

# Statement of Accounts 2024/25

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## **NARRATIVE REPORT**

### **Introduction**

Bolsover District Council covers an area of 62 square miles on the edge of Derbyshire in the East Midlands. With a population of 79,000 people there are sixteen town and parish councils within the district.

Operating alongside Derbyshire County Council in providing local authority services to residents, District Council services provided include:

- benefits
- economic development
- elections
- environmental health
- housing
- leisure
- planning
- waste collection

### **Organisation and Governance**

The Council operates some of its services with its wholly owned company Dragonfly Development Ltd, as a company limited by shares. Dragonfly Management (Bolsover) Ltd, is a management company which is a wholly owned subsidiary of Dragonfly Development Ltd, as a company limited by shares. These two entities form the Dragonfly Group and have been established by the Council to take advantage of the wider trading powers provided by the Localism Act 2011. The Council's Annual Governance Statement gives further details on how the group is governed.

The services are provided by Dragonfly Management (Bolsover) Ltd, and they consist of: Property Services and Estates, Housing Revenue Account - Repairs and Maintenance Services, and Economic Growth.

Dragonfly Development Ltd, is a property company that carries out work on the Council's capital programme as well as undertaking work for other Local Authorities.

The Council has 397 employees including 2 apprentices; The Dragonfly Group has 122 employees, including 4 apprentices. The Council and Dragonfly both pay an apprenticeship levy at 0.5% of the total pay bill. This money is used to pay for apprenticeship training for new recruits and existing employees.

The Council has 37 Elected Members who are democratically accountable to their residents. Elections are held every four years, the latest being May 2023. Members follow a Code of Conduct to ensure high standards in the way they carry out their duties. The Council has an Executive consisting of the Leader and seven Members who are supported and held to account by four Scrutiny committees. More information on the Council's Governance Framework and the specific governance arrangements between Bolsover District Council and the Dragonfly group is included in the Council's Annual Governance Statement which is available on our website.

The Council's Ambition 2020-2024 came to the end of its lifespan in 2024. A new strategic plan, 'Bolsover District - The Future 2024-2028' has been developed. The strategic plan will replace the Ambition, and it outlines the key areas that the Council will focus on over the next four years.

The Future sets out four main strategic aims - Customers, Economy, Environment and Housing. Beneath each of these are a number of priorities which will be considered in the delivery of services. A suite of performance indicators supports the Future.

### **Strategy and Resource Allocation**

The Code of Practice on Local Authority Accounting in the United Kingdom requires reports of financial performance to be presented according to how the authority has been managed.

The Council's internal management reporting for decision making is shown per directorate. All the services of the Council fall into either the Community Services Directorate, the Corporate Resources Directorate or Dragonfly Services for 2024/25.

The statutory ring-fence that exists to prevent cross subsidisation between the general fund and housing revenue account means that the Council has to break down each of the Directorates to identify the separate elements.

In January 2024, following recommendation by Executive, the Council approved a budget for revenue and capital expenditure for the 2024/25 financial year.

### General Fund

Before the council tax increase the original budget was balanced with neither a surplus nor deficit for the General Fund elements of the Community Services Directorate, Corporate Resources Directorate and services provided by Dragonfly Management (Bolsover) Ltd.

To finance these General Fund services were income from business rates of £7.311m; Revenue Support Grant £1.571m; New Homes Bonus Grant £0.361m, Services Grant of £0.019m; Funding Guarantee Grant of £0.392m and council tax income of £8.536m. The Council's element of the council tax bill for 2024/25 was increased by 2.99%. This resulted in a Band D council tax charge of £202.89 for services provided by Bolsover District Council and provided an additional £0.136m in revenue.

Between the original budget being set in January 2024 and the revised budget receiving approval in January 2025, the net cost of service increased by a net £2.795m. This was costs mainly due to inflation, largely on pay awards. In addition, grant funding from external sources for projects or schemes not spent in 2023/24, were also included in the net cost of services totalling £0.915m. Revisions were also made to income for increases in investment interest, council tax and business rates growth. A transfer to the NNDR growth protection reserve meant the General Fund was still predicted to have a balanced budget.

As detailed below, at net cost of service level the outturn position of £12.295m was £1.417m lower than the revised budget forecast:

	Current Budget 2024/25	Outturn Actual 2024/25	Variance 2024/25
Directorates:	£000	£000	£000
Community Services	9,159	8,259	(900)
Corporate Resources	1,666	1,455	(211)
Dragonfly Services	2,887	2,581	(306)
Net Cost of Services	13,712	12,295	(1,417)

The main under spends were: £0.683m net under spend on staff related budgets; £0.550m increased income from services and £0.184m increased costs from paying benefits. The balance was non-staff miscellaneous variances £0.368m.

The actual net cost of services shown above links to the net expenditure chargeable to the General Fund Balance in the Expenditure and Funding Analysis Note. The Expenditure and Funding Analysis Note provides a link between the funding basis that is reported for management decision making and the statutory accounting basis as reported in the Comprehensive Income and Expenditure Statement.

### Housing Revenue Account (HRA)

The Housing Revenue Account is a legally separate account which ring-fences the income from council house rents. Rental income is then used to meet the costs of managing and maintaining the Council's housing stock, including the significant burden of debt which was assigned to the Council as part of the localisation of the HRA in March 2012.

When the original budget was proposed for the HRA the budget was balanced with a transfer to the HRA balance of £0.363m. For decision making the HRA falls part within the Community Services Directorate and part within the Dragonfly Services section.

During 2024/25 the Council continued to operate in accordance with Government rent policy which meant an average increase in rents to tenants of 7.7%. Rental income from dwelling rents was estimated as £25.075m with fees and charges income predicted to be £0.511m.

Movement in the HRA between original and revised budgets mirrored the General Fund position regarding expenditure. This was managed between budget lines with no effect on the bottom line which meant the HRA was predicted to remain at neither a surplus nor deficit by 31st March.

As detailed below, at net cost of service level the outturn position on the HRA was £1.078m more favourable than the revised budget forecast:

	Current Budget 2024/25	Outturn Actual 2024/25	Variance 2024/25
Directorates:	£000	£000	£000
Community Services	(15,622)	(15,715)	(93)
Dragonfly Services	7,061	6,075	(986)
Net Cost of Services	(8,561)	(9,640)	(1,079)

The main under spends were: £0.178m net under spend on staff related budgets; £0.401m increased income from services, and a combined saving of £0.275m against the stores issues and sub-contractor cost budget. The balance was non-staff miscellaneous variances £0.224m.

Again, the actual net cost of services shown above links to the net expenditure chargeable to the Housing Revenue Account Balance in the Expenditure and Funding Analysis Note, providing the link between management decision making and the Comprehensive Income and Expenditure Statement.

#### Capital Expenditure and Resources

The Council invested £21.662m on capital schemes in the year. This related to capital expenditure on Housing Revenue Account assets £13.548m, General Fund assets £7.460m and private sector housing improvement works £0.654m.

The following tables give an analysis of the expenditure and how it was financed:

<u>Main capital schemes delivered in year</u>	2024/25 £000
New Council houses	6,521
ICT schemes	247
Improvements to the Council's housing stock	5,997
Shirebrook crematorium	3,192
Combined heat and power unit	634
Replacement vehicles and plant	2,795
Private Sector Disabled Facilities Grants	654
Improvements to Council's own buildings	289
Parish Council capital loans	533
Shirebrook market place	326
Rural fund schemes	240
Small miscellaneous schemes	232
	<hr/> 21,662

<u>How schemes were paid for</u>	2024/25 £000
Prudential borrowing	6,431
Grants and other contributions	5,313
Major repairs allowance	5,371
Reserves and revenue contributions	2,007
Usable capital receipts from asset sales	2,540
	<hr/> 21,662

### Treasury Management

At 31st March 2025, the Council had a total capital financing requirement (Council debt) of £129.961m. This is a net increase in the year of £5.981m. This reflects prudential borrowing undertaken in the year, offset by the provision for debt repayment. The Council's debt is funded from the Public Works Loan Board (P.W.L.B.), with no new loans raised and £7.2m principal repayment made to the PWLB, during the year. The Council has a general policy of not utilising leased assets to fund capital purchases. During the year the Council continued to operate within the limits agreed in its Treasury Management Strategy.

### **Assets**

The last full valuation was undertaken as at 1st April 2023, however, an annual desk top review by the Council of all the assets it holds is undertaken at 31st March to ensure that the figures appearing in the accounts are up to date. This exercise ensures that the Statement of Accounts reflects the correct valuation of all the assets held by the Council. Adjustments are made within the Accounts to reflect these changes in asset values, but these accounting adjustments have no impact on the charges to our Council Tax payers or our housing tenants.

During 2024/25, the Council continued with its programme of building new homes. 15 new properties were built in the year, the properties are in Pinxton, Langwith and Hillstown.

During the year the Council sold 31 properties under the Right to Buy legislation, 4 sheltered flats were removed from the stock as they were converted into boiler rooms, and 49 properties were demolished in readiness for future capital schemes.

### **Reserves and Balances**

The Council's total usable reserves and balances have increased by £3.678m to £53.370m. These include general reserves of £4.007m (General Fund and Housing Revenue Account balances). Additionally, the Council has £9.267m that relates to unapplied revenue and capital grants, earmarked general fund revenue reserves of £24.672m, earmarked HRA reserves of £3.397m, capital receipts reserve of £10.164m and £1.862m major repairs reserve at 31st March 2025.

### **Collection Fund**

#### Business Rates

In 2024/25, £35.770m of Business Rates income was received from ratepayers. After taking account of appropriate charges to the collection fund, the balance is apportioned between the Government (50%), BDC (40%), Derbyshire County Council (9%) and Derbyshire Fire Authority (1%). During the year £33.440m was paid on account to the above parties with an amount of £0.886m being paid into the collection fund to repay the previous years' deficit. At 31st March 2025 there is a surplus of £6.328m. This amount will be paid to the various parties in 2025/26 and 2026/27. The Council's net share of this surplus is £2.531m.

#### Council Tax

In 2024/25 £54.667m of Council Tax income was raised. During the year £53.665m was precepted on the collection fund with £0.072m being paid out of the fund from the previous years' surplus. At 31st March 2025 there is a surplus of £0.463m. This surplus will be paid to the precepting authorities during 2025/26 and 2026/27. This Council's share of the surplus is £0.080m.

### **Pension Fund Liability**

The value of what the Council owes across future years is offset by the value of assets invested in the pension fund. These figures are provided by the actuary to the Derbyshire County Council Pension Fund, Hymans Robertson LLP. The latest full valuation of the scheme was undertaken at 31st March 2022.

The Council's liabilities have increased by £2.651m with an increase in the fair value of assets of £3.366m. The net movement is a decrease in the liability of the fund of £0.715m. The pension liability of the Council is £4.475m at 31st March 2025.

### **Risks and Opportunities**

The longer term sustainability of both our service delivery and the Council's financial position are protected by Corporate, Service and Financial Plans which cover a four year period. These are supported by a Risk Management Strategy and associated framework which identifies and mitigates the Strategic and Operational risks which could hinder or prevent our plans being achieved.

The Council has embedded risk management by the establishment of a Risk Management Group, Elected Member led and attended by senior officers, internal audit, health and safety, and Dragonfly. The group regularly reviews all risk registers, offering challenge to the assessment process. The group leads on the development and review of all risk related policies, plans and strategies across the Council. These are supported by a Risk Management Strategy which identifies and mitigates the Strategic and Operational risks. The Risk Management framework includes a quarterly reporting process to Audit Committee. The Council is risk aware rather than risk averse. The extent to which the Council is risk averse, will undoubtedly impact on its potential to progress available opportunities to secure benefits for local residents.

The risk management approach, both in the identification of risks and the action taken to address the risks, is flexible and has the ability to respond to change. National policies, service delivery arrangements, national and local circumstances, together with Council priorities have and will continue to change and evolve over time. The Council's risk management focus and arrangements are able to adjust in order to ensure that current threats and opportunities are effectively addressed and not stifled by inappropriate risk management arrangements.

Although the Council can do much to manage the risks it faces, it does need to be recognised that some of the major strategic risks are only partially within its direct influence. Key risks included in the Strategic Risk Register at present are:

- STR1 - The introduction of new, or changes to existing government legislation, which has an impact on the Council's budget or ability to carry out its statutory functions.
- STR2 - Failure to deliver a balanced budget in line with the Medium-Term Financial Plan (MTFP).
- STR3 - Operational failure which has a major impact upon the provision of services to residents, communities and/or businesses (for example ICT failure, utilities failure or building/depot failure).
- STR4 - Difficulty recruiting to professional posts (for example environmental health officers, planners, qualified lawyers and accountants).
- STR5 - Delivery of statutory services alongside the Council's Vision, initiatives, major projects and reforms, potentially overstretching limited resources.
- STR6 - Emergency planning and business continuity arrangements fail to meet required standards.
- STR7 - Lack of appropriate strategic direction.
- STR8 - Failure to meet required standards of governance.
- STR9 - Failure to have in place robust, comprehensive and up-to-date policies and procedures for safeguarding children and vulnerable adults.
- STR10 - Impact of pandemic upon the organisation, local economy and community.
- STR11 - Cyber security attack which severely impacts ICT systems and data. E.g. Ransomware attack rendering access to ICT unavailable for some time.
- STR12 - Significant increases to general cost of living which may impact on Council income including Council Tax, Business Rates, increased rent arrears and reduced leisure income.



- STR13 - Housing pressures: Homelessness and pressure on suitable housing provision across the District;
- Increases in the number of Section 21 Notices being issued by private sector landlords; Housing resettlement programmes.
- STR14 - The impact of Climate Change.
- STR15 - Failure of appropriate governance and financial management arrangements in relation to Dragonfly Development Ltd and Dragonfly Management (Bolsover) Ltd, wholly owned companies of the Council.
- STR16 - Risks associated with the use of Artificial Intelligence (AI) and generative Artificial Intelligence (AI).
- STR17 - Pleasley Vale Business Park and Outdoor Centre.
- STR18 - Impact of the English Devolution White Paper on the Council.
- STR19 - Impact of the new waste collection duties.
- STR20 - Introduction of the East Midlands County Combined Authority.

To facilitate the effective identification of risk there is an embedded culture of risk management in place across the Council. This will help mitigate the threat that those risks which materialise will prevent the achievement of Strategic Aims / Priorities or Key Targets.

### **Performance**

Bolsover District - The Future 2024-2028 was developed to replace the previous Corporate Plan. This document sets out the Council's key objectives, with a number of priorities supporting each one.

The Council's overall vision is - 'To maximise our influence and opportunities within the East Midlands Combined County Authority to drive the continued delivery of excellent services, maximise local aspirations and drive economic prosperity for Bolsover District'.

The Future sets out four main strategic aims - Customer, Economy, Environment and Housing. Beneath each of these are a number of priorities which will be considered in the delivery of services. A suite of performance indicators supports the Future.

#### **Customers - We are committed to:**

- Continuous improvement to service delivery through innovation, modernisation and listening to customers.
- Improving the customer experience and removing barriers to accessing information and services.
- Having an agile working, responsive, skilled, and engaged workforce.
- Continuing to work with partners from all sectors, ensuring priorities are aligned to benefit the residents of Bolsover District.
- Promoting equality, diversity, and inclusion, and supporting and involving vulnerable and disadvantaged people.
- Improving health, wellbeing and increasing participation in sport, leisure, and social activities.

#### **Economy - We are committed to:**

- Actively working with partners to support enterprise, innovation, jobs and skills.
- Unlocking regeneration and development potential of long-term vacant land and buildings, and stalled sites, and deliver income-generating capital projects.
- Ensuring financial sustainability, increasing revenue streams, achieving best value, and making the best use of our assets.
- Promoting the District and working with partners to increase and support the creative, cultural and tourism sector.
- Maximising our influence and opportunities within the East Midlands County Combined Authority to collectively ensure our citizens have the opportunity to develop key skills and access opportunities to work well, and help create a strong and sustainable local economy.

#### **Environment - We are committed to:**

- Maximising our influence and opportunities within the East Midlands County Combined Authority to collectively lead the way in moving from fossil to fusion and play our part in achieving our national ambition to achieve net zero by 2050.
- Reducing our carbon footprint whilst supporting and encouraging residents and businesses to do the same.

- Increasing recycling.
- Enhancing biodiversity across the district.
- Working with stakeholders, regional and local partnerships to deliver shared strategies and priorities that support the local environment.
- Ensuring all areas, neighbourhoods, and streets in the district, irrespective of housing tenure or type, are places where people want to live, feel safe, and are proud to live.

Housing - we are committed to:

- Enabling housing growth by increasing the supply, quality, and range of housing to meet the needs of the growing population.
- Building more, good quality, affordable housing, and being a decent landlord.
- Preventing and responding to homelessness through early intervention and personalised solutions.
- Maintaining and improving property and housing management standards and ensuring that standards and living conditions in the district contribute towards better health outcomes for all.
- Maximising our influence and opportunities within the East Midlands County Combined Authority to create affordable, good quality housing options and to retrofit existing homes to be more environmentally sustainable.

**The Council's Performance and Outcomes for Local Residents**

The emphasis of the Statement of Accounts which follow this narrative report is upon the financial performance of the Council. Our financial performance however, needs to be considered in conjunction with our ability as a Council to provide a sustainable comprehensive range of value for money services that meet both our statutory obligations and the needs of our area. This narrative seeks to outline some of the services and projects which the Council has delivered during the course of 2024/25, linking these to our strategic objectives and plans for the future.

The Council's vision is to maximise our influence and opportunities within the East Midlands County Combined Authority to drive the continued delivery of excellent services, maximise local aspirations and drive economic prosperity for Bolsover District.

The Council has four aims designed to deliver this vision through priorities that cover the Bolsover District The Future 2024-2028. In order to better understand how the Council has performed during the course of the current financial year, the table below sets out headline progress against the Council's agreed aims and priorities. The successful achievement of the Council's agreed priorities and targets is key to ensuring effective service delivery to local residents, whilst providing a sustainable future for the Council itself as an organisation. The Council prepares detailed reports concerning the performance against the Bolsover District The Future, on a quarterly basis.

A summary of progress against the Bolsover District The Future (2024-2025) is provided below:

<b>Aim - Our Customers, by providing excellent and accessible services</b>		
<b>Priorities</b>	<b>Targets</b>	<b>Progress against key targets</b>
Increasing customer satisfaction with our services.	Develop real time customer satisfaction measurement for our contact centres by March 2026, and explore rolling this out further throughout the plan period.	Real time satisfaction surveys via Live Chat and Email, 805 surveys issued with 79 responses received in 2024/25. With 70% satisfied or very satisfied with the service they received from Customer Services.

Priorities	Targets	Progress against key targets
	Explore running a residents' survey to gain resident feedback on place-based services and priorities for improvement by March 2025.	Despite receiving good results, the Citizens' survey had a lower than expected return rate, despite efforts to boost participation through the Council's Intouch magazine, a QR code and a prize incentive. Most responses (95%), came via email, while only 4% used the QR code and 1% completed a paper copy. Since running this survey, the Council has changed its policy on Facebook and now has a new page. This will help with engagement and response rates for future surveys.
	Improve the overall performance and usability of the website.	The Council website is fully accessible and meets recommendations set by the Cabinet Office. It consistently receives strong ratings from an independent monitoring tool, reflecting its quality and usability. Recent assessments by Silk tide, show impressive scores: 93% for content, 96% for accessibility, 88% for marketing, and 83% for user experience.
Improving customer contact and removing barriers to accessing information.	Ensure that at least 50% of transactions are made through digital channels by December 2024.	The target was achieved in December 2024.
Actively engaging with partners to benefit our customers.	Work with partners to deliver the Sustainable Communities Strategy and publish an evaluation report annually.	The Bolsover Partnership Annual Report was delivered on time for the Bolsover Partnership Annual General Meeting on the 19th of September 2024. The report is available online for interested parties. This included case studies from partnership organisations.
Promoting equality, diversity and supporting vulnerable and disadvantaged people.	Monitor Performance against the corporate equality objectives and publish information annually.	Corporate equalities objectives continue to be met; several Equality Impact Assessments (EIAs) were carried out for the Planning and Housing services. Reasonable adjustment requests continue to be processed for residents wishing to receive improved accessibility to the information they received from the Council. Corporate equalities training sessions were delivered to support staff and elected members. The Council report template has been reviewed to include equality and consultation implications. This will assist decision makers to take into consideration equality implications (due regard).
	Prevent homelessness for more than 50% of those facing homelessness each year.	In 2024/25 - 79% of the total (287) homeless prevention cases - 227 - were successfully resolved, exceeding the target for homelessness prevention.
Improving health, wellbeing and increasing participation in sport and leisure activities.	Increase participation / attendances in leisure, sport, recreation, health, physical and cultural activity.	In 2024/25 421,753 attendances were received, exceeding the target of 403,000 for the year.

<b>Aim - Our Environment, by protecting the quality of life for residents and businesses, meeting environmental challenges and enhancing biodiversity</b>		
<b>Priorities</b>	<b>Targets</b>	<b>Progress against key targets</b>
Reducing our carbon footprint whilst supporting and encouraging residents and businesses to do the same.	To deliver the carbon reduction plan to achieve net zero by 2050.	The Council continues to advance multiple climate change initiatives, including the ongoing Mine water Heat Demonstrator Project, Local Area Energy Plan, and Retrofit skills efforts. The Carbon Disclosure Project has been submitted, and preliminary emissions data for 2023/24 has been shared with Cabinet Members. Updates to the Home Energy webpages are ready, pending the Warm Homes Grants embargo lift. The Council is also supporting the Climate Change and Communities Scrutiny Committee and preparing of the Green Skills Hub development with £250k in EMIZ funding. Key projects like the Local Authority Retrofit Accelerator and Green Generation initiatives are progressing, while a Climate Change Function audit is scheduled for Q1 2025.
Increasing recycling.	Increase the combined recycling and composting rate to meet government's 65% target by 2035.	The cost of recycling collections is now primarily covered by EPR payments from the Government's Simpler Recycling Scheme. Future payments may fluctuate based on changes in recyclable waste volumes, especially with the DRS removing items like drinks containers from kerbside collections. The Council may need to review its collection systems when DRS is introduced in October 2027. For now, this action is considered complete as part of the ongoing review of the burgundy bin service. The baseline combined recycling and composting rate for 2024/25 stands at 38.7%.
Ensuring a high standard of environmental cleanliness, undertaking appropriate enforcement activity where required.	Carry out 155 targeted, proactive, littering dog fouling patrols per year.	For 2024/25, 71 proactive patrols were carried out against the target. Under performance was due to staffing issues within the year. As a result the team concentrated on reactive work and enforcement cases where they had documentary evidence of the offence.
<b>Aim - Our Economy, by driving growth, promoting the District and being business and visitor friendly</b>		
Actively working with partners to support enterprise, innovation, jobs and skills.	Refresh the Business Growth Strategy to empower Dragonfly in supporting the Council's efforts to optimise asset use, stimulate local economic growth, attract investment, and secure the district's share of available government and East Midlands Combined County Authority funding.	The strategy draft is in development and will be reviewed through the Local Growth Scrutiny Committee. The Dragonfly Business Plan has been presented to the Council, outlining key activities for the Business Growth Directorate that align with the ambitions of The Future.

Priorities	Targets	Progress against key targets
Ensuring financial sustainability, increasing revenue streams, achieving best value, and making the best use of our assets.	Deliver a fully operational crematorium and manage this facility to generate income from 2025.	Construction of the crematorium and wake buildings is progressing well, with the external envelope completed and internal blockwork under way. Court yard stone and brickwork has begun, and steel roof decking is finished, with the wake building's roof set for completion by month end, and work on the crematorium roof now in progress. A funeral director's site visit in May will provide an update and encourage continued engagement in the project. The sale of additional BNG credits to external developments will proceed after the main project is completed. Recruitment of the operational and groundwork teams is planned for summer 2025.
<b>Aim - Our Housing by delivering social and private sector housing growth</b>		
Enabling housing growth by increasing the supply, quality, and range of housing to meet the needs of the growing population.	Prepare and adopt a new Council Housing Strategy by October 2024.	The final strategy was presented to the Customer Services Scrutiny Committee in November and to the Executive/Council in December 2024. It has now been adopted, and a delivery plan is being developed.
	Commission and complete Local Housing Needs evidence by August 2024, to better understand the district's affordable housing needs.	Local Housing Needs study has been completed and reported to Members at a Local Plan Implementation Advisory Group meeting in February 2025.
Maintaining and improving property and housing management standards, and ensuring that standards and living conditions in the district contribute towards better health outcomes for all.	Commission and complete an appropriate council housing stock condition survey by April 2025, upon completion develop an improved rolling programme of stock inspections to inform future repairs and maintenance.	The onsite stock condition survey has been completed, with 92.7% of Council properties assessed. There are still 350 properties left to survey, and work is ongoing to review them and identify the best approach for completion.

During 2024/25, the Council made significant progress in improving customer services, achieving a 70% satisfaction rate from Live Chat and email surveys. Efforts to enhance engagement included a Citizens' Survey, which saw a lower than expected return but will be improved with an enhanced social media strategy. The Council website continued to score highly in usability and accessibility. Digital transactions surpassed the 50% target, and partnership collaborations resulted in a successful Bolsover Partnership Annual Report. Equality objectives were met, homelessness prevention exceeded targets, and participation in leisure activities over-achieved the target reaching 421,753 attendances. Environmental initiatives progressed, with continued carbon reduction efforts and improvements in recycling funded by government schemes. Though staffing issues impacted proactive enforcement patrols, the Council remains committed to maintaining environmental standards. Economic and housing strategies moved forward, with key developments including the refresh of the Business Growth Strategy, and ongoing construction of a crematorium. Housing priorities advanced with the adoption of a new strategy and the completion of a Local Housing Needs study. Additionally, the Council successfully carried out stock condition surveys, assessing over 92% of Council properties.

As part of the Performance Management Framework we systematically collect details of complaints and compliments. This information allows us to address any specific issues that have arisen and also to better understand where services are in need of improvement. Our performance management arrangements mean that we are well informed about any areas of concern and can manage those effectively to minimise service delivery issues and to manage expectations proactively.

### **Local Audit Delays**

The backstop date for the sign off of 2023/24 financial statements was the 28th of February 2025. The Council's financial statements for 2023/24, included group accounts for the first time. The Council received the audited financial statements of its wholly owned companies from their auditors during February 2025.

The Council's auditors Forvis Mazars, 'were unable to complete the audit procedures necessary to obtain sufficient appropriate audit evidence on which to base an opinion before the date the Council had to publish the financial statements for 2023/24.'

The Council received a disclaimer of opinion on the financial statements for 2023/24 on the 21st of February 2025. Forvis Mazars now need to rebuild assurance over the Council's group financial statements for 2023/24. Work is being undertaken with the Council to achieve this.

### **Outlook**

In line with good practice the Council plans its finances over the Medium Term (five years). The Council regularly reviews its spending plans in the light of changing priorities, external factors and projected financial forecasts to ensure that they remain robust and sustainable over the longer term.

While the Council faces significant financial challenges over the coming years, we have a good track record of delivering efficiencies, an experienced and well qualified senior management team, robust governance arrangements and a workforce committed to delivering good quality services. These key assets together with a combination of economic growth and service transformation which are supported by a reasonable level of financial reserves to fund investment in service reconfiguration, mean that the Council is well placed to meet these challenges and the national challenge of Local Government Reorganisation and Local Authority Funding Reform. These are key factors which support my view that the Council can continue to perform effectively, whilst ensuring that it maintains a balanced budget.

### **General Fund**

In preparing our budgets for future years in the Council's MTFP, we had to make significant assumptions about the potential effects of Local Authority Funding Reforms. These wide-reaching reforms are expected to be included in the 2026/27 Local Government Finance Settlement, and as such they needed to be included in our MTFP projections.

However, at this stage no funding for transitional arrangements has been included due to there being too little information to base estimates on, we therefore currently have the worst-case scenario in our MTFP. The Council's MTFP also does not include any potential effect concerning the Government's English Devolution White Paper, as it is too early to know what any new authority might look like.

To help mitigate losses caused by funding changes the Council created a reserve a number of years ago from additional business rates growth, the NNDR Growth Protection Reserve. The balance accumulated has meant we are able to use the reserve to even out the losses in government funding over the life of the current MTFP. Only the final year 2028/29, currently has a shortfall in funding.

When setting its budget in January 2025, the Council initially had shortfalls of £0.049m for 2025/26, £4.964m for 2026/27, £5.017m for 2027/28 and £5.133m at the end of the current planning period. As the first step to balancing its budget for future years the Council agreed to a Council Tax increase of 2.99%, generating additional revenue of £0.142m for each year. A range of other potential savings have been identified with the use of the reserve mentioned above, balancing all but the final year by £0.953m. Officers do not anticipate any significant issues in resolving the budget shortfall in respect of the current MTFP, however it is crucial that new income continues to be generated. The detailed plans include the following:

- Seek to secure the increased income associated with increases in the number of homes and business premises operating in the District.

- Continued participation in the Derbyshire Business Rates Pool that will see all Derbyshire authorities benefit from growth within the County without having to pass part of this increase in income to the Government. This will enable the Council to retain a higher proportion of its Business Rates, while ever the Government policy allows.
- The Council converted Dragonfly Developments Limited to a wholly owned company of the Council during 2022/23 to take advantage of the wider trading powers provided by the Localism Act 2011 to earn income for the Council.
- Continue with vacancy management arrangements to ensure that appropriate use is made of 'natural wastage' as a means to ensure the necessary level of financial savings.

#### Housing Revenue Account

The Council continues to operate its HRA within the context of a 30 year business plan which shows the Council's housing operation to be sustainable over that period. Rent levels in the new MTFP have been set in line with Government rent setting policy which is an increase of CPI (1.7%) plus 1%, applicable from 1st of April 2025. The Council is working to ensure that its properties continue to meet the Decent Homes standard and provide affordable accommodation with a secure tenure which meets the housing needs of local residents. As part of this programme the Council is seeking both to maintain a high standard of housing services, whilst investing in maintaining and refurbishing existing stock.

In addition, the Social Housing (Regulation) Act 2023, introduced significant changes to the social housing sector to improve the quality of housing for tenants. These include increased powers to carry out inspections against the newly published consumer standards, and the power to issue unlimited fines for non-compliance with the new standards. In preparation for this the Council commissioned a survey be carried out on all its properties, to allow an up to date position to be established regarding their condition. This survey will be used to drive the repairs programme and future capital property schemes, but the 30 year business plan will need careful monitoring to avoid becoming unsustainable. The business plan is in the process of being updated and depending on the results, we may need to reprioritise the repairs/capital programme.

#### Capital Programme

With regard to the Capital Programme, new general fund schemes in 2025/26 only total £1.667m but finalising the Shirebrook Crematorium will also carry over from the current year. With regard to the HRA, it is anticipated that in 2025/26 £14.609m will be spent on the Bolsover Homes Programme of new build Council housing. It is planned to spend a further £5.448m on upgrading and refurbishing Council properties during the year.

**Theresa Fletcher**

**Director of Finance and Section 151 Officer**

## Introduction to the Statements

The accounting statements that follow detail the Council's performance and have been prepared under the 2024/25 Code of Practice on Local Authority Accounting. The accounts are separated into various sections and these can be summarised as follows:

- **The Movement in Reserves Statement** – this statement shows the movement from the start of the year to the end 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 'unusable reserves'. The Statement shows how the movements in year of the Council's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to council tax or rents for the year. The Net Increase/Decrease line shows the statutory General Fund Balance and Housing Revenue Account Balance movements in the year following those adjustments.
- **The Expenditure and Funding Analysis** - (this is not a primary statement). This shows council tax and rent payers how the funding available to the Council (government grants, rents, council tax and business rates) for the year has been used in providing services in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the Council's directorates. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.
- **The Comprehensive Income and Expenditure Statement** – this 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 or rents. Authorities raise taxation and rents to cover expenditure in accordance with statutory requirements; this may be different from the accounting cost. The taxation position is shown in both the Expenditure and Funding Analysis and the Movement in Reserves Statement.
- **The Balance Sheet** – shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Council. The net assets of the Council (assets less liabilities) are matched by the reserves held by the Council. Reserves are reported in two categories. The first category of reserves are usable reserves, i.e. those reserves that the Council may use to fund services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt). The second category of reserves are those that the Council is not able to use to fund services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement of Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.



- **The Cash Flow Statement (Indirect Method)** - 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 Council 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 HRA Income and Expenditure Statement** – shows the economic cost in the year of providing housing services in accordance with generally accepted accounting practices, rather than the amount to be funded from rents and government grants. Authorities charge rents to cover expenditure in accordance with regulations; this may be different from the accounting cost. The increase or decrease in the year, on the basis of which the rents are raised, is shown in the Movement on the HRA Statement.

- **The Collection Fund** – is an agent's statement that reflects the statutory obligation for billing authorities to maintain a separate Collection Fund. The statement shows the transactions of the billing authority in relation to the collection from taxpayers of Council Tax and National Non-Domestic Rates (NNDR) and its distribution to local government bodies and the Government.

The Council has a statutory obligation to operate a Collection Fund as a separate account to the General Fund. The purpose of the Collection Fund therefore, is to isolate the income and expenditure relating to Council Tax and Non-Domestic Rates. The administrative costs associated with the collection process are charged to the General Fund.

The accounts are supported by the following items:

- Statement of Responsibilities
- Statement of Accounting Policies
- Notes to the Accounts
- Annual Governance Statement

- **Group Accounts** – provide details of the Council's overall financial interests including consideration of its interests in other companies and how their value has changed over the year. Core financial statements similar to those included in the Council's single entity statements but which represent the consolidated position of the group are included. Notes to the Group accounts have been included where the relevant values and/or the impact on the group statements are material. Supporting notes have only been included where the group outcome is materially different to the disclosures in the Council's single entity accounts.

## **STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS**

### **The Council's Responsibilities**

The Council is required:

- to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Council, that officer is the Director of Finance and Section 151 Officer.
- to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- to approve the Statement of Accounts

### **The Director of Finance and Section 151 Officers' Responsibilities**

The Director of Finance and Section 151 Officer is responsible for the preparation of the Council's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

In preparing this Statement of Accounts, the Director of Finance and Section 151 Officer has:

- selected suitable accounting policies and then applied them consistently.
- made judgements and estimates that were reasonable and prudent.
- complied with the local authority Code.

The Director of Finance and Section 151 Officer has also:

- kept proper accounting records which were up to date.
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that the Statement of Accounts gives a true and fair view of the financial position of the Council at 31 March 2025 and its income and expenditure for the year ended 31 March 2025.

Theresa Fletcher, ACMA  
Director of Finance and Section 151 Officer

Date: 19 June 2025

**MOVEMENT IN RESERVES STATEMENT**

		<b>General Fund Balance £000</b>	<b>Housing Revenue Account £000</b>	<b>Capital Receipts Reserve £000</b>	<b>Major Repairs Reserve £000</b>	<b>Earmarked Revenue Grants Unapplied £000</b>	<b>Capital Grants Unapplied £000</b>	<b>Total Usable Reserves £000</b>	<b>Unusable Reserves £000</b>	<b>Total Council Reserves £000</b>
<b>Balance at</b>	<b>31 March 2023</b>	<b>(23,699)</b>	<b>(8,867)</b>	<b>(8,312)</b>	<b>(1,434)</b>	<b>(1,764)</b>	<b>(5,149)</b>	<b>(49,225)</b>	<b>(184,784)</b>	<b>(234,009)</b>
<b><u>Movement in reserves during 2023/24</u></b>										
Total Comprehensive Income and Expenditure		(12,536)	10,392	0	0	0	0	(2,144)	(4,483)	<b>(6,627)</b>
Adjustments between accounting basis and funding basis under regulations (Note 9)		11,220	(7,126)	(978)	(108)	166	(1,496)	1,678	(1,678)	<b>0</b>
<b>(Increase) / Decrease in 2023-24</b>		<b>(1,316)</b>	<b>3,266</b>	<b>(978)</b>	<b>(108)</b>	<b>166</b>	<b>(1,496)</b>	<b>(466)</b>	<b>(6,161)</b>	<b>(6,627)</b>
<b>Balance at</b>	<b>31 March 2024</b>	<b>(25,015)</b>	<b>(5,601)</b>	<b>(9,290)</b>	<b>(1,542)</b>	<b>(1,598)</b>	<b>(6,645)</b>	<b>(49,691)</b>	<b>(190,945)</b>	<b>(240,636)</b>
<b><u>Movement in reserves during 2024/25</u></b>										
Total Comprehensive Income and Expenditure		(10,517)	5,857	0	0	0	0	(4,660)	(4,655)	<b>(9,315)</b>
Adjustments between accounting basis and funding basis under regulations (Note 9)		8,859	(5,659)	(874)	(320)	152	(1,176)	982	(982)	<b>(0)</b>
<b>(Increase) / Decrease in 2024-25</b>		<b>(1,658)</b>	<b>198</b>	<b>(874)</b>	<b>(320)</b>	<b>152</b>	<b>(1,176)</b>	<b>(3,678)</b>	<b>(5,637)</b>	<b>(9,315)</b>
<b>Balance at</b>	<b>31 March 2025</b>	<b>(26,673)</b>	<b>(5,403)</b>	<b>(10,164)</b>	<b>(1,862)</b>	<b>(1,446)</b>	<b>(7,821)</b>	<b>(53,369)</b>	<b>(196,582)</b>	<b>(249,951)</b>

## EXPENDITURE AND FUNDING ANALYSIS NOTE

2023/24 Net Expenditure Chargeable to the General Fund and HRA Balances £000	2023/24 Adjustments between Funding and Accounting Basis (Note 7) £000	2023/24 Net Expenditure in Comprehensive Income and Expenditure Statement £000		2024/25 Net Expenditure Chargeable to the General Fund and HRA Balances £000	2024/25 Adjustments between Funding and Accounting Basis (Note 7) £000	2024/25 Net Expenditure in Comprehensive Income and Expenditure Statement £000
7,895	1,137	9,032	Community Services Directorate (GF)	8,259	1,944	10,203
1,467	(3,230)	(1,763)	Corporate Resources Directorate	1,455	412	1,867
2,407	602	3,009	Dragonfly Services (GF)	2,581	(584)	1,997
(15,371)	12,874	(2,497)	Community Services Directorate (HRA)	(15,715)	7,976	(7,739)
6,644	(23)	6,622	Dragonfly Services (HRA)	6,075	0	6,075
<b>3,043</b>	<b>11,360</b>	<b>14,403</b>	<b>Net Cost of Services</b>	<b>2,655</b>	<b>9,748</b>	<b>12,403</b>
(1,094)	(15,453)	(16,546)	<b>Other income and expenditure</b>	(4,115)	(12,948)	(17,063)
<b>1,950</b>	<b>(4,093)</b>	<b>(2,143)</b>	<b>(Surplus) or Deficit</b>	<b>(1,460)</b>	<b>(3,200)</b>	<b>(4,660)</b>
<b>(32,566) Opening General Fund and HRA Balance</b>				<b>(30,616)</b>		
1,950 Plus Surplus/ less Deficit on General Fund and HRA balance in year				(1,460)		
<b>(30,616) Closing General Fund and HRA Balance</b>				<b>(32,076)</b>		

## COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

2023/24 Gross Expenditure £000	2023/24 Gross Income £000	2023/24 Net Expenditure £000		NOTE	2024/25 Gross Expenditure £000	2024/25 Gross Income £000	2024/25 Net Expenditure £000
15,010	(5,978)	9,032	Community Services Directorate (GF)		16,435	(6,232)	10,203
14,036	(15,799)	(1,763)	Corporate Resources Directorate		18,939	(17,073)	1,866
3,576	(567)	3,009	Dragonfly Services (GF)		3,212	(1,215)	1,997
<b>32,621</b>	<b>(22,343)</b>	<b>10,278</b>	<b>Cost of General Fund Services</b>		<b>38,586</b>	<b>(24,520)</b>	<b>14,066</b>
21,231	(23,728)	(2,497)	Community Services Directorate (HRA)		17,822	(25,560)	(7,738)
6,741	(120)	6,622	Dragonfly Services (HRA)		6,495	(420)	6,075
<b>27,972</b>	<b>(23,847)</b>	<b>4,125</b>	<b>Cost of Housing Revenue Account Services (HRA)</b>		<b>24,317</b>	<b>(25,980)</b>	<b>(1,663)</b>
<b>60,593</b>	<b>(46,190)</b>	<b>14,403</b>	<b>Cost of All Services</b>		<b>62,903</b>	<b>(50,500)</b>	<b>12,403</b>
			<b><u>Other Operating Expenditure</u></b>				
3,969		3,969	Local Council Precepts		4,583		4,583
1,355		1,355	Net Loss/(Gain) on the disposal of non-current assets		2,655		2,655
			<b><u>Financing and Investment Income and Expenditure</u></b>				
4,820		4,820	External interest payable and similar charges	<u>14</u>	4,803		4,803
(112)		(112)	Pensions interest cost and expected return on pensions assets	<u>38</u>	236		236
	(3,404)	(3,404)	Interest and investment income	<u>14</u>		(3,109)	(3,109)
	(660)	(660)	Movement in fair value of investment properties	<u>12</u>		(561)	(561)
518	(782)	(264)	Investment Properties Income and Expenditure	<u>12</u>	546	(817)	(271)
(150)		(150)	Impairment Loss/(Profit) on Financial Instruments	<u>14</u>	41		41
301	(401)	(101)	(Surpluses)/Deficit on Trading Activities		233	(288)	(55)
			<b><u>Taxation and Non-Specific Grant Income and Expenditure</u></b>				
	(8,500)	(8,500)	Council Tax Income			(9,347)	(9,347)
	(5,573)	(5,573)	Non-domestic Rates Income and Expenditure			(6,027)	(6,027)
	(4,815)	(4,815)	Non-ringfenced Government Grants	<u>32</u>		(5,067)	(5,067)
	(3,112)	(3,112)	Capital Grants and Contributions	<u>32</u>		(4,944)	(4,944)
<b>71,294</b>	<b>(73,437)</b>	<b>(2,143)</b>	<b>(Surplus) or Deficit on Provision of Services</b>		<b>76,000</b>	<b>(80,660)</b>	<b>(4,660)</b>
		(12,370)	(Surplus) or deficit on revaluation of non-current assets	<u>23</u>			(3,798)
		7,886	Remeasurement of net defined benefit/liability	<u>38</u>			(257)
		0	IFRS16 recognition of Leases at Fair Value	<u>35</u>			(600)
	<b>(4,484)</b>		<b>Other Comprehensive Income and Expenditure</b>				<b>(4,655)</b>
	<b>(6,627)</b>		<b>Total Comprehensive Income and Expenditure</b>				<b>(9,315)</b>

**BALANCE SHEET AS AT  
31 March 2025**

<b>31 March 2024</b>		<b>31 March 2025</b>
<b>£000</b>	<b>NOTE</b>	<b>£000</b>
308,236 Property, Plant and Equipment	<u>11</u>	317,728
9,350 Investment Property	<u>12</u>	10,070
81 Intangible Assets	<u>13</u>	133
1,240 Long Term Investments	<u>40</u>	0
154 Long Term Debtors	<u>14</u>	600
<b>319,061 Long Term Assets</b>		<b>328,531</b>
20,090 Short Term Investments	<u>14</u>	15,058
24 Inventories	<u>15</u>	31
8,606 Short Term Debtors	<u>17</u>	5,989
2,024 Cash and Cash Equivalents	<u>18</u>	5,550
<b>30,744 Current Assets</b>		<b>26,628</b>
(9,850) Short Term Borrowing	<u>14</u>	(4,018)
(11,570) Short Term Creditors	<u>20</u>	(15,147)
<b>(21,420) Current Liabilities</b>		<b>(19,165)</b>
(46) Long Term Creditors	<u>14</u>	(46)
(1,019) Provisions	<u>21</u>	(844)
(78,800) Long Term Borrowing	<u>14</u>	(76,800)
(5,190) Pensions Liability	<u>38</u>	(4,475)
(2,693) Revenue Grants & Contributions Receipts in Advance	<u>32</u>	(3,877)
<b>(87,747) Long Term Liabilities</b>		<b>(86,042)</b>
<b>240,637 Net Assets</b>		<b>249,952</b>
(2,001) General Fund Balance	<u>MIRS</u>	(2,001)
(26,972) Earmarked Reserves	<u>10</u>	(28,069)
(1,644) Housing Revenue Account Balance	<u>MIRS</u>	(2,006)
(9,290) Capital Receipts Reserve	<u>MIRS</u>	(10,164)
(6,645) Capital Grants Unapplied	<u>MIRS</u>	(7,821)
(1,598) Revenue Grants Unapplied (Earmarked)	<u>MIRS</u>	(1,446)
(1,542) Major Repairs Reserve	<u>45</u>	(1,862)
<b>(49,692) Usable Reserves</b>		<b>(53,369)</b>
(147,552) Revaluation Reserve	<u>23</u>	(145,610)
(47,280) Capital Adjustment Account	<u>23</u>	(52,894)
(63) Deferred Capital Receipts	<u>23</u>	(63)
5,190 Pension Reserve	<u>23</u>	4,475
(1,348) Collection Fund Adjustment Account	<u>23</u>	(2,624)
108 Accumulated Absences Account	<u>23</u>	133
<b>(190,946) Unusable Reserves</b>		<b>(196,583)</b>
<b>(240,637) Total Reserves</b>		<b>(249,952)</b>

**CASH FLOW STATEMENT FOR THE YEAR ENDED  
31 March 2025**

<b>2023/24</b>			<b>2024/25</b>
<b>£000</b>		NOTE	<b>£000</b>
(2,143)	<b>Net (surplus) or deficit on the provision of services</b>		(4,660)
(9,777)	Adjustments to net surplus or deficit on the provision of services for non-cash movements	<u>24</u>	(19,272)
5,348	Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities	<u>24</u>	8,971
	<b>(6,573) Net cash flows from Operating Activities</b>		<b>(14,961)</b>
10,217	Investing Activities	<u>25</u>	3,887
1,549	Financing Activities	<u>26</u>	7,549
	<b>5,194 Net increase or (decrease) in cash and cash equivalents</b>		<b>(3,526)</b>
(7,218)	<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>(2,024)</b>
<b>(2,024)</b>	<b>Cash and cash equivalents at the end of the reporting period</b>	<u>18</u>	<b>(5,550)</b>

## **1 Accounting Policies**

### **a) General Principles**

The Statement of Accounts summarises the Council's transactions for the 2024/25 financial year and its position at the year end of 31st March 2025. The Council is required by the Accounts and Audit (England) Regulations 2015 to prepare an annual Statement of Accounts, and those regulations require it to be prepared in accordance with proper accounting practices. These practices primarily comprise the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, supported by International Financial Reporting Standards (IFRS).

The accounting convention adopted is principally historical cost and fair value, modified by the revaluation of certain categories of non-current assets and financial instruments. The accounts have been prepared on a going concern basis.

The Council does not have any transactions that are reclassifiable to the Surplus or Deficit on the Provision of Services. As such we have not grouped the items in Other Comprehensive Income and Expenditure into amounts that may be reclassifiable and amounts that are not.

### **b) Accounting Concepts**

The concepts used in selecting and applying the most appropriate policies and estimation techniques are as follows:

- The qualitative characteristics of financial information - relevance, reliability, comparability and understanding;
- Materiality (all major transactions and events are included);
- The accounting concepts of accruals, going concern and the primacy of legislative requirements.

### **c) Accruals of Income and Expenditure**

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract. An exception to this principle is planning fee income. This is included in the year it is received without an adjustment for a proportion of applications where the final decision is given in the new year, based on the grounds of materiality.
- 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 receivable on investments and payable on borrowings is accounted for respectively as income and expenditure 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 or 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 debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

Exceptions to this principle include electricity and other similar periodic payments which are charged at the date of meter reading rather than being apportioned between financial years. Rental income from HRA dwellings are due in full on the date the weekly debit is raised. No receipt in advance is recorded for any part of the debit raised in the last week of March that relates to a period after 31st of March, unless it is considered material. Payroll expenses earned in March but not paid until April or later are not accrued for and are recognised in the new financial year's accounts. This policy is consistently applied each year and therefore does not have a material effect on the year's accounts.

Income and expenditure are credited and debited to the relevant service revenue account unless they properly represent capital receipts or capital expenditure.

Grant claims are submitted on an actual basis wherever possible. However if the information required is not available then a best estimate basis is adopted.

#### **d) 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 short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

The Council has a number of Call accounts to meet short-term cash flow requirements where no notice is required to access funds.

Call accounts held to make a gain from favourable rates of interest are classed as investments and not cash equivalents. This also applies to Money Market Funds and fixed term investments.

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.

#### **e) Charges to Revenue for Non-Current Assets**

Service Income and Expenditure Accounts, support services and trading accounts are debited with the following amounts to record the real cost of holding non-current 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 council tax to cover depreciation, revaluation and impairment losses or amortisations. However, it is required to make an annual contribution from revenue towards the reduction in its overall borrowing requirement equal to an amount calculated on a prudent basis determined by the Council in accordance with statutory guidance. Depreciation, revaluation and impairment losses and amortisation costs are therefore replaced by the contribution in the General Fund of a Minimum Revenue Provision (MRP), by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

The Council's policy for the calculation of the statutory provision for the repayment of debt is determined each year by the Council. The Council has decided that for 2024/25 the outstanding general fund debt prior to 1 April 2007 will be repaid at a rate of 4% of outstanding debt per year until the debt is extinguished. Any prudential borrowing for the General Fund incurred after 1 April 2007 is repaid based on the life of the asset concerned.

**f) Council Tax and non-domestic rates - Collection Fund**

Billing authorities act as agents, collecting council tax and non-domestic rates (NDR) on behalf of the major preceptors (including government for NDR) and, as principals, collecting council tax and NDR for themselves. Billing authorities are required by statute to maintain a separate fund (the Collection Fund) for the collection and distribution of amounts due in respect of council tax and NDR. Under the legislative framework for the Collection Fund, billing authorities, major preceptors and central government share proportionately the risks and rewards that the amount of council tax and NDR collected could be less or more than predicted.

**Accounting for Council Tax and NDR**

The council tax and NDR income included in the Comprehensive Income and Expenditure Statement (CIES) is the Council's share of accrued income for the year. However, regulations determine the amount of council tax and NDR that must be included in the authority's General Fund. Therefore, the difference between the income included in the CIES and the amount required by regulation to be credited to the General Fund is taken to the Collection Fund Adjustment Account and included as a reconciling item in the Movement in Reserves Statement.

The Balance Sheet includes the Council's share of the end of year balances in respect of council tax and NDR relating to arrears, impairment allowances for doubtful debts, overpayments and prepayments and appeals.

All debtor balances for the above that are past due are impaired because payments due under the statutory arrangements have not been made (fixed or determinable payments). The asset is written down and a charge made to the Financing and Investment Income and Expenditure line in the CIES. The impairment loss is measured as the difference between the carrying amount and the revised future cash flows.

**Non-Domestic Rates Appeals**

The Council will commission each year, an independent assessment at 31 March of the outstanding appeals lodged with the Valuation Office Agency (VOA). The assessment will review every individual appeal and estimate the likelihood of the appeal succeeding based on the category of appeal and previous appeal determinations.

The rateable value and the period covered by the appeal have been used to establish a prudent provision to meet the estimated costs of successful appeals.

**g) 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 accounting statements; they are disclosed by way of a note to the accounts where it is probable that there will be an inflow of economic benefit or service potential.

## **h) 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 accounting statements; they are disclosed in a note to the accounts.

## **i) Employee Benefits**

### **Benefits Payable During Employment**

Short term employee benefits are those due to be settled within 12 months of the year end. They include such benefits as salaries, paid annual leave and paid sick leave 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 but which can be carried forward by the employee into the next financial year. The accrual is made at the salary rates applicable in the following accounting year, as this is the period in which the employee takes the benefit. The accrual is charged to the relevant service area of the Comprehensive Income and Expenditure Statement but then is reversed out through the Movement in Reserves Statement so that the annual leave is charged to revenue in the financial year in which the annual leave occurs.

### **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 in exchange for those benefits and are charged on an accruals basis to the appropriate service or, where applicable, to the Non Distributed Costs line in the Comprehensive Income and Expenditure Statement at the earlier of when the Council can no longer withdraw the offer of those benefits or when the Council recognises costs for a restructuring.

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 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 accrued 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 Local Government Pension Scheme (LGPS), which is administered by Derbyshire County Council on behalf of Bolsover District Council. The scheme provides defined benefits to members (lump sums and pensions) earned as employees working for the Council.

## The Local Government Pension Scheme

The Local Government Pension Scheme is accounted for as a defined benefits scheme:

- The assets and liabilities of the Derbyshire County Council 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.
- Assets and liabilities are measured using the projected unit method and discounted at the balance sheet date rate of return on high quality corporate bonds of equivalent term to the liabilities. The discount rate is the weighted average of 'spot yields' on AA rated corporate bonds.

When the calculation results in an asset for the Council, the asset must be recognised at the lower of that asset and the asset ceiling, which is calculated as the net present value of future service costs less net present value of future contributions over the future working lifetime. Where the asset ceiling is the lower, an adjustment will be required which is included as a remeasurement.

The change in the net pension liability is analysed into the following components:

- Service cost comprising:
  - Current Service Cost – the increase in liabilities as a result of years of service earned this year. This is allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked.
  - Past Service Cost – the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years. These costs are debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non Distributed Costs.
  - Interest Cost – the expected increase in the present value of liabilities during the year as they move one year closer to being paid. The cost is debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.
- Remeasurements comprising:
  - The Return on Plan Assets – excluding amounts included in net interest on the net defined benefit liability (asset) - charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
  - Actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions - debited to the Pensions Reserve as Other Comprehensive Income and Expenditure.
- Contributions Paid to the County Pension Fund - cash paid as employer's contributions to the pension fund in settlement of liabilities. These are not accounted for as an expense.

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, this means that there are transfers 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 therefore 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 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 as are applied to the Local Government Pension Scheme.

Employees of the Council's wholly owned group of companies Dragonfly Development Limited, participate in the LGPS. The company's obligation to the Derbyshire Pension Fund is limited only to paying fixed employer contributions as they fall due - they have no legal or constructive obligation to pay further contributions to the Fund over and above a fixed contribution.

## **j) Events After the Reporting Period**

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 impact.

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

## **k) Exceptional Items**

Exceptional items are included in the cost of the service to which they relate or on the face of the Comprehensive Income and Expenditure Statement if that degree of prominence is necessary in order to give a fair presentation of the accounts. An adequate description of each exceptional item is given within the notes to the accounts.

## **l) 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 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 the 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 period.

#### **m) Financial Instruments**

The Council is required to recognise, measure, present and disclose information about any financial instruments. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Typical financial assets include bank deposits, trade receivables and other receivables, loans receivable and advances. Typical financial liabilities include trade payables and other payables, borrowings and financial guarantees. Non-exchange transactions, such as those relating to taxes and government grants, do not give rise to financial instruments.

##### **Financial Liabilities**

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. 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). Interest charged to the Comprehensive Income and Expenditure Statement is the amount payable for the year according to the loan agreement.

##### **Financial Assets**

Financial assets are classified and measured according to the reason the Council has for holding the financial assets and their cash flow characteristics.

There are three main classes of financial assets measured at:

- amortised cost
- fair value through profit or loss (FVPL), and
- fair value through other comprehensive income (FVOCI)

The Council's business model is to hold investments to collect contractual cash flows. Most of the Council's financial assets are therefore classified as amortised cost.

##### **Financial Assets Measured at Amortised Cost**

For most of the financial assets held by the Council, 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. Any profit or loss on sale of the financial asset is debited/credited to the Financial and Investment Income and Expenditure line in the CIES in the year of sale.

## **Expected Credit Loss Model**

The Council recognises expected credit losses (i.e. non-payment of principal and/or interest) on all of its financial assets held at amortised cost (or where relevant FVOCI). Usually only credit losses arising in the next 12 months are calculated. Lifetime losses are only recognised when the risk of the amount lent out not being made in full, increases significantly over the year. Trade receivables (debtors) and HRA tenant debtors are permitted to use the simplified approach to expected credit losses. Impairment losses are calculated to reflect the expectation that the future cash flows might not take place because the borrower could default on their obligations.

The Council is not allowed to recognise a loss allowance for expected credit loss where the counterparty for a financial asset is central government or a local authority (including parish) for which relevant statutory provisions prevent default.

## **Financial Assets Measured at Fair Value through Profit or Loss**

These assets are initially measured at fair value (market price). At each balance sheet date the asset's fair value is re-measured to the current fair value (market price). Changes in fair value between balance sheet dates are charged or credited to the Surplus/Deficit on the Provision of Services (SDPS).

The fair value measurements of the financial assets are based on the following techniques:

- 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 - an estimate based on what the Council would receive if it redeemed the shares.

The inputs to the measurement techniques are categorised in accordance with the accounting policy set out in ac) Fair Value Measurement of non-financial assets.

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

IFRS9 Financial Instruments sets out that equity type investments should be classified at fair value through profit and loss unless there is an irrevocable election to recognise changes in Fair Value Through other Comprehensive Income. The Council will assess each equity type investment on an individual basis and assign an IFRS 9 category. The assessment will be based on the underlying purpose for holding the financial instrument. Any changes in the fair value of instruments held at fair value through profit or loss will be recognised in the net cost of service in the CIES and will have a General Fund impact.

## **n) 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 to the Council are not credited to the Comprehensive Income and Expenditure Statement until conditions attached 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 (receipts in advance). 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.

**o) Heritage Assets**

Heritage assets are a distinct class of asset which are reported separately from property, plant and equipment and intangible assets.

There is a de-minimis level of £10,000 applied to Heritage Assets in line with the accounting policy on Property, Plant and Equipment. The Heritage Assets held by the Council are currently below the de-minimis level.

**p) Intangible Assets**

Expenditure on non-monetary assets that do not have a physical substance but are identifiable and controlled by the Council as a result of past events (for example computer software) are 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 is restricted to that incurred during the development phase (research expenditure cannot be capitalised).

Intangible assets are initially measured at cost. Amounts are only re-valued 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 the Comprehensive Income and Expenditure Statement.

Each intangible asset is tested for impairment each year to see if there is an indication that the asset may be impaired. Any losses recognised are posted to the relevant service line(s) in the Comprehensive Income and Expenditure Statement. Any gain or loss arising from the disposal of an intangible fixed 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 General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and, for any sale proceeds in excess of £10,000, the Capital Receipts Reserve.

**q) Interests in Companies and Other Entities**

The Council has a material interest in the group of companies, Dragonfly Developments Limited, which is 100% owned by the Council.

These companies are wholly owned by the Council and as a result, group accounts will be prepared. In the Council's own single-entity accounts, the interests in the company will be recorded as financial assets at cost, less any provision for losses.

Consolidation of entities in the group accounts is dependent on a number of factors including the extent of the Council's interest and power to influence and control, materiality, investment and transparency to allow the reader of the accounts to understand the boundary of the accounts; where these factors are not considered material those members of the Group have not been consolidated.

Dragonfly Management (Bolsover) Limited, began providing services for the Council on 1 April 2023. Services provided include Property Services, Repair and Maintenance Services and Business Growth Services. This company has been fully included within the consolidated group accounts.

**r) Jointly Controlled Operations and Jointly Controlled Assets**

Jointly controlled operations are activities undertaken by the Council in conjunction with other operators that involve the use of assets and resources of the operators rather than the establishment of a separate entity. The Council recognises on its Balance Sheet the assets that it controls and the liabilities that it incurs and debits and credits the Comprehensive Income and Expenditure Statement with the share of expenditure it incurs and the share of income it earns from the operation.

Jointly controlled assets are items of property, plant or equipment that are jointly controlled by the Council and other operators, with the assets being used to obtain benefit for the operators. The joint venture does not involve the establishment of a separate entity. The Council accounts for only its share of the jointly controlled assets, the liabilities and expenses that it incurs on its own behalf or jointly with others in respect of its interest in the joint venture and income that it earns from the venture.

The Council has the following jointly controlled operations:

Internal Audit Services - with North East Derbyshire District Council and Chesterfield Borough Council

ICT Services - with North East Derbyshire District Council and Derbyshire Dales District Council

Environmental Health Services - with North East Derbyshire District Council

The Council has jointly controlled assets with Chesterfield Borough Council and North East Derbyshire District Council regarding the operation of a crematorium. The Council holds a share of the joint crematorium committee. The Council's share of the crematorium's assets and income and expenditure for 2024/25 is 15%, (2023/24 15%). On the basis of materiality, Bolsover District Council does not include any figures for the joint crematorium within the Statement of Accounts.

**s) Inventories**

Inventories are included in the Balance Sheet at the lower of cost and net realisable value.

**t) 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, being the price that would be received to sell such an asset in an orderly transaction between market participants at the measurement date. As a non-financial asset, investment properties are measured at highest and best use. 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 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 General 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, for sale proceeds in excess of £10,000, to the Capital Receipts Reserve.

**u) Leases**

**The Council as Lessee**

**Finance Leases**

The Council classify contracts as leases based on their substance. Contracts and parts of contracts, including those described as contracts for services, are analysed to determine whether they convey the right to control the use of an identified asset, through rights both to obtain substantially all the economic benefits or service potential from that asset and to direct its use.

The Code expands the scope of IFRS 16 Leases to include arrangements with nil consideration, peppercorn or nominal payments.

**Initial measurement**

Leases are recognised as right-of-use assets with a corresponding liability at the date from which the leased asset is available for use (or the IFRS 16 transition date, if later). The leases are typically for fixed periods in excess of one year but may have extension options.

The Council initially recognises lease liabilities measured at the present value of lease payments, discounting by applying the authority's incremental borrowing rate wherever the interest rate implicit in the lease cannot be determined. Lease payments included in the measurement of the lease liability include:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or rate, initially measured using the prevailing index or rate as at the adoption date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Council is reasonably certain to exercise;

- lease payments in an optional renewal period if the Council is reasonably certain to exercise an extension option;
- penalties for early termination of a lease, unless the Council is reasonably certain not to terminate early.

The right-of-use asset is measured at the amount of the lease liability, adjusted for any prepayments made, plus any direct costs incurred to dismantle and remove the underlying asset or restore the underlying asset on the site on which it is located, less any lease incentives received. However, for peppercorn, nominal payments, or nil consideration leases, the asset is measured at fair value.

### **Subsequent measurement**

The right-of-use asset is subsequently measured using the fair value model. The Council considers the cost model to be a reasonable proxy except for:

- assets held under non-commercial leases;
- leases where rent reviews do not necessarily reflect market conditions;
- leases with terms of more than five years that do not have any provision for rent reviews;
- leases where rent reviews will be at periods of more than five years.

For these leases, the asset is carried at a revalued amount. In these financial statements, assets held under peppercorn or nil consideration leases have been valued by the Council's Valuer.

The right-of-use asset is depreciated straight-line over the shorter period of remaining lease term and useful life of the underlying asset as at the date of adoption.

The lease liability is subsequently measured at amortised cost, using the effective interest method. The liability is remeasured when:

- there is a change in future lease payments arising from a change in index or rate;
- there is a change in the Council's estimate of the amount expected to be payable under a residual value guarantee;
- the authority changes its assessment of whether it will exercise a purchase, extension or termination option; or
- there is a revised in-substance fixed lease payment.

When such a remeasurement occurs, a corresponding adjustment is made to the carrying amount of the right-of-use asset, with any further adjustment required from remeasurement being recorded in the income statement.

### **Low value and short lease exemption**

As permitted by the Code, the authority excludes leases:

- for low-value items that cost less than £10,000 when new (consistent with the de-minimis level for capital expenditure), provided they are not highly dependent on or integrated with other items; and
- with a term shorter than 12 months (comprising the non-cancellable period plus any extension options that the authority is reasonably certain to exercise and any termination options that the authority is reasonably certain not to exercise).

## **Lease expenditure**

Expenditure in the Comprehensive Income and Expenditure Statement includes interest, straight-line depreciation, any asset impairments, and changes in variable lease payments not included in the measurement of the liability during the period in which the triggering event occurred. Lease payments are debited against the liability. Rentals for leases of low-value items or shorter than 12 months are expensed.

Depreciation and impairments are not charged against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are therefore appropriated to the Capital Adjustment Account from the Council's balance in the Movement in Reserves Statement.

## **Operating Leases**

Rentals paid under operating leases are charged to the Comprehensive Income and Expenditure Statement as an expense of the services benefitting 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 (for example if there is a rent-free period at the commencement of the lease).

## **The Council as Lessor**

### **Finance Leases**

The Council currently has no finance leases for property.

### **Operating Leases**

Where the Council grants an operating lease over a property or an item of plant or equipment, the asset is retained on 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 start of the lease. Initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the asset and charged as an expense over the lease term on the same basis as rental income.

## **v) Overheads and Support Services**

The costs of overheads and support services are charged to directorates in the Comprehensive Income and Expenditure Statement in accordance with the Council's arrangements for accountability and financial performance.

## **w) Property, Plant and Equipment**

Assets that have physical substance and are held for use in the production or supply of good 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 reliably measured. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (e.g. repairs and maintenance) is charged as an expense when it is incurred. A general de-minimis limit of £10,000 is applied to non-current assets.

## Measurement

Assets are initially measured at cost, comprising purchase price and any costs directly 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 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 does not have commercial substance (i.e. it will not lead to a variation in the cash flows of the Council). If an asset is acquired via an exchange the cost of the acquisition is the carrying amount of the asset exchanged by the Council.

Donated assets are initially measured 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 donated asset has been made conditionally. Until all conditions are met the gain is held in the Donated Assets Account. Gains that are credited to the Comprehensive Income and Expenditure Statement 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 – historic cost;
- Dwellings – current value, determined using the basis of existing use value for social housing;
- Surplus assets – fair value, estimated at highest and best use from a market participant's perspective;
- All other assets – current value, determined as the amount that would be paid for the asset in its existing use.

Where there is no market based evidence of current value of an asset because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of current value.

Where non property assets that have short useful lives or low values, or both, depreciated historical cost is used as a proxy for current value.

## Revaluations

Assets included in the Balance Sheet at current value are re-valued where there have been material changes in the value, but as a minimum every five years. Valuations are undertaken by a professionally qualified valuer.

Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains.

Where decreases in value are identified, they are accounted for as follows:

- 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 value of the accumulated gains
- Where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line in the Comprehensive Income and Expenditure Statement

The Revaluation Reserve contains gains recognised since 1 April 2007, 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. If there is an indication of impairment, and it is deemed material, the recoverable amount of the asset is estimated to determine the impairment loss.

Where impairment losses are identified, they are accounted for as follows:

- 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 value of the accumulated gains.
- Where there is no balance in the Revaluation Reserve or an insufficient balance, 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 subsequently reversed, the reversal is credited to the relevant service line 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.

### **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 exists for assets without a determinable finite useful life (i.e. freehold land) and assets that are not yet available for use (assets under construction).

Depreciation is calculated on the following bases:

- Buildings: Straight-line allocation over the life of the property;
- Vehicles, plant and equipment: Straight line allocation over the life of the asset;
- Infrastructure: Straight-line allocation over life of asset;
- Council dwellings: Straight-line allocation over the life of the property;

No depreciation charges are made for land, assets under construction, investment properties and community assets.

Items of property, plant and equipment are not depreciated until they become available for use (i.e. when the asset is in the location and condition necessary for it to be capable of operating in the manner intended by management). Depreciation ceases at the earlier of the date that items of property, plant and equipment are classified as held for sale and the date they are derecognised.

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.

## **Componentisation**

Where an item of Property, Plant and Equipment has major components whose costs are significant in relation to the total cost of the item, the components are depreciated separately. The Council deems "significant" to be 25% or more of the total cost of the asset. The Council also applies the following de minimis levels with regard to component accounting.

Components are not separately identified where:

- The useful life of the asset is less than 10 years.
- The depreciation charge based on the life of the component would differ from that for the total asset by less than £10,000.
- The component life must be materially different to the main asset to be treated as a component.

For grouped assets such as Council Dwellings a practical level of componentisation has been applied which links to the work programmes carried out within the capital programme. An appropriate component life has been assigned to each of these components.

## **Disposals and Non-current Assets Held for Sale**

When it becomes probable that an asset is to be sold 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 the 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 previous recognised losses in the Surplus or Deficit on Provision of Services. Depreciation is not charged on Assets Held for Sale.

To be classified as held for sale an asset must meet the following criteria:

- The asset must be available for immediate sale in its present condition subject to terms that are usual and customary for sales of such assets;
- The sale must be highly probable, the appropriate level of management must be committed to a plan to sell the asset and an active programme to locate a buyer and complete the plan must have been initiated;
- The asset must be actively marketed for sale at a price that is reasonable in relation to its current value;
- The sale should be expected to qualify for recognition as a completed sale within one year of the date of classification and action required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

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

Assets that are abandoned or scrapped are not classified as Assets Held for Sale.

When an asset is disposed of or decommissioned, the carrying amount of the asset on the Balance Sheet is written off to the Comprehensive Income and Expenditure Statement, as part of the gain or loss on the sale of assets. Receipts from disposals are credited to the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts received for disposals, in excess of £10,000 are treated as capital receipts. The balance of receipts is credited to the Capital Receipts Reserve and can only be used for new capital investment or set aside to reduce the Council's underlying need to borrow. Receipts are appropriated to the Reserve from the General Fund balance in the Movement in Reserves Statement.

The gain or loss on the sale of assets is not a charge against Council Tax. Amounts are appropriated to the Capital Adjustment Account in the Movement in Reserves Statement.

### **Capital Receipts**

Capital receipts are the amounts derived from the sale of capital assets. The capital receipts policy of the Council is to ensure that capital receipts are used in the most beneficial way to support corporate priorities and strategic objectives of the Council. This will mean that all receipts will be pooled centrally. The policy is intended to separate the use of resources from the means of acquiring resources, therefore supporting the strategic approach to capital investment.

## **x) Provisions**

Provisions are made when the Council recognises that it has an obligation as a result of a past event, when it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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 are measured at the best estimate available at the balance sheet date, 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 the financial year - where it becomes less than probable that a transfer of economic benefit will now be required (or lower settlement anticipated) the provision is reversed and credited back to the relevant service revenue account.

## **y) Reserves**

The Council sets aside specific amounts as reserves for future policy purposes or to cover contingencies and these are split between usable and non-usable. Usable reserves are those reserves that the Council may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitation on their use. Unusable reserves cannot be used to provide services; this category includes reserves that hold unrealised gains and losses (e.g. the revaluation reserve).

Resources set aside for specific purposes or to meet predicted liabilities are held as 'earmarked reserves'. The Council also sets aside sums as a more general reserve, called the General Fund, to cover the impact of unexpected events or emergencies or provide a working balance to help manage the effect of uneven cash flows. The Housing Revenue Account also has separate reserves for similar purposes.



**z) Revenue Expenditure Funded by Capital under Statute**

Revenue expenditure funded by capital under statute represents expenditure incurred by the Council in the year, that may be capitalised under statutory provisions but does not result in a Council asset being created. The expenditure may support a third party's asset (e.g. disabled facility grant) or may be being capitalised based on a capitalisation order from Government.

This expenditure is initially charged to the relevant service line in the Comprehensive Income and Expenditure Statement. 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 amount charged so there is no impact on the level of Council Tax.

**aa) Value Added Tax (VAT)**

Income and expenditure excludes any amounts related to VAT, as all VAT collected is payable to HM Revenues and Customs and all VAT paid is recoverable from them. At the year end, any amounts outstanding are represented by a debtor or creditor on the balance sheet. Where the Council is unable to recover VAT it is charged to the appropriate service.

**ab) 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.

**ac) Fair Value Measurement of non-financial assets**

The Council measures some of its non-financial assets such as surplus assets and investment properties and some of its financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The Council measures the fair value of an asset or liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

When measuring the fair value of a non-financial asset, the Council takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Council uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Inputs to the valuation techniques in respect of assets and liabilities for which fair value is measured or disclosed in the Council's financial statements are categorised within the fair value hierarchy, as follows:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the Council can access at the measurement date.
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 - unobservable inputs for the asset or liability.

**ad) Segmental Analysis**

The Council reports on the operation of its services with two directorates. All services provided by the Council fall into one of these directorates. The main service areas within each directorate are as follows:

Corporate Resources - Finance; Revenues and Benefits; Payroll; Audit (client); ICT (client); Customer Services; Partnership team; Legal; Governance, Elections and Scrutiny; Procurement; Improvement team and Human Resources.

Community Services - Leisure, Health and Wellbeing; Planning; Housing Strategy; Environmental Health; Community Safety; Health and Safety; Emergency Planning; Streetscene and Housing Revenue Account - Management.

The services provided for the Council by Dragonfly Management (Bolsover) Limited are reported together as Dragonfly Services. The services this relates to are Property Services and Estates, Housing Revenue Account - Repair and Maintenance Services and Economic Growth.

## **2 Accounting Standards Issued, Not Yet Adopted**

The Code of Practice on Local Authority Accounting in the United Kingdom (the Code) requires the disclosure of information relating to the expected impact of the accounting change that will be required by a new standard that has been issued but not yet adopted. This applies to the adoption of the following new or amended standards within the 2024/25 Code:

- *IAS 21 The Effects of Changes in Foreign Exchange Rate (Lack of Exchangeability)*
- *IFRS 17 Insurance Contracts*
- *IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets (Changes to the measurement of non-investment assets, including adaptations and interpretations of the 2 standards)*

The Council does not anticipate that the above amendments will have a material impact on the information provided in the financial statements.

## **3 Critical Judgements in Applying Accounting Policies**

In applying the accounting policies set out in Note 1, 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. Bolsover District Council is undertaking an ongoing review of its provision of services in response to known and likely future funding reductions. 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 if it were necessary to close facilities and reduce levels of service provision.
- The Council has determined the impairment of its financial assets based on a range of factors including aged debt profiling of its debtors, including benefit overpayments, council tax and NDR.
- An exercise is undertaken to assess whether capital expenditure incurred enhances an asset. A further judgement is then made as to whether there is a consequent requirement to derecognise any existing value of any component of the asset. For Council Dwellings the Council derecognises a component when the expenditure exceeds 75% of the carrying value of the component. Expenditure on components below this value is impaired through the Comprehensive Income and Expenditure Statement.

**4 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 2025 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
Property, plant and equipment	The Council's assets are reviewed for impairment on an annual basis by the Council's Senior Valuer. The impairment review considers the overall market conditions as well as any impairment relating to loss of economic benefit.	If the level of impairment is changed this will impact on the net worth of the Council. Impairment charges are reflected in the Accounts but are reversed through the Movement in Reserves Statement so that there is no impact on the council tax or rent payer.
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.	It is estimated that the annual depreciation charge for plant and buildings, including council dwellings, would increase by £1,001,999 for every year that useful lives had to be reduced. As above there is no impact on the council tax or rent payer.
Pensions liability	<p>Estimation of the net position 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. Hymans Robertson LLP is engaged to provide the Council with expert advice about the assumptions to be applied.</p> <p>In 2024/25, the position of the fund was a net asset which was adjusted to the calculated asset ceiling figure provided by Hymans Robertson LLP as per the Code requirements.</p>	The effects on the net pensions liability of changes in individual assumptions can be measured. For instance, a 0.1% decrease in the Real Discount Rate would result in an approximate 2% increase to Employer Liability resulting in an approximate monetary increase of £1,526,000.
Arrears	At 31 March 2025, the Council had a sundry debtor balance of £1,135,776, rents of £1,669,853, overpaid housing benefits of £1,153,141, non-domestic rates of £517,334 and council tax of £1,035,108. A review of impairment allowances has been undertaken based on the age of the debt, and a total allowance for impairment of £4,071,816 has been made in the Accounts.	If collection rates were to change, either positively or negatively, this would be reflected in the current years budgets as an increase or decrease in the provision requirements. Any change in the budgeted provision would impact on reserve balances. If collection rates were to deteriorate, an additional impairment of 10% on debtor balances would require an additional provision of £407,182.

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
Non-domestic rates appeal, provision	The Council has made a provision in the Collection Fund of £1,664,025 for refunding ratepayers who having made an appeal against the rateable value of their property on the rating list, who achieve a successful outcome. The appeal information relates to values going back a number of years. It is not known what the knock-on effect of successful appeals for neighbouring businesses may be.	If appeal outcomes were considerably different to the independent assessment received, the Collection Fund would be charged with the difference. The extra cost would then be shared out amongst the major preceptors, Central Government and the Council based on their relative share. The Council's share is 40% of the provision (£665,651) which is held in the balance sheet.
Fair value measurements	When the fair values of financial assets and financial liabilities cannot be measured based on quoted prices in active markets (i.e. Level 1 inputs), their fair value is measured using valuation techniques (e.g. quoted prices for similar assets or liabilities in active markets or the discounted cash flow (DCF) model). Where possible, the inputs to these valuation techniques are based on observable data, but where this is not possible judgement is required in establishing fair values. These judgements typically include considerations such as uncertainty and risk. However, changes in the assumptions used could affect the fair value of the Council's assets and liabilities.	The Council uses the discounted cash flow (DCF) model to measure the fair value of some of its investment properties and financial assets. The significant unobservable inputs used in the fair value measurement include management assumptions regarding rent growth, vacancy levels (for investment properties) and discount rates - adjusted for regional factors (for both investment properties and some financial assets). Significant changes in any of the unobservable inputs would result in a significantly lower or higher fair value measurement for the investment properties and financial assets.
Fair value measurements	Where Level 1 inputs are not available, the Council employs relevant experts to identify the most appropriate valuation techniques to determine fair value (for example for investment properties, the Council's Senior Valuer). Information about the valuation techniques and inputs used in determining the fair value of the Council's assets and liabilities is disclosed in notes 11, 12 and 13.	

## **5 Material Items of Income and Expense**

### 2024/25

*There are not considered to be any material items of income or expense for 2024/25 that are not as a result of the 2023/24 items when compared to the last financial year.*

### 2023/24

*There are not considered to be any material items of income or expense for 2023/24 that are not as a result of the 2022/23 items when compared to the last financial year.*

## **6 Events After the Balance Sheet Date**

The Statement of Accounts was authorised for issue by the Director of Finance and Section 151 Officer on 19 June 2025. Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing at 31 March 2025, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

## 7 Note to the Expenditure and Funding Analysis

This note provides a reconciliation of the main adjustments to Net Expenditure Chargeable to the General Fund and HRA balances to arrive at the amounts in the Comprehensive Income and Expenditure Statement. The relevant transfers between reserves are explained in the Movement in Reserves Statement.

### Adjustments between Funding and Accounting Basis

2024/25

Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts	Adjustments for Capital Purposes  (Note 1) £'000	Net change for the Pensions Adjustments  (Note 2) £'000	Other Differences  (Note 3) £'000	Total Adjustments  £'000
Community Services Directorate (GF)	1,128	(129)	945	<b>1,944</b>
Corporate Resources Directorate	178	(528)	762	<b>412</b>
Dragonfly Services (GF)	(206)	0	(378)	<b>(584)</b>
Community Services Directorate (HRA)	8,033	(36)	(21)	<b>7,976</b>
Dragonfly Services (HRA)	0	0	0	<b>0</b>
<b>Net Cost of Services</b>	<b>9,133</b>	<b>(693)</b>	<b>1,308</b>	<b>9,748</b>
<b>Other income and expenditure from the Funding Analysis</b>	<b>(10,785)</b>	<b>236</b>	<b>(2,399)</b>	<b>(12,948)</b>
<b>Difference between General Fund surplus or deficit and Comprehensive Income and Expenditure Statement surplus or deficit</b>	<b>(1,652)</b>	<b>(457)</b>	<b>(1,091)</b>	<b>(3,200)</b>



## Adjustments between Funding and Accounting Basis

2023/24

Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts	Adjustments for Capital Purposes  (Note 1) £'000	Net change for the Pensions Adjustments  (Note 2) £'000	Other Differences  (Note 3) £'000	Total Adjustments  £'000
Community Services Directorate (GF)	1,089	14	34	1,137
Corporate Resources Directorate	121	(3,807)	455	(3,230)
Dragonfly Services (GF)	931	0	(329)	602
Community Services Directorate (HRA)	12,903	4	(33)	12,874
Dragonfly Services (HRA)	0	0	(23)	(23)
<b>Net Cost of Services</b>	<b>15,044</b>	<b>(3,788)</b>	<b>104</b>	<b>11,360</b>
<b>Other income and expenditure from the Funding Analysis</b>	<b>(13,075)</b>	<b>(112)</b>	<b>(2,265)</b>	<b>(15,453)</b>
<b>Difference between General Fund surplus or deficit and Comprehensive Income and Expenditure Statement surplus or deficit</b>	<b>1,968</b>	<b>(3,900)</b>	<b>(2,162)</b>	<b>(4,093)</b>

## Adjustments for Capital Purposes

- 1) Adjustments for capital purposes - this column adds in depreciation and impairment and revaluation gains and losses in the services line, and for:

- **Other operating expenditure -**

adjusts for capital disposals with a transfer of income on disposal of assets and the amounts written off for those assets.

- **Financing and investment income and expenditure -**

the statutory charges for capital financing i.e. Minimum Revenue Provision and other Revenue contributions are deducted from other income and expenditure as these are not chargeable under generally accepted accounting practices.

- **Taxation and non-specific grant income and expenditure -**

capital grants are adjusted for income not chargeable under generally accepted accounting practices. Revenue grants are adjusted from those receivable in the year to those receivable without conditions or for which conditions were satisfied throughout the year. The Taxation and Non Specific Grant Income and Expenditure line is credited with capital grants receivable in the year without conditions or for which conditions were satisfied in the year.

## Net change for the Pensions Adjustments

- 2) Net change for the removal of pension contributions and the addition of IAS 19 *Employee Benefits* pension related expenditure and income:

- **For services**

this represents the removal of the employer pension contributions made by the authority as allowed by statute and the replacement with current service costs and past service costs.

- **For financing and investment income and expenditure**

the net interest on the defined benefit liability is charged to the CIES.

## Other Differences

- 3) Other differences between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute:

- **For financing and investment income and expenditure**

the other differences column recognises adjustments to the General Fund for the timing differences for premiums and discounts.

● **The charge under Taxation and non-specific grant income and expenditure**

represents the difference between what is chargeable under statutory regulations for council tax and NDR that was projected to be received at the start of the year and the income recognised under generally accepted accounting practices in the Code. This is a timing difference as any difference will be brought forward in future Surpluses or Deficits on the Collection Fund.

**Segmental Income**

Income received on a segmental basis is analysed below:

<b>Services</b>	<b>2024/25 Income from Services £'000</b>	<b>2023/24 Income from Services £'000</b>
Community Services Directorate (GF)	(5,099)	(5,136)
Corporate Resources Directorate	(1,380)	(898)
Dragonfly Services (GF)	(825)	(375)
Community Services Directorate (HRA)	(25,557)	(23,721)
Dragonfly Services (HRA)	(420)	(120)
<b>Total income analysed on a segmental basis</b>	<b>(33,281)</b>	<b>(30,250)</b>

**8 Expenditure and Income Analysed by Nature**

The Council's expenditure and income is analysed as follows:

<b>Expenditure/Income</b>	<b>2024/25 £'000</b>	<b>2023/24 £'000</b>
<b>Expenditure</b>		
Employee benefits expenses	16,088	11,756
Other services expenses	36,907	33,392
Support service recharges to capital	(131)	(125)
Depreciation, amortisation, impairment	10,039	15,571
Interest payments	4,803	4,820
Precepts and levies	4,583	3,969
Loss on the disposal of assets	2,655	1,355
Pensions interest cost	236	(112)
Investment property expenditure	546	518
Impairment loss/(gain) on financial instruments	41	(150)
Trading activities expenditure	233	301
<b>Total expenditure</b>	<b>76,000</b>	<b>71,294</b>
<b>Income</b>		
Fees, charges and other service income	(33,281)	(30,250)
Grants and contributions	(17,219)	(15,940)
	(50,500)	(46,190)
Interest and investment income	(3,109)	(3,404)
Movement in Fair Value of Investment Property	(561)	(660)
Investment property income	(817)	(782)
Trading activities income	(288)	(401)
Income from council tax and non-domestic rates	(15,374)	(14,073)
General government grants and contributions	(10,011)	(7,927)
<b>Total income</b>	<b>(80,660)</b>	<b>(73,437)</b>
<b>Surplus or Deficit on the Provision of Services</b>	<b>(4,660)</b>	<b>(2,143)</b>

Revenue from contracts with service recipients are included in fees, charges and other service income.

## **9 Analysis of the Movement in Reserves Statement - Adjustments Between Accounting Basis and Funding Basis**

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Council in the year, in accordance with proper accounting practice, to arrive at the resources that are specified by statutory provisions as being available to the Council to meet future capital and revenue expenditure. The following sets out a description of the reserves that the adjustments are made against.

**General Fund Balance** - The General Fund is the statutory fund into which all the receipts of the Council are required to be paid and out of which all liabilities of the Council are to be met, except to the extent that statutory rules might provide otherwise. These rules can also specify the financial year in which liabilities and payments should impact on the General Fund Balance, which is not necessarily in accordance with proper accounting practice. The General Fund Balance therefore summarises the resources that the Council is statutorily empowered to spend on its services or on capital investment (or the deficit of resources that the Council is required to recover) at the end of the financial year. The balance is not available to be applied to funding HRA services.

**Housing Revenue Account Balance** - The Housing Revenue Account Balance reflects the statutory obligation to maintain a revenue account for local authority council housing provision in accordance with part VI of the Local Government and Housing Act 1989. It contains the balance of income and expenditure as defined by the 1989 Act that is available to fund future expenditure in connection with the Council's landlord function or (where in deficit) that is required to be recovered from tenants in future years.

**Major Repairs Reserve** - The Council is required to maintain the Major Repairs Reserve, which controls an element of the capital resources limited to being used on capital expenditure on HRA assets or the financing of historical capital expenditure by the HRA. The balance shows the capital resources that have yet to be applied at the year-end.

**Capital Receipts Reserve** - The Capital Receipts Reserve holds the proceeds from the disposal of land or other assets, which are restricted by statute from being used other than to fund new capital expenditure or to be set aside to finance historical capital expenditure. The balance on the reserve shows the resources that have yet to be applied for these purposes at year-end.

**Capital Grants Unapplied** - The Capital Grants Unapplied Account (Reserve) holds the grants and contributions received towards capital projects for which the Council has met the conditions that would otherwise require repayment of the monies but which have yet to be applied to meet expenditure. The balance is restricted by grant terms as to the capital expenditure against which it can be applied and/or the financial year in which this can take place.

2024/25	Usable Reserves				
	General Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied
	£'000	£'000	£'000	£'000	£'000
<b>Adjustments to Revenue Resources</b> Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements:					
Pensions costs (transferred to (or from) the Pensions Reserve)	241	217			
Council tax and NDR (transfers to or from Collection Fund)	1,275				
Holiday pay (transferred to the Accumulated Absences Reserve)	(17)	(8)			
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account)	4,635	(13,324)			(2,340)
<b>Total Adjustments to Revenue Resources</b>	6,134	(13,114)	0	0	(2,340)
<b>Adjustments between Revenue and Capital Resources</b> Transfer of non-current asset sale proceeds from revenue to the Capital Receipts Reserve Posting of HRA resources from revenue to the Major Repairs Reserve	60	2,575	(2,961)	(5,691)	
<b>Total Adjustments between Revenue and Capital Resources</b>	60	8,266	(2,961)	(5,691)	0
<b>Adjustments to Capital Resources</b> Use of the Capital Receipts Reserve to finance capital expenditure Use of the Capital Receipts Reserve to finance historical capital expenditure Use of the Major Repairs Reserve to finance capital expenditure Application of capital grants to finance capital expenditure			2,540 326	5,371	1,163
<b>Total Adjustments to Capital Resources</b>	0	0	2,867	5,371	1,163
<b>Net transfers (to)/from Earmarked Reserves</b>	2,665	(811)	(780)	0	0
<b>TOTAL ADJUSTMENTS</b>	<b>8,859</b>	<b>(5,659)</b>	<b>(874)</b>	<b>(320)</b>	<b>(1,176)</b>

2023/24	Usable Reserves				
	General Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied
	£'000	£'000	£'000	£'000	£'000
<b>Adjustments to Revenue Resources</b>					
Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements:					
Pensions costs (transferred to (or from) the Pensions Reserve)	3,853	47			
Council tax and NDR (transfers to or from Collection Fund)	2,314				
Holiday pay (transferred to the Accumulated Absences Reserve)	(14)	31			
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account)	2,080	(15,913)			(1,956)
<b>Total Adjustments to Revenue Resources</b>	8,233	(15,835)	0	0	(1,956)
<b>Adjustments between Revenue and Capital Resources</b>					
Transfer of non-current asset sale proceeds from revenue to the Capital Receipts Reserve	120	1,598	(1,718)		
Posting of HRA resources from revenue to the Major Repairs Reserve		5,675		(5,675)	
<b>Total Adjustments between Revenue and Capital Resources</b>	120	7,273	(1,718)	(5,675)	0
<b>Adjustments to Capital Resources</b>					
Use of the Capital Receipts Reserve to finance capital expenditure			762		
Use of the Major Repairs Reserve to finance capital expenditure				5,567	
Application of capital grants to finance capital expenditure					460
<b>Total Adjustments to Capital Resources</b>	0	0	762	5,567	460
<b>Net transfers (to)/from Earmarked Reserves</b>	2,867	1,436	(22)	0	0
<b>TOTAL ADJUSTMENTS</b>	<b>11,220</b>	<b>(7,126)</b>	<b>(978)</b>	<b>(108)</b>	<b>(1,496)</b>

**10 Movements in Earmarked Reserves**

This note sets out the amounts set aside from the General Fund and HRA balances in earmarked reserves to provide financing for future expenditure plans, and the amounts posted back from earmarked reserves to meet General Fund and HRA expenditure in 2024/25.

	Balance at 1 April 2023 £'000	Transfers Out 2023/24 £'000	Transfers in 2023/24 £'000	Balance at 31 March 2024 £'000	Transfers Out 2024/25 £'000	Transfers In 2024/25 £'000	Balance at 31 March 2025 £'000
<b>General Fund/HRA</b>							
Area Based Grant	(48)	0	0	(48)	0	0	(48)
Covid-19 Reserve, including S31 grant	(69)	55	0	(14)	14	0	0
Debt repayment - HRA	(4,767)	4,767	0	0	0	0	0
Development Reserve - HRA	(1,060)	436	(2,300)	(2,924)	1,388	(809)	(2,345)
General	(1,286)	201	(736)	(1,821)	370	(1,319)	(2,769)
NNDR Growth Protection	(11,566)	264	(1,215)	(12,517)	171	(1,864)	(14,210)
Insurance - GF	(478)	59	(10)	(429)	82	(31)	(378)
Insurance - HRA	(207)	2	(35)	(240)	32	(50)	(258)
IT and Office Equipment	(1,357)	80	(334)	(1,611)	243	(270)	(1,638)
Legal Costs	(195)	9	(200)	(386)	50	(200)	(536)
Local Development Scheme	(179)	2	0	(177)	15	0	(162)
Planning Fees	(162)	88	(65)	(139)	89	(66)	(115)
Pleasley Vale Insurance Reserve	0	0	0	0	6	(1,000)	(994)
Transformation Reserve	(3,795)	884	(145)	(3,056)	1,687	(55)	(1,423)
Vehicle Repair and Renewal - GF	(2,445)	1,171	(1,341)	(2,615)	1,616	(1,102)	(2,100)
Vehicle Repair and Renewal - HRA	(794)	0	0	(794)	0	0	(794)
3G Pitch, carpet renewal Reserve	(100)	0	(100)	(200)	0	(100)	(300)
<b>Total Earmarked Reserves</b>	<b>(28,508)</b>	<b>8,018</b>	<b>(6,481)</b>	<b>(26,971)</b>	<b>5,767</b>	<b>(6,865)</b>	<b>(28,069)</b>



**11 Property, Plant and Equipment**

<b>Movements in 2024/25</b>	<b>Council Dwellings £000</b>	<b>Other Land and Building £000</b>	<b>Vehicles, Plant and Equipment £000</b>	<b>Infrastructure Assets £000</b>	<b>Assets Under Construction £000</b>	<b>Community Assets £000</b>	<b>Surplus Assets £000</b>	<b>Total Property, Plant and Equipment £000</b>
<b>Cost or Valuation:</b>								
At 1 April 2024	273,183	21,600	8,867	64	5,912	1,638	2,090	313,354
Additions	6,896	111	3,630		8,820			19,457
Additions of Right of Use Asset - IFRS16		600						600
Revaluation increases/(decreases) recognised in the revaluation reserve	(2,124)	372		(7)			7	(1,752)
Revaluation increases/(decreases) recognised in the surplus/(deficit) on the provision of services	(2,802)	266						(2,536)
Derecognition - disposals	(4,179)		(1,011)					(5,190)
Derecognition - other	(1,224)		(404)					(1,628)
Other movements in cost or valuation	1,450				(1,450)			0
<b>At 31 March 2025</b>	<b>271,200</b>	<b>22,949</b>	<b>11,082</b>	<b>57</b>	<b>13,282</b>	<b>1,638</b>	<b>2,097</b>	<b>322,305</b>
<b>Accumulated Depreciation and Impairment:</b>								
At 1 April 2024	0	0	(5,118)	0	0	0	0	(5,118)
Depreciation charge	(5,603)	(566)	(874)	(5)	0	0	0	(7,048)
Depreciation written out to revaluation reserve	5,030	515		5	0	0	0	5,550
Depreciation written out following revaluation to the surplus/(deficit) on the provision of services	460	51			0	0	0	511
Derecognition - disposal	113		1,415		0	0	0	1,528
Other movements in cost or valuation	0	0	0	0	0	0	0	0
<b>At 31 March 2025</b>	<b>0</b>	<b>0</b>	<b>(4,577)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(4,577)</b>
<b>Net Book Value</b>								
<b>At 31 March 2025</b>	<b>271,200</b>	<b>22,949</b>	<b>6,505</b>	<b>57</b>	<b>13,282</b>	<b>1,638</b>	<b>2,097</b>	<b>317,728</b>
<b>At 31 March 2024</b>	<b>273,183</b>	<b>21,600</b>	<b>3,749</b>	<b>64</b>	<b>5,912</b>	<b>1,638</b>	<b>2,090</b>	<b>308,236</b>

<b>Movements in 2023/24</b>	<b>Council Dwellings £000</b>	<b>Other Land and Building £000</b>	<b>Vehicles, Plant and Equipment £000</b>	<b>Infrastructure Assets £000</b>	<b>Assets Under Construction £000</b>	<b>Community Assets £000</b>	<b>Surplus Assets £000</b>	<b>Total Property, Plant and Equipment £000</b>
<b>Cost or Valuation:</b>								
At 1 April 2023	266,336	20,298	7,732	66	2,815	946	1,556	<b>299,749</b>
Additions	11,784	196	1,870	0	5,167	0	0	<b>19,017</b>
Revaluation increases/(decreases) recognised in the revaluation reserve	3,466	2,172	0	(2)	0	669	589	<b>6,894</b>
Revaluation increases/(decreases) recognised in the surplus/(deficit) on the provision of services	(7,638)	(880)	(15)	0	0	23	0	<b>(8,510)</b>
Derecognition - disposals	(2,835)	(186)	(720)	0	0	0	(55)	<b>(3,796)</b>
Derecognition - other	0	0	0	0	0	0	0	<b>0</b>
Other movements in cost or valuation	2,070	0	0	0	(2,070)	0	0	<b>0</b>
<b>At 31 March 2024</b>	<b>273,183</b>	<b>21,600</b>	<b>8,867</b>	<b>64</b>	<b>5,912</b>	<b>1,638</b>	<b>2,090</b>	<b>313,354</b>
<b>Accumulated Depreciation and Impairment:</b>								
At 1 April 2023	0	0	(5,010)	0	0	0	0	<b>(5,010)</b>
Depreciation charge	(5,445)	(545)	(774)	(4)	0	0	0	<b>(6,768)</b>
Depreciation written out to revaluation reserve	4,972	499	0	4	0	0	0	<b>5,475</b>
Depreciation written out following revaluation to the surplus/(deficit) on the provision of services	410	43	9	0	0	0	0	<b>462</b>
Derecognition - disposal	63	3	657	0	0	0	0	<b>723</b>
Other movements in cost or valuation	0	0	0	0	0	0	0	<b>0</b>
<b>At 31 March 2024</b>	<b>0</b>	<b>0</b>	<b>(5,118)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(5,118)</b>
<b>Net Book Value</b>								
<b>At 31 March 2024</b>	<b>273,183</b>	<b>21,600</b>	<b>3,749</b>	<b>64</b>	<b>5,912</b>	<b>1,638</b>	<b>2,090</b>	<b>308,236</b>
<b>At 31 March 2023</b>	<b>266,336</b>	<b>20,298</b>	<b>2,722</b>	<b>66</b>	<b>2,815</b>	<b>946</b>	<b>1,556</b>	<b>294,739</b>

## **Depreciation**

The following useful lives have been used in the calculation of depreciation:

- Council Dwellings Components
  - Land - 0 years
  - Structure - 50 years
  - Roof - 50 years
  - Kitchen - 30 years
  - Windows and doors - 40 years
  - Services - 30 years
  - Externals - 25 years
- Other Land and Buildings - 5-50 years
- Vehicles, Plant, Furniture and Equipment - 1-15 years
- Infrastructure - 15 years
- Surplus Assets - 5 years

## **Effects of Changes in Estimates**

There have been no changes in estimates during 2024/25.

## **Revaluations**

The Council carries out a programme that ensures that all Property (including Investment Property), Plant and Equipment required to be measured at fair value is revalued at least every five years, supported by an annual desk-top review. All valuations for 2024/25 were carried out internally by a suitably qualified valuer. Valuations of land and buildings were carried out in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors.

The last full valuation which provided values as at 1 April 2023 was undertaken in 2023/24.

**Revaluations**

	<b>Council Dwellings</b>	<b>Other Land and Buildings</b>	<b>Vehicles, Plant, Furniture and Equipment</b>	<b>Infrastructure</b>	<b>Assets Under Construction</b>	<b>Community Assets</b>	<b>Surplus Assets</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Carried at historical cost	0	0	11,082	57	13,282	0	0	<b>24,421</b>
Valued at fair value as at:								
- 31 March 2025	(1,983)	1,349	0	0	0	0	7	<b>(627)</b>
- 31 March 2024	273,183	21,600	0	0	0	1,638	2,090	<b>298,511</b>
<b>Total Cost or Valuation</b>	<b>271,200</b>	<b>22,949</b>	<b>11,082</b>	<b>57</b>	<b>13,282</b>	<b>1,638</b>	<b>2,097</b>	<b>322,305</b>

Details of the Investment Properties held on the balance sheet are provided in the following note.

**Fair Value Hierarchy - Surplus Assets**

Details of the Council's Surplus Assets and information about the fair value hierarchy as at 31 March 2025 and 2024 are as follows:

Recurring fair value measurements using:	Other significant observable inputs  (Level 2) £'000	Significant unobservable inputs (Level 3) £'000	Fair value as at 31 March 2025  £'000
Industrial Units	0	0	0
Shops	0	0	0
Land	1,170	927	2,097
<b>Total</b>	<b>1,170</b>	<b>927</b>	<b>2,097</b>

Previous year comparative figures:

Recurring fair value measurements using:	Other significant observable inputs  (Level 2) £'000	Significant unobservable inputs (Level 3) £'000	Fair value as at 31 March 2024  £'000
Industrial Units	0	0	0
Shops	0	0	0
Land	1,252	838	2,090
<b>Total</b>	<b>1,252</b>	<b>838</b>	<b>2,090</b>

**Transfers between Levels of the Fair Value Hierarchy**

There were no transfers between levels 1 and 2 during the year.

**Valuation techniques used to determine Level 2 and 3 Fair Values for Surplus Assets**Significant Observable Inputs - Level 2

This has been based on the market approach using current market conditions and recent sales prices and other relevant information for similar assets in the Council's area. Market conditions are such that similar properties are actively purchased and sold and the level of observable inputs are significant, leading to the properties being categorised at Level 2 in the fair value hierarchy.

Significant Unobservable Inputs - Level 3

This is based on the premise that the data is not available using the market approach to make a categorisation of level 1 or 2. Therefore level 3 is based on the best information available and the assumptions that the market participants would use.

**Valuation Techniques**

There has been no change in the valuation techniques used during the year for surplus assets.

**Reconciliation of Fair Value Measurements (using Significant Unobservable Inputs) Categorised within Level 3 of the Fair Value Hierarchy**

Land categorised within Level 3

	31 March 2025 £'000	31 March 2024 £'000
Opening balance	838	326
Transfers into Level 3	0	0
Transfers out of Level 3	0	0
Total gains (or losses) for the period included in Surplus or Deficit on the Provision of Services resulting from changes in the fair value	89	512
Additions	0	0
Disposals	0	0
<b>Closing balance</b>	<b>927</b>	<b>838</b>

**Quantitative Information about Fair Value Measurement of Surplus Assets using Significant Unobservable Inputs - Level 3**

	31 March 2025 £'000	Valuation technique used to	Unobservable inputs	Sensitivity
Surplus Assets	927	Fair value estimated at highest and best use from a market participant's perspective	Rent growth Vacancy levels Discount rate Market Conditions	Significant changes in any of the unobservable inputs would result in a significantly lower or higher fair value measurement for the investment properties and financial instruments

**Valuation Process for Surplus Assets**

The fair value of the Council's surplus assets is measured annually at each reporting date. All valuations are carried out internally, in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors (RICS).

**12 Investment Properties**

The following items of income and expense have been accounted for in the Comprehensive Income and Expenditure Statement:

	<b>2024/25 £000</b>	<b>2023/24 £000</b>
Rental income from investment property	(817)	(782)
Direct operating expenses arising from property investment	546	518
<b>Net (gain)/loss</b>	<b>(271)</b>	<b>(264)</b>

There are no restrictions on the Council's ability to realise the value inherent in its investment property or on the Council's right to the remittance of income and the proceeds of disposal. The Council has no contractual obligations to purchase, construct or develop investment property or to undertake repairs, maintenance or enhancement.

The following table summarises the movement in the fair value of investment properties over the year:

	<b>2024/25 £000</b>	<b>2023/24 £000</b>
<b>Balance at start of the year</b>	9,350	8,320
<b>Additions:</b>		
- purchases	0	0
- construction	0	0
- subsequent expenditure	159	371
Disposals	0	0
Net gains/(losses) from fair value adjustments	561	659
<b>Transfers:</b>		
- (to)/from property, plant and equipment	0	0
Other Changes	0	0
<b>Balance at end of year</b>	<b>10,070</b>	<b>9,350</b>

**Fair Value Hierarchy - Investment Properties**

Details of the Council's investment properties and information about the fair value hierarchy as at 31 March 2025 and 2024 are as follows:

Recurring fair value measurements using:	Other significant observable inputs (Level 2) £'000	Significant unobservable inputs (Level 3) £'000	Fair value as at 31 March 2025 £'000
Office units	1,100	0	1,100
Commercial Units	8,970	0	8,970
<b>Total</b>	<b>10,070</b>	<b>0</b>	<b>10,070</b>

Previous year comparative figures:

Recurring fair value measurements using:	Other significant observable inputs (Level 2) £'000	Significant unobservable inputs (Level 3) £'000	Fair value as at 31 March 2024 £'000
Office units	1,075	0	1,075
Commercial Units	8,275	0	8,275
<b>Total</b>	<b>9,350</b>	<b>0</b>	<b>9,350</b>

**Transfers between Levels of the Fair Value Hierarchy**

There were no transfers between levels 1 and 2 during the year.

**Valuation techniques used to determine Level 2 and 3 Fair Values for Investment Properties**Significant Observable Inputs - Level 2

The fair value for the level 2 investment properties has been based on the market approach using current market conditions and recent sales prices and other relevant information for similar assets in the Council's area. Market conditions are such that similar properties are actively purchased and sold and the level of observable inputs are significant, leading to the properties being categorised at Level 2 in the fair value hierarchy.

Significant Unobservable Inputs - Level 3

The Council does not hold any Investment Properties at this level.



### 13 Intangible Assets

The Council accounts for its software as intangible assets, to the extent that the software is not an integral part of a particular IT system and accounted for as part of the hardware item of Property, Plant and Equipment.

All software is given a finite useful life, based on assessments of the period that the software is expected to be of use to the Council. The carrying amount of intangible assets is amortised on a straight line basis.

	2024/25 £000	2023/24 £000
<b>Balance at start of year:</b>		
- Gross carrying amounts	1,009	1,085
- Accumulated depreciation	(928)	(836)
<b>Net carrying amount at start of year</b>	<b>81</b>	<b>249</b>
<b>Additions:</b>		
- Purchases	101	37
<b>Derecognition</b>	0	(114)
<b>Amortisations:</b>		
- Amortisation for the period	(49)	(205)
- Derecognition	0	114
<b>Net carrying amount at end of year</b>	<b>133</b>	<b>81</b>

## **14 Financial Instruments**

### **Financial Liabilities**

The majority of the Council's financial liabilities held during the year are measured at amortised cost and comprised:

- long-term loans from the Public Works Loan Board
- short-term loans from parish councils
- trade payables for goods and services received.

The Council also held financial liabilities that are measured on different bases comprising:

- commitment to provide a loan to Dragonfly Development Limited.
- financial guarantees to Dragonfly Development Limited.

### **Financial Assets**

The financial assets held by the Council during the year are accounted for under the following two classifications:

Amortised cost (where cash flows are solely payments of principal and interest and the Council's business model is to collect those cash flow) comprising:

- cash in hand
- bank current account with Lloyds bank
- fixed term deposits with banks and building societies
- loans to other local authorities
- lease receivables detailed in note 35
- trade receivables for goods and services delivered

Fair value through profit and loss comprising:

- money market funds
- equity investment in Dragonfly Development Limited (unquoted)
- loans to Dragonfly Development Limited where the cash flows are not solely payments of principal and interest.

Financial assets held at amortised cost are shown net of a loss allowance reflecting the statistical likelihood that the borrower or debtor will be unable to meet their contractual commitments to the Council.

**Financial Instrument - Balances**

The financial instruments disclosed in the Balance Sheet are analysed across the following categories:

	Long Term		Current	
	31 March 2025 £000	31 March 2024 £000	31 March 2025 £000	31 March 2024 £000
<b><u>Financial Liabilities</u></b>				
Loans at amortised cost:				
Principal	(76,800)	(78,800)	(3,970)	(9,733)
Accrued interest	-	-	(48)	(117)
<b><i>Total Borrowing</i></b>	<b>(76,800)</b>	<b>(78,800)</b>	<b>(4,018)</b>	<b>(9,850)</b>
Liabilities at amortised cost:				
Trade Payables	(46)	(46)	(6,982)	(3,668)
<i>Included in Creditors *</i>	<b>(46)</b>	<b>(46)</b>	<b>(6,982)</b>	<b>(3,668)</b>
<b>Total Financial Liabilities</b>	<b>(76,846)</b>	<b>(78,846)</b>	<b>(11,000)</b>	<b>(13,518)</b>
<b><u>Financial Assets</u></b>				
<u>At amortised cost:</u>				
Principal	-	-	15,000	20,000
Accrued interest	-	-	58	90
Loss allowance	-	-	0	0
<u>At fair value through profit + loss:</u>	0	1,240	0	0
<b><i>Total Investments</i></b>	<b>0</b>	<b>1,240</b>	<b>15,058</b>	<b>20,090</b>
<u>At amortised cost:</u>				
Principal	-	-	2,517	(4,509)
<u>At fair value through profit + loss:</u>	-	-	3,033	6,533
<b><i>Total Cash and Cash Equivalents</i></b>	<b>0</b>	<b>0</b>	<b>5,550</b>	<b>2,024</b>
<u>At amortised cost:</u>				
Trade receivables	600	154	5,273	7,793
Loss allowance	0	0	(1,827)	(1,712)
<i>Included in Debtors **</i>	<b>600</b>	<b>154</b>	<b>3,446</b>	<b>6,081</b>
<b>Total Financial Assets</b>	<b>600</b>	<b>1,394</b>	<b>24,054</b>	<b>28,195</b>

\*The creditors line on the Balance Sheet includes £8,164,969 (£7,901,886 in 2023/24) short-term creditors that do not meet the definition of a financial liability as they relate to non-exchange transactions.

\*\*The debtors line on the Balance Sheet includes £2,542,815 (£2,524,465 in 2023/24) short-term debtors that do not meet the definition of a financial asset as they relate to non-exchange transactions.

**Financial Instruments - Gains and Losses**

The gains and losses recognised in the Comprehensive Income and Expenditure Statement in relation to financial instruments are as follows:

	Financial Liabilities	Financial Assets		Total	Total
	Amortised Cost £000	Amortised Cost £000	Fair Value through Profit + Loss £000	2024/25 £000	2023/24 £000
Interest expense	4,803	-	-	4,803	4,820
<b>Interest payable and similar charges</b>	<b>4,803</b>	<b>0</b>	<b>0</b>	<b>4,803</b>	<b>4,820</b>
Interest income	-	(1,903)	85	(1,818)	(1,647)
Dividend income	-	-	(1,291)	(1,291)	(1,757)
<b>Interest and investment income</b>	<b>0</b>	<b>(1,903)</b>	<b>(1,206)</b>	<b>(3,109)</b>	<b>(3,404)</b>
Net impact on surplus/deficit on provision of services	<b>4,803</b>	<b>(1,903)</b>	<b>(1,206)</b>	<b>1,694</b>	<b>1,416</b>
<b>Net gain/(loss) for the year</b>	<b>4,803</b>	<b>(1,903)</b>	<b>(1,206)</b>	<b>1,694</b>	<b>1,416</b>

## Financial Instruments - Fair Values

Financial instruments, except those classified at amortised cost, are carried in the Balance Sheet at fair value. For money market funds the fair value is taken from the market price. The fair values of other instruments have been estimated by calculating the net present value of the remaining contractual cash flows at 31st March 2025, using the following methods and assumptions:

- Shares in Dragonfly Development Limited have been valued from the company's balance sheet net assets.

Financial instruments classified at amortised cost are carried in the Balance Sheet at amortised cost. Their fair values have been estimated by calculating the net present value of the remaining contractual cash flows at 31st March 2025, using the following methods and assumptions:

- Loans borrowed by the Council have been valued by discounting the contractual cash flows over the whole life of the instrument at the appropriate market rate for local authority loans.
- The fair values of other long-term loans and investments have been discounted at the market rates for similar instruments with similar remaining terms to maturity on 31st March.
- No early repayment or impairment is recognised for any financial instrument.
- The fair value of short-term instruments, including trade payables and receivables, is assumed to approximate to the carrying amount given the low and stable interest rate environment.

Fair values are shown in the table below, split by their level in the fair value hierarchy:

- Level 1 - fair value is only derived from quoted prices in active markets for identical assets or liabilities, eg. bond prices
- Level 2 - fair value is calculated from inputs other than quoted prices that are observable for the asset or liability, eg. interest rates for similar instruments
- Level 3 - fair value is determined using unobservable inputs, eg. non-market data such as cash flow forecasts or estimated creditworthiness

	Fair Value Level	31 March 2025		31 March 2024	
		Balance Sheet £000	Fair value £000	Balance Sheet £000	Fair value £000
<i>Financial liabilities held at amortised cost:</i>					
Long-term loans from PWLB	2	(76,848)	67,842	(78,917)	(69,941)
Other loans	2	(3,970)	3,970	(9,733)	(9,753)
<b>Total</b>		<b>(80,818)</b>	<b>71,812</b>	<b>(88,650)</b>	<b>(79,694)</b>
Liabilities for which fair value is not disclosed*		(7,028)		(3,714)	
<b>Total Financial Liabilities</b>		<b>(87,846)</b>		<b>(92,364)</b>	
<i>Recorded on balance sheet as:</i>					
Short-term creditors		(15,147)		(11,570)	
Less non-exchange transactions		8,165		7,902	
Short-term borrowing		(4,018)		(9,850)	
Long-term creditors		(46)		(46)	
Long-term borrowing		(76,800)		(78,800)	
<b>Total Financial Liabilities</b>		<b>(87,846)</b>		<b>(92,364)</b>	

\* The fair value of short-term financial liabilities including trade payables is assumed to approximate to the carrying amount.

The fair value of financial liabilities held at amortised cost is higher than their balance sheet carrying amount because the Council's portfolio of loans includes a number of loans where the interest rate payable is higher than the current rates available for similar loans as at the Balance Sheet date.

	Fair Value Level	31 March 2025 Balance Sheet £000	Fair value £000	31 March 2024 Balance Sheet £000	Fair value £000
<i>Financial assets held at fair value:</i>					
Money market funds	1	3,033	3,033	6,533	6,533
Strategic investment	3	0	0	1,199	1,199
Shares in unlisted companies	3	0	0	41	41
<i>Financial assets held at amortised cost:</i>					
Short-term bank deposits	2	15,058	15,058	20,090	20,090
Total		18,091	18,091	27,863	27,863
Assets for which fair value is not disclosed*		6,563		1,726	
<b>Total Financial Assets</b>		<b>24,654</b>		<b>29,589</b>	
<i>Recorded on balance sheet as:</i>					
Long-term debtors		600		154	
Short-term debtors		5,989		8,606	
Less non-financial asset element		(2,543)		(2,525)	
Long-term investments		0		1,240	
Short-term investments		15,058		20,090	
Cash and cash equivalents		5,550		2,024	
<b>Total Financial Assets</b>		<b>24,654</b>		<b>29,589</b>	

\* The fair value of short-term financial assets held at amortised cost, including trade receivables and cash balances are assumed to approximate to the carrying amount.

## **Financial Instruments - Risks**

The Council complies with CIPFA's Code of Practice on Treasury Management and Prudential Code for Capital Finance in Local Authorities, both revised in December 2021.

In line with the Treasury Management Code, the Council approves a Treasury Management Strategy before the commencement of each financial year. The Strategy sets out the parameters for the management of risks associated with financial instruments. The Council also produces Treasury Management Practices specifying the practical arrangements to be followed to manage these risks.

The Treasury Management Strategy includes an Investment Strategy in compliance with the Ministry for Housing, Communities and Local Government Guidance on Local Government Investments. This guidance emphasises that priority is to be given to security and liquidity, rather than yield. The Council's Treasury Management Strategy and its Treasury Management Practices seek to achieve a suitable balance between risk and return or cost.

The main risks covered are:

- Credit risk - the possibility that the counterparty to a financial asset will fail to meet its contractual obligations, causing a loss to the Council.
- Liquidity risk - the possibility that the Council might not have the cash available to make contracted payments on time.
- Market risk - the possibility that an unplanned financial loss will materialise because of changes in market variables such as interest rates or equity prices.

### **Credit Risk - Treasury Investments**

The Council manages credit risk by ensuring that treasury investments are only placed with organisations of high credit quality as set out in the Treasury Management Strategy. These include commercial entities with a minimum long-term credit rating of A-, the UK government, other local authorities, and organisations without credit ratings upon which the Council has received independent investment advice. Recognising that credit ratings are imperfect predictors of default, the Council has regard to other measures including credit default swap and equity prices when selecting commercial entities for investment.

A limit of £5m is placed on the amount of money that can be invested with a single counterparty including unsecured investments in banks, building societies and companies. The Council also sets limits on investments in certain sectors. No more than £5m can be invested for a period longer than one year.



The table below summarises the credit risk exposures of the Council's treasury investment portfolio by credit rating and remaining time to maturity:

Credit Rating	31 March 2025		31 March 2024	
	Long-term £000	Short-term £000	Long-term £000	Short-term £000
AAA	0	15,058	0	20,090
A	0	0	0	0
<b>Total</b>	<b>0</b>	<b>15,058</b>	<b>0</b>	<b>20,090</b>
Credit risk not applicable*	0	0	1,240	0
<b>Total Investments</b>	<b>0</b>	<b>15,058</b>	<b>1,240</b>	<b>20,090</b>

\* Credit risk is not applicable to shareholdings where the Council has no contractual right to receive any sum of money.

Loss allowances on treasury investments have been calculated by reference to historic default data published by credit rating agencies. At 31st March 2025, none of the loss allowance related to treasury investments (2024: £zero).

### Credit Risk - Trade and Lease Receivables

The Council's credit risk on lease receivables is mitigated by its legal ownership of the assets leased, which can be repossessed if the debtor defaults on the lease contract.

The Council includes trade and lease receivables in the same category of debtors - trade receivables. The following analysis summarises the Council's trade receivables by due date. Only those receivables meeting the definition of a financial asset are included.

	31 March 2025 £000	31 March 2024 £000
Past due < 3 months	3,005	5,426
Past due 3 - 6 months	314	610
Past due 6 - 12 months	536	424
Past due 12+ months	1,418	1,333
<b>Total Receivables</b>	<b>5,273</b>	<b>7,793</b>

Loss allowances on trade and receivables have been calculated by reference to the Council's historic experience of default.

Receivables are collectively assessed for credit risk in the following groupings:

	Range of allowances set	31 March 2025 Gross receivable £000	Loss allowance £000	31 March 2024 Gross receivable £000	Loss allowance £000
Individuals - HRA tenants	1% - 100%	1,670	(1,322)	1,736	(1,313)
Private sector	0.5% - 100%	995	(504)	1,467	(399)
Government/Local authority/prepayments	zero	2,607	0	4,590	0
		<b>5,272</b>	<b>(1,826)</b>	<b>7,793</b>	<b>(1,712)</b>

Receivables are written off to the surplus or deficit on the provision of services when all avenues to collect the debt are exhausted.

### Credit Risk - Loans, Financial Guarantees and Loan Commitments

The Council has guaranteed to make payment of invoices to eight suppliers of Dragonfly Development Ltd and Dragonfly Management (Bolsover) Ltd, in pursuant to the contract between the supplier and the Council, if necessary.

The amounts recognised on the balance sheet, and the Council's total exposure to credit risk from the instruments are:

Borrower	Exposure type	31 March 2025 Balance Sheet £000	Risk exposure £000	31 March 2024 Balance Sheet £000	Risk exposure £000
Dragonfly Development Limited	Loan at market rate	0	0	1,199	1,199
Dragonfly Development Limited	Loan commitment at market rate	0	0	(1,139)	(1,139)
Dragonfly Development Limited and Dragonfly Management (Bolsover) Limited	Guarantee	0	(711)	0	(1,661)
		<b>0</b>	<b>(711)</b>	<b>60</b>	<b>(1,601)</b>

The Council manages the credit risk inherent in its loans for service purposes and loan commitments in line with its published Investment Strategy. These are included on the balance sheet at fair value and therefore already include an allowance for loss.

## Liquidity Risk

The Council has ready access to borrowing at favourable rates from the Public Works Loan Board and other authorities, and at higher rates from banks and building societies. There is no perceived risk that the Council will be unable to raise finance to meet its commitments. It is however exposed to the risk that it will need to refinance a significant proportion of its borrowing at a time of unfavourably high interest rates.

The maturity analysis of financial instruments is as follows:

Time to maturity (years)	Discounted (principal)		Undiscounted (principal plus interest)	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	£000	£000	£000	£000
Not over 1	(11,046)	(13,564)	(11,075)	(16,354)
Over 1 but not over 2	(3,000)	(2,000)	(5,627)	(4,655)
Over 2 but not over 5	(15,800)	(14,800)	(22,614)	(22,134)
Over 5 but not over 10	(23,000)	(22,000)	(31,328)	(31,052)
Over 10 but not over 20	(35,000)	(40,000)	(39,609)	(45,991)
Over 20 but not over 40	0	0	0	0
<b>Total</b>	<b>(87,846)</b>	<b>(92,364)</b>	<b>(110,253)</b>	<b>(120,186)</b>

## Market Risk - Interest Rate Risk

The Council is exposed to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Council, depending on how variable and fixed interest rates move across differing financial instrument periods. For instance, a rise in interest rates would have the following effects:

- Borrowings at variable rates - the interest expense charged to the Comprehensive Income and Expenditure Statement will rise.
- Borrowings at fixed rates - the fair value of the borrowing will fall (no impact on revenue balances).
- Investments at variable rates - the interest income credited to the Comprehensive Income and Expenditure Statement will rise.
- Investments at fixed rates - the fair value of the assets will fall (no impact on revenue balances).

Investments measured at amortised cost and loans borrowed, are not carried at fair value, so changes in their fair value will have no impact on the Comprehensive Income and Expenditure Statement. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Surplus or Deficit on the Provision of Services. Movements in the fair value of fixed rate investments measured at fair value will be reflected in Other Comprehensive Income or the Surplus or Deficit on the Provision of Services as appropriate.

The Treasury Management Strategy aims to mitigate these risks with a treasury indicator which provides maximum limits for fixed and variable interest rate exposure. The Council finance team will monitor market and forecast interest rates within the year, to adjust exposures appropriately. For instance, during periods of falling interest rates, and where economic circumstances make it favourable, fixed rate investments may be taken for longer periods to secure better long-term returns.

If all interest rates had been 1% higher (with all variables held constant) the financial effect would be:

	<b>31 March 2025 £000</b>	<b>31 March 2024 £000</b>
Increase in interest payable on variable rate borrowings	24	29
Increase in interest receivable on variable rate investments	(258)	(350)
Decrease in fair value of investments held at FVPL	0	0
Impact on Surplus or Deficit on the Provision of Services	(234)	(321)
Impact on Comprehensive Income and Expenditure	(234)	(321)
Share of overall impact credited to the HRA	52	70

\* No impact on Comprehensive Income and Expenditure

The approximate impact of a 1% fall in interest rates would be as above but with the movements being reversed.

### **Market Risk - Interest Rate Risk**

The Council's investment in equity shares would be subject to the risk of falling share prices if the shares were listed on the stock exchange. The shares are not currently listed on the stock exchange so this is not an issue for this financial year.

**Market Risks: Foreign exchange risk** - The Council has no financial assets or liabilities denominated in foreign currencies. It therefore has no intentional exposure to loss arising from movements in exchange rates.

**15 Inventories**

	Balance at start of year	Purchases	Expenses in year	Written off balances	Balance at end of year
	£000	£000	£000	£000	£000
<b>Building Materials</b>					
2023/24	108	0	(108)	0	0
2024/25	0	0	0	0	0
<b>Sports</b>					
2023/24	3	3	(3)	0	3
2024/25	3	4	(4)	0	3
<b>Catering</b>					
2023/24	1	97	(96)	0	2
2024/25	2	106	(105)	0	3
<b>Fuel</b>					
2023/24	24	536	(542)	0	18
2024/25	18	488	(482)	0	24
<b>Stationery</b>					
2023/24	1	0	0	0	1
2024/25	1	0	0	0	1
<b>Total 2023/24</b>	<b>137</b>	<b>636</b>	<b>(749)</b>	<b>0</b>	<b>24</b>
<b>Total 2024/25</b>	<b>24</b>	<b>598</b>	<b>(591)</b>	<b>0</b>	<b>31</b>

**16 Capital Commitments**

The Council has the following capital commitments:

Capital Commitments	31 March 2025 £000	31 March 2024 £000
Disabled Facilities Grants	185	236
Fleet Vehicles	1,178	2,968
Pleasley Vale Works	547	1
Council chamber audio visual equipment	79	0
Bolsover Homes	29	5
Portland Skills Hub	11	0
Shirebrook Market Place	6	0
District CCTV Scheme	0	22
Shirebrook Crematorium	263	168
Pleasley Cycle Path	30	31
<b>Total</b>	<b>2,328</b>	<b>3,431</b>

**17 Debtors**

	31 March 2025 £000	31 March 2024 £000
Trade receivables	3,251	4,166
Related party receivables	0	2,954
Prepayments	668	561
Other receivable amounts	1,073	673
Loss allowance	(1,827)	(1,712)
	3,165	6,642
Statutory receivable amounts (non-exchange transactions)	5,069	4,118
Loss allowance	(2,245)	(2,154)
<b>Total</b>	<b>5,989</b>	<b>8,606</b>

Loss allowances have been calculated by reference to the Council's historic experience of default and are based on the age of the debt. There is no aged debt that has not been reviewed for impairment.

**18 Cash Flow Statement - Cash and Cash Equivalents**

The balance of cash and cash equivalents is made up of the following elements:

	31 March 2025 £000	31 March 2024 £000
Cash held by the Council	2,517	(4,509)
Bank call accounts	3,033	6,533
<b>Total</b>	<b>5,550</b>	<b>2,024</b>

**19 Assets Held for Sale**

The Council doesn't currently have any Assets Held for Sale.

**20 Creditors**

	31 March 2025 £000	31 March 2024 £000
Trade payables	(4,895)	(2,477)
Related party payables	(802)	0
Other payable amounts	(1,285)	(1,194)
	(6,982)	(3,671)
Statutory payable amounts (non-exchange transactions)	(8,165)	(7,899)
<b>Total</b>	<b>(15,147)</b>	<b>(11,570)</b>

**21 Provisions**

	<b>Legal Costs</b>	<b>Non-domestic Rates</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Balance at 1 April 2024</b>	(179)	(840)	(1,019)
Provisions made in 2024/25	0	0	0
Amounts used in 2024/25	0	174	174
Unused amounts reversed in 2024/25	0	0	0
<b>Balance at 31 March 2025</b>	<b>(179)</b>	<b>(666)</b>	<b>(845)</b>

The Legal Costs provision has been created for costs which are potentially to be incurred relating to the MMI scheme of arrangement and future, currently unknown claims.

The Local Government Finance Act 2012 introduced a business rates retention scheme. Billing authorities are required to make a provision for any potential liabilities as a result of refunding ratepayers who have appealed against the rateable value of their properties. The provision includes an amount for appeals lodged to date but yet to be determined by the Valuation Office Agency (VOA) plus an amount for appeals expected but not yet lodged with the VOA. As the outcome of any appeals are determined by the VOA, it is uncertain when the claims will be settled. As there are still claims outstanding from pre 2017 it has been decided to classify the provision as long term. This provision relates to only the Council's share of the potential costs which is 40%.

**22 Usable Reserves**

Movements in the Council's usable reserves are detailed in the Movement in Statement and note 9 .

**23 Unusable Reserves**

	<b>2024/25 £000</b>	<b>2023/24 £000</b>
Revaluation Reserve	(145,610)	(147,552)
Capital Adjustment Account	(52,894)	(47,281)
Pensions Reserve	4,475	5,190
Deferred Capital Receipts Reserve	(63)	(63)
Collection Fund Adjustment Account	(2,624)	(1,348)
Accumulated Absences Account	133	108
<b>Total</b>	<b>(196,583)</b>	<b>(190,946)</b>

**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 balance 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 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

	<b>2024/25 £000</b>	<b>2023/24 £000</b>
<b>Balance at 1 April</b>	<b>(147,552)</b>	<b>(139,807)</b>
Upward revaluation of assets	(9,940)	(15,352)
Downward revaluation of assets and impairment losses not charged to the surplus/deficit on the provision of services	6,142	2,983
(Surplus) or deficit on revaluation of non current assets not posted to the Comprehensive Income and Expenditure Statement	(3,798)	(12,369)
Difference between fair value depreciation and historical cost depreciation	3,437	3,333
Accumulated gains on assets sold or scrapped	2,303	1,291
Amount written off to the Capital Adjustment Account	5,740	4,624
<b>Balance at 31 March</b>	<b>(145,610)</b>	<b>(147,552)</b>

**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 financing 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 amortisation are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to an historical cost basis). The account is credited with the amounts set aside by the Council as finance for the costs of acquisition, construction and enhancement.



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 2007, the date that the Revaluation Reserve was created to hold such gains. Details of the source of all the transactions posted to the Account, apart from those involving the Revaluation Reserve are provided in note 9.

	2024/25 £000	2023/24 £000
<b>Balance at 1 April</b>	<b>(47,281)</b>	<b>(47,209)</b>
<i>Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:</i>		
- Charges for depreciation and impairment of non current assets	9,073	14,816
- Derecognition of property, plant and equipment	3,528	1,680
- Amortisation of intangible assets	49	206
- Revenue Expenditure Funded from Capital Under Statute	1,412	542
- Amounts of non current assets written off on disposal or sale as part of the gain/loss on disposal to The Comprehensive Income and Expenditure Statement	1,762	1,393
- Financial Instruments impairment	41	(150)
- Recognition of finance lease assets held prior to 1/4/24 (IFRS 16)	(600)	0
	15,264	18,487
Adjusting amounts written out of the Revaluation Reserve	(5,740)	(4,624)
Net written out amount of the cost of non current assets consumed in the year	<b>9,524</b>	<b>13,863</b>
<i>Capital financing applied in the year:</i>		
- Use of Capital Receipts Reserve to finance new capital expenditure	(2,540)	(762)
- Use of the Major Repairs Reserve to finance new capital expenditure	(5,371)	(5,567)
- Use of Capital Receipts Reserve to finance historical capital expenditure	(326)	0
- Application of grants to capital financing from the Capital Grants Unapplied Account	(5,160)	(2,134)
- Statutory provision for the financing of capital investment charged against the General Fund and HRA balances	(278)	(363)
- Capital expenditure charged against the General Fund and HRA balances	0	0
- Capital expenditure charged against reserves	(2,006)	(4,470)
	<b>(15,682)</b>	<b>(13,296)</b>
Redemption of long term investment - originally financed by CFR	<b>326</b>	<b>21</b>
Redemption of long term investment - originally financed by reserves	<b>780</b>	<b>0</b>
Movements in the market value of investment properties debited or credited to the Comprehensive Income and Expenditure Statement	<b>(561)</b>	<b>(660)</b>
<b>Balance at 31 March</b>	<b>(52,894)</b>	<b>(47,281)</b>

**Pensions Reserve**

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post employment benefits and for funding benefits in accordance with statutory provisions. The Council accounts for post employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Council makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Council has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

	<b>2024/25 £000</b>	<b>2023/24 £000</b>
<b>Balance at 1 April</b>	<b>5,190</b>	<b>1,204</b>
Actuarial gains or losses on pensions assets and liabilities	(257)	7,886
Reversal of items relating to retirement benefits debited or credited to the surplus or deficit on the provision of services in the Comprehensive Income and Expenditure Statement	2,387	(1,179)
Employer's pension contributions and direct payments to pensioners payable in the year	(2,845)	(2,721)
<b>Balance at 31 March</b>	<b>4,475</b>	<b>5,190</b>

**Deferred Capital Receipts Reserve**

The Deferred Capital Receipts Reserve holds the gains recognised on the disposal of non current assets where the cash settlement has yet to take place. Under statutory arrangements, the Council does not treat these gains as usable for financing new capital expenditure until they are backed by cash receipts. When the deferred cash settlement eventually takes place, amounts are transferred to the Capital Receipts Reserve.

	<b>2024/25 £000</b>	<b>2023/24 £000</b>
<b>Balance at 1 April - Rent to Mortgage - Property Charge</b>	<b>(63)</b>	<b>(63)</b>
Transfer of deferred sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	0	0
Transfer to the Capital Receipts Reserve upon receipt of cash	0	0
<b>Balance at 31 March - Rent to Mortgage - Property Charge</b>	<b>(63)</b>	<b>(63)</b>

**Collection Fund Adjustment Account**

The Collection Fund Adjustment Account manages the differences arising from the recognition of council tax and non-domestic rates income in the Comprehensive Income and Expenditure Statement as it falls due from council tax payers and business rates payers, compared with the statutory arrangements for paying across amounts to the General Fund from the Collection Fund.

	<b>2024/25 £000</b>	<b>2023/24 £000</b>
<b>Balance at 1 April</b>	<b>(1,348)</b>	<b>966</b>
Amount by which council tax and non-domestic rates income credited to the Comprehensive Income and Expenditure Statement is different from council tax and non-domestic rates income calculated for the year in accordance with statutory requirements	(1,276)	(2,314)
<b>Balance at 31 March</b>	<b>(2,624)</b>	<b>(1,348)</b>

**Accumulated Absences Account**

The Accumulated Absences Account absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences, principally holidays, earned but not taken in the year. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the account.

	<b>2024/25 £000</b>	<b>2023/24 £000</b>
<b>Balance at 1 April</b>	<b>108</b>	<b>125</b>
Settlement or cancellation of accrual made at the end of the preceding year	(108)	(125)
Amounts accrued at the end of the current year	133	108
Amount by which Officer remuneration charged to the CIES is different from remuneration chargeable in the year in accordance with statutory requirements	25	(17)
<b>Balance at 31 March</b>	<b>133</b>	<b>108</b>

**24 Cash Flow Statement - Operating Activities**

The cash flows for operating activities include the following items:

	<b>2024/25 £000</b>	<b>2023/24 £000</b>
Interest received	(3,225)	(3,314)
Interest paid	4,762	4,969

The surplus or deficit on the provision of services has been adjusted for the following non-cash movements:

	<b>2024/25 £000</b>	<b>2023/24 £000</b>
Depreciation	(7,097)	(6,974)
Impairment and downward valuations	(2,024)	(8,048)
Increase/(decrease) in creditors	(3,463)	136
(Increase)/decrease in debtors	(2,557)	2,424
(Increase)/decrease in inventories	7	(113)
Movement in pension liability	458	3,900
Carrying amount of non-current assets and non-current assets held for sale, sold or derecognised	(5,290)	(3,073)
Other non-cash items charged to the net surplus or deficit on the provision of services	694	1,972
	<b>(19,272)</b>	<b>(9,777)</b>

The surplus or deficit on the provision of services has been adjusted for the following items that are investing and financing activities:

	<b>2024/25 £000</b>	<b>2023/24 £000</b>
Proceeds from the sale of property, plant and equipment, investment property and intangible assets	2,635	1,718
Any other items for which the cash effects are investing or financing cash flows	6,336	3,629
	<b>8,971</b>	<b>5,348</b>

**25 Cash Flow Statement - Investing Activities**

	<b>2024/25 £000</b>	<b>2023/24 £000</b>
Purchase of property, plant and equipment, investment property and intangible assets	18,702	20,301
Purchase of short term and long term investments	52,104	52,500
Other payments for investing activities	533	95
Proceeds from the sale of property, plant and equipment, investment property and intangible assets	(2,635)	(1,718)
Proceeds from short term and long term investments	(58,218)	(57,700)
Other receipts from investing activities	(6,599)	(3,260)
<b>Net cash flows from investing activities</b>	<b>3,887</b>	<b>10,217</b>

**26 Cash Flow Statement - Financing Activities**

	<b>2024/25 £000</b>	<b>2023/24 £000</b>
Cash receipts of short term and long term borrowings	(1,318)	(1,351)
Repayments of short term and long term borrowing	9,150	4,857
	7,832	3,506
Council Tax and NNDR adjustments	(284)	(1,957)
<b>Net cash flows from financing activities</b>	<b>7,549</b>	<b>1,549</b>

**27 Cash Flow Statement - Reconciliation of Liabilities arising from Financing Activities**

	<b>1 April 2024 £'000</b>	<b>Financing cash flows £'000</b>	<b>Non-cash changes Acquisition £'000</b>	<b>Other £'000</b>	<b>31 March 2025 £'000</b>
Long-term borrowings	(78,800)	0	-	2,000	(76,800)
Short-term borrowings	(9,850)	7,832	-	(2,000)	(4,018)
- Lease liabilities	0	0	0	0	0
<b>Total liabilities from financing activities</b>	<b>(88,650)</b>	<b>7,832</b>	<b>0</b>	<b>0</b>	<b>(80,818)</b>

	<b>1 April 2023 £'000</b>	<b>Financing cash flows £'000</b>	<b>Non-cash changes Acquisition £'000</b>	<b>Other £'000</b>	<b>31 March 2024 £'000</b>
Long-term borrowings	(86,000)	0	-	7,200	(78,800)
Short-term borrowings	(6,156)	3,506	-	(7,200)	(9,850)
- Lease liabilities	0	0	0	0	0
<b>Total liabilities from financing activities</b>	<b>(92,156)</b>	<b>3,506</b>	<b>0</b>	<b>0</b>	<b>(88,650)</b>

**28 Agency Services**

The Council undertakes agency work for Derbyshire County Council in carrying out the duties of roadside verge grass cutting, weed control and tree maintenance. The annual expenditure on the service was £268,815 with an income of £68,149 for 2024/25, (£281,328 and £90,468 in 2023/24).

**29 Members' Allowances**

The Council paid the following amounts to elected members during the year. This expenditure is included within the People Directorate line of the Comprehensive Income and Expenditure Statement.

	<b>2024/25 £000</b>	<b>2023/24 £000</b>
Allowances	458	460
Expenses	19	17
<b>Total</b>	<b>477</b>	<b>477</b>

### **30 Officers' Remuneration**

Council employees (excluding senior employees) receiving more than £50,000 remuneration (excluding pension contributions) were paid the following amounts:

<b>Remuneration Band</b>	<b>Number of Employees 2024/25</b>	<b>Number of Employees 2023/24</b>
£50,000 - £54,999	9	3
£55,000 - £59,999	3	2
£60,000 - £64,999	1	1
£75,000 - £79,999	0	0
£105,000 - £109,999	0	0

#### **Senior Employees**

The definition of a senior employee is:

- \* an employee whose salary is £150,000 or more
- \* an employee whose salary is £50,000 or more who is a statutory chief officer as per section 2(6) of the Local Government and Housing Act 1989 as amended
- \* an employee whose salary is £50,000 or more who is a non-statutory chief officer as per section 2(7) of the Local Government and Housing Act 1989 as amended
- \* an employee whose salary is £50,000 or more who reports directly to the Head of Paid Service

The remuneration paid to the Council's senior employees (who earn £50,000 or more and are either statutory chief officers and/or report directly to the Head of Paid Service) is as follows:

Post Title		Salary (including fees + allowances)  £	Expenses/ Allowances  £	Benefits in Kind  £	Compensation for loss of office * (see following page)  £	Pension Contribution  £	Total Remuneration (including pension contributions)  £	Net Charge to Others  £	Net Charge to BDC  £
<b>Employed by Bolsover DC</b>									
Chief Executive and Head of Paid Service	2023/24	136,300	4,566	235	0	28,350	169,451	-	169,451
	2024/25	141,285	0	325	0	29,387	170,997	-	170,997
Strategic Director of Services (start date 17/7/23)	2023/24	58,810	0	217	0	12,232	71,259	-	71,259
	2024/25	85,892	0	262	0	17,866	104,020	-	104,020
Director - Finance and Section 151 Officer	2023/24	83,273	130	0	0	17,321	100,724	-	100,724
	2024/25	85,995	0	0	0	17,887	103,882	-	103,882
Director - Executive, Corporate Services and Partnerships (part-time from 1/4/24)	2023/24	76,147	142	0	0	15,839	92,128	-	92,128
	2024/25	40,048	0	0	0	8,117	48,165	-	48,165
Director - Governance and Monitoring Officer	2023/24	82,961	510	337	0	17,256	101,064	-	101,064
	2024/25	85,675	0	397	0	17,820	103,892	-	103,892
Assistant Director - Street Scene (left 16/7/23)(new starter 2/12/24)	2023/24	19,844	288	89	0	4,128	24,349	-	24,349
	2024/25	21,484	0	15	0	4,469	25,968	-	25,968

The remuneration paid to the Council's senior employees (who earn £50,000 or more and are either statutory chief officers and/or report directly to the Head of Paid Service) is as follows:

Post Title		Salary (including fees + allowances)  £	Expenses/ Allowances  £	Benefits in Kind  £	Compensation for loss of office * (see following page)  £	Pension Contribution  £	Total Remuneration (including pension contributions)  £	Net Charge to Others  £	Net Charge to BDC  £
<b>Employed by Bolsover DC</b>									
Assistant Director - Housing Management and Enforcement	2023/24	70,095	130	352	0	14,580	85,157	-	85,157
	2024/25	71,847	0	15	0	14,944	86,806	-	86,806
Assistant Director - Leisure, Health and Wellbeing (start date 3/11/23 )	2023/24	26,061	0	0	0	5,654	31,715	-	31,715
	2024/25	65,549	0	0	0	13,364	78,913	-	78,913
Assistant Director - Planning and Planning Policy (start date 3/11/23 )	2023/24	26,061	0	17	0	5,654	31,732	-	31,732
	2024/25	65,549	0	58	0	13,364	78,971	-	78,971
<b>Employed by the Dragonfly Group</b>									
Chief Executive of Dragonfly Group (start date 1/4/23)	2023/24	134,235	0	324	0	27,921	162,480	-	162,480
	2024/25	137,079	0	161	0	28,512	165,752	-	165,752
Director of Dragonfly Group (start date 1/4/23)	2023/24	82,201	0	0	0	17,098	99,299	-	99,299
	2024/25	86,710	0	0	0	18,036	104,746	-	104,746



The remuneration paid to the Council's senior employees (who earn £50,000 or more and are either statutory chief officers and/or report directly to the Head of Paid Service) is as follows:

Post Title		Salary (including fees + allowances)  £	Expenses/ Allowances  £	Benefits in Kind  £	Compensation for loss of office * (see following page)  £	Pension Contribution  £	Total Remuneration (including pension contributions)  £	Net Charge to Others  £	Net Charge to BDC  £
<b>Employed by the Dragonfly Group</b>									
Director of Dragonfly Group (start date 1/4/23)	2023/24	84,595	287	217	0	17,596	102,695	-	102,695
	2024/25	89,164	0	241	0	18,551	107,956	-	107,956
<b>Employed by North East Derbyshire DC</b>									
Joint Assistant Director - Environmental Health	2023/24	69,615	0	432	0	14,123	84,170	42,085	42,085
	2024/25	76,696	0	232	0	15,625	92,553	46,276	46,277
Assistant Director - ICT (3-way joint service with DDDC)	2023/24	61,936	0	0	0	12,474	74,410	51,685	22,725
	2024/25	71,041	0	0	0	14,288	85,329	56,061	29,268

The number of exit packages with the total cost per band and total cost of the compulsory and other redundancies are set out in the table below:

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	
	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25 £	2023/24 £
£0 - £20,000	0	0	5	5	5	5	18,418	20,744
£20,001 - £40,000	0	0	1	0	1	0	20,464	0
£40,001 - £60,000	0	0	0	0	0	0	0	0
£60,001 - £80,000	0	0	0	0	0	0	0	0
£80,001 - £100,000	0	0	0	0	0	0	0	0
£100,001 - £150,000	0	0	0	0	0	0	0	0
<b>Termination Benefit Cost</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>5</b>	<b>6</b>	<b>5</b>	<b>38,882</b>	<b>20,744</b>

The total cost of £38,882 (£20,744 23/24) in the table above is for exit packages that have been agreed, accrued for and charged to the Council's Comprehensive Income and Expenditure Statement in the current year.

**31 External Audit Costs**

The Council has incurred the following costs in relation to the audit of the Statement of Accounts, certification of grant claims and statutory inspections and to non-audit services provided by the Council's external auditors:

	<b>2024/25 £000</b>	<b>2023/24 £000</b>
Fees payable to the Auditor with regard to external audit services carried out by the appointed auditor for the year	151	165
Fees payable to the Auditor for the certification of grant claims and returns for the year	6	6
Fees payable to the Auditor in respect of other services	10	13
<b>Total</b>	<b>167</b>	<b>184</b>

Of the £165k payable for external audit services in 2023/24, £19k was related to services provided in 2022/23.

The External Auditor of the Council has been Forvis Mazars LLP since 1/4/18.

**32 Grant Income**

The Council credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement in 2024/25:

	<b>2024/25 £000</b>	<b>2023/24 £000</b>
<b>Credited to Taxation and Non Specific Grant Income</b>		
New Burdens Grants	(46)	(83)
New Homes Bonus	(876)	(832)
Section 31 Grant	(2,575)	(2,427)
Revenue Support Grant	(1,571)	(1,473)
Better Care Fund not yet used	(753)	(878)
Homes England Capital Grant	(2,579)	(1,041)
UK Shared Prosperity Capital Funding	(6)	(6)
Levelling Up Capital Funding	(483)	(117)
Capital Grants and Contributions	(1,123)	(1,070)
<b>Total</b>	<b>(10,011)</b>	<b>(7,927)</b>

Grant Income note continued from previous page	2024/25 £000	2023/24 £000
<b>Credited to Services</b>		
New Burdens Grants	(9)	(56)
Homelessness Prevention Grant	(254)	(253)
Business Rates Cost of Collection Allowance	(94)	(95)
Housing Benefit Subsidy	(13,916)	(13,759)
Housing Benefit Admin Grant	(211)	(210)
Discretionary Housing Payments Grant	(93)	(93)
Disabled Facilities Grants	(654)	(355)
Other Government Grants	(1,756)	(724)
Other Non-Government grants and contributions	(233)	(395)
<b>Total</b>	<b>(17,219)</b>	<b>(15,940)</b>

The Council has received a number of grants, contributions and donations that have yet to be recognised as income as they have conditions attached to them that may require the monies or property to be returned to the giver. The balances at the year-end are as follows:

	2024/25 £000	2023/24 £000
<b>Revenue grant receipts in advance</b>		
S106 Contributions	(2,041)	(1,703)
Other Government Grants	(444)	(187)
Covid-19 Control Outbreak Management (COMF) Grant	(8)	(14)
Asylum Dispersal Grant	(490)	0
DEFRA - weekly food collection transitional grant	(193)	0
New Burdens Grants	(243)	(237)
Air Quality Grant	(375)	(375)
Levelling Up Capacity Funding	(69)	(54)
UK Shared Prosperity Revenue Funding	(14)	(123)
<b>Total</b>	<b>(3,877)</b>	<b>(2,693)</b>

### **33 Related Parties**

The Council is required to disclose material transactions with related parties - bodies or individuals that have the potential to control or influence the Council. Disclosure of these transactions allows readers to assess the extent to which the Council might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Council.

#### **Central Government**

Central government has significant influence over the general operations of the Council. It is responsible for providing the statutory framework within which the Council operates and prescribes the terms of many of the transactions that the Council has with other parties (e.g. housing benefits). Grants received from government departments are set out in the previous note.

#### **Members**

Members of the Council have direct control over the Council's financial and operating policies. The total of members' allowances paid in 2024/25 is shown in a previous note. During 2024/25 payments for works and services to the value of £138,745 were made to organisations such as Parish Councils in which members had an interest. Amounts for works and services to the value of £925,800 were received from organisations in which members had an interest.

Council Members make disclosures of relevant interests to the Council's Director - Governance & Monitoring Officer, which are formally recorded on a publicly available Register of Interests and also make declarations on individual committee decisions. The Council also nominates Members to sit on outside bodies. A number of Council Members are also Members of local parish councils, or various local voluntary organisations, which the Council supports financially. Where necessary, Members declared such interests when relevant to their duties and thus no further disclosure is considered necessary.

#### **Officers**

In addition to the Register of Interest, Senior Officers were required to complete a Declaration of Related Party Transactions Pro-forma for the year 2024/25. During 2024/25 payments for works and services to the value of £4,535 were made to organisations in which senior officers had an interest. Amounts for works and services to the value of £10,337 were received from organisations in which Senior Officers had an interest.

Other significant transactions with related parties are as follows:-

	<b>Receipts £000</b>	<b>Payments £000</b>
Barlborough Parish Council	(22)	
Blackwell Parish Council	(138)	
Citizens Advice Bureau		42
Clowne Parish Council	(11)	
Derbyshire County Council	(2,140)	1,190
Dragonfly Development Limited		7,630
Dragonfly Management (Bolsover) Limited	(6,551)	21,710
Elmton with Creswell Parish Council	(254)	
Glapwell Parish Council	(29)	
Junction Arts		49
Langwith Parish Council	(10)	
Old Bolsover Town Council	(22)	13
Pinxton Parish Council	(161)	
Pleasley Parish Council	(17)	
Salvation Army	(11)	
Shirebrook Town Council	(17)	10
South Normanton Parish Council	(28)	
Tibshelf Parish Council	(171)	
Whitwell Parish Council	(14)	
<b>Total</b>	<b>(9,596)</b>	<b>30,644</b>

**34 Capital Expenditure and Capital Financing**

The total amount of capital expenditure incurred in the year is shown in the table below (including the value of assets acquired under finance leases), together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue, as assets are used by the Council, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Council that has yet to be financed. The CFR is analysed in the second part of this note.

	<b>2024/25 £000</b>	<b>2023/24 £000</b>
<b>Opening Capital Financing Requirement</b>	123,980	117,204
<u>Capital Investment:</u>		
Property, Plant and Equipment	19,457	19,017
Investment Properties	159	371
Intangible Assets	101	37
Revenue Expenditure Financed from Capital Under Statute	1,412	543
Financial Asset	533	105
<u>Sources of Finance:</u>		
Capital Receipts	(2,540)	(762)
Capital Receipts - Loan Repayment	(326)	0
Government Grants and Other Contributions	(5,160)	(2,134)
Major Repairs Allowance	(5,371)	(5,567)
Sums Set Aside from Revenue:		
- Direct Revenue Contributions	0	0
- Reserve Contributions	(2,006)	(4,470)
- Minimum Revenue Provision	(278)	(364)
<b>Closing Capital Financing Requirement</b>	<b>129,961</b>	<b>123,980</b>
<u>Explanation of Movements in Year</u>		
Increase in Underlying Need to Borrow	(6,259)	(7,141)
Minimum Revenue Provision	278	364
<b>(Increase)/Decrease in Capital Financing Requirement</b>	<b>(5,981)</b>	<b>(6,776)</b>

### 35 Leases

The Council adopted IFRS16 from the 1st of April 2024, to recognise all right of use assets. Under this reporting standard most leases where an Authority acts as a lessee will come onto the balance sheet. Lessor accounting is effectively unchanged. The Code specifies that this is not to be applied retrospectively, resulting in assets held prior to the 1st of April 2024, coming onto the balance sheet in 2024/25.

#### Authority as Lessee

The main impact for the Council is that a number of property leases which are for peppercorn rents, have now been brought onto the balance sheet. These have been valued by the Council's Valuer.

As permitted by the Code, the Council excludes exempt leases that are:

Low value items that cost less than £10,000 when new, or

Short-term, meaning a term of 12 months or shorter (or ending within 12 months of IFRS16 implementation date).

The Council's right of use assets are summarised as follows:

	2024/25 £'000	2023/24 £'000
<b>Balance brought forward 1 April</b>	0	0
Addition of right of use assets - IFRS16	600	0
Revaluations	4	0
Depreciation	(21)	0
Disposals	0	0
<b>Balance as at 31 March</b>	<b>583</b>	<b>0</b>

#### Authority as Lessor

##### **Operating Leases**

With regard to the Council's activity as a lessor, the rental income from leases relating to retail, commercial and industrial units amounted to £1,006,940 in 2024/25 (£945,382 in 2023/24).

The Council leases out a number of properties for commercial purposes. The minimum lease payments receivable under non cancellable leases in future years are:

	31 March 2025 £000	31 March 2024 £000
Not later than one year	(131)	(171)
Later than one year and not later than five years	(780)	(753)
Later than five years	(137)	(139)
<b>Total</b>	<b>(1,048)</b>	<b>(1,063)</b>



### **36 Impairment Losses**

Impairment losses and impairment reversals charged to the Surplus or Deficit on the Provision of Services and to Other Comprehensive Income and Expenditure are included in the Property, Plant and Equipment Note 11.

Details of impairment charged to the HRA for 2024/25 are in note 46.

### **37 Termination Benefits**

The Council terminated the contracts of a number of employees in 2024/25, incurring liabilities of £38,882 (£20,744 in 2023/24) - see note 30 for the number of exit packages and total cost per band.

### **38 Defined Benefit Pension Scheme**

#### **Participation in pension scheme**

As part of the terms and conditions of employment of its officers and other employees, the Council makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, the Council has a commitment to make the payments (for those benefits) and to disclose them at the time that employees earn their future entitlement.

The Council participates in the Local Government Pension Scheme (LGPS), administered by Derbyshire County Council – this is a funded defined benefit final salary 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.

The principal risks to the Council of the scheme are the longevity assumptions, statutory changes to the scheme, structural changes to the scheme (i.e. large-scale withdrawals from the scheme), changes to inflation, bond yields and the performance of the equity investments held by the scheme. These are mitigated to a certain extent by the statutory requirements to charge General Fund and Housing Revenue Account the amounts required by statute as described in the accounting policies note.

#### **Transactions relating to post-employment benefits**

The cost of retirement benefits is recognised in the reported cost of services 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 council tax is based on the cash payable in the year, so the real cost of post-employment benefits is reversed out of the General Fund and Housing Revenue Account via the Movement in Reserves Statement.

Dragonfly Management (Bolsover) Ltd, began providing services to the Council on 1st of April 2023. A number of staff (approximately 100) were transferred from the Council to the company at this date. The LGPS scheme figures that follow are for the staff that remain within Bolsover District Council only. Included in the service cost figures for 2023/24 is the effect of transferring the staff out of the Council as settlements.

The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the Movement in Reserves Statement during the year:

<b>Local Government Pension Scheme</b>	<b>2024/25 £000</b>	<b>2023/24 £000</b>
<b>Service Cost comprising:</b>		
Current service cost	2,082	2,234
Administration cost	69	65
Effect of settlements	0	(3,366)
<b>Total service cost</b>	<b>2,151</b>	<b>(1,067)</b>
<b>Financing and Investment Income and Expenditure</b>		
Interest income on scheme assets	(5,467)	(4,936)
Interest cost on defined benefit obligation	4,933	4,824
Interest on the effect of the asset ceiling	770	0
<b>Total net interest</b>	<b>236</b>	<b>(112)</b>
<b>Total Post-employment benefit charged to the surplus or deficit on the provision of services</b>	<b>2,387</b>	<b>(1,179)</b>
<b>Remeasurement of the net defined benefit liability comprising:</b>		
Return on plan assets (excluding the amount included in net interest)	1,223	(4,719)
Actuarial gains and losses arising on changes in demographic assumptions	(179)	(662)
Actuarial gains and losses arising on changes in financial assumptions	(15,233)	(5,763)
Actuarial gains and losses arising on changes in other experience	(1,052)	3,154
Changes in the effect of the asset ceiling	(16,646)	0
Asset ceiling adjustment	31,630	15,876
<b>Total remeasurements recognised in other comprehensive income and expenditure</b>	<b>(257)</b>	<b>7,886</b>
<b>Total Post-employment benefits charged to the Comprehensive Income and Expenditure Statement</b>	<b>2,130</b>	<b>6,707</b>
<b>Movement in Reserves Statement</b>		
Reversal of net charges made to the Surplus or Deficit on the Provision of Services	(458)	(3,900)
<b>Actual amount charged against the General Fund Balance for pensions in the year:</b>		
Employers' contributions payable to scheme	<b>2,845</b>	<b>2,721</b>

**Pensions Assets and Liabilities Recognised in the Balance Sheet**

The amount included in the Balance Sheet arising from the Council's obligation in respect of its defined benefit plan is as follows:

<b>Local Government Pension Scheme</b>	<b>2024/25 £'000</b>	<b>2023/24 £'000</b>
Fair value of plan assets	116,604	113,238
Present value of the defined benefit obligation	(87,735)	(100,524)
Present value of unfunded obligation	(1,714)	(2,028)
Asset ceiling adjustment	(31,630)	(15,876)
<b>Net liability arising from defined benefit obligation</b>	<b>(4,475)</b>	<b>(5,190)</b>

**Asset Ceiling**

Following the pensions valuation by the Council's actuary, Hymans Robertson LLP, the Council determined that the fair value of its pension plan assets outweighed the present value of the plan obligations at 31 March 2025 resulting in a pension plan asset. IAS19 Employee Benefits requires that, where a pension plan asset exists, it is measured at the lower of the surplus in the defined benefit plan; and the asset ceiling.

The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The Council's actuary calculated the asset ceiling as the net present value of future service costs less net present value of future contributions.

The Council has therefore limited the pension asset recognised in its balance sheet to the asset ceiling.

<b>Asset ceiling</b>	<b>2024/25 £'000</b>	<b>2023/24 £'000</b>
Asset ceiling balance at 1 April	(15,876)	0
Interest on the effect of the asset ceiling	(770)	0
Changes on the effect of the asset ceiling	(14,984)	(15,876)
<b>Asset ceiling balance 31 March</b>	<b>(31,630)</b>	<b>(15,876)</b>

**Reconciliation of the Movements in the Fair Value of the Scheme Assets:**

<b>Local Government Pension Scheme</b>	<b>2024/25 £'000</b>	<b>2023/24 £'000</b>
Opening fair value of scheme assets	113,238	114,261
Assets extinguished on settlements	0	(10,017)
Interest income	5,467	4,936
<u>Remeasurement gain/(loss):</u>		
The return on plan assets, excluding the amount included in net interest	(1,223)	4,719
Contributions from employer into the scheme	2,845	2,721
Contributions from employees into the scheme	730	690
Benefits paid	(4,453)	(4,072)
<b>Closing fair value of scheme assets</b>	<b>116,604</b>	<b>113,238</b>

**Reconciliation of the Present Value of the Scheme Liabilities (Defined Benefit Obligation):**

<b>Local Government Pension Scheme</b>	<b>2024/25 £'000</b>	<b>2023/24 £'000</b>
Opening fair value of scheme liabilities	(102,552)	(115,465)
Current service cost	(2,151)	(2,299)
Liabilities extinguished on settlements	0	13,383
Interest cost	(4,933)	(4,824)
Contributions from scheme participants	(730)	(690)
<u>Remeasurement (gains) and losses:</u>		
Actuarial gains and losses arising on changes in demographic assumptions	179	662
Actuarial gains and losses arising on changes in financial assumptions	15,233	5,763
Actuarial gains and losses arising on changes in other experience	1,052	(3,154)
Benefits paid	4,453	4,072
<b>Closing fair value of scheme liabilities</b>	<b>(89,449)</b>	<b>(102,552)</b>

<b>Local Government Pension Scheme assets comprised:</b>	<b>Fair value of scheme assets</b>	
	<b>2024/25 £'000</b>	<b>2023/24 £'000</b>
Cash and cash equivalents	4,460	4,336
Equity instruments:		
Consumer	0	0
Manufacturing	0	0
Energy and utilities	0	0
Financial institutions	0	0
Health and care	0	0
Information technology	0	0
Other	2,315	3,062
Sub-total equity	2,315	3,062
Bonds:		
Corporate (Investment)	15,947	14,604
UK Government	12,559	10,048
Other	1,383	1,715
Sub-total bonds	29,889	26,367

Local Government Pension Scheme assets comprised continued:	Fair value of scheme assets	
	2024/25 £'000	2023/24 £'000
Property: UK	7,692	7,831
Private equity: All	6,032	5,709
Investment funds:		
Equities	53,718	54,548
Infrastructure	12,498	11,385
Sub-total other investment funds	66,216	65,933
Total assets	116,604	113,238

### Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary level etc. The County Council Fund liabilities have been assessed by Hymans Robertson LLP, an independent firm of actuaries, estimates for the County Council Fund being based on the latest full valuation of the scheme as at 31 March 2022.

The significant assumptions used by the actuary have been:

Local Government Pension Scheme	2024/25	2023/24
Mortality assumptions:		
Longevity at 65 for current pensioners:		
Men	20.8 years	20.8 years
Women	23.8 years	23.8 years
Longevity at 65 for future pensioners:		
Men	21.5 years	21.6 years
Women	25.3 years	25.3 years
Rate of inflation (CPI)	2.75%	2.75%
Rate of increase in salaries	3.75%	3.75%
Rate of increase in pensions	2.75%	2.75%
Rate for discounting scheme liabilities	5.80%	4.85%

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the previous table. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all the other assumptions remain constant. The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

<b>Impact on the Defined Benefit Obligation in the Scheme</b>	<b>Approximate increase to Employer Liability</b> %	<b>Approximate monetary amount</b> £'000
0.1% decrease in Real Discount Rate	2	1,526
1 year increase in member life expectancy	4	3,578
0.1% increase in the Salary Increase Rate	0	86
0.1% increase in the Pension Increase Rate	2	1,482

### **Impact on the Council's Cash Flows**

The objectives of the scheme are to keep employers' contributions at as constant a rate as possible. The County Council has agreed a strategy with the scheme's actuary to achieve a funding level of 100% over the next 17 years. Funding levels are monitored on an annual basis. The triennial valuation was completed on 31 March 2022.

The scheme has been required to take account of the national changes to the scheme under the Public Pensions Services Act 2013. Under the Act, the Local Government Pension Scheme in England and Wales and the other main existing public service schemes may not provide benefits in relation to service after 31 March 2014 (or service after 31 March 2015 for other main existing public service pension schemes in England and Wales). The Act provides for scheme regulations to be made within a common framework, to establish new career average revalued earnings schemes to pay pensions and other benefits to certain public servants.

The Council anticipates to pay £2.654m in expected contributions to the scheme in 2025/26.

The weighted average duration of the defined benefit obligation for scheme members is 17.9 years, 24/25 (17.9 years 2023/24).

**39 Contingent Liabilities/Assets**

There are no contingent liabilities or assets.

**40 Interests in Other Entities**

The Council has 100% interest in Dragonfly Development Ltd, through the issue of a single £1 investment share. The balance sheet includes inter-company balances of £0.802m, owed by the Council to Dragonfly Management (Bolsover) Ltd.

Further details of the Council's relationship with the Dragonfly Companies can be found in the Group Accounts section towards the back of this document.

The amounts recognised on the balance sheet as long term investments are:

	<b>Share Purchase £</b>	<b>Commercial Loan</b>	
		<b>Principal    £</b>	<b>Interest £</b>
<b>Balance at 1 April 2024</b>	40,800	1,018,485	180,348
Movement in impairment allowance	(40,800)	0	0
Advances repaid in year	0	(1,018,485)	0
Interest paid to BDC in year	0	0	(95,841)
Other movements in year	0	0	(84,507)
<b>Balance at 31 March 2025</b>	0	0	0

Shares in Dragonfly Development Ltd are not publicly traded and so a market price is not readily available. The Council engaged Arlingclose to calculate the fair value of the equity investment in the wholly owned companies at 31st of March 2005.

As with any company its value can be estimated from projecting the future cash flows of the company as this is ultimately what a purchaser of the company would be looking to obtain. Using the original business plan, Arlingclose has calculated the fair value of the companies as zero. Although the underlying value of the companies has increased, the fall is due to the increase in the fair value of the debt on the company's balance sheet at 31st March 2024.

#### **41 Shared Services/Joint Operations**

During 2024/25 the Council had partnership agreements with North East Derbyshire District Council (NEDDC), Chesterfield Borough Council (CBC) and Derbyshire Dales District Council (DDDC) in the following areas:

- Internal Audit
- ICT Service
- Environmental Health Service
- The Joint Procurement Unit
- Information, Engagement and Performance Team
- Chesterfield and District Joint Crematorium

The Internal Audit Consortium is hosted by CBC and also includes BDC and NEDDC . The accounts reflect the payments made to CBC towards the costs of operation.

NEDDC hosts the joint ICT service which covers BDC and DDDC for the provision of the Council's IT. The accounts reflect payments to NEDDC for the Council's costs of the service provided.

NEDDC also hosts the joint Environmental Health Service. The accounts reflect payments to NEDDC for the Council's costs of the service provided.

The Joint Procurement Unit was hosted by BDC and recharged 50% to NEDDC. On an ad-hoc basis the unit also carried out work for parish councils. The accounts reflect the expenditure and income of the unit. This arrangement ended on the 31st of December 2024.

The staff of the Information, Engagement and Performance Team, were employed by either BDC or NEDDC. Invoices were raised between the two Councils to ensure each Council had a share of the costs included in its accounts. This arrangement ended on the 31st of March 2025.

There are no assets or liabilities for the above joint operations to be included in the accounts.

The Chesterfield and District Joint Crematorium Committee is a Jointly Controlled Operation between the Council, NEDDC and CBC. The function of the Chesterfield and District Joint Crematorium Committee is to discharge the crematorium functions of each of the constituent Councils. Each Council's share of member representation, financial surplus and deficit is based on the number of cremations of deceased inhabitants of each constituent Council's area. The accounts reflect payments from CBC for the Council's share of the financial surplus.

There are no assets or liabilities for the Chesterfield and District Joint Crematorium Committee included in the accounts on the grounds of materiality.



**HRA INCOME AND EXPENDITURE STATEMENT**

<b>2023/24 £000</b>		<b>NOTE</b>	<b>2024/25 £000</b>	<b>2024/25 £000</b>
	<b>Expenditure</b>			
6,291	Repairs and maintenance		6,128	
6,830	Supervision and management		8,169	
280	Rent, rates, taxes and other charges		437	
12,903	Depreciation and impairment of non-current assets		8,034	
9	Debt management costs		10	
1,659	Special Services		1,538	
<b>27,972</b>	<b>Total Expenditure</b>			<b>24,316</b>
	<b>Income</b>			
(22,852)	Dwelling rents		(25,027)	
(81)	Non-dwelling rents		(91)	
(447)	Charges for services and facilities		(457)	
(467)	Contributions towards expenditure		(404)	
<b>(23,847)</b>	<b>Total Income</b>			<b>(25,979)</b>
	<b>Net Expenditure or Income of HRA Services as included in the whole authority Comprehensive Income and Expenditure Statement</b>			
4,125				(1,663)
1,069	HRA share of Corporate and Democratic Core			903
<b>5,194</b>	<b>Net Expenditure or (Income) for HRA Services</b>			<b>(760)</b>
	<b>HRA share of the operating income and expenditure included in the whole authority Comprehensive Income and Expenditure Statement</b>			
1,412	(Gain) or loss on sale of HRA non-current assets			2,715
4,598	Interest payable and similar charges			4,698
(764)	HRA Interest and investment income			(579)
(47)	Net interest on the net defined benefit liability (asset)	<u>50</u>		(217)
<b>10,392</b>	<b>(Surplus) or deficit for the year on HRA Services</b>			<b>5,857</b>

**Movement on the HRA Statement**

	<b>2024/25</b> <b>£000</b>	<b>2023/24</b> <b>£000</b>
<b>HRA Balance at the end of the previous year</b>	<b>(1,644)</b>	<b>(2,039)</b>
(Surplus) or deficit for the year on the HRA Income and Expenditure Statement	5,857	10,392
Adjustments between accounting basis and funding basis under statute (including reserve movement)	(5,659)	(7,126)
Net (increase) or decrease in year on the HRA and HRA reserves	198	3,266
Transfers to or (from) earmarked reserves	(560)	(2,871)
(Increase) or decrease in year on the HRA balance	(362)	395
<b>HRA Balance at the end of the current year</b>	<b>(2,006)</b>	<b>(1,644)</b>

**Notes to the Housing Revenue Account****42 Housing Stock**

The number and types of dwelling in the Council's housing stock are as follows:

	31 March 2025	31 March 2024
Houses	2,132	2,155
Bungalows	1,924	1,968
Flats	697	697
Sheltered	189	191
<b>Total</b>	<b>4,942</b>	<b>5,011</b>

In 2024/25, 31 properties were sold under the 'Right to Buy' provisions (18 in 2023/24), none were sold outside the 'Right to Buy' provisions (0 in 2023/24) and 49 properties were demolished (20 in 2023/24). In 2024/25, 5 bungalows, 2 flats and 8 houses were completed (35 bungalows, 2 flats and 6 houses in 2023/24). In 2024/25, 4 properties were removed from stock due to change of use (0 in 2023/24).

**43 Valuation of Assets**

The total balance sheet valuations of land, houses and other property within the HRA are as follows:

	31 March 2025 £'000	31 March 2024 £'000
Council Dwellings	269,519	271,593
Council Dwellings (Garages)	1,681	1,590
Other Property	0	0
Other Equipment	764	760
Other Vehicles	1,653	1,133
Non Operational Land (Surplus Assets Not Held for Sale)	843	845
Assets Under Construction	6,362	2,190
<b>Total</b>	<b>280,822</b>	<b>278,111</b>

The vacant possession value of the dwellings within the HRA (valued in accordance with Guidance) as at 31 March 2025 was £645,715,023 (£650,434,929 in 2023/24). The difference between the vacant possession value and the balance sheet value of dwellings within the HRA show the economic cost of providing council housing at less than market rents. The social housing regional adjustment factor for East Midlands is 42% which takes into account the reduction in value arising from sitting tenants rights.

**44 Depreciation**

Council Houses have been depreciated on a straight line method (excluding the land value of the property). Other housing property has been depreciated using the straight line method based upon the independent valuation of the asset and the finite useful life. The total charges within the HRA are as follows:

Operational Assets	2024/25 £'000	2023/24 £'000
Houses	5,566	5,409
Other Property (Garages)	37	36
Other Equipment	88	230
<b>Total</b>	<b>5,691</b>	<b>5,675</b>

**45 Major Repairs Reserve**

This reserve is credited with the depreciation charged to the Housing Revenue Account as well as additional voluntary contributions from the Housing Revenue Account.

The reserve is only available for funding major repairs to the housing stock or the repayment of Housing Revenue Account debt. Any unspent sums are carried forward for use in future years.

	<b>2024/25 £'000</b>	<b>2023/24 £'000</b>
<b>Balance brought forward 1 April</b>	(1,542)	(1,434)
Transferred to Reserve in year	(5,691)	(5,675)
Amounts used to finance Capital Expenditure on land, houses and other HRA property	5,371	5,567
<b>Balance as at 31 March</b>	<b>(1,862)</b>	<b>(1,542)</b>

**46 Impairment** (Including the reversal of previous years' revaluation decreases)

The position of the HRA properties reviewed for impairment at 31/3/25 is:

	<b>2024/25 £'000</b>	<b>2023/24 £'000</b>
Dwellings (including land)	(565)	(1,210)
Other land and buildings	3	(22)
<b>Revaluation (Increase) / Decrease</b>	<b>(562)</b>	<b>(1,232)</b>

In relation to Council Dwellings the overall total of £564,758 consists of both gains and losses. Where there had been a general increase in the value of the assets, this resulted in a gain of £9,424,819. Where there had been a general decrease in the value of assets, or the Council incurred spend on assets for which the value of that expenditure did not lead to a pound for pound increase in that asset, this resulted in a loss of £8,660,061.

For Other Dwellings and Land where there had been a general increase in the value of the assets, this resulted in a gain of £16,000, and a loss of £18,500 where there had been a general decrease in the value of the asset.

Impairment and revaluation losses on HRA assets are charged directly to services within the Net Cost of Service on the HRA, where there is no balance or an insufficient balance of accumulated gains on the Revaluation Reserve for the relevant assets.

The movement on the Revaluation Reserve was an increase of £8,921,139 for upward valuations and a decrease of £6,016,588 for downward valuations.

There have been no extraordinary events that have led to the impairment of these assets.

**47 Capital Expenditure and Financing**

	<b>2024/25</b> <b>£'000</b>	<b>2023/24</b> <b>£'000</b>
Expenditure on HRA land, houses and other property	<b>13,441</b>	<b>14,004</b>
Financed by:		
Major Repairs Reserve	5,371	5,567
Borrowing	2,858	4,106
Grants and Contributions	3,143	1,142
Usable Capital Receipts	2,058	722
Revenue and Reserves Contributions	11	2,467
<b>Total</b>	<b>13,441</b>	<b>14,004</b>

**48 Capital Receipts**

	<b>2024/25</b> <b>£'000</b>	<b>2023/24</b> <b>£'000</b>
Council House Sales	2,089	1,276
Land Sales	486	322
<b>Total</b>	<b>2,575</b>	<b>1,598</b>

**49 Rent Income**

At 31 March 2025 approximately 2.57% of lettable properties were empty (31 March 2024, 3.36%).

The rent arrears as a proportion of gross rent income and excluding refunds are £1,669,873 (6.67%) compared with £1,736,048 (7.35%) in 2023/24.

An allowance for impairment of £1,322,045 has been made in the accounts for potentially uncollectable rent arrears (2023/24 £1,312,962).

In accordance with accounting policy c) accruals of income and expenditure, a receipt in advance has been recorded for the 6 days included in the rent debit raised on Monday the 31st of March 2025, that relate to April 2025. An amount of £409,436 has been moved into 2025/26.

**50 Pension Reserve**

The amount charged to the HRA for providing pensions is the amount payable for the year in line with statutory requirement governing the pension scheme of £217,402. This is the difference between the interest income on plan assets £2,225,720 credit (£2,065,120 credit 23/24) and the interest cost on defined obligations £2,008,318 debit (£2,018,262 debit 23/24) apportioned by the HRA share of total basic salaries.

**51 Revenue Expenditure Funded from Capital Under Statute**

During 2024/25, there was no expenditure to be included in the Council's Net Cost of Service on the Housing Revenue Account (zero 23/24).

## THE COLLECTION FUND ACCOUNTING STATEMENT

2023/24 NNDR £000	2023/24 Council Tax £000		2024/25 NNDR £000	2024/25 Council Tax £000	2024/25 Total £000	Note
		<b><u>INCOME</u></b>				
	(51,148)	Council Tax Payers		(54,667)	(54,667)	<u>53</u>
(30,709)		Income from Business Ratepayers	(35,770)		(35,770)	<u>52</u>
(1,772)		Transitional Protection Payment Receivable	(475)		(475)	
		<u>Contribution towards Previous Year's Collection Fund Deficit:</u>				
(1,717)		Central Government	(443)		(443)	
(1,374)	0	Bolsover District Council	(354)	0	(354)	
(309)	0	Derbyshire County Council	(80)	0	(80)	
(34)	0	Derbyshire Fire Authority	(9)	0	(9)	
<b>(35,915)</b>	<b>(51,148)</b>		<b>(37,131)</b>	<b>(54,667)</b>	<b>(91,798)</b>	
		<b><u>EXPENDITURE</u></b>				
		<u>Apportionment of Previous Year's Collection Fund Surplus:</u>				
0	30	Bolsover District Council	0	12	12	
0	117	Derbyshire County Council	0	48	48	
0	6	Derbyshire Fire Authority	0	3	3	
	23	Derbyshire Police Authority		9	9	
		<u>Precepts:</u>				
	8,480	Bolsover District Council		9,275	9,275	
	33,847	Derbyshire County Council		35,881	35,881	
	1,966	Derbyshire Fire Authority		2,044	2,044	
	6,105	Derbyshire Police Authority		6,465	6,465	
		<u>Business Rates:</u>				
15,915		Central Government	16,720		16,720	
12,732		Bolsover District Council	13,376		13,376	
2,865		Derbyshire County Council	3,010		3,010	
318		Derbyshire Fire Authority	334		334	
95		Cost of Collection	94		94	
		<u>Charges to the Collection Fund:</u>				
55	112	Write-offs of uncollectable amounts	153	283	436	
214	519	Impairment of Debts	364	302	666	
(2,160)		Impairment of Appeals	0		0	
63		Reconciliation Adjustments for disregarded amounts	75		75	
0		Transitional Protection Payments	0		0	
<b>30,097</b>	<b>51,205</b>		<b>34,126</b>	<b>54,322</b>	<b>88,448</b>	
(5,818)	57	<b>(Surplus) / Deficit for the year</b>	(3,005)	(345)	(3,350)	
		<b><u>COLLECTION FUND BALANCE</u></b>				<u>54</u>
2,495	(175)	Balance brought forward at 1 April	(3,323)	(118)	(3,441)	
(5,818)	57	(Surplus)/ Deficit arising during the year	(3,005)	(345)	(3,350)	
<b>(3,323)</b>	<b>(118)</b>	<b>(Surplus)/ Deficit c/fwd 31st March</b>	<b>(6,328)</b>	<b>(463)</b>	<b>(6,791)</b>	

## **52 Income from Business Ratepayers**

The Council collects business rates for its area based on local rateable values provided by the Valuation Office Agency (VOA) multiplied by a uniform business rate set nationally by Central Government.

In 2013/14, the administration of business rates changed following the introduction of the business rates retention scheme which aims to give Councils a greater incentive to grow businesses but also increases the financial risk due to volatility and collection rates. Instead of paying business rates to the central pool, local authorities retain a proportion of the total collectable rates due. In the case of Bolsover the local share is 40%. The remainder is distributed to preceptors, Central Government (50%), Derbyshire County Council (9%) and Derbyshire Fire Authority (1%).

During 2024/25 Bolsover was a member of the Derbyshire Business Rates pool. This consists of 8 Derbyshire district or borough Councils; Derbyshire County; Derby City and Derbyshire Fire Authority. Instead of each district or borough Council paying a proportion of their growth above the baseline over to Government, it is kept within the pool and distributed amongst all the members on an agreed basis.

The business rates shares payable for 2024/25 were estimated before the start of the financial year as £13.376m to Bolsover District Council, £16.720m to Central Government, £3.010m to Derbyshire County Council and £0.334m to Derbyshire Fire Authority. These sums have been paid in 2024/25 and charged to the collection fund in year.

When the Business Rates scheme was introduced, Central Government set a baseline level for each authority identifying the expected level of retained business rates and a top up or tariff amount to ensure that all authorities receive their baseline amount. Tariffs due from authorities payable to Central Government are used to finance the top ups to those authorities who do not achieve their targeted baseline funding. Bolsover paid a tariff from the General Fund in 2024/25 to the value of £7.083m.

The total non-domestic rateable value at 31st March 2025 was £77,049,038 (£73,833,600 for 2023/24). The general national non-domestic multiplier for the year was 54.6p (51.2p in 2023/24). The small business non-domestic multiplier for the year was 49.9p (49.9p in 2023/24).

The total income collected from business rate payers in 2024/25 was £35.7m (£30.7m in 2023/24).

## 53 Council Tax

Council Tax derives from charges raised according to the value of residential properties which have been classified into 9 valuation bands (A-H) for this specific purpose. Individual charges are calculated by estimating the amount of income required to be taken from the Collection Fund by the Council for the forthcoming year and dividing this by the Council Tax base (i.e. the equivalent numbers of Band D dwellings).

The increase in the tax base between financial years is as a result of a combination of new builds and a reduction in the level of Council Tax discounts and exemptions. The tax base for 2024/25 is as follows:

Band	Estimated No. of Taxable Properties after effects of Discounts Exemptions + Other Adjustments		Ratio	2024/25	2023/24
				Band D Equivalent Dwellings	Band D Equivalent Dwellings
-A	27.91	5 / 9		15.50	14.90
A	15,505.90	6 / 9		10,337.27	10,275.57
B	5,642.60	7 / 9		4,388.69	4,394.42
C	4,237.65	8 / 9		3,766.80	3,669.18
D	2,658.85	9 / 9		2,658.85	2,593.14
E	1,015.04	11 / 9		1,240.61	1,253.22
F	321.43	13 / 9		464.29	459.15
G	141.71	15 / 9		236.19	228.41
H	7.37	18 / 9		14.73	12.77
Council Taxbase prior to adjustment for Collection Rate				<b>23,122.93</b>	<b>22,900.78</b>



## 54 Allocation of Collection Fund Surpluses and Deficits

Collection Fund surpluses declared by the billing authority in relation to Council Tax are apportioned to the relevant precepting bodies based on precept amounts, in the subsequent financial year. Deficits are proportionately charged to the relevant precepting bodies in the following year. For Bolsover, the Council Tax precepting bodies are Derbyshire County Council, Derbyshire Police Authority and the Derbyshire Fire Authority.

Similarly, NNDR surpluses declared by the billing authority in relation to the Collection Fund are apportioned to the relevant precepting bodies in the subsequent financial year in their respective proportions, as detailed in note 52. Deficits are proportionately charged to the relevant precepting bodies in the following year.

As a result of the Covid-19 pandemic, there was likely to be a larger than normal deficit on both Collection Funds in 2020/21. The Government introduced legislation during 2020/21 to implement that *'the repayment of Collection Fund deficits arising in 2020/21, will be spread over the next 3 years rather than the usual period of a year'*. 2023/24 is the final year deficits arising in 2020/21 have been repaid under this arrangement.

The following table shows the cumulative deficit/(surplus) on the Council Tax and Business Rates Collection Fund at 31/3/25 and the years over which the deficits will be collected.

2023/24 NNDR £000	2023/24 Council Tax £000		2024/25 NNDR £000	2024/25 Council Tax £000	2024/25 Total £000
(1,329)	(20)	Bolsover District Council	(2,531)	(80)	(2,611)
(299)	(79)	Derbyshire County Council	(570)	(309)	(879)
	(14)	Derbyshire Police Authority		(56)	(56)
(33)	(5)	Derbyshire Fire Authority	(63)	(18)	(81)
(1,662)	0	Central Government	(3,164)	0	(3,164)
(3,323)	(118)	(Surplus)/Deficit	(6,328)	(463)	(6,791)
To be collected/(allocated) during 2025/26			(6,136)	(428)	(6,564)
To be collected/(allocated) during 2026/27			(192)	(35)	(227)
Total (Surplus)/Deficit			(6,328)	(463)	(6,791)

**55 Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors**

Prior period adjustments have been made to the Council's 2023/24 published Financial Statements in relation to the following:

**Group Accounts - inclusion of IAS19 entries for the Dragonfly companies**

There is no impact on the Council's Single Entity Financial Statements.

Bolsover District Council did not have the audited transactions for the defined benefit pension scheme of the Dragonfly companies, to be able to include the information fully in the Group Accounts Financial Statements for 2023/24.

During 2024/25, the figures in the Council's Group Accounts have been fully restated for 2023/24 to include the IAS19 entries for the Dragonfly Companies. This includes the Group MIRS; Group Comprehensive Income and Expenditure Statement and Group Cashflow. The Group Balance Sheet at 31/3/24 in the published financial statements included the pension scheme closing balances, so it has not been necessary to restate it.

To include the movement on the pension scheme of the Dragonfly companies, the following lines in the Group Comprehensive Income and Expenditure Statement have been restated for 2023/24.

**Effect on line items in the Group Comprehensive Income and Expenditure Statement 2023/24**

	<b>2023/24 As originally stated £000's</b>	<b>2023/24 As restated £000's</b>	<b>Restatement £000's</b>
Dragonfly Group service line	10,024	10,071	47
Cost of all Services	14,094	14,141	47
Pensions interest cost and expected return on pensions assets	(112)	49	161
(Surplus) or Deficit on Provision of Services	(2,400)	(2,192)	208
(Surplus) or Deficit of the Group	(2,400)	(2,192)	208
Remeasurement of net defined benefit/liability	9,972	6,399	(3,573)
Other Comprehensive Income and Expenditure	(2,397)	(5,970)	(3,573)
Total Comprehensive Income and Expenditure	(4,798)	(8,163)	(3,365)

The CIPFA Code of Practice on Local Authority Accounting in the United Kingdom requires that an authority present a Balance Sheet at the beginning of the preceding period when an authority makes a retrospective restatement. The value of the pension scheme for the group was included in the 2023/24 closing balance but not the opening balance from 2022/23. The following table demonstrates the effects on the following line items in the Balance Sheet for the financial year 2022/23, as the opening balances for 2023/24.

Effect on line items in the Group Balance sheet 31 March 2023

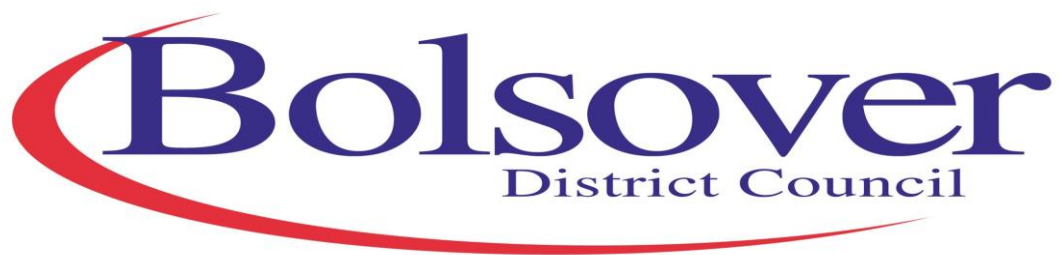
	<b>2022/23 As originally stated £000's</b>	<b>2022/23 As restated £000's</b>	<b>Restatement £000's</b>
Pensions liability	(1,204)	(4,569)	(3,365)
Long Term Liabilities	(92,470)	(95,835)	(3,365)
Net Assets	233,555	230,190	(3,365)
Pensions Reserve	1,204	4,569	3,365
Unusable Reserves	(184,885)	(181,520)	3,365
Total Reserves	(233,555)	(230,190)	3,365

The following restatement was also required for the Movement in Reserves Statement. The restated (for relevant line items) prior period Movement in Reserves Statement is provided.

Movement in Reserves Statement

	<b>2023/24 As originally stated £000's</b>	<b>2023/24 As restated £000's</b>	<b>Restatement £000's</b>
Balance at 31 March 2022	(164,383)	(161,018)	3,365
Balance at 31 March 2023	(233,553)	(230,188)	3,365
Total Comprehensive Income and Expenditure	(6,884)	(8,163)	(1,279)
Adjustment between accounting basis and funding basis under regulations	2,086	0	(2,086)
(Increase) / decrease in 2023-24	(4,798)	(8,163)	(3,365)
Balance at 31 March 2024	(238,351)	(238,351)	0

All of the above restated figures for 2023/24 are now included in the Council's Group Financial Statements 2024/25 as comparatives where necessary.



# Group Accounts 2024/25

## **Bolsover District Council Group Accounts**

### **The Background**

During 2016/17 the Council entered into a joint venture with Woodhead Regeneration Ltd. Dragonfly Development Limited was created to deliver residential and commercial developments on Council and privately owned land. Each partner had equal controlling interests with two Directors on the Board and both parties purchased 50% of the shares in the company for £50,000 each.

Following a review of the Council's joint venture with Woodhead Regeneration Ltd during 2022/23, it was decided to change Dragonfly Development Limited to a wholly owned company. From 1 October 2022, Dragonfly Development Limited ceased to be a joint venture and became a company wholly owned by Bolsover District Council.

Dragonfly Development Ltd is a development company limited by shares. Dragonfly Management (Bolsover) Ltd is a wholly owned subsidiary of Dragonfly Development Ltd as a company limited by shares. This company was created to provide services to the Council. Dragonfly Management (Bolsover) Ltd, began providing services to the Council on 1st of April 2023.

Group Accounts were produced by Bolsover District Council for the first time in 2023/24. However, the backstop date of the 28th of February, meant not receiving the Audited Dragonfly Accounts until February 2025 was too late. This led the Council's external auditor Forvis Mazars, to give a disclaimed opinion on the Council's financial statements for 2023/24 which included the group accounts.

The Group Accounts contain core financial statements similar to those included in the Council's single entity statements but which represent the consolidated position of the group. Notes to the Group Accounts have been included where the relevant values and/or the impact on the group statements are material.

The Group Accounts contain:

Group Movement in Reserves Statement

Group Comprehensive Income and Expenditure Statement

Group Balance Sheet

Group Cash Flow Statement

Notes to the Group Accounts:

- 1 Dragonfly Development Limited and Dragonfly Management (Bolsover) Limited
- 2 Accounting Policies
- 3 Retained Surplus/Deficit
- 4 Defined Benefit Pension Scheme
- 5 Related Party Transactions
- 6 Inter-organisation Balances
- 7 The Dragonfly Group's Auditors

**GROUP MOVEMENT IN RESERVES STATEMENT**

	<b>Bolsover District Council Useable Reserves £000</b>	<b>Bolsover District Council Unusable Reserves £000</b>	<b>Bolsover District Council Total Reserves £000</b>	<b>Council Share of Dragonfly Group Useable Reserves £000</b>	<b>Council Share of Dragonfly Group Unusable Reserves £000</b>	<b>Total Group Reserves £000</b>
<b>Restated Balance at 31 March 2023</b>	<b>(49,225)</b>	<b>(184,784)</b>	<b>(234,009)</b>	<b>456</b>	<b>3,365</b>	<b>(230,188)</b>
<b><u>Movement in reserves during 2023/24</u></b>						
Total Comprehensive Income and Expenditure	(2,144)	(4,483)	(6,627)	(49)	(1,487)	<b>(8,163)</b>
Adjustments between accounting basis and funding basis under regulations	1,678	(1,678)	0	0	0	<b>0</b>
<b>(Increase) / Decrease in 2023-24</b>	<b>(466)</b>	<b>(6,161)</b>	<b>(6,627)</b>	<b>(49)</b>	<b>(1,487)</b>	<b>(8,163)</b>
<b>Restated Balance at 31 March 2024</b>	<b>(49,691)</b>	<b>(190,945)</b>	<b>(240,636)</b>	<b>407</b>	<b>1,878</b>	<b>(238,351)</b>
<b><u>Movement in reserves during 2024/25</u></b>						
Total Comprehensive Income and Expenditure	(4,660)	(4,655)	(9,315)	(1,853)	(1,929)	<b>(13,097)</b>
Adjustments between accounting basis and funding basis under regulations	982	(982)	0	(51)	51	<b>0</b>
<b>(Increase) / Decrease in 2024-25</b>	<b>(3,678)</b>	<b>(5,637)</b>	<b>(9,315)</b>	<b>(1,904)</b>	<b>(1,878)</b>	<b>(13,097)</b>
<b>Balance at 31 March 2025</b>	<b>(53,369)</b>	<b>(196,582)</b>	<b>(249,951)</b>	<b>(1,497)</b>	<b>0</b>	<b>(251,448)</b>

## GROUP COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

2023/24 Restated Gross Expenditure £000	2023/24 Restated Gross Income £000	2023/24 Restated Net Expenditure £000		2024/25 Gross Expenditure £000	2024/25 Gross Income £000	2024/25 Net Expenditure £000
15,010	(5,978)	9,032	Community Services Directorate (GF)	16,435	(6,232)	10,203
14,036	(15,799)	(1,763)	Corporate Resources Directorate	18,939	(17,073)	1,866
(1,665)	(567)	(2,232)	Dragonfly Services (GF)	(2,781)	(1,215)	(3,996)
<b>27,380</b>	<b>(22,343)</b>	<b>5,037</b>	<b>Cost of General Fund Services</b>	<b>32,593</b>	<b>(24,520)</b>	<b>8,073</b>
21,231	(23,728)	(2,497)	Community Services Directorate (HRA)	17,822	(25,560)	(7,738)
1,650	(120)	1,530	Dragonfly Services (HRA)	(7,304)	(420)	(7,724)
<b>22,880</b>	<b>(23,847)</b>	<b>(967)</b>	<b>Cost of Housing Revenue Account Services (HRA)</b>	<b>10,518</b>	<b>(25,980)</b>	<b>(15,462)</b>
21,915	(11,845)	10,071	Dragonfly Group	19,014	(1,183)	17,831
<b>72,176</b>	<b>(58,035)</b>	<b>14,141</b>	<b>Cost of All Services</b>	<b>62,125</b>	<b>(51,683)</b>	<b>10,442</b>
			<b><u>Other Operating Expenditure</u></b>			
3,969		3,969	Local Council Precepts	4,583		4,583
1,355		1,355	Net Loss/(Gain) on the disposal of non-current assets	2,655		2,655
			<b><u>Financing and Investment Income and Expenditure</u></b>			
4,799		4,799	External interest payable and similar charges	4,888		4,888
49		49	Pensions interest cost and expected return on pensions assets	335		335
	(3,331)	(3,331)	Interest and investment income		(3,458)	(3,458)
	(660)	(660)	Movement in fair value of investment properties		(561)	(561)
518	(782)	(264)	Investment Properties Income and Expenditure	546	(817)	(271)
(150)		(150)	Impairment Loss/(Profit) on Financial Instruments	41		41
301	(401)	(101)	(Surpluses)/Deficit on Trading Activities	233	(288)	(55)
			<b><u>Taxation and Non-Specific Grant Income and Expenditure</u></b>			
	(8,500)	(8,500)	Council Tax Income		(9,347)	(9,347)
	(5,573)	(5,573)	Non-domestic Rates Income and Expenditure		(4,944)	(4,944)
	(4,815)	(4,815)	Non-ringfenced Government Grants		(5,067)	(5,067)
	(3,112)	(3,112)	Capital Grants and Contributions		(6,027)	(6,027)
<b>83,017</b>	<b>(85,209)</b>	<b>(2,192)</b>	<b>(Surplus) or Deficit on Provision of Services</b>	<b>75,406</b>	<b>(82,192)</b>	<b>(6,786)</b>
0		0	Tax expenses of subsidiaries	0	481	481
<b>83,017</b>	<b>(85,209)</b>	<b>(2,192)</b>	<b>(Surplus) or Deficit of the Group</b>	<b>75,406</b>	<b>(81,711)</b>	<b>(6,305)</b>
		(12,369)	(Surplus) or deficit on revaluation of non-current assets			(3,798)
		6,399	Remeasurement of net defined benefit/liability			(2,394)
		0	IFRS16 recognition of Leases at Fair Value			(600)
		<b>(5,970)</b>	<b>Other Comprehensive Income and Expenditure</b>			<b>(6,792)</b>
		<b>(8,163)</b>	<b>Total Comprehensive Income and Expenditure</b>			<b>(13,097)</b>

**GROUP BALANCE SHEET AS AT  
31 March 2025**

<b>31 March 2024 £000</b>	<b>31 March 2025 £000</b>
308,236 Property, Plant and Equipment	317,728
9,350 Investment Property	10,070
81 Intangible Assets	133
41 Long Term Investments	0
154 Long Term Debtors	600
0 Deferred tax asset	0
<b>317,862 Long Term Assets</b>	<b>328,531</b>
20,090 Short Term Investments	15,058
32 Inventories	372
12,081 Short Term Debtors	9,417
1,835 Cash and Cash Equivalents	7,141
0 Current tax asset	0
<b>34,037 Current Assets</b>	<b>31,988</b>
(9,850) Short Term Borrowing	(4,018)
(13,863) Short Term Creditors	(19,009)
0 Current tax liability	
<b>(23,714) Current Liabilities</b>	<b>(23,027)</b>
(46) Long Term Creditors	(46)
(1,019) Provisions	(844)
(78,800) Long Term Borrowing	(76,800)
(7,276) Pensions Liability	(4,475)
(2,693) Revenue Grants & Contributions Receipts in Advance	(3,877)
0 Deferred tax liability	0
<b>(89,833) Long Term Liabilities</b>	<b>(86,042)</b>
<b>238,353 Net Assets</b>	<b>251,450</b>
(2,001) General Fund Balance	(2,001)
(26,972) Earmarked Reserves	(28,069)
(1,644) Housing Revenue Account Balance	(2,006)
(9,290) Capital Receipts Reserve	(10,164)
(6,645) Capital Grants Unapplied	(7,821)
(1,598) Revenue Grants Unapplied (Earmarked)	(1,446)
(1,542) Major Repairs Reserve	(1,862)
299 Profit and Loss Account	(1,398)
<b>(49,393) Usable Reserves</b>	<b>(54,767)</b>
(147,552) Revaluation Reserve	(145,610)
(47,280) Capital Adjustment Account	(52,894)
(63) Deferred Capital Receipts	(63)
7,276 Pension Reserve	4,475
(1,348) Collection Fund Adjustment Account	(2,624)
108 Accumulated Absences Account	133
(100) Share Capital	(100)
<b>(188,960) Unusable Reserves</b>	<b>(196,683)</b>
<b>(238,353) Total Reserves</b>	<b>(251,450)</b>



**GROUP CASH FLOW STATEMENT FOR THE YEAR ENDED  
31 March 2025**

<b>2023/24</b>		<b>2024/25</b>
<b>Restated</b>		
<b>£000</b>		<b>£000</b>
(2,192)	<b>Net (surplus) or deficit on the provision of services</b>	(6,786)
(9,439)	Adjustments to net surplus or deficit on the provision of services for non-cash movements	(19,406)
1,195	Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities	9,772
<b>(10,437)</b>	<b>Net cash flows from Operating Activities</b>	<b>(16,420)</b>
14,370	Investing Activities	3,565
1,549	Financing Activities	7,549
5,483	<b>Net increase or (decrease) in cash and cash equivalents</b>	(5,306)
(7,318)	<b>Cash and cash equivalents at the beginning of the reporting period</b>	(1,835)
<b>(1,835)</b>	<b>Cash and cash equivalents at the end of the reporting period</b>	<b>(7,141)</b>

## **Notes to the Group Accounts**

The following notes are specific to the Group Accounts and have only been included where the group outcome is significantly different to the disclosures in the Council's single entity accounts.

### **1 Dragonfly Development Limited and Dragonfly Management (Bolsover) Limited**

Dragonfly Development Ltd is a development company, wholly owned by Bolsover District Council, as a company limited by shares. Dragonfly Management (Bolsover) Ltd, is a management company which is a wholly owned subsidiary of Dragonfly Development Ltd, as a company limited by shares. These two entities form the Dragonfly Group and have been established by the Council to take advantage of the wider trading powers provided by the Localism Act 2011. The Council's Annual Governance Statement provides details on the governance and decision making of the Group.

Services are provided by Dragonfly Management (Bolsover) Ltd back to the Council under a service level agreement, and they consist of: Property Services and Estates, Housing Revenue Account - Repairs and Maintenance Services, and Economic Growth.

Dragonfly Development Ltd, is a property company that carries out work on the Council's capital programme as well as undertaking work for other Local Authorities.

### **2 Accounting Policies**

#### **a) General Principles**

The Group Accounts have been prepared in accordance with the Code of Practice for Local Authority Accounting in the United Kingdom, issued by the Chartered Institute of Public Finance and Accountancy (CIPFA).

The accounting policies used in preparing the Group Accounts are those used by Bolsover District Council in their single entity financial statements. These can be found in note 1 of the Bolsover District Council Core Financial Statements. In order to align group entities accounting policies to those used by the Council and to ensure consistency of accounting treatment across the group, the following principles have been adopted:

#### **b) Consolidation of Subsidiaries**

Subsidiaries have been consolidated using a full, line by line consolidation of the financial transactions and balances of the Council and its subsidiary. To avoid overstating the figures within the group financial statements, all transactions and balances between the Council and the Dragonfly Group have been eliminated.

#### **c) Alignment of Accounting Framework and Policies**

Where the accounting framework used by group companies differs from that of the Council (FRS102 rather than IAS19) including the accounting policies, and the impact of such differences would have a material impact on the group financial statements, then the relevant balances from the group companies will be adjusted to bring the accounting treatment into line with that applied by the Council.

#### **d) Unrealised Profits from Intra-group Transactions**

Any unrealised profit reflected in the carrying amount of property, plant and equipment and inventory arising from trading between the Council and the Dragonfly Group will be eliminated to avoid the double counting of gains. No such adjustments have been necessary for the 2024/25 Group Accounts.

**e) Company Losses Accounting Treatment**

The Group Comprehensive Income and Expenditure Statement includes the profits/losses arising in each of the wholly owned subsidiary companies.

**3 Retained Surplus/Deficit**

In 2024/25 Dragonfly Development Ltd made a surplus of £1.871m (surplus £0.808m 2023/24) and Dragonfly Management (Bolsover) Ltd made a deficit of £0.053m (surplus £0.014m 2023/24). The accounts of the Dragonfly group are unaudited, therefore these figures are subject to change.

**4 Defined Benefit Pension Scheme**

Employees of Bolsover District Council, Dragonfly Development Ltd and Dragonfly Management Ltd are admitted to the Local Government Pension Scheme (LGPS), which is administered by Derbyshire County Council.

The following transactions have been made in the group Comprehensive Income and Expenditure Statement and the Movement in Reserves Statement in the year.

<b>Local Government Pension Scheme</b>	<b>2024/25 £000</b>	<b>2023/24 £000</b>
<b>Service Cost comprising:</b>		
Current service cost	2,826	3,015
Administration cost	92	87
Effect of settlements	0	(3,366)
<b>Total service cost</b>	<b>2,918</b>	<b>(264)</b>
<b>Financing and Investment Income and Expenditure:</b>		
Interest income on scheme assets	(6,075)	(5,435)
Interest cost on defined benefit obligation	5,640	5,484
Interest on the effect of the asset ceiling	770	0
<b>Net interest expense</b>	<b>335</b>	<b>49</b>
<b>Total Post-employment benefit charged to the surplus or deficit on the provision of services</b>	<b>3,253</b>	<b>(215)</b>
<b>Remeasurement of the net defined benefit liability comprising:</b>		
Return on plan assets (excluding the amount included in net interest)	1,360	(5,195)
Actuarial gains and losses arising on changes in demographic assumptions	(203)	(750)
Actuarial gains and losses arising on changes in financial assumptions	(18,600)	(6,955)
Actuarial gains and losses arising on changes in other experience	(1,138)	3,423
Changes in the effect of the asset ceiling	16,187	15,876
<b>Total remeasurements recognised in other comprehensive income and expenditure</b>	<b>(2,394)</b>	<b>6,399</b>
<b>Total Post-employment benefits charged to the Comprehensive Income and Expenditure Statement</b>	<b>859</b>	<b>6,184</b>
<b>Movement in Reserves Statement</b>		
Reversal of net charges made to the Surplus or Deficit on the Provision of Services for post-employment benefits in accordance with the Code	(407)	(3,692)
<b>Actual amount charged against the General Fund Balance for pensions in the year:</b>		
Employers' contributions payable to scheme	<b>3,660</b>	<b>3,477</b>

**Asset Ceiling**

<b>Asset ceiling</b>	<b>2024/25 £'000</b>	<b>2023/24 £'000</b>
Asset ceiling balance at 1 April	(15,876)	0
Interest on the effect of the asset ceiling	(770)	0
Changes on the effect of the asset ceiling	(16,187)	(15,876)
<b>Asset ceiling balance 31 March</b>	<b>(32,833)</b>	<b>(15,876)</b>

**Reconciliation of the Movements in the Fair Value of the Scheme Assets:**

<b>Local Government Pension Scheme</b>	<b>2024/25 £'000</b>	<b>2023/24 £'000</b>
Opening fair value of scheme assets - Bolsover District Council	113,238	114,261
Opening fair value of scheme assets - Dragonfly	11,995	10,018
Assets extinguished on settlements	0	(10,017)
Interest income	6,075	5,435
<u>Remeasurement gain/(loss):</u>		
The return on plan assets, excluding the amount included in net interest	(1,360)	5,195
Contributions from employer into the scheme	3,660	3,477
Contributions from employees into the scheme	995	936
Benefits paid	(4,453)	(4,072)
<b>Closing fair value of scheme assets</b>	<b>130,150</b>	<b>125,233</b>

**Reconciliation of the Present Value of the Scheme Liabilities (Defined Benefit Obligation):**

<b>Local Government Pension Scheme</b>	<b>2024/25 £'000</b>	<b>2023/24 £'000</b>
Opening fair value of scheme liabilities - Bolsover District Council	(102,552)	(115,465)
Opening fair value of scheme liabilities - Dragonfly	(14,081)	(13,383)
Current service cost	(2,918)	(3,102)
Liabilities extinguished on settlements	0	13,383
Interest cost	(5,640)	(5,484)
Contributions from scheme participants	(995)	(936)
<u>Remeasurement (gains) and losses:</u>		
Actuarial gains and losses arising on changes in demographic assumptions	203	750
Actuarial gains and losses arising on changes in financial assumptions	18,600	6,955
Actuarial gains and losses arising on changes in other experience	1,138	(3,423)
Benefits paid	4,453	4,072
<b>Closing fair value of scheme liabilities</b>	<b>(101,792)</b>	<b>(116,633)</b>

The basis for estimating assets and liabilities for the group is the same as for Bolsover District council, as detailed in note 38 to the single entity financial statements.

## 5 Related Party Transactions

Bolsover District Council paid Dragonfly Management (Bolsover) Ltd, £21.710m to provide services on behalf of the Council in line with the service level agreement. No loans were made during 2024/25.

Bolsover District Council paid Dragonfly Development Ltd, £7.630m to carry out construction work on the Council's capital programme. No loans were made during the financial year.

Dragonfly Management (Bolsover) Ltd, paid Bolsover District Council £6.551m to provide a support service to the company as per the service level agreement.

## 6 Inter-organisation Balances

The Group Accounts require that inter-organisation balances be removed. The table below shows the reconciliation of inter-organisation debtors and creditors for 2024/25.

	<b>BDC Balance Sheet £000</b>	<b>Dragonfly Balance Sheet £000</b>
Long-term Debtors	0	
Short-term Debtors		(802)
Short-term Creditors	802	
<b>Total</b>	<b>802</b>	<b>(802)</b>

At 31 March 2024, Dragonfly Development owed the Council £1.199m in loans (and interest) taken out in previous years for capital projects. Dragonfly Management (Bolsover) Ltd owed the Council £2.954m for expenditure budgets received but not spent by the 31st of March.

At the Dragonfly Development Shareholder Board on the 18th of June 2024, it was agreed to repay all of the outstanding loans from Bolsover District Council. The loans were all settled during 2024/25.

## 7 The Dragonfly Group's Auditors

The auditors of the Dragonfly Group financial statements for 2024/25 are:

Hewittcard Chartered Certified Accountants  
70-72 Nottingham Road, Mansfield, Notts NG18 1BN

The auditors of the Dragonfly Group for previous years were:

Stopfords Associates Chartered Accountants  
Synergy House, 7 Acorn Business Park, Commercial Gate, Mansfield, Notts NG18 1EX