

<b>ISLE OF ANGLESEY COUNTY COUNCIL</b>	
<b>Report to:</b>	<b>EXECUTIVE COMMITTEE</b>
<b>Date:</b>	<b>23 JULY 2024</b>
<b>Subject:</b>	<b>DRAFT FINAL ACCOUNTS 2023/24 AND USE OF RESERVES AND BALANCES</b>
<b>Portfolio Holder(s):</b>	<b>ROBIN WILLIAMS – DEPUTY LEADER &amp; PORTFOLIO HOLDER – FINANCE</b>
<b>Head of Service / Director:</b>	<b>MARC JONES – DIRECTOR OF FUNCTION (RESOURCES) / SECTION 151 OFFICER</b>
<b>Report Author:</b>	<b>MARC JONES – DIRECTOR OF FUNCTION (RESOURCES) / SECTION 151 OFFICER</b>
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<b>Local Members:</b>	<b>n/a</b>
<b>A –Recommendation/s and reason/s</b>	
<p>The report presents the draft Comprehensive Income and Expenditure Statement for 2023/24 and the draft Balance Sheet as at 31 March 2024.</p> <p>More detailed information is provided on the Council’s general balances and earmarked reserves and the report details the proposed use of the reserves and balances in 2024/25 and subsequent years. The report sets out the level of general balances and earmarked reserves which, in the professional opinion of the Council’s Section 151 Officer, is the level required to cover any financial risks faced by the Council, to meet any existing funding commitments made and takes into account any specific restrictions on the use of the funding, e.g. restrictions imposed by grant conditions. The level of risk faced by the Council can change and the level of general balances and earmarked reserves will be kept under review over the coming months.</p> <p>It is important to note that the figures are unaudited and may change as a result of the audit process. Once the audit is completed, a report of the final Statement of Accounts will be presented to the Governance and Audit Committee and the full Council.</p> <p><b>Recommendations:-</b></p> <ol style="list-style-type: none"> <li>1. That the Executive notes the draft unaudited financial statements for the financial year 2023/24. The full Draft Statement of Accounts 2023/24 is published on the following link:- <a href="#">IOACC-Draft-SOA-Redacted.pdf (gov.wales)</a></li> <li>2. That the Executive notes the position of the Council’s general balances of £15.604m.</li> <li>3. That the Executive notes the balance of Earmarked Reserves of £16.778m and approve the creation of £1.553m of new earmarked reserves.</li> <li>4. That the Executive formally approve the transfer of £2.002m of earmarked reserves back to the Council’s General Balances.</li> <li>5. That the Executive notes the balance of school reserves of £5.577m.</li> <li>6. That the Executive notes the balance of the HRA reserve of £8.189m.</li> </ol>	
<b>B – What other options did you consider and why did you reject them and/or opt for this option?</b>	
No other options are available to the Executive.	

<b>C – Why is this a decision for the Executive?</b>		
The use of reserves and balances is delegated to the Executive in accordance with the Council's resolution on the Council's revenue and capital budget 9 March 2023.		
<b>CH – Is this decision consistent with policy approved by the full Council?</b>		
Yes		
<b>D – Is this decision within the budget approved by the Council?</b>		
Yes		
<b>Dd – Assessing the potential impact (if relevant):</b>		
<b>1</b>	How does this decision impact on our long-term needs as an Island?	The proposed use of reserves and balances is designed to address certain risks and issues which the Council is currently facing. This will allow the Council to undertake projects which will help in meeting the long-term needs of the Island and its residents.
<b>2</b>	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority? If so, how?	Yes – identifying funding to mitigate future risks will ensure that risks will be better controlled and may reduce costs in the future.
<b>3</b>	Have we been working collaboratively with other organisations to come to this decision? If so, please advise whom	Not applicable
<b>4</b>	Have Anglesey citizens played a part in drafting this way forward, including those directly affected by the decision? Please explain how.	Not applicable
<b>5</b>	Note any potential impact that this decision would have on the groups protected under the Equality Act 2010.	The decision requested in this report does not have a direct impact on those groups protected under the Equality Act 2010. Any plans for the use of funding would consider the impact on those groups prior to making the final decision to proceed with any project.
<b>6</b>	If this is a strategic decision, note any potential impact that the decision would have on those experiencing socio-economic disadvantage.	The decision requested in this report does not have a direct impact on those experiencing socio-economic disadvantage. Any plans for the use of funding would consider the impact on the socio-economic disadvantaged prior to making the final decision to proceed with any project.
<b>7</b>	Note any potential impact that this decision would have on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.	No impact on the Welsh language.

<b>E - Who did you consult?</b>		<b>What did they say?</b>
<b>1</b>	<b>Chief Executive / Leadership Team (LT)</b> (mandatory)	The report has been considered by the Chief Executive and LT prior to it being presented to the Committee. The comments of LT members have been incorporated into the report.
<b>2</b>	<b>Finance / Section 151</b> (mandatory)	The Section 151 Officer and staff of the Finance Team were responsible for drafting the accounts and this report.
<b>3</b>	<b>Legal / Monitoring Officer</b> (mandatory)	The Monitoring Officer is a member of the LT and any comments made have been considered along with all comments made by LT members.
<b>4</b>	<b>Human Resources (HR)</b>	The issues covered in the report do not impact on any Human Resource matters.
<b>5</b>	<b>Property</b>	Not applicable
<b>6</b>	<b>Information Communication Technology (ICT)</b>	Not applicable
<b>7</b>	<b>Scrutiny</b>	The draft financial outturn and reserve balances were discussed at the meeting of the Finance Scrutiny Panel on 6 June 2024.  The draft statement of accounts was considered by the Governance and Audit Committee on 18 July 2024.
<b>8</b>	<b>Local Members</b>	Not applicable
<b>9</b>	<b>Any external bodies / other/s</b>	Not applicable
<b>F - Appendices:</b>		
<p>Appendix 1– Report on the main financial statements, general balances and earmarked reserves</p> <p>Appendix 2 – Draft Comprehensive Income and Expenditure Statement 2023/24</p> <p>Appendix 3 – Draft Balance Sheet as at 31 March 2024</p> <p>Appendix 4 – Movement in Reserves Statement 2023/24</p> <p>Appendix 5 – Earmarked Reserves as at 31 March 2024</p>		
<b>FF - Background papers (please contact the author of the Report for any further information):</b>		
None		

**1. PURPOSE OF THE REPORT**

- 1.1. The report sets out the draft main financial statements for the financial year 2023/24 and presents a summary of the Council's general balances, earmarked reserves, school balances and HRA reserve.
- 1.2. The report also sets out the Council's Section 151 Officer's opinion on the adequacy of the reserves and do they provide sufficient financial resilience for the Council and do they provide sufficient financial cover to address any future financial risks faced by the Council.

**2. BACKGROUND INFORMATION**

- 2.1. Regulation 10 of the Accounts and Audit (Wales) Regulations 2014, as amended by the Accounts and Audit (Wales) (Amendment) Regulations 2018, requires that the responsible financial officer must, by no later than 31 May immediately following the end of the financial year, sign and date the draft statement of accounts and certify that it presents a true and fair view of the Council's financial position. The Council must then approve and publish its audited financial statements by 31 July immediately following the end of the financial year.
- 2.2. Due to a number of reasons, which include delays in completing audits across Wales in the years following the pandemic and due to technical accounting issues which required additional guidance and audit input, Welsh Government (WG) and Audit Wales have recognised that the statutory timetable is unachievable for the 2023/24 financial year. The suggested timetable is for the draft statement of accounts to be prepared by 30 June 2024 and the final audited accounts to be published by 30 November 2024. Consideration is also being given to amending the statutory deadlines for future years. The Council has published the statutory notice informing all interested parties that the Council will not be complying with the statutory deadlines noted in paragraph 2.1 above.

**3. DRAFT COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT 2023/24**

- 3.1. The draft Comprehensive Income and Expenditure Statement (CIES) is presented in Appendix 2.
- 3.2. The statement summarises the cost of providing services in 2023/24, in accordance with the statutory accounting requirements and covers both the Council Fund and the Housing Revenue Account (HRA) in one financial statement. The CIES includes statutory accounting costs, such as depreciation and pension adjustments, which are not charged against Council Tax and are, therefore, reversed out before determining the final position in respect of general balances, earmarked reserves, the HRA account balance and school balances. As a result, the CIES is not directly comparable to the outturn reports that are presented to the Executive as part of the agenda for this meeting.
- 3.3. The CIES shows that the net cost of services was £168.498m, with a surplus of £14.057m on the provision of services. Adjustments are then made for the revaluation of assets and for the re-measurement of the pension liability, to give the final net surplus for the year of £37.683m. Adjustments are then made, as shown in Table 1 below, to determine the movement to reserves and balances. The adjustments are detailed in note 6 of the draft Statement of Accounts.

**Table 1**  
**Reconciliation of CIES to the Contribution (to) or from Reserves and Balances for 2023/24**

	£'m	£'m
Total Cost (Surplus) as per the CIES		(37.683)
Reverse out the accounting entries in respect of the Revaluation of Assets and the Re-measurement of the Pensions Fund	23.626	
Adjustment between Accounting Basis and Funding Basis under Regulations	18.772	
		42.398
<b>Contribution (to) / from Useable Reserves and Balances</b>		<b>4.715</b>

3.4. The movements in the Council's reserves and balances are shown in Table 2, below:-

**Table 2**  
**Summary of the Movements in the Council's Reserves and Balances as at 31 March 2024**

	Council Fund General Reserve £'000	Council Fund Earmarked Reserves £'000	Housing Revenue Account (HRA) Reserve £'000	School Reserves £'000	Capital Receipts Reserve £'000	Capital Grants Unapplied Reserve £'000	Total Useable Reserves £'000
<b>Opening Balance as at 1 April 2023</b>	(14,039)	(19,637)	(12,107)	(6,716)	(1,908)	(407)	(54,814)
Net Over / (Under) spend 2023/24	(1,733)	0	4,073	0	0	0	2,340
<b>Balance after Over / (Under) spend</b>	(15,772)	(19,637)	(8,034)	(6,716)	(1,908)	(407)	(52,474)
Net Transfers from / (to) Reserves for Approved Funding	168	2,858	(155)	1,139	(991)	(57)	2,962
<b>Closing Balance as at 31 March 2024</b>	(15,604)	(16,779)	(8,189)	(5,577)	(2,899)	(464)	(49,512)

The Council's accounts also include £587k in respect of the North Wales Economic Ambition Board. This figure is the Council's share of the useable reserves, which are held by Gwynedd Council as the lead authority for the Board Members.

#### 4. DRAFT BALANCE SHEET AS AT 31 MARCH 2024

4.1. The draft balance sheet as at 31 March 2024 is shown in Appendix 3.

4.2. The value of the Council's net assets increased by £37.682m, from £404.650m last year, to £442.332m at 31 March 2024. The value of the Council's long-term assets increased by £55.688m, due to capital expenditure on the Council's property, plant and equipment and the revaluation of existing assets. Current assets increased by £1.777m as a result of an increase in short-term debtors of £12.346m. This was mainly offset by a reduction of £10.133m in cash and short-term investments.

4.3. Current liabilities increased by £11.498m, to £55.615m, which is as a result of short term creditors £7.896m and short term grants received in advance £4.618m. Long term liabilities have also increased, from £131.450m to £139.735m, this is mainly as a result of the carrying value of the Pension Reserve moving from £0 to a net liability of £10.522m.

4.4. Although the actuarial valuation assesses the value of the Pension Fund as being a surplus of £71.145m, accounting rules (IFRIC14) requires the Council to reduce the value of the pension asset due to the fact that the Council cannot access the value of the asset.

## 5. GENERAL FUND BALANCE

5.1. The balance of the General Fund (subject to audit) as at 31 March 2024 is £15.604m, which is equivalent to 8.94% of the 2023/24 net expenditure budget, but it should be noted that this figure may change following the audit. The Council utilised £4.425m of this reserve as funding for the 2024/25 budget, which reduces the net available balance to £11.179m, which equates to 6.08% of the 2024/25 net expenditure budget. The movement is shown in Table 3, below:-

**Table 3**  
**Movement in General Balances during 2023/24**

	£'m	£'m
Opening Balance as at 1 April 2023		14.039
Funding for 2023/24 Revenue Budget		(3.780)
<b>Balance Available as at 1 April 2023</b>		<b>10.259</b>
Transfers from Earmarked Reserves	2.002	
Other Transfers In / (Out)	1.645	
Expenditure Funded from General Balances	(0.035)	
<b>Net Transfers In / (Out) in Year</b>		<b>3.612</b>
<b>2023/24 Revenue Budget Surplus</b>		<b>1.733</b>
<b>Balance as at 31 March 2024</b>		<b>15.604</b>
Funding for 2024/25 Revenue Budget		(4.425)
<b>Balance Available as at 1 April 2024</b>		<b>11.179</b>

5.2. The Council approved the recommendation provided by the Section 151 Officer that the Council should maintain a minimum balance of this reserve of 5% of the net revenue expenditure budget for the forthcoming financial year. Based on this recommendation, the minimum balance should be £9.2m, which gives the Council £2m of balances above this minimum figure.

5.3. Based on the current information, the funding position for 2025/26 appears to be very precarious, with costs, due to inflation and demand pressures, exceeding the increase in funding. This surplus in general balances, above the minimum recommended level, does provide the Council to use its general balances in 2025/26 to supplement the funding available from Welsh Government grants and Council Tax.

## 6. EARMARKED RESERVES

6.1. Earmarked Reserves are held by the Council to mitigate potential future risks, to meet increases in the demand for certain services, to fund future capital projects, to fund improvements in business processes and service delivery, which are not funded in the annual revenue budget, and to hold unused grants and other contributions. The holding of earmarked reserves is an essential element of the Council's financial strategy to ensure that the Council has an adequate level of financial resilience to meet future risks, financial challenges and allows for additional investment in assets and services. The new reserves created during 2023/24 are shown in Table 4, and the Executive is requested to formally approve the creation of these new reserves, totalling £1.553m.

**Table 4**  
**New Earmarked Reserves Requested**

Service	Reserve Name	Reserve Total £	Reason for Creating the Reserve	Purpose of the Reserve
Childrens	Maethu Cymru	35,111	Unused grant carried forward from 2023/24	To contribute to the cost of advertising for and recruiting foster carers.
Corporate	Grant Reduction Support	250,000	To provide financial support to services who may experience a reduction in revenue grant funding	As grant funding is frozen or reduced, it can take time for a service to adapt the provision of service to reflect the reduced grant funding. The reserve can provide one off funding to cover costs during this transitional period.
Planning	Judicial Review Costs	35,000	To meet potential future costs	Planning decisions can be subject to appeal and the Council can face costs in preparing for appeals and to refund the applicants costs should the appeal be successful. The reserve provides financial resources to cover that risk.
Adults	Telecare Equipment	60,000	To fund roll out costs of new digital equipment	The transfer from analogue systems to digital systems is currently taking place. The reserve provides funding to meet these one off costs.
Regulation & Economic Development	3G Pitch Replacement Sinking Fund	200,000	To fund the future costs of replacing 3G pitches	The Council has been successful in obtaining grant funding to develop 3G pitches. The pitch surfaces have a finite life and will require replacement in the future. Surplus income generated from the rental of the pitches is placed in the reserve to provide funds to meet future costs.
Transformation - IT	Anglesey Mast	40,450	To fund the cost of repairing the mast	Due to changing technology, the mast at Penmynydd is no longer required by the Council, but the mast is in need of repair before it can be disposed of. The reserve provides the necessary funding to undertake those repairs.
Regulation & Economic Development	Gym Equipment at Holyhead	80,000	To contribute to the cost of replacing the gym equipment at Holyhead Leisure Centre	The Council successfully appealed the rateable value of the Centre dating back to 2017 and, as a result, received a refund of £80,000. This sum has been placed in a reserve to contribute to the cost of replacing the equipment. The Service is seeking additional grant funding to fund the remainder of the cost.

Service	Reserve Name	Reserve Total £	Reason for Creating the Reserve	Purpose of the Reserve
Education	Period Poverty Grant	6,300	Unused grant carried forward from 2023/24	Will be used to provide grants in 2024/25, in accordance with the grant conditions.
Housing	ECO4 Grant	61,071	Unused grant carried forward from 2023/24	Will be used to provide grants in 2024/25, in accordance with the grant conditions.
Housing	Afghan Resettlement	114,951	Unused grant carried forward from 2023/24	To meet the costs of accommodating refugees settling in Anglesey under the Afghan resettlement scheme.
Public Protection	Child Burial and Cremation Fees	6,389	To fund the costs incurred by Town & Community Councils	The grant is paid out bi-annually, the reserve will fund payments to Town & Community Councils in 2024/25.
Corporate	Eisteddfod yr Urdd	50,000	To meet the cost of the Council's presence at the Eisteddfod in 2026	The budget includes a sum of £50,000 per annum for 2023/24, 2024/25 and 2025/26.
Corporate	Scrutiny Review	8,000	To meet the cost of the review	The Council is undertaking a review of the Scrutiny function and this reserve has been created from underspent budgets in 2023/24.
Planning	Houses into Homes	300,000	To meet the cost of implementing Article 4, should the Council decide to move ahead	£300,000 has been allocated from the Council Tax premium income to meet the cost of implementing Article 4, should the Council wish to do so.
Resources	Procurement	45,000	To part fund the cost of implementing the Procurement Service action plan	An initial review of the Council's procurement function and its readiness for the new legislation resulted in an action plan. External support is required to implement the action plan for 2024/25 and 2025/26.
Learning	WG ALN Grants	261,048	Unused grant carried forward from 2023/24	The grant was allocated for ALN Capital projects. Due to time constraints, the funding was not fully utilised within 23/24 and 24/25. The £261k will allow completion of the project, with any remaining funding re-paid to Welsh Government as per the terms and conditions of the grant.
<b>TOTAL NEW EARMARKED RESERVES</b>		<b>1,553,320</b>		

6.2. The total recommended earmarked reserves as at 31 March 2024 are detailed in full in Appendix 4, but are summarised by purpose below, in Table 5:-



**Table 5**  
**Summary of Earmarked Reserves as at 31 March 2024**

	Opening Balance as at 1 April 2023 £	Contributions To / (From) During 2023/24 £	Closing Balance as at 31 March 2024 £
Ongoing Corporate and Service Risks	6,140,669	(1,484,387)	4,656,282
Specific Corporate and Service Risks	226,172	627,770	853,942
Funding of Future Capital Expenditure	7,070,721	(2,372,570)	4,698,151
Business Process Improvements	0	250,000	250,000
Unused Contingency Budgets required for Future Years	1,014,172	298,200	1,312,372
Restricted Grant Holding Reserves	1,840,594	188,215	2,028,809
Other Restricted Reserves	304,197	88,413	392,609
Other Earmarked Reserves for Specific Projects	2,675,940	(89,776)	2,586,164
Unrestricted Grant Holding Reserves	365,104	(365,104)	0
<b>TOTAL EARMARKED RESERVES</b>	<b>19,637,569</b>	<b>(2,859,239)</b>	<b>16,778,330</b>

## 7. CAPITAL GRANT UNAPPLIED RESERVE

7.1. The capital grant unapplied reserve holds any unspent balance of the general capital grant. This is not an earmarked reserve as it is a specific reserve to hold capital funding, although it should be noted that the grant is provided with no conditions, and it is for the Council to determine which capital projects are funded from the grant. It is unapplied as it was not fully utilised by the end of the financial year, but it will be used to fund capital expenditure in 2024/25.

## 8. SCHOOL BALANCES

8.1. The level of School balances has decreased from £6.716m at the beginning of the financial year, to £5.577m at the end of the financial year. 5 primary schools have deficit balances, compared to none last year. All of the schools that have a deficit balance have agreed an expenditure plan which will bring the school out of deficit over a period of time. The balances per sector are summarised in Table 6, below:-

**Table 6**  
**School Balances as at 31 March 2024**

	Balances at 31/03/2023 £	Balances at 31/03/2024 £	Increase / (Decrease) during 2023/24 £	Amount allocated to balance 2024/25 budgets £	Balance Available £
<b>Primary</b>	3,693,588	2,766,771	(926,816)	872,750	1,894,021
<b>Secondary</b>	2,761,638	2,630,684	(130,954)	1,293,980	1,336,704
<b>Special</b>	260,757	179,098	(81,659)	0	179,098
<b>Total</b>	<b>6,715,983</b>	<b>5,576,553</b>	<b>(1,139,430)</b>	<b>2,166,730</b>	<b>3,409,823</b>

## 9. HOUSING REVENUE ACCOUNT

9.1. The balance of the Housing Revenue Account reserve fell from £12.107m at the beginning of the financial year, to £8.956m at the end of the financial year. The details are shown in Table 7, below:-

**Table 7**

### **Housing Revenue Account Balance as at 31 March 2024**

	<b>£'m</b>	<b>£'m</b>
<b>Opening Balance as at 1 April 2023</b>		<b>12.107</b>
Revenue Account Surplus 2023/24	8.727	
Capital Expenditure Funded from Reserves	(12.645)	
Net Movement in 2023/24		(3.918)
<b>Closing Balance as at 31 March 2024</b>		<b>8.189</b>

APPENDIX 2

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT FOR YEAR ENDED 31 MARCH 2024

2023/24			Services	Note	2022/23		
Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000			Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000
86,765	(16,691)	70,074	Education, Young People and Skills		84,301	(16,540)	67,761
50,733	(14,649)	36,084	Adult Services		48,246	(13,242)	35,004
22,064	(7,095)	14,969	Children's Services		22,207	(7,088)	15,119
9,756	(7,810)	1,946	Housing		8,168	(7,187)	981
35,261	(9,553)	25,708	Highways, Property and Waste		33,479	(9,921)	23,558
17,380	(11,019)	6,361	Regulation and Economic		16,910	(9,691)	7,219
7,157	(303)	6,854	Transformation		7,509	(340)	7,169
26,525	(16,244)	10,281	Resources		27,838	(16,803)	11,035
2,144	(181)	1,963	Council Business		2,347	(217)	2,130
1,145	(1,034)	111	Corporate and Democratic Costs		3,384	(723)	2,661
742	-	742	Corporate Management		673	-	673
27	-	27	Non-distributed costs		93	-	93
14,857	(21,479)	(6,622)	Housing Revenue Account (HRA)		14,982	(19,942)	(4,960)
<b>274,556</b>	<b>(106,058)</b>	<b>168,498</b>	<b>Deficit on Continuing Operations</b>		<b>270,137</b>	<b>(101,694)</b>	<b>168,443</b>
		17,244	Other operating expenditure	10			15,570
		8,574	Financing and investment income and expenditure	11			10,990
		(208,373)	Taxation and non-specific grant Income	12			(189,647)
		<b>(14,057)</b>	<b>(Surplus)/Deficit on Provision of Services</b>				<b>5,356</b>
		14,102	Impairment losses on non-current assets charged to the Revaluation Reserve				10,822
		(49,420)	Surplus on revaluation of non-current assets				(12,139)
		(71,145)	Write-off Net Pension Asset	9c & 34			(19,814)
		82,837	Re-measurement of net Pension liability	9c & 34			(116,642)
		<b>(23,626)</b>	<b>Other Comprehensive Income and Expenditure</b>				<b>(137,773)</b>
		<b>(37,683)</b>	<b>Total Comprehensive Income and Expenditure</b>				<b>(132,417)</b>

## BALANCE SHEET AS AT 31 MARCH 2024

	Note	31 March 2024 £'000	31 March 2023 £'000
Property, plant and equipment	13	541,471	487,064
Heritage assets	15	2,413	2,431
Investment property	16	8,175	6,579
Intangible assets		262	357
Long-term debtors	18	1,032	1,234
<b>Long-term Assets</b>		<b>553,353</b>	<b>497,665</b>
Assets held for sale		620	1,065
Inventories		401	392
Short-term debtors	18	51,201	38,855
Short-term Investments	35a	-	22,500
Cash and cash equivalents	19	32,107	19,740
<b>Current Assets</b>		<b>84,329</b>	<b>82,552</b>
Short-term borrowing	35b	(3,341)	(4,111)
Short-term creditors	20	(42,465)	(34,569)
Short-term provisions	21	(456)	(702)
Short-term grants receipts in advance	30	(9,353)	(4,735)
<b>Current Liabilities</b>		<b>(55,615)</b>	<b>(44,117)</b>
Long-term creditors	20	(166)	(158)
Long-term provisions	21	(4,247)	(4,335)
Long-term borrowing	35b	(121,175)	(121,557)
Long-term grants receipts in advance	30	(3,625)	(5,400)
Other long-term liabilities	34	(10,522)	-
<b>Long-term Liabilities</b>		<b>(139,735)</b>	<b>(131,450)</b>
<b>Net Assets</b>		<b>442,332</b>	<b>404,650</b>
Usable reserves	MIRS	50,099	54,814
Unusable reserves	9	392,233	349,836
<b>Total Reserves</b>		<b>442,332</b>	<b>404,650</b>

APPENDIX 4

MOVEMENT IN RESERVES STATEMENT 2023/24

	Council Fund Balance	Earmarked Council Fund Reserves (Note 7)	Capital Receipts Reserve (Note 8)	Capital Grants Unapplied (note 7)	Schools Balances (Note 7)	NWEAB Reserves	Total Council Fund Usable Reserves	HRA Balance (Supplementary Financial Statements)	HRA Capital Receipts Reserve	Total HRA Usable Reserves	Total Usable Reserves	Total Unusable reserves (Note 9)	Total Reserves (of the Council)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Balance 1 April 2022</b>	12,278	23,181	2,381	-	7,827	-	45,667	12,333	-	12,333	58,000	214,233	272,233
<b>Movement in reserves during the year</b>													
Adjustment to opening balance	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) on provision of services	(12,468)	-	-	-	-	-	(12,468)	7,112	-	7,112	(5,356)	-	(5,356)
Other Comprehensive Income and Expenditure	-	-	-	-	-	-	-	-	-	-	-	137,773	137,773
<b>Total Comprehensive Income and Expenditure</b>	<b>(12,468)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(12,468)</b>	<b>7,112</b>	<b>-</b>	<b>7,112</b>	<b>(5,356)</b>	<b>137,773</b>	<b>132,417</b>
Adjustments between accounting basis and funding basis under regulations (Note 6)	9,956	-	(448)	-	-	-	9,508	(7,338)	-	(7,338)	2,170	(2,170)	-
<b>Net Increase/ (Decrease) before Transfers to Earmarked Reserves</b>	<b>(2,512)</b>	<b>-</b>	<b>(448)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,960)</b>	<b>(226)</b>	<b>-</b>	<b>(226)</b>	<b>(3,186)</b>	<b>135,603</b>	<b>132,417</b>
Transfers to/(from) Earmarked Reserves (Note 7)	4,273	(3,544)	(25)	407	(1,111)	-	-	-	-	-	-	-	-
<b>(Decrease) / increase In Year</b>	<b>1,761</b>	<b>(3,544)</b>	<b>(473)</b>	<b>407</b>	<b>(1,111)</b>	<b>-</b>	<b>(2,960)</b>	<b>(226)</b>	<b>-</b>	<b>(226)</b>	<b>(3,186)</b>	<b>135,603</b>	<b>132,417</b>
<b>Balance 31 March 2023</b>	<b>14,039</b>	<b>19,637</b>	<b>1,908</b>	<b>407</b>	<b>6,716</b>	<b>-</b>	<b>42,707</b>	<b>12,107</b>	<b>-</b>	<b>12,107</b>	<b>54,814</b>	<b>349,836</b>	<b>404,650</b>
<b>Movement in reserves during the year</b>													
<b>Adjustment to opening balance</b>													
Surplus/(Deficit) on provision of services	1,016	-	-	-	-	-	1,016	13,041	-	13,041	14,057	-	14,057
Other Comprehensive Income and Expenditure	-	-	-	-	-	-	-	-	-	-	-	23,625	23,625
<b>Total Comprehensive Income and Expenditure</b>	<b>1,016</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,016</b>	<b>13,041</b>	<b>-</b>	<b>13,041</b>	<b>14,057</b>	<b>23,625</b>	<b>37,682</b>
Adjustments between accounting basis and funding basis under regulations (Note 6)	(2,242)	-	482	(407)	-	-	(2,167)	(17,114)	509	(16,605)	(18,772)	18,772	-
<b>Net Increase/(Decrease) before Transfers to Earmarked Reserves</b>	<b>(1,226)</b>	<b>-</b>	<b>482</b>	<b>(407)</b>	<b>-</b>	<b>-</b>	<b>(1,151)</b>	<b>(4,073)</b>	<b>509</b>	<b>(3,564)</b>	<b>(4,715)</b>	<b>42,397</b>	<b>37,682</b>
<b>Net transfer from</b>													
Transfers to/(from) Reserves	2,791	(2,858)	-	464	(1,139)	587	(155)	155	-	155	-	-	-
<b>(Decrease) / increase In Year</b>	<b>1,565</b>	<b>(2,858)</b>	<b>482</b>	<b>57</b>	<b>(1,139)</b>	<b>587</b>	<b>(1,306)</b>	<b>(3,918)</b>	<b>509</b>	<b>(3,409)</b>	<b>(4,715)</b>	<b>42,397</b>	<b>37,682</b>
<b>Balance 31 March 2024</b>	<b>15,604</b>	<b>16,779</b>	<b>2,390</b>	<b>464</b>	<b>5,577</b>	<b>587</b>	<b>41,401</b>	<b>8,189</b>	<b>509</b>	<b>8,698</b>	<b>50,099</b>	<b>392,233</b>	<b>442,332</b>

## EARMARKED RESERVES AS AT 31 MARCH 2024

Service	Reserve Name	Description	Balance as at 1 April 2023 £	Transfers In £	Transfers Out £	Balance as at 31 March 2024 £
Corporate	Insurance Reserve	To fund uninsured losses and policy excesses.	1,250,000	97,745	(97,745)	1,250,000
Learning	Sickness Scheme - Primary	To cover the cost of staff sickness cover in primary schools. Each school pays an annual premium and is recompensed from this reserve to meet the additional costs incurred due to staff sickness.	307,532	0	(109,005)	198,527
Housing	Homelessness	To fund any additional demand above the sum allowed for in the annual budget.	325,171	129,198	0	454,369
Highways	Winter Maintenance	To meet any additional costs above the sum allowed for in the budget arising from additional gritting or dealing with floods and storm damage.	94,480	0	0	94,480
Social Services	Social Care Staffing Contracts	To fund additional staffing / agency costs if additional demand for services results in an increased staffing level requirement.	249,132	0	(149,132)	100,000
Social Services	Social Care Pressures	To fund additional costs above the sum allowed for in the annual budget as a result of increased demand or inflationary pressures.	143,690	0	(143,690)	0
Learning	School Closure Reserve	To fund the cost of maintaining closed schools or to contribute to the set-up costs of new schools.	93,149	0	0	93,149
Corporate	Inflation Reserve	To fund additional inflationary pressures which were not allowed for in the revenue budget – most notably pay awards.	3,177,515	0	(1,461,758)	1,715,757
Learning	Out of County Placements Demand	To fund additional costs above the sum allowed for in the annual budget as a result of increased demand or inflationary pressures.	500,000	0	0	500,000
Corporate	Grant Reduction	To provide funding in the short term for services experiencing reductions in grant funding. The funding allows the Service to make the necessary long term changes in service provision.	0	250,000	0	250,000
<b>TOTAL ONGOING CORPORATE AND SERVICE RISKS</b>			<b>6,140,669</b>	<b>476,943</b>	<b>(1,961,330)</b>	<b>4,656,282</b>

Service	Reserve Name	Description	Balance as at 1 April 2023 £	Transfers In £	Transfers Out £	Balance as at 31 March 2024 £
Learning	School Rationalisation	To meet additional costs arising from the school modernisation programme, including redundancy costs.	83,356	452,296	(133,861)	401,791
Planning	Local Development Plan	Fund the additional costs above the sum allowed for in the annual revenue budget in producing the next Development Plan.	142,816	274,935	(600)	417,151
Planning	Planning Appeals	To fund any costs incurred in dealing with planning appeals and any other form of legal challenges to planning decisions.	0	35,000	0	35,000
<b>TOTAL SPECIFIC SERVICE AND CORPORATE RISKS</b>			<b>226,172</b>	<b>762,231</b>	<b>(134,461)</b>	<b>853,942</b>
Corporate	Revenue Contributions Unapplied to Capital	Funding that has been allocated from revenue funds as a contribution towards specific future capital projects. Funding is released from the reserve as and when required as projects move forward.	2,973,623	528,597	(2,163,955)	1,338,265
Corporate	General Reserve Contributions Unapplied to Capital	Funding that has been allocated from general reserves as a contribution towards specific future capital projects. Funding is released from the reserve as and when required as projects move forward.	1,428,541	0	(1,174,747)	253,794
Learning	Education – Commuted Sums	Contributions from Developers, as part of the planning process, that contribute towards additional education costs that the Council faces as a result of the development.	346,593	164,655	(181,022)	330,226
Housing	Housing Developer Commuted Sums	Funding transferred to the Council by Developers in lieu of affordable houses in developments.	807,807	186,830	(155,000)	839,637
Highways	Open Spaces S106 agreements	Contributions from developers as part of planning agreements.	24,872	29,208	0	54,080
Public Protection	Calibration Lab	Contributions from partner authorities towards the capital cost of developing a calibration lab.	9,400	12,414	0	21,814
Learning	School IT Sinking Fund	To meet future IT equipment replacement costs in schools	461,000	0	0	461,000
Property	Secondary Schools R & M	Underspend from previous year's revenue budget which is earmarked to fund future repair and maintenance costs in secondary schools.	94,308	0	0	94,308

Service	Reserve Name	Description	Balance as at 1 April 2023 £	Transfers In £	Transfers Out £	Balance as at 31 March 2024 £
Highways	Developer Contribution - Highways	Contributions from Developers, as part of the planning process, that contribute towards highway improvement costs that the Council faces as a result of the development.	162,422	0	0	162,422
Leisure	Leisure VAT Claim	Refund of VAT due to change in VAT status of leisure centre admission fees. To be used to improve leisure centres.	762,155	0	0	762,155
Social Services	Telecare Equipment	To fund roll out costs of new digital equipment.	0	60,000	0	60,000
Leisure	3G Pitch Replacement Sinking Fund	To fund the future costs of replacing 3G pitches.	0	200,000	0	200,000
Transformation - IT	Anglesey Mast	To fund the cost of repairing the mast.	0	40,450	0	40,450
Leisure	Gym Equipment at Holyhead	To contribute to the cost of replacing the gym equipment at Holyhead Leisure Centre.	0	80,000	0	80,000
<b>TOTAL FUTURE CAPITAL EXPENDITURE RESERVES</b>			<b>7,070,721</b>	<b>1,302,154</b>	<b>(3,674,724)</b>	<b>4,698,151</b>
Corporate	Transformation Fund	To meet the cost of developing and implementing plans to modernise and transform service delivery.	0	250,000	0	250,000
<b>TOTAL BUSINESS PROCESS IMPROVEMENT RESERVES</b>			<b>0</b>	<b>250,000</b>	<b>0</b>	<b>250,000</b>
Housing	Affordable Housing	Balance of unused Council Tax premiums allocated to fund grants and loans to assist first time buyers.	617,115	651,727	0	1,268,842
Corporate	Restricted Contingency Funded Projects	Unused allocation of revenue budget for translation of school modernisation documents.	121,940	0	(78,410)	43,530
Corporate	STEM Project	To fund the Council's contribution to the STEM project.	25,000	0	(25,000)	0
Corporate	North Wales Economic Ambition Board (NWEAB) reserve	To fund the Council's contribution to the NWEAB above the sum allowed for in the annual revenue budget.	250,117	0	(250,117)	0
<b>TOTAL UNUSED CONTINGENCY BUDGETS REQUIRED FOR FUTURE YEARS</b>			<b>1,014,172</b>	<b>651,727</b>	<b>(353,527)</b>	<b>1,312,372</b>



Service	Reserve Name	Description	Balance as at 1 April 2023 £	Transfers In £	Transfers Out £	Balance as at 31 March 2024 £
Waste	Waste Reserve	Unallocated grant funding.	100,000	0	(100,000)	0
Highways	Flood Grant	Unused grant funding.	36,473	0	(36,473)	0
Housing	Supporting People Administration	Unused grant funding to be used to fund staffing costs not covered by the annual Housing Support grant.	411,377	115,717	(88,420)	438,674
Education	Small and Rural Schools	Unused grant funding.	9,023	0	(9,023)	0
Education	Covid Security in Schools	Unused grant funding.	9,056	0	0	9,056
Education	Adult Community Learning (ACL) Maintenance & Digital	Unused grant funding.	13,523	0	(895)	12,628
Education	Additional Learning Needs (ALN) Strategy	Unused grant funding.	15,363	0	0	15,363
Education	Music Grant	Unused grant funding.	31,280	0	(9,174)	22,106
Highways	Passenger Bus Network	Unused grant funding.	220,976	0	(23,739)	197,237
Culture	Talnet	Unused grant funding.	14,040	0	(13,837)	203
Learning	Post 16 ACL	Unused grant funding.	82,185	10,972	0	93,157
Planning	Countryside Sustainable Landscapes and Places	Unused grant funding.	37,574	29,422	(32,600)	34,396
Planning	Sustainable Landscapes, Sustainable Places (SLSP) Countryside	Unused grant funding.	46,425	0	0	46,425
Learning	Period Poverty	Unused grant funding.	0	6,300	0	6,300
Learning	Virtual Schools Wales	Unused grant funding.	60,000	0	(35,907)	24,093
Resources	Free School Meals Administration	Unused grant funding.	85,557	0	(85,557)	0
Housing	Homes for Ukraine	Unused grant funding.	467,047	74,861	(23,150)	518,758

Service	Reserve Name	Description	Balance as at 1 April 2023 £	Transfers In £	Transfers Out £	Balance as at 31 March 2024 £
Council Business	Electoral Reform	Unused grant funding.	11,230	0	(11,230)	0
Learning	TRAC	Unused grant funding.	139,465	0	(1,233)	138,232
Social Services	Purchase of Electric Vehicles	Unused grant funding.	50,000	0	(50,000)	0
Housing	ECO4	Unused grant funding.	0	61,071	0	61,071
Social Services	Maethu Cymru	Unused grant funding.	0	35,111	0	35,111
Housing	Afghan Resettlement	Unused grant funding.	0	114,951	0	114,951
Learning	ALN Grant	Unused grant funding.	0	261,048	0	261,048
<b>TOTAL RESTRICTED GRANT FUNDED RESERVES</b>			<b>1,840,594</b>	<b>709,453</b>	<b>(521,238)</b>	<b>2,028,809</b>
Waste	Recycling Process Income	Condition of the Sustainable Waste Management Grant (SWMG) that surplus income generated from recycling activities are re-invested into waste management.	255,130	100,000	0	355,130
Culture	Museum Purchase Fund	Donations to be used to add to the collection at Oriel Ynys Môn.	13,251	4,474	0	17,725
Housing	Christmas Hampers	Used to purchase Christmas hampers for residents experiencing financial hardship.	3,411	0	(3,411)	0
Highways	Sustainable Approval Body Fees	Fees paid by developers to obtain SAB approval. Funds staffing costs of dealing with applications.	32,405	0	(19,040)	13,365
Public Protection	Child Burial & Cremation Fees	To fund the costs incurred by Town & Community Councils.	0	6,389	0	6,389
<b>TOTAL OTHER RESTRICTED RESERVES</b>			<b>304,197</b>	<b>110,863</b>	<b>(22,451)</b>	<b>392,609</b>
Planning	Planning Major Developments	To fund the cost of dealing with major development planning applications and associated work.	841,576	20,269	(382,057)	479,788
Economic Development	Archaeological works at Wylfa	Funding provided by Horizon to complete archaeological works at Wylfa.	522,420	0	(86,843)	435,577
Property	Feasibility study Ysgol Uwchradd Caergybi	To fund assessment of the cost of roof replacement at Ysgol Uwchradd Caergybi.	15,000	0	(15,000)	0

Service	Reserve Name	Description	Balance as at 1 April 2023 £	Transfers In £	Transfers Out £	Balance as at 31 March 2024 £
Public Protection	Bathing Water Prediction Model	To pay for the cost of maintaining monitoring equipment.	5,354	0	(200)	5,154
Planning	Planning Capability and Capacity	A percentage of planning fees generated from increases has to be re-invested in the Planning service.	191,723	2,415	0	194,138
Human Resources	Trainee Scheme	Balance of unspent budget from previous years to fund future commitments in excess of the annual budget.	285,743	0	(26,830)	258,913
Social Services	Pooled Budget Admin Fee	Potential to have to pay an administration fee to the lead authority to operate the Social Care Pooled budget.	10,000	0	0	10,000
Social Services	Children's Service Teaching Assistant Scheme	To fund teaching assistants specialising in supporting children with social care needs.	154,076	0	(45,011)	109,065
Economic Development	Penrhos Industrial Estate JV repayment	Additional rental income retained to fund the payment due to WG when the JV agreement ends.	20,597	11,882	0	32,479
Public Protection	Port Health Authority	To fund the set-up costs of the Port Health Authority.	189,978	0	0	189,978
Learning	Office Adaptations	To fund the cost of adaptations to the Education office space.	35,000	0	(35,000)	0
Information Technology	ICT Schools Public Sector Broadband Aggregation (PSBA)	To implement improvements to the ICT broadband in schools.	108,283	93,599	0	201,882
Social Services	Open University Trainee Social Workers	Fund the cost of training programme for social workers.	80,000	0	(30,000)	50,000
Corporate	Eisteddfod yr Urdd	Fund the cost of the Council's presence at the Urdd Eisteddfod in 2026. A sum of £50k per annum has been allocated in the financial years 2023/24, 2024/25 and 2025/26.	0	50,000	0	50,000
Council Business	Scrutiny Review	To fund the cost of a review of the Council's Scrutiny function and processes.	0	8,000	0	8,000

Service	Reserve Name	Description	Balance as at 1 April 2023 £	Transfers In £	Transfers Out £	Balance as at 31 March 2024 £
Corporate	Salix Loan Repayment	To fund unbudgeted final MRP payments on delayed Salix loans.	216,190	0	0	216,190
Planning	Article 4 Implementation	To fund the cost of implementing Article 4, should the Council decide to go ahead with Article 4.	0	300,000	0	300,000
Resources	Procurement	To fund the cost of continuing external support to implement the action plan arising from the review of the Council's procurement arrangements.	0	45,000	0	45,000
<b>TOTAL OTHER EARMARKED RESERVES FOR SPECIFIC PROJECTS</b>			<b>2,675,940</b>	<b>531,165</b>	<b>(620,941)</b>	<b>2,586,164</b>
Corporate	Covid Hardship Funding – Council Tax Collection	Unhypothecated grant funding from Welsh Government, to help with the loss of Council Tax as a result of Covid.	365,104	0	(365,104)	0
<b>TOTAL UNRESTRICTED GRANT FUNDING RESERVES</b>			<b>365,104</b>	<b>0</b>	<b>(365,104)</b>	<b>0</b>
<b>TOTAL EARMARKED RESERVES</b>			<b>19,637,569</b>	<b>4,794,536</b>	<b>(7,653,776)</b>	<b>16,778,329</b>