

# ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2025



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# INTRODUCTION

The purpose of this report is to explain the Council's financial position and performance during 2024/25 and to set the financial performance in the context of the Council's overall strategic objectives.

These financial statements have been prepared in line with the Code of Practice on Local Authority Accounting in United Kingdom for the year ended 31st March 2025 (the Code) and the Department of Communities Accounts Direction, Circular LG 10/24.

The financial statements follow approved accounting standards and are necessarily technical in parts. The annual accounts for 2024/25 have been prepared on the assumption that the Council will continue in existence for the foreseeable future.

## CONTEXT

**LISBURN & CASTLEREAGH CITY COUNCIL SERVES A POPULATION OF 149,147 RESIDENTS, 60,147 HOUSEHOLDS AND COVERS 200 SQUARE MILES. THE COUNCIL IS LED BY 40 COUNCILLORS ACROSS 7 DISTRICT ELECTORAL AREAS (DEAS).**







The Council has a range of strategic documents which together provide the strategic context and framework within which the Council sets its vision, values and delivery objectives. These include the Community Plan, Corporate Plan 2024-2028 and the Local Development Plan. These documents can be accessed on [www.lisburncastlereagh.gov.uk](http://www.lisburncastlereagh.gov.uk).

This document concentrates on the Statement of Accounts for the year end 31 March 2025.

## What is included in the Statement of Accounts?

The Statement of Accounts includes four main elements

- Comprehensive Income and Expenditure (CI&E)
- Movement in Reserves Statement (MIRS)
- Balance Sheet
- Cash Flow Statement

The CI&E Statement sets out the Council's financial performance for the year and shows the annual income and expenditure on the basis of accounting standards and practice. However, there are

statutory arrangements in place which mean that the amount which is chargeable to a Council's general reserves for the year is different from its net income or expenditure for the year. These statutory arrangements are largely designed to change the timing over which items of income or expenditure must be paid for through council taxation, to ensure greater fairness for local ratepayers.

The MIRS sets out how the impact of the Council's net income and expenditure for the year is distributed across its Usable and Unusable Reserves.

The Balance Sheet sets out the Council's financial position at the end of the year, showing the value of the assets and liabilities which make up the Council's overall reserves, sometimes known as its Net Worth.

The Cash Flow Statement sets out how the Council's income and expenditure for the year has been reflected in cash flows to, and from, the Council.

Each of the main statements are followed by notes, which give more

information on the main figures included in the statements. These include a note called the Expenditure and Funding Analysis, which aims to show the differences, at a department level, between the net expenditure chargeable to general reserves and the net expenditure on a proper accounting basis as it appears in the CI&E Statement.

## 2024/25 Strategic Overview

2024/25 marked the beginning of our new four-year Corporate Plan. This first year focused on laying strong foundations for future growth and prosperity across the Council area. One year in, and already the Council has delivered a number of outcomes which pave the way towards delivering the vision of "achieving better lives for the people who work, live in or visit the area".

During the year the Council set the strategic parameters for the Regeneration and Economic Reserve which will be a significant catalyst for future investment and growth of Lisburn town centre. The Council increased the maximum funding available through the

Community Investment Fund to £350k per project. This funding stream has enabled a number of local groups to attain significant other third party funding. Many of the projects are now well underway creating new and enhanced sporting and community facilities managed and owned by local groups such as Ballymacash Sports Academy and Lisburn Rugby & Football Club. These projects reflect the Council's commitment to partnership working and building strong resilient communities.

The Council is excited for the future. A number of projects within the Council's £128m Capital programme have made significant progress in year. There is continued investment for the future in leisure and open space areas including refurbishment of various playparks, investment in sporting facilities and continued improvements in community centres across the Council area. In addition, construction work began on the new state of the art Dundonald International Ice bowl in Autumn 2024, which will open its doors in 2027.

Equally, the Council is proud of its heritage and continues to promote and celebrate the rich culture and heritage of the area. In year, the Council welcomed confirmation of £20m funding for the flagship Destination Royal Hillsborough project which is currently at final business case stage. The Museum hosted numerous heritage events and the Council received acknowledgement and accolades in relation to Heritage Crafts together with various other awards for community endeavours.

A key focus in year was on the Council's ongoing commitment to improving governance arrangements. Significant work was undertaken in relation to a full review of the Council's Accounting Manual as well as implementing important updates to the Constitution. Key service policies were reviewed in relation to planning, procurement and absence management, ensuring they remain fit for purpose and aligned with best practice.

Seeking public opinion and input on Council plans is a core component of good governance and the public were consulted on a range of new strategies, such as the Tourism strategy, future car parking proposals, PCSP Action Plan, and Village plans for areas such as Glenavy.

The Council continued to advance digital connectivity and transformation with new digital kiosks installed in various locations as well as continued investment in internal systems such as implementation of a new finance system and the enhanced use of dashboards for internal reporting.

Whilst the Council delivered on its annual plan, it also provided much needed support to residents and businesses during the Storm Eowyn. Despite the unprecedented nature of the storm, the Council took decisive action opening up the first local Council community welfare facilities in Northern Ireland and taking the lead to ensure the most vulnerable in our communities were supported throughout this period.

## Outturn

The Council decreased its General Fund reserve by £0.27m from £11.39m to £11.12m.

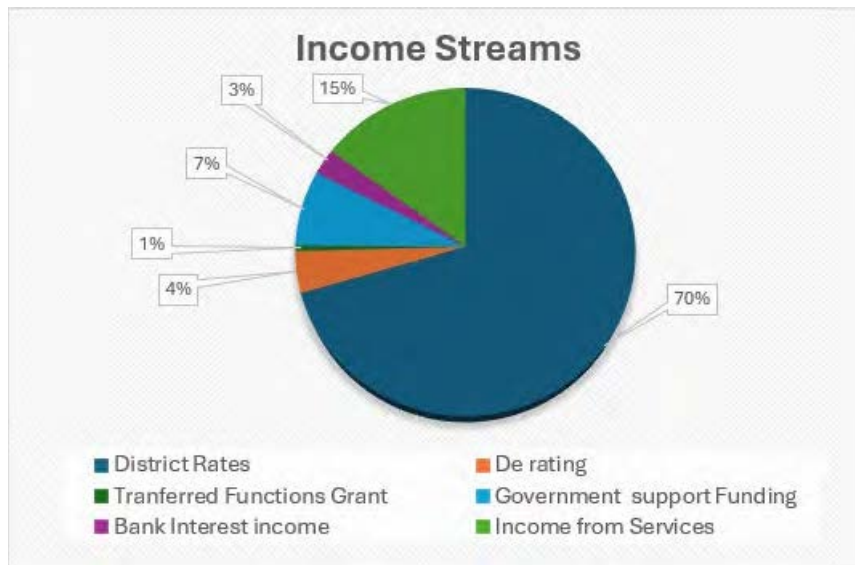
Overall, the usable reserves increased by £4.9m. This was due to several factors, including, but not limited to the following:

- Continuing success of the Council's exceptional Vitality Scheme across the Council area with membership growing by 2,024 in year to 19,174;
- Higher than anticipated bank interest rates as investments returned higher yields, as the Council maximised treasury investment opportunities throughout the year;
- Securing / maximising of various third party funding including UKSPF funding of £771k in year;
- Managing expenditure particularly given the outworkings of the 2024/25 pay deal and continued high costs of materials and supplies;
- Challenges within the recruitment market resulted in underspend in pay related costs; and
- The Council's rate budget of £59.37m was supplemented by a finalisation payment of £1.46m with a reduction in the de-rating grant of £10.9k.

## Where did the Council get its money for 2024/25?

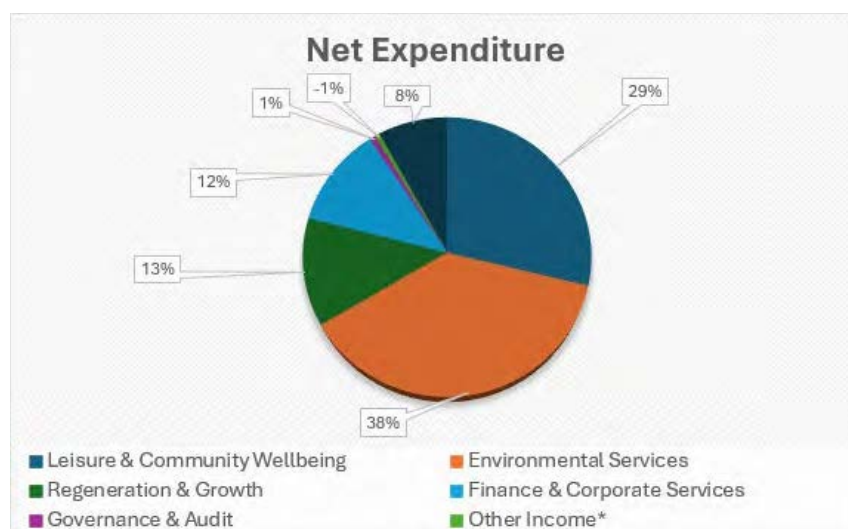
The pie chart below shows the various sources of income. The majority of the income for 2024/25 was generated through domestic and non domestic rates. The remaining balance is made up of a mix of income for Council services, income from treasury investments and other sources.

### Income Stream



## How did the Council spend its money in 2024/25?

The pie chart indicates the net cost of services across each of the Council directorates aligned with the Comprehensive Income and Expenditure Statement. The Environmental Services Directorate (responsible for waste collection and disposal) together with the Leisure & Communities Wellbeing Directorate (responsible for leisure, open spaces and communities) are responsible for the majority of the expenditure.



**The total net cost of services reported in the Comprehensive Income and Expenditure Statement is £60,621,578.**

# GENERAL FUND AND MOVEMENTS TO RESERVES

In light of the year-end financial position, the Council took measures to consider medium and longer term financial health of the organisation. This included transfers to existing reserves to enhance financial resilience and deliver on key objectives of building strong communities and maximising opportunities for business and growth. This resulted in the following movements in reserves:

**DEA Reserve** – A transfer of £400k into the reserve. This reserve is aimed at providing direct support for communities and businesses with successful projects ranging from community facility enhancements, sports development through to provision of bursaries.

**Community Investment Fund** – Transfer of £600k to build up the fund and create additional opportunities for local groups and charities to deliver significant capital build projects, building on the success of the initial pilot projects.

**Repairs and Renewals fund** - A transfer of £1m into the reserve to provide resilience against increased costs for repair projects for Council assets and infrastructure.

**Regeneration and Economy Reserve** – A transfer of £496k to enhance rejuvenation and support for the local economy

and businesses in the area.

**Capital Fund** – A transfer of £2.35m to provide additional resilience for the delivery of the Council's £128m capital programme.

## Capital expenditure

The £128m capital programme reflects the ambition of the Council moving forward. It contains a mix of projects ranging from new and enhanced leisure and community facilities, replacement of fleet and ongoing maintenance of the Council estate. There is regular reporting on movements in the capital programme through a defined governance process. The Council continues to maximise all third party funding for capital projects including UK Prosperity Funding within 2024/25 together with plans to replace a number of waste vehicles in 2026/27 using DAERA Extended Product Responsibility funding.

## Borrowings

Council had an authorised borrowing limit of £90m for 2024/25 (£75m in 2023/24). This increase reflects the Council's forecast capital expenditure plans over the medium to long term. During the year, the Council was able to finance capital spending from its own resources. At 31 March 2025, the Council had outstanding borrowing of £18.9m (£20.06m in 23/34) a decrease of £1.15m on the prior year reflecting interest

payments made in year.

## Pension liability

The Council's outstanding liability relating to its share of the Northern Ireland Local Government Officers Superannuation Scheme amounts to £294k.

In addition, the Council makes contributions to the Northern Ireland Civil Service Pension Scheme in respect of officers who transferred to Local Government on 1 April 2015.

Further information on the pension liability can be found within note 21. Change to Statutory Functions There were no changes to statutory functions during 2024/25.

## Provisions & Contingencies

The provisions include amounts for landfill costs and insurance costs. The main movement in the provision relates to landfill which decreased by £168k. This provision is to allow future work required at the Landfill Sites acquired from both the former Lisburn City and Castlereagh Borough Councils and is to ensure that they comply with NIEA regulations, and also to changes in the discount rate based borrowing. Note 19 gives further detail on this requirement.

The Council continues to





disclose a potential liability which may arise as a result of the procurement of the Residual Waste Treatment Project. Note 24 provides further information on a number of contingencies.

## Strategy and Resource Allocation

The Council operates an effective budgetary control system that involves the issuing of monthly reports to each Director showing expenditure against budget and the holding of budget meetings between the relevant Department and Finance staff. In addition, the Corporate Services Committee receives regular reports on budgets and financial performance during the year to ensure that members are provided with an up to date position on corporate finances and challenges associated with the ongoing running and servicing of Council needs.

As part of the Council's Medium Term Financial Strategy, a Treasury Management Strategy is published every year and this fulfils the Council's legal

obligation under the Local Government Finance Act (Northern Ireland) 2011, to have regard to both the CIPFA Code and the DfC Guidance. The Council has engaged professional advisers to assist with this process.

## Financial Outlook

The environment within which the Council operates is challenging and unpredictable. The Council is not immune to global, and national geopolitical factors. Global tariffs, potential for higher borrowing and supply costs create additional financial and operational risk.

At a more local level, the legacy of cost of living remains a key consideration for many of our ratepayers and it was in light of this that the Council has once again frozen price points in 2025/26, maintaining this relief for a third consecutive year. As with all public bodies, the Council has planned ahead for wider changes in fiscal landscape, including pay deals and the new national insurance rates introduced in April 2025.

In support of this finance remains a critical aspect of corporate business. The financial strategy for the Council is to:

- continue to achieve a balanced budget which provides the necessary financial resources to deliver the organisation's corporate objectives
- ensure financial and physical assets are used in the best interests of the ratepayers.

It is critical that the Council has sufficient financial resources in place to fund future requirements and longer term aims. To do this, we will:

- continue to use a robust financial management framework
- have transparent and open reporting on financial matters
- ensure component parts of the financial strategy remain effective for managing Council finance.





## Risks

Our risk management framework enables ongoing monitoring for risk, which may threaten the quality and availability of service provision.

Strategic risks are considered and reviewed by the Corporate Management Team and the Governance & Audit Committee on a quarterly basis whilst Directorate risks are considered on a regular basis by management.

In terms of financial risk, financial sustainability is one of the corporate risks. Like all corporate risks, this risk is kept under review, taking account of changing internal and external factors such as central government funding cuts, third party funding for projects, pay negotiations and other potential cost pressures. Key mitigations include budgetary controls, regular financial reporting, together with ongoing review of the medium term financial strategy.

We continue to adopt the Prudential Code to ensure that the Capital Investment Plan is:

- affordable, prudent and sustainable
- monitor prudential indicators, including capital expenditure, affordability, financial prudence, treasury and external debt and treasury management.

As part of the risk strategy the Governance & Audit Committee select corporate risks which are subject to a deep dive assessment. Financial sustainability risk has been subject to a deep dive.

Other corporate risks which featured in year included, but not limited to, cyber, emergency planning, capital programme and specifically the Dundonald Ice Bowl project together with Council procurement arrangements.

Further details regarding risk are included within the governance statement.

## Group Accounts

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



# OPERATIONAL PERFORMANCE

## THE YEAR IN HIGHLIGHTS







- **Continually striving to enhance skills and capacity**

- Enabled **265** local residents to enrol in **14** employability programmes
- Delivered **32** disabled supported schemes through the Labour Market Partnership
- Empowered local communities through capacity building delivering **45** training courses with **397** participants

- **Supported local business through a range of grants**

- Invested **£800k** in 10 smaller settlements
- Awarded **£143k** in development grants to 43 rural businesses







- Enabled local community projects to deliver projects through Council and third party funding
  - Awarded **£1.2m** through the UK Prosperity Fund
  - Distributed **£994k** in community grant funding
- Celebrated staff achievements including Apprentice of the Year, and Local Government Employee of the year
- Proud to be the only Council in Northern Ireland delivering citizenship ceremonies with a **50%** increase in citizenship ceremonies, welcoming **1,520** as UK citizens (highest number since service began)
- Hosted **37,461** people enjoying our theatre experience (**17%** increase on prior year and highest numbers since LCCC formed)



- Delivered a rich programme of civic events including D-Day 80th anniversary event with over **2,300** in attendance
- Took the lead in regional delivery of the **Landlord Registration** system for all of Northern Ireland
- Our Christmas programme attracted almost **200,000** visitors over a **6** week period, creating an estimated **£1.77m** additional spend within the Council area during December.
- Maintaining a successful domestic refuse collection rate of **99.7%**
- Keeping local buildings safe with over **11,700** building control inspections and **477** home safety checks





- Established the **Dromara Community Resilience Group** – the first in the Council area
- Protecting our Council area for future generations to enjoy, planting **11,100** trees, **41** biodiversity projects and **7** green flag awards for high-quality open spaces
- Approved key plans including **Tourism Strategy, Age Friendly Strategy, Interim Fleet replenishment Plan**
- Facilitated **74** community programmes with over **1,800** participants





- Over **220k** people dropped in / attended classes within our Community facilities. A number of these facilities were fitted with **new digital kiosks** as part of our digital strategy, helping our communities stay connected.
- Community Assistance Centres provided support to over 500 people during **Storm Eowyn**
- Welcomed over **1.2m** visitors to our indoor leisure facilities
- **7,305** Vitality memberships representing **19,174** members

# **STATEMENT OF THE COUNCIL'S AND CHIEF FINANCIAL OFFICER'S RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS**

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

## The Council's Responsibilities

Under Section 1 of the Local Government Finance Act (Northern Ireland) 2011 a council shall make arrangements for the proper administration of its financial affairs. A council shall designate an officer of the council as its Chief Financial Officer and these arrangements shall be carried out under the supervision of its Chief Financial Officer. The Director of Finance and Corporate Services has been designated as Chief Financial Officer.

Under Regulation 7 of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 the Council, or a Committee, is required by resolution, to approve the accounts.

These draft accounts were approved for onward consideration by the Governance & Audit Committee on 26 June 2025.

## The Chief Financial Officer's Responsibilities

Under Regulation 8 of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015, the Chief Financial Officer is responsible for the preparation of the Council's Statement of Accounts in the form directed by the Department for Communities.

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

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

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

The Chief Financial Officer is also required to:

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



# ANNUAL GOVERNANCE STATEMENT FOR 2024/25

# Annual Governance Statement for 2024/25

## 1. Scope of responsibility:

Lisburn and Castlereagh City Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, used economically, efficiently and effectively. Under Part 12 of the Local Government Act (Northern Ireland) 2014 the Council also has a duty to make arrangements for continuous improvement in the way in which its functions are exercised whilst having regard to a combination of the following: -

- strategic effectiveness
- service quality
- service availability
- fairness
- sustainability
- efficiency and innovation

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

The Council has prepared an Annual Governance Statement which is consistent with the principles of the CIPFA/SOLACE Framework “*Delivering Good Governance in Local Government*” (2016 edition). This statement explains how the Council has complied with the code and meets the requirements of the Local Government (Accounts and Audit) Regulations (Northern Ireland 2015) in relation to the publication of an annual governance statement.

## 2. The Purpose of the Governance Framework:

The governance framework comprises the systems and processes, culture and values, by which the Council is directed and controlled. Our governance framework overarches our activities through which we account to, engage with and help to lead our community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money over the time period specified.

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

The council's governance framework continues to be in place at Lisburn and Castlereagh City Council for the Year Ended 31<sup>st</sup> March 2025 and up to the date of approval of the Annual Governance Statement (AGS) and Statement of Accounts.

### 3. The Governance Framework:

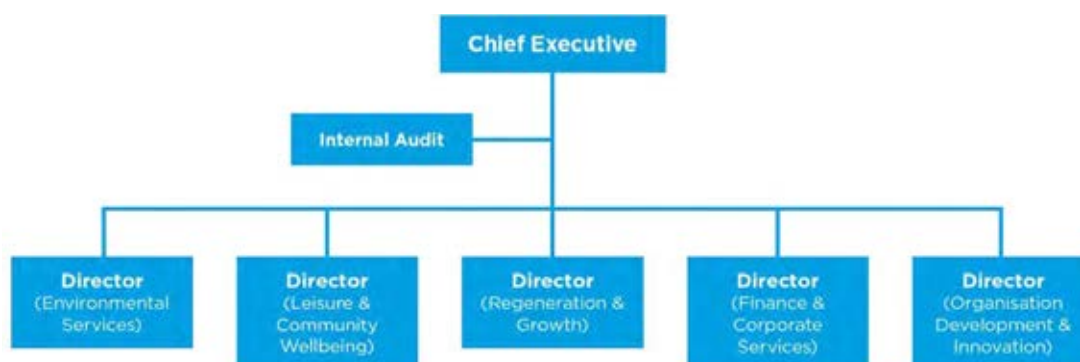
The **key elements** of the systems and processes that comprise the Council's governance arrangements are outlined below.

The Council have an approved committee structure in place during 2024/25 which governs through a full Council & Committee model as set out below: -



The new committee structure was approved in March 2023 for implementation at the start of the new electoral term post the local government elections in May 2023.

The management structure is as follows.



The Council continually strives to improve its governance arrangements. A selection of highlights has been included to demonstrate the issues considered and actions taken during 2024/25.

Key Elements	Demonstrated by
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<b>Focus on purpose and intended outcomes for citizens and service users</b>	<ul style="list-style-type: none"> <li>• Corporate Plan 2024- 2028</li> <li>• Community Plan 2017-2032</li> <li>• Various Strategies including Good Relations and Local Development Plan</li> <li>• Various Action plans including Disability and Equality action plans</li> <li>• Annual Financial Reports and Improvement Plans</li> <li>• Corporate complaints, comments, and compliments procedure</li> </ul>
<b>Highlights in Year</b>	<ul style="list-style-type: none"> <li>• Suite of KPI's across the Council covering strategic, operational, and statutory requirements with quarterly update reports on performance and outcomes as outlined in the operational performance section of the accounts) but which includes: <ul style="list-style-type: none"> <li>○ Created additional provision in cemetery burial space.</li> <li>○ Delivered on statutory job creation targets is estimated to be 119 new jobs.</li> <li>○ Processed 790 planning applications ranging from 779 local and 11 major.</li> <li>○ Facilitated Community Asset Transfer projects for both sporting and for community groups working on behalf of the disadvantaged within our community.</li> <li>○ Heritage improvement projects delivered across the Council's designated areas including Royal Hillsborough, Moira and Lisburn city centre.</li> <li>○ Introduction of a new pitch booking system.</li> </ul> </li> <li>• Unqualified audit opinion on statutory audit and clean audit opinion on performance improvement plan.</li> <li>• Focus on Village Plans and working with DEA's on local issues such as set up of Dromara resilience centre circa £1m of capital delivering community infrastructure.</li> </ul>
<b>Working Together</b>	<ul style="list-style-type: none"> <li>• Our Corporate Values and Corporate Plan</li> <li>• Consultation and engagement on new strategies and policies</li> <li>• Engagement and Collaborative working with Partners and Stakeholders</li> <li>• Council Performance Improvement Plan</li> <li>• Council Constitution and Standing Orders</li> <li>• Scheme of Delegation</li> <li>• Financial Regulations</li> <li>• Committee Reporting System</li> <li>• Community Plan</li> <li>• Community Resilience Group</li> </ul>
<b>Highlights in Year</b>	<p>Capital works progressing in line with plan for projects including Dundonald International Ice Bowl programme which commenced construction in year, along with Hilden Primary School, fleet replenishment and other projects.</p> <ul style="list-style-type: none"> <li>• Working in collaboration with key partners such as Labour Market Partnership, Citizens Advice Bureau and others.</li> <li>• Ongoing support to our communities through funding and grant opportunities.</li> <li>• Working together with local entrepreneurs and businesses through Council programmes such as Go Succeed Service which offers support to entrepreneurs.</li> <li>• New 2025-2030 tourism strategy agreed with annual growth targets of 5.6%.</li> </ul>
<b>Promoting Values of Good Governance</b>	<ul style="list-style-type: none"> <li>• Our Corporate Values, Constitution, Standing Orders.</li> <li>• Suite of policies including Fraud &amp; Corruption Policy, Whistle Blowing Policy, Gift and Hospitality Registers.</li> </ul>

	<ul style="list-style-type: none"> <li>• Codes of Conduct for Members and staff including Declarations of Interest.</li> </ul>
<b>Highlights in year</b>	<ul style="list-style-type: none"> <li>• Consideration of NIAO best practice guides and potential learning for Council across areas such as Corporate Fraud Risk Register, the NIAO Local Government Auditors Report and Ombudsman Adjudication Report.</li> <li>• Regular review of constitutional related documentation such as Planning Protocol and Standing Orders.</li> <li>• Issuance of lessons learnt reports and update of specific policies and procedures to take account of third-party recommendations.</li> <li>• Commenced work in relation to reviewing membership of Working Groups (concluded post year-end).</li> <li>• Digitisation of the Council Conflict-of-Interest process for staff, increasing efficiency and enabling quick identification of anyone who has not completed the process.</li> </ul> <p>New procurement processes were reported to Committee and are being embedded in response to the procurement legislation change as well as a rollout of contract management training in preparation for new legislation addressing specific obligations in the management of larger contracts.</p>
<b>Taking informed, transparent decisions and managing risk</b>	<ul style="list-style-type: none"> <li>• Council Constitution, Standing Orders, Scheme of Delegation and Committee Reporting Protocols</li> <li>• Minutes available for public scrutiny</li> <li>• Performance Management System</li> <li>• Internal Audit Service</li> <li>• Corporate and Departmental Risk Management Framework</li> <li>• Departmental Business Continuity Policy and Plans</li> </ul>
<b>Highlights in Year</b>	<ul style="list-style-type: none"> <li>• Publication of decisions taken by Council in line with statutory requirements.</li> <li>• Continuous review of the website to make it more user friendly and enhanced sections on consultations and equality assessments developed in year.</li> <li>• Enhanced processes for dealing with Freedom of Information Requests.</li> <li>• Ongoing open access to Council meetings and papers.</li> <li>• Consultation with stakeholders on development of new policies.</li> <li>• Review workshops with Community Planning Partners to develop a new Action Plan 2025-2030.</li> <li>• Approval for a Bonfire Management Process.</li> </ul>
<b>Developing capacity and capability</b>	<ul style="list-style-type: none"> <li>• Member Training and Development</li> <li>• Performance Management</li> <li>• Staff Training</li> <li>• Induction courses</li> <li>• Apprenticeship Programme</li> <li>• Capacity training for community groups.</li> </ul>
<b>Highlights in year</b>	<ul style="list-style-type: none"> <li>• Award of Public Sector Apprentice of the Year - Ongoing investment in Council apprentice programme to enhance succession planning from entry level positions.</li> <li>• On-going engagement with the Elected Member Development Steering Group.</li> <li>• Various health and wellbeing initiatives to support employees in the workplace on a daily, weekly, or monthly basis along with ongoing promotion of Mental Health through designated First Aiders who provide first aid support for employees.</li> <li>• Exceeded target for training hours per staff member, delivering statutory and developmental courses.</li> <li>• Organisational structures reviewed in line with need for areas such as environmental health, economic development, wellbeing, communities and business support reviewed in year.</li> </ul>

	<ul style="list-style-type: none"> <li>Engagement with, and delivery of, a programme for local businesses in improving their capacity to tender for government contracts.</li> </ul>
<b>Community Engagement and Better Accountability</b>	<ul style="list-style-type: none"> <li>Consultation through members and community forums on Council decision and policies.</li> <li>Representation of Council at various third organisations and community organisations to represent, communicate and listen to citizens.</li> <li>Commitment to addressing local communities' needs through various Council programmes such as community investment fund, District Electoral Area (DEA) programme as well as community grant aid programmes.</li> <li>Ongoing review of Council performance.</li> <li>Open and transparent decision making.</li> </ul>
<b>Highlights in Year</b>	<ul style="list-style-type: none"> <li>Delivery of Glenavy Village Plan &amp; participatory budgeting in Downshire East and Killultagh.</li> <li>Progressed and delivered a series of projects within small settlements including Annahilt village, and Maghaberry.</li> <li>Significant investment in the implementation of pitches at Lough Moss and Laurelhill.</li> <li>Delivery of a significant Council wide Christmas Programme, with specific elements tailored for those with additional needs.</li> <li>Council is acting as the lead Council in transfer of the Landlord Registration Scheme from central to local government. Councils Developing Sustainability Strategy and Climate Action Plan is subject to 12 weeks public consultation event which commenced February 2025 and is open until 29th April 2025 for the public to make comment on the council's proposals.</li> </ul>

#### 4. Review of Effectiveness of Governance, Risk and Control framework:

The Council is responsible for the stewardship of public money and must therefore demonstrate that it has adequate and effective systems of risk management, governance and control in place.

The Council also has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control.

This review is informed by the work of the executive managers within the Council who have responsibility for the development and maintenance of the governance environment.

The following reports provide information in support of the Governance Framework:

- Directors - Statements of Assurance
- Head of Service - Statements of Assurance
- Performance Improvement Report
- Operational Performance
- Health & Safety Reports
- Finance & Budget Reports
- Internal Audit Reports
- Risk Management Reports
- External Review Reports
- Service Deep Dives – completed with no serious issues arising.



Each Director and Head of Service completes their own Assurance Statement every six months, and this forms a key part of the corporate governance arrangements for the Council.

#### **4.1 Annual Internal Audit Opinion:**

The review of the effectiveness of the Governance Framework is also informed by the Annual Internal Audit Report for the Year Ended 31<sup>st</sup> March 2025.

##### **Internal Audit Manager Opinion**

This Service is satisfied that sufficient internal audit work has been undertaken to allow an opinion to be given as to the adequacy and effectiveness of governance, risk management and control. In giving this opinion, it should be noted that assurance can never be absolute.

The most that the internal audit service can provide is reasonable assurance that there are no major weaknesses in the system of internal control.

The opinion is based on:

- All audits undertaken during the year.
- Results of follow up work undertaken in relation to internal audit recommendations.
- The effects of any significant changes in the organisation's objectives or systems.
- Any limitations which may have been placed on the scope or resources of internal audit.
- What proportion of the organisation's audit needs have been covered to date.
- Results of other sources of assurance work such as the NIAO Report to Those Charged with Governance.
- Review of the Deep Dives carried out by Services.
- Review of the Corporate Assurance Tracker.

The Internal Audit Manager is of the opinion that based on the work completed during the period from 1st April 2024 to 31 March 2025, the Council's systems in relation to internal control, risk management and governance were, in general, adequate and operated effectively and can provide satisfactory assurance in relation to the effective and efficient achievement of the Council's objectives.

##### **Other Internal Audit work:**

##### **National Fraud Initiative (NFI) – Data Matching Exercise:**

The Council continues to conform to the requirements of the Cabinet Office NFI exercise. This matches electronic data within and between public and private sector bodies to prevent and detect fraud. Data matching compares sets of data, such as payroll, pensions, and trade creditors' records of a body against other records held by the same or another body.

The latest batches of data matches were released in January 2025 and work relating to the review and investigation of high-risk matches is currently underway. We will continue to review a number of the remaining matches up to December 2025. It should be noted there is no obligation or expectation on LCCC to review every match reported to us, as long as we prioritise those categorised as high risk by the NFI database. The results of this exercise are due to be reported via the secure NFI database as the investigations progress and to Governance and Audit Committee in March 2026.

##### **NIAO Local Government Auditor Report 2024**

At the request of the Chief Executive, Internal Audit has made provision for an advisory review of the NIAO Local Government Auditor Report and this was included in the 25/26 Operational Plan. The results of which will be reported to the Corporate Management Team for discussion and implementation of any recommendations

### **Internal Working Groups**

Internal Audit continue to attend various working groups in an advisory capacity throughout the year. This provides assurance that issues are being identified and addressed and a timely manner.

## 5. Significant Governance issues:

In this section we have provided a status update on matters included in the Annual Governance Statement for 2023/2024 together with the identification of any new governance issues for 2024/2025.

### 5.1 Significant Governance issues with update on issues brought forward from 2023/2024 to 2024/2025:

2023/24	2024/25
Judicial Review & Legal Challenges	Current Status
<p>Whilst the Planning Advice Note (PAN) issue has been largely resolved there remains an appetite of third-party applicants to challenge development in the Countryside planning applications. A landmark case against another Council is under consideration by the courts which will significantly influence the way forward. We currently await the release of the reserved judgement from the courts.</p> <p>The Council will monitor the outcome of the court case.</p> <p><b>Remains open</b></p>	<p>The outcome of the landmark case is known and been taken account of specifically where a proposal impacts on the loss of habitat with nature conservation value.</p> <p>The wider implications of this decision in respect of housing development in the open countryside has been overtaken by a small number of more recent judicial review proceedings.</p> <p>These legal challenges are specific to this Council area and the policies in the Plan Strategy of the Local Development Plan adopted in September 2023. The Council will apply any learning arising from these cases as part of an on-going wider programme of improvement.</p> <p><b>Remains open</b></p>
Waste Management	Current Status
<p>Waste treatment contracts are being progressed as an alternative to landfill which will address both the risk of landfill disposal availability and also the targets contained within Circular Economy Regulations. Contracts are expected to be in place for early 2025. This has been reduced from high to medium on the risk register.</p> <p><b>Remains open.</b></p>	<p>From 01 February 2025 a new Residual Waste Treatment contract became operational. As a result, no council-collected waste or waste brought to its Household Recycling Centres is taken directly to landfill.</p> <p>Instead, all waste is taken to a recovery facility where up to 10% additional recycling is recovered with the remaining waste taken as fuel to an energy recovery facility to generate electricity. At the end of that process no more than 10% of the overall collected waste is landfilled.</p> <p>This treatment process has resulted in working to improve the Council's achievement of Circular Economy Recycling targets and also meeting, well ahead of time, the 2035 target of no more than 10% of collected municipal waste going to landfill.</p>



2023/24	2024/25
	<p>This process has successfully mitigated the risk of waste disposal through limited or no access to landfill. In addition, it has met already the 2035 target for a maximum of 10% waste to landfill as well as making a significant additional contribution towards improving the Council's achievement of statutory recycling targets</p> <p><b>Closed</b></p>
Cyber Security/Data Governance	Current Status
<p>The council remains an attractive target for malicious actors. To address the inherent risk from cyber security the council has made significant progress implementing six major projects.</p> <p>A core requirement of the upgrade projects was to improve LCCC's security posture, and this has been achieved through a number of specific project tasks.</p> <p>GDPR issues continue to be actively managed through the work being carried out by the Information Governance Working Group that was formed in 2023. Policies are currently being developed.</p> <p><b>Remains open.</b></p>	<p>The council remains an attractive target for malicious actors. To address the inherent risk from cyber security the council has made significant progress by continuing to carry out monthly pen tests through Council service provider and additionally provide phishing training for staff and members.</p> <p>A core requirement of the upgrade projects was to improve LCCC's security posture, and this has been achieved through a number of specific project tasks and reported to Governance and Audit Committee. A Cyber Security internal audit was carried out in November 2024 with a satisfactory outcome report.</p> <p>GDPR issues continue to be actively managed through the work being carried out by the Information Governance Working Group that was formed in 2023. Data Protection Policy reviewed and presented to IGWG and CMT and taken to Corporate Services Committee in April 25.</p> <p><b>Remains open</b></p>
Information Assurance	Current Status
<p>Management recognise that there are improvements that need to be made in how data is generated, transmitted and stored in an appropriate and lawful manner and in a way that does not pose a risk to the business or reputation of the Council. The Council has a Data Classification Policy but guidance is required in how sensitive data should be identified and held.</p> <p>The implementation of SharePoint provides the council an opportunity to start on the data classification journey. This is a significant project. IT have sought to implement controls to protect data</p>	<p>The Council continues to enhance information governance arrangements. Significant work has been undertaken to review and implement a range of IG policies and practices over the last 12 months.</p> <p>A cross departmental Information Governance Working Group is now well embedded to provide oversight and guidance in relation to IG matters.</p> <ul style="list-style-type: none"> <li>• New systems have been implemented to receive, manage and monitor FOIs and SARs with regular performance reporting through management reports.</li> </ul>

2023/24	2024/25
<p>wherever it resides. The Council has implemented controls based on least privilege with Single Sign On (<b>SSO</b>) where possible. The move to Microsoft Azure (cloud platform) brings with it new risks of storing data in the cloud, but the Council is moving quickly to embrace the new security and efficiencies of these new Software as a Service (SaaS) services. Council information asset registers are being actively being reviewed.</p> <p>A new data protection assistant is now in post. The roll out of specific and personal data protection training is now being delivered to supplement the online data protection training that staff must complete as a mandatory requirement.</p> <ul style="list-style-type: none"> <li>There were 3 incidents reported to the ICO in 23/24 all relating to the same matter. No action has been identified by the ICO in relation these and the ICO considers the matter closed.</li> </ul> <p>The organisation continues to take account of wider public sector learnings.</p>	<ul style="list-style-type: none"> <li>The R&amp;D schedule has been prepared and is in the final stages of approval with PRONI for onward laying with the Assembly.</li> <li>A new Data Protection Policy was approved shortly after year end.</li> <li>Information governance is incorporated within the six monthly assurance statements which are completed by the Corporate Management Team and Heads of Service.</li> <li>A comprehensive staff training programme was launched in year, which deals with the management and handling of DSARs, as well as data management more generally. High risk areas have already undertaken this training, with training being rolled out across all departments over the next F/Y.</li> <li>A new staff data protection advice service has been launched through the cross departmental Information Governance Working Group, which is dealing with an average of five queries per working day.</li> </ul> <p>23 data protection related complaints were received in year. After investigation of these: -</p> <ul style="list-style-type: none"> <li>13 were deemed minor and not reportable.</li> <li>3 were not breaches, &amp;.</li> <li>3 were reported to the ICO.</li> </ul> <p>The ICO provided the council with advice in each of the 3 reportable cases but took no further action against the council.</p> <p><b>Remains open</b></p>
Financial Planning	Current status
<p>Government Funding - The Council has already experienced cuts in central government funding during 2023/24 in areas such as Animal Welfare, Good Relations and Lagan Valley Regional Park. Any further reductions in central funding would have significant implications for local communities and businesses in the area and as such this potential risk remains under ongoing consideration. In addition, the Council proactively identifies opportunities for other sources of funding such as PeacePlus, BRCD and LUF with a view to</p>	<p>Given the wider strategic pressures on the NICS there will always be a risk of central government funding being reduced or stopped and this is considered as part of the Council decision making process. In addition to generating additional revenue income. The Council will continue to proactively identify opportunities for other funding. Within 2024/25 the Council secured various third-party funding such as UK Prosperity Funding which was used to support a range of significant capital projects across various DEA's and received confirmation of LUF's continued support for the iconic Dundonald Ice bowl project.</p>

<b>2023/24</b>	<b>2024/25</b>
maximising such funding and minimising the impact on the rate payer.	Given the financial position of the Council, this risk is <b>closed</b> but is continually kept under review.
<b>Procurement</b>	<b>Current Status</b>
<p>NIAO Report to those charged with Governance (issued 4 December 2023) highlighted issues within the Council's procurement process regarding Single Tender Agreement documentation.</p> <p>Management accepts that there are risks associated with Single Tender Agreements and in response the council has implemented a new policy.</p>	<p>New policy adopted and implemented which has resulted in a 20% reduction in single tender actions from 52 in 2023/24 to 36 in 2024/25</p> <p><b>Closed</b></p>
<b>Planning</b>	<b>Current Status</b>
<p>Planning is an area that has received significant focus within the Council. The planning unit is in the process of implementing an approved new structure which will increase capacity and resilience. In addition, work is underway to develop a specific action plan and identify and implement learning following a recent Ombudsman report.</p>	<p>The approved structure has been implemented and the increased capacity and resilience resulting from a recent recruitment process is now beginning to have an impact on key performance indicators. An action plan for wider service improvements is agreed with Members and being implemented. Specific projects are planned in year with a focus on providing improved customer engagement and front loading of application processes.</p> <p><b>Closed</b></p>



## 5.2 Significant Governance Issues for 2024/2025

In addition to the matters which remain open from 2023/2024 we did not identify any significant governance issues during 2024/25.

## 5.3 Effectiveness of System of Internal Control:

The Council has responsibility for conducting at least annually a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the executive managers within the Council who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's Annual Report and also by comments made by the external auditors.

The Governance roles and responsibilities of the Council's Committee structure, Council's Corporate Management Team, the Governance & Audit Committee and Internal Audit are described within this Statement.

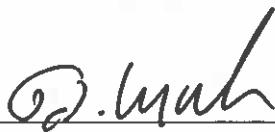
The Council's System of Internal Control (Governance Framework) is underpinned by compliance with governing legislative and regulatory requirements, commitment from the Corporate Management Team, the Corporate Plan, the Council's financial procedures, oversight functions including a Governance & Audit Committee, regular and timely management information, administrative procedures, whistle blowing procedures, management supervision, delegation and accountability and a commitment to staff development and performance management.

The Council has conducted a Review of the Effectiveness of the system of internal control in place within the Council in 2024/2025, in accordance with Regulation 4(2) of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015.

The results of this review, along with the Internal Audit Annual Report were reported to the Governance and Audit Committee in June 2025 to assess the effectiveness of the system of internal control and the consideration of the draft Annual Governance Statement and the draft Statement of Accounts.

From the work undertaken by management, the Governance & Audit Committee and Internal Audit throughout the year, it is considered that key systems are operating soundly.

Signed



Date:

25/9/25

Chairman of Governance & Audit Committee

Signed



Date:

29/9/25

Chief Financial Officer

# REMUNERATION REPORT

# Remuneration Report

## 1. Introduction

The Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 require larger local government bodies to prepare a remuneration report as part of the Statement of Accounts.

## 2. Allowance and Remuneration Arrangements

### Councillors

Allowances are payable by councils to Councillors and committee members under Part 3 of the Local Government Finance Act (Northern Ireland) 2011 and The Local Government (Payments to Councillors) Regulations (Northern Ireland) 2019, which came into operation on 1 October 2019.

Guidance and determinations on Councillors' allowances applicable from 1 April 2024 were issued by the Department for Communities on 9 December 2024 (Circular LG 15/2024). Details of the allowances paid to individual Councillors are published on council websites. Following local elections on 18 May 2023, 462 Councillors were elected to the 11 new councils for a four year term. Lisburn & Castlereagh City Council had 40 Councillors in 2024/25.

### Senior Employees

The remuneration of senior employees employed by the Council is determined by the Council in line with that determined by the National Joint Council (NJC) for Local Government Services. Senior employees are those staff who are members of the Corporate Management Team.

Council appointments of employees are made in accordance with the Local Government Staff Commissions' Code of Procedures on Recruitment and Selection, which requires appointment to be on merit and on the basis of fair and open competition.

Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended.

### Independent Member – Governance and Audit Committee

Mr Edgar Jardine is an independent Member of the Governance and Audit Committee. This role is to help promote the highest standards in the financial management of the Council and thereby ensure the accountability of public funds. A payment of £285 is paid per meeting along with reasonable travelling expenses.



### 3. Allowances Paid to Councillors

The total amount paid to Councillors by way of allowances, under Part 3 of the Local Government Finance Act (Northern Ireland) 2011 and the Local Government (Payments to Councillors) Regulations (Northern Ireland) 2019 was:

**Table 1: Total Allowances paid to councillors (audited information)**

	<b>2024/2025</b>		<b>2023/2024</b>	
<b>Allowance</b>	<b>Total Allowances £</b>	<b>Number of councillors receiving Allowance</b>	<b>Total Allowances £</b>	<b>Number of councillors receiving Allowance</b>
Basic Allowance	696,952	43	678,982	54
Special Responsibility Allowance	82,819	26	78,675	30
Chairperson/ Mayor Allowance	26,982	2	26,982	2
Vice Chairperson/ Deputy Mayor Allowance	8,636	2	8,636	2
Mileage Allowance	12,121	19	13,170	22
Public Transport and Other Travel Incidentals	-	-	632	1
Subsistence	-	-	59	1
Courses/Conferences Visits (registration & Joining Fees)	-	-	-	-
Dependants' Carers Allowance	57	1	174	1
<b>TOTAL ALLOWANCES</b>	<b>827,567</b>		<b>807,310</b>	

Details of the allowances paid to individual councillors in 2024/2025 are published on the council website.

## 4. Remuneration of Senior Employees

The remuneration of senior employees covers the Corporate Management Team. The following table provides details of the remuneration paid to senior employees:

**Table 2: Remuneration (including salary) (audited information)**

	2024/2025				2023/2024			
Officers	Salary (Full year equivalent in brackets where applicable) £'000	Bonus Payments £'000	Benefits in kind (to nearest £100) £'000	Total £'000	Salary (Full year equivalent in brackets where applicable) £'000	Bonus Payments £'000	Benefits in kind (to nearest £100) £'000	Total £'000
D Burns Chief Executive	130-135			130-135	130-135			130-135
H Moore* Director of Environmental Services	-			-	40-45			40-45
D Rogan Director of Regeneration & Growth	96-100			96-100	96-100			96-100
L Moore Director of Leisure & Community Wellbeing	96-100			96-100	90-95			90-95
C McCrory Director of Finance & Corporate Services	96-100			96-100	96-100			96-100
C Magee** Director of OD & Innovation	90-95			90-95	85-90			85-90
R Harvey*** Acting Director of Environmental Services	90-95			90-95	90-95			90-95

\* H Moore left 19 May 2023

\*\* C Magee commenced on 1<sup>st</sup> June 2023

\*\*\* R Harvey commenced acting on 2<sup>nd</sup> February 2023

Councils are required to disclose the relationship between the remuneration of the highest paid member of the Corporate Management Team and the median remuneration of the Councils workforce.

The banded remuneration of the highest paid member of the Corporate Management Team in the financial year 2024/2025 was £130k - £135k (2023/2024 £130k - £135k). This was 4.36 times (2023/2024 4.71 times) the median remuneration of the workforce, which was £30,060 (2023/2024 £28,298).

**Table 3: Relationship between the remuneration of the highest paid member of the Corporate Management Team and the median remuneration of the Council's workforce (audited information)**

	<b>2024/2025</b> <b>£'000</b>	<b>2023/2024</b> <b>£'000</b>
Salary Band of Highest Paid member of the Executive/Senior Management Team	130 - 135	130 - 135
Median Total Remuneration	30,060	28,298
Ratio	4.36	4.71

In 2024/2025, no employee received remuneration in excess of the highest paid member of the Executive Management Team/Senior Management Team.

Total remuneration includes salary, bonus payments and benefits in kind.

#### **Salary**

"Salary" includes gross salary, overtime, and any gratia payments.

#### **Bonus Payments**

Bonus payments are based on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year in which they become payable to the individual. There were no bonuses paid in 2024/25.

#### **Benefits in Kind**

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument.

### **5. Exit Packages for staff**

There were no exit packages provide to staff by the Council in 2024/2025.

### **6. Pension Benefits**

The Local Government Pension Scheme (Northern Ireland) (the Scheme) which is a funded defined benefit pension scheme, which provides retirement benefits for council employees on a "career average revalued earnings" basis from 1 April 2015. Prior to that date benefits were built up on a "final salary" basis.

From 1 April 2015, a member builds up retirement pension at the rate of 1/49th pensionable pay for each year. Pension benefits in relation to membership between 1 April 2009 and 31 March 2015 were built up at the rate of 1/60th pensionable pay for each year of membership. There is no automatic lump sum provided in respect of membership after 31 March 2009. Pension benefits in relation to any membership before 1 April 2009 were built up at the rate of 1/80th (pension) and 3/80ths (tax-free lump sum) of pensionable pay for each year of membership up to 31 March 2009. At retirement, members may give up some pension for additional lump sum, subject to HM Revenue and Customs (HMRC) limits. The conversion rate is £12 additional lump sum for every £1 of pension given up.

Councillors have been able to join the Scheme since May 2011. The Scheme application is modified to reflect the fact that councillors hold an elected office. Council members have



always accrued pension on a career average basis. Prior to 1 April 2015 pension was accrued at a rate of 1/60th and thereafter at a rate of 1/49th.

The Scheme is funded by contributions made by both employees/councillors and employers. Prior to 1 April 2009, a member's contribution rates were fixed at 6% of their pensionable remuneration (except for those who were entitled to contribute to the Scheme at 5% before 1 February 2003 and have remained in continuous employment). Tiered member contribution rates, determined by the whole-time equivalent rate of pay, were introduced from 1 April 2009. From 1 April 2015, the member contribution rates are determined on the actual rate of pay.

The ranges for the bands for tiered contribution rates are revised by the Department for Communities in April each year in accordance with the increase applied to a pension in payment. The bands, effective from 1 April 2024, were as follows:

**Table 5: Employee Contribution Rates**

<b>Band</b>	<b>Range</b>	<b>Employee Contribution Rate</b>
1	£0 - £18,000	5.5%
2	£18,001 - £27,700	5.8%
3	£27,701 - £46,300	6.5%
4	£46,301 - £56,300	6.8%
5	£56,301 - £111,700	8.5%
6	More than £111,700	10.5%

Employers' contribution rates are determined by the fund's actuary every three years at the triennial valuation. A formal triennial actuarial valuation of the Fund as at 31 March 2022 was carried out in 2022/23 and set the employer contribution rates for the 3 years commencing 1 April 2023 as follows:

**Table 6: Employer Contribution Rates**

<b>Year</b>	<b>Employer Contribution</b>
1 April 2023 – 31 March 2024	19.0%
1 April 2024 – 31 March 2025	19.0%
1 April 2025 – 31 March 2026	19.0%

The Local Government Pension Scheme Regulations (Northern Ireland) 2014 were made on 27 June 2014 and The Local Government Pension Scheme (Amendment and Transitional Provisions) Regulations (Northern Ireland) 2014 were made on 30 June 2014. Both sets of regulations are effective from 1 April 2015.

Councillors have only been able to join the Scheme since May 2011 and therefore have not accrued significant benefits thus far. However, the in-year pension contributions made by the Council for all councillors during 2024/25 was £142,090.

The value of pension benefits of the most senior management of the Council accrued during

the year was as follows:

**Table 7: Pension Benefits of senior staff in 2024/25 (audited information)**

<b>2024/2025</b>					
<b>Officers</b>	<b>Accrued Pension at pension age as at 31/3/25 £'000</b>	<b>Real increase in pension lump sum at pension age £'000</b>	<b>CETV at 31/3/25 £'000</b>	<b>CETV at 31/3/24 £'000</b>	<b>Real increase in CETV £'000</b>
D Burns Chief Executive	18 - (LS)	3 - (LS)	244	192	36
D Rogan Director of Service Transformation	49 57 (LS)	3 - (LS)	998	916	58
L Moore Director of Leisure & Community Wellbeing	31 10 (LS)	4 - (LS)	477	399	63
C McCrory Director of Finance and Corporate Services	58 - (LS)	5 - (LS)	838	747	69
C Magee Director of Organisational Development & Innovation	34 22 (LS)	4 - (LS)	556	472	68
R Harvey Acting Director of Environmental Services	33 28 (LS)	3 - (LS)	547	493	39

### **The Cash Equivalent Transfer Value (CETV)**

This is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. It is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the pension benefits they have accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

### **The real increase in the value of the CETV**

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

**Chief Executive**



**September 2025**

## Certificate of the Chief Financial Officer

I certify that:

- a) The Statement of Accounts for the year ended 31st March 2025 on pages 48 to 89 have been prepared in the form directed by the Department for Communities and under the accounting policies set out on page 48 to 64.
- b) in my opinion the Statement of Accounts gives a true and fair view of the income and expenditure and cash flows for the financial year and the financial position as at the end of the financial year ending 31st March 2025.

Chief Financial Officer

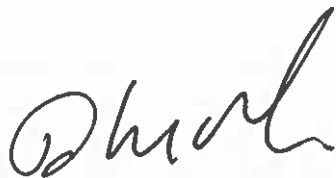


Date 29 September 2025

## Council Approval of Statement of Accounts

These accounts have been approved by resolution of the Governance and Audit Committee on 25 September 2025.

Chairman



Date 25 September 2025

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LISBURN & CASTLEREAGH CITY COUNCIL**



# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LISBURN & CASTLEREAGH CITY COUNCIL**

## **Opinion on financial statements**

I have audited the financial statements of Lisburn & Castlereagh City Council for the year ended 31 March 2025 under the Local Government (Northern Ireland) Order 2005. The financial statements comprise the Comprehensive Income and Expenditure Statement, Movement in Reserves Statement, Balance Sheet, Cash Flow Statement, and the related notes including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the Code of Practice on Local Authority Accounting in the United Kingdom supported by UK adopted international accounting standards.

I have also audited the information in the Remuneration Report that is described in that report as having been audited.

In my opinion the financial statements:

- give a true and fair view, in accordance with relevant legal and statutory requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2024-25, of the financial position of Lisburn & Castlereagh City Council as at 31 March 2025 and its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 and the Department for Communities' directions issued thereunder.

## **Basis for opinion**

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate. My staff and I are independent of Lisburn & Castlereagh City Council in accordance with the ethical requirements of the Financial Reporting Council's Ethical Standard and have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinion.

## **Conclusions relating to going concern**

In auditing the financial statements, I have concluded that Lisburn & Castlereagh City Council's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Lisburn & Castlereagh City Council's ability to

continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

The going concern basis of accounting for Lisburn & Castlereagh City Council is adopted in consideration of the requirements set out in the Code of Practice on Local Authority Accounting, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

My responsibilities and the responsibilities of the Chief Financial Officer with respect to going concern are described in the relevant sections of this report.

### **Other Information**

The other information comprises the information included in the Statement of Accounts other than the financial statements, the parts of the Remuneration Report described in that report as having been audited, and my audit certificate and report. The Chief Financial Officer is responsible for the other information included in the Statement of Accounts. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

### **Opinion on other matters**

In my opinion, based on the work undertaken in the course of the audit:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the Department for Communities' directions made under the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015; and
- the information given in the Statement of Accounts for the financial year ended 31 March 2025 is consistent with the financial statements.

### **Matters on which I report by exception**

In light of the knowledge and understanding of Lisburn & Castlereagh City Council and its environment obtained in the course of the audit, I have not identified material misstatements in the Statement of Accounts.

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

- in my opinion:
  - the Annual Governance Statement:
    - does not reflect compliance with the Code of Practice on Local Authority Accounting in the United Kingdom 2024- 25;
    - does not comply with proper practices specified by the Department for Communities;
    - is misleading or inconsistent with other information I am aware of from my audit; or
  - adequate accounting records have not been kept; or
  - the statement of accounts and the part of the Remuneration Report to be audited are not in agreement with the accounting records; or
  - I have not received all of the information and explanations I require for my audit, or
- I issue a report in the public interest under Article 9 of the Local Government (Northern Ireland) Order 2005; or
- I designate under Article 12 of the Local Government (Northern Ireland) Order 2005 any recommendation made to the Council; or
- I exercise the other special powers of the auditor under Article 19 to 21 of the Local Government (Northern Ireland) Order 2005.

### **Responsibilities of the Chief Financial Officer for the financial statements**

As explained more fully in the Statement of Council's and Chief Financial Officer's Responsibilities, the Chief Financial Officer is responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- such internal controls as the Chief Financial Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- assessing Lisburn & Castlereagh City Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Chief Financial Officer anticipates that the services provided by Lisburn & Castlereagh City Council will not continue to be provided in the future.

### **Auditor's responsibilities for the audit of the financial statements**

My responsibility is to audit the financial statements in accordance with the Local Government (Northern Ireland) Order 2005 and the Local Government Code of Audit Practice.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit

conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to Lisburn & Castlereagh City Council through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included the Code of Practice on Local Authority Accounting in the United Kingdom 2024-25, the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 and the Department for Communities' directions issued thereunder;
- making enquires of management and those charged with governance on Lisburn & Castlereagh City Council's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of Lisburn & Castlereagh City Council's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud;
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- documenting and evaluating the design and implementation of internal controls in place to mitigate risk of material misstatement due to fraud and non-compliance with laws and regulations;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading Council and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate; and
- addressing the risk of fraud as a result of management override of controls by:
  - performing analytical procedures to identify unusual or unexpected relationships or movements;
  - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;



- assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
- investigating significant or unusual transactions made outside of the normal course of business.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my certificate.

This report is made solely to the Members of Lisburn & Castlereagh City Council in accordance with the Local Government (Northern Ireland) Order 2005 and for no other purpose, as specified in the Statement of Responsibilities of the Local Government Auditor and Local Government Bodies.

### **Certificate**

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



Colette Kane  
Local Government Auditor  
Northern Ireland Audit Office  
106 University Street  
BELFAST  
BT7 1EU

30<sup>th</sup> September 2025

# FINANCIAL STATEMENTS

**Lisburn & Castlereagh City Council**  
**Comprehensive Income and Expenditure Statement for the year ended 31 March 2025**

The Comprehensive Income and Expenditure Statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. Councils raise taxation to cover expenditure in accordance with statutory requirements; this may be difference from the accounting cost. The taxation position is shown in both the Expenditure and Funding Analysis and the Movement in Reserves Statement.

		2024/25			2023/24		
		Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure
Service Expenditure	Notes	£	£	£	£	£	£
Leisure & Community Wellbeing	2	28,405,098	(10,759,159)	17,645,939	28,636,463	(10,866,113)	17,770,350
Environmental Services	2	27,019,528	(3,915,592)	23,103,936	25,998,216	(3,669,303)	22,328,913
Regeneration & Growth	2	10,776,789	(3,125,239)	7,651,550	11,350,872	(3,946,373)	7,404,499
Finance & Corporate Services	2	8,399,380	(1,176,916)	7,222,464	9,902,167	(1,547,183)	8,354,984
Governance & Audit	2	424,018	(3,094)	420,924	396,850	(2,000)	394,850
Other Income*	2	-	(342,429)	(342,429)	-	(15,903,981)	(15,903,981)
Organisational Development & Innovation	2	5,212,837	(293,643)	4,919,194	4,890,842	(248,233)	4,642,609
<b>Cost of Services on Continuing Operations</b>		<b>80,237,650</b>	<b>(19,616,072)</b>	<b>60,621,578</b>	<b>81,175,410</b>	<b>(36,183,186)</b>	<b>44,992,224</b>
Other Operating Expenditure/Income	8	-	(16,000)	(16,000)	33,750	(87,595)	(53,845)
Financing and Investment Income and Expenditure	9	1,179,930	(3,543,794)	(2,363,865)	1,372,802	(1,803,638)	(430,836)
<b>Net Operating Expenditure</b>		<b>81,417,580</b>	<b>(23,175,866)</b>	<b>58,241,713</b>	<b>82,581,962</b>	<b>(38,074,419)</b>	<b>44,507,543</b>
Taxation and Non-Specific Grant Income	10	-	(65,648,211)	(65,648,211)	-	(59,963,401)	(59,963,401)
<b>(Surplus)/Deficit on the Provision of Services</b>		<b>81,417,580</b>	<b>(88,824,077)</b>	<b>(7,406,498)</b>	<b>82,581,962</b>	<b>(98,037,820)</b>	<b>(15,455,858)</b>
(Surplus)/Deficit on revaluation of non-current assets	11			(3,167,671)			(3,991,411)
Remeasurements of the Net Defined Benefit Liability (Asset)	21			891,000			3,207,000
<b>Other Comprehensive Income and Expenditure</b>				<b>(2,276,671)</b>			<b>(784,411)</b>
<b>Total Comprehensive Income and Expenditure</b>				<b>(9,683,169)</b>			<b>(16,240,269)</b>

**Lisburn & Castlereagh City Council**  
**Movement in Reserves Statement for the year ended 31 March 2025**

The Movement in Reserves Statement shows the movement from the start of the year to the end on the different reserves held by the authority, 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 adjustment required to return to the amounts chargeable to council tax for the year. The Net Increase/Decrease line shows the statutory General Fund Balance movements in the year following those adjustments.

	General Fund Summary	Other Fund Balances and Reserves £	Capital Receipts Reserve £	Total Usable Reserves £	Total Unusable Reserves £	Total Council Reserves £
<b>Balance as at 1 April 2023</b>	<b>13,834,719</b>	<b>25,977,001</b>	<b>1,110,582</b>	<b>40,922,302</b>	<b>118,994,335</b>	<b>159,916,637</b>
<b>Movement in reserves during the year</b>						
Surplus/(Deficit) on the provision of services	15,455,858	-	-	15,455,858	-	15,455,858
Other Comprehensive Income and Expenditure	-	-	-	-	784,411	784,411
<b>Total Comprehensive Income and Expenditure</b>	<b>15,455,858</b>	<b>-</b>	<b>-</b>	<b>15,455,858</b>	<b>784,411</b>	<b>16,240,269</b>
Adjustments between accounting basis & funding under regulations	590,808	(126,830)	-	463,978	(463,978)	-
<b>Net increase before transfers to Statutory and Other Reserves</b>	<b>16,046,666</b>	<b>(126,830)</b>	<b>-</b>	<b>15,919,836</b>	<b>320,433</b>	<b>16,240,269</b>
Transfers to/from Statutory and Other Reserves	(18,495,426)	18,515,426	(20,000)	-	-	-
<b>Increase/Decrease in year</b>	<b>(2,448,760)</b>	<b>18,388,595</b>	<b>(20,000)</b>	<b>15,919,836</b>	<b>320,433</b>	<b>16,240,269</b>
<b>Balance as at 31 March 2024</b>	<b>11,385,960</b>	<b>44,365,597</b>	<b>1,090,582</b>	<b>56,842,139</b>	<b>119,314,769</b>	<b>176,156,908</b>
<b>Movement in reserves during the year</b>						
Surplus/(Deficit) on the provision of services	7,406,498	-	-	7,406,498	-	7,406,498
Other Comprehensive Income and Expenditure	-	-	-	-	2,276,671	2,276,671
<b>Total Comprehensive Income and Expenditure</b>	<b>7,406,498</b>	<b>-</b>	<b>-</b>	<b>7,406,498</b>	<b>2,276,671</b>	<b>9,683,169</b>
Adjustments between accounting basis & funding under regulations	(1,349,953)	(1,158,651)	-	(2,508,604)	2,508,604	-
<b>Net increase before transfers to Statutory and Other Reserves</b>	<b>6,056,545</b>	<b>(1,158,651)</b>	<b>-</b>	<b>4,897,894</b>	<b>4,785,275</b>	<b>9,683,169</b>
Transfers to/from Statutory and Other Reserves	(6,322,126)	6,322,126	-	-	-	-
<b>Increase in year</b>	<b>(265,582)</b>	<b>5,163,475</b>	<b>-</b>	<b>4,897,894</b>	<b>4,785,275</b>	<b>9,683,169</b>
<b>Balance as at 31 March 2025</b>	<b>11,120,378</b>	<b>49,529,073</b>	<b>1,090,582</b>	<b>61,740,033</b>	<b>124,100,044</b>	<b>185,840,077</b>



**Lisburn & Castlereagh City Council**  
**Balance Sheet as at 31 March 2025**

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 provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use. The second category of reserves is those that the Council is not able to use to provide 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 in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

	Note	31st March 2025	31st March 2024
		£	£
Fixed Assets	11	167,106,445	160,124,887
Long Term Investments	16	2,691	2,632
Long Term Debtors	15	106,806	127,657
<b>LONG TERM ASSETS</b>		<b>167,215,942</b>	<b>160,255,176</b>
Inventories	14	541,557	513,556
Short Term Debtors	15	9,173,745	2,939,565
Cash and Cash Equivalents	25	51,633,534	49,801,291
<b>CURRENT ASSETS</b>		<b>61,348,836</b>	<b>53,254,412</b>
Short Term Borrowing	17	1,093,374	1,177,768
Short Term Creditors	18	8,645,142	10,150,090
Provisions	19	(415,439)	(229,792)
<b>CURRENT LIABILITIES</b>		<b>9,323,077</b>	<b>11,098,066</b>
Provisions	19	2,894,642	2,870,769
Long Term Borrowing	17	17,810,292	18,879,541
Other Long Term Liabilities	21	294,000	412,000
Capital Grants Receipts in Advance	23	12,397,692	4,092,304
<b>LONG TERM LIABILITIES</b>		<b>33,396,626</b>	<b>26,254,614</b>
<b>NET ASSETS</b>		<b>185,845,075</b>	<b>176,156,908</b>
<b>USABLE RESERVES</b>			
Capital Receipts Reserve	26	1,090,582	1,090,582
Capital Fund	26	31,248,799	28,075,643
Renewal and Repairs Fund	26	1,543,166	919,539
Other Balances and Reserves	26	16,737,107	15,370,415
General Fund	26	11,120,378	11,385,960
		<b>61,740,032</b>	<b>56,842,139</b>
<b>UNUSABLE RESERVES</b>			
Capital Adjustment Account	27	65,040,289	61,454,436
Revaluation Reserve	27	59,789,604	58,784,940
Pensions Reserve	27	(294,000)	(412,000)
Accumulated Absences Account	27	(430,850)	(512,607)
		<b>124,105,043</b>	<b>119,314,769</b>
<b>NET WORTH</b>		<b>185,845,075</b>	<b>176,156,908</b>

**Lisburn & Castlereagh City Council**  
**Cash Flow Statement at 31 March 2025**

The Cash Flow Statement shows the changes in cash and cash equivalents of the Council during the reporting period. The statement shows how the Council generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the 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.

	Note	2024/25	2023/24
		£	£
Net Suplus on the provision of services		7,406,498	15,455,858
Adjustment for non-cash movements	25	5,584,945	12,487,108
Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities	25	(822,612)	(87,595)
<b>Net cash flows from operating activities</b>	<b>25</b>	<b>12,168,831</b>	<b>27,855,371</b>
Cash flows from Investing Activities	25	(9,158,819)	(4,399,887)
Net Cash flows from Financing Activities	25	(1,177,769)	(1,175,159)
<b>Net increase or decrease in cash and cash equivalents</b>		<b>1,832,243</b>	<b>22,280,324</b>
Cash and cash equivalents at the beginning of the reporting period		49,801,291	27,520,967
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>51,633,534</b>	<b>49,801,291</b>

# NOTES TO FINANCIAL STATEMENTS

**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 31 March 2025. The Council is required to prepare an annual Statement of Accounts in a form directed by the Department for Communities in accordance with regulations 3 (7) and (8) in the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 in accordance with proper accounting practices.

These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, supported by International Financial Reporting Standards (IFRS). The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

The Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 also requires disclosure in respect of:

**Summary of Material Accounting Policy Information**

**i) 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.

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



**ii) 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 highly liquid investments that mature in [specified period, no more than three months] or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Council's cash management.

**iii) Contingent Assets**

A contingent asset arises where an event has taken place that gives the Council a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

**iv) Contingent Liabilities**

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

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

**v) Employee Benefits**

**Short term benefits**

Short-term employee benefits are those due to be settled wholly within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g. cars) for current employees, and are recognised as an expense in the year in which employees render service to the Council. An accrual is made for the cost of holiday entitlements (or any form of leave, e.g. time off in lieu) earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is made at the wage and salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to Surplus or Deficit on the Provision of Services, but then reversed out through the Movement in Reserves Statement so that holiday entitlements are charged to revenue in the financial year in which the holiday absence 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 segment or, where applicable, to a corporate service segment 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 the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debts for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

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

## **Post Employment Benefits**

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

### **The Northern Ireland Local Government Officers' Pension Fund**

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

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

Liabilities are discounted to their value at current prices, using a discount rate based on the Aon GBP Select AA Curve over the duration of the Employer's liabilities.

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

- quoted securities – current bid price
- unquoted securities – professional estimate
- property – market value
- unitised securities – current bid price

The change in the net pensions 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 - 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 - debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statements.

Within Financing and Investment Income and Expenditure

Net interest on the net defined benefit liability (asset), – i.e. net interest expense for the Council, the change during the period in the net defined benefit liability (asset) that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement - this is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability (asset) at the beginning of the period - taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments.

Within Other Comprehensive Income and Expenditure (Remeasurements)

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

Actuarial Gains and Losses – changes in the 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, charged to the Pensions Reserves as Other Comprehensive Income and Expenditure.

Within the Movement in Reserves Statement Appropriations

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

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

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the Council to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, 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 thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

#### Discretionary Benefits

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

As a result of Local Government Reform on 1 April 2015, staff that transferred from Central Government to the Council retained membership of the Northern Ireland Civil Service (NICS) Pension Scheme. The scheme provides defined benefits to members (retirement lump sums and pensions). However, the arrangements for the NICS Pension Scheme mean that liabilities for these benefits cannot ordinarily be identified specifically to the Council. The scheme is therefore accounted for as if it were a defined contribution scheme and no liability for future payments of benefits is recognised in the Balance Sheet.

### **vi) Events After the Balance Sheet Date**

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

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

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

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

### **vii) Exceptional Items**

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

#### **viii) Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors**

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

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

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

#### **ix) Financial Instruments**

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

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

#### **x) Financial Assets**

Financial assets are classified based on a classification and measurement approach that reflects the business model for holding the financial assets and their cashflow 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)

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

Financial assets that are measured at FVPL are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured and carried at fair value. Fair value gains and losses are recognised as they arrive in the Surplus or Deficit on Provision of Services.

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.



The inputs to the measurement techniques are categorised in accordance with the following three levels:

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

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.

#### **xi) Government Grants and Contributions**

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

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

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

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

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

#### **xii) Intangible Assets**

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

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

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

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Capital Receipts Reserve.

### **xiii) Inventories & Long Term Contracts**

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

Long-term contracts are accounted for on the basis of charging the Surplus or Deficit on the Provision of Services with the consideration allocated to the performance obligations satisfied based on the goods or services transferred to the service recipient during the financial year.

### **xiv) 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 measurable 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 in the Comprehensive Income and Expenditure Statement and result in a gain for the General Fund Balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the 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 the Capital Receipts Reserve.

**xv) Landfill Allowance Scheme**

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

**xvi) Leases**

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

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

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

**The Council as Lessee - finance lease**

The 2024/25 financial year includes transition to IFRS 16 - Leases within the Code of Practice on Local Authority Accounting (the Code). Under this transition property, plant and equipment held under leases are recognised as right of use assets on the Balance Sheet. The council has availed of provisions in the Code allowing prospective application of the changes in accounting. This means a prior year restatement of the balance sheet is not required. Provisions in the Code also allow for leases not to be recognised if they are short-term leases (less than one year) and where the asset is of low value. At the commencement of the lease at its fair value measured at the lease's inception (or the present value of the minimum lease payments, if lower). The asset recognised is matched by a liability for the obligation to pay the lessor. Initial direct costs of the Council are added to the carrying amount of the asset. Premiums paid on entry into a lease are applied to writing down the lease liability. Contingent rents are charged as expenses in the periods in which they are incurred.

Lease payments are apportioned between:

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

Property, Plant and Equipment recognised under leases is accounted for using the policies applied generally to such assets, subject to depreciation being charged over the lease term if this is shorter than the asset's estimated useful life (where ownership of the asset does not transfer to the Council at the end of the lease period).

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

### **The Council as Lessor - lease**

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

Lease rentals receivable are apportioned between:

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

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

The written-off value of disposals is not a charge against District rates, 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 General Fund Balance in the Movement in Reserves Statement.

### **The Council as Lessor - Operating Lease**

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

### **xvii) Disposals and Non-Current Assets Held for Sale**

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

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

Assets that are to be abandoned or scrapped are not reclassified as assets held for sale.

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

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

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

#### **xviii) Overheads and Support Services**

Overheads and Support Services are operated, managed and reported as separate segments and are not apportioned across services but instead reported separately in their own right in the CI&E Statement. Under the Council's current reporting structure, such costs predominantly fall within Finance and Corporate Services and Organisational Development and Innovation.

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

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

##### **Recognition**

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

##### **Measurement**

Assets are initially measured at cost, comprising:

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



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

The cost of assets acquired other than by purchase is deemed to be its fair value, unless the acquisition does not have commercial substance (i.e. it will not lead to a variation in the cash flows of the Council). In the latter case, where an asset is acquired via an exchange, the cost of the acquisition is the carrying amount of the asset given up by the Council.

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

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

- infrastructure, community assets and assets under construction – depreciated historical cost
- surplus assets - the current value measurement base is fair value, estimated at highest and best use from a market participant's perspective
- all other assets – fair value, determined as the amount that would be paid for the asset in its existing use (existing use value – EUV)

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

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

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

## **Impairment**

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

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

- a. where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains),
- b. 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 reversed subsequently, the reversal is credited to the relevant service line(s) in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

## **Depreciation**

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

Depreciation is calculated on the following bases:

- buildings and infrastructure assets are depreciated on their current value over the estimated useful life of the asset as advised by a valuer from Land and Property Services. Depending on the type of building, installation or fitting, the maximum useful life will be in the range of 3 to 68 years
- vehicles, plant and equipment are depreciated on historic cost using a life of between 3 and 20 years
- The Council applies a full year depreciation in the year of acquisition and no depreciation in the year of disposal.

## **Componentisation**

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

## **Revaluations**

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

## **xx) Heritage Assets**

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

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

The carrying amounts of heritage assets are reviewed where there is evidence of impairment for heritage assets, e.g. where an item has suffered physical deterioration or breakage or where doubts arise as to its authenticity. Any impairment is recognised and measured in accordance with the Council's general policy on impairment.

## **xxi) Provisions**

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

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

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

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

## **xxii) Reserves**

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

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

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

Services, support services and trading accounts are debited with the following amounts to record the cost of holding non-current assets during the year:

- a. depreciation attributable to the assets used by the relevant service
- b. 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
- c. amortisation of intangible fixed assets attributable to the service.

The Council is not required to raise District Rates to cover depreciation, revaluation and impairment losses or amortisations. However, it is required to make an annual contribution from revenue to contribute 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 are therefore replaced by the contribution in the General Fund Balance [minimum revenue provision (MRP)] or the Statutory Repayment of Loans Fund Advances, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

**xxiv) Revenue Expenditure Funded from Capital under Statute**

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

**xxv) Value Added Tax**

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

**xxvi) Fair Value Measurement**

The Council measures some of its non-financial assets such as surplus assets and investment properties and some of its financial instruments such as equity shareholdings [other financial instruments as applicable] 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:

- a) in the principal market for the asset or liability, or
- b) 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

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 authority 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.

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

The Code of Practice on Local Authority Accounting in the United Kingdom (the Code) requires an authority to disclose information relating to the expected impact of an accounting change that will be required by a new standard that has been issued but not yet adopted. The Code also requires that changes in accounting policy are to be applied retrospectively unless transitional arrangements are specified, this would result in an impact on disclosures spanning two financial years.

**c Critical Judgements in Applying Accounting Policies**

In applying accounting policies set out from 1a above, 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:

**d 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.

**i) Property, Plant and Equipment**

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

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

**ii) Fair Value Measurement**

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.

Where Level 1 inputs are not available, the Council employs relevant experts to identify the most appropriate valuation techniques to determine fair value.

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.

**iii) Provisions**

The Council has applied future discount rates to calculate the provision due against the closure of two landfill sites. The Council has made a provision of £2.4m for the closure plans of the two sites, Moss Road and Drumlough.

**iv) Pension Liability**

Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Council with expert advice about the assumptions to be applied. The Council's net pension shows a net asset of £52.7m, largely due to changes in financial assumptions in interest rates and discount factors. The pensions assets in the fund are restricted to comply with accounting practices. Net pension assets comply with the consideration of surplus restriction under paragraph 64 of IAS 19 in the accounts.



2

a Expenditure and Funding Analysis

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources (government grants, rents, council tax and business rates) by local authorities 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.

	2024/25			2023/24		
	Net Expenditure Chargeable to the General Fund	Adjustments	Net Expenditure in the Comprehensive Income and Expenditure Statement	Net Expenditure Chargeable to the General Fund	Adjustments	Net Expenditure in the Comprehensive Income and Expenditure Statement
	£	£	£	£	£	£
Leisure & Community Wellbeing	13,781,669	3,864,270	17,645,939	14,001,280	3,769,070	17,770,350
Environmental Services	22,154,633	949,303	23,103,936	21,417,254	911,659	22,328,913
Regeneration & Growth	7,590,814	60,736	7,651,550	7,192,000	212,499	7,404,499
Finance & Corporate Services	6,569,032	653,432	7,222,464	7,635,234	719,751	8,354,985
Governance & Audit	416,160	4,764	420,924	402,751	(7,901)	394,850
Other Income*	(342,429)	-	(342,429)	(15,903,981)	-	(15,903,981)
Organisational Development & Innovation	4,255,938	663,256	4,919,194	4,001,900	640,710	4,642,610
<b>Net Cost of Services</b>	<b>54,425,817</b>	<b>6,195,761</b>	<b>60,621,578</b>	<b>38,746,438</b>	<b>6,245,788</b>	<b>44,992,226</b>
<b>Other Income and Expenditure</b>	<b>(60,482,362)</b>	<b>(7,545,714)</b>	<b>(68,028,076)</b>	<b>(54,793,103)</b>	<b>(5,654,980)</b>	<b>(60,448,083)</b>
<b>Surplus or Deficit</b>	<b>(6,056,545)</b>	<b>(1,349,953)</b>	<b>(7,406,498)</b>	<b>(16,046,665)</b>	<b>590,808</b>	<b>(15,455,857)</b>
<b>Opening General Fund</b>			<b>11,385,959</b>			<b>13,834,719</b>
<b>Surplus/(Deficit) on General Fund Balance in Year</b>			<b>(265,582)</b>			<b>(2,448,760)</b>
<b>Closing General Fund</b>			<b>11,120,378</b>			<b>11,385,959</b>

\* Other income relates to the conclusion of a significant sector wide legacy VAT case.

2

b

Note to the Expenditure and Funding Analysis

This note provides a reconciliation of the main adjustments to Net Expenditure Chargeable to the General Fund 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	Net Change for the Pension Adjustments	Other Statutory Adjustments	Other non-statutory Adjustments	Total adjustments
	£	£	£	£	£
Leisure & Community Wellbeing	3,879,860	658	(16,248)	-	3,864,270
Environmental Services	976,642	25,033	(52,372)	-	949,303
Regeneration & Growth	52,249	19,719	(11,231)	-	60,736
Finance & Corporate Services	645,328	4,942	3,162	-	653,432
Governance & Audit	-	6,889	(2,125)	-	4,764
Organisational Development & Innovation	656,439	9,759	(2,942)	-	663,256
Net Cost of Services	6,210,518	67,000	(81,757)	-	6,195,761
Other Income and Expenditure from the Expenditure and Funding Analysis	(6,469,714)	(1,076,000)	-	-	(7,545,714)
Difference between General Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services	(259,196)	(1,009,000)	(81,757)	-	(1,349,953)

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	Net Change for the Pension Adjustments	Other Statutory Adjustments	Other non-statutory Adjustments	Total adjustments
	£	£	£	£	£
Leisure & Community Wellbeing	3,695,150	235,706	(161,786)	-	3,769,070
Environmental Services	798,974	186,241	(73,556)	-	911,659
Regeneration & Growth	164,467	93,157	(45,126)	-	212,499
Finance & Corporate Services	707,495	63,919	(51,663)	-	719,751
Governance & Audit	-	5,380	(13,281)	-	(7,901)
Other Income*	-	-	-	-	-
Organisational Development & Innovation	564,661	40,597	35,452	-	640,710
					-
<b>Net Cost of Services</b>	<b>5,930,747</b>	<b>625,000</b>	<b>(309,959)</b>	<b>-</b>	<b>6,245,788</b>
Other Income and Expenditure from the Expenditure and Funding Analysis	(5,394,980)	(260,000)	-	-	(5,654,980)
Difference between General Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services	535,767	365,000	(309,959)	-	590,808

### 3 a Expenditure and Income Analysed by Nature

Expenditure		2024/25	2023/24
	Notes	£	£
Employee Benefits Expenses	7	35,059,707	33,775,878
Other Services Expenditure		39,021,833	41,675,819
Depreciation, Amortisation, Impairment	11	6,172,110	5,925,112
Interest Payments	9	1,179,930	1,258,998
Gain on the Disposal of Assets	8	(16,000)	(53,845)
<b>Total Expenditure</b>		<b>81,417,580</b>	<b>82,581,962</b>

Income		2024/25	2023/24
	Notes	£	£
Fees, Charges and Other Service Income		(20,365,644)	(20,626,800)
Interest and Investment Income	9	(2,467,794)	(1,543,638)
District Rate Income	10	(60,828,021)	(56,087,434)
Government Grants and Contributions	10	(4,820,189)	(3,875,967)
Other Income		(342,429)	(15,903,981)
<b>Total Income</b>		<b>(88,824,077)</b>	<b>(98,037,820)</b>
<b>(Surplus) or Deficit on the Provision of Services</b>		<b>(7,406,498)</b>	<b>(15,455,858)</b>

### b Revenue from contracts with service recipients

The Council does not receive material revenue from contracts with service recipients.

### 4 Adjustments between an Accounting Basis and Funding Basis under Regulations

#### a Amounts included in the Comprehensive Income and Expenditure Statement but required by statute to be excluded when determining the Movement on the General Fund Balance for the year:

		2024/25		2023/24	
	Notes	£	£	£	£
<b>Amounts included in the Comprehensive Income and Expenditure Statement but required by statute to be excluded when determining</b>					
Revaluation increases/decreases taken to					
Surplus/Deficit on the Provision of Services	11	38,408		5,635	
Depreciation charged in the year on non-current	11	6,172,110	6,210,518	5,925,112	5,930,747
Net Revenue expenditure funded from capital	12		-		21,159
Carrying amount of non current assets sold	8	-		33,750	
Proceeds from the sale of PP&E, investment property and intangible assets	23	(16,000)	(16,000)	(87,595)	(53,845)
Net charges made for retirement benefits in accordance with IAS 19	20		3,931,000		5,178,000
Employers contributions payable to the NILGOSC and retirement benefits payable direct to pensioners	20		(4,940,000)		(4,813,000)
Capital Grants and Donated Assets Receivable and Applied in year	10		(806,613)		-
Adjustments in relation to short-term compensated absences	24		(81,757)		(309,958)
<b>Amounts not included in the Comprehensive Income and Expenditure Statement but required by statute to be included when determining the Movement on the General Fund Balance for the year</b>					
Statutory Provision for the financing of Capital Investment	23		(5,585,562)		(5,156,164)
Direct revenue financing of Capital Expenditure	12,23		(61,539)		(206,131)
			<b>(1,349,953)</b>		<b>590,808</b>

b Net transfers (to)/from statutory and other earmarked reserves:					
	Notes	2024/25 £	2024/25 £	2023/24 £	2023/24 £
<b>Capital Fund</b>					
Interest		(1,616,973)		(704,398)	
Other		(2,692,634)		(15,992,517)	
Other	27	-	(4,309,607)	-	(16,696,915)
<b>Renewal and Repairs Fund</b>					
Other	27	(645,827)	(645,827)	(355,674)	(355,674)
<b>Capital Receipts Reserve</b>					
Other	27	-	-	20,000	20,000
<b>Other Funds and earmarked reserves</b>					
Other	27	(1,366,692)	(1,366,692)	(1,462,837)	(1,462,837)
<b>Unusable reserves</b>					
Capital Adjustment Account		-	-	-	-
			(6,322,126)		(18,495,426)

## 5 Cost of Services on Continuing Operations

### a General power of competence

Prior to Local Government Reform on 1st April 2015, expenditure for special purposes was limited under Section 40 of the Local Government Finance Act (Northern Ireland) 2011. This section was repealed by Schedule 10 of the Local Government Act (Northern Ireland) 2014.

Under Section 79 of the Local Government Act (Northern Ireland) 2014, the Council has the power to do anything that individuals generally may do. Councils have the power to do this with or without charge. The power of competence is not limited to benefitting the area or its residents nor is it limited by existing powers.

The actual expenditure under the power of competence amounted to £nil during 2024/25 (£nil in 2023/24).

### b External Audit Fees

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

	2024/25 £	2023/24 £
External Audit Fees	68,300	66,500
Other Fees	22,127	19,250
	<b>90,427</b>	<b>85,750</b>

The other fees of £22,127 (2023/24 £19,250) were incurred in respect of performance audit services provided by the appointed auditor (£20,750) and the National Fraud Initiative (£1,377).

## 6 Leases (as a Lessor and Lessee) Council as Lessor

### a Finance Leases (Council as lessor)

The Council does not lease any property or equipment on Finance leases.

### b Operating Leases (Council as lessor)

The Council leases out property and equipment under operating leases for the following purposes:

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

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

	31st March 2025 £	31st March 2024 £
Not later than 1 year	209,030	226,838
1 -2 years	85,067	188,720
2 -3 years	85,066	174,105
3 -4 years	65,066	138,245
4 -5 years	19,651	113,070
Later than 5 years	881,098	742,845
	<b>1,344,978</b>	<b>1,583,823</b>

### Council as Lessee

### c leases - Right of Use Assets - (Council as lessee)

The Council does not have any vehicles or IT equipment held under finance lease arrangements.

The net carrying amount of assets held under lease arrangements is £295,687 (2023/24 £18,180). The assets are included in Land, Buildings, Vehicles, Plant & Equipment. The rentals paid for equipment held under finance leases totalled £45,065(2023/24 £42,907).

	31st March 2025	31st March 2024
	£	£
Other Land and Buildings	289,692	-
Vehicles, Plant, Furniture and Equipment	5,995	18,180
	295,687	18,180

	31st March 2025	31st March 2024
	£	£
Leases liabilities (net present value of minimum lease payments):		
Current	6,921	38,939
Non- Current	21,754	4,549
Finance costs payable in future years	11,483	7,808
<b>Minimum Lease Payments</b>	<b>40,158</b>	<b>51,296</b>

The minimum lease payments will be payable over the following periods:

	Minimum Lease Payments		Lease Liabilities	
	31st March 2025	31st March 2024	31st March 2025	31st March 2024
	£	£	£	£
Not later than one year	8,997	45,665	2,076	6,726
Later than one year and not later than five years	13,754	5,631	5,421	1,082
Later than five years	17,407	-	3,986	-
	40,158	51,296	11,483	7,808

No contingent rentals were recognised as an expense in the Comprehensive Income and Expenditure Statement during the reporting period under review, and no future sub-lease income is expected to be received, as all assets are used exclusively by the council.

The Council has a number of assets of land held by long term leases from 99 to 10,000 years. Rental income is between 1 pence and 1 pound if demanded. Rent is not normally demanded on these premises and therefore future minimal finance lease payments are assumed to be £nil.

#### d Operating Leases (Council as lessee)

The Council has acquired its office photocopiers and printers by entering into operating leases with typical lives of 3 to 5 years.

The future minimum lease payments due under non-cancellable leases in future years are:

	31st March 2025	31st March 2024
	£	£
Not later than 1 year	176,597	190,779
Later than 1 year and no later than 5 years	511,204	336,354
Later than 5 years	406,328	312,833
	1,094,129	839,966

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

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

	2024/25	2023/24
	£	£
Minimum lease payments	192,029	153,484
<b>Total</b>	<b>192,029</b>	<b>153,484</b>

## 7 Employee Costs and Member Allowances

### a Staff Costs

	2024/25	2023/24
	£	£
Salaries and Wages	27,248,443	26,335,719
Employers NIC	2,656,684	2,499,285
Employers Superannuation	5,154,581	4,940,874
<b>Total staff costs</b>	<b>35,059,708</b>	<b>33,775,878</b>

In addition, agency costs during the year amounted to £3,342,525 (2023/24 £2,950,934).

The Council's current contribution rate to NILGOSC scheme is 19%.

At last actuarial valuation dated 31st March 2022 the fund assets meet 111% of liabilities at that date (2019-112%).

### Average Number of Employees - where FTE represents fulltime equivalent employees

	2024/25	2023/24
	FTE	FTE
Leisure & Community Wellbeing	281	291
Environmental Services	225	215
Regeneration & Growth	98	99
Finance & Corporate Services	59	63
Governance & Audit	5	7
Organisational Development & Innovation	44	44
<b>Total Number</b>	<b>712</b>	<b>719</b>

	2024/25	2023/24
	Actual	Actual Numbers
Full-time numbers employed	637	639
Part-time numbers employed	144	154
<b>Total Number</b>	<b>781</b>	<b>793</b>

c Senior Employees' Remuneration	2024/25	2023/24
£60,001 to £70,000	4	8
£70,001 to £80,000	9	1
£80,001 to £90,000	-	1
£90,001 to £100,000	5	4
£130,001 to £140,000	1	1
<b>Total Number</b>	<b>19</b>	<b>15</b>

#### d Members' Allowances

	2024/25	2023/24
	£	£
Basic allowance	696,952	678,982
Mayor's & Deputy Mayor's Allowance	35,618	35,618
Special Responsibility Allowances	82,819	78,675
Dependents' carers allowance	57	174
Employer costs	142,090	148,891
Mileage	12,121	13,570
Travel & Subsistence Costs	-	691
<b>Total</b>	<b>969,657</b>	<b>956,601</b>

#### e Northern Ireland Civil Service Pension Arrangements

As a result of Reform on 1st April 2015, staff transferred from Central Government to the Council are members of the Northern Ireland Civil Service Pension Scheme.

The Northern Ireland Civil Service Pension arrangements are unfunded multi-employer defined benefit schemes but the Department for Communities is unable to identify its share of the underlying assets and liabilities. The most up to date actuarial valuation was carried out as at 31 March 2020. This valuation is then reviewed by the Scheme Actuary and updated to reflect current conditions and rolled forward to the reporting date of the DOF Superannuation and Other Allowances Resource Accounts as at 31 March 2025.

For 2024/25, employers' contributions of £371,873 were payable to the NICS pension arrangements at a rate of 34.2% of pensionable pay.

The scheme's Actuary reviews employer contributions every four years following a full scheme valuation. A new scheme funding valuation based on data as at 31 March 2020 was completed by the Actuary during 2023-24. This valuation was used to determine employer contribution rates for the introduction of a new career average earning scheme from April 2024. The contribution rate is set to meet the cost of the benefits accruing during 2024/25 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

No persons retired early on ill-health grounds as such the actuarial cost for employees for the early payment of retirement benefits was £nil.

### 8 Other Operating Income & Expenditure

#### a Surplus/Deficit on Non-Current Assets (exc. Investment Properties)

	2024/25	2023/24
	£	£
Proceeds from sale	(16,000)	(87,595)
Carrying amount of non-current assets sold (excl. Investment Properties)	-	33,750
	<u>(16,000)</u>	<u>(53,845)</u>

b Other Operating Expenditure	2024/25	2023/24
	£	£
(Surplus)/Deficit on Non Current Assets	(16,000)	(53,845)
	<u>(16,000)</u>	<u>(53,845)</u>

### 9 Financing and Investment Income and Expenditure

#### a Interest Payable and Similar Charges

	2024/25	2023/24
	£	£
Government Loan Interest	1,173,804	1,252,272
Commercial Loan Interest	6,126	6,726
	<u>1,179,930</u>	<u>1,258,998</u>



**b Interest and Investment Income**

	2024/25	2023/24
	£	£
Bank Interest	835,398	823,778
NIHE Loan Interest Receivable	15,423	15,462
Capital Fund	1,616,973	704,398
	<u>2,467,794</u>	<u>1,543,638</u>

**c Pensions interest costs and expected return on pensions assets**

	2024/25	2023/24
	£	£
Net interest on the net defined benefit liability (asset)	(1,076,000)	(260,000)
	<u>(1,076,000)</u>	<u>(260,000)</u>

**d Income, Expenditure and changes in Fair Value of Investment Properties**

	2024/25	2023/24
	£	£
<b>Income/Expenditure from Investment Properties:</b>		
<b>Changes in Fair Value of Investment Properties</b>	-	113,804
	<u>-</u>	<u>113,804</u>

Financing and Investment Income and Expenditure	2024/25			2023/24		
	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure
	£	£	£	£	£	£
Interest Payable and Similar Charges	1,179,930	-	1,179,930	1,258,998	-	1,258,998
Interest and Investment Income	-	(2,467,794)	(2,467,794)	-	(1,543,638)	(1,543,638)
Pensions interest cost	-	(1,076,000)	(1,076,000)	-	(260,000)	(260,000)
Changes in Fair Value of Investment Properties	-	-	-	113,804	-	113,804
	<u>1,179,930</u>	<u>(3,543,794)</u>	<u>(2,363,864)</u>	<u>1,372,802</u>	<u>(1,803,638)</u>	<u>(430,836)</u>

**10 Taxation and Non Specific Grant Income**
**a Revenue Grants**

	2024/25	2023/24
	£	£
General	(4,013,577)	(3,875,967)
	<u>(4,013,577)</u>	<u>(3,875,967)</u>

**b Capital Grants and Donated Assets - Applied**

	2024/25	2023/24
	£	£
Government & Other Grants - Transfer from receipts in advance	(704,564)	-
Donated Assets - Conditions met	(102,048)	-
	<u>(806,612)</u>	<u>-</u>

**c District Rates**

	2024/25	2023/24
	£	£
Current year	(60,828,021)	(56,087,434)
	<u>(60,828,021)</u>	<u>(56,087,434)</u>

Taxation and Non Specific Grant Income	2024/25	2023/24
	£	£
District Rate Income	(60,828,021)	(56,087,434)
Revenue Grants	(4,013,577)	(3,875,967)
Capital Grants and Contributions	(806,612)	-
	<u>(65,648,210)</u>	<u>(59,963,401)</u>

Lisburn & Castlereagh City Council  
Notes to the Financial Statements  
FOR THE YEAR ENDED 31 March 2025

11 a

Long - Term Assets - Current Year

Cost or Valuation	Land	Buildings	Infrastructure Assets	Landfill Sites	Vehicles, Plant & Equipment	Community Assets	PP&E Under Construction	Surplus Assets	Total PP&E	Heritage Assets	Assets Held for Resale	TOTAL
	£	£	£	£	£	£	£	£	£	£	£	£
<b>Balance as at 1 April 2024</b>	<b>24,820,298</b>	<b>115,559,247</b>	<b>860,735</b>	-	22,169,218	5,180,109	5,150,661	1,797,750	<b>175,538,018</b>	1,906,788	-	<b>177,444,806</b>
Adjustments between cost/value & depreciation/impairment	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 1 April 2024</b>	<b>24,820,298</b>	<b>115,559,247</b>	<b>860,735</b>	-	<b>22,169,218</b>	<b>5,180,109</b>	<b>5,150,661</b>	<b>1,797,750</b>	<b>175,538,018</b>	<b>1,906,788</b>	-	<b>177,444,806</b>
Additions	115,960	-	-	-	83,739	-	9,004,020	-	<b>9,203,719</b>	-	-	<b>9,203,719</b>
Donations	-	-	-	-	-	-	-	-	-	10,214	-	<b>10,214</b>
Revaluation increases/(decreases) to Revaluation Reserve	(43,974)	1,158,473	-	-	-	17,322	-	-	<b>1,131,821</b>	-	-	<b>1,131,821</b>
Revaluation increases/(decreases) to Surplus or Deficit on the Provision of Services	(3,912)	(2,326,461)	-	-	-	(107,439)	-	-	<b>(2,437,812)</b>	-	-	<b>(2,437,812)</b>
Impairment to Surplus or Deficit on the Provision of Services	-	-	-	-	-	-	-	-	-	-	-	-
Derecognition - Disposals	-	-	-	-	(1,100,275)	-	-	-	<b>(1,100,275)</b>	-	-	<b>(1,100,275)</b>
Derecognition - Other	-	-	-	-	-	-	-	-	-	-	-	-
Reclassifications & Transfers	134,885	4,086,365	-	-	708,405	147,290	(5,076,945)	-	-	-	-	-
Reclassified to(-)/from(+) Held for Sale	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2025</b>	<b>25,023,257.00</b>	<b>118,477,624</b>	<b>860,735</b>	-	<b>21,861,087</b>	<b>5,237,282</b>	<b>9,077,736</b>	<b>1,797,750</b>	<b>182,335,471</b>	<b>1,917,002</b>	-	<b>184,252,473</b>
<b>Depreciation and Impairment</b>	<b>Land</b>	<b>Buildings</b>	<b>Infrastructure Assets</b>	<b>Landfill Sites</b>	<b>Vehicles, Plant &amp; Equipment</b>	<b>Community Assets</b>	<b>PP&amp;E Under Construction</b>	<b>Surplus Assets</b>	<b>Total PP&amp;E</b>	<b>Heritage Assets</b>	<b>Assets Held for Resale</b>	<b>TOTAL</b>
				£	£	£	£	£	£	£	£	£
<b>Balance as at 1 April 2024</b>	<b>7</b>	<b>4,435,305</b>	<b>179,986</b>	-	18,662,988	3	-	-	<b>23,278,289</b>	-	-	<b>23,278,289</b>
Adjustments between cost/value & depreciation/impairment	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 1 April 2024</b>	<b>7</b>	<b>4,435,305</b>	<b>179,986</b>	-	<b>18,662,988</b>	<b>3</b>	-	-	<b>23,278,289</b>	-	-	<b>23,278,289</b>
Depreciation Charge	1,678.00	4,663,052	30,506	-	868,626	3,491	-	-	<b>5,567,353</b>	-	-	<b>5,567,353</b>
Depreciation written out on Revaluation Reserve	-	(2,035,850)	-	-	-	-	-	-	<b>(2,035,850)</b>	-	-	<b>(2,035,850)</b>
Depreciation written out on Revaluation taken to Surplus or Deficit on the Provision of Services	-	(2,399,404)	-	-	-	-	-	-	<b>(2,399,404)</b>	-	-	<b>(2,399,404)</b>
Derecognition - Disposals	-	-	-	-	(1,100,275)	-	-	-	<b>(1,100,275)</b>	-	-	<b>(1,100,275)</b>
<b>Balance as at 31 March 2025</b>	<b>1,685</b>	<b>4,663,103</b>	<b>210,492</b>	-	<b>18,431,339</b>	<b>3,494</b>	-	-	<b>23,310,113</b>	-	-	<b>23,310,113</b>
<b>Balance as at 31 March 2025</b>	<b>25,021,572</b>	<b>113,814,521</b>	<b>650,243</b>	-	<b>3,429,748</b>	<b>5,233,788</b>	<b>9,077,736</b>	<b>1,797,750</b>	<b>159,025,358</b>	<b>1,917,002</b>	-	<b>160,942,360</b>

b Long - Term Assets - Comparative Year												
Cost or Valuation	Land	Buildings	Infrastructure Assets	Landfill Sites	Vehicles, Plant & Equipment	Community Assets	PP&E Under Construction	Surplus Assets	Total PP&E	Heritage Assets	Assets Held for Resale	TOTAL
				£	£	£	£	£	£	£	£	£
Balance as at 1 April 2023	24,850,298	116,017,774	894,485	-	21,276,772	5,120,990	4,332,203	1,792,750	174,285,272	1,906,788	-	176,192,060
Balance as at 1 April 2023	24,850,298	116,017,774	894,485	-	21,276,772	5,120,990	4,332,203	1,792,750	174,285,272	1,906,788	-	176,192,060
Additions	-	-	-	-	1,306,312	-	2,955,307	-	4,261,619	-	-	4,261,619
Donations	-	-	-	-	-	-	-	-	-	-	-	-
Revaluation increases/decreases to Revaluation Reserve	-	1,872,744	-	-	-	59,907	-	-	1,932,651	-	-	1,932,651
Revaluation increases/decreases to Surplus or Deficit on the Provision of Services	-	(2,359,982)	-	-	-	(788)	-	-	(2,360,770)	-	-	(2,360,770)
Impairment to Surplus or Deficit on the Provision of Services	-	-	-	-	-	-	-	-	-	-	-	-
Derecognition - Disposals	-	-	(33,750)	-	(413,866)	-	-	-	(447,616)	-	-	(447,616)
Derecognition - Other	-	-	-	-	-	-	-	-	-	-	-	-
Reclassifications & Transfers	(30,000)	28,711	-	-	-	-	(2,136,849)	5,000	(2,133,138)	-	-	(2,133,138)
Reclassified to(-)/from(+) Held for Sale	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2024	24,820,298	115,559,247	860,735	-	22,169,218	5,180,109	5,150,661	1,797,750	175,538,018	1,906,788	-	177,444,806
Depreciation and Impairment	Land	Buildings	Infrastructure Assets	Landfill Sites	Vehicles, Plant & Equipment	Community Assets	PP&E Under Construction	Surplus Assets	Total PP&E	Heritage Assets	Assets Held for Resale	TOTAL
				£	£	£	£	£	£	£	£	£
Balance as at 1 April 2023	7	4,496,243	151,362	-	18,097,479	3	-	-	22,745,094	-	-	22,745,094
Balance as at 1 April 2023	7	4,496,243	151,362	-	18,097,479	3	-	-	22,745,094	-	-	22,745,094
Depreciation Charge	-	4,435,311	28,624	-	979,375	-	-	-	5,443,310	-	-	5,443,310
Depreciation written out on Revaluation Reserve	-	(2,023,760)	-	-	-	-	-	-	(2,023,760)	-	-	(2,023,760)
Depreciation written out on Revaluation taken to Surplus or Deficit on the Provision of Services	-	(2,468,939)	-	-	-	-	-	-	(2,468,939)	-	-	(2,468,939)
Derecognition - Disposals	-	-	-	-	(413,866)	-	-	-	(413,866)	-	-	(413,866)
Reclassifications & Transfers	-	(3,550)	-	-	-	-	-	-	(3,550)	-	-	(3,550)
Balance as at 31 March 2024	7	4,435,305	179,986	-	18,662,988	3	-	-	23,278,289	-	-	23,278,289
Net Book Values												
Balance as at 31 March 2024	24,820,291	111,123,942	680,749	-	3,506,230	5,180,106	5,150,661	1,797,750	152,259,729	1,906,788	-	154,166,517
Balance as at 31 March 2025	25,021,572	113,814,521	650,243	-	3,429,748	5,233,788	9,077,736	1,797,750	159,025,358	1,917,002	-	160,942,360

#### 11 c Property, plant and equipment Depreciation

The useful lives and depreciation rates applied to calculate the depreciation are outlined in note 1 xxi).

#### Effects of Changes in Estimates

The Council owns an Intangible Asset which relates to a Drinks Licence in Castlereagh Hills Golf club. This asset has been revalued due to market conditions.

#### Revaluations

Valuations of Land and Buildings are carried out externally by Land and Property Services (LPS), in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors (RICS). The revaluation results for land and buildings, including an analysis of the revaluations amounts taken to the Revaluation Reserve and the Surplus or Deficit on the Provision of Services, are detailed in note 11a.

#### d 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. The intangible assets include both purchased licenses and internally generally software.

All software is given a finite useful life, based on assessment of the period that the software is expected to be of use to the Council. The useful lives assigned to the major software suites used by the Council are given in Note 1: Accounting Policies.

The Council also owns an Intangible Asset which relates to a Drinks Licence in Castlereagh Hills Golf club. This asset has been revalued with an increase of £5,000 from the previous value (2023/2024) due to market conditions.

Intangible Assets	2024/25	2023/24
	£	£
Balance at start of year:		
Gross carrying amounts	2,834,947	866,808
Accumulated amortisation	901,576	419,774
Net carrying amount at start of year	1,933,371	447,034
Revaluation increases or decreases	5,000	35,000
Amortisation for the period	(604,757)	(481,802)
Other Changes	805,471	1,933,139
Net carrying amount at end of year	2,139,085	1,933,371
Comprising:		
Gross carrying amounts	3,645,418	2,834,947
Accumulated amortisation	1,506,333	901,576
Net carrying amount at end of year	2,139,085	1,933,371

Intangible Assets	31/03/2025	31/03/2024
	£	£
Drinks Licence	120,000	115,000
Computer Software	2,019,085	1,818,371
	2,139,085	1,933,371

#### e Investment Properties

The Council has 3 Investment Properties: Lagan Navigational House, Bradford Court and one situated within the Dundonald Ice Bowl

There are no restrictions on the Council's ability to realise the value of inherent in its investment property or on the authority's right to the

All three properties classified as Investment properties are held at fair value.

Investment Properties	2024/25	2023/24
	£	£
Balance at start of the year	4,025,000	3,920,000
Additions	-	22,354
Net gains/losses from fair value adjustments	-	(113,804)
Transfers to/from property, plant and equipment	-	196,450
Balance at end of the year	4,025,000	4,025,000

#### Valuation Techniques

There has been no change in the valuation techniques used during the year for Investment Properties.

## f Heritage Assets

Plant & memorials consist of a memorial statue to Henry George Ferguson, an Irish engineer and inventor who is noted for his role in the development of the modern tractor, becoming the first Irishman to build and fly his own aeroplane, and for developing the first four-wheel drive Formula One car.

### Art Collection

The memorial is a one-off piece commissioned in 2009 to commemorate his achievements and is valued on a historical cost basis. Plant and memorials also includes a restored vintage fire engine. In the absence of market information this is valued using its insurance valuation as the basis.

### Other Artefacts

The Council operates the Irish Linen Museum in Lisburn City which contains a collection of artwork and other artefacts of historical local interest. Policy is to insure all material items with a value estimated to be over £10,000. The Art collection consists of a number of valuable pieces by notable local artists including John Luke and Samuel McCloy. The major pieces in the collection are valued for insurance purposes and this valuation forms the basis of valuation for these financial statements.

## g Right of Use Assets held under leases (included within Land and Buildings, Vehicles, and Equipment)

	Land and Buildings £	Vehicles £	Equipment £	TOTAL £
<b>Cost or Valuation</b>				
At 1 April 2024 <i>(Recognition upon implementation of IFRS 16)</i>	272,973	60,905	1,424,283	<b>1,758,161</b>
Additions	-	-	-	-
Revaluations	(47,013)	-	-	<b>(47,013)</b>
Disposals	-	(60,905)	(845,778)	<b>(906,683)</b>
<b>At 31 March 2025</b>	<b>225,960</b>	<b>-</b>	<b>578,505</b>	<b>804,465</b>
<b>Depreciation</b>				
At 1 April 2024	-	60,905	1,406,183	<b>1,467,088</b>
Disposals	-	(60,905)	(853,425)	<b>(914,330)</b>
Provided for year	4,283	-	19,752	<b>24,035</b>
<b>At 31 March 2025</b>	<b>4,283</b>	<b>-</b>	<b>572,510</b>	<b>576,793</b>
<b>Net Book Value</b>	<b>221,677</b>	<b>-</b>	<b>5,995</b>	<b>227,672</b>

	Land and Buildings £	Vehicles £	Equipment £	TOTAL £
<b>Cost or Valuation</b>				
At 1 April 2023	-	60,905	1,424,283	<b>1,485,188</b>
Revaluations	-	-	-	-
<b>At 31 March 2024</b>	<b>-</b>	<b>60,905</b>	<b>1,424,283</b>	<b>1,485,188</b>
<b>Depreciation</b>				
At 1 April 2023	-	60,905	1,363,199	<b>1,424,104</b>
Provided for year	-	-	42,984	<b>42,984</b>
<b>At 31 March 2024</b>	<b>-</b>	<b>60,905</b>	<b>1,406,183</b>	<b>1,467,088</b>
<b>Net Book Value</b>	<b>-</b>	<b>-</b>	<b>18,100</b>	<b>18,100</b>

### Valuation Process for Surplus Assets

The fair value of the Council's Surplus Assets is measured at minimum 5 year intervals. All valuations are carried out externally by Land & Property Services, in accordance with the methodologies and basis for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors.

## 12 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 leases and PFI contracts), 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 is yet to be financed. The CFR is analysed in the second part of this note.

Capital Expenditure		2024/25	2023/24
		£	£
<b>Opening Capital Financing Requirement</b>		39,885,158	41,156,746
<b>Capital Investment</b>			
Property, Plant and Equipment	11	9,203,719	4,261,619
Investment Properties		-	22,354
Revenue Expenditure Funded from Capital under Statute		-	21,159
<b>Sources of Finance</b>			
Capital Receipts		(16,000)	(87,595)
Government Grants and Other Contributions	10	(806,612)	-
Transfers from Earmarked Reserves		(1,158,651)	(126,830)
<b>Sums set aside from Revenue:</b>			
Direct Revenue Contributions		(61,539)	(206,131)
Minimum Revenue Provision		(5,585,562)	(5,156,164)
<b>Closing Capital Financing Requirement</b>		<b>41,460,513</b>	<b>39,885,158</b>
<b>Explanation of Movements in Year</b>		<b>2024/25</b>	<b>2023/24</b>
		£	£
Increase in underlying need to borrow		1,575,355	(1,271,588)
Increase/(decrease) in Capital Financing Requirement		<b>1,575,355</b>	<b>(1,271,588)</b>

## 13 Future Capital Commitments

The Council has an ongoing programme of capital works and the estimated cost of the schemes is as follows:

	Gross Cost	Grant Aid	Net Cost
	£	£	£
Schemes underway	51,968,415	12,280,000	39,688,415
<b>Total</b>	<b>51,968,415</b>	<b>12,280,000</b>	<b>39,688,415</b>

<b>14 Inventories</b>	<b>2024/25</b>	<b>2023/24</b>
	£	£
Central Stores	207,002	186,430
Other	115,919	112,694
Goods for resale	69,021	54,731
Household Waste/recycling	104,447	126,815
Vending	11,549	10,888
Other	33,619	21,998
<b>Total</b>	<b>541,557</b>	<b>513,556</b>

<b>15 Debtors</b>	<b>2024/25</b>	<b>2023/24</b>
<b>a Long Term Debtors</b>		
Government Departments	72,327	87,743
Other Councils	34,479	39,914
<b>Total Long-Term Debtors</b>	<b>106,806</b>	<b>127,657</b>

<b>b Short Term Debtors</b>	<b>2024/25</b>	<b>2023/24</b>
	£	£
Government Departments	2,764,388	1,042,169
Other Councils	138,084	14,363
NIHE loans	15,416	15,423
Interest Receivable	721,604	44,671
Value Added Tax	4,538,636	1,034,551
Prepayments	189,588	121,514
Other	199,199	35,601
Trade receivables	690,047	737,384
Impairment loss - Trade receivables	(83,217)	(106,111)
<b>Total Short-Term Debtors</b>	<b>9,173,745</b>	<b>2,939,565</b>

<b>Total Debtors</b>	<b>9,280,551</b>	<b>3,067,222</b>
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<b>16 Investments</b>	<b>2024/25</b>	<b>2023/24</b>
<b>Long Term Investments</b>		
	£	£
Investments - general	2,691	2,632
<b>Total Long-term Investments</b>	<b>2,691</b>	<b>2,632</b>



<b>17</b>	<b>Borrowings</b>		
<b>a</b>	<b>Short Term Borrowing</b>	<b>2024/25</b>	<b>2023/24</b>
		<b>£</b>	<b>£</b>
	Loans re-payable within one year	1,086,453	1,138,829
	Lease Principal	6,921	38,939
	<b>Total Short Term Borrowing</b>	<b>1,093,374</b>	<b>1,177,768</b>
<b>b</b>	<b>Long Term Borrowing</b>	<b>2024/25</b>	<b>2023/24</b>
		<b>£</b>	<b>£</b>
	Between 1 and 2 years	1,450,318	1,091,002
	Between 2 and 5 years	4,322,597	4,305,207
	Between 5 and 10 years	3,682,386	4,702,906
	In more than 10 years	8,354,991	8,780,426
	<b>Government Loans Fund</b>	<b>17,810,292</b>	<b>18,879,541</b>
	<b>Total Borrowing</b>	<b>18,903,666</b>	<b>20,057,309</b>

<b>18</b>	<b>Creditors</b>		
<b>a</b>	<b>Short Term Creditors</b>	<b>2024/25</b>	<b>2023/24</b>
		<b>£</b>	<b>£</b>
	Government Departments	2,586,392	2,729,065
	Other Councils	337,974	169,876
	Accumulated Absences	430,850	512,607
	Loan Interest Payable	180,241	195,053
	Capital Creditors	105,708	91,861
	Receipts in advance	1,922,959	2,692,302
	Trade creditors	1,582,597	2,437,379
	Other	1,498,421	1,321,947
	<b>Total Short Term Creditors</b>	<b>8,645,142</b>	<b>10,150,090</b>

This amount includes £143,932 of third party income.

#### c Payment of Invoices

The council has a target, where no other terms are agreed, of paying supplier invoices within 30 calendar days. During the year the Council paid 17,632 invoices totalling £59,935,345.

The number of disputed invoices were unknown.

The Council paid:

13,470 (76.4%) invoices with 30 calendar days target (2023/24: 88.73%);  
 9,771 (55.42%) invoices within 10 working days target (2023/24: 64.4%); and  
 4,162 (23.6%) invoices outside of the 30 day target (2023/24: 11.27%).

The average number of days taken to pay suppliers during the year was 19 days (2023/24: 18 days).

<b>19</b>	<b>Provisions</b>						
		<b>Balance as at</b>	<b>Increase in</b>	<b>Utilised during</b>	<b>Unused amounts</b>	<b>Interest cost</b>	<b>Balance as at 31</b>
		<b>1 April 2024</b>	<b>provision</b>	<b>year</b>	<b>reversed</b>	<b>and/or discount</b>	<b>March 2025</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>rate changes</b>	<b>£</b>
	Landfill	2,466,996	151,330	(192,377)	-	(126,745)	<b>2,299,204</b>
	Insurance	173,981	76,803	(70,784)	-	-	<b>180,000</b>
	<b>Total</b>	<b>2,640,977</b>	<b>228,133</b>	<b>(263,161)</b>	<b>-</b>	<b>(126,745)</b>	<b>2,479,204</b>
	Current Provisions	(229,792)	76,803	(263,161)	-	711	<b>(415,439)</b>
	Long Term Provisions	2,870,769	151,330	-	-	(127,456)	<b>2,894,643</b>
	<b>Total</b>	<b>2,640,977</b>	<b>228,133</b>	<b>(263,161)</b>	<b>-</b>	<b>(126,745)</b>	<b>2,479,204</b>

#### Comparative Year

		<b>Balance as at</b>	<b>Increase in</b>	<b>Utilised during</b>	<b>Unused amounts</b>	<b>Interest cost</b>	<b>Restated Balance</b>
		<b>1 April 2023</b>	<b>provision</b>	<b>year</b>	<b>reversed</b>	<b>and/or discount</b>	<b>as at 31 March</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>rate changes</b>	<b>2024</b>
	Landfill	2,615,467	177,139	(222,576)	-	(103,034)	<b>2,466,996</b>
	Insurance	192,000	69,393	(87,412)	-	-	<b>173,981</b>
	<b>Total</b>	<b>2,807,467</b>	<b>246,532</b>	<b>(309,988)</b>	<b>-</b>	<b>(103,034)</b>	<b>2,640,977</b>
	Current Provisions	11,553	69,393	(309,988)	-	(750)	<b>(229,792)</b>
	Long Term Provisions	2,795,914	177,139	-	-	(102,284)	<b>2,870,769</b>
	<b>Total</b>	<b>2,807,467</b>	<b>246,532</b>	<b>(309,988)</b>	<b>-</b>	<b>(103,034)</b>	<b>2,640,977</b>

## Landfill

The Council has responsibility for two landfill sites which were inherited from the legacy councils on 1 April 2015, Drumlough and Moss Road. These sites are at varying stages of closure in accordance with ECC directives. The Moss Road site closed in 2001. The closure plan was approved by NIEA in November 2018. The implementation plan is currently being prepared. With regards to the landfill site at Drumlough, the final closure plan was approved by the NIEA in July 2016. The implementation plan was approved by Council in September 2018.

## Other - Insurance Claims

Other provisions related to pending insurance claims and the associated estimated costs. Of the provision carried forward from 2023/24, £70,784 was utilised during the year. New provisions were created in 2024/25 totalling £180,000.

## 20 Financial Instruments

### Categories of Financial Instruments

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

#### Credit Risk

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

#### Valuation assumptions

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

#### Liquidity Risk

As the Council has ready access to borrowings from the Department of Finance's Consolidated Fund, there is no significant risk that it will be unable to raise finance to meet its commitments under Financial Instruments. The maturity analysis of financial liabilities is included in notes 17 to 19. All trade and other payables are due for payment within one year.

The Council is exposed to risk in terms of its exposure to interest rate movements on its investments. The Council is in receipt of loans from the Department of Finance, however these loans are at fixed concessionary interest rates that differ from the prevailing market rates.

#### Fair Value of Soft Loans and Government Loans

The Council is in receipt of loans from the Department of Finance at concessionary interest rates that differ from the prevailing market rates. The fair value of these loans is £19,880,246 (2023/24: £24,312,077)

#### Foreign Exchange Risk

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

## 21 Retirement Benefits

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

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

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

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

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

However, the charge the Council is required to make against district rates is based on the cash payable in the year, and the real cost of retirement benefits is reversed out in the adjustments between accounting basis & funding basis under regulations line, in the Movement on Reserves Statement.

The following transactions have been made in the Comprehensive Income and Expenditure Statement and the adjustments between accounting basis & funding basis under regulations line, in the Movement on Reserves Statement during the year:

	Note	2024/25 £	2023/24 £
Net cost of services:			
Current service cost		5,007,000	5,438,000
Net Interest on net defined benefit Liability (asset)		(1,076,000)	(260,000)
<b>Total Post-employment Benefits charged to the Surplus or Deficit on the Provision of Services</b>		<b>3,931,000</b>	<b>5,178,000</b>
Movement in Reserves Statement:			
Reversal of net charges made for retirement benefits in accordance with IAS 19 and the Code		(3,931,000)	(5,178,000)
Employers' contributions payable to scheme		4,940,000	4,813,000
<b>Net adjustment to General Fund</b>		<b>1,009,000</b>	<b>(365,000)</b>

The service cost figures include an allowance for administration expenses of £129k (2023/24 - £126k).

Remeasurements recognised in Other Comprehensive Income and Expenditure	Note	2024/25 £	2023/24 £
Liability gains/(losses) due to change in assumptions		32,261,000	6,563,000
Liability gains/(losses) due to due to demographic changes		1,349,000	2,768,000
Liability experience gains/(losses) arising in the year		(187,000)	(2,391,000)
Actuarial gains/(losses) on plan assets		(1,968,000)	10,240,000
Other		(32,346,000)	(20,387,000)
<b>Total gains/(losses) recognised in Other Comprehensive Income and Expenditure</b>		<b>(891,000)</b>	<b>(3,207,000)</b>

<b>C Assets and liabilities in relation to retirement benefits</b>			
Reconciliation of present value of the scheme liabilities:	Note	2024/25 £	2023/24 £
Balance as at 1 April		180,888,596	178,520,596
Current service cost		5,007,000	5,438,000
Interest cost		8,576,000	8,291,000
Contributions by members		1,747,000	1,584,000
Remeasurement (gains) and losses:			
Actuarial gains/losses arising from changes in financial assumptions		(32,261,000)	(6,563,000)
Actuarial gains/losses arising from demographic changes		(1,349,000)	(2,768,000)
Actuarial gains/losses arising on liabilities from experience		187,000	2,391,000
Estimated unfunded benefits paid		(34,000)	(43,000)
Estimated benefits paid		(6,355,000)	(5,962,000)
<b>Balance as at 31 March</b>		<b>156,406,596</b>	<b>180,888,596</b>
Reconciliation of present value of the scheme assets:	Note	2024/25 £	2023/24 £
Balance as at 1 April		200,864,442	181,681,442
Interest Income		9,652,000	8,551,000
Contributions by members		1,747,000	1,584,000
Contributions by employer		4,906,000	4,770,000
Contributions in respect of unfunded benefits		34,000	43,000
Remeasurement gain/(loss)		(1,968,000)	10,240,000
Unfunded benefits paid		(34,000)	(43,000)
Benefits paid		(6,355,000)	(5,962,000)
Unrecognised Asset		(52,733,000)	(20,387,000)
<b>Balance as at 31 March</b>		<b>156,113,442</b>	<b>180,477,442</b>

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

\*other - The movement in the "Remeasurement gains and losses" above has been largely attributed to the change in financial assumptions over the period. The discount rate has increased by 0.1%, the CPI inflation assumption has reduced by 0.1% and the salary increase assumption has reduced by 0.1%. This has resulted in a more positive Balance Sheet position than if the financial assumptions at the start of the year position had been used, however, to comply with IAS19 there is an adjustment in respect of paragraph 64 of IAS 19. The impact of this change has created a negative £294k Pension Balance, due to the unfunded benefits, in the Unusable Reserves. The prior year figures have been restated to reflect the surplus restriction.

The actual return on scheme assets in the year was a gain of £7,684,000 (2023/24 gain of £18,791,000).

Fair Value of Plan Assets	2024/25 £	2023/24 £
Equity investments	86	80
Bonds	41	39
Property	20	19
Cash	22	25
Other	40	38
	209	201

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

Details of estimates made by the Fund Manager when assessing the fair values of plan assets.

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

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

	2024/25 £	2023/24 £
Fair Value of Employer Assets	156,113,442	180,477,442
Present value of funded defined benefit obligation	(156,406,596)	(180,888,596)
Pension asset/(liability) of Funded Scheme	(293,154)	(411,154)
<b>Net asset/(liability) arising from the defined benefit obligation</b>	<b>(293,154)</b>	<b>(411,154)</b>
Amount in the Balance sheet:		
Liabilities	(156,407,000)	(180,889,000)
Assets	156,113,000	180,477,000
<b>Net Asset/(Liability)</b>	<b>(294,000)</b>	<b>(412,000)</b>

**d Scheme History**

Analysis of scheme assets and liabilities	2024/25 £	2023/24 £
Fair Value of Assets in pension scheme	156,113,442	180,477,442
Present Value of Defined Benefit Obligation	(156,406,596)	(180,888,596)

<b>Surplus/(deficit) in the Scheme</b>	<b>(293,154)</b>	<b>(411,154)</b>
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Amount recognised in Other Comprehensive Income and Expenditure:	2024/25 £	2023/24 £
Actuarial gains/(losses)	(891,000)	(3,207,000)
Remeasurements recognised in Other Comprehensive Income and Expenditure	(891,000)	(3,207,000)
Cumulative actuarial gains and losses	52,967,000	53,858,000
<b>History of experience gains and losses:</b>		
Experience gains and (losses) on liabilities	(1,968,000)	10,240,000

The total contributions expected to be made to the Northern Ireland Local Government Officers' Pension Fund by the council in the year to 31 March 2025 is £4,940,000.

**History of experience gains and losses**

The actuarial gains/losses identified as movements on the Pensions Reserve 2024/25 can be analysed into the following categories, measured as a percentage of assets or liabilities at 31 March 2025.

	2024/25 %	2023/24 %
Experience gains and (losses) on Liabilities	1.26%	-5.66%

**e Basis for estimating assets and liabilities**

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in the future years dependent on assumptions about mortality rates, salary levels, etc. The Council's Fund liabilities have been assessed by Aon Hewitt Limited, an independent firm of actuaries, estimates for the Council Fund being based on data pertaining to the latest full valuation of the scheme as at 31 March 2025.

Pension scheme assumptions:		2024/25	2023/24
	%		%
<b>Mortality assumptions:</b>			
Longevity at 65 current pensioners:	Years		Years
Men		21.6	21.7
Women		22.2	22.7
Longevity at 65 for future pensioners:			
Men		24.5	24.6
Women		25.2	25.6
Inflation/Pension Increase Rate		2.50%	2.60%
Salary Increase Rate		4.00%	4.10%
Discount Rate		5.80%	4.80%
Pension accounts revaluation rate		2.50%	2.60%
<b>Pension Assumptions Sensitivity Analysis</b>			

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

The approximate impact of changing key assumptions on the present value of the funded defined benefit obligation as at 31 March 2025 is set out below.

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

#### **Funded Pension Scheme Benefits**

<b>Discount Rate Assumption</b>		
Adjustment to discount rate	<b>+0.1%p.a.</b>	<b>-0.1%p.a.</b>
Present value of the total obligation	153,615,000	158,611,000
% change in the present value of the total obligation	-1.60%	1.60%
Projected service cost	3,256,000	3,566,000
Approximate % change in projected service cost	-4.50%	4.60%
<b>Rate of General Increase in Salaries</b>		
Adjustment to salary increase rate	<b>+0.1%p.a.</b>	<b>-0.1%p.a.</b>
Present value of the total obligation	156,581,000	155,645,000
% change in the present value of the total obligation	0.30%	-0.30%
Projected service cost	3,409,000	3,409,000
Approximate % change in projected service cost	0.00%	0.00%
<b>Rate of Increase to Pensions in Payment and Deferred Pension Assumption</b>		
Adjustment to pension increase rate	<b>+0.1%p.a.</b>	<b>-0.1%p.a.</b>
Present value of the total obligation	158,142,000	154,084,000
% change in the present value of the total obligation	1.30%	-1.30%
Projected service cost	3,566,000	3,256,000
Approximate % change in projected service cost	4.60%	-4.50%
<b>Post Retirement Mortality Assumption</b>		
Adjustment to mortality age rating assumption*	<b>- 1 Year</b>	<b>+1 Year</b>
Present value of the total obligation	159,704,000	152,522,000
% change in the present value of the total obligation	2.30%	-2.30%
Projected service cost	3,532,000	3,283,000
Approximate % change in projected service cost	3.60%	-3.70%

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

#### **f Major categories of plan assets as percentage of total plan assets**

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

	31/03/2025	31/03/2024
%	%	
Equity investments	41.30%	39.70%
Government Bonds	15.70%	15.00%
Corporate Bonds	3.90%	4.60%
Property	9.50%	9.30%
Cash	10.70%	12.40%
Other	18.90%	19.00%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

## g Northern Ireland Civil Service Pension Arrangements

The Northern Ireland Civil Service Pension arrangements are unfunded multi-employer defined benefit schemes but the Council is unable to identify its share of the underlying assets and liabilities. The most up to date actuarial valuation was carried out as at 31/03/20. This valuation is then reviewed by the Scheme Actuary and updated to reflect current conditions and rolled forward to the reporting date of the DoF Superannuation and Other Allowances Resource Accounts as at 31 March 2025.

Guaranteed Minimum Pension (GMP) is a portion of pension that was accrued by individuals who were contracted out of the state pension prior to 6 April 1997. At present there is an inequality of benefits between male and female members who have GMP. Although the Government intends that GMP should be equalised, at present it is not clear how this equalisation will be implemented. In July 2014 the Government stated an intention to develop fully considered proposals and to publish guidance when this work is completed, but no target date was given. The impact of any liabilities relating to the Council is therefore uncertain and no provision has been made in these financial statements.

## 22 Donated Assets Account

The Council did not hold any donated assets during the year ending 31 March 2025.

23 Capital Grants Received in Advance	Note	2024/25 £	2023/24 £
Opening balance		4,092,304	507,627
Add: new capital grants received in advance (condition of use not met)		9,009,952	3,584,677
Less: amounts released to the Comprehensive Income and Expenditure		(704,564)	-
		12,397,692	4,092,304

### Analysis of Capital Grants Receipts in Advance Balance

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

Capital Grants Receipts in Advance	Note	2024/25 £	2023/24 £
Hilden		26,152	26,152
DIIB		12,343,351	3,916,152
Hillsborough Forest		18,136	-
Landlord Registration Scheme		10,053	150,000
		12,397,692	4,092,304

## 24 Contingencies

In accordance with the Code (and IAS 37), Councils should disclose by way of note if there is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the authority, or a present obligation that arises from past events but is not recognised because:

- a) it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, or
- b) the amount of the obligation cannot be measured with sufficient reliability.

The ARC 21 Joint Committee has with the approval of the Participant Councils, entered into an undertaking with the bidding consortium in the procurement for the Residual Waste treatment Project. Payments made, if any in accordance with this undertaking will be funded by the Participant Councils. This is currently considered a contingent liability. No further information on this agreement can be disclosed due to the commercial sensitivity of the procurement process.

Council is committed to reducing the amount of waste landfilled while increasing recycling and recovery rates for municipal waste. This however comes at a significant cost with a requirement for investment in both infrastructure and waste treatment contracts that will enable Council to meet challenging targets within the Waste (Circular Economy) (Amendment) Regulations (Northern Ireland) 2020 which require:

- 55% recycling of municipal waste by 2025
- 60% recycling of municipal waste by 2030
- 65% recycling of municipal waste by 2035
- the amount of municipal waste landfilled to be reduced to 10% or less of the total amount of municipal waste generated by 2035

There is a lack of visibility on the potential impact of implementation of new legislation, e.g. a Deposit Return Scheme could take higher value recyclates out of the household waste stream and Extended Producer Responsibility for packaging. This should see packaging producers bear costs associated with collection and disposal of these items. This will increase the challenges for Council when considering waste collection and treatment going forward and makes financial forecasting more challenging.

There is a small number of ongoing Tribunal cases involving the Council as at 31st March 2025. Due to the uncertainty of outcome of these cases, there has been no provision provided within the financial statements.

The Council identified potential issues following discussions with HMRC in relation to the preparation and submission of VAT returns in the 2024/25 financial year. HMRC has issued an assessment of underdeclared VAT relating to the period. The Council has reviewed the basis of assessment and is challenging the position taken by HMRC. The Council, supported by professional advice, believes it has a reasonable basis to dispute the assessment and is actively seeking to resolve the matter. Due to the uncertainty over the final outcome, no provision has been made in these financial statements. A liability will be recognised if it becomes probable that an economic outflow will be required. While the assessment is of notable value, management remains confident in its position and continues to engage constructively with HMRC.

25 Other cash flow disclosures

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

Adjustment to surplus or deficit on the provision of services for non-cash movements	Notes	2024/25	2023/24
		£	£
Depreciation	11	6,172,110	5,925,112
Impairment & downward revaluations (& non-sale derecognitions)	11	38,408	5,635
(Increase)/Decrease in inventories		(28,001)	62,000
(Increase)/Decrease in Debtors		(5,765,362)	2,750,502
(Increase)/Decrease in Interest Debtors		(425,073)	98,499
Increase/(Decrease) in impairment provision for bad debts		(22,894)	11,856
Increase/(Decrease) in Creditors		6,801,405	3,409,291
Increase/(Decrease) in Interest Creditors		(14,812)	(8,032)
Payments to NILGOSC	20	(1,009,000)	365,000
Carrying amount of non-current assets sold	8	-	33,750
Contributions to Other Reserves/Provisions		(161,836)	(166,505)
		<b>5,584,945</b>	<b>12,487,108</b>

Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing	Notes	2024/25	2023/24
		£	£
Proceeds from the sale of PP&E, investment property and intangible assets		(16,000)	(87,595)
Capital grants included in "Taxation & non-specific grant income"		(806,612)	-
		<b>(822,612)</b>	<b>(87,595)</b>

b Cash and Cash Equivalents

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

	2024/25	2023/24	2022/23
	£	£	£
Cash and Bank balances	44,462,115	25,595,502	13,536,336
Short Term Deposits (considered to be Cash Equivalents)	7,171,419	24,205,789	15,300,921
Bank Overdraft	-	-	(1,316,290)
	<b>51,633,534</b>	<b>49,801,291</b>	<b>27,520,967</b>

c Cash Flow Statement: Operating Activities

	2024/25	2023/24
	£	£
The cash flows from operating activities include:		
Interest received	(1,807,284)	(1,626,675)
Interest paid	1,194,742	1,007,030

d Cash flows from Investing Activities

	2024/25	2023/24
	£	£
Purchase of PP&E, investment property and intangible assets	9,971,217	4,487,482
Proceeds from the sale of PP&E, investment property and intangible assets	(16,000)	(87,595)
Capital Grants and Contributions Received	(796,398)	-
<b>Net Cash flows from Investing Activities</b>	<b>9,158,819</b>	<b>4,399,887</b>



e Cash flows from Financing Activities	2024/25	2023/24
	£	£
Cash payments for the reduction of the outstanding liability relating to a lease and on-Balance Sheet PFI contracts	38,939	42,907
Repayment of Short and Long Term Borrowing	1,138,830	1,132,252
<b>Net Cash flows from Financing Activities</b>	<b>1,177,769</b>	<b>1,175,159</b>

## 26 Usable Reserves

### a Capital Receipts Reserve

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

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

Capital Receipts Reserve	Notes	31/03/2025	31/03/2024
		£	£
<b>At 1 April</b>		1,090,582	1,110,582
<b>Movement</b>			
Other movements		-	(20,000)
Capital receipts		16,000	87,595
Capital Receipts used to finance capital expenditure	3, 11	(16,000)	(87,595)
<b>At 31 March</b>		<b>1,090,582</b>	<b>1,090,582</b>

### b Capital Grants Unapplied Account

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

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

### c Capital Fund

This fund was established in 2019/2020 to fund future capital projects within the Council.

Capital Fund	Notes	31/03/2025	31/03/2024
		£	£
<b>At 1 April</b>		28,075,643	11,394,667
Transfers between statutory & other reserves & the General Fund		4,309,607	16,696,915
Transfers between Capital Fund & CAA to finance Capital Expenditure	12	(1,136,451)	(15,939)
<b>At 31 March</b>		<b>31,248,799</b>	<b>28,075,643</b>

### d Renewal and Repairs Fund

This fund was established under section 56 of the Local Government Act (NI) 1972, however this section of the act was repealed under the Local Government Finance Act (Northern Ireland) 2011. Councils should disclose details where any of these reserves are earmarked for specific purposes.

Renewal and Repairs Fund	Notes	31/03/2025	31/03/2024
		£	£
<b>At 1 April</b>		919,539	674,756
Transfers between statutory & other reserves & the General Fund		645,827	355,674
Transfers between Renewal & Repair Fund & CAA to finance Capital Expenditure	12	(22,200)	(110,891)
<b>At 31 March</b>		<b>1,543,166</b>	<b>919,539</b>

## e Other Balances & Reserves

Other Balances & Reserves	Notes	31/03/2025	31/03/2024
		£	£
At 1 April		15,370,415	13,907,578
Transfers between statutory & other reserves & the General Fund	4	1,366,692	1,462,837
<b>At 31 March</b>		<b>16,737,107</b>	<b>15,370,415</b>

These reserves contain the following: reserve for the settlement of future long term liabilities arising from previous capital investments (£7.216m), reserve to mitigate risk of penny product adverse outturns (£1.5m), reserve to fund DEA projects (£847k), reserve to fund Community Investment projects (£3.195m), reserve to fund waste expenditure in future years (£1.02m), reserve to fund Regeneration and Economy (£2.5m) reserve to fund elections in future years (£294k), other investment fund (£104k), reserve for grounds maintenance works (£36k) and reserve built from donations for the purchase of museum artifacts (£24k).

## f General Fund

This reserve shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from District Rates. Councils raise rates to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.

General Fund	Notes	31/03/2025	31/03/2024
		£	£
At 1 April		11,385,959	13,834,719
Applied Capital Grants	10, 12	(806,612)	-
Direct Revenue Financing	4, 12	(61,539)	(206,131)
Depreciation and Impairment adjustment	4	6,210,518	5,930,747
Statutory Provision for financing Capital Investment	4	(5,585,562)	(5,156,164)
Net Revenue expenditure funded from capital under	4, 12	-	21,159
Surplus/(Deficit) on the Provision of Services	CIES	7,406,498	15,455,858
Transfers between Statutory and Other Reserves and the General Fund	4	(6,322,126)	(18,495,426)
Net movements on Pension Reserve	4, 20	(1,009,000)	365,000
Disposal of Fixed Assets/Capital Sales	3, 4, 11, 23	(16,000)	(53,845)
Difference between finance and other costs and income calculated on an accounting basis and finance costs calculated in accordance with statutory requirements		(81,757)	(309,958)
<b>At 31 March</b>		<b>11,120,379</b>	<b>11,385,959</b>

## g Other Usable Reserves

The balance of all the DfC Covid funding/cost of living funding at 31/03/2025 is £193k (£843k at 31/03/2024)

## 27 Unuseable Reserves

### a Capital Adjustment Account

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

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

The account is credited with the amounts set aside by the Council as finance for the costs of acquisition, construction and subsequent costs.

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

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

Capital Adjustment Account	Notes	31/03/2025	31/03/2024
		£	£
At 1 April		61,454,435	58,674,170
Applied Capital Grants	10, 12	806,612	-
Direct Revenue Financing	4, 12	61,539	206,131
Depreciation & Impairment adjustment	11	(6,210,518)	(5,930,747)
Statutory Provision for financing Capital Investment	4, 12	5,585,562	5,156,164
Net Revenue expenditure funded from Capital under	4, 12	-	(21,159)
Disposal of Fixed Assets/Capital Sales	4, 11	-	(33,750)
Capital Receipts used to finance capital expenditure	4, 12	16,000	87,595
Other Movements		2,168,007	3,189,201
Transfers between Capital Fund/Renewal & Repair Fund & CAA to finance capital expenditure	12	1,158,651	126,830
<b>At 31 March</b>		<b>65,040,288</b>	<b>61,454,435</b>

#### b Financial Instruments Adjustment Account

The Financial Instruments Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for income and expenses relating to certain financial instruments and for bearing losses or benefiting from gains per statutory provisions. The council uses the account to manage premiums paid on the early redemption of loans. Premiums are debited to the Comprehensive Income and Expenditure Statement when they are incurred, but reversed out of the General Fund Balance to the account in the Movement in Reserves Statement. Over time, the expense is posted back to the General Fund Balance in accordance with statutory arrangements for spreading burden on rates. The Council did not hold any financial instruments during the financial year ending 31st March 2025.

#### c Revaluation Reserve

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

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

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

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

Revaluation Reserve	Notes	31/03/2025	31/03/2024
		£	£
At 1 April		58,784,940	57,982,730
Revaluation & Impairment	11	3,172,671	3,991,411
Other Movements		(2,168,007)	(3,189,201)
<b>At 31 March</b>		<b>59,789,604</b>	<b>58,784,940</b>

#### d Available for Sale Financial Instruments Adjustment Reserve and Financial Instruments Revaluation Reserve

The Council did not hold any financial instruments during the financial year ending 31st March 2025.

#### e Pension Reserve

Pension Reserve	Notes	31/03/2025	31/03/2024
		£	£
At 1 April		(412,000)	3,160,000
Net Movements on Pension Reserve	4, 20	1,009,000	(365,000)
Revaluation & Impairment	20	(891,000)	(3,207,000)
<b>At 31 March</b>		<b>(294,000)</b>	<b>(412,000)</b>

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 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.

#### **f Deferred Capital Receipts Account**

The Deferred Capital Receipts Account holds the gains recognised on the disposal of non-current assets but for which 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. The Council did not hold any deferred capital receipts during the financial year ending 31 March 2025.

#### **g Accumulated Absences Account**

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

Accumulated Absences Account		Notes	31/03/2025	31/03/2024
			£	£
At 1 April			(512,607)	(822,565)
Difference between finance and other costs and income calculated on an accounting basis and finance costs calculated in accordance with statutory requirements			81,757	309,958
At 31 March			(430,850)	(512,607)

#### **h Provisions Discount Rate Reserve**

The Provisions Discount Rate Reserve covers the arrangement, put in place by the Department under its amendment to the 2018/19 accounts direction (see DfC circular 18/19), to allow for mitigation of the costs not allowed for by Councils who had adopted the HM Treasury Central Government discount rate for long-term provisions such as Landfill costs.

Subject to agreement with the Department, this arrangement allows a council to spread the cost of the impact of discount rate changes over a period of not more than 6 years.

### **28 Significant Trading Operations**

In deciding whether a trading operation is significant the Council takes both financial and non-financial criteria into account.

Financial criteria taken into account in deciding whether trading operations are significant to the Council are:

- the magnitude of each individual trading operation's turnover when compared with the Council's net revenue budget
- the risk of financial loss the Council may be exposed to in providing the service to the user.

Non-financial criteria taken into account in deciding whether trading operations are significant to the Council are:

- the importance of each individual trading operation to demonstrating the achievement of Council targets and improving performance.
- the exposure of the Council to service reputational loss risk by providing the service
- whether the provision of the service is likely to be of interest to the Council's key stakeholders and their needs.

In applying the aforementioned criteria, the Council considers that it is engaging in the following significant trading operations:

Significant Trading Operations	2024/25		2023/24	
	Turnover	Profit/(Loss)	Turnover	Profit/(Loss)
	£	£	£	£
Irish Linen Centre Shop	51,330	23,801	49,421	29,259
Provision of Car Parking Facilities	494,895	266,732	554,447	265,660
Total	546,225	290,533	603,868	294,918

## 29 Agency Services

The Council provides specialist payroll services and financial services to other bodies namely Lagan Valley Regional Park. Service level agreements exist for each of the bodies and at 31 March 2025 no monies relating to management fees were outstanding.

LCCC are the 'Host Council' for the Local Government Training Group, in which all eleven Councils participate. Lisburn and Castlereagh City Council has delegated authority via a Service Level Agreement, to apply the rules of the LGTG and to manage financial transactions on behalf of the LGTG. Lisburn and Castlereagh City Council administered payments of £231,279 (FY 2023/24 £204,087) and received income from the other Councils of £195,121 (FY 2023/24 £167,687) as reimbursement of its outlay. Further details are provided on pages 90 and 91 of this report.

The Council have undertaken to lead on Landlord Registration Services for all Councils. In 2024/25, this was in project building stage. The Council own the assets of £183k. Moving forward, the Council will manage the financial transactions of the Landlord Registration Scheme which consist of mainly income from landlord deposits and costs associated with running the service such as staff costs, overheads and fees.

## 31 Related Party Transactions

The Council is required to disclose material transactions with related parties - bodies or individuals that have the potential to control or influence the council or to be controlled or influenced by 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 has significant influence over the general operations of the council - it is responsible for providing the statutory framework within which the council operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the council has with other parties.

Members of the council have direct control over the council's financing and operating policies. The total of members' allowances paid in 2024/25 is shown in Note 7d. During 2024/25, works and services were commissioned from companies in which members had control or influence in a decision-making capacity. Contracts were entered into in full compliance with the council's standing orders. In addition, the council paid grants to organisations in which members had positions within. In all instances, the grants were made with proper consideration of declarations of interest. The relevant members did not take part in any discussion or decision relating to the grants. Details are below:

ORGANISATION	No. of Elected Members	2024/25	2023/24
		£	£
Arc 21	4	7,072,021	6,412,034
Belfast Region City Deal Eng Forum	9	121,065	162,205
Belfast Hills Partnership	1	20,770	15,971
Belfast Regional Tourism Partnership	1	7,800	36,000
Lagan Navigation Trust	2		-
Lagan Valley Rural Transport	1	16,418	15,728
Lisburn & Castlereagh Local Sports Advisory Council	4	26,200	25,000
Lisburn Commerce Against Crime	2	250,000	251,845
Lough Neagh Partnership	1	3,850	3,500
National Association of Councillors	8	3,200	3,200
NILGA	2	62,960	69,664
NI Museums Council	1	405	345
Somme Advisory Council	2	1,200	1,250

The Council is a member of the ARC 21 Joint Committee which is established for the purposes of managing waste. The ARC 21 Joint Committee is a partnership of 6 councils established to collaborate in implementing the Waste Management Plan to develop an integrated network of regional waste management facilities which would be cost effective to the public. For the year ending 31st March 2025, the Council made payments of £7.07m (2023/24: £6.41m) to ARC 21. At 31st March 2025, the Council owed £205k (2023/24: £nil) to ARC 21 and were due £32k (2023/24: £76k) from ARC 21.

The Joint Committee accounts for its funding by the provision of a statement of accounts which is prepared under Local Government (Northern Ireland) order 2005 and subject to a statutory audit by a local government auditor.

### **32 Third Party Asset**

As at 31 March 2025, the Council held £6k (2023/24 £45k) of funds collected on behalf of the Mayor's Charities. This money will be paid to the Mayor's nominated charity at the end of the current Mayor's term.

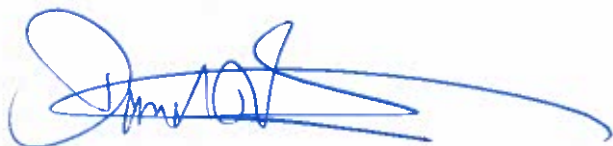
### **32 Events after the Reporting Period**

The Statement of Accounts was authorised for issue on 25 September 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 have been adjusted in all material respects to reflect the impact of this information.

The financial statements and notes have not been adjusted for the following events which took place after 31 March 2025 as they provide information that is relevant to an understanding of the Council's financial position but do not relate to conditions at that date.

#### **Date of authorisation for issue**

These financial statements were authorised for issue on 30 September 2025.

A handwritten signature in blue ink, appearing to be 'J. M. O'Sullivan', with a long horizontal flourish extending to the right.

**LOCAL GOVERNMENT TRAINING GROUP**  
**RECEIPTS AND PAYMENTS ACCOUNT**  
for the year ended 31 March 2025

Notes	Year Ended 31 March 2025	Year Ended 31 March 2024 £	Year Ended 31 March 2023 £
Recurrent Transactions:			
Contributions	216,328	183,251	183,251
Operating Receipts			15,674
	216,328	183,251	198,925
Less Operating Costs	231,279	204,088	165,061
Surplus/(Deficit)	(14,951)	(20,837)	33,864
<b>APPROPRIATION ACCOUNT</b>			
Balance brought forward	110,688	131,525	97,661
Surplus/(Deficit) for the Year	(14,951)	(20,837)	33,864
Balance carried forward	95,737	110,688	131,525
Represented by:-			
Lisburn & Castlereagh City Council	95,737	110,688	131,525
	95,737	110,688	131,525

Signed:

  
Chairman, Local Government Training Group

  
Chief Financial Officer (LCCC)



**LOCAL GOVERNMENT TRAINING GROUP**  
**NOTES TO THE ACCOUNTS**  
**for the year ended 31 March 2025**

**1 BASIS OF ACCOUNTS**

These accounts have been prepared and are included within Lisburn and Castlereagh City Council Annual Accounts.

	Year Ended 31-Mar-25	Year Ended 31-Mar-24	Year Ended 31-Mar-23
<b>2 CONTRIBUTIONS RECEIVED</b>			
	£ 216,328.00	£ 183,251	£ 183,251
<b>3 OPERATING RECEIPTS</b>			
Bank Interest			
Course Fees		£ 20,837	£ 15,674
		£ 20,837	£ 15,674
<b>4 OPERATING COSTS</b>			
<b>Strategic Framework Implementation</b>			
<b>1.1: Leadership &amp; Talent Management</b>			
Chief Executive support			-
Leadership Development		-	-£ 6,013
		-	-£ 6,013
<b>1.2: Performance Culture</b>			
Performance Culture Toolkit			
Performance Culture eLearning Module			
OD Projects			-
<b>1.3: Learning Organisation</b>			
In house programme support/Master classes	£ 36,257.00	£ 396	£ 3,940
Regional training Programmes/Cluster courses		£ 2,000	£ 8,400
Transformation Initiative		£ 840	-
	£ 36,257.00	£ 3,236	£ 12,340
<b>1.4: Equality and Diversity</b>			
Equality and Diversity/community relations		-	-
<b>1.5: Capacity Building for Elected Members</b>			
Capacity Building for Elected Members	£ 7,507.00	-	£ 7,995
	£ 7,507.00	-	£ 7,995
<b>1.6: Miscellaneous Initiatives</b>			
Procurement costs			-
Meetings Costs/Quality standards/IIP	£ 73,861.00	£ 89,402	£ 44,368
	£ 73,861.00	£ 89,402	£ 44,368
<b>TRANSFORMATION</b>			
<b>1.7: Administration</b>			
LGSC Administration	£ 15,000.00	£ 13,000	£ 16,500
LGTG Officer/Agency Costs	£ 55,579.17	£ 56,120	£ 46,640
Printing and Stationery	£ 1,000.00	£ 1,000	£ 1,000
Advertising			
Commissioning and Support	£ 42,075.00	£ 41,330	£ 41,330
Phase 2			£ 900
	£ 113,654.17	£ 111,450	£ 106,370
<b>Total Operating Costs</b>	<b>£ 231,279.17</b>	<b>£ 204,088</b>	<b>£ 165,061</b>