Expenditure	(385,492)	
Financing and Investment Income and Expenditure	627,860	
Surplus or Deficit on Discontinued Operations	0	
		<u>242,368</u>
Net Operating Expenditure per the Comprehensive Income and Expenditure Statement		7,326,461

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

2b Segmental Reporting Analysis - Comparative Year

The analysis of income and expenditure by service on the face of the Comprehensive Income and Expenditure Statement is specified by the Service Reporting Code of Practice. The segmental reporting notes within the financial statements are based on the summary first page of the General Fund – Service Income and Expenditure Analysis in the Department of Environment's Accounts Direction.

The General Fund – Service Income and Expenditure Analysis as presented to the Department of Environment is as follows:

Services	2013/14		
	Gross Expenditure	Gross Income	Net Expenditure/(Income)
	£	£	£
Culture and Heritage	89,477	5,182	84,295
Recreation and Sport	1,761,679	586,963	1,174,716
Tourism	814,322	361,420	452,902
Community Services	507,089	141,844	365,245
Leisure and Recreational Services	3,172,567	1,095,409	2,077,158
Cemetery, Cremation and Mortuary	4,529	270	4,259
Environmental Health	521,161	88,305	432,856
Flood Defence and Land Drainage	5,099	1,029	4,070
Public Conveniences	370,502	64,137	306,365
Licensing	27,709	13,932	13,777
Other Cleaning	486,548	2,166	484,382
Waste Collection	964,799	86,172	878,627
Waste Disposal	617,671	24,611	593,060
Building Control	220,485	93,068	127,417
Other Community Assets	187,425	43,692	143,733
Minor Works	131,390	0	131,390
Environmental Services	3,537,318	417,382	3,119,936
Democratic Representation and Management	381,780	795	380,985
Corporate Management	417,978	189,063	228,915
DRM and Corporate Management	799,758	189,858	609,900
Economic Development	509,510	323,829	185,681
Trading Services	662,591	350,576	312,015
Non Distributed Costs	0	0	0
Central Services to the Public	401,636	272,714	128,922
Other Services	1,573,737	947,119	626,618
CONTINUING OPERATIONS	9,083,380	2,649,768	6,433,612

Reconciliation to Net 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

	£	£
Net Cost of Services in Service Analysis		6,433,612
<i>Items excluded from Service Analysis:</i>		
Add amounts not reported in Service Analysis but included in Net Cost of Services in the Comprehensive Income and Expenditure Statement	0	
Remove amounts reported in Service Analysis but not included in Net Cost of Services in the Comprehensive Income and Expenditure Statement	0	
		<u>0</u>
Cost of Services on Continuing Operations in the Comprehensive Income and Expenditure Statement		6,433,612
<i>Items Included in Net Operating Expenditure excluded from Service Analysis:</i>		
Other Operating Expenditure	(399,289)	
Financing and Investment Income and Expenditure	658,760	
Surplus or Deficit on Discontinued Operations	0	
		<u>259,471</u>
Net Operating Expenditure per the Comprehensive Income and Expenditure Statement		<u>6,693,083</u>

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

3a Adjustments between accounting basis and funding basis under regulations

	<i>Notes</i>	2014/15 £	2014/15 £	2013/14 £	2013/14 £
Amounts included in the Comprehensive Income and Expenditure Statement but required by statute to be excluded when determining the Movement on the General Fund Balance for the year:					
Impairments (losses & reversals) of non-current assets	<i>10a/b & 10d/e</i>	0		0	
Derecognition (other than disposal) of non-current assets	<i>10a/b & 10d/e</i>	0		0	
Revaluation increases/decreases taken to Surplus/Deficit on the Provision of Services	<i>10a/b & 10d/e</i>	(128,249)		(154,015)	
Depreciation charged in the year on non-current assets	<i>10a/10b,23</i>	1,401,959	1,273,710	1,283,640	1,109,625
Net Revenue expenditure funded from capital under statute			92,774		0
Carrying amount of non current assets sold	<i>10a/b & 10d/e</i>	481		444	
Proceeds from the sale of PP&E, investment property and intangible assets	<i>23,25</i>	(1,973)	(1,492)	(15,733)	(15,289)
Difference between finance costs calculated on an accounting basis and finance costs calculated in accordance with statutory requirements	<i>25</i>		0		0
Net charges made for retirement benefits in accordance with IAS 19	<i>20</i>		739,000		791,000
Direct revenue financing of Capital Expenditure	<i>11,25</i>		0		0
Capital Grants and Donated Assets Receivable and Applied in year	<i>9b</i>		(250,119)		(694,085)
Capital Grants Receivable and Unapplied in year	<i>9c</i>		0		0
Rates Claw-Back Reserve	<i>25a/25b</i>		0		
Adjustments in relation to Short-term compensated absences	<i>17</i>		(2,478)		(3,838)
Adjustments in relation to Lessor Arrangements			0		0
Landfill Regulations Reserve Adjustment	<i>25a/25b</i>		0		0
Provisions Discount Rate Reserve Adjustment	<i>25a/25b</i>		0		0
Amounts not included in the Comprehensive Income and Expenditure Statement but required by statute to be included when determining the Movement on the General Fund Balance for the year					
Statutory Provision for the financing of Capital Investment	<i>25a/25b</i>		(513,617)		(568,870)
Employers contributions payable to the NILGOSC and retirement benefits payable direct to pensioners	<i>20a</i>		(507,000)		(491,000)
			830,778		127,543

3b Net transfers (to)/from statutory and other earmarked reserves:

		2014/15 £	2014/15 £	2013/14 £	2013/14 £
Capital Fund					
Interest		0		0	
Other	<i>25a/25b</i>	0	0	0	0
Renewal and Repairs Fund					
Interest		0		0	
Other	<i>25a/25b</i>	0	0	0	0
Other Funds and earmarked reserves					
Interest		0		0	
Other	<i>25a/25b</i>	30,228	30,228	0	0
			30,228		0

4b External Audit Fees

The Council has incurred the following costs relating to the annual audit of the Statement of Accounts, certification of grant claims and other services provided by the Councils external auditors.

	2014/15	2013/14
	£	£
External Audit Fees	16,000	16,000
Grant Claim Certification Fees	0	0
Other Fees	0	0
	16,000	16,000

There were no other fees payable in respect of any other services provided by the appointed auditor over and above those described above (2013/14 £NIL).

As part of the Executive funding package to support the implementation of local government reform, the Executive agreed to provide £76,923 to Causeway Coast and Glens Borough Council for the winding up of existing Councils (DOE circular LG 33/2014 refers). As the reimbursement can embrace costs associated with the legal and audit requirements in respect of winding up of financial affairs of the legacy Councils, audit fees incurred by Moyle District Council were submitted by Causeway Coast and Glens Borough Council as part of the claim. Moyle District Council's share of the grant is £15,346 and is included in the year end short term debtors.

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

Cost of Services on Continuing Operations (Continued)

5 Operating and Finance Leases

Council as Lessor:

5a Finance Leases (Council as lessor)

On 19th April 2010 the Council entered into a 120 year lease agreement with the National Trust regarding property at the Giants Causeway Visitor Centre. The land element of the lease has been treated as an operating lease whereas the buildings have been treated as a finance lease.

The present value of lease payments receivable under the finance lease arrangements is recognised as a receivable and included in both short and long term debtors. The difference between the gross amount receivable and the present value of the amounts receivable is recognised as unearned finance income.

	2015	2014
	£	£
Long Term Debtors		
Finance leases-gross receivables	25,093,004	25,309,323
Less-Unearned finance income	-24,189,960	-24,406,279
Less-Unguaranteed residual value of property	0	0
Net present value	903,044	903,044

Short Term Debtors		
Finance leases-gross receivables	0	0
Less-Unearned finance income	0	0
Less-Unguaranteed residual value of property	0	0
Net present value	0	0

Gross receivables from finance leases		
No later than 1 year	216,319	216,319
Later than 1 year and no later than 5 years	865,276	865,276
Later than 5 years	24,011,409	24,227,728
Total gross receivables	25,093,004	25,309,323
Less-Unearned future finance income on finance leases	-24,189,960	-24,406,279
Less-Unguaranteed residual value of property	0	0
Net investment in finance leases	903,044	903,044

The net investment in finance leases may be analysed as follows:

	2015	2014
	£	£
No later than 1 year	0	0
Later than 1 year and no later than 5 years	0	0
Later than 5 years	903,044	903,044
Total gross receivables	903,044	903,044

No contingent rents were recognised as receivable by the Council.

The interest rate inherent in the leases is fixed at the contract date for the entire lease term. The average interest rate contracted is approximately 23.95% (comparative year 23.95%)

5b Operating Leases (Council as lessor)

The Council, in accordance with its statutory and discretionary responsibilities, leases out property and equipment under operating leases for the following purposes:

- for the provision of community services, such as sports facilities, tourism services and community centres
- for economic development purposes to provide suitable affordable accommodation for small local businesses
- any other purposes

Rental income recognised in the Comprehensive Income and Expenditure Statement in the current year amounts to £199,056 (previous year: £190,536). No contingent rents were recognised.

The lease contracts are all non-cancellable and do not include an extension option. The lease terms are between 1 and 120 years. Future minimum lease income is set out below:

	2015		2014	
	Land and buildings	Vehicles, plant and equipment	Land and buildings	Vehicles, plant and equipment
	£	£	£	£
Minimum lease rentals receivable:				
No later than 1 year	205,106	0	190,106	0
Later than 1 year and no later than 5 years	724,824	0	730,824	0
Later than 5 years	19,060,985	0	19,239,691	0
	19,990,915	0	20,160,621	0

The assets leased by the Council to third parties are included in the following categories of Property, Plant and Equipment with carrying values of:

	2015		2014	
	Land and buildings	Vehicles, plant and equipment	Land and buildings	Vehicles, plant and equipment
	£	£	£	£
Cost	6,342,600	0	6,370,000	0
Accumulated depreciation and impairments at 1 April	0	0	0	0
Depreciation charge for the year	0	0	0	0
Impairments	0	0	0	0
	6,342,600	0	6,370,000	0

Council as Lessee:

5c Finance Leases (Council as lessee)

The Council has not entered into any finance leases as the lessee.

5d **Operating Leases (Council as lessee)**

The Council has acquired its office copiers and printers by entering into operating leases for 3 years.

The expenditure charged to services in the Comprehensive Income and Expenditure Statement during the year in relation to these leases was:

	2014/15		2013/14	
	Land and buildings	Vehicles, plant and equipment	Land and buildings	Vehicles, plant and equipment
	£	£	£	£
Minimum lease payments	15,930	42,229	15,130	42,229
Contingent rentals	0	0	0	0
Less: Sublease payments receivable	0	0	0	0
	15,930	42,229	15,130	42,229

No sub-lease payments or contingent rent payments were made or received. No sublease income is expected as all assets held under operating lease agreements are used exclusively by the Council.

The future minimum lease payments due under non-cancellable operating leases in future years are set out below:

	2015		2014	
	Land and buildings	Vehicles, plant and equipment	Land and buildings	Vehicles, plant and equipment
	£	£	£	£
Minimum lease rentals payable:				
No later than 1 year	15,930	68,912	15,130	42,229
Later than 1 year and no later than 5 years	47,080	239,300	43,880	134,387
Later than 5 years	284,670	502,450	274,840	248,775
	347,680	810,662	333,850	425,391

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

Cost of Services on Continuing Operations (Continued)

6 Employee Costs and Members' Allowances

6a Staff Costs

	2014/15	2013/14
	£	£
Salaries and wages	2,806,924	2,733,476
Employers National Insurance	210,624	208,827
Employers pension costs	495,160	456,987
Increase in service costs	114,000	144,000
Total	3,626,708	3,543,290

In addition, agency costs during the year amounted to £359,832 (2013/14 £269,596).

The Council's current contribution rate to the NILGOSC scheme is 20%. At the last actuarial valuation, dated 31 March 2013, the Fund's assets as a whole were sufficient to meet 91% (2010: 82%) of the liabilities accrued up to that date.

6b Average Number of Employees - where FTE represents fulltime equivalent employees

	2014/15	2013/14
	FTE	FTE
Environmental services	50	51
Leisure services	18	18
Other	34	35
Total Number	102	104
	Actual Numbers	Actual Numbers
Full-time numbers employed	102	102
Part-time numbers employed	16	16
Total Number	118	118

6c Senior Employees' Remuneration

	2014/15	2013/14
£50,001 to £60,000	1	3
£60,001 to £70,000	2	0
£70,001 to £80,000	0	0
£80,001 to £90,000	1	1
Total Number	4	4

6d Members' Allowances

During the year Members' allowances (paid under Part 3, Sections 31 to 36 of the Local Government Finance Act (NI) 2011), including Employer's costs, totalled £196,368 (2013/14 £309,320) and are as follows:

	2014/15	2013/14
	£	£
Salaries	0	0
Basic allowance	135,403	147,524
Mayor's & Deputy Mayor's Allowance	4,167	3,500
Special Responsibility Allowances	0	0
Dependents' carers allowance	0	0
Statutory Transition Committee Allowances	4,088	7,875
Employer costs	22,698	30,810
Mileage	21,628	23,384
Conferences and Courses	2,666	2,808
Travel & Subsistence Costs	757	886
Miscellaneous Costs	4,961	5,533
Severance Payments *		87,000
Total	196,368	309,320

* Severance payments shown above are made under the Local Government (Severance Payments to Councillors) Regulations (NI) 2013 and are fully funded by the Northern Ireland Executive. These severance payments were accrued in the 2013/14 year and paid out on 31st March 2015 a corresponding debtor has been included within government debtors.

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

6e Exit Packages

No exit packages were agreed by Council during the year. Total cost per band and total cost of the compulsory and other redundancies are set out in the table below, to show prior year packages. All agreements with staff who decided to leave under voluntary severance were dated post 1st April 2015 and as such the financial liability was agreed and rests with Causeway Coast and Glens Borough Council

Exit package cost band (including special payments)	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band		Total cost of exit packages in each band	
	2014/15	2013/14	2014/15	2013/14	2014/15	2013/14	2014/15	2013/14
£0 to £20,000	0	1	0	0	0	1	0	586
£20,001 to £40,000	0	0	0	0	0	0	0	0
£40,001 to £60,000	0	0	0	0	0	0	0	0
£60,001 to £80,000	0	0	0	0	0	0	0	0
£80,001 to £100,000	0	0	0	0	0	0	0	0
£100,001 to £150,000	0	0	0	0	0	0	0	0
Total	0	1	0	0	0	1	0	586

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

7 Other Operating Expenditure

	2014/15 £	2013/14 £
Surplus/Deficit on Non-Current Assets	(1,492)	(15,289)
Other Operating Income/Expenditure	(384,000)	(384,000)
Total Other Operating expenditure	(385,492)	(399,289)

8 Financing and Investment Income and Expenditure

	2014/15			2013/14		
	Gross Expenditure	Gross Income	Net Cost	Gross Expenditure	Gross Income	Net Cost
	£	£	£	£	£	£
Interest Payable and Similar Charges	523,899	0	523,899	517,974	0	517,974
Interest and Investment Income	0	14,040	(14,040)	0	15,214	(15,214)
Pensions interest cost	118,000	0	118,000	156,000	0	156,000
Surplus/(Deficit) on trading operations	0	0	0	0	0	0
Changes in Fair Value of Investment Properties	0	0	0	0	0	0
Other investment income	0	0	0	0	0	0
	641,899	14,040	627,860	673,974	15,214	658,760

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

9 Taxation and Non-Specific Grant Income

	2014/15 £	2013/14 £
District Rates Income	5,155,575	5,010,552
Revenue Grants	725,804	751,411
Capital Grants and Contributions	250,119	694,085
Total Taxation and Non-Specific Grant Income	6,131,498	6,456,048

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

10a Long-Term Assets Note - Current Year

	Property, Plant & Equipment (PPE)										TOTAL	
	Land	Buildings	Infrastructure Assets	Landfill Site	Vehicles, Plant & Equipment	Community Assets	PP&E Under Construction	Surplus Assets	Total PPE	Investment Properties		Intangible Assets
	£	£	£	£	£	£	£	£	£	£	£	£
Cost or Valuation At 1 April 2014	4,200,948	19,124,086	2,528,718	0	2,129,985	15,286	13,110	6,514,526	34,528,860	0	132,278	34,658,938
Adjustments between cost/value & depreciation/impairment	0	0	0	0	0	0	0	0	0	0	0	0
Adjusted opening balance	4,200,948	19,124,086	2,528,718	0	2,129,985	15,286	13,110	6,514,526	34,528,860	0	132,278	34,658,938
Additions (Note 11)	0	283,415	340,023	0	205,822	0	350,410	157,052	1,338,721	0	795	1,337,516
Donations	0	0	0	0	0	0	0	0	0	0	0	0
Revaluation increases/decreases to Revaluation Reserve	0	1,388,890	0	0	0	9,999	0	22,260	1,421,249	0	0	1,421,249
Revaluation increases/decreases to Surplus or Deficit on the Provision of Services	0	127,577	0	0	0	0	0	672	128,249	0	0	128,249
Derecognition - Disposals	0	0	0	0	(151,183)	0	0	0	(151,183)	0	0	(151,183)
Derecognition - Other	0	0	0	0	0	0	0	0	0	0	0	0
Reclassifications & Transfers	0	0	0	0	0	0	0	0	0	0	0	0
Adjustment-Landfill Deferred Charge (Note 18)	0	0	0	0	0	0	0	0	0	0	0	0
At 31 March 2015	4,200,948	20,924,058	2,868,742	0	2,184,614	25,285	363,520	6,694,510	37,281,686	0	133,074	37,394,760
Depreciation and Impairment	0	17,418	1,285,530	0	1,460,540	7,163	0	0	2,770,651	0	125,656	2,896,307
Adjustments between cost/value & depreciation/impairment	0	0	0	0	0	0	0	0	0	0	0	0
Adjusted opening balance	0	17,418	1,285,530	0	1,460,540	7,163	0	0	2,770,651	0	125,656	2,896,307
Depreciation Charge	0	630,388	307,298	0	257,385	0	0	0	1,395,071	0	6,688	1,401,968
Depreciation written out on Revaluation Reserve	0	0	0	0	0	0	0	0	0	0	0	0
Depreciation written out on Revaluation taken to Surplus or Deficit on the Provision of Services	0	0	0	0	(150,712)	0	0	0	(150,712)	0	0	(150,712)
Impairment losses/reversals to Revaluation Reserve	0	0	0	0	0	0	0	0	0	0	0	0
Impairment losses/reversals to Surplus or Deficit on the Provision of Services	0	0	0	0	0	0	0	0	0	0	0	0
Derecognition - Disposals	0	0	0	0	0	0	0	0	0	0	0	0
Derecognition - Other	0	0	0	0	0	0	0	0	0	0	0	0
Reclassifications & Transfers	0	0	0	0	0	0	0	0	0	0	0	0
Eliminated on reclassification to Held for Sale	0	0	0	0	0	0	0	0	0	0	0	0
At 31 March 2015	0	847,806	1,592,828	0	1,567,213	7,163	0	0	4,015,019	0	132,544	4,147,564
Net Book Value	4,200,948	20,076,262	1,275,914	0	617,401	18,122	363,520	6,694,510	33,246,577	0	530	33,247,207
At 31 March 2014	4,200,948	19,106,658	1,243,189	0	689,445	8,123	13,110	6,514,526	31,758,008	0	6,823	31,762,632

Valuations
The last valuation of freehold and leasehold properties was carried out as at 31st March 2014 by an independent valuer from Land and Property Services. Please refer to note 1A(xxx) for further information on revaluation and depreciation policies.

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

10b Long-Term Assets Note - Comparative Year

	Property, Plant & Equipment (PP&E)											TOTAL
	Land	Buildings	Infrastructure Assets	Landfill Site	Vehicles, Plant & Equipment	Community Assets	PP&E Under Construction	Surplus Assets	Total PP&E	Investment Properties	Intangible Assets	
	£	£	£	£	£	£	£	£	£	£	£	£
Cost or Valuation	4,294,700	20,866,913	2,404,412	0	2,041,030	15,286	11,260	325,945	29,961,546	0	132,279	30,093,825
At 1 April 2013												
Adjustments between cost/value & depreciation/impairment	0	0	0	0	0	0	0	0	0	0	0	0
Adjusted opening balance	4,294,700	20,866,913	2,404,412	0	2,041,030	15,286	11,260	325,945	29,961,546	0	132,279	30,093,825
Additions (Note 11)	0	694,650	124,307	0	236,144	0	1,850	1,056	1,066,007	0	0	1,066,007
Donations	0	0	0	0	0	0	0	0	0	0	0	0
Revaluation increases/decreases to Revaluation Reserve	16,862	(683,853)	0	0	0	0	0	5,560,300	4,893,309	0	0	4,893,309
Revaluation increases/decreases to Surplus or Deficit on the Provision of Services	549,366	(1,785,624)	0	0	0	0	0	(2,775)	(1,235,013)	0	0	(1,235,013)
Derecognition - Disposals	0	0	0	0	(147,189)	0	0	0	(147,189)	0	0	(147,189)
Derecognition - Other	0	0	0	0	0	0	0	0	0	0	0	0
Reclassifications & Transfers	(660,000)	30,000	0	0	0	0	0	630,000	0	0	0	0
Adjustment-Landfill Deferred Charge (Note 16)	0	0	0	0	0	0	0	0	0	0	0	0
At 31 March 2014	4,200,948	19,124,066	2,528,719	0	2,129,305	15,286	13,110	6,514,526	34,526,650	0	132,279	34,658,929
Depreciation and Impairment	0	3,904,844	1,020,909	0	1,347,479	7,163	0	0	6,280,395	0	119,033	6,399,428
At 1 April 2013												
Adjustments between cost/value & depreciation/impairment	0	0	0	0	0	0	0	0	0	0	0	0
Adjusted opening balance	0	3,904,844	1,020,909	0	1,347,479	7,163	0	0	6,280,395	0	119,033	6,399,428
Depreciation Charge	0	732,590	264,621	0	259,806	0	0	0	1,257,017	0	6,623	1,263,640
Depreciation written out on Revaluation Reserve	0	(3,276,988)	0	0	0	0	0	0	(3,276,988)	0	0	(3,276,988)
Depreciation written out on Revaluation taken to Surplus or Deficit on the Provision of Services	0	(1,343,028)	0	0	0	0	0	0	(1,343,028)	0	0	(1,343,028)
Impairment losses/reversals to Revaluation Reserve	0	0	0	0	0	0	0	0	0	0	0	0
Impairment losses/reversals to Surplus or Deficit on the Provision of Services	0	0	0	0	0	0	0	0	0	0	0	0
Derecognition - Disposals	0	0	0	0	0	0	0	0	0	0	0	0
Derecognition - Other	0	0	0	0	(146,745)	0	0	0	(146,745)	0	0	(146,745)
Reclassifications & Transfers	0	0	0	0	0	0	0	0	0	0	0	0
Eliminated on reclassification to Held for Sale	0	0	0	0	0	0	0	0	0	0	0	0
At 31 March 2014	0	17,418	1,285,530	0	1,460,540	7,163	0	0	2,770,651	0	125,556	2,896,207
Net Book Value	4,200,948	19,106,668	1,243,189	0	669,445	8,123	13,110	6,514,526	31,756,005	0	6,623	31,762,628
At 31 March 2014												
At 31 March 2013	4,294,700	16,964,068	1,383,500	0	693,551	8,123	11,260	325,945	23,681,153	0	13,246	23,694,397

Valuations
The last valuation of freehold and leasehold properties was carried out as at 31 March 2014 by an independent valuer from Land and Property Services. Please refer to note 1A(xiii) for further information on revaluation and depreciation policies.

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

10c Long-Term Assets - Leased Assets
At 31 March 2015

The Council has no leased assets

Heritage Assets

10d

Cost or Valuation	Ceramics	Art Collection	Pottery Machinery	Total Assets
	£	£	£	£
At 1 April 2013	0	159,000	0	159,000
Additions	0	0	0	0
Disposals	0	0	0	0
Derecognition - Other	0	0	0	0
Revaluation Increases/(Decreases) to Revaluation Reserve	0	0	0	0
Revaluation Increases/(Decreases) to Surplus or Deficit on the Provision of Services	0	0	0	0
Impairment (Losses)/Reversals recognised in the Revaluation Reserve	0	0	0	0
Impairment (Losses)/Reversals recognised in Surplus or Deficit on the Provision of Services	0	0	0	0
At 31 March 2014	0	159,000	0	159,000
Cost or Valuation				
At 1 April 2014	0	159,000	0	159,000
Additions	0	0	0	0
Disposals	0	0	0	0
Derecognition - Other	0	0	0	0
Revaluation Increases/(Decreases) to Revaluation Reserve	0	(23,150)	0	(23,150)
Revaluation Increases/(Decreases) to Surplus or Deficit on the Provision of Services	0	0	0	0
Impairment (Losses)/Reversals recognised in the Revaluation Reserve	0	0	0	0
Impairment (Losses)/Reversals recognised in Surplus or Deficit on the Provision of Services	0	0	0	0
At 31 March 2015	0	135,850	0	135,850

Art Collection

The collection includes a wide range of material relating to decorative arts, banners and photographs of national importance, alongside the core collection is a range of social history material from the 19th and 20th Centuries representing domestic, social and agricultural and commercial activity in the local area. In previous years Council used an insurance valuation to value these assets but during the year a full independent valuation was carried out which has resulted in a change in value.

Artefacts

The Council also holds a small number of artefacts at Rathlin Boathouse. It has not been possible to value these items but it is hoped that these will also be independently valued in the future.

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

10e Assets Held for Sale

At 31 March 2015	Assets Held for Sale-Current	Assets Held for Sale-Non- current	TOTAL
	£		£
Cost or Valuation			
At 1 April 2014	150,000	0	150,000
Transferred from Non-Current Assets during year	0	0	0
Revaluation increases/decreases taken to Surplus or Deficit on the Provision of Services	0	0	0
Derecognition - Disposals	0	0	0
Derecognition - Other	0	0	0
Reclassified from Current Assets Held for Sale to non current Assets Held for Sale	0	0	0
Transferred to Property, Plant & Equipment during year	0	0	0
At 31 March 2015	150,000	0	150,000
Impairment			
At 1 April 2014	0	0	0
Impairment losses/reversals taken to Surplus or Deficit on the Provision of Services	0	0	0
Derecognition - Disposals	0	0	0
Derecognition - Other	0	0	0
Reclassified from Current Assets Held for Sale to non current Assets Held for Sale	0	0	0
Transferred to Property, Plant & Equipment during year	0	0	0
At 31 March 2015	0	0	0
Net Book Value			
At 31 March 2015	150,000	0	150,000
At 31 March 2014	150,000	0	150,000

Council has agreed to dispose of a piece of land at Ramoan Road to facilitate the NIFRS plans to rebuild/extend their current facility. Unfortunately NIFRS may no longer be able to purchase the site, but Council still intend to sell it and therefore it remains as an asset held for sale.

Comparative Year

At 31 March 2014	Assets Held for Sale-Current	Assets Held for Sale-Non- current	TOTAL
	£		£
Cost or Valuation			
At 1 April 2013	100,000	0	100,000
Transferred from Non-Current Assets during year	0	0	0
Revaluation increases/decreases taken to Surplus or Deficit on the Provision of Services	50,000	0	50,000
Derecognition - Disposals	0	0	0
Derecognition - Other	0	0	0
Transferred to to Property, Plant & Equipment during year	0	0	0
At 31 March 2014	150,000	0	150,000
Impairment			
At 1 April 2013	0	0	0
Impairment losses/reversals taken to Surplus or Deficit on the Provision of Services	0	0	0
Derecognition - Disposals	0	0	0
Derecognition - Other	0	0	0
Transferred to to Property, Plant & Equipment during year	0	0	0
At 31 March 2014	0	0	0
Net Book Value			
At 31 March 2014	150,000	0	150,000
At 31 March 2013	100,000	0	100,000

10f Investment Properties

The Council has no investment properties.

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

11 Capital Expenditure and Capital Financing

	2014/15	2013/14
	£	£
Opening Capital Financing Requirement	8,122,248	8,342,929
<i>Capital Investment</i>		
Property, Plant and Equipment	1,336,721	1,058,007
Investment Properties	0	0
Intangible Assets	795	0
Revenue Expenditure Funded from Capital under Statute	92,774	0
<i>Sources of Finance</i>		
Capital Receipts	(1,973)	(15,733)
Government Grants and Other Contributions	(250,119)	(694,085)
Transfers from Earmarked Reserves	0	0
<i>Sums set aside from Revenue:</i>		
Direct Revenue Contributions	0	0
Minimum Revenue Provision **	(513,617)	(568,870)
Closing Capital Financing Requirement	8,786,829	8,122,248

Explanation of Movements in Year		
Increase in underlying need to borrow	664,081	(220,680)
Assets acquired under finance leases	0	0
Assets acquired under PFI/PPP contracts	0	0
Increase/(decrease) in Capital Financing Requirement	664,081	(220,680)

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

12 Future Capital Commitments

Due to the introduction of Local Government Reform Moyle District Council will not exist beyond 31st March 2015 and therefore no future capital commitments have been noted. However, the Council has worked closely with Causeway Coast and Glens Shadow Council to identify potential capital schemes.

13 Inventories

	2014/15	2013/14	2012/13
	£	£	£
Central Stores	18,872	28,135	55,159
Other	15,627	10,683	15,760
Total	34,498	38,818	70,919

The cost of inventories recognised as expense and included in 'services' amounted to £202,183 (2014: £239,709)

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

14 Debtors

	2014/15	2013/14	2012/13
	£	£	£
14a Long Term Debtors			
*Government Departments	0	0	0
Other Councils	0	0	0
Public corporations and trading funds	0	0	0
Bodies external to general government	0	0	0
Employee car loans	35,367	30,830	7,049
Grants	0	0	0
Loans and advances	0	0	0
Finance lease debtors-Note 5c)	903,044	903,044	903,044
Trade debtors	0	0	0
NIHE Loans	115,140	119,868	124,360
Other	0	0	0
Impairment of loans and receivables	0	0	0
Total Long-Term Debtors	1,053,551	1,053,742	1,034,453
14b Short Term Debtors			
*Government Departments	351,161	767,928	1,050,050
Other Councils	1	4,801	21,683
Public corporations and trading funds	0	0	0
Bodies external to general government	0	0	0
Employee car loans	0	0	0
Grants	0	0	0
Value Added Tax	274,508	161,628	158,921
Prepayments	11,917	28,475	10,811
Finance lease debtors-Note 5c)	0	0	0
Other	40,593	251,615	24,635
Trade receivables	162,922	131,908	76,713
Impairment loss - Trade receivables	-6,554	-1,280	-3,356
Total Short-Term Debtors	834,548	1,345,075	1,339,457
Total Debtors	1,888,099	2,398,817	2,373,910

The significant reduction in debtors is mainly due to a decrease in capital debtors as many of the schemes are now coming to an end due to the Local Government Reform process.

15a Long-Term Investments

There were no long or short term deposits held during the year. Money market deposits are considered cash equivalents and have been accounted for accordingly.

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

16a Short Term Borrowing

	2014/15	2013/14	2012/13
	£	£	£
Loans re-payable within one year	495,241	416,240	408,258
Finance Lease Principal	0	0	0
Total Short Term Borrowing	495,241	416,240	408,258

16b Long Term Borrowing

	2014/15	2013/14	2012/13
	£	£	£
Between 1 and 2 years	551,344	453,804	385,909
Between 2 and 5 years	1,532,450	1,331,753	1,189,923
Between 5 and 10 years	2,579,772	2,169,807	1,898,671
In more than 10 years	4,537,858	4,414,201	4,441,457
Government Loans Fund	9,201,424	8,369,565	7,915,960
Total Borrowing	9,696,665	8,785,805	8,324,218

Interest rates on Government Loans range between 1.25% and 13.25%.

17a Short Term Creditors

	2014/15	2013/14	2012/13
	£	£	£
Government Departments	108,809	123,836	169,747
Other Councils	67,901	24,833	40,326
Public corporations and trading funds	0	0	0
Bodies external to general government	0	0	0
Rates clawback	0	0	0
Remuneration due to employees	0	0	0
Accumulated Absences	81,932	84,410	88,248
Receipts in advance	106,742	169,449	101,806
Trade creditors	82,487	207,899	178,970
Other	95,194	334,663	461,501
Total Short Term Creditors	543,066	945,090	1,040,598

17b Long Term Creditors

The Council has no long term creditors in the current year or the preceeding year.

17c Payment of Invoices

District Councils are encouraged to pay suppliers as promptly as possible and to endeavour to meet the 10 day prompt payment commitment being made by central government in response to the current economic position.

The Council has a target of paying invoices within 30 days.

During the year the Council paid 4,322 invoices totalling £5,538,395

1,881 invoices were paid within 10 working days (44%).

4,091 invoices were paid within 30 calendar days (95%).

231 invoices were paid after 30 days (5%).

18 Provisions

The Council has no provisions in the current year or the preceding year.

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

19 Financial Instruments

The Council has no material exposure to any of the risk types identified below in its dealings with Financial Instruments.

Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Council's customers. Customers are assessed, taking into account their financial position, past experience and other factors, with individual credit limits being set in accordance with internal ratings in accordance with parameters set by the Council. The provision for bad and doubtful debts reflects the Council's assessment of the risk of non-payment by trade debtors and, as such, there is no further additional estimated exposure to default and inability to collect.

Trade debtors, inclusive of VAT, can be analysed by age as follows:

	£
Less than three months	£140,417
Three to six months	£9,968
Six months to one year	£0
More than one year	£12,537
	£162,922

There is no historical experience of default in relation to deposits with banks and other financial institutions. Therefore there is no estimated exposure to risk of default.

Liquidity Risk

As the Council has ready access to borrowings from the Department of Finance and Personnel's Consolidated Fund, there is no significant risk that it will be unable to raise finance to meet its commitments under Financial Instruments. The maturity analysis of financial liabilities is included in notes 16 to 18. All trade and other payables are due for payment within one year.

Market Risk

Interest rate risk

The Council is exposed to risk in terms of its exposure to interest rate movements on its borrowings and investments.

Foreign exchange risk

The Council has no financial assets or liabilities denominated in foreign currencies and thus has no material exposure to loss arising from movements in exchange rates.

Fair Value of Soft Loans and Government Loans

The Council is in receipt of loans from the Department of Finance and Personnel that differ from the prevailing market rates. The fair value of these loans is £13,594,675, analysed as follows.

	£
Government Loans	13,594,675
Market Loans	0
Total	13,594,675

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

20 Retirement Benefits

20a Participation in the Northern Ireland Local Government Officers' Pension Fund.

As part of the terms and conditions of employment of its officers and other employees, the Council offers retirement benefits. Although these benefits will not actually be payable until employees retire, the Council has a commitment to make the payments that need to be disclosed at the time that employees earn their future entitlement.

The Council participates in the Northern Ireland Local Government Officers' Pension Fund administered by the Northern Ireland Local Government Officers' Superannuation Committee. This is a funded scheme, meaning that the Council and employees pay contributions into a fund, calculated at a level intended to balance the pension's liabilities with investment assets.

20b Transactions relating to retirement benefits - Comprehensive Income and Expenditure Statement Charges:

The Council recognises the cost of retirement benefits in the Cost of Services on Continuing Operations when they are earned by employees, rather than when the benefits are eventually paid as pensions.

However, the charge the Council is required to make against district rates is based on the cash payable in the year, and the real cost of retirement benefits is reversed out in the adjustments between accounting basis & funding basis under regulations line, in the Movement on Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the adjustments between accounting basis & funding basis under regulations line, in the Movement on Reserves Statement during the year:

	Note	2014/15	2013/14
		£	£
Net cost of services:			
Current service cost		621,000	635,000
Past service cost/(gain)		0	0
Gains and losses on settlements or curtailments		0	0
Net operating expenditure:			
Net interest on net defined benefit Liability (asset)		118,000	156,000
Total Post-employment Benefits charged to the Surplus or Deficit on the Provision of Services		739,000	791,000
Movement in Reserves Statement:			
Reversal of net charges made for retirement benefits in accordance with IAS 19 and the Code		(739,000)	(791,000)
Actual amount charged against the general fund balance for pensions in the year:			
Employers' contributions payable to scheme		507,000	491,000
Net charge to the Comprehensive Income and Expenditure Statement		(232,000)	(300,000)

The service cost figures include an allowance for administration expenses of £8,000.

Remeasurements recognised in Other Comprehensive Income and Expenditure

	Note	2014/15	2013/14
Liability gains/(losses) due to change in assumptions		(1,995,000)	1,081,000
Liability experience gains/(losses) arising in the year		84,000	(884,000)
Actuarial gains/(losses) on plan assets		1,342,000	791,000
Other - (if applicable)			
Total gains/(losses) recognised in Other Comprehensive Income and Expenditure		(569,000)	988,000

20c Assets and liabilities in relation to retirement benefits

Reconciliation of present value of the scheme liabilities:

	Note	2014/15	2013/14
		£	£
Balance as at 1 April		18,167,000	17,247,000
Current service cost		621,000	635,000
Interest cost		775,000	770,000
Contributions by members		162,000	154,000
Remeasurement (gains) and losses:			
- Actuarial gains/losses arising on liabilities from experience		(84,000)	884,000
- Actuarial gains/losses arising from demographic changes		0	(607,000)
- Actuarial gains/losses arising from changes in financial assumptions		1,995,000	(474,000)
- Other (if applicable)			
Past service costs/(gains)		0	0
Losses/(gains) on curtailments		0	0
Liabilities extinguished on settlements		0	0
Estimated unfunded benefits paid		0	0
Estimated benefits paid		(454,000)	(442,000)
Balance as at 31 March		21,182,000	18,167,000

Reconciliation of present value of the scheme assets:

	Note	2014/15	2013/14
		£	£
Balance as at 1 April		15,158,000	13,550,000
Interest Income		657,000	614,000
Contributions by members		162,000	154,000
Contributions by employer		507,000	491,000
Contributions in respect of unfunded benefits		0	0
Remeasurement gain/(loss)		1,342,000	791,000
Assets distributed on settlements		0	0
Unfunded benefits paid		0	0
Benefits paid		(454,000)	(442,000)
Balance as at 31 March		17,372,000	15,158,000

The expected return on scheme assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the Balance Sheet date. Expected returns on equity investments reflect long-term real rates of return experienced in the respective markets.

The actual return on scheme assets in the year was a gain of £1,999,000 (2013/14 gain of £1,405,000).

Fair Value of Plan Assets

	31/03/2015	31/03/2014	31/03/2013
	£	£	£
Equity investments	12,681,560	11,247,236	10,208,123
Bonds - Government	990,204	1,818,960	1,539,320
Bonds - Corporate	1,129,180		
Property	2,188,872	1,697,696	1,039,716
Cash	347,440	394,108	634,632
Other	34,744	0	81,017
	17,372,000	15,158,000	13,502,808

The above asset values are at bid value as required by IAS 19.

The amounts included in the fair value of plan assets for property occupied by the Council was £0.

The Council's share of the Net Pension Liability (Included in the Balance Sheet):

	31/03/2015	31/03/2014	31/03/2013
	£	£	£
Fair Value of Employer Assets	17,372,000	15,158,000	13,502,809
Present value of funded defined benefit obligation	(21,182,000)	(18,167,000)	(17,224,660)
Pension asset/(liability) of Funded Scheme	(3,810,000)	(3,009,000)	(3,721,851)
Present Value of unfunded defined benefit obligation	0	0	0
Other movement in the liability (asset) (if applicable)	0	0	0
Net asset/(liability) arising from the defined benefit obligation	(3,810,000)	(3,009,000)	(3,721,851)
<i>Amount in the Balance sheet:</i>			
Liabilities	(3,810,000)	(3,009,000)	(3,721,851)
Assets	0	0	0
Net Asset/(Liability)	(3,810,000)	(3,009,000)	(3,721,851)

Analysis of scheme assets and liabilities

	31/03/2015	31/03/2014	31/03/2013
	£	£	£
Fair Value of Assets in pension scheme	17,372,000	15,158,000	13,502,809
Present Value of Defined Benefit Obligation	(21,182,000)	(18,167,000)	(17,224,660)
Surplus/(deficit) in the Scheme	(3,810,000)	(3,009,000)	(3,721,851)

Amount recognised in Other Comprehensive Income and Expenditure:

	31/03/2015	31/03/2014	31/03/2013
	£	£	£
Actuarial gains/(losses)	(569,000)	988,000	(261,000)
Expected Return on Plan Assets	0	0	0
Increase/(decrease) in irrecoverable surplus from membership fall and other factors	0	0	0
Remeasurements recognised in Other Comprehensive Income and Expenditure	(569,000)	988,000	(261,000)
Cumulative actuarial gains and losses	158,000	727,000	(261,000)

History of experience gains and losses:

Experience gains and (losses) on assets	1,342,000	791,000	1,451,000
Experience gains and (losses) on liabilities	1,911,000	197,000	(1,712,000)

The liabilities show the underlying commitments that the council has in the long run to pay retirement benefits. The total liability of £21,182,000 has a substantial impact on the net worth of the Council as recorded in the Balance Sheet, resulting in a net liability of £3,810,000.

However, statutory arrangements for funding the deficit mean that the financial position of the Council remains healthy. The deficit on the Northern Ireland Local Government Officers' Pension Fund will be made good by increased contributions over the remaining working life of employees, assessed by the scheme actuary.

Analysis of projected amount to be charged to the Comprehensive Income and Expenditure Statement for the year to 31 March 2016

	31/03/2016
	£
Projected current cost	669,000
Net Interest on the net defined benefit liability (asset)	114,000
Past service cost	0
Gains and losses on settlements or curtailments	0
	783,000

The total contributions expected to be made to the Northern Ireland Local Government Officers' Pension Fund by the council in the year to 31 March 2016 is £524,000.

History of experience gains and losses

The actuarial gains identified as movements on the Pensions Reserve 2014/15 can be analysed into the following categories, measured as a percentage of assets or liabilities at 31 March 2015.

	31/03/2015	31/03/2014	31/03/2013
	%	%	%
Experience (gains and (losses) on Assets	7.7%	5.2%	10.7%
Experience gains and (losses) on Liabilities	-9.0%	-1.1%	9.9%

20e Basis for estimating assets and liabilities

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in the future years dependent on assumptions about mortality rates, salary levels, etc. The Council's Fund liabilities have been assessed by Aon Hewitt, an independent firm of actuaries, estimates for the Council Fund being based on data pertaining to the latest full valuation of the scheme as at 31 March 2013

	2014/15	2013/14
Mortality assumptions:		
<i>Longevity at 65 current pensioners:</i>		
Men	22.2 years	22.1 years
Women	24.7 years	24.6 years
<i>Longevity at 65 for future pensioners:</i>		
Men	24.4 years	24.3 years
Women	27.0 years	26.9 years
Inflation/Pension Increase Rate	1.80%	2.40%
Salary Increase Rate	3.30%	3.90%
Expected Return on Assets	0.00%	0.00%
Discount Rate	3.20%	4.30%
Take-up of option to convert annual pension into retirement lump sum:		
Service to April 2009	75%	75%
Service post April 2009	75%	75%

20f Pension Assumptions Sensitivity Analysis

The pension figures disclosed in these financial statements are sensitive to the assumptions used.

The approximate impact of changing key assumptions on the present value of the funded defined benefit obligation as at 31 March 2015 is set out below.

In each case, only the assumption noted below is altered; all other assumptions remain the same and are summarised in the disclosure above.

Funded Pension Scheme Benefits

Discount Rate Assumption		
Adjustment to discount rate	+0.1% p.a.	-0.1% p.a.
Present value of the total obligation	20,787	21,585
% change in the present value of the total obligation	-1.90%	1.90%
Projected service cost	649,000	690,000
Approximate % change in projected service cost	-3.00%	3.10%
Rate of General Increase in Salaries		
Adjustment to salary increase rate	+0.1% p.a.	-0.1% p.a.
Present value of the total obligation	21,320	21,045
% change in the present value of the total obligation	0.70%	-0.60%
Projected service cost	669,000	669,000
Approximate % change in projected service cost	0%	0%
Rate of Increase to Pensions in Payment and Deferred Pension Assumption		
Adjustment to pension increase rate	+0.1% p.a.	-0.1% p.a.
Present value of the total obligation	21,472	20,896
% change in the present value of the total obligation	1.40%	-1.30%
Projected service cost	690,000	649,000
Approximate % change in projected service cost	3.10%	-3.00%
Post Retirement Mortality Assumption		
Adjustment to the mortality age rating assumption *	-1 Year	+1 Year
Present value of the total obligation	21,753	20,611
% change in the present value of the total obligation	2.70%	-2.70%
Projected service cost	692,000	646,000
Approximate % change in projected service cost	3.40%	-3.40%

* A rating of +1 year means that members are assumed to follow the mortality pattern of the base table above for an individual that is 1 year older than that.

20g Major categories of plan assets as percentage of total plan assets

The Northern Ireland Local Government Officers' Pension Fund's assets consist of the following categories, by proportion of the total assets held:

	31/03/2015	31/03/2014	31/03/2013
	%	%	%
Equity investments	73.0	74.2	75.6
Bonds - Government	5.7	5.9	10.9
Bonds - Corporate	6.5	6.1	0.5
Property	12.6	11.2	7.7
Cash	2.0	2.6	4.7
Other	0.2	0.0	0.6
	100.0	100.0	100.0

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

21 Donated Assets Account

The council is not aware of any donated assets

22 Capital Grants Received in Advance

	Note	2014/15	2013/14	2012/13
		£	£	£
Opening balance		271,397	449,636	346,876
Add: new capital grants received in advance (condition of use not met)		80,678	515,846	506,971
Less amounts reversed as grants will not be received		(77,050)		(118,452)
Less: amounts released to the Comprehensive Income and Expenditure Statement		(250,119)	(694,085)	(285,759)
		24,905	271,397	449,636

Analysis of Capital Grants Receipts in Advance Balance

The balance of Capital Grants Receipts in Advance represents grants received that have yet to be recognised as income, as they have conditions attached to them, which will require the grant to be repaid, if conditions are not met. The balances at the year end are as follows:

	Note	2014/15	2013/14	2012/13
		£	£	£
Capital Grants Receipts in Advance				
Waterford Amenity Block (RDP)			4,838	96,750
RDP 3 scheme Strategic project			19,999	352,886
Ballintoy Water Sports RDP			30,000	
Cushendall Beach Extension (RDP)			30,000	
Coastal Communities Fund			186,560	
Bushmills Outdoor gym		24,905	0	0
		24,905	271,397	449,636

23 Contingencies

The Council is not aware of any possible obligations which may require future payment or a transfer of economic benefits.

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

**24a Analysis of Adjustments to Surplus/Deficit
on the Provision of Services**

	Notes	2014/15 £	2013/14 £
Adjustment to surplus or deficit on the provision of services for noncash movements			
Depreciation		1,401,959	1,263,640
Impairment & downward revaluations (& non-sale)		(128,249)	(154,015)
Amortisation (included with depreciation above)		0	0
(Increase)/Decrease in Stock		4,320	32,101
(Increase)/Decrease in Debtors		138,738	(271,626)
Increase/(decrease) in impairment provision for bad debts		5,274	(2,076)
Increase/(Decrease) in Creditors		(402,026)	(273,746)
Increase/(Decrease) in Interest Creditors		0	0
Payments to NILGOSC		232,000	300,000
Carrying amount of non-current assets sold		481	444
AIC/WIP written off to Net Cost of Services		0	0
Contributions to Other Reserves/Provisions			0
Amounts posted to CIES from Donated Assets Account	21	0	0
		<u>1,252,497</u>	<u>894,722</u>
Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities			
Purchase of short-term (not considered to be cash equivalents) and long-term investments (includes investments in associates, joint ventures and subsidiaries)		0	0
Proceeds from short-term (not considered to be cash equivalents) and long-term investments (includes investments in associates, joint ventures and subsidiaries)		0	0
Proceeds from the sale of PP&E, investment property and intangible assets		(1,973)	(15,733)
Capital grants included in "Taxation & non-specific grant income"		(250,119)	(694,085)
		<u>(252,092)</u>	<u>(709,818)</u>

MOYLE DISTRICT
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

24b Cash and Cash Equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand and in bank and short term deposits and investments (considered to be cash equivalents), net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the Balance Sheet as follows:

	31/03/2015 £	31/03/2014 £	31/03/2013 £
Cash and Bank balances	1,109,966	58,320	42,808
Short Term Investments (considered to be Cash Equivalents)	0	0	0
Short Term Deposits (considered to be Cash Equivalents)	0	1,300,552	1,006,004
Bank Overdraft	0	0	0
	<u>1,109,966</u>	<u>1,358,872</u>	<u>1,048,812</u>

24c Cash Flow Statement-Operating Activities

	2014/15 £	2013/14 £
<i>The cash flows from operating activities include:</i>		
Interest received	<u>14,039</u>	<u>14,603</u>
Interest paid	<u>523,899</u>	<u>517,974</u>

MOYLE DISTRICT
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

24d Cash flows from Investing Activities

	2014/15 £	2013/14 £
Purchase of PP&E, investment property and intangible assets	1,337,516	1,058,008
Purchase of Short Term Investments (not considered to be cash equivalents)	0	0
Purchase of Long Term Investments	0	0
Other Payments for Investing Activities	0	0
Proceeds from the sale of PP&E, investment property and intangible assets	(1,973)	(15,733)
Proceeds from Short Term Investments (not considered to be cash equivalents)	0	0
Proceeds from Long Term Investments	0	0
Capital Grants and Contributions Received	(370,332)	(942,880)
Other Receipts from Investing Activities	0	0
Net Cash flows from Investing Activities	<u>965,211</u>	<u>99,395</u>

24e Cash flows from Financing Activities

	2014/15 £	2013/14 £
Cash Receipts from Short and Long Term Borrowing	1,327,102	869,840
Other Receipts from Financing Activities	0	0
Cash payments for the reduction of the outstanding liability relating to a finance lease and on-Balance Sheet PFI contracts	0	0
Repayment of Short and Long Term Borrowing	(416,240)	(408,254)
Other payments for Financing Activities	0	0
Net Cash flows from Financing Activities	<u>910,862</u>	<u>461,586</u>

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

25a Analysis of Movement on Reserves - Current Year

	USABLE RESERVES						UNUSABLE RESERVES						TOTAL USABLE RESERVES	TOTAL UNUSABLE RESERVES	TOTAL AUTHORITY RESERVES
	Capital Grants Receipts Reserve	Capital Fund	Repairs Fund	Other Reserves (Election Reserve)	General Fund		Financial Instruments Adjustment Account	Revaluation Reserve	Available for Sale Financial Instruments Reserve	Pensions Reserve	Deferred Capital Receipts Account	Accumulated Absences Account			
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
At 1 April 2014	519,960	0	0	30,228	647,641	1,197,829	11,511,875	12,237,509	0	(3,009,000)	903,044	(84,410)	0	21,659,018	22,856,947
Movements during the year:															
Applied Capital Grants					(250,119)	(250,119)	250,119							250,119	0
Unapplied Capital Grants received in year		0			0	0	0							0	0
Unapplied Capital Grants transferred to CAA in year		0			0	0	0							0	0
Direct Revenue Financing					0	0	0							0	0
Depreciation & Impairment adjustment					1,273,710	1,273,710	(1,273,710)							(1,273,710)	0
Statutory Provision for financing Capital Investment					(513,617)	(513,617)	513,617							513,617	0
Net Revenue expenditure funded from capital under statute					92,774	92,774	(92,774)							(92,774)	0
Surplus/(Deficit) on the Provision of Services					(1,194,962)	(1,194,962)	(1,194,962)							0	(1,194,962)
Transfers between Statutory and Other Reserves and the General Fund					30,228	30,228	0							0	0
Net movements on Pension Reserve					232,000	232,000	232,000		(232,000)					(232,000)	0
Deposit of Fixed Assets/Capital Sales					(1,482)	(1,482)	(481)							(481)	0
Capital Receipts used to finance capital expenditure					(2,478)	(2,478)	1,973							1,973	0
Difference between finance and other costs and income calculated on an accounting basis and finance costs calculated in accordance with statutory requirements					0	0	0	0	1,398,099	0	0	2,478	0	2,478	0
Revaluation & Impairment					0	0	59,435	(59,435)						59,435	0
Other Movements					0	0	0							0	0
Transfers between Capital Fund/Repairs & Repair Fund & CAA to finance capital expenditure					0	0	0							0	0
Total movements on reserves during the year (Change in Net Worth)	0	0	0	(30,228)	(333,957)	(364,185)	(541,821)	1,338,654	0	(801,000)	0	2,478	0	(1,678)	(364,185)
At 31 March 2015	519,960	0	0	0	313,684	833,644	10,970,054	13,276,173	0	(3,810,000)	903,044	(81,932)	0	21,657,340	22,490,984

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

25b Analysis of Movement on Reserves - Comparative Year

	USABLE RESERVES										UNUSABLE RESERVES										TOTAL AUTHORITY RESERVES
	Capital Receipts Reserve	Capital Grants Unapplied Account	Capital Fund	Repairs Fund	Other Balances and Reserves (e.g. Election Reserve)	General Fund	TOTAL USABLE RESERVES	Capital Adjustment Account	Financial Instruments Adjustment Account	Revaluation Reserve	Available for Sale Financial Instruments Reserve	Pensions Reserve	Deferred Capital Receipts Account	Accumulated Absences Account	Provisions Discount Rate Reserve	Landfill Regulations Reserve	TOTAL UNUSABLE RESERVES				
At 1 April 2013	519,960	0	0	0	30,228	757,134	1,307,322	11,224,706	0	4,295,762	0	(3,721,151)	903,044	(89,248)	0	0	12,600,413				
Adjustment re prior year											24,851						24,851				
Movements during the year:																					
Applied Capital Grants						(894,085)	(894,085)	694,085									694,085				
Unapplied Capital Grants received in year		0				0	0	0									0				
Unapplied Capital Grants transferred to CAA in year		0				0	0	0									0				
Direct Revenue Financing						0	0	0									0				
Depreciation & Impairment adjustment						1,109,826	1,109,826	(1,109,826)									(1,109,826)				
Loans/lease principal repayments						(566,870)	(566,870)	566,870									566,870				
Net Revenue expenditure funded from capital under statute						0	0	0									0				
Surplus/(Deficit) on the Provision of Services						(237,036)	(237,036)	0									(237,036)				
Transfers between Statutory and Other Reserves and the General Fund			0	0	0	0	0	0				(300,000)					0				
Net movements on Pension Reserve						300,000	300,000										(300,000)				
Deposit of Fixed Assets/Capital Subs	15,733					(15,299)	444	(444)									(444)				
Capital Receipts used to finance capital expenditure	(15,733)					(15,733)	(15,733)	15,733									15,733				
Differences between finance and other costs and income calculated on an accounting basis and finance costs calculated in accordance with statutory requirements						(3,638)	(3,638)	0						3,638			3,638				
Revaluation & Impairment						0	0	0		8,170,297	0	988,000	0				9,158,297				
Other Movements						0	0	118,500		(118,500)			0				0				
Transfers between Capital Fund/Repairs & Repair Fund & CAA to finance capital expenditure			0	0	0	0	0	0					0				0				
Total movements on reserves during the year (Change in Net Worth)	0	0	0	0	0	(109,493)	(109,493)	287,169	0	8,051,747	0	712,861	0	3,838	0	0	9,055,605				
At 31 March 2014	519,960	0	0	0	30,228	647,641	1,187,629	11,511,873	0	12,337,509	0	(3,008,000)	903,044	(84,410)	0	0	21,656,947				

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
Usable Reserves
FOR THE YEAR ENDED 31 MARCH 2015

26a Capital Receipts Reserve

These are capital receipts which have originated primarily from the sale of assets which have not yet been used to finance capital expenditure.

The Capital Receipts Reserve is credited with the proceeds from fixed asset sales and other monies defined by statute as capital receipts. These are originally credited to the Comprehensive Income and Expenditure Statement as part of the gain/loss on disposal and posted out via the Movement in Reserves Statement to the Capital Receipts Reserve. The reserve is written down when resources are applied to finance new capital expenditure or set aside to reduce an authority's capital financing requirement (or used for other purposes permitted by statute).

26b Capital Grants Unapplied account

Where a capital grant or contribution (or part thereof) has been recognised as income in the Comprehensive Income and Expenditure Statement, but the expenditure to be financed from that grant or contribution has not been incurred at the Balance Sheet date, the grant or contribution shall be transferred to the Capital Grants Unapplied Account (within the usable reserves section of the balance sheet), reflecting its status as a capital resource available to finance expenditure. This transfer is reported in the Movement in Reserves Statement.

When, at a future date, the expenditure to be financed from the grant or contribution is incurred, the grant or contribution (or part thereof) shall be transferred from the Capital Grants Unapplied Account to the Capital Adjustment Account, reflecting the application of capital resources to finance expenditure. This transfer is also reported in the Movement in Reserves Statement or in the notes to the accounts.

26c Capital Fund

The Council does not operate a capital fund

26d Renewal and Repairs Fund

The Council does not operate a repairs and renewals fund.

26e Other Balances & Reserves (Election Reserve)

This reserve is used to equalise (smooth) the cost of elections by building up a fund to cover the costs of future elections by making contributions, as and when required, to the reserve.

26f General Fund

This reserve 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 District Rates. Councils raise rates to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
Unusable Reserves
FOR THE YEAR ENDED 31 MARCH 2015

26g Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for the acquisition, construction or enhancement of those assets under statutory provisions.

The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement, with reconciling postings from the Revaluation Reserve to convert fair value figures to an historic cost basis.

The Account contains accumulated gains and losses on Investment Properties and gains recognised on donated assets that have yet to be consumed by the Council.

The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2008, the date that the Revaluation Reserve was created to hold such gains.

26h Financial Instruments Adjustment Account

The Council has no transactions that would require use of this account.

26i Revaluation Reserve

The Revaluation Reserve contains the gains made by the Council arising from increases in the value of its Property, Plant and Equipment and Intangible Assets. The reserve is reduced when assets with accumulated gains are:

- revalued downwards or impaired and the gains are lost
- used in the provision of services and the gains are consumed through depreciation, or
- disposed of and the gains are realised.

The reserve contains only revaluation gains accumulated since 1 April 2008, the date the reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

The purpose of this account is to build up a balance based on the revaluation (upwards or downwards) of individual assets. All such revaluations (excluding impairment losses that have been debited to Surplus/(Deficit) on the Provision of Services in the) are mirrored in Other Comprehensive Income and Expenditure. It is a fundamental principle of this account that it never becomes negative. If an asset was held at current value when derecognised, the balance held on the Revaluation Reserve is written off to the Capital Adjustment Account.

26j Available-for-Sale Financial Instruments Adjustment Reserve

The Council has no transactions that would require use of such an account.

26k Pension Reserve

Refer to note 20.

26l Deferred Capital Receipts Account

The Deferred Capital Receipts Account records capital advances receivable where an amount equal to the advance is included as a deferred capital receipt. These amounts are written down each year by the amount of capital debt repaid to the Council in that year.

26m Accumulated Absences Account

The Accumulated Absences Account absorbs the differences that would otherwise arise on the General Fund balance from accruing for compensated absences earned but not taken in the year e.g. staff annual leave entitlement carried forward at the end of the financial year. Statutory arrangements are expected to require that the impact on the General Fund is neutralised by transfers to or from this Accumulated Absences Account

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

27 Significant Trading Operations

The Council does not operate any significant trading operations

28 Agency Services

The Council acts as an agency service for the Revitalise Programme. During the 2013/14 year Council expended £246,072 in relation to Revitalise, an amount of £243,337 was received from DSD during the current year (this had been included under government debtors in the 2013/14 accounts)

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

29 Related Party Transactions

A Related Party Transaction is a transfer of resources or obligations between related parties, regardless of whether a price is charged. Related Party Transaction exclude transactions with any other entity that is a related party solely because of its economic dependence on the Council or the Government of which it forms part. A related party is one that has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. This includes cases where the related party entity and another entity are subject to common control but excludes providers of finance in the course of their normal business with the Council and Trade Unions in the course of their normal dealings with the Council. In addition where the relationship with the Council and the entity is solely that of an Agency (see note 28) these are not deemed to be Related Party Transactions.

Transactions with related parties not disclosed elsewhere in these financial statements are set out below, where a description of the nature, the amount of the transaction and the amount of the outstanding balance is as follows. Note that related party relationships where control exists should be disclosed irrespective of whether there have been transactions between the related parties.

Council paid a total of £218,680 in grants to 79 community associations. 22 of these organisations received amounts of £2,000 or more are as follows:

<u>1. Community Associations</u>	2015	2014
Causeway Citizens Advice Bureau	£25,489	£25,722
Armoyle Motorcycle Road Racing Club	£10,000	£10,000
Glens of Antrim Historical Society	£19,697	£19,697
Carey Faughs GAC	£3,227	£5,979
Glen Rovers GAC Armoyle	£20,698	
Heart of the Glens Community Festival	£10,000	£9,845
Tidy Northern Ireland	£2,126	£2,103
Cushendun Building Preservation Trust	£2,500	

Ballycastle Bowling and Social Recreation	£3,636	
Rathlin Development and Community Association	£6,941	£2,719
Antrim Glens Tourism Group	£2,500	£2,500
Bushmills Traders Association	£2,500	£2,500
Ballycastle Community Development Group	£2,500	£2,352
Bushmills Residents & Environmental Forum	£2,300	
Bushmills Trust	£10,000	
Causeway Enterprise Agency Limited	£6,767	
Cushendun GAC	£21,100	
Cushendall Golf Club	£7,319	
Dunluce Outdoor Bowling Club	£2,052	
Maquillan GAC	£27,500	
Oisin's CLG	£11,190	
British Trust for Conservation Volunteers	£4,963	

Grants were paid to 14 associations that had elected members involvement namely:-

Ballintoy Community Association
 Ballycastle Community Development Group
 Bushmills Children & Young People's Services Group
 Bushmills Community Association
 Bushmills Traders Association
 Bushmills Trust
 Causeway Coast Arts Committee
 Citizens Advice Bureau
 Cushendall Golf Club Executive Committee
 Dunseverick & District Community Association
 Liscolman Community Association
 Mosside Community Development Group
 Rathlin Boathouse Development Partnership
 Giants Causeway Community Association

2. Group Committees

Moyle District Council is part of the Northern Group Building Control Committee and made an annual contribution of £5,225 to Derry City Council in respect for the year ended 31st March 2015.

Moyle District Council is also a member of the Northern Group Systems Committee and made an annual contribution of £16,872 to Ballymena Borough Council in respect of the year ended 31st March 2015.

The Council forms part of the North West Region Waste Management Group. The committee was set up to look at the future of waste in the 7 participating council areas, deliver a waste management plan and ensure European waste targets are met. Two Councillors and one officer represent Moyle and the Council paid an annual contribution of £10,616 to Derry City Council in respect of the year ended 31st March 2015.

Moyle District Council also participates in both the Peace III and Rural Development joint committees.

3. Other Associations

1. Causeway Museum Service

Three elected members are members of the Causeway Museum Service. During the year payments to the value of £17,714 were made to the committee.

2. Moyle Twinning Association

Three elected members are members of the Moyle Twinning Association. During the year payments to the value of £2,000 were paid to the committee.

3. Causeway Coast & Glens Heritage Trust

One elected member was the Council's representative on the Executive Board of the CC&GHT. Payments totalling £11,400 were made to the CC&GHT during the year.

4. Causeway Coast and Glens Tourism Partnership

One elected member was the Council's representative on the Executive Board of the CC&GHT and one senior officer was the Council's representative on the management committee. Payments totalling £39,000 were made to CC&G during the financial year.

During 2014/15 year the Council had expenditure of £327,882 to other Councils of which £383(note 16) was outstanding at 31st March 2015.

MOYLE DISTRICT COUNCIL
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015

30 Statutory Transition Committee and Shadow Council Costs

Council's contribution towards the Statutory Transition Committee is as detailed below:

	2015	2014
Total Unfunded Costs	294,564	50,392
Council's share	25%	25%
Council's share of unfunded costs	73,641	12,598
Direct contributions	73,641	-
Creditor		12,598

Council's contribution to the Shadow Council is as detailed below

	2015	2014
Total Shadow Council Costs	557,498	
Council's share	12.11%	
Council's share of unfunded costs	67,518	
Direct Contribution	-	
Creditor		67,518

31 Post Balance Sheet Event

From 1st April 2015, Moyle District Council will cease to exist and its functions will be transferred to the new Causeway Coast and Glens Borough Council.

The Causeway Coast and Glens Borough Council combines the previous councils of Ballymoney, Coleraine, Limavady and Moyle into one new body constituted under the framework established by the Local Government Act (Northern Ireland) 2014. The geographical area of The Causeway Coast and Glens Borough council is a direct aggregate of the boundaries of the four previous councils.

Under Regulation 11 of the Local Government (Transitional, Supplementary, Incidental Provisions and Modifications) Regulations (Northern Ireland) 2014, the new council will designate an officer as having responsibility for the winding up of its predecessor councils.

This designated officer will have responsibility for the preparation of the final statements of account for predecessor councils in a form directed by the Department under regulation 4 of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006.

These accounts are prepared on a going concern basis in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom.

32 Going concern

The preceding financial statements have been prepared on a going concern basis. Moyle District Council will cease to exist on 31st March 2015. The going concern basis remains appropriate, however, as all Council's assets and liabilities transferred to the new Causeway Coast and Glens Borough Council upon cessation. A Moyle District Council (Transfer of Designated Assets and Liabilities) Scheme 2015 was sealed to this effect with the official seal of the Department of the Environment on 26th March 2015.

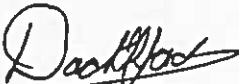
**MOYLE DISTRICT COUNCIL
Financial Statements
FOR THE YEAR ENDED 31 MARCH 2015**

Accounts Authorised for the Issue Certificate

In accordance with International Accounting Standard 10, Events after the Balance Sheet Date (IAS 10) this Statement of Accounts which contains a number of minor amendments from the Accounts approved on 29th June 2015 are at today's date hereby authorised for issue.

IAS 10 sets out

- The period during which an entity should adjust its financial statements for events after the balance sheet date as being the period between the date the financial statements were prepared and the date of this authorisation; and
- In the event of adjustments the disclosures that should be made.

Signed 
.....
**Chief Financial Officer
Causeway Coast and Glens Borough Council**

Date 20-10-15
.....