



**Finance, Resources, Audit and Governance Committee**  
**20 September 2024**

## **Draft Statement of Accounts 2023/24**

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**Portfolio:** Finance & Resources

**Ward(s) Affected:** All

**Purpose of the Report:**

To present the Council's Draft Statement of Accounts 2023/24 for review.

**Recommendation:**

To note the Council's Draft Statement of Accounts 2023/24, ahead of the approval of the Final Accounts following external audit, which is due to commence in October 2024.

**1. Background**

- 1.1 The Council's Draft Statement of Accounts 2023/24 were formally approved by the Assistant Director of Finance on 31st May 2024 (in line with the statutory deadline) and were published on the Council's website.
- 1.2 The Accounts were available for public inspection from 1 June 2024 to 13 July 2024 inclusive, but no enquiries were made.

**2. Current position and Significant Items to Note**

- 2.1 The Draft Accounts can be found in the Appendix and online at [Statement of Accounts \(SNC\) \(southnorfolkandbroadland.gov.uk\)](#)

2.2 These include the Council's (single entity) financial position together with the results of the Council's wholly owned companies, the Big Sky Living Group.

2.3 Movement in Reserves Statement (page 11 of the accounts document)

- The Council's General Fund Balance (including transfers to/from Earmarked Reserves) increased by £5.3m to total £6.4m.
- Earmarked Reserves, being those set aside for specific purposes, totalled £41.8m.

2.4 Balance Sheet (page 12 of the accounts document)

- The net worth of the Council increased by £15.75m to £116.5m. This was primarily due to the reduction in the valuation of the pension liability, which was valued by the Norfolk Pension Fund Actuary;
- Short Term Investments increased by £9m as more funds were placed into fixed term investments to achieve better interest rates;
- Short Term Creditors reduced by £17m, partly due to fewer CIL creditors outstanding and partly due to £7.6m of energy rebates that were outstanding as at 31<sup>st</sup> March 2022 and paid during 22/23;
- The increase in short term provisions of £1.3m wholly relates to provisions made for potential business rates appeals;
- Collection Fund and Capital Adjustment Accounts within Unusable Reserves deal with timing differences in the usage or distribution of assets/surpluses/deficits compared to the accounting requirements for these. As a result, they will vary year on year.

2.5 Comprehensive Income and Expenditure Statement (pages 9/10 of the accounts document)

- The surplus/deficit on provision of services increased from a deficit of £2.1m in 22/23 to a surplus of £5.3m in 22/23. This was primarily affected by the following movements:
- Increased interest receivable;
- Increased general revenue and capital grants;
- A reduced net pension charge.

2.6 Big Sky Living (page 45 of the accounts document)

The companies reported the following draft results for the year ended 31st March 2024:

- Big Sky Ventures Ltd – This is the top level holding company for Big Sky Developments Ltd and Big Sky Property Management Ltd. The Council is sole shareholder of this company, which in turn is sole owner of the other companies in the group. The results for the year showed a loss of £1,267,841 (2022/23: profit £966,068) resulting from construction delays due to the impact

of Nutrient Neutrality legislation, with net assets of £7,535,330 (2022/23: £8,803,171). The group accounts of this company are consolidated into the Council's group accounts.

- Big Sky Developments Ltd – The results for the year showed a loss of £1,001,599 (2022/23: profit of £663,558) for the reasons detailed above, with net assets of £3,896,899 (2022/23: £4,898,498).
- Big Sky Property Management Ltd – The results for the year showed a profit of £204,056 (2022/23: profit of £305,290) with net assets of £4,120,306 (2022/23: £3,916,250).

### **3. External Audit**

- 3.1 The 2023/24 audit is due to commence in October 2024 and initial, preparatory work has been undertaken.

### **4. Recommendation**

- 4.1 To note the Council's Draft Statement of Accounts 2023/24, ahead of the approval of the Final Accounts following external audit, which is due to commence in October 2024.