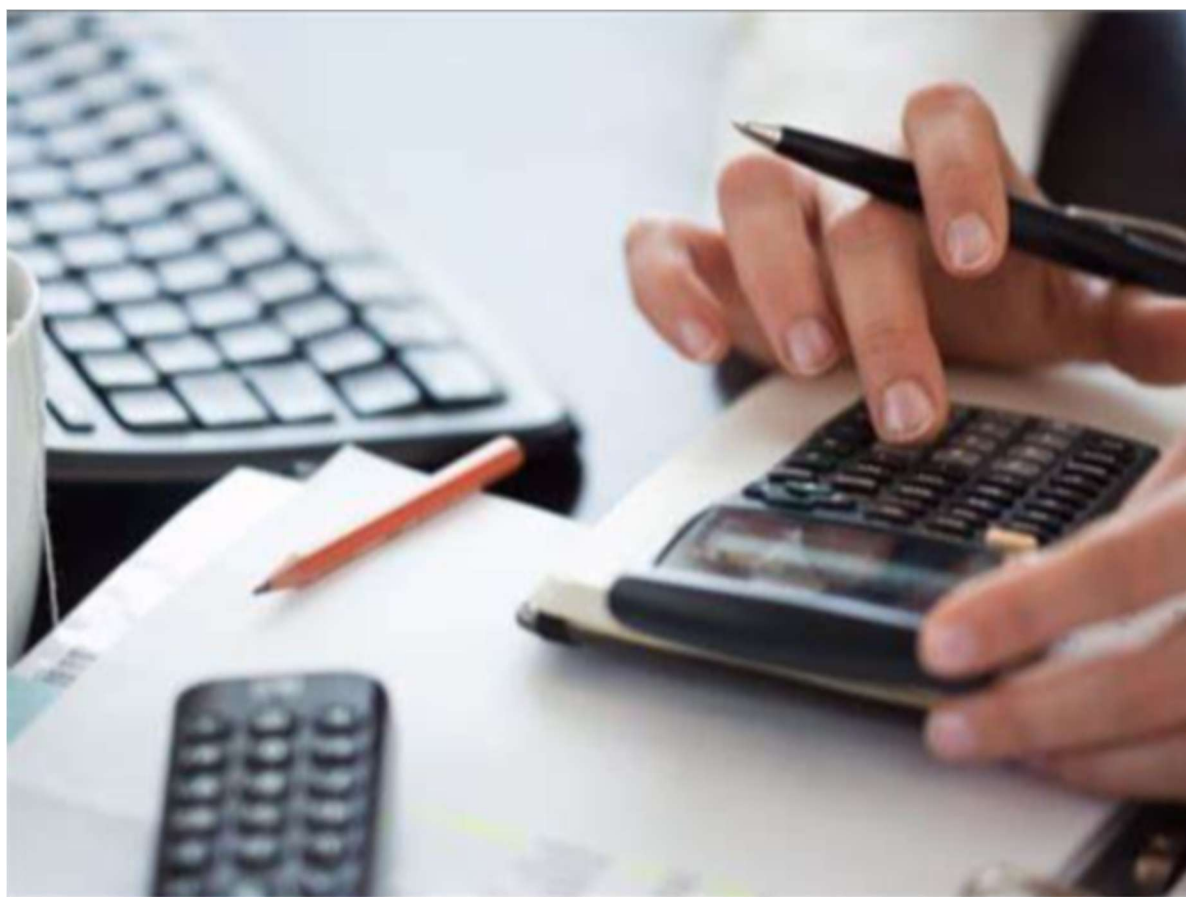




Fermanagh & Omagh  
District Council  
Comhairle Ceantair  
Fhear Manach agus na hÓmaí

# Audited Statement of Accounts Year Ended March 2025





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# **Fermanagh and Omagh District Council**

## **Report on Audited Annual Statement of Accounts for the year ended 31 March 2025**

### **Introduction**

The Audited Statement of Accounts for the year ended 31 March 2025 have been prepared in a form directed by the Department for Communities in accordance with Regulations 3(7) and (8) of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 (the Regulations). They have been prepared in line with the Code of Practice on Local Authority Accounting in the United Kingdom for the year ended 31 March 2025 (the Code) and the Department for Communities Circular, LG 10/25.

The Audited Statement of Accounts details Fermanagh and Omagh District Council's finances during the financial year 2024/25 (01 April 2024 to 31 March 2025) and its financial position at the end of that year. It follows approved accounting standards and is necessarily technical in parts.

The Council's financial performance for the year ended 31 March 2025 is set out in the Comprehensive Income and Expenditure Statement and its financial position is as set out in the Balance Sheet and Cash Flow Statement.

The purpose of this narrative report is to explain, in an easily understandable way, the financial facts in relation to the Council and to provide information on the Council, its objectives, strategies and the principal risks it faces, and to provide context to the financial reports for the year.

### **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. Fermanagh and Omagh District Council do not have material interests in such bodies and accordingly is not required to prepare group financial statements.

### **The Comprehensive Income and Expenditure Statement**

This statement, set out on page 43, 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 (Rates). The Council raises taxation to cover expenditure in accordance with regulations and this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.

### **The Movement in Reserves Statement**

This Statement, as set out on page 44, shows the movement in the year on the different reserves held by the Council, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation (rates)) and other reserves. The 'Surplus or (deficit) on the provision of services' line shows the true economic cost of providing the Council's services, more details of which are shown in the Comprehensive Income and Expenditure Summary (CIES). These are different from the statutory amounts required to be charged to the General Fund Balance. The 'Net increase/decrease before transfers to Statutory and Other Reserves' line shows the statutory General Fund Balance before any discretionary transfers to or from earmarked reserves undertaken by the Council.

### **The Balance Sheet**

The Balance Sheet, as set out on page 45, shows the value as at 31 March 2025 of the Council's assets and liabilities. The net assets of the Council (assets less liabilities) are matched by the reserves held by the Council. Reserves are reported in two categories. 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 (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt). The second category of reserves are those that the Council is not able to use to 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.

## **The Cash Flow Statement**

The Cash Flow Statement, as set out on page 46 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.

## **Basis of Preparation**

The Accounts have been prepared on a going concern basis, that is, the accounts have been prepared on the assumption that the functions of the Council will continue in operational existence for the foreseeable future.

Disclosures are included within the Statement of Accounts based on an assessment of materiality. A disclosure is considered material if through an omission or a misstatement the decisions made by users of the accounts would be influenced. This could be due to the value or the nature of the disclosure.

In line with the Regulations, the Unaudited Statement of Accounts were signed by the Chief Financial Officer and submitted to the Northern Ireland Audit Office and the Department for Communities before the prescribed date of 30 June 2025.

This report provides information about the Council including the Statement of Accounts for the year and a synopsis under the following headings

- 1) An Introduction to Fermanagh and Omagh District Council
- 2) Community and Corporate Planning
- 3) Governance Arrangements and Organisational Model
- 4) Estimates of Income and Expenditure for 2024/25
- 5) Medium Term Financial Planning
- 6) Revenue Income and Expenditure 2024/25
- 7) Capital Programme 2024/25
- 8) Reserves and Treasury Management
- 9) Financial Position 2024/25
- 10) Performance against the Corporate Plan and Improvement Objectives
- 11) Summary of Financial Position 2024/25

## 1 An Introduction to Fermanagh and Omagh District Council

Fermanagh and Omagh District Council (the 'Council') was established as one of eleven Councils introduced through the Local Government Reform Programme on 1 April 2015.

The Council covers an area of 2,829 square kilometres in the South West of Northern Ireland which represents approximately 20% of the total land mass of Northern Ireland. Hence, the District is the largest, geographically, of the 11 Council areas, however it has the smallest population with around 117,000 people. The District is a place of outstanding natural beauty, with a unique mix of tranquil Lakelands, heather clad mountains, ancient boglands, forest parks, historic towns and villages and a rich cultural heritage.

The Council has responsibility for a number of statutory and regulatory functions including the Registration of Births, Deaths, Marriages and Civil Partnerships, Building Control, Planning, Environmental Health, Off Street Car Parking and Licensing. It also delivers a range of other public services including waste management and recycling, street cleansing, recreation, sport and leisure services, the management of parks, open spaces and water recreation sites, culture and arts facilities and events, tourism and local economic development and regeneration, as well as community and good relations support.

## 2 Community and Corporate Planning

### Community Planning

Community Planning is a statutory duty for the Council under the Local Government Act (Northern Ireland) 2014 which brings together partner organisations from the public, private and community/voluntary sectors operating in the area. The Community Plan for the District, 'Fermanagh and Omagh 2030', is the overarching, long-term strategy for the area, based on a thorough analysis of the District's needs and priorities. Further information on our community planning process, including a copy of the Community Plan, is available at [Community Plan](#).

Legislation requires that Councils report to the public, by way of a published statement, highlighting progress on outcomes achieved and actions taken. The Council's most recent interactive Statement of Progress can be viewed at [Statement of Progress](#).

### Corporate Plan

A new Corporate Plan for the period 2024-2028 was approved by Council on 01 July 2024 and can be viewed at [Corporate Plan 2024-2028 Our Council, One Plan](#). The Corporate Plan sets the strategic direction for the Council for the next four years and identifies the key priority areas and associated actions to deliver on our shared vision for the District. The overarching priorities for the next four years are Climate Action, People and Communities, Shared Prosperity, and One Council. Core objectives and actions and how these will be measured, have been identified to ensure these priorities are achieved and how the Council intends to improve the lives and wellbeing of its communities and provide the best quality experience for those who visit the District.

The Council's vision for Fermanagh and Omagh is

**'of a welcoming, shared and inclusive District, where people and places are healthy, safe, connected and prosperous; and where our outstanding natural, built and cultural heritage is cherished and sustainably managed.'**

The Council has defined its Mission, that is, its core mission and purpose as

**'We work in partnership to improve the lives and wellbeing of our communities and to provide the best quality experience for those who visit our District'**

The Council has adopted 6 Values – Leadership; Integrity; Accountability; Innovation; Sustainability; Engagement and Involvement to guide its behaviour in the workplace and how the Council will relate to its work colleagues, customers, communities and partners.

The Council has robust performance management arrangements in place, which will apply to the monitoring and reporting of progress against the Corporate Plan 2024-28, using performance measures identified within the Corporate Plan, and will report on performance every six months and publish an Annual Performance Report on the Council's website in September each year.

## **Annual Improvement Plan and Objectives**

Part 12 of the Local Government Act (NI) 2014 places a duty on Councils to make arrangements to secure continuous improvement in the exercise of their functions. This includes the setting of improvement objectives for each financial year and putting in place arrangements to achieve those objectives, as well as publishing annual reports on progress. Performance Improvement is subject to audit by the Northern Ireland Audit Office (NIAO).

Improvement is defined in statutory guidance as more than just quantifiable gains in service output or efficiency, or the internal effectiveness of an organisation. Improvement for Councils should mean activity that enhances the sustainable quality of life and environment for ratepayers and communities. Essentially, improvement is about making things better and the Council's focus is on how it can deliver better services for the benefit of our residents and service users.

The Local Government Auditor is responsible for conducting an annual improvement audit and assessment to determine if a Council has complied with the requirements of Part 12 of the Local Government (Northern Ireland) Act 2014.

The Council's Improvement Objectives for 2024/25 identified in its [Performance Improvement Plan](#) are

1. We will prioritise the Council progressing towards Net Zero
2. We will work in partnership to tackle disadvantage to ensure our people have access to opportunities
3. We will work in partnership to achieve a more inclusive economy and to promote shared prosperity across our District
4. We will seek to innovate and advance our governance and digital capabilities to improve the quality of our services and the effectiveness and efficiency of the Council

The Performance Improvement Plan outlines the governance arrangements for monitoring, reporting and reviewing the Council's progress in implementing the Plan. By 30 September each year the Council will publish an Annual Performance Report setting out its self-assessment of how it has performed against its Corporate Plan commitments and Improvement Objectives in the previous financial year. Under Section 95 of the Local Government Act; the Local Government Auditor has a statutory responsibility to publish an Annual Improvement Report for each Council by 31 March.

The [Audit and Assessment Report for 2024/25](#) was issued to the Council by the Northern Ireland Audit Office under Section 95 of the Local Government (Northern Ireland) Act 2014 and is available on the Council website. The report noted that the Council has discharged its performance management and reporting duties, including its assessment of performance for 2023/24 and its 2024/25 improvement plan and has acted in accordance with the Guidance. The Local Government Auditor certified the performance arrangements with an unqualified audit opinion, without modification.

## **3 Governance Arrangements and Organisational Model**

Forty Councillors were elected across seven District Electoral Areas (DEAs) following Northern Ireland local Council elections held on 18 May 2023.

The political makeup of the Council at 31 March 2025 is as follows

Sinn Féin	21 Councillors
Ulster Unionist Party	7 Councillors
Democratic Unionist Party	6 Councillors
Social Democratic and Labour Party	3 Councillors
Alliance	2 Councillors
Independent	1 Councillor



The policies of Fermanagh and Omagh District Council are agreed by the political leadership and implemented by the senior management and employees of the Council. Council services are delivered from both Omagh and Enniskillen, and Council and Committee meetings alternate between the Grange in Omagh and the Townhall in Enniskillen.

Council meetings operate in compliance with [The Local Government \(Remote Meetings\) Regulations \(Northern Ireland\) 2024](#) which came into effect on 25 June 2024. From 01 April 2024 to 24 June 2024 Council meetings were fully in-person.

In the 2024/25 financial year, the Council operated the following Committees which reported to monthly Council Meetings

- Environmental Services Committee
- Regeneration and Community Committee
- Policy and Resources Committee
- Planning Committee

The Council also operated a Rural Affairs Sub-Committee and a Health and Social Care Services Sub-Committee.

The Council has an Audit Panel which meets four times per year and reports to the Policy and Resources Committee. The Council also facilitates Community Planning Strategic Partnership Board meetings in line with the Local Government Act (NI) 2014 which places a statutory duty on local authorities to initiate, facilitate, maintain and participate in community planning in their areas and on partners to participate in community planning and to assist the Council in carrying out its community planning duties. The minutes of the Audit Panel are reported through the Policy and Resources Committee to the Council.

## **Management Structure**

Supporting the work of Councillors is the organisational structure of the Council headed by the Corporate Leadership Team (formerly Senior Management Team), led by the Chief Executive, who is the Council's Chief Financial Officer. The financial management reporting arrangements of the Council are determined by the organisational structure.

During 2024/25 the Corporate Leadership Team comprised the Chief Executive (the Head of Paid Service) and four Directors with responsibility for the areas of Community and Wellbeing; Corporate Services and Governance; Environment and Place; and Regeneration and Planning.

The Corporate Leadership Team provides strategic leadership to the Council and supports Elected Members of the Council in developing strategies; identifying and planning resources; delivering plans and reviewing the Council's effectiveness with the overall objective of delivering on the objectives of Council's Corporate Plan.

## **Risk Management**

The Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 (the Regulations) place a responsibility on local government bodies to ensure that the financial management of the local government body is adequate and effective and that there is a sound system of internal control which facilitates the effective exercise of its functions, and which includes arrangements for the management of risk.

The Council has in place a Risk Management Policy, the aim of which is to establish and operate appropriate risk management procedures and to promote an organisational culture which ensures that risk management is an integral part of every activity. The policy, which is supported by detailed procedures, outlines the Council's approach to risk management including roles and responsibilities and is supported by a Risk Appetite Statement which sets a framework to enable the Council to make informed management decisions depending on the category of the risk being examined. The risk appetite is stated in terms of a scale – averse- cautious- open - eager. The Council will therefore take action to manage risks down to a level which falls within the agreed risk appetite for that category. Risks that are not within the risk appetite are deemed critical.

The system of internal control is a significant part of the Council's governance framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness.

The Council's Corporate Risk Register (Internal and External) is informed by individual Departmental Risk Registers, and it captures the key internal and external strategic risks to delivery of corporate objectives. The Risk Registers provide clear linkages to the Strategic Policy Framework within which the Council operates, and they outline specific risks, causes and mitigations and these are reviewed regularly by the Corporate Leadership Team. The most significant external risks (following mitigation measures) currently relate to

- failure to deliver services dependent upon external funding and capitalise on new funding opportunities
- failure to deliver the quality, range and reach of Council core services due to external budgetary pressures

The Audit Panel considers and approves any updates to the associated Risk Management Policy before it is presented to the Policy and Resources Committee for Council approval. It also considers the effectiveness of the Council's risk management arrangements and seeks assurances that action has been taken on them. The significant governance issues highlighted in the Annual Governance Statement for 2024/25 relate to Financial Uncertainties and Resilience, Cyber Security and Digital Services, Legal Issues and Industrial Relations and Climate Change.

## **Annual Governance Statement**

The Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 places responsibility on local government bodies to conduct a review at least once in each financial year, of the effectiveness of its system of internal control and for the findings of the review to be considered at a meeting, either of the local government body as a whole or a committee of the local government body whose remit includes audit of governance functions.

Following consideration of the findings of the review of the governance arrangements, including Internal Audit's Annual Opinion, the Council approves an Annual Governance Statement which is included in the Statement of Accounts. As part of producing the Annual Governance Statement, Directors and Heads of Service within the Council are required to produce Internal Annual Assurance Statements, setting out the risk control framework in place for their area of responsibility and disclosing any significant governance issues and the actions planned to address these.

## **Financial Regulations**

The Local Government Finance Act (Northern Ireland) 2011 (the 2011 Finance Act) makes provision for a District Council to make arrangements for the proper administration of its financial affairs. Part 1 of the 2011 Act also makes provisions for a Chief Financial Officer; accounting practices; annual budget; Council reserves and funds; Council borrowing and credit arrangements; capital expenditure and capital receipts; and investment.

To conduct its business efficiently, the Council ensures that it has sound financial management in place by formally defining roles and responsibilities which are documented and adhered to. This process is aided by the production of the Financial Regulations, which were reviewed and updated during 2024/25; the Standing Orders; the Scheme of Delegation; and the Accounting Manual (also reviewed during 2024/25).

The Financial Regulations, which form part of the Council's Constitution are subject to review on an annual basis. These link with other internal regulatory frameworks and they set out the overarching financial responsibilities of the Council and its staff and provide the framework within which the Council's financial affairs are to be managed. The Financial Regulations are supported by a suite of Financial Policies. [The Constitution](#) is available on the Council website.

## **Budget Monitoring**

The Director of Corporate Services and Governance is responsible for the framework of budgetary management and control which ensures that

- services are delivered within agreed budgets unless the Council agrees otherwise
- all Officers responsible for committing expenditure comply with corporate guidance, Financial Regulations and Standing Orders
- each Director is provided with timely information on income and expenditure on each budget heading
- significant variances from budget are investigated on a timely basis
- relevant training is provided to Managers responsible for budget monitoring
- there is a scheme of budget virement
- reserves are adequately maintained

Each Director is responsible for ensuring that their Department has arrangements to receive all income due and that it does not spend more than the amount of expenditure estimated and approved. Where a Director intends to vary or undertake new policy initiatives which have significant financial consequences then he/she must consult the Director of Corporate Services and Governance before seeking approval from the Policy and Resources Committee. It is the responsibility of Directors to ensure that

- all income and expenditure is properly recorded and accounted for
- individual sub-budgets are not overspent
- discretion is exercised in managing the service's budgets
- monitoring processes are in place
- explanations for variations are provided to the Director of Corporate Services and Governance

Monthly income and expenditure reports and forecasting information are provided to Managers and are included on Departmental Team Meeting agendas and monthly Revenue income and expenditure reports are included as a regular standing item on the agenda for meetings of the Corporate Leadership Team. Quarterly reports on Capital Expenditure and funding streams are presented separately, as part of the reporting requirements under the Prudential Indicators and in conjunction with the Capital Programme Department of the Council, as well as detailed Capital Project reports being considered on a quarterly basis by the Capital Programme Board which is supported by a Member led Capital Programme Oversight Group. Regular reports on financial performance are also provided to the Policy and Resources Committee of the Council.

## **4 Estimates of Income and Expenditure for 2024/25**

The Estimates of Income and Expenditure for 2024/25 were prepared, in accordance with the Local Government Finance Act (Northern Ireland) 2011. Subsection 3 of this Act requires that before 15 February each year the Council

- a) Shall consider the estimates for the next financial year
- b) May revise the estimates in such a manner as the Council thinks fit
- c) Shall approve the estimates, subject to any revisions under paragraph (b)
- d) Shall authorise the expenditure included in the estimates
- e) Shall fix for the next financial year the amount estimated to be required to be raised by means of rates made by the Council

The overall aim of the Estimates and Rate setting process is to meet legislative requirements to ensure that there is adequate funding in place to support the Council's delivery plans, whilst ensuring that an affordable District rate is charged to the ratepayer. The objectives of the rates process include

- developing a budget to support the aims and objectives of the Community Plan 2030 and the Corporate Plan 2024 – 2028
- incorporating Members views on service delivery and capital priorities and their timing
- consideration of future costs of alternative policies and matching demand with resources
- consideration and agreement of assumptions linked to the Estimates
- taking account of changes in legislation
- taking account of external costs pressures
- Forecasting changes in demand for services over the medium term

The Estimates of Income and Expenditure for 2024/25 were approved by the Council on 08 February 2024, following consultation with an Elected Member Estimates Working Group, which met at agreed intervals to consider detailed aspects of the Estimates of Income and Expenditure to inform presentation to the Policy and Resources Committee and a meeting of the full Council.

The Council strikes a rate each year based on the net expenditure for running its services and to fund the Capital Plan. Other factors include the level of Central Government Support and the ability of the Rates Base to generate Rates Income.

Central Government Support is provided to the Council by way of the following financial allocations

- The Rates Support Grant is determined by the Department for Communities based on a formula laid down in the Local Government (Rates Support Grant) Regulations (Northern Ireland) 2011 and considers both Entitlement and Proportion of Rates Support Grant. The formula considers the wealth and needs of the Council area relative to other Council Districts in Northern Ireland
- Part 2 of the Local Government Finance Act (NI) 2011 – Grants to Councils, requires the Department for Communities each year to pay a De-Rating Grant to Council, which represents the difference between the amount of the product (rates income) of the District rate for a year within the Rates (Northern Ireland) Order 1977 and the amount which, but for provisions of Articles 31B and 42 paragraph 4 of Schedule 7 of that Order, would have been the amount of that rates income. The property types that receive a reduction of rates under the Rates (Northern Ireland) Order 1977 include industrial, freight and transport, sport and recreation and community amateur sports clubs
- Section 114 of the Local Government Act (Northern Ireland) 2014 makes provision for the mechanism of the Transferred Functions Grant (TFG) with the quantum of the grant set out in The Local Government (Transferred Functions) Grant Regulations (Northern Ireland) 2015, in the form of a Net Annual Valuation (NAV) which reflects the funding for functions which transferred from Northern Ireland Executive Departments to the new Councils on 1 April 2015
- There are a number of other ear-marked grants which are related to specific areas of service delivery

The Penny Product is the value of the Council's tax base i.e. the value of non-domestic (net annual valuation) and domestic properties (capital value) in the District area. Land and Property Services (LPS) manage the tax base of the Council by providing rateable values for properties, collecting rates from ratepayers, calculating Gross Rate Income from properties and calculating the Estimated and then the Actual Penny Product for each year. The most recent non-domestic revaluation exercise was undertaken by Land and Property Services during 2022/23 (NI Reval 2023) effective from 01 April 2023. Revaluations are carried out to ensure that business rates stay up-to date and reflect economic changes by distributing rate liability fairly across all sectors in line with changes in rental values.

In formulating the Estimates for 2024/25, consideration was given to the Council's corporate priorities, strategic reviews, capital planning, the penny product and budget available within central government for the Rates Support Grant and other grant support.

The Revenue Estimates for 2024/25, which includes approved transfers to and from the Council's Reserves and financing of capital expenditure, provided for expenditure of £46,724,858 to be funded by central government grants and rates raised. The Summary Revenue Estimates for 2024/25 are detailed in the following table which includes approved transfers to and from the Council's Reserves in line with the Council's Financial Regulations. The Council agreed increase in rates on the previous year was a 4.72% increase for both the domestic sector and non-domestic.

Revenue Estimates 2024/25	Total Expenditure	Total Income	Net Expenditure
	£	£	£
Waste Management	15,276,724	(527,050)	14,749,674
Wellbeing and Cultural Services	9,874,452	(3,654,300)	6,220,152
Parks, Estates and Property	6,925,996	(1,589,500)	5,336,496
Regulatory Services	4,941,791	(2,088,496)	2,853,295
Community Services	3,481,777	(1,034,798)	2,446,979
Economic Development and Investment	1,593,119	(500)	1,592,619
Democratic Services	3,796,940	(1,916,100)	1,880,840
Corporate Management	2,552,979	(1,126,000)	1,426,979
Place Shaping	1,087,200	-	1,087,200
Corporate and Strategic Services	1,775,729	(391,288)	1,384,441
Finance	1,495,405	-	1,495,405
Capital Unit	1,391,654	(20,000)	1,371,654
Human Resources and Organisational Development	976,829	(75,000)	901,829
Computer Services	863,435	-	863,435
Climate Change and Innovation	433,340	-	433,340
Data Science	230,520	-	230,520
<b>Total Net expenditure</b>	<b>56,697,890</b>	<b>(12,423,032)</b>	<b>44,274,858</b>
<b>Transfers to/from Reserves</b>			
Renewal and Repairs Fund			500,000
Capital Fund			550,000
Bank Interest Receivable			(782,000)
Bank Interest Transferred to Reserve			782,000
Covid Contingency Reserve			(1,000,000)
<b>Total Reserve Transfers</b>			<b>50,000</b>
<b>Financing of Capital Expenditure</b>			
Minimum Revenue Provision			1,300,000
Direct Revenue Financing			700,000
Capital Plan Development			400,000
<b>Total</b>			<b>2,400,000</b>
<b>Total Expenditure to be Funded</b>			<b>46,724,858</b>
<b>Estimated Central Government Support</b>			<b>3,570,194</b>
<b>Rates Support Grant</b>		400,000	
<b>De-Rating Grant</b>		2,528,617	
<b>Transferred Functions Grant</b>		641,577	
<b>Estimated Amount to be raised from Rates Base</b>			<b>43,154,664</b>
<b>Total Funding</b>			<b>46,724,858</b>

## 5 Medium-Term Financial Planning

A Medium-Term Financial Plan was approved by Council on 08 February 2024 (as part of the 2024/25 Estimates and Rates Setting Process) which included a proposed Capital Plan for 2024-2029 as well as setting out the Council's overall Financial Strategy. The proposed Capital Plan for 2024/25 was £13.75m and this was updated as part of the Medium-Term Financial Plan for 2025-2030 to £9.915m.

A summary of the Capital Plan 2024 – 2030 is detailed below.

Capital Plan	2024/25 (revised)	2025-30	Total
	£m	£m	£m
Projects – subject to external funding	2.9	100.1	103.0
Council funded capital investment projects	6.4	28.6	35.0
General allocation to support in year upkeep capital works	0.6	4.0	4.6
<b>Total</b>	<b>9.9</b>	<b>132.7</b>	<b>142.6</b>

The major expenditure included in the Capital Plan, which includes some projects that are subject to Business Case approval, involves enhancement of Council properties and facilities; redevelopment of Fermanagh Lakeland Forum and other leisure centre upgrade works; Mid-South West Projects; PeacePlus projects; Town centre Public Realm/Regeneration for Omagh and Enniskillen, Crematorium development; further Play Area Refurbishment across the District; Community Centre redevelopment and Community Capital Grants; waste management and transformation and the replacement of fleet, plant and equipment.

Whilst the Medium-Term Financial Plan is reviewed on an annual basis, there is ongoing review work both in connection with current and future financial projections including the development of business cases.

## **Prudential Indicators**

The main objective of Prudential Indicators is to ensure that the Council's capital plans are affordable, prudent and sustainable and that treasury management decisions are taken in accordance with good professional practice. In order to account for the repayment of the Council's borrowing, irrespective of when the timing of loan receipts and payments might take place, the Council is required to make an adequate annual provision for the repayment of borrowing through a charge to its General Fund referred to as Minimum Revenue Provision (MRP). The Council's approved MRP Policy Statement is based on the asset life method for borrowing. The Prudential Indicators for 2024-2029 were prepared in line with CIPFA's Prudential Code as part of the 2024/25 Estimates and Rate setting process and these were updated for the period 2025-2030 in February 2025. The Council also has an approved Capital Strategy in place, in compliance with the Prudential Code and this sets out the long-term context in which capital expenditure and investment decisions are made and which gives due consideration of both risk and reward; the impact on the achievement of priority outcomes; and includes the impact of the financing strategy on the Council's borrowing levels.

The Council is satisfied that it has adequate cashflow to meet future revenue expenditure through existing working capital and income streams and will keep the Prudential Indicators under review in this context. Quarterly reports on Prudential Indicators are presented to the Policy and Resources Committee.

## **6 Revenue Income and Expenditure 2024/25**

The Net Cost of Services (on Continuing Operations) for 2024/25 reported in the Comprehensive Income and Expenditure Statement is £52.79m, compared to £45.65m in 2023/24. The variation on costs relate mainly to capital and pension accounting adjustments. The Net Cost of Services is adjusted for the differences in the Funding and Accounting Basis (Note 2) which results in a Net Cost of Services chargeable to the General Fund of £41.92m (2023/24 £37.27m).

The Council's financial performance for the 2024/25 has resulted in an overall surplus against budget of £119,166 and this has been contributed to by the following significant elements of variance in financial performance in 2024/25 as follows.

- An increase in budgeted Income of **£795k** including £330k additional bank interest, £340k leisure income and other general increases in income generating service areas including tourist facilities and theatres, off street car parking and, recycling income offset by some reductions in central government support
- Overall net savings in staff costs of **£472k** which relates primarily to a reduction in staff costs due to current recruitment processes, including a continuous review of vacant posts and timing of appointments into posts offset by costs associated with changes to legacy working practices within the Refuse Collection service
- Reduced costs against budget of **£400k** for electricity mainly due to reduction in unit price compared to budget, with an overspend of £34k in relation to other utilities.
- Waste costs are under budget by **£402k** as a result of changes in operation of Drummee landfill site and associated waste disposal treatments
- Other variations of **£357k** (net) includes underspend in programme activity offset by some overspends on budgets, required to meet the needs of the service and includes an additional charge of £297k to account for the increase in estimated cost of capping the closed landfill site which is included in Waste Management

The surplus for the year includes exceptional income of £525k due to the Council following its claim against HM Revenue and Customs (HMRC) for overpaid VAT in relation to the provision of Leisure services under a special legal regime. This is the final repayment of the sporting element of the claim. The cultural element of the claim is currently under review.

The surplus for the year also takes account of the financing of capital expenditure which amounted to £2,339,613 (Minimum Revenue Provision and Revenue Transfers to Capital) against an annual budget of £2,000,000. The difference being an approved increase in funding of capital expenditure by Revenue transfers in excess of that amount included with the 2024/25 Budget. The costs include a direct revenue financing charge of £1,085,000 and Minimum Revenue Provision of £1,254,613, which includes interest paid on borrowings of £157,088.

Financing of Council spend is by means of Central Government Support (General Grant), Rates Income and Council Reserve Transfers.

The Council receives Central Government Support from the Department for Communities by way of a De-Rating Grant, Rates Support Grant and Transferred Functions Grant which are classified as Revenue Grants (Note 10a)

- The Council estimated £2,528,617 of De-Rating grant from the Department for Communities (DfC) and the indicative year end position amounts to £2,632,304, which results in an increase of £103,687 which will be repaid by the Department
- Rates Support Grant Income of £262,261 was received for the year, which amounted to £137,739 less than the amount included in the Estimates for 2024/25, and which represents the Council's share (8.39% - 6.86% in 2023/24) of a final allocation by DfC of £3,124,000 (£4,924,000 2023/24)
- Transferred Functions Grant of £641,577 was received during 2024/25 and this amount is in line with the Estimates for 2024/25. The Council's contribution to the Northern Ireland Public Services Ombudsman is deducted from this grant payment from the Department for Communities and amounted to £44,348. The Transferred Functions Grant includes a contribution towards the costs of the Council providing a Regional Property Certificate Unit (RPCU) on behalf of all 10 NI Councils, totalling £438,393. This element of the grant and transactions relating to this service including the Transferred Functions Grant received from the DfC, are not included in the Statement of Accounts but are disclosed in Note 28

Rates income from the Rates base of £43,154,664 (per the 2024/25 Estimate of Rates) has been supplemented by £909,185 of Rates finalisation income which results in total Rates income for 2024/25 of £44,063,849 (Note 10e) (2023/24 £41,492,001). This position is advised by Land and Property Services (LPS) but will not be fully confirmed until later in 2025.

## **7 Capital Programme 2024/25**

The capital spend for 2024/25 was £7.54m against a proposed capital plan of £9.9m and is detailed in Note 11 and Note 12. The remainder of the 2024/25 proposed capital projects, which have been delayed due to confirmation of funding, delivery timelines and further appraisal, will be considered as part of the 2025/26 and future years capital spend proposals.

The capital expenditure for the year and associated funding, is detailed in Note 11 and Note 12. In summary the capital expenditure was funded by Government grants £4.22m, revenue contributions £1.08m and funding from Council's Usable Reserves £2.24. The most significant spend on capital programmes are detailed in the table below.



<b>Capital Programme 2024/25</b>	
<b>£</b>	
Leisure Facilities	1,875,354
Waste Disposal and Recycling Facilities	1,805,240
Vehicles	985,563
Parks and Play Areas	856,803
Urban and Rural Development	597,194
Admin Building upgrade	568,337
Small Settlement Scheme Projects and Village Renewal Schemes	289,678
IT Equipment and Software	223,201
Plant and Equipment	153,212
Signage	111,505
Tourism Facilities	39,299
Cemeteries & Crematorium	34,289
Community Centres	3,650
<b>Total</b>	<b>7,543,325</b>
<b>Financed By</b>	
<b>£</b>	
Council Funds	4,221,463
Grant	2,236,862
Revenue Transfers to Capital	1,085,000
<b>Total</b>	<b>7,543,325</b>

The Council's total fixed assets (Note 11) amounts to £150.38m on 31 March 2025 (£149.0m 2023/24). The Council holds intangible assets valued at £80k (£120k 2023/24) (Note 11c) which relates solely to market rights and also holds investment properties valued at £11.84m (£10.03m 2023/24) (Note 11d) which comprise assets held for rental income, valued at £9.05m and assets held for future market appreciation of £2.8m.

The valuation of Council freehold and leasehold properties which was carried out by Land and Property Services (LPS) as at 31 March 2025, resulted in an overall increase in value of Land and Buildings of £3.66m of which £4.47m was credited to the Revaluation Reserve and £0.81m was charged to the Comprehensive Income and Expenditure Statement. Refer to Note 1 for further information on revaluation and depreciation policies. LPS valuation is not reported as being subject to 'material valuation uncertainty' as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards.

## 8 Reserves and Treasury Management

### Treasury Management

A 2024/25 Treasury Management Strategy Statement which sets out the expected treasury management activities and treasury management practices was approved by the Council on 08 February 2024. The aim of this Statement is to set out the expected treasury management activities and treasury management practices for 2024/25 linked to the Council's Medium Term Financial Plan, Capital Plan, and Corporate Plan. The Council aims to achieve the optimum return on its investments commensurate with the proper levels of security and liquidity giving priority to security first, liquidity second and then return. The Council use the services of treasury management advisors to continually assess and monitor the credit quality of financial institutions within which short-term investments are held.

At the end of the financial year 31 March 2025, the Council had investments (deposits with financial institutions Note 25b and short-term investments - loans to other Councils Note 16) of £35.7m (including Tullyvar investment of £251k). The return on these investments during the year was £1.454m (2023/24 - £1.274m- Note 9b). This increase on previous years is due to an increase in cash balances and Bank of England base rate ranging from 5.25% at the beginning of the year, ending with 4.5%, as well as the ability, in line with Treasury Management advice, to deposit for longer periods.



The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been funded from loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure (this is known as the Council's Internal Borrowings). This strategy is prudent as investment returns are low and counterparty risk is relatively high.

There were no new loans or leases taken out during the year. The total level of borrowing at 31 March 2025 is £2.65m (2023/24 £3.24m - Note 17). The Minimum Revenue Provision charge to the General Fund was £1.10m (2023/24 £1.13m - Note 12). Interest paid on loans during the year was £157k (2023/24 £193k - Note 9a).

## Reserves

The Local Government Finance Act (Northern Ireland) 2011 requires the Chief Financial Officer to submit a report to Council on the adequacy of the financial reserves for a financial year. In arriving at her recommendation on the minimum prudent level of reserves, strategic, operational and financial risks were taken into account. The minimum general reserve balance set by the Council for 2024/25 was £4,386,088. The final position for 31 March 2025 will increase the Council's General Reserve balance by £119,166 to £4,505,254 which exceeds the minimum general reserve balance set for 2024/25 and which is considered prudent in light of the current economic climate.

The Council approved Estimates included transfers to specified Council Reserves to meet future spend and more significantly included the use of £1m of the Council's Covid-19 Contingency and Resilience Reserve to support the funding of the cost pressures included in those Estimates.

The net position for the year ended 31 March 2025 includes the use of Reserves and the transfers to/from the Council's General Fund to specified Reserves (exclusive of Tullyvar movements) is as follows

Reserve Transfers	£
Transfers to Capital Fund (per approved Estimates)	950,000
Transfers to Renewal and Repairs Fund (per approved Estimates)	500,000
Transfer from Covid Reserve (per approved Estimates)	-1,000,000
Election Reserve	100,000
Capital Fund	2,575,000
Renewal and Repairs Fund	500,000
Interest earned on Reserve balances	932,000
<b>Total</b>	<b>4,557,000</b>

The net movement of £4.56m from the General Fund is detailed included Note 4b and is included in the Movement in Reserves Statement.

## 9 Financial Position 2024/25

A summary of the actual income and expenditure for 2024/25 compared with the Estimates for the year is shown in the table below. The overall surplus for the year of £119,166 increases the Council's General Fund Balance to £4,505,254 and includes the financing of current and past capital expenditure and approved transfers to and from Council's Reserves.

	2024/25		
	Actual (£)	Estimated (£)	Variance (£)
<b>Net Income and Expenditure *</b>	41,109,849	44,274,858	3,165,009
<b>Exceptional Income</b>	(525,637)	-	525,637
Transfers to/from Reserves	5,557,000	1,450,000	(4,107,000)
Transfer from Covid Contingency Reserve	(1,000,000)	(1,000,000)	-
<b>Total Transfer to/from</b>	<b>4,557,000</b>	<b>450,000</b>	<b>(4,107,000)</b>
<b>Financing of Capital Expenditure</b>			
Minimum Revenue Provision	1,097,525	1,142,912	45,387
Loan interest	157,088	157,088	-
Direct Revenue Financing	1,085,000	700,000	(385,000)
<b>Total net expenditure to be funded</b>	<b>47,480,825</b>	<b>46,724,858</b>	<b>(755,967)</b>
Central government grant support *	(3,536,142)	(3,570,194)	(34,052)
Rates income	(44,063,849)	(43,154,664)	909,185
<b>Total Grant and Rates Income</b>	<b>(47,599,991)</b>	<b>(46,724,858)</b>	<b>875,133</b>
<b>Surplus for the year</b>	<b>(119,166)</b>	<b>-</b>	<b>119,166</b>

\* Includes Finance and Investment Income and Regional Property Certificate Unit expenditure and Income, and Central Government grant income (Transferred Function Grant)

The Comprehensive Income and Expenditure Statement includes technical accounting adjustments, and it separately accounts for finance and investment income and expenditure (Note 9), income and expenditure for the Regional Property Certificate Unit (Note 28), and Tullyvar joint operation (Note 29).

The following technical account adjustments includes reliance on third party expertise

#### i) Provisions

The Council operates a landfill site at Drummee (Enniskillen) and maintain closed landfill sites at Mullaghmore (Omagh) and Glassmullagh (Enniskillen). The Council has an obligation for the closure of Drummee Landfill Site and for the aftercare of both Drummee and Glassmullagh Landfill Sites in compliance with the Northern Ireland Environment Agency (NIEA). Both provisions (Note 19) were assessed by a suitably qualified civil engineer at 31 March 2025 and include increases in costs necessary to reflect current external market prices for associated capping works planned for Drummee landfill site. These additional costs are included in Waste Management service expenditure line in the Comprehensive Income and Expenditure Statement. The Council also has an interest in a waste disposal site at Tullyvar Road, Aghnacloy, Co Tyrone. This comprises a landfill site, a recycling centre and associated services which is jointly owned and operated with Mid Ulster District Council. On the basis of technical advice, the Council's share of financial results for this operation is accounted for as a joint arrangement, the details of which are set out in Note 29. The total value of Landfill provisions at 31 March 2025 is £4.48m (2023/24 £4.41m - Note 19).

#### ii) Valuation of Council Property

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). At the valuation date, LPS valuation is not reported as being subject to 'material valuation uncertainty' as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards. Details of Council Property is included in Note 11 and the Revaluation Reserve is detailed in Note 27(c). The overall movement in property valuations in the year is an increase of £3.66m (2023/24 £3.72m) (Land – increase of £0.4m and Buildings – increase of £3.26m) and is included in Note 11 to the accounts.

### **iii) Transactions Relating to Retirement Benefits**

The Council participates in the Northern Ireland Local Government Officers' Pension Fund. The Scheme, which is administered by Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC), is accounted for as a defined benefit scheme and reliance is placed on the accounting schedules for this Scheme which are provided by an independent firm of Actuaries. 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. 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. Income of £916k (2023/24 £170k) (Note 9c) representing the net interest on the net defined asset is included in the Comprehensive Income and Expenditure Statement. The actuarial valuation, which is based on a number of assumptions including discount rates, of the Council's pension scheme changed from a defined benefit obligation liability of £245k at 31 March 2024 to a liability of £221k at 31 March 2025 which takes account of a restricted surplus of the funded status of the scheme (fair value of the assets compared to the present value of funded defined benefit obligation). Full detail is included within Note 21.

The Council also participates in the Northern Ireland Civil Service Pension Scheme which is an unfunded multi-employer defined benefit scheme. The Council is unable to identify its share of the underlying assets and liabilities of this scheme and it is not included in the Annual Statement of Accounts. 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 Department of Finance Superannuation and Other Allowances Resource Accounts as at 31 March 2025.

The Expenditure and Funding Analysis at Note 2 shows how Council annual expenditure is used and funded from resources (government grants, rates and general income) in comparison with those resources consumed and earned in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the Council's Service functions. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

## **10 Performance Against the Corporate Plan and Improvement Objectives**

The Council's Annual Report 2024/25 will set out progress achieved in respect of delivery of the Council's Corporate Plan 2024-2028 and the Performance Improvement Plan 2024/25. This will be reported to Council's Regeneration and Communities Committee in September 2025 and published on the Council's website on or before the 30 September 2025. The [Annual Report for 2023/24](#) - Looking Back, Moving Forward Achieving Sustainable Change Together was published in September 2024 and is available on the Council's website.

The Council's Performance Improvement Plan 2025/26 setting out its Improvement Objectives for the 2025/26 year has been published and is available to view on the [Performance Improvement](#) section of the Council's website.

## **11 Summary of Financial Position 2024/25**

The economic environment continues to place pressure on Council service delivery and plans, and the 2024/25 financial position reflects the external market conditions, including cost of living pressures, uncertainty around inflation and further uncertainty and reduction in central government funding. The final outturn however did benefit from general increases in income generating service areas compared to budget mainly due to increased usage above estimations.

The overall financial position has been supported by a £1.0m transfer from the Council's Covid Contingency Reserve, used to offset the continued cost of living and inflationary pressures. This transfer is in line with the amount approved in the 2024/25 Estimates which leaves a balance in that reserve of £1,089,879 as at 31 March 2025.

The Estimates Process for 2024/25 did consider the future financial sustainability of Council service delivery plans when this Reserve is fully depleted, and management continue to make efficiency

reductions in costs including employment vacancy control measures. Alongside this the Council has a significant capital investment plan for the district, which will require external funding over forthcoming years and the associated financing costs will require management within Council budgets.

In April 2025, the Council approved the transformative redevelopment of the Fermanagh Lakeland Forum, Enniskillen, into a state-of-the-art leisure, health and wellbeing hub. The highly innovative project, which was developed following extensive public engagement, includes funding of £20m from the UK Government, which is included in capital grants within the Accounts and represents the most significant capital investment undertaken by the Council with a total project cost of £70m.

The financial position also benefitted from further price reductions within the utility sector and continued high interest rates available for its investments attributable to the Bank of England base rate of 5.25% at the beginning of the year ending at 4.50% base rate at 31 March 2025. Much of this investment income has been added to the Council's Reserves in line with accounting codes of practice and the remainder is included within interest and investment income.

During 2024/25 the Council benefitted from the final element of the sporting claim from HM Revenue and Customs (HMRC) from overpaid VAT on Leisure services and this repayment of £525k 2023/24 (£3.17m), which is included in Exceptional Income, will support the Medium-Term Financial Planning for the Council and the overall financial resilience.

During 2024/25 the Council worked to meet its statutory functions and services in a challenging financial environment including provision of support to the communities, through partnership working and direct support including a grants programme, and services returned to generating income at or near pre-pandemic levels. The Council invested £7.5m in the district across a range of capital projects, £2.2m of which was externally funded. The Council continues to pursue external funding for maximum benefit for its District. Council Usable Reserves (excluding Unapplied Capital Grants) increased by £0.6m, due to an increase in Reserves from Investment Income, VAT reclaim and end of year transfers due to Income and Expenditure outturn position compared to Estimate for 2024/25.

The financial standing of the Council continues to be robust, and this is demonstrated by this Statement of Accounts. The Council's financial performance in 2024/25 generated an overall revenue surplus of £119,166 after transfers to earmarked reserves and following the use of £1.0m of the Covid Contingency and Resilience Reserve. However, the central government support continues to be reduced, particularly in relation to Rates Support Grant and direct funding of service delivery. There is evidence of good financial management including the delivery of efficiencies during 2024/25, with further improvements required.

The Council has sufficient reserves in the medium term but the ongoing cost pressures of service delivery, reduction in central government support, the Medium-Term Plan which will require external borrowing, the future ability of the Rates base to generate income, along with the challenges of climate change, will all impact the level of those reserves. Prioritisation of spend will be required along with continual development of Medium-Term Financial Plans and Projections. Work continues on this linked to the Council's Annual Estimates and Rates Setting Process and this will continue to be supported by the Council's longer-term strategies and plans to ensure continued effective delivery of services in a sustainable manner.

## **Receipt of Further Information**

If you would like to receive further information about these accounts, please do not hesitate to contact the Council.

## **Acknowledgements**

The production of the Audited Statement of Accounts would not have been possible without the exceptional hard work and dedication of staff across the Council. It is important to recognise this work and express gratitude to colleagues, from the Finance team and other services, for their support during the financial year and work in preparation of this document.

## Fermanagh and Omagh District Council

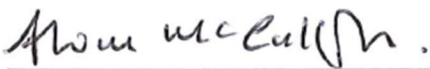
### Statement of the Council's and Chief Financial Officer's Responsibilities for the Statement of Accounts

#### The Council's Responsibilities

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

Under Regulation 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 Audited accounts were approved by the Chief Executive, as Chief Financial Officer of Fermanagh and Omagh District Council, on 17 September 2025.

Signed: 

Date: 17 September 2025

#### The Chief Financial Officer's Responsibilities

Under Regulation 10(2) 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.

# **Fermanagh and Omagh District Council**

## **Annual Governance Statement**

### **Scope of Responsibility**

Fermanagh and Omagh District Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

The Council also has a duty under the Local Government Act (Northern Ireland) 2014 to make arrangements for continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

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

Fermanagh and Omagh District Council is required to prepare an Annual Governance Statement which is consistent with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government (a copy of the code can be obtained from CIPFA). This statement explains how the Council complies with the Code and meets the requirements of Regulation 4 of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 in relation to the publication of a statement on internal control.

### **The Purpose of the Governance Framework**

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

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

The governance framework has been in place at Fermanagh and Omagh District Council for the year ending 31 March 2025 and up to the date of approval of the Statement of Accounts.

### **The Governance Framework**

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

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

The Community Plan 'Fermanagh and Omagh 2030' is the overarching, long-term strategy for the District. It was developed and agreed following significant consultation and was formally launched in March 2017. In 2020, following further public and stakeholder engagement, an updated Community Plan was agreed focusing on six outcomes promoting social, economic and environmental wellbeing. In February 2024 an updated Action Plan was agreed and published, returning to a longer-term planning approach and setting out clear priorities to further enhance our District. This identifies three themes and six long term outcomes which aim to improve quality of life for local people. The Community Plan establishes a long-term vision for the District and how the agreed long-term outcomes will be taken forward through a range of partnership actions.

The Council's Corporate Plan 'Our Council, Our Plan 2024-2028', which was launched in July 2024, outlines the strategic direction for the Council and is designed to contribute towards the achievement of the six long-term outcomes identified within the Community Plan to enhance the quality of life in Fermanagh and Omagh. The Plan focuses on four key priorities – Climate Action; People and Communities; Shared Prosperity and One Council. Key actions have been identified to ensure these priorities are achieved and that the Council's vision to improve the lives and wellbeing of communities and provide the best quality experience for those who visit the District is realised. Monitoring and reporting against these actions is managed through a Performance Report Card.

## **Reviewing the Council's vision and its implications for Council's governance arrangements**

The Council's Vision has been reviewed and it aligns with the Vision for the District as set out in the Community Plan. This ensures overall strategic alignment between both key plans, i.e. the Community Plan for the District and the Council's Corporate Plan.

Elected Members receive performance reports setting out progress towards delivery of the Corporate Plan Actions twice annually and an Annual Performance Report is published in September each year. Performance reporting is progressed through the Council's Regeneration and Community Committee, including the agreement of the Annual Performance Report which has been published on the Council's website.

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

The Council carries out a substantial Residents' Survey covering awareness of services, communication and engagement, residents' perception of their local area including involvement in decision making, tourism, perception of the Council, responding to local need and overall satisfaction. The survey was most recently completed towards the end of 2024/25, and included a representative sample of 700 residents, conducted by telephone and was statistically robust. The findings of that survey will be considered by the Council during 2025/26.

The Council also has in place a Complaints Procedure, through which customers can provide feedback on their satisfaction level with Council service delivery. Feedback can be provided through e-mail, telephone, letter, face to face, via the website or social media. The Leisure Centres, Arts Centres and Registration Services also have specific customer satisfaction recording processes in place. The feedback received from all these sources is used to inform service delivery and improvements.

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

The Council's Constitution sets out how the Council operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable to local people. All Council policies include clear sections on roles and responsibilities for staff and Elected Members. The Council operates a Committee System. Meetings of the Council and Committees are

open to the public and live streamed via YouTube, with the exception of discussion pertaining to 'confidential' or 'exempt' matters, as defined by the Local Government Act (Northern Ireland) 2014. Council meetings are managed in accordance with the Council's Standing Orders. The Council's Constitution is subject to regular review and updates, and it includes Financial Regulations, Standing Orders and a Scheme of Delegation. Within the Constitution, the Scheme of Delegation clearly defines the roles and responsibilities of the Chief Executive, Directors and Heads of Service. The minutes and associated reports for all Council and Committee Meetings are published on the Council's website <https://www.fermanaghmagh.com> with the exception of confidential minutes and reports.

The Council's Marketing and Communications Framework provides direction to support effective communications with the public. The Council's Values Framework also includes a commitment to engagement and involvement. In addition, a Framework for Consultation and Engagement is in place which aims to share best practice and guidance on how to best consult and engage with the public on Council policies and services.

### **Developing, communicating and embedding codes of conduct, defining the standards of behaviour for members and staff**

The Council's Constitution includes the Northern Ireland Local Government Code of Conduct for Councillors, the Code of Conduct for Employees and the Employee/Councillor Working Relationship Protocol, which sets out the working relationship between Councillors and Employees and the steps to be taken to deal with concerns and seek a resolution to difficulties that may arise. All Elected Members were issued with a copy of the Constitution as part of their induction.

The Council adopted the Code of Conduct for Local Government Employees in April 2021 and the associated Local Government Employee and Councillor Working Relationship Protocol. The Code builds on, and is in keeping with, the seven principles of public life articulated by the Nolan Committee on Standards in Public Life and the five further principles of conduct that have been adopted by the Northern Ireland Assembly.

The Code of Conduct for Councillors sets out the principles and rules of conduct which Councillors must observe. Councillors have a personal responsibility to ensure that they are familiar with and understand their obligations under the Code. The principles are intended to promote the highest possible standards of behaviour. The rules are the practical application of the principles and Councillors are required to observe both the rules and principles. Councillors are required to confirm that they have read and will observe the Code of Conduct.

The Code of Conduct for Local Government Employees sets out standards of behaviour expected of Council officers and also deals with the disclosure of information, political neutrality, potential conflicts of interest, appointments and other employment matters, outside commitments, personal interests and equality issues. The Code also emphasises the importance of separation of roles particularly during procurement and the use of financial resources and specifically addresses fraud and corruption, hospitality and gifts, sponsorship and raising concerns.

Facilitated training is provided to Councillors and incorporates the NI Local Government Code of Conduct for Councillors, the Register of Interests (as required by law to be completed by individual Councillors and made available for public inspection), Standing Orders and the Planning Protocol. The Council also participates in the Northern Ireland Local Government Association's (NILGA) regional learning and development programme which includes training on the Code of Conduct. Training on the Chairing of Meetings and application of Standing Orders pertaining to the orderly conduct of meetings is provided on an annual basis to the incoming Chair of the Council and incoming Committee Chairs.



Council meetings are managed in accordance with the Council's Standing Orders. The Council's Solicitor provides advice and guidance to Members and Officers on the implementation of the Code of Conduct, Standing Orders and Planning Protocol when required. A legal representative attends the monthly Planning Committee meetings, Council meetings and other Committee meetings, as required, in an advisory capacity. The Council also maintains Registers of Interest which have been completed by all Members and senior Council Officers in accordance with best practice and these are kept under regular review.

A range of employee training took place in 2024/25 including Corporate Induction Programmes for new employees which specifically included information on the Code of Conduct. A copy of the Code of Conduct for Employees is included in the employee induction pack as well as being provided on the staff intranet. The Council's eLearning system also includes a module on the Code of Conduct for Employees. As part of the pre-employment checking process, new employees are asked to disclose any potential Conflicts of Interest and for existing employees these are reviewed twice per annum as part of the Performance Appraisal process.

### **Reviewing the effectiveness of the Council's decision-making framework, including delegation arrangements, decision making in partnerships and robustness of data quality**

The Council's Constitution, is subject to regular review and includes Standing Orders, a Scheme of Delegation and Financial Regulations. Any changes to the Constitution or Planning Committee Protocol are approved by the Council and any changes agreed by the Council are applied to the copies displayed on the Council website and to the master copy retained within the Council's Democratic Services' function where a change register is maintained. Members are provided with an updated hard copy on request.

The Council is committed to working in partnership and has established and facilitated a Community Planning Partnership for the District. This Partnership, which includes a Community Planning Strategic Partnership Board, has agreed a governance structure and guidance document setting out the community planning governance arrangements which apply in the Fermanagh and Omagh District. It outlines the mechanisms of the partnership and the role and remit of the various structures within the partnership. This has been approved by the Board and the respective partners.

The Council strives to ensure the data used to support evidence led-decision making is sufficiently robust. This is achieved through the use of official statistics as the preferred source of information, due to the inherent robustness and accompanying technical reports outlining data sources and collection methodology. In instances where the range of official statistics are not broad enough to provide insight, the Council will use other relevant data with the data source scrutinised in advance, with any quality assurance issues clearly identified and communicated alongside the information. The Council (and Community Planning Partnership) use an Outcomes Based Accountability approach. The majority of the population indicators used in the Community Plan are sourced from the Northern Ireland Statistics and Research Agency (NISRA).

### **Reviewing the effectiveness of the framework for identifying and managing risks and demonstrating clear accountability**

Fermanagh and Omagh District Council has an established Risk Management Policy, the aim of which is to establish and operate risk management procedures and to promote an organisational culture which ensures that risk management is an integral part of every activity. The Policy is supported by a Risk Appetite Statement and a Risk Management Procedure which provides guidance on risk identification and analysis and the monitoring and reporting timetable. Directorate Risk Registers are reviewed bi-annually and are reported to the Corporate Leadership Team.

The Council's Corporate Risk Registers (Internal and External) are informed by the Directorate Risk Registers and reviewed by Corporate Leadership Team and reported to the Audit Panel. The Audit Panel considers and approves any updates to the Risk Management Policy, considers the effectiveness of the Council's risk management arrangements, and seeks assurances that action has been taken on risk related issues identified by External and Internal Audit. The minutes of the Audit Panel are reported through the Policy and Resources Committee to the Council.

As part of the Council's assurance framework, Directors and Heads of Service are required to assess the adequacy of the risk management regime within their Directorates and to provide Assurance Statements which serve to inform the overall governance statement.

### **Ensuring effective counter-fraud and anti-corruption arrangements are developed and maintained**

Fermanagh and Omagh District Council is committed to carrying out business fairly, honestly and openly and has a zero tolerance approach towards fraud, bribery and corruption. The Council expects full compliance with the requirements of the Bribery Act 2010 from Members, Employees, Agents, Partners, Suppliers and Groups or individuals applying for, or in receipt, of grant aid.

The Council has in place a Fraud and Corruption Policy the objective of which is to ensure that the approach of the Council to fraud and corruption is open, clear and transparent to all. The Policy, which is subject to annual review, details the processes of reporting suspicion and includes a fraud response plan, reporting responsibilities and the role of Internal Audit. Fraud and Raising Concerns are a standing item on the Audit Panel agenda and regular reports on any relevant matters were provided during the 2024/25 year.

The Council has a Cyber-Security Framework in place, which is regularly tested and reviewed, to ensure that as far as possible, a secure IT environment is operated to reduce the risk of fraud.

### **Ensuring effective management of change and transformation**

In 2023/24 the Council concluded a significant organisational review and transformation programme to ensure an effective management structure was in place to deliver a future-proofed, responsive and efficient organisation. To complement this, a leadership development programme has been implemented to support capacity building amongst leaders to enable new strategic thinking, in particular around change and transformation. The Corporate Leadership Team remain committed to ongoing harmonisation and transformation of Council service delivery.

The Council identified 'Innovation' as a value in its Corporate Plan 2024-2028 and has defined this as 'achieving excellence through identifying new ways of working to continuously improve services and deliver on our priorities'. One of the Council's improvement objectives during 2024/25 was to seek to innovate and advance our governance and digital capabilities to improve the quality of our services and the effectiveness and efficiency of the Council. Embedding this value, alongside statutory performance improvement targets and processes, will support the management of change in the future.

The Council also recognises that Climate Change represents a significant challenge for the future. It has agreed a Climate Change and Sustainability Strategy and an associated Action Plan and has established a delivery team to progress the implementation of these plans.

**Ensuring the Council's financial management arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer (CFO) in Local Government (2016) and, where they do not, explain why and how they deliver the same impact**

The CIPFA Statement on the Role of the Chief Financial Officer (2016) sets out five principles that define the core activities and behaviours that belong to the role of the CFO in public sector organisations and the organisational arrangements needed to support them -

The CFO in a public sector organisation

- Is a key member of the leadership team, helping it to develop and implement strategy and to resource and deliver the organisation's strategic objectives sustainably and in the public interest;
- Must be actively involved in, and able to bring influence to bear on, all material business decisions to ensure immediate and longer-term implications, opportunities and risks are fully considered, and alignment with the organisation's financial strategy; and
- Must lead the promotion and delivery by the whole organisation of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively.

To deliver these responsibilities the CFO

- Must be satisfied that the finance function is resourced and fit for purpose; and
- Its staff is professionally qualified and suitably experienced.

Fermanagh and Omagh District Council's financial management arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer (2016).

**Ensuring the Council's assurance arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Head of Internal Audit (2019) and, where they do not, explain why and how they deliver the same impact**

The CIPFA Statement on the Role of the Head of Internal Audit 2019 sets out principles that define the core activities and behaviours that are expected of this role in public service organisations and the organisational arrangements needed to support them

Core activities and behaviours

- Objectively assessing the adequacy and effectiveness of governance and management of risks, giving an evidence-based opinion on all aspects of governance, risk management and internal control; and
- Championing best practice in governance and commenting on responses to emerging risks and proposed developments.

To perform this role the Head of Internal Audit

- Must be a senior manager with regular and open engagement across the organisation, particularly with the Leadership Team and with the Audit Panel; and
- must lead and direct an internal audit service that is resourced to be fit for purpose; and must be professionally qualified and suitably experienced.

Fermanagh and Omagh District Council's assurance arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Head of Internal Audit 2019.

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

The Council has an established Audit Panel to support the Chief Executive, in their responsibilities for issues of governance, risk management and control and associated assurance. The Audit Panel has five

members with cross-party representation, appointed for the term of the Council, and two non-voting, externally recruited independent members. The Audit Panel reports formally to the Council's Policy and Resources Committee.

The purpose of the Audit Panel is to provide independent assurance of the adequacy of the risk management framework and the associated control environment, independent scrutiny of the Council's financial and non-financial performance to the extent that it affects the Council's exposure to risk and weakens the control environment, and to oversee the financial reporting process alongside the Council's arrangements to secure continuous improvement in its functions. The Audit Panel met four times during 2024/25 and Audit Panel meetings were attended by the Chief Executive, Directors, the Head of Finance, the Internal Auditor and representatives of External Audit. The Audit Panel may ask any other officials of the Council to attend to assist it with its discussions on any particular matter.

### **Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful**

The Council has complied with the Local Government Finance Act (NI) 2011, the Local Government (Capital Finance and Accounting) Regulations (NI) 2011 and the supporting codes - the Prudential Code for Capital Finance in local authorities and the Treasury Management (in the public services) Code. To achieve this the Council has in place Financial Regulations which set out the overarching financial responsibilities of the Council and its staff and provides the framework within which the Council's financial affairs are managed. The Financial Regulations are supported by a detailed Accounting Manual which covers all operational areas within the Finance section.

The Chief Executive is, for the purpose of Section 1 of the Local Government Finance Act (Northern Ireland) 2011, the Chief Financial Officer of the Council and is charged with ensuring the lawfulness and financial prudence of decision-making; providing advice and guidance and ensuring that expenditure is lawful. The Council ensures that professional advice on matters that had legal or financial implications is available and properly considered with the legal advisors in attendance at meetings (including planning meetings), if deemed necessary. Each Director, Head of Service and Lead Officer is responsible for ensuring compliance with relevant legislation, regulations, internal policies and procedures within their service area, and provides an assurance statement to the Chief Executive in this regard. The Council's Chief Executive has ultimate responsibility for securing compliance within the organisation.

### **Raising Concerns and receiving and investigating complaints from the public**

Fermanagh and Omagh District Council has a Fraud and Corruption Policy and a Raising Concerns Policy both of which are subject to annual review and update.

The Council is committed to carrying out business in a transparent manner, fairly, honestly and openly and has a zero tolerance towards bribery. The Council expects full compliance with the requirements of the Bribery Act 2010 from Councillors, Employees, Agents, Partners, Suppliers and Groups or Individuals applying for, or in receipt of, grant aid. It is committed to developing, implementing and maintaining effective procedures and controls to prevent any occurrence of fraud and corruption.

The aim of the Raising Concerns Policy is to act as a deterrent to malpractice, encourage openness, promote transparency and to underpin the Council's approach to risk management. Fraud and Raising Concerns are a standing item on the Audit Panel agenda and regular reports on relevant matters were provided during the 2024/25 year. Both policies are provided to all new employees as part of their induction process and further virtual training is available on Fraud Awareness and Raising Concerns.

The Council is committed to dealing with all complaints fairly and impartially. The Council launched a new Complaints Handling Procedure in January 2024, further to engagement with the NI Public Sector Ombudsman (NIPSO). This procedure is a two-stage process for responding to and investigating complaints. This includes a complaints system for recording, monitoring, reporting and publishing data. Reporting of complaints includes the number of complaints, number by service area and other metrics such as complaints responded to on time. A quarterly report is prepared by Corporate and Strategic Services for the Corporate Leadership Team, and a six monthly and annual report prepared for

publication on the website. The Complaints Procedure is available in electronic format and is available in hard copy on request, with easy read versions available also.

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

The Council is accredited with the Elected Member Development Charter Award Level 1. Members undertake corporate learning and development and are also invited to undertake an Individual Training Needs Analysis to identify appropriate learning and development. The Council has established an Elected Member Development Steering Group, which comprises cross-party representation, to champion learning and development for Members of the Council. The Council also has an approved Elected Member Learning and Development Policy which assists in embedding learning and development.

The Council participates in NILGA's Regional Learning and Development Programme which provides a range of capacity building opportunities for Members.

The Council's Employee Learning and Development Policy sets out the Council's commitment to the development and training of employees and outlines the range of supports available to employees to support the delivery of the Council's aims and objectives as outlined in the Corporate Plan. The Learning and Development Policy is intrinsically linked to the Council's performance management cycle and learning and development needs are identified and reviewed at the performance appraisal stage twice yearly. The Corporate Learning and Development Plan sets out the Council's plans for continuous development of employees and this plan is reviewed and updated to ensure employees receive the necessary training to undertake their role within the Council. During 2024/25 a number of senior officers participated in the Local Government Staff Commissioning Boost Mentoring Programmes.

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

Council and Committee meetings are open to the public, are recorded and are live streamed to YouTube. The agendas and associated papers, audio recordings and minutes of the meetings are available on the Council's website <https://www.fermanaghomagh.com>.

The Council's corporate strategies in the areas of Communications, Consultation and Engagement place emphasis on citizen involvement in the Council's decision-making process, communicating with the public and on customer satisfaction with service delivery. A dedicated Framework for Consultation and Engagement is in place which aims to share best practice and guidance on how to best consult and engage with the public on Council policies and services. The Council's Values Framework also includes a commitment to engagement and involvement and new significant Council strategies are subject to public consultation and equality impact assessment during development. The Council, when developing and/or reviewing new strategies and policies, subject these to an equality impact assessment and rural needs impact assessment as appropriate.

### **Enhancing the accountability for service delivery and effectiveness of other public service providers**

The Council leads the Community Planning process involving a number of statutory partners who are key public sector providers. Through this process, the Council and its Community Planning partners have sought to improve service delivery for the District to ensure outcomes are achieved in line with the key objectives of the Community Plan around the three themes of People and Communities; Economy, Infrastructure and Skills; and Environment and a fourth theme of Partnership. Documents relating to Community Planning Strategic Partnership Board meetings are publicly available on the Council website and a performance management framework is in place. In November 2023, the Fermanagh and Omagh Community Planning Partnership published its Statement of Progress for the previous two years, in fulfilment of its legislative requirement to do so and a further Statement of Progress will be published in November 2025 for the prior two years.

In addition, the Council has sought to lobby and make representations on a range of service issues relative to the effectiveness of delivery of public services in the District. These are reflected through

minutes of the Council meeting and respective Committee meetings which are all available to view through the Council's website.

**Incorporating good governance arrangements in respect of partnerships and other joint working as identified by the Audit Commission's report on the governance of partnerships and reflecting these in the Council's overall governance arrangements.**

Fermanagh and Omagh District Council, as lead partner with responsibility to initiate, maintain, facilitate and participate in community planning for its District, has put in place processes to ensure effective governance of the community planning partnership. A Governance Framework and Guidance paper was agreed by the Community Planning Partnership in February 2019 and is available on the Council website. A further review and refresh of the Governance arrangements was undertaken in 2021 which led to the establishment of a Partnership Agreement and Operating Arrangements and the Partnership has agreed a core set of values and principles, including commitments to openness, accountability and transparency; continuous improvement; effective engagement; and working collaboratively. Updates on the process and progress in relation to community planning are reported regularly to the Council's Regeneration and Community Committee which has responsibility for oversight of the community planning function. Minutes of meetings of the Community Planning Strategic Partnership Board are also published on the Council's website.

The Council is a partner in the Mid-South West Growth Deal which has a Governance Steering Group in place comprising elected representatives from all three constituent Councils with six monthly reporting in place through the Council's Regeneration and Community Committee. The Mid-South West Region Growth Deal Head of Terms was signed on 6 November 2024 by the partner representatives and three participating Councils.

## **Review of Effectiveness**

Fermanagh and Omagh District 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 senior 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 any relevant comments made by the External Auditors.

The Internal Audit function operated fully during 2024/25 with updates on the Internal Audit Plan presented to the Audit Panel on a quarterly basis. Internal Audit is responsible for monitoring the quality and effectiveness of systems of internal control. During 2024/25, Internal Audit assignments were carried out in accordance with the Annual Internal Audit Plan agreed by the Audit Panel. Any weaknesses identified in internal control procedures were considered by the Corporate Leadership Team and reported to the Audit Panel with actions agreed to strengthen the internal control environment. All internal audit reports included an overall assurance on the quality and effectiveness of internal control within the areas audited.

Internal Audit, on the basis of the systems reviewed and reported on during the year, has considered that the overall control environment within the Council is of a good standard and should be categorised as Satisfactory.

The Council assurance framework requires Directors and Heads of Service to consider annually the adequacy of risk management arrangements, internal controls and wider governance issues within their service areas. It also provides information on the level of compliance with the various elements of the Council's Governance Framework. The Heads of Services, Lead Officers and Directors are required to monitor and keep under review the operation of internal controls within their area, and to implement changes where necessary.

## **Significant Governance Issues**

Five significant governance issues were noted in the 2023/2024 annual governance statement and four of these have carried forward into the 2024/25 financial year. Progress has been made and actions taken in relation to issues associated with the misrepresentation of soil samples and this is no longer considered to be a significant governance issue.

### **Financial Uncertainties and Resilience**

Given the current economic climate, the financial landscape for the Council is likely to remain challenging for the foreseeable future and it is critical that the Council has adequate financial resource in place to fund priorities and future requirements in relation to service provision and capital investment. There is increasing pressure on payroll costs, most notably in relation to local and national pay arrangements, and external market volatility continues to put pressure on costs in particular with regard to fuel, insurance, repairs, maintenance and construction.

The Council has also identified on-going financial uncertainties related to the future ability of the Rates base to generate income and the impact of Central Government budget cuts as a risk. Uncertainty in both these areas remain and have been heightened by Central Government proposals to reduce support for Local Government to undertake core service delivery.

In addition to robust financial management activities, the Council has in place a Financial Reserves Policy to manage current reserves, absorb fluctuations and ensure effective financial planning is in place for emerging and unforeseen issues.

### **Cyber Security and Digital Services**

Cyber Security and delivery of digital services is a significant governance issue and the Council faces an ongoing risk of cyber fraud. There has been a major increase in security threats over the last few years and this trend is continuing. In addition to security software and technology deployed, the Council has developed and tested Business Continuity and Emergency Plans, has identified support networks and has participated in a number of test exercises to support the resilience of IT systems. IT risks are also considered and documented in a Risk Register which is reviewed twice annually.

Cybersecurity risks for all public bodies remain high, however, the Council is proactively managing this at an appropriate level. A cyber response team is in place with a cyber incident response plan which helps underpin the Council's ability to react to any incident. This was tested during a whole Council cyber simulation exercise in December 2024. The Council has invested in additional security programmes and support services, as well as participating in a number of Phishing test exercises and developed a support network to mitigate against this risk.

### **Legal Issues and Industrial Relations**

The Council operates in a complex legislative framework in relation to some aspects of delivery of services, enforcement actions and decision making. During 2024/25 expert legal advice was required on a number of issues including call-in decisions, procurement, enforcement matters, judicial reviews, employment matters, planning matters, information governance and the Planning Appeals Commission Public Inquiry into applications associated with the Curraghinalt Goldmine Project.

There is risk of further scope for legal challenge around decision making, particularly around planning where there is a divergence of position between Elected Members, statutory consultees and the Council's corporate position. The Council seeks to mitigate by ensuring appropriate training and seeking appropriate advice on the legalities of decision-making.

During 2024/25 the Council experienced a number of breaches of confidentiality in respect of information shared at Council and committee meetings which pertained to 'confidential' or 'exempt' matters, as defined by the Local Government Act (Northern Ireland) 2014. Leaking of confidential information is a serious governance issue which can damage public trust and confidence in the Council and lead to a reluctance

to engage with public services. Breaches of confidentiality also disrupt service delivery, may lead to legal liabilities and can incur significant financial costs related to investigation and remediation.

Considering industrial relations in 2024/25, the Council reached a Collective Agreement with the recognised Trade Unions on a significant contractual amendment in respect of legacy working practices within the Refuse Collection service.

### **Climate Change**

The Council's Climate Change and Sustainable Development Strategy (2020) sets challenging targets for the achievement of a net zero fleet by 2031, net zero estate by 2036 and net zero operations (Scope 1, 2 and 3 emissions) by 2040. Progress has been made in respect of each of these areas in 2024/25 but there remain significant challenges to be addressed in the context of an ageing and extensive asset base and diminishing public engagement with 'climate action' despite evidence of increased impacts of climate change through increased frequency and severity of adverse weather events. The Climate Change Act (NI) 2022 placed new reporting obligations on specified public bodies including the Council and the first report is due to be submitted in quarter 3 of 2025/26. The Council has established a Climate Team to manage and coordinate collaborative corporate action in that regard.

The Council proposes to consider what further steps can be taken to address the significant governance issues identified and to further enhance arrangements over the coming year. The Council will continue to monitor risks and take appropriate remedial actions and will report on progress as part of the next annual review.

Signed: Adam McCullin

Date: 17/09/25

Chief Executive and Chief Financial Officer of Fermanagh and Omagh District Council

Signed: Thomas A. Reilly

Date: 17-9-2025

On behalf of the Policy and Resources Committee of Fermanagh and Omagh District Council



# Fermanagh and Omagh District Council

## Remuneration Report for the year ended 31 March 2025

### 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.

### 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.

Guidance and determinations on Councillors' Allowances applicable from 1 April 2024 were issued by the Department for Communities on 10 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. Fermanagh and Omagh District Council had 40 councillors in 2024/25.

#### Senior Employees

The remuneration of senior employees is determined in line with scales agreed nationally by the National Joint Council (NJC) for Local Government Services. Senior staff are those staff who are members of the Corporate Leadership 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.

### 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 is detailed in Table 1.

**Table 1 Total Allowances paid to Councillors (audited information)**

	2024/25		2023/24	
	Total Allowances	Number of Councillors receiving the allowance	Total Allowances	Number of Councillors receiving the allowance
	£		£	
Basic Allowance	697,008	41*	680,807	54
Special Responsibility Allowance	38,101	20	35,914	24
Chairperson Allowance	10,000	2	8,258	1
Vice Chairperson Allowance	5,000	2	4,129	1
Mileage Allowance	30,673	25	24,999	32
PCSP Attendance Allowance	6,725	9	4,380	11
Subsistence/Miscellaneous	29	1	198	3
Public Transport and Other Travel Incidentals	19	1	16	2
Courses/ Conferences Visits	2,759	8	400	10
<b>Total Allowances</b>	<b>790,314</b>		<b>759,101</b>	

Details of the allowances paid to individual Councillors in 2024/25 are published on the Council website at [www.fermanaghmagh.com/your-Council/Councillors-expenses](http://www.fermanaghmagh.com/your-Council/Councillors-expenses).

\*41 Members have been paid during 2024/25 financial year, as a Member resigned and a new Member was co-opted. Only 40 Members were paid at any point in time during the year.

The above allowances do not include employer costs - these are shown in Note 7.

### Remuneration of Senior Employees

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

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

Officers	2024/25				2023/24			
	Actual Salary (Full year equivalent in brackets where applicable)	Bonus Payments	Benefit in kind	Total	Actual Salary (Full year equivalent in brackets where applicable)	Bonus Payments	Benefit in kind	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Alison McCullagh (Chief Executive)	130-135	-	-	130-135	125-130	-	0-5*	130-135
John Boyle (Director of Community and Wellbeing)	95-100	-	-	95-100	95-100	-	-	95-100
John News (Director of Environment and Place)	95-100	-	-	95-100	90-95	-	-	90-95
Jill Cush (appointed 19/06/23 – Director of Corporate Services and Governance)	90-95	-	-	90-95	70-75 (90-95)	-	-	70-75 (90-95)
Kim McLaughlin (retired 31/07/2024 Director of Regeneration and Planning)	30-35 (95-100)	-	-	30-35 (95-100)	95-100	-	-	95-100
Anne Quinn (temporary from 17/06/24 to 31/10/24 Director of Regeneration and Planning)	80-85 (90-95)	-	-	80-85 (90-95)	-	-	-	-
Sinead McEvoy (appointed 01/11/24 Director of Regeneration and Planning)	80-85 (90-95)	-	-	80-85 (90-95)	-	-	-	-

\* The benefit in kind amount relates to a payment for the Returning Officer at the May 2023 Elections.

Councils are required to disclose the relationship between the remuneration of the highest paid member of the Corporate Leadership Team and the median remuneration of the Council's workforce.

The banded remuneration of the highest paid member of the Corporate Leadership Team in the financial year 2024/25 was £130k - £135k. This was 4.40 times the median remuneration of the workforce, which was £29.6k.

**Table 3 Relationship between the remuneration of the highest paid member of the Corporate Leadership Team and the median remuneration of the Councils workforce (audited information)**

	2024/25	2023/24
Salary Band of Highest Paid member of the Corporate Leadership Team	£130k-135k	£125k-£130k
Median Total Remuneration	£29.6k	£27.8k
Ratio	4.40 : 1	4.61 : 1

In 2024/25, no employees received remuneration in excess of the highest paid member of the Corporate Leadership Team.

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

### Salary

“Salary” includes gross salary, overtime, and any gratia payments.

### Bonus Payments

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.

### Exit Packages for staff

The number of exit packages provided to all staff by the Council, together with total cost per band and total cost of the compulsory and other redundancies are set out in the table below

**Table 4 Exit Packages in 2024/25 (audited information)**

Severance Package Cost Band	2024/25				2023/24			
	Number of Compulsory Redundancies	Number of Other departures agreed	Total Number of Exit Packages	Total Cost of Packages £	Number of Compulsory Redundancies	Number of Other departures agreed	Total Number of Exit Packages	Total Cost of Packages £
£0-£20,000	-	2	2	33,912	-	-	-	-
£20,001-£40,000	-	-	-	-	-	-	-	-
£40,001-£60,000	-	-	-	-	-	-	-	-
<b>Total</b>	-	<b>2</b>	<b>2</b>	<b>33,912</b>	-	-	-	-

### Independent Members – Audit Panel

Mr Gary Miller and Ms Brona Slevin were Independent Members of the Audit Panel during 2024/25. Their 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 £275 is paid per meeting (this includes preparation time) plus travel and expenses.

## Pension Benefits

The Local Government Pension Scheme (Northern Ireland) (the Scheme) 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.

Prior to the 1 April 2015, Pension was accrued at a rate of 1/60 and thereafter 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. Councillor members have always accrued pension on a career average basis.

The Scheme is funded by contributions made by both employees/Councillors and employers. Prior to 1 April 2009, 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, 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**

Band	Range	Employee Contribution Rate
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**

Year	Employer Contribution Rate
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 were able to join the Scheme from May 2011 and therefore have not accrued significant benefits thus far. The in-year pension contributions made by the Council for all Councillors during 2024/25 was £135.6k (Note 7d).

The value of pension benefits of the Corporate Leadership Team accrued during the year was as follows

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

Officers	Accrued Pension and related lump sum at pension age as at 31/3/25	Real increase in pension and related lump sum at pension age	CETV at 31/3/25	CETV at 31/3/24 (restated)	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
Alison McCullagh	55-60 and lump sum 50-55	4 and lump sum 1	1,015	916	69
John Boyle	10-15	2	158	118	30
John News	5-10	2	111	74	27
Jill Cush	35-40	3	608	540	51
Kim McLaughlin (resigned 31/07/24)	20-25	2	386	332	29
Anne Quinn (temporary from 17/06/24 to 31/10/24)	45-50	5	1,059	887	160
Sinead McEvoy (appointed 01/11/24)	5-10	1	96	65	4

### **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 does not include 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.


Alison McCullagh  
Chief Executive  
17 September 2025

## **Fermanagh and Omagh District Council**

### **Certificate of the Chief Financial Officer**

I certify that

- a) the Audited Statement of Accounts for the year ended 31 March 2025 on pages 43 to 46 has been prepared in the form directed by the Department for Communities and under the accounting policies set out on pages 47 to end.
- b) in my opinion the Audited Statement of Accounts gives a true and fair view of the Income and Expenditure and cash flows for the financial year and the financial position as at the end of the financial year ending 31 March 2025.

Signed: 

Chief Financial Officer

Date: 17 September 2025

### **Council Approval of Statement of Accounts**

These accounts were approved by resolution of the Council on 10 September 2025.

Signed: 

Councillor Thomas O'Reilly

**On behalf of the Policy and Resources Committee of Fermanagh and Omagh District Council.**

Date: 17 September 2025

## **Fermanagh and Omagh District Council**

### **Independent Auditor's Report to the Members of Fermanagh and Omagh District Council**

#### **Opinion on financial statements**

I have audited the financial statements of Fermanagh and Omagh District 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 Fermanagh and Omagh District 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 Fermanagh and Omagh District 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 Fermanagh and Omagh District 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 the Fermanagh and Omagh District 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 Fermanagh and Omagh District 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 the Fermanagh and Omagh District 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;
- assessing the Fermanagh and Omagh District 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 Fermanagh and Omagh District 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 the Fermanagh and Omagh District Council through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 and the Code of Practice on Local Authority Accounting in the United Kingdom 2024-25;
- making enquires of management and those charged with governance on Fermanagh and Omagh District 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 Fermanagh and Omagh District 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. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition and posting of unusual journals;
- 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 board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;
- 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;
  - investigating significant or unusual transactions made outside of the normal course of business; and
- applying tailored risk factors to datasets of financial transactions and related records to identify potential anomalies and irregularities for detailed audit testing.

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 Fermanagh and Omagh District 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 Fermanagh and Omagh District 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*

*29th September 2025*

# Fermanagh and Omagh District Council

## Comprehensive Income and Expenditure Statement for the year ended 31 March 2025

Service Expenditure	Notes	2024/25			2023/24		
		Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure
		£	£	£	£	£	£
Waste Management	2	17,640,801	(576,646)	17,064,155	16,027,804	(637,717)	15,390,087
Parks, Estates and Property	2	9,336,573	(1,399,548)	7,937,025	9,037,753	(1,486,700)	7,551,053
Wellbeing and Cultural Services	2	13,098,125	(4,122,341)	8,975,784	11,252,718	(3,836,223)	7,416,495
Community Services	2	4,204,812	(1,270,198)	2,934,614	2,968,836	(1,152,750)	1,816,086
Regulatory Services	2	4,838,029	(2,166,371)	2,671,658	4,814,978	(2,252,040)	2,562,938
Economic Development and Investment	2	5,409,687	(1,981,332)	3,428,355	5,277,777	(1,463,145)	3,814,632
Corporate Management	2	1,512,738	(34,760)	1,477,978	1,089,899	(14,250)	1,075,649
Place Shaping	2	2,498,273	(1,133,733)	1,364,540	2,556,177	(973,046)	1,583,131
Democratic Services	2	1,473,504	(895)	1,472,609	1,846,933	(1,967)	1,844,966
Finance	2	1,706,630	(134,400)	1,572,230	1,581,976	(81,489)	1,500,487
Corporate and Strategic Services	2	1,338,602	(399,412)	939,190	1,261,104	(398,286)	862,818
Capital Programme Unit	2	824,034	(172)	823,862	908,609	(148)	908,461
Human Resources and Organisational Development	2	877,127	(119,092)	758,035	942,127	(84,783)	857,344
Other Corporate Services	2	1,016,371	(152)	1,016,219	939,463	(751)	938,712
Climate Change and Innovation	2	404,140	(10,673)	393,467	352,985	(13,830)	339,155
Data Science	2	228,594	-	228,594	213,368	-	213,368
Other Exceptional (Income)/Expenditure	2	58,520	(584,157)	(525,637)	-	(3,173,503)	(3,173,503)
Non-distributed costs	2	11,000	-	11,000	37,000	-	37,000
Tullyvar	2,29	270,724	(24,997)	245,727	158,577	(52,110)	106,467
<b>Cost of Services on Continuing Operations</b>		<b>66,748,284</b>	<b>(13,958,879)</b>	<b>52,789,405</b>	<b>61,268,084</b>	<b>(15,622,738)</b>	<b>45,645,346</b>
Other Operating Expenditure/(Income)	8	111,600	(215,256)	(103,656)	8,399	(321,159)	(312,760)
Financing and Investment Income and Expenditure	9	350,172	(3,904,037)	(3,553,865)	192,806	(1,614,317)	(1,421,511)
<b>Net Operating Expenditure</b>		<b>67,210,056</b>	<b>(18,078,172)</b>	<b>49,131,884</b>	<b>61,469,289</b>	<b>(17,558,214)</b>	<b>43,911,075</b>
Taxation and Non-Specific Grant Income	10	-	(49,238,725)	(49,238,725)	-	(64,601,230)	(64,601,230)
<b>(Surplus)/Deficit on the Provision of Services</b>		<b>67,210,056</b>	<b>(67,316,897)</b>	<b>(106,841)</b>	<b>61,469,289</b>	<b>(82,159,444)</b>	<b>(20,690,155)</b>
(Surplus) on revaluation of non-current assets	11	-	-	(4,598,877)	-	-	(3,557,704)
Remeasurements of the Net Defined Benefit Liability	21d	-	-	733,833	-	-	745,838
<b>Other Comprehensive Income and Expenditure</b>				<b>(3,865,044)</b>			<b>(2,811,866)</b>
<b>Total Comprehensive Income and Expenditure</b>				<b>(3,971,885)</b>			<b>(23,502,021)</b>

# Fermanagh and Omagh District Council

## Movement in Reserves Statement for the year ended 31 March 2025

	General Fund Summary	Other Fund Balances & Reserves	Capital Receipts Reserve	Total Usable Reserves	Total Unusable Reserves	Total Council Reserves
	£	£	£	£	£	£
<b>Balance as at 01 April 2023</b>	<b>4,316,928</b>	<b>18,051,851</b>	<b>756,334</b>	<b>23,125,113</b>	<b>150,722,767</b>	<b>173,847,880</b>
<b>Movement in reserves during the year</b>						
Surplus on the provision of services	20,690,155	-	-	20,690,155	-	20,690,155
Other Comprehensive Income and Expenditure	-	-	-	-	2,811,866	2,811,866
<b>Total Comprehensive Income and Expenditure</b>	<b>20,690,155</b>	<b>-</b>	<b>-</b>	<b>20,690,155</b>	<b>2,811,866</b>	<b>23,502,021</b>
Adjustments between accounting basis & funding under regulations	(14,627,940)	12,622,132	321,159	(1,684,649)	1,684,649	-
<b>Net increase/ (decrease) before transfers to Statutory and Other Reserves</b>	<b>6,062,215</b>	<b>12,622,132</b>	<b>321,159</b>	<b>19,005,506</b>	<b>4,496,515</b>	<b>23,502,021</b>
Transfers to/from Statutory and Other Reserves	(5,993,055)	5,957,055	36,000	-	-	-
<b>Increase/(decrease) in year</b>	<b>69,160</b>	<b>18,579,187</b>	<b>357,159</b>	<b>19,005,506</b>	<b>4,496,515</b>	<b>23,502,021</b>
<b>Balance as at 31 March 2024</b>	<b>4,386,088</b>	<b>36,631,038</b>	<b>1,113,493</b>	<b>42,130,619</b>	<b>155,219,282</b>	<b>197,349,901</b>
<b>Movement in reserves during the year</b>						
Surplus on the provision of services	106,841	-	-	106,841	-	106,841
Other Comprehensive Income and Expenditure	-	-	-	-	3,865,044	3,865,044
<b>Total Comprehensive Income and Expenditure</b>	<b>106,841</b>	<b>-</b>	<b>-</b>	<b>106,841</b>	<b>3,865,044</b>	<b>3,971,885</b>
Adjustments between accounting basis & funding under regulations	4,472,695	(4,281,923)	215,256	406,028	(406,028)	-
<b>Net increase/ (decrease) before transfers to Statutory and Other Reserves</b>	<b>4,579,536</b>	<b>(4,281,923)</b>	<b>215,256</b>	<b>512,869</b>	<b>3,459,016</b>	<b>3,971,885</b>
Transfers to/from Statutory and Other Reserves	(4,460,370)	4,404,370	56,000	-	-	-
<b>Increase/(decrease) in year</b>	<b>119,166</b>	<b>122,447</b>	<b>271,256</b>	<b>512,869</b>	<b>3,459,016</b>	<b>3,971,885</b>
<b>Balance as at 31 March 2025</b>	<b>4,505,254</b>	<b>36,753,485</b>	<b>1,384,749</b>	<b>42,643,488</b>	<b>158,678,298</b>	<b>201,321,786</b>

# Fermanagh and Omagh District Council

## Balance Sheet as at 31 March 2025

	Notes	31 March 2025	31 March 2024
		£	£
Fixed Assets	11a	150,380,541	149,002,080
Intangible Assets	11c	80,000	120,000
Investment Properties	11d	11,835,000	10,027,000
Long-Term Debtors	15a	3,652,595	17,784,743
<b>LONG-TERM ASSETS</b>		<b>165,948,136</b>	<b>176,933,823</b>
Inventories	14	403,177	468,273
Short-Term Debtors	15b	16,118,295	11,199,643
Short-Term Investments	16	13,000,000	6,000,000
Cash and Cash Equivalents	25b	22,762,235	17,801,388
Assets Held for Sale	11f	294,654	286,655
<b>CURRENT ASSETS</b>		<b>52,578,361</b>	<b>35,755,959</b>
Short-Term Borrowing	17a	595,484	592,081
Short-Term Creditors	18a	9,858,353	7,443,443
Provisions	19	331,500	286,431
<b>CURRENT LIABILITIES</b>		<b>10,785,337</b>	<b>8,321,955</b>
Provisions	19	4,145,601	4,127,084
Long-Term Borrowing	17b	2,052,773	2,645,842
Other Long-Term Liabilities	21c	221,000	245,000
<b>LONG-TERM LIABILITIES</b>		<b>6,419,374</b>	<b>7,017,926</b>
<b>NET ASSETS</b>		<b>201,321,786</b>	<b>197,349,901</b>
<b>USABLE RESERVES</b>			
Capital Receipts Reserve	26a	1,384,749	1,113,493
Capital Grants Unapplied Account	26b	18,861,959	18,922,419
Capital Fund	26c	9,728,600	8,516,261
Renewal and Repairs Fund	26d	2,463,182	2,198,610
Other Balances and Reserves	26e	5,699,744	6,993,748
General Fund	26f	4,505,254	4,386,088
		<b>42,643,488</b>	<b>42,130,619</b>
<b>UNUSABLE RESERVES</b>			
Capital Adjustment Account	27a	92,307,926	91,741,081
Revaluation Reserve	27c	66,537,499	62,953,367
Pensions Reserve	27e	(221,000)	(245,000)
Capital Receipts Deferred Account	27f	746,268	1,531,921
Accumulated Absences Account	27g	(1,303,553)	(1,213,189)
Provisions Discount Rate Reserve	27h	611,158	451,102
		<b>158,678,298</b>	<b>155,219,282</b>
<b>NET WORTH</b>		<b>201,321,786</b>	<b>197,349,901</b>

## Fermanagh and Omagh District Council

### Cash Flow Statement for the year ended 31 March 2025

	Notes	2024/25	2023/24
		£	£
Net Surplus/(Deficit) on the provision of services		106,841	20,690,155
Adjustment for non-cash movements	25a	12,998,616	4,300,449
Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities	25a	(2,292,383)	(20,447,307)
<b>Net cash flows from operating activities</b>		<b>10,813,074</b>	<b>4,543,297</b>
Cash flows from Investing Activities	25d	(6,047,353)	(13,427,583)
Net Cash flows from Financing Activities	25e	195,126	(623,781)
<b>Net increase or decrease in cash and cash equivalents</b>		<b>4,960,847</b>	<b>(9,508,067)</b>
Cash and cash equivalents at the beginning of the reporting period	25b	17,801,388	27,309,455
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>22,762,235</b>	<b>17,801,388</b>

## **Fermanagh and Omagh District Council**

### **Notes to the Audited Statement of Accounts for the year ended 31 March 2025**

#### **Comprehensive Income and Expenditure Statement**

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 different from the accounting cost. The taxation position is shown in both the Expenditure and Funding Analysis and the Movement in Reserves Statement.

#### **Movement in Reserves Statement**

The Movement in Reserves Statement shows the movement from the start of the year to the end on the different reserves held by the Council, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other 'unusable reserves'. The Statement shows how the movements in year of the Council's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory 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.

#### **Balance Sheet**

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 and funding basis under regulations'.

#### **Cash Flow Statement**

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.

### **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 Short-Term Investments**

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 no more than three months 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.

Short term investments are liquid assets that mature between 30 days and 365 days.

### **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 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, and non-monetary benefits 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 and 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 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 (NILGOSC). 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 Hewitt 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
- Unquoted securities – current bid price

The change in the net pension's liability is analysed into seven 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 Statement.

### **Within Financing and Investment Income and Expenditure**

Net Interest on the Net Defined Benefit Liability (asset) – i.e. the net interest expense/income 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 Pension 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 pension 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 Reserve 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.

### **Principal Civil Service Pension Scheme Northern Ireland**

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

- a) 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; and
- b) 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 expenditure are material, their nature and amount are 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**

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.

##### **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).

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

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

Financial assets measured at amortised cost are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the financial assets held by the Council, this means that the amount

presented in the Balance Sheet is the outstanding principal receivable (plus accrued interest) and interest credited to the Comprehensive Income and Expenditure Statement is the amount receivable for the year in the loan agreement. Any gains and losses that arise on the derecognition of an asset are credited or debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

### **Expected Credit Loss Model**

The Council recognises expected credit losses on all of its financial assets held at amortised cost either on a 12-month or lifetime basis. The expected credit loss model also applies to lease receivables and contract assets. Only lifetime losses are recognised for trade receivables (debtors) held by the Council. Impairment losses are calculated to reflect the expectation that the future cash flows might not take place because the borrower could default on their obligations. Credit risk plays a crucial part in assessing losses. Where risk has increased significantly since an instrument was initially recognised, losses are assessed on a lifetime basis. Where risk has not increased significantly or remains low, losses are assessed on the basis of 12-month expected losses.

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

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/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 Council 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.

## **x) Foreign Currency Translation**

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

## **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

- a) the Council will comply with the conditions attached to the payments; and
- b) the grants or contributions will be received.

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

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

Income (non-ring-fenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied Account. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied Account 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). Expenditure on the development of websites is not capitalised if the website is solely or primarily intended to promote or advertise the Council's goods or services.

Intangible assets are measured initially at cost. Amounts are only revalued where the fair value of the assets held by the Council can be determined by reference to an active market. In practice, no intangible asset held by the Council meets this criterion, and they are therefore carried at amortised cost. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service line(s) in 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 £5k) the Capital Receipts Reserve.

## **xiii) Inventories and 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 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.

#### **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 finance 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 - 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 finance leases are 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, 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.

## **Operating Leases**

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

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

The costs of overheads and support services are charged to service segments in accordance with the Council's arrangements for accountability and financial performance.

#### **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 the asset is acquired via an exchange, the cost of the acquisition is the carrying amount of the asset given up by the Council.

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

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

- infrastructure, community assets and assets under construction – depreciated historical cost
- surplus assets – the current value measurement base is fair value, estimated at the 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 gain); or
- 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

- Vehicles, Plant and equipment - Depreciated on a straight-line basis. Vehicles are depreciated using a standard life of 7 years, plant and equipment and fixtures and fittings are depreciated on historic cost using a standard life of 5 years. IT equipment is depreciated using a standard life of 3 years. Carpark plant and equipment is depreciated using a standard life of 15 years.
- Infrastructure Assets and Community Assets- depreciated on a straight-line allocation over a range of 10 to 45 years depending on the type of the asset.
- Buildings, installations and fittings - depreciated on a straight-line basis on their carrying value over the estimated remaining useful life of the asset as advised by the 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 15 to 60 years.

## **Componentisation**

Where an item of Property, Plant and Equipment asset has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately. Componentisation is only applicable to larger value land and buildings or equipment assets.

## **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 are held by the Council in pursuit of its 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.

The majority of the Council's heritage assets are held in Enniskillen Castle which has two collections of heritage assets which are held in support of its primary objective i.e., increasing the knowledge, understanding and appreciation of the Council's history and local area. The Council also holds several pieces of public art. Heritage Assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the Council's accounting policies on property, plant and equipment. However, some of the measurement rules are relaxed in relation to heritage assets as detailed below. The accounting policies in relation to heritage assets that are deemed to include elements of intangible heritage assets are also presented below. The Council's collections of heritage assets are accounted for as follows

**Local History & Folk Life** - The collection of local history and folk life includes important artefacts from the history of the local area. These items are reported in the Balance Sheet at insurance valuation which is based on market values. The collection of local history and folk life artefacts are deemed to have indeterminate lives and a high residual value; hence the Council does not consider it appropriate to charge depreciation. The collection is relatively static and acquisitions and donations are rare. Where they do occur, acquisitions are initially recognised at cost and donations are recognised at valuation ascertained by the museum's curators in accordance with the Council's policy on valuations.

**Fine & Decorative Arts Collection** - the fine and decorative arts collection includes paintings (both oil and watercolour) and sketches and is reported in the Balance Sheet at market value. Valuations are completed periodically when there has been changes in the market for similar items or when the museum curator believes valuation is necessary. The assets within the fine and decorative arts collection are deemed to have indeterminate lives and a high residual value; hence the Council does not consider it appropriate to charge depreciation. Acquisitions are made by purchase or donation. Acquisitions are initially recognised at cost and donations are recognised at valuation, with valuations provided by the external valuers and with reference to appropriate commercial markets for the paintings using the most relevant and recent information from sales at auctions. Art Sculptures are carried at historical cost and are not depreciated. The carrying amount 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 policies on impairment. The Museum will occasionally dispose of heritage assets which have a doubtful provenance or are unsuitable for public display. The proceeds of such items are accounted for in accordance with the Council's general provisions relating to the disposal of property, plant and equipment. Disposal proceeds are disclosed separately in the notes to the statement of accounts and are accounted for in accordance with statutory accounting requirements relating to capital expenditure and capital receipts.

## **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 will make provision for the closure and aftercare costs of its landfill sites in compliance with Regulations or 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. Long-term provisions are discounted to present value.

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 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 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 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 in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year against the (Surplus) or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then transferred back into the General Fund Balance in the Movement in Reserves Statement so that there is no net charge against District Rates for the expenditure.

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

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

Charges to revenue for non-current assets e.g. services, support services are debited with the following amounts to record the cost of holding fixed 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; and
- 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 amortisation. 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 Minimum Revenue Provision (MRP) in the General Fund Balance, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

## **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 His Majesty's Revenue and Customs. VAT receivable is excluded from income. All expenditure and income, irrespective of whether it is revenue or capital in nature, is shown net of Value Added Tax, unless it is irrecoverable.

#### **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 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 use of unobservable inputs.

Inputs to the valuation techniques in respect of assets and liabilities for which fair value is measured or disclosed in the Council's Statement of Accounts are categorised within the fair value hierarchy, as follows  
Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities that the Council can access at the measurement date;

Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 – unobservable inputs for the asset or liability.

#### **xxvii) Joint Operation**

A joint operation is an arrangement where the parties that have joint control of the arrangement have rights to assets and obligations for liabilities relating to the arrangement. The activities undertaken by the Council in conjunction with other joint operators involve the use of the assets and resources of those joint arrangements. In relation to its interest in a joint arrangement, the Council recognises;

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The Council's interest in Tullyvar Waste Disposal Site is accounted for as a joint operation. The Council's share of income and expenditure of the Tullyvar Waste Disposal Site is included within the Comprehensive Income and Expenditure Statement and the Council's share of the assets, liabilities and reserves are included in the relevant lines in the Balance Sheet. The joint arrangement is detailed in Note 29.

#### **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 the Council 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.

Accounting Standards not yet adopted are;

- IAS 21 – The Effects of Changes in Foreign Exchange Rate (Lack of Exchangeability) issued in August 2023
- IFRS17 - Insurance Contracts issued in May 2017
- The changes to the measurement of non-investment assets within the 2025/26 Code include adaptations and interpretations of IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets

### **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 Statement of Accounts also 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.

### **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.

The items in the Council's Balance Sheet at 31 March 2025 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows

#### **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. It is estimated that the annual depreciation charge for property, plant and equipment would increase by £1.05m for every year that useful lives had to be reduced.

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). LPS's valuation is not reported as being subject to 'material valuation uncertainty' as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards.

#### **ii) Fair Value Measurement**

When the fair values of financial assets and financial liabilities cannot be measured based on quoted prices in active markets (ie Level 1 inputs), their fair value is measured using valuation techniques (e.g. quoted prices for similar assets or liabilities in activate 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 (for example for investment properties, the Council's Chief Valuation Officer and External Valuer.) Information about the valuation techniques and inputs used in determining the fair value of the Council's assets and liabilities is disclosed in the notes.

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 discounts 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 made provision for the closure and aftercare of its landfill sites over a period of between 20 and 60 years. Any changes to the estimation of costs or discount rates would lead to a higher or lower provision requirement. A suitably qualified engineer has assessed the provision costs. The discount rates used are provided by the Council's Treasury Management Advisors. In line with guidance issued by the Department for Communities, movements relating to the change in discount rates applied to the provisions is accounted for through the Council's Provision Discount Rate Reserve.

### **iv) Pension Liability**

Estimation of the net asset/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 approximate impact of changing key assumptions on the present value of the funded defined benefit obligation as at 31 March 2025 and the projected service cost for the year ending 31 March 2025 is set out in Note 21.

The effects on the net pension liability of changes in individual assumptions can be measured. For instance, a 0.1% increase in the discount rate assumption would result in a decrease in the pension liability of £1.62m. However, the assumptions interact in complex ways.

## Fermanagh and Omagh District Council

### Notes to the Statement of Accounts for the Year Ended 31 March 2025

#### 2 Expenditure and Funding Analysis

- a) The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources (government grants, general income and rates income) by the Council in comparison with those resources consumed or earned by the Council in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the Council's departments. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

Expenditure and Funding Analysis	2024/25			2023/24		
	Net Expenditure Chargeable to the General Fund	Adjustments between the Funding and Accounting basis	Net Expenditure in the Comprehensive Income and Expenditure Statement	Net Expenditure Chargeable to the General Fund	Adjustments between the Funding and Accounting basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
	£	£	£	£	£	£
Waste Management	15,221,611	1,842,544	17,064,155	13,884,273	1,505,814	15,390,087
Parks, Estates and Property	5,126,176	2,810,849	7,937,025	4,870,416	2,680,637	7,551,053
Wellbeing and Cultural Services	5,866,112	3,109,672	8,975,784	5,908,991	1,507,504	7,416,495
Community Services	2,575,468	359,146	2,934,614	2,508,539	(692,453)	1,816,086
Regulatory Services	2,601,460	70,198	2,671,658	2,485,747	77,191	2,562,938
Economic Development and Investment	1,487,340	1,941,015	3,428,355	1,465,128	2,349,504	3,814,632
Corporate Management	1,491,630	(13,652)	1,477,978	1,074,797	852	1,075,649
Place Shaping	1,094,975	269,565	1,364,540	1,298,077	285,054	1,583,131
Democratic Services	1,470,044	2,565	1,472,609	1,810,431	34,535	1,844,966
Finance	1,344,645	227,585	1,572,230	1,278,375	222,112	1,500,487
Corporate and Strategic Services	926,487	12,703	939,190	827,770	35,048	862,818
Capital Programme	826,918	(3,056)	823,862	868,705	39,756	908,461
Human Resources and Organisation	762,475	(4,440)	758,035	844,084	13,260	857,344
Other Corporate Services	881,127	135,092	1,016,219	813,505	125,207	938,712
Climate Change and Innovation	387,636	5,831	393,467	321,938	17,217	339,155
Data Science	227,563	1,031	228,594	207,072	6,296	213,368
Other Exceptional (Income)/Expenditure	(525,637)	-	(525,637)	(3,173,503)	-	(3,173,503)
Non-distributed Costs	52,826	(41,826)	11,000	21,400	15,600	37,000
Tullyvar	96,630	149,097	245,727	(42,555)	149,022	106,467
<b>Net Cost of Services</b>	<b>41,915,486</b>	<b>10,873,919</b>	<b>52,789,405</b>	<b>37,273,190</b>	<b>8,372,156</b>	<b>45,645,346</b>
<b>Other Income and Expenditure (includes financing, investment, taxation and non-specific grant income)</b>	<b>(46,495,022)</b>	<b>(6,401,224)</b>	<b>(52,896,246)</b>	<b>(43,335,405)</b>	<b>(23,000,096)</b>	<b>(66,335,501)</b>
<b>Surplus/(Deficit)</b>	<b>4,579,536</b>	<b>(4,472,695)</b>	<b>106,841</b>	<b>6,062,215</b>	<b>14,627,940</b>	<b>20,690,155</b>
<b>Transfer (to)/from Statutory and Other Reserves</b>	<b>(4,557,000)</b>			<b>(5,950,500)</b>		
<b>Transfer (to)/from Tullyvar Reserve</b>	<b>96,630</b>			<b>(42,555)</b>		
<b>Total Transfers</b>	<b>(4,460,370)</b>			<b>(5,993,055)</b>	<b>-</b>	<b>-</b>
<b>Surplus/(Deficit) on General Fund Balance in Year</b>	<b>119,166</b>			<b>69,160</b>		
<b>Opening General Fund</b>	<b>4,386,088</b>			<b>4,316,928</b>		
<b>Closing General Fund</b>	<b>4,505,254</b>			<b>4,386,088</b>		



## 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
	£	£	£	£	£
Waste Management	1,916,305	42,590	59,192	(175,543)	1,842,544
Parks, Estates and Property	2,771,687	21,056	18,106	-	2,810,849
Well Being and Cultural Services	3,061,786	42,243	5,643	-	3,109,672
Community Services	340,224	12,093	6,829	-	359,146
Regulatory Services	12,788	25,487	31,923	-	70,198
Economic Development and Investment	1,932,906	7,695	414	-	1,941,015
Corporate Management	-	6,405	(20,057)	-	(13,652)
Place Shaping	268,173	3,990	(2,598)	-	269,565
Democratic Services	-	7,969	(5,404)	-	2,565
Finance	211,003	7,716	8,866	-	227,585
Corporate and Strategic Services	-	8,072	4,631	-	12,703
Capital Programme	-	4,175	(7,231)	-	(3,056)
Human Resources and Organisation	-	3,634	(8,074)	-	(4,440)
Other Corporate Services	132,502	2,619	(29)	-	135,092
Climate Change and Innovation	4,460	1,938	(567)	-	5,831
Data Science	-	2,311	(1,280)	-	1,031
Exceptional Income or Expenditure	-	-	-	-	-
Non-distributed Costs	-	(41,826)	-	-	(41,826)
Tullyvar	133,610	-	-	15,487	149,097
<b>Net Cost of Services</b>	<b>10,785,444</b>	<b>158,167</b>	<b>90,364</b>	<b>(160,056)</b>	<b>10,873,919</b>
Other Income and Expenditure from the Expenditure and Funding Analysis	(5,485,224)	(916,000)	-	-	(6,401,224)
Difference between General Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services	5,300,220	(757,833)	90,364	(160,056)	4,472,695

Adjustments for Capital purposes meet the requirements of generally accepted accounting practices to add in depreciation, impairment and revaluation gains and losses in the services line and for

- Other Operating Expenditure** – adjusts for capital disposals with a transfer of income on disposal of assets and the amounts written off for those assets
- Financing and investment income and expenditure** - the statutory charges for capital financing i.e. Minimum Revenue Provision and other revenue contributions are deducted from financing and investment income and expenditure as these are not chargeable under generally accepted accounting practices
- Taxation and Non-Specific Grant Income and Expenditure** – Capital grants are adjusted for income not chargeable under generally accepted accounting practices. Revenue grants are adjusted from those receivable in the year to those receivable without conditions or for which conditions were satisfied throughout the year. The Taxation and Non-Specific Grant Income and Expenditure line is credited with capital grants receivable in the year without conditions or for which conditions were satisfied in the year

Net change for the removal of pension contributions and the addition of IAS 19 Employee Benefits pension related expenditure and income

- For services this represents the removal of the employer pension contributions made by the Council as permitted by statute and the replacement with current service costs and past service costs; and
- For financing and investment income and expenditure; the net interest on the defined benefit liability is charged to the Comprehensive Income and Expenditure Statement.

Other Statutory Adjustments relate to the adjustments made for short-term employee benefits. 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 and which employees can carry forward into the next financial year. 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.

Other Adjustments between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute include

- i) Provisions Discount Rate Reserve Adjustment
- ii) Other Non-Cash items relating to Tullyvar Joint Operation.

### c) 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 Adjustments	Total
	£	£	£	£	£
Waste Management	1,445,748	134,047	39,412	(113,393)	1,505,814
Parks, Estates and Property	2,602,073	66,025	12,539	-	2,680,637
Well Being and Cultural Services	1,356,627	146,104	4,773	-	1,507,504
Community Services	(743,499)	37,519	13,527	-	(692,453)
Regulatory Services	7,749	90,138	(20,696)	-	77,191
Economic Development and Investment	2,347,740	24,764	(23,000)	-	2,349,504
Corporate Management	-	18,341	(17,489)	-	852
Place Shaping	267,722	18,980	(1,648)	-	285,054
Democratic Services	-	28,789	5,746	-	34,535
Finance	197,392	25,615	(895)	-	222,112
Corporate and Strategic Services	-	26,984	8,064	-	35,048
Capital Programme	-	14,670	25,086	-	39,756
Human Resources and Organisation	-	13,271	(11)	-	13,260
Other Corporate Services	114,767	8,416	2,024	-	125,207
Climate Change and Innovation	4,462	6,094	6,661	-	17,217
Data Science	-	3,805	2,491	-	6,296
Non-distributed Costs	-	15,600	-	-	15,600
Exceptional Income or Expenditure	-	-	-	-	-
Tullyvar	133,662	-	-	15,360	149,022
<b>Net Cost of Services</b>	<b>7,734,443</b>	<b>679,162</b>	<b>56,584</b>	<b>(98,033)</b>	<b>8,372,156</b>
Other Income and Expenditure from the Expenditure and Funding Analysis	(22,830,096)	(170,000)	-	-	(23,000,096)
Difference between General Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services	(15,095,653)	509,162	56,584	(98,033)	(14,627,940)

### 3 Expenditure and Income Analysed by Nature

Expenditure	Notes	2024/25	2023/24
		£	£
Employee Benefits and Expenses	7	32,853,538	32,015,094
Other Services Expenditure	21b	(757,833)	509,162
Support Services Recharges		248,935	209,118
Depreciation, Amortisation and Impairment	4, 11	6,724,509	5,406,543
Finance and Investment Expenditure	9	350,172	192,806
Carrying Amount of assets sold	8	111,600	8,399
Other Expenditure		27,679,135	23,128,167
<b>Total Expenditure</b>		<b>67,210,056</b>	<b>61,469,289</b>
<b>Income</b>			
Interest and Investment Income	9	(3,904,037)	(1,614,317)
District Rate income	10	(44,063,849)	(41,492,001)
Revenue and Capital Grants and Contributions	10	(5,174,876)	(23,109,229)
Support Service Income		(248,935)	(209,118)
Proceeds on the Disposal of Assets	8	(215,256)	(321,159)
Other Income		(13,184,307)	(12,240,117)
Exceptional Income		(525,637)	(3,173,503)
<b>Total Income</b>		<b>(67,316,897)</b>	<b>(82,159,444)</b>
<b>(Surplus)/Deficit on the Provision of Services</b>		<b>(106,841)</b>	<b>(20,690,155)</b>

#### 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

	Notes	2024/25		2023/24	
		£	£	£	£
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					
Derecognition/Recognition (other than disposal) of non-current assets	27a	(545,866)		(1,379,729)	
Revaluation (increases)/decreases taken to (Surplus)/Deficit on the Provision of Services	11a,c,d	(482,281)		(305,396)	
Depreciation charged in the year on Non-Current Assets	11, 27a	7,752,656	6,724,509	7,091,578	5,406,453
Net Revenue Expenditure funded from capital under statute	12, 27a		2,150,935	-	2,313,990
Carrying amount of Assets Disposed	8	111,600		8,399	
Proceeds from the sale of PP&E, Investment Property and Intangible Assets	8	(215,256)	(103,656)	(321,159)	(312,760)
Capital Grants and Donated Assets Receivable and Applied in year	10c		(651,472)		(1,443,308)
Capital Grants Receivable and Unapplied in year	10d		(1,425,655)		(18,682,840)
Net charges made for Retirement benefits in accordance with IAS 19	21b		4,119,000		5,207,000
Adjustments in relation to Short-term Compensated Absences	27g		90,364		56,584
Adjustments in relation to Lessor Arrangements	26f		785,653		(1,527)
Adjustments in relation to IFRS 16 Leases	17b,26f		2,431		-
Provisions Discount Rate Reserve Adjustment	27h		(160,056)		(98,033)
Amounts not included in the Comprehensive Income and Expenditure Statement but required by statute to be included when determining the Movement on the General Fund Balance for the year					
Statutory Provision for the Financing of Capital Investment	12, 27a		(1,097,525)		(1,127,708)
Direct Revenue Financing of Capital Expenditure	12, 27a		(1,085,000)		(1,247,953)
Employers' Contributions Payable to the NILGOSC and Retirement Benefits payable direct to pensioners	21b		(4,876,833)		(4,697,838)
Total			4,472,695		(14,627,940)

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

	Notes	2024/25		2023/24	
		£	£	£	£
Capital Fund					
Interest	9b	(425,000)		(180,000)	
From Capital					
Other	26c	(3,525,000)	(3,950,000)	(7,023,500)	(7,203,500)
Renewal and Repairs Fund					
Interest	9b	(110,000)		(159,000)	
Other	26d	(1,000,000)	(1,110,000)	(250,000)	(409,000)
Capital Receipts Reserve					
Interest	9b, 26a	(56,000)	(56,000)	(36,000)	(36,000)
Other Funds and Earmarked Reserves					
Interest	9b	(341,000)		(498,000)	
From Other funds	26e	900,000	559,000	2,196,000	1,698,000
Total			(4,557,000)		(5,950,500)
From Other Funds (Tullyvar)	26e		96,630		(42,555)
Total			(4,460,370)		(5,993,055)

**5 Cost of Services on Continuing Operations**

**a) General Power of Competence**

Prior to Local Government Reform on 1 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 £0 during 2024/25 (£0 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 Council's external auditors.

External Audit Fees	2024/25	2023/24
	£	£
External Audit Fees	88,100	84,500
Other Fees	1,377	-
	<b>89,477</b>	<b>84,500</b>

The audit fees for 2024/25 include £22k (2023/24 £22.5k) for the improvement and assessment audit fees. The other fees of £1.3k (2023/24 £0) were incurred in respect of the National Fraud Initiative audit services provided by the appointed auditor.

## 6 Leases

### a) Council as Lessor - Finance Leases

The Council has leased out a number of properties within the district to further community, recreational and commercial activities. At the inception of the leases, the lease terms ranged from 99 to 999 years.

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

Gross receivables from Finance Leases	2024/25	2023/24
	£	£
<b>Long-Term Debtors</b>		
<b>Net Present Value</b>	<b>706,268</b>	<b>1,471,922</b>
<b>Short-Term Debtors</b>		
<b>Net Present Value</b>	<b>40,000</b>	<b>60,000</b>
<b>Investment in Finance Leases</b>	<b>746,268</b>	<b>1,531,922</b>

The gross investment in finance leases and the minimum lease payments may be analysed as follows

	2024/25	2023/24
	£	£
No later than 1 year	40,000	60,000
Later than 1 year and no later than 5 years	139,678	222,646
Later than 5 years	566,590	1,249,276
<b>Total Gross Investment</b>	<b>746,268</b>	<b>1,531,922</b>

The unguaranteed residual values of the assets leased under finance leases at the end of the year are estimated to be £0 (2023/24 £0). The accumulated allowance for uncollectable minimum lease payments receivable is £0 (2023/24 £0). No contingent rents were recognised as receivable by the Council.

The long-term finance lease debtor relates a 999 year lease with current rental income of £40k per annum.

### b) Council as Lessor - Operating Leases

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

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

Rental income recognised in the Comprehensive Income and Expenditure Statement in the current year amounts to £337k (2023/24 £280k). No contingent rents were recognised. The lease terms are between 1 and 99 years. Future minimum lease income under non-cancellable operating leases is set out below

Vehicles, Plant and Equipment	2024/25	2023/24
	£	£
<b>Minimum lease rentals receivable</b>		
No later than 1 year	361,547	273,724
Later than 1 year and no later than 5 years	644,918	604,134
Later than 5 years	686,678	836,253
<b>Total</b>	<b>1,693,143</b>	<b>1,714,111</b>

The minimum lease payments receivable does not include rents that are contingent on events taking place after the lease was entered into, such as adjustments following rent reviews. In 2024/25, £0 contingent rents were receivable by the Council (2023/24 £0).

#### c) Council as Lessee – Right of Use Assets

The Council has acquired a number of Amenity and Recreation areas under leases.

The assets acquired under these leases are carried as property, plant and equipment in the Balance Sheet at the following net amounts:

	2024/25	2023/24
	£	£
Land & Buildings	188,703	-
Infrastructure Assets	91,582	-
<b>Total</b>	<b>280,285</b>	<b>-</b>

The Council is committed to making minimum payments under these leases comprising settlement of the long-term liability for the interest in the property acquired by the Council and finance costs that will be payable by the authority in future years while the liability remains outstanding. The minimum lease payments are made up of the following amounts:

	2024/25	2023/24
	£	£
Leases liabilities (net present value of minimum lease payments):		
Current	-	-
Non-Current	2,431	-
<b>Total</b>	<b>2,431</b>	<b>-</b>

The Council did not incur any expenses in relation to the leases.

The Council does not hold any vehicles that are held under finance leases.

#### d) Council as Lessee - Operating Leases

The Council has entered into operating leases for office photocopiers and printers with typical lease periods of 3 to 5 years.

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

Vehicles, Plant and Equipment	2024/25	2023/24
	£	£
Minimum Lease Payments	25,464	31,847
<b>Total</b>	<b>25,464</b>	<b>31,847</b>

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

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

Vehicles, Plant and Equipment	2024/25	2023/24
	£	£
<b>Minimum lease rentals payable</b>		
No later than 1 year	13,148	31,413
Later than 1 year and no later than 5 years	24,330	17,549
<b>Total</b>	<b>37,478</b>	<b>48,962</b>

## 7 Employee Costs and Member Allowances

### a) Staff Costs

	2024/25	2023/24
	£	£
Salaries and Wages	25,673,361	25,161,733
Employers NIC	2,438,775	2,306,115
Employers Superannuation	5,083,812	4,875,313
<b>Total Staff Costs</b>	<b>33,195,948</b>	<b>32,343,161</b>

The above Staff Costs include an Apprenticeship Levy payment of £118k (2023/24 £114k). Also included is £342k (2023/24 £328k) of staff costs in relation to the Regional Property Certificate Unit (RPCU), resulting in total staff costs in the CIES of £32,853,538 (2023/24 £32,015,094). These staff costs are not included within the Comprehensive Income and Expenditure Statement as the RPCU is accounted for as an Agency Service and is detailed in Note 28. In addition, agency costs during the year amounted to £0k (2023/24 £0k).

For 2024/25 the Council's contribution rate to the NILGOSC scheme was 19% (2023/24 rate 19%).

At the last actuarial valuation dated 31 March 2022 the funds' assets met 111% of liabilities at that date.

### b) Average Number of Employees – where FTE represents full time equivalent employees

Average Number of Employees	2024/25	2023/24
	FTE	FTE
Chief Executive's Department	10	9
Community and Wellbeing	248	261
Corporate Services & Governance	83	83
Environment and Place	282	278
Regeneration and Planning	84	78
<b>Total Number</b>	<b>707</b>	<b>709</b>

	2024/25	2023/24
	Actual Numbers as at 31 March 2025	Actual Numbers as at 31 March 2024
Full-time numbers employed	610	614
Part-time numbers employed	172	179
<b>Total Number</b>	<b>782</b>	<b>793</b>

### c) Senior Employees' Remuneration

Senior Employees Remuneration	2024/25	2023/24
	Nos	Nos
£50,001 to £60,000	8	12
£60,001 to £70,000	11	10
£70,001 to £80,000	7	6
£80,001 to £90,000	-	-
£90,001 to £100,000	4	4
£100,001 to £110,000	-	-
£110,001 to £120,000	-	-
£120,001 to £130,000	-	1
£130,001 to £140,000	1	-
<b>Total Number</b>	<b>31</b>	<b>33</b>



**d) Members' Allowance**

Members' Allowance	2024/25	2023/24
	£	£
Basic Allowance	697,008	680,807
Chair and Vice Chair's Allowance	15,000	12,386
Special Responsibility Allowance	38,101	35,914
PCSP Attendance Allowance	6,725	4,380
Mileage	30,673	24,999
Travel & Subsistence Payments	48	214
Employer Costs – Pension	135,641	132,365
Employer Costs – NIC	55,523	52,366
<b>Total</b>	<b>978,719</b>	<b>943,431</b>

**e) Northern Ireland Civil Service Pension Arrangements**

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

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 £261k were payable to the NICS pension arrangements at a rate of 34.25%, (2023/24 34.25%) of pensionable pay, based on salary bands.

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 2022/23. This valuation was used to determine employer contribution rates for the introduction of a new career average earning scheme from 1 April 2024. The contribution rates are set to meet the cost of the benefits accruing during 2023/24 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

No persons retired on ill-health grounds and there was no actuarial cost for employees for the early payment of retirement benefits (2023/24 £0k).

**8 Other Operating Income and Expenditure**

(Surplus)/Deficit on Disposal of Assets (excluding Investment Properties)	2024/25	2023/24
	£	£
Proceeds from Sale	(215,256)	(321,159)
Carrying amount of Disposal of Assets Sold (excluding investment properties)	111,600	8,399
<b>Net Total</b>	<b>(103,656)</b>	<b>(312,760)</b>

	2024/25	2023/24
	£	£
(Surplus)/Deficit on Disposal of Assets	(103,656)	(312,760)
Other Operating (Income)/Expenditure	-	-
<b>Total</b>	<b>(103,656)</b>	<b>(312,760)</b>

## 9 Financing and Investment Income and Expenditure

### a) Interest Payable and Similar Charges

	2024/25	2023/24
	£	£
Government Loan Interest	157,088	192,806
Lease Interest	2,431	-
	<b>159,519</b>	<b>192,806</b>

### b) Interest and Investment Income

	2024/25	2023/24
	£	£
Loan Interest from Other Local Authorities	293,045	120,848
Bank Interest	228,542	218,634
Investment income on Fund Balances		
Capital Fund	425,000	180,000
Repairs & Renewals Fund	110,000	159,000
Capital Receipts Reserve Fund	56,000	36,000
Other Funds	341,000	498,000
<b>Sub total</b>	<b>1,453,587</b>	<b>1,212,482</b>
Other Investment Income	40,000	61,527
<b>Total</b>	<b>1,493,587</b>	<b>1,274,009</b>

### c) Pensions Interest Costs and expected return on Pension Assets

	2024/25	2023/24
	£	£
Net Interest on the Net Defined Benefit Liability/(Asset)	(916,000)	(170,000)
	<b>(916,000)</b>	<b>(170,000)</b>

### d) Income, Expenditure and Changes in Fair Value of Investment Properties

(Income)/Expenditure from Investment Properties	2024/25	2023/24
	£	£
Net Income from Investment Properties	(179,450)	(156,308)
Net Expenditure on Investment Properties	190,653	-
Changes in Fair Value of Investment Properties	(1,315,000)	(14,000)
	<b>(1,303,797)</b>	<b>(170,308)</b>

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	159,519	-	159,519	192,806	-	192,806
Interest and Investment Income	-	(1,493,587)	(1,493,587)	-	(1,274,009)	(1,274,009)
Pension Interest	-	(916,000)	(916,000)	-	(170,000)	(170,000)
Other Investment Income	190,653	(179,450)	11,203	-	(156,308)	(156,308)
Changes in Fair Value - Investment Properties	-	(1,315,000)	(1,315,000)	-	(14,000)	(14,000)
	<b>350,172</b>	<b>(3,904,037)</b>	<b>(3,553,865)</b>	<b>192,806</b>	<b>(1,614,317)</b>	<b>(1,421,511)</b>

## 10 Taxation and Non-Specific Grant Income

### a) Revenue Grants

	2024/25	2023/24
	£	£
Rates Support Grant	(262,261)	(337,662)
Transferred Functions Grant (Net of RPCU costs)	(203,184)	(190,165)
De-Rating Grant	(2,632,304)	(2,455,254)
<b>Total</b>	<b>(3,097,749)</b>	<b>(2,983,081)</b>

### b) Revenue Grants - Unapplied

There are no transactions that require the use of this account.

### c) Capital Grants and Donated Assets - Applied

	2024/25	2023/24
	£	£
Government & Other Grants - Conditions Met and Applied in Year	(750,747)	(1,673,404)
Government & Other Grants – Other Movements	99,275	230,096
<b>Total</b>	<b>(651,472)</b>	<b>(1,443,308)</b>

### d) Capital Grants - Unapplied

	2024/25	2023/24
	£	£
Government & Other Grants - Conditions met and Not Applied in Year	(1,425,655)	(18,756,324)
Other	-	73,484
<b>Total</b>	<b>(1,425,655)</b>	<b>(18,682,840)</b>

Other relates to a reduction in a Capital Grant accounted for in the previous year.

### e) District Rates

	2024/25	2023/24
	£	£
Current year	(44,063,849)	(41,492,001)
<b>Total</b>	<b>(44,063,849)</b>	<b>(41,492,001)</b>

Taxation and Non-Specific Grant Income Summary	2024/25	2023/24
	£	£
District Rate Income	(44,063,849)	(41,492,001)
Revenue Grants	(3,097,749)	(2,983,081)
Capital Grants and Contributions	(2,077,127)	(20,126,148)
<b>Total</b>	<b>(49,238,725)</b>	<b>(64,601,230)</b>

## 11 Fixed Assets

### a) 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	TOTAL
	£	£	£	£	£	£	£	£	£	£	£
<b>Balance as at 1 April 2024</b>	<b>26,535,501</b>	<b>103,227,786</b>	<b>6,645,135</b>	<b>1,577,573</b>	<b>22,445,174</b>	<b>2,422,845</b>	<b>6,765,788</b>	<b>174,500</b>	<b>169,794,302</b>	<b>2,445,587</b>	<b>172,239,889</b>
Right of use Assets - IFRS 16	97,000	91,450	91,582	-	-	-	-	-	280,032	-	280,032
<b>IFRS 16 adjusted Balance as at 1 April 2024</b>	<b>26,632,501</b>	<b>103,319,236</b>	<b>6,736,717</b>	<b>1,577,573</b>	<b>22,445,174</b>	<b>2,422,845</b>	<b>6,765,788</b>	<b>174,500</b>	<b>170,074,334</b>	<b>-</b>	<b>172,519,921</b>
Additions	-	-	-	-	1,488,837	-	3,902,855	-	<b>5,391,692</b>	-	<b>5,391,692</b>
Donations	-	-	-	-	-	-	-	-			
Revaluation increases/ (decreases) to Revaluation Reserve	1,128,926	(2,193,291)	-	(2,366)	-	-	-	22,000	<b>(1,044,731)</b>	-	<b>(1,044,731)</b>
Revaluation increases/ (decreases) to Surplus or Deficit on the Provision of Services	(729,626)	(75,093)	-	-	-	-	-	(8,000)	<b>(812,719)</b>	-	<b>(812,719)</b>
Derecognition – Disposals	(106,600)	-	-	-	(32,650)	-	-	-	<b>(139,250)</b>	-	<b>(139,250)</b>
Reclassifications & Transfers	34,700	4,589,279	-	-	-	327,564	(4,914,543)	65,000	<b>102,000</b>	-	<b>102,000</b>
Reclassified to (-)/ from (+) Held for Sale	-	-	-	-	(611,207)	-	-	-	<b>(611,207)</b>	-	<b>(611,207)</b>
Other Movements	(10,000)	10,840	-	-	-	-	(330,006)	-	<b>(329,166)</b>	-	<b>(329,166)</b>
<b>Balance as at 31 March 2025</b>	<b>26,949,901</b>	<b>105,650,971</b>	<b>6,736,717</b>	<b>1,575,207</b>	<b>23,290,154</b>	<b>2,750,409</b>	<b>5,424,094</b>	<b>253,500</b>	<b>172,630,953</b>	<b>2,445,587</b>	<b>175,076,540</b>

a) (current year continued)

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	TOTAL
	£	£	£	£	£	£	£	£	£	£	£
Balance as at 1 April 2024	-	-	3,400,949	81,508	18,792,281	963,071	-	-	23,237,809	-	23,237,809
Depreciation Charge	-	5,531,863	318,896	133,610	1,652,590	115,697	-	-	7,752,656	-	7,752,656
Depreciation Written Out on Revaluation Reserve	-	(5,531,863)	-	(131,745)	-	-	-	-	(5,663,608)	-	(5,663,608)
Reclassification & Transfers	-	-	-	-	-	-	-	-	-	-	-
Eliminated on Reclassification to Held for Sale	-	-	-	-	(598,208)	-	-	-	(598,208)	-	(598,208)
Disposals	-	-	-	-	(32,650)	-	-	-	(32,650)	-	(32,650)
Balance as at 31 March 2025	-	-	3,719,845	83,373	19,814,013	1,078,768	-	-	24,695,999	-	24,695,999
NBV as at 31 March 2025	26,949,901	105,650,971	3,016,872	1,491,834	3,476,141	1,671,641	5,424,094	253,500	147,934,954	2,445,587	150,380,541

**Valuations** - The last valuation of freehold and leasehold properties was carried out as at 31 March 2025 and was undertaken by an independent valuer from Land and Property Services. Please refer to Note 1 for further information on revaluation and depreciation policies.

**Revaluation** - The revaluations carried out at 31 March 2025 resulted in the recognition of the following Operational Land and Building gains and losses

- Land Overall increase in value of £741,300 of which £1,120,926 was taken to the Revaluation Reserve, £170,230 being reversals of impairment losses recognised in CIES in previous years and revaluation decreases recognised in the CIES of (£549,856) as impairment losses.
- Buildings Overall increase in value of £2,831,234 of which £2,906,327 was taken to the Revaluation Reserve, £560,718 being reversals of impairment losses recognised in CIES in previous years and revaluation decreases recognised in the CIES of (£635,811) as impairment losses.

**b) 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	TOTAL
	£	£	£	£	£	£	£	£	£	£	£
<b>Balance as at 1 April 2023</b>	<b>25,835,501</b>	<b>101,143,220</b>	<b>6,645,135</b>	<b>1,648,248</b>	<b>20,510,868</b>	<b>1,950,369</b>	<b>4,600,141</b>	<b>168,000</b>	<b>162,501,482</b>	<b>2,445,587</b>	<b>164,947,069</b>
Additions	-	-	-	-	1,935,341	-	4,733,060	-	<b>6,668,401</b>	-	<b>6,668,401</b>
Donations	-	-	-	-	-	-	-	-	-	-	-
Revaluation increases/ (decreases) to Revaluation Reserve	224,640	(1,624,309)	-	(315)	-	-	-	-	<b>(1,399,984)</b>	-	<b>(1,399,984)</b>
Revaluation increases/ (decreases) to Surplus or Deficit on the Provision of Services	123,860	167,536	-	-	-	-	-	-	<b>291,396</b>	-	<b>291,396</b>
Derecognition - Disposals	-	-	-	(70,360)	(127,340)	-	-	-	<b>(197,700)</b>	-	<b>(197,700)</b>
Reclassifications & Transfers	-	2,094,937	-	-	-	472,476	(2,567,413)	-	-	-	-
Reclassified to (-) / from (+) Held for Sale	302,000	116,173	-	-	126,305	-	-	6,500	<b>550,978</b>	-	<b>550,978</b>
Other Movements	49,500	1,330,229	-	-	-	-	-	-	<b>1,379,729</b>	-	<b>1,379,729</b>
<b>Balance as at 31 March 2024</b>	<b>26,535,501</b>	<b>103,227,786</b>	<b>6,645,135</b>	<b>1,577,573</b>	<b>22,445,174</b>	<b>2,422,845</b>	<b>6,765,788</b>	<b>174,500</b>	<b>169,794,302</b>	<b>2,445,587</b>	<b>172,239,889</b>

b) (Comparative year continued)

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	TOTAL
	£	£	£	£	£	£	£	£	£	£	£
Balance as at 1 April 2023	-	-	3,082,053	150,003	17,082,150	863,709	-	-	21,177,915	-	21,177,915
Depreciation Charge	-	4,825,890	318,896	133,663	1,713,767	99,362	-	-	7,091,578	-	7,091,578
Depreciation Written Out on Revaluation Reserve	-	(4,825,890)	-	(131,798)	-	-	-	-	(4,957,688)	-	(4,957,688)
Reclassification & Transfers	-	-	-	-	-	-	-	-	-	-	-
Eliminated on reclassification to Held for Sale	-	-	-	-	123,305	-	-	-	123,305	-	123,305
Disposals	-	-	-	(70,360)	(126,941)	-	-	-	(197,301)	-	(197,301)
Balance as at 31 March 2023	-	-	3,400,949	81,508	18,792,281	963,071	-	-	23,237,809	-	23,237,809
NBV as at 31 March 2024	26,535,501	103,227,786	3,244,186	1,496,065	3,652,893	1,459,774	6,765,788	174,500	146,556,493	2,445,587	149,002,080

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).

LPS's valuation is not reported as being subject to 'material valuation uncertainty' as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards.

### c) Intangible Assets

The Council owns Intangible Assets which relate solely to market trading rights. The asset was valued at 31 March 2025 by an independent valuer from Land and Property Services. The asset is not amortised as it is considered to have an indefinite life.

	2024/25	2023/24
	£	£
<b>Balance at Start of year</b>		
Gross Carrying Amount	120,000	120,000
<b>Net carrying amount at start of year</b>	<b>120,000</b>	<b>120,000</b>
Revaluation increases/ (decreases) to Revaluation Reserve	(20,000)	-
Revaluation increases/ (decreases) to Surplus or Deficit on the Provision of Services	(20,000)	-
<b>Net carrying amount at end of year</b>	<b>80,000</b>	<b>120,000</b>
Gross Carrying Amount	80,000	120,000
<b>Net Carrying Amount at End of Year</b>	<b>80,000</b>	<b>120,000</b>

### d) Investment Properties

There were additions of £0 (2023/24 £0) to Investment Properties during the year and £0 (2023/24 £0) were transferred to Assets Held for Sale.

	2024/25	2023/24
	£	£
Rental Income from Investment Activities	179,450	156,308
Other Expenditure	(190,653)	-
<b>Net Gain/(Loss)</b>	<b>(11,203)</b>	<b>156,308</b>

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

The following table summarises the movement in the fair value of investment properties over the year. Other Changes relate to the reclassification of a finance lease.

Investment Properties	2024/25	2023/24
	£	£
Opening Balance	10,027,000	10,013,000
Additions	-	-
Net Gain/(Losses) from Fair Value Adjustments	1,315,000	14,000
Reclassifications and Transfers	(102,000)	-
Other Changes	595,000	-
<b>Closing Balance</b>	<b>11,835,000</b>	<b>10,027,000</b>



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

2024/25 Recurring Fair Value measurements using	Quoted Prices in active markets for identical assets (Level 1)	Other significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Fair value as at 31st March 2025
	£			
Office Units	-	425,000	-	425,000
Commercial Units	-	11,410,000	-	11,410,000
<b>Total</b>	<b>-</b>	<b>11,835,000</b>	<b>-</b>	<b>11,835,000</b>

2023/24 Recurring fair value measurements using	Quoted Prices in active markets for identical assets (Level 1)	Other significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Fair value as at 31st March 2024
	£	£	£	£
Office Units	-	450,000	-	450,000
Commercial Units	-	9,577,000	-	9,577,000
<b>Total</b>	<b>-</b>	<b>10,027,000</b>	<b>-</b>	<b>10,027,000</b>

There were no transfers between level 1 and 2 during the year and there has been no change in the valuation techniques used. Investment Properties comprise assets held for rental income, valued at £9.05m and assets held for future market appreciation of £2.80m.

The fair value of the Council's investment property is measured annually at each reporting date. All valuations 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 who work closely with Council officers regarding all valuation matters.

Gains or losses arising from changes in the fair value of the investment property are recognised in (Surplus)/Deficit on the Provision of Services – Financing and Investment Income and Expenditure line.

The net gain for the period included in the (Surplus)/Deficit on the Provision of Services attributable to a change in unrealised gains relating to those assets held at the end of the reporting period amounted to £1.32m (2023/24 gain of £14k). This was recognised under Financing and Investment Income and Expenditure in the Surplus or Deficit on the Provision of Services.

## e) Heritage Assets

### Local History and Folk Life

The Council's collection of Local History and Folk Life artefacts is reported in the Balance Sheet at insurance valuation which is based on market values. These insurance valuations are updated periodically.

### Fine and Decorative Arts

The Council's fine and decorative arts collection is reported in the Balance Sheet at insurance valuation which is based on market values. These insurance valuations are updated every 5 years and the next valuation is due in December 2026. The collection also has particularly significant items in terms of both value and note, including a collection of William Scott and TP Flanagan paintings valued at £1,494,500 and £221,550 respectively. The Council holds a small number of other paintings, pictures and prints. These are not recognised on the balance sheet as cost information is not readily available and the Council believes that the benefits of obtaining valuations for these items would not justify the cost. These items are not considered to be material in value.

### Art Sculptures

The Council's collection of Art Sculptures is reported in the Balance Sheet at historical cost and are not depreciated.

**f) Assets Held for Sale**

<b>Assets Held For Sale – Current Year</b>	<b>Total</b>
	<b>£</b>
<b>Cost or Valuation</b>	
Balance as at 1 April 2024	286,655
Transferred from Fixed Assets during year	12,999
Revaluation Increases/(Decreases) taken to (Surplus)/Deficit on the Provision of Services	-
Derecognition - Disposals	(5,000)
<b>Balance as at 31 March 2025</b>	<b>294,654</b>

<b>Assets Held for Sale – Comparative Year</b>	<b>Total</b>
	<b>£</b>
<b>Cost or Valuation</b>	
Balance as at 1 April 2023	722,328
Transferred from Fixed Assets during year	-
Revaluation Increases/(Decreases) taken to (Surplus)/Deficit on the Provision of Services	-
Derecognition - Disposals	(8,000)
Transferred to Surplus Assets	(427,673)
<b>Balance as at 31 March 2024</b>	<b>286,655</b>
<b>Net Book Value</b>	
<b>Balance as at 31 March 2025</b>	<b>294,654</b>
<b>Balance as at 31 March 2024</b>	<b>286,655</b>

The profit on assets classified as held for sale and disposed of during the year was £12,000 (2023/24 profit of £19.5k). This balance includes all assets declared as surplus.

**g) Long-Term Assets – Leased Assets**

There was no long term leased assets during the 2024/25 (2023/24 £0) financial year.

**h) Fair Value Hierarchy for Surplus Assets**

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

<b>2024/25 Recurring fair value measurements using</b>	<b>Quoted Prices in active markets for identical assets (Level 1)</b>	<b>Other significant observable inputs (Level 2)</b>	<b>Significant unobservable inputs (Level 3)</b>	<b>Fair value as at 31 March 2025</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Capital Sales Market Comparable	-	201,500	-	<b>201,500</b>
Market Rental Capitalisation	-	52,000	-	<b>52,000</b>
<b>Total</b>	<b>-</b>	<b>253,500</b>	<b>-</b>	<b>253,500</b>

<b>2023/24 Recurring fair value measurements using</b>	<b>Quoted Prices in active markets for identical assets (Level 1)</b>	<b>Other significant observable inputs (Level 2)</b>	<b>Significant unobservable inputs (Level 3)</b>	<b>Fair value as at 31 March 2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Capital Sales Market Comparables	-	134,500	-	<b>134,500</b>
Market Rental Capitalisation	-	40,000	-	<b>40,000</b>
<b>Total</b>	<b>-</b>	<b>174,500</b>	<b>-</b>	<b>174,500</b>

## Transfers between levels of the Fair Value Hierarchy

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

Surplus Assets are measured at Fair Value under IFRS 13, reflecting the actual market state and circumstances as at the balance sheet date (the valuation date), reflecting best evidence of fair value given by current prices on an active market for similar property in the same location.

## Valuation Techniques

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

Gains arising from changes in the fair value of surplus assets are recognised in the Revaluation Reserve, unless they reverse a previous impairment charged to the Surplus or Deficit on the Provision of Services. Losses arising from changes in the fair value of the surplus assets reduce any revaluation reserve balance relating to that asset and, thereafter, are recognised in Surplus or Deficit on the Provision of Services.

Gains or losses attributable to a change in unrealised gains relating to those assets held at the end of the reporting period are included in the Surplus or Deficit on the Provision of Services. There was no change in 2024/25 (2023/24 £0).

## Valuation Process for Surplus Assets

The fair value of the Council's surplus assets are measured at each year end. All valuations are carried out externally, by Land and Property Services, in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors who work closely with Council officers regarding all valuation matters.

## Highest and best use of Surplus Assets

In estimating the fair value of the Council's surplus assets, the highest and best use of the assets is their current use, reflecting best estimates of fair value given by current prices on a market for similar property in similar locations.

### i) Right of use Assets held under leases (included within Land and Buildings)

	Land and Buildings	Total
	£	£
<b>Cost or Valuation</b>		
At 01 April 2024 ( <i>Recognition upon implementation of IFRS16</i> )	280,032	280,032
Additions	-	-
Revaluations	-	-
Disposals	-	-
<b>At 31 March 2025</b>	<b>280,032</b>	<b>280,032</b>
<b>Depreciation</b>		
At 01 April 2024	-	-
Depreciation Charge	-	-
Disposals	-	-
<b>At 31 March 2025</b>	<b>-</b>	<b>-</b>
<b>Net Book Value at 31 March 2025</b>	<b>280,032</b>	<b>280,032</b>

## 12 Capital Expenditure and Capital Financing

The total Capital Expenditure incurred in the year (and comparative year) is shown below, 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, the expenditure results in an increase in the CFR (Capital Financing Requirement), a measure of the Capital Expenditure incurred historically by the Council that has yet to be financed. The CFR is analysed in the second part of this note.

Capital Expenditure	Notes	2024/25	2023/24
		£	£
<b>Opening Capital Financing Requirement</b>		4,911,838	6,039,220
<b>Capital Investment</b>			
Property, Plant and Equipment	11	5,391,692	6,668,401
Revenue Expenditure Funded from Capital under Statute	4, 27a	2,150,935	2,313,990
<b>Sources of Finance</b>			
Capital Grants Applied and Unapplied	27a	(2,236,862)	(1,801,112)
Transfers from Earmarked Reserves	27a	(4,221,463)	(5,933,000)
<b>Sums set aside from Revenue</b>			
Direct Revenue Contributions	4, 26f	(1,085,000)	(1,247,953)
Minimum Revenue Provision	4, 26f	(1,097,525)	(1,127,708)
<b>Closing Capital Financing Requirement</b>		<b>3,813,615</b>	<b>4,911,838</b>
<b>Explanation of Movements in Year</b>		<b>2024/25</b>	<b>2023/24</b>
MRP payments in year	4	(1,097,525)	(1,127,708)
Other Movements		(698)	326
<b>Increase/(Decrease) in Capital Financing Requirement</b>		<b>(1,098,223)</b>	<b>(1,127,382)</b>

## 13 Future Capital Commitments

The Council has an ongoing programme of capital works and the estimated cost of the capital works in 2025/26 is as follows.

Capital Commitments	Gross Cost	Grant Aid	Net Cost
	£	£	£
Schemes Underway	26,650,000	19,205,000	7,445,000
Other Commitments	4,600,000	3,500,000	1,100,000
<b>Total</b>	<b>31,250,000</b>	<b>22,705,000</b>	<b>8,545,000</b>

In April 2025, the Council approved the redevelopment of a leisure centre with a total project cost of £70m and grant aid of £20m from the UK Government. Estimated spend on this project for 2025/26 and associated grant aid is included in the table above.

## 14 Inventories

Inventories	2024/25	2023/24
	£	£
Central Stores	151,171	205,387
Other	252,006	262,886
<b>Total</b>	<b>403,177</b>	<b>468,273</b>

The cost of inventories written down, recognised as an expense and included in 'services' amounted to £8,192 (2023/24 £0).

## 15 Debtors

### a) Long-Term Debtors

Long-Term Debtors	2024/25	2023/24
	£	£
Finance Lease Debtors	706,268	1,471,922
Capital Grants	2,946,327	16,312,821
<b>Total Long-Term Debtors</b>	<b>3,652,595</b>	<b>17,784,743</b>

### b) Debtors – Short-Term Debtors

Short-Term Debtors	2024/25	2023/24
	£	£
Government Departments	2,271,401	1,884,718
Other Councils	695,412	215,894
Other Debtor – Tullyvar	9,615	34,731
Revenue Grants	298,728	99,932
Capital Grants	10,898,667	4,697,558
Interest Receivable	194,808	77,898
Value Added Tax	647,439	637,962
Prepayments	499,275	333,691
Lease Debtors	40,000	60,000
Other	-	3,173,503
Trade Receivables	691,080	613,089
Impairment Loss	(128,130)	(629,333)
<b>Total Short-Term Debtors</b>	<b>16,118,295</b>	<b>11,199,643</b>
<b>Total Debtors</b>	<b>19,770,890</b>	<b>28,984,386</b>

The total decrease in Debtors relates mainly to prior year including a Leisure VAT claim of £3,173k and timing of capital grants.

Debts amounting to £382k were written off in the 2024/25 year (2023/24 £0). The level of expected losses (Impairment Loss–Trade Receivables) was calculated by reviewing the individual debtor balances.

## 16 Investments

Short Term Investments	2024/25	2023/24
	£	£
Short-Term Investments - Loans to other Local Authorities	13,000,000	6,000,000
<b>Total Short-Term investments</b>	<b>13,000,000</b>	<b>6,000,000</b>

The Council holds money on deposit at an average rate of 5.06% for periods of 1 to 12 months.

## 17 Borrowings

### a) Short-Term Borrowing

Short-Term-Borrowing	2024/25	2023/24
	£	£
Loans Re-payable within one year	595,484	592,081
<b>Total Short-Term Borrowing</b>	<b>595,484</b>	<b>592,081</b>

### b) Long-Term Borrowing

Long-Term Borrowing	2024/25	2023/24
	£	£
Between 1 and 2 years	572,025	595,484
Between 2 and 5 years	997,498	1,324,226
Between 5 and 10 years	480,819	629,325
In more than 10 years	-	96,807
<b>Government Loans Fund</b>	<b>2,050,342</b>	<b>2,645,842</b>
IFRS 16 Lease Liability	2,431	-
<b>Total Long-Term Borrowing</b>	<b>2,052,773</b>	<b>2,645,842</b>

Following implementation of IFRS 16 - Leases in 2024/25, the impact on total borrowing has been £2,431 due to recognition of additional lease liabilities.

## 18 Creditors

### a) Short-Term Creditors

Short-Term Creditors	2024/25	2023/24
	£	£
Government Departments	1,486,562	763,561
Other Councils	881,804	672,145
Other Creditor - Tullyvar	38,905	58,732
Remuneration due to Employees	634,105	138,529
Accumulated Absences	1,303,553	1,213,189
Loan Interest Payable	21,914	27,726
Capital Creditors	579,846	1,542,341
Receipts in Advance	2,017,216	1,029,592
Trade Creditors	2,894,448	1,997,628
<b>Total Short-Term Creditors</b>	<b>9,858,353</b>	<b>7,443,443</b>
<b>Total Creditors</b>	<b>9,858,353</b>	<b>7,443,443</b>

The short-term creditor balance includes £765k (2023/24 £433k) of amounts due to other Councils in relation to the Regional Property Certificate Unit.

### b) 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 15,682 invoices totalling £48.7m (2023/24 16,449 invoices totalling £59.4m). The total number of disputed invoices during the year was 259 (2023/24 315).

The Council paid

- 15,101 (96%) invoices within 30 calendar days target (2023/24 15,548 (95%) invoices)
- 14,369 (92%) invoices within 10 working days target (2023/24 14,615 (89%) invoices) and
- 581 (4%) invoices outside of the 30-day target (2023/24 901 (5%) invoices).

The average number of days taken to pay suppliers during the year was 8 days (2023/24 10 days).

## 19 Provisions

	Balance as at 1 April 2024	Increase/ (Decrease) in provision during year	Utilised during year	Other Movements	Interest cost and/or discount rate changes	Balance as at 31 March 2025
	£	£	£	£	£	£
Landfill Closure – Drummee	3,057,175	280,000	17,299	-	(59,047)	3,295,427
Landfill Closure – Glassmullagh	1,097,839	-	8,586	-	(101,877)	1,004,548
Landfill Closure – Tullyvar	108,501	68,625	-	-	-	177,126
Employment Provision	150,000	-	(150,000)	-	-	-
<b>Total</b>	<b>4,413,515</b>	<b>348,625</b>	<b>(124,115)</b>	<b>-</b>	<b>(160,924)</b>	<b>4,477,101</b>
Current Provisions	286,431	-	45,069	-	-	331,500
Long-Term Provisions	4,127,084	348,625	(169,184)	-	(160,924)	4,145,601
<b>Total</b>	<b>4,413,515</b>	<b>348,625</b>	<b>(124,115)</b>	<b>-</b>	<b>(160,924)</b>	<b>4,477,101</b>

	Balance as at 1 April 2023	Increase/ (Decrease) in provision during year	Utilised during year	Other Movements	Interest cost and/or discount rate changes	Balance as at 31 March 2024
	£	£	£	£	£	£
Landfill Closure – Drummee	2,797,153	301,270	(16,317)	-	(24,931)	3,057,175
Landfill Closure – Glassmullagh	1,215,658	35,718	(65,075)	-	(88,462)	1,097,839
Landfill Closure – Tullyvar	180,596	(72,095)	-	-	-	108,501
Employment Provision	-	150,000	-	-	-	150,000
<b>Total</b>	<b>4,193,407</b>	<b>414,893</b>	<b>(81,392)</b>	<b>-</b>	<b>(113,393)</b>	<b>4,413,515</b>
Current Provisions	75,145	150,000	61,286	-	-	286,431
Long-Term Provisions	4,118,262	264,893	(142,678)	-	(113,393)	4,127,084
<b>Total</b>	<b>4,193,407</b>	<b>414,893</b>	<b>(81,392)</b>	<b>-</b>	<b>(113,393)</b>	<b>4,413,515</b>

### Landfill Closure – Drummee

The Council's landfill site at Drummee ceased operation in November 2024 and the Council has an obligation for the aftercare costs of the site for 20 years post closure. The Northern Ireland Environment Agency (NIEA) approved the provision calculations at 31 March 2020 and the calculations as at 31 March 2025 have been assessed and agreed by a Chartered Waste Manager. Movements in the provision are included in the Comprehensive Income and Expenditure Account line 'Waste Management'. The provision includes increase in costs necessary to reflect current external market prices for the capping of the site. In line with circular, LG 17/18, issued by the Department for Communities in 2018, movements relating to the change in discount rates applied to the Provision is accounted for through the Comprehensive Income and



Expenditure Account 'Waste Management' and the Council's Provisions Discount Rate Reserve (Note 27h).

### Landfill Closure – Glassmullagh

The Council has a landfill site at Glassmullagh that has ceased operations and has an obligation for the aftercare costs of the site for 60 years post closure. The Northern Ireland Environment Agency (NIEA) has approved the provision calculations as at 31 March 2014 and the calculations as at 31 March 2025 have been assessed and agreed by a Chartered Waste Manager. Movements in the provision are included in the Comprehensive Income and Expenditure Account line 'Waste Management'. In line with circular, LG 17/18, issued by the Department for Communities in 2018, movements relating to the change in discount rates applied to the Provision is accounted for through the Comprehensive Income and Expenditure Account 'Waste Management' and the Council's Provisions Discount Rate Reserve (Note 27h).

### Landfill Closure – Tullyvar

Detailed at Note 29 – Joint Arrangements.

### Redundancy

This provision, if required, would be used to meet any anticipated costs of the early release of staff.

### Employment Provision

This provision was required to meet the anticipated costs associated with employee contractual obligations and has been fully utilised in 2024/25.

## 20 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, considering 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. There is no historical experience of default in relation to deposits with banks and other financial institutions. There is no estimated exposure to risk of default.

In addition, the Council uses an authorised public sector trading platform (iDealTrade) that facilitates the arrangement of direct loan transactions with other UK Local Authorities. The Council has assessed there is no estimated exposure to risk of default.

Trade receivables (inclusive of VAT and trade receivables due from Government departments and Other Councils) can be analysed by age as follows

Trade Debtors, inclusive of VAT, can be analysed by age as follows	
	£
Less than three months	534,667
Three to six months	35,550
Six months to one year	44,710
More than one year	147,241
	<b>762,168</b>



## 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 Note 17. All trade and other payables are due for payment within one year.

## Interest Rate Risk

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.

## Foreign Exchange Risk

The Council has a bank account denominated in Euro but the Council's exposure to loss arising from movements in exchange rates is not deemed material.

## 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 are noted below.

Fair Value		
	2024/25 £	2023/24 £
Government Loans	2,421,055	3,050,625
<b>Total</b>	<b>2,421,055</b>	<b>3,050,625</b>

## Fair Values of Financial Assets and Financial Liabilities that are not Measured at Fair Value (but for which Fair Value Disclosures are Required).

The Council's financial liabilities and financial assets are classified as loans and receivables and long-term debtors and creditors and are carried in the Balance Sheet at amortised cost. The fair values calculated are as follows

Financial Liabilities	Balance as at 31 March 2025		Balance as at 31 March 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	£	£	£	£
Financial Liabilities held at Amortised Cost	2,645,826	2,421,055	3,237,923	3,050,625
<b>Total</b>	<b>2,645,826</b>	<b>2,421,055</b>	<b>3,237,923</b>	<b>3,050,625</b>

The fair value of borrowings is lower than the carrying amount because the Council's portfolio of loans includes several fixed rate loans where the interest rate payable is lower than the prevailing rates at the Balance Sheet date. This shows a notional future gain (based on economic conditions at 31 March 2025) arising from a commitment to pay interest to lenders below current market rates.

Financial Assets	Balance as at 31 March 2025		Balance as at 31 March 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Values
	£	£	£	£
Long-term Debtors (Note 15)	706,268	706,278	1,471,922	1,471,922
Loan to other Local Authorities (Note 16)	13,000,000	13,000,000	6,000,000	6,000,000
<b>Total</b>	<b>13,706,268</b>	<b>13,706,278</b>	<b>7,471,922</b>	<b>7,471,922</b>

The fair value of the financial assets is a close approximation to the carrying amount. Short-term debtors and creditors are not disclosed above and are carried at cost as this is a fair approximation of their value.

**Fair Values of Financial Assets and Financial Liabilities that are not Measured at Fair Value (but for which Fair Value Disclosures are required).**

Recurring Fair Value Measurements using	Balance as at 31 March 2025			Balance as at 31 March 2024		
	Quoted prices in active markets for identical assets/liabilities (level 1)	Other significant observable inputs (Level 2)	Total	Quoted prices in active markets for identical assets/liabilities (level 1)	Other significant observable inputs (Level 2)	Total
	£	£	£	£	£	£
<b>Financial Liabilities</b>						
<b>Financial Liabilities held at amortised cost</b>						
Loans/Borrowings		2,421,055	2,421,055	-	3,050,625	3,050,625
<b>Total</b>		<b>2,421,055</b>	<b>2,421,055</b>	<b>-</b>	<b>3,050,625</b>	<b>3,050,625</b>
<b>Financial Assets</b>						
Loans and Receivables	-	14,473,492	14,473,492	-	7,471,921	7,471,921
<b>Total</b>	<b>-</b>	<b>14,473,492</b>	<b>14,473,492</b>	<b>-</b>	<b>7,471,921</b>	<b>7,471,921</b>

The fair value for financial liabilities and financial assets that are not measured at fair value included in level 2 in the table above have been arrived at using a discounted cash flow analysis with the most significant inputs being the discount rate. The fair value for liabilities and financial assets that are not measured at fair value can be assessed by calculating the present value of the cash flows that will take place over the remaining term of the instruments, using the following assumptions.

<b>Financial Assets</b>	<b>Financial Liabilities</b>
No early repayment or impairment is recognised	No early repayment is recognised
Estimated ranges of interest rates at 31 March 2025 are based on appropriate rates provided to the Council.	Estimated ranges of interest rates at 31 March 2025 of 2.93% to 10.88% for loans payable based on new lending rates for equivalent loans at that date.
The fair value of trade and other receivables is taken to be the invoiced or billed amount.	

## 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 and 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 and funding basis under regulations line, in the Movement on Reserves Statement during the year

	Note	2024/25	2023/24
		£	£
<b>Net Cost of Services</b>			
Current Service Cost	21c	5,024,000	5,340,000
Past Service Cost	21c	11,000	37,000
Net Interest on Net Defined Benefit Liability	9c	(916,000)	(170,000)
<b>Total Post-employment Benefits charged to the (Surplus)/Deficit on the Provision of Services</b>	4	<b>4,119,000</b>	<b>5,207,000</b>
<b>Movement in Reserves Statement</b>			
Reversal of net charges made for retirement benefits in accordance with IAS 19 and the Code	4	(4,119,000)	(5,207,000)
Employers' Contributions Payable to Scheme	4	4,876,833	4,697,838
<b>Net Adjustment to General Fund</b>		<b>757,833</b>	<b>(509,162)</b>

The service cost figures include an allowance for administration expenses of £127k (2023/24 £124k).

Remeasurements Recognised in Other Comprehensive Income and Expenditure	2024/25	2023/24
	£	£
Liability gains/(losses) due to change in assumptions	28,205,000	6,704,000
Liability gains/(losses) due to due to demographic changes	1,160,000	2,366,000
Liability experience gains/(losses) arising in the year	(231,000)	(1,952,000)
Actuarial gains/(losses) on plan assets	(1,910,000)	8,807,000
Movement in unrecognised assets	(27,907,000)	(16,708,000)
Assets distributed on settlements	(50,833)	37,162
<b>Total gains/(losses) recognised in Other Comprehensive Income and Expenditure</b>	<b>(733,833)</b>	<b>(745,838)</b>

**c) Assets and Liabilities in relation to Retirement Benefits**

<b>Reconciliation of Present Value of the Scheme Liabilities</b>	<b>2024/25</b>	<b>2023/24</b>
	£	£
Balance as at 1 April	155,211,000	152,958,000
Current Service Cost	5,024,000	5,340,000
Interest Cost	7,361,000	7,107,000
Contributions by Members	1,597,000	1,566,000
Remeasurement (gains) and losses		
- Actuarial (gains)/losses arising from changes in financial assumptions	(28,205,000)	(6,704,000)
- Actuarial (gains)/losses arising from demographic changes	(1,160,000)	(2,366,000)
- Actuarial (gains)/losses arising on liabilities from experience	231,000	1,952,000
Past Service Cost	11,000	37,000
Estimated Benefits Paid	(4,986,000)	(4,679,000)
<b>Balance as at 31 March 2025</b>	<b>135,084,000</b>	<b>155,211,000</b>

<b>Reconciliation of Present Value of the Scheme Assets</b>	<b>2024/25</b>	<b>2023/24</b>
	£	£
Balance as at 1 April	171,674,000	153,968,000
Interest Income	8,277,000	7,277,000
Contributions by Members	1,597,000	1,566,000
Contributions by Employer	4,824,007	4,676,438
Contributions by Employer - Unfunded Benefits	52,826	21,400
Remeasurement gain/(loss)	(1,910,000)	8,807,000
Assets Distributed on Settlements	(50,833)	37,162
Benefits Paid	(4,986,000)	(4,679,000)
<b>Balance as at 31 March 2025</b>	<b>179,478,000</b>	<b>171,674,000</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.

The actual return (including interest income) on scheme assets in the year was a gain of £6.367m (2023/24 a gain of £16.084m).

<b>Fair Value of Plan Assets</b>	<b>2024/25</b>	<b>2023/24</b>
	£	£
Equity Investments	74,124,414	75,021,538
Bonds	35,177,688	37,081,584
Property	17,050,410	16,652,378
Cash	19,204,146	9,613,744
Multi Asset Credit	23,332,140	22,832,642
Other	10,589,202	10,472,114
<b>Total</b>	<b>179,478,000</b>	<b>171,674,000</b>

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

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

**The Council's Share of the Net Pension Asset/(Liability) (included in the Balance Sheet)**

	2024/25	2023/24
	£	£
Fair Value of Employer Assets	179,478,000	171,674,000
Present Value of Funded Defined Benefit Obligation	(134,863,000)	(154,966,000)
<b>Pension Liability of Funded Scheme</b>	<b>44,615,000</b>	<b>16,708,000</b>
Present Value of Unfunded Defined benefit Obligation	(221,000)	(245,000)
Unrecognised Asset	(44,615,000)	(16,708,000)
<b>Net Asset / (Liability) arising from the Defined Benefit Obligation</b>	<b>(221,000)</b>	<b>(245,000)</b>
<b>Amount in the Balance Sheet</b>		
Liabilities	(135,084,000)	(155,211,000)
Assets	134,863,000	154,966,000
<b>Net Asset / (Liability)</b>	<b>(221,000)</b>	<b>(245,000)</b>

**d) Scheme History**

Analysis of Scheme Assets and Liabilities	2024/25	2023/24
	£	£
Fair Value of Assets in Pension Scheme	179,478,000	171,674,000
Unrecognised Asset	(44,615,000)	(16,708,000)
Present Value of Defined Benefit Obligation	(135,084,000)	(155,211,000)
<b>Surplus/(Deficit) in the Scheme</b>	<b>(221,000)</b>	<b>(245,000)</b>

Amount Recognised in Other Comprehensive Income and Expenditure	2024/25	2023/24
	£	£
Actuarial gains/(losses)	(683,000)	(783,000)
Increase/(Decrease) in Irrecoverable Surplus from membership fall and other factors	(50,833)	37,162
<b>Remeasurements Recognised in Other Comprehensive Income and Expenditure</b>	<b>(733,833)</b>	<b>(745,838)</b>
Cumulative Actuarial gains and losses	52,665,865	53,399,698
<b>History of experience gains and (losses)</b>		
Experience gains/(losses) on assets	(1,910,000)	8,807,000
Experience gains/(losses) on liabilities	(231,000)	(1,952,000)

Analysis of projected amount to be charged to the Comprehensive Income and Expenditure Statement for the year to 31 March 2026	Period end 31/03/2026	Period end 31/03/2025
	£	£
Projected current cost	3,449,000	5,093,000
Net Interest on the net defined benefit liability	(145,000)	(117,000)
	<b>3,304,000</b>	<b>4,976,000</b>

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 2026 is £5.008m.

## 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 Assets	(1.06%)	5.13%
Experience gains and (losses) on Liabilities	0.17%	1.26%

### 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.

Long-Term Expected Rate of Return on Assets in the Scheme	2024/25	2023/24
	%	%
Equity investments	41.3%	43.7%
Bonds	19.6%	21.6%
Property	9.5%	9.7%
Multi Asset Credit	13.0%	13.3%
Cash	10.7%	5.6%
Other	5.9%	6.1%
<b>Mortality assumptions</b>		
<b>Longevity at 65 current pensioners</b>	<b>Years</b>	<b>Years</b>
Men	21.6	21.7
Women	24.5	24.6
<b>Longevity at 65 for future pensioners</b>		
Men	22.2	22.7
Women	25.2	25.6
Inflation/Pension Increase Rate	2.5%	2.6%
Salary Increase Rate	4.0%	4.1%
Discount Rate	5.8%	4.8%
Pension Accounts Revaluation Rate	2.5%	2.6%
<b>Take-up of option to convert annual pension into retirement lump sum</b>		
Service to April 2009	80%	80%
Service post April 2009	80%	80%

### Pension Assumptions Sensitivity Analysis

The pension figures disclosed in these Statement of Accounts 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 above.

## Funded Assumptions Scheme Benefits

Discount Rate Assumption	2024/25	
<b>Adjustment to discount rate</b>	<b>+0.1%p.a.</b>	<b>-0.1%p.a.</b>
Present value of the total obligation	133,245,000	136,481,000
% change in the present value of the total obligation	-1.2%	1.2%
Projected service cost	3,297,000	3,604,000
Approximate % change in projected service cost	-4.4%	4.5%
<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	135,268,000	134,458,000
% change in the present value of the total obligation	0.3%	-0.3%
Projected service cost	3,449,000	3,449,000
Approximate % change in projected service cost	0.0%	0.0%
<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	136,077,000	133,649,000
% change in the present value of the total obligation	0.9%	-0.9%
Projected service cost	3,604,000	3,297,000
Approximate % change in projected service cost	4.5%	-4.4%
<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	137,965,000	131,761,000
% change in the present value of the total obligation	2.3%	-2.3%
Projected service cost	3,570,000	3,328,000
Approximate % change in projected service cost	3.5%	-3.5%

\* 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 one year older than them.

### 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

	2024/25	2023/24
	%	%
Equity Investments	41.3	43.7
Government Bonds	15.7	17.4
Corporate Bonds	3.9	4.2
Property	9.5	9.7
Cash	10.7	5.6
Multi Asset Credit	13.0	13.3
Other	5.9	6.1
<b>Total</b>	<b>100.0</b>	<b>100.0</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 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.

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. Allowance for the McCloud Judgement and GMP Indexation/Equalisation has been accounted for in these results and any change in the allowance since the last accounting date has been reflected through 'Other comprehensive income' in the Comprehensive Income & Expenditure Statement.

## **22 Donated Assets Accounts**

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

## **23 Capital Grants Received in Advance**

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

## **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.

## **Legal Matters**

The Council operates in a complex legislative framework in relation to some aspects of delivery of services, enforcement actions and decision making. During 2024/25, expert legal advice has been required on a number of issues including call-in decisions, procurement, new legislation relating to procurement, procurement challenges, enforcement matters, judicial reviews, matters concerning health and safety legislation, contractual disputes, First Tier Tribunal Hearings in relation to decisions issued by the Information Commissioners Office and planning matters to include representation at the Planning Appeals Commission Public Inquiry with regard to applications associated with the Dalradian Curraghinalt Goldmine Project. The Council is involved in civil legal actions on the assertion of a number of public rights of way and alleged obstructions of rights of way which are ongoing. There is risk of further scope for legal challenge around decision making, particularly around planning where there is a divergence of position between elected members, statutory consultees and the Council's corporate position. The Council seeks to mitigate by ensuring appropriate training and seeking appropriate advice on the legalities of decision-making. If any challenge proceeds to full hearing and any associated judgement is found against the Council, there may arise a financial liability in respect of costs in circumstances that these are not covered by insurance. No liability is included within the Statement of Accounts as the amount of obligation, if any, cannot be measured with sufficient reliability.



## 25 Other Cash Flow Disclosures

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

Adjustment to (Surplus)/Deficit on the Provision of Services for Noncash Movements	Notes	2024/25	2023/24
		£	£
Depreciation	4,11a	7,752,656	7,091,578
Impairment and Downward Revaluations (and Non-Sale Derecognitions)	4,11a, 11d	(1,028,147)	(1,685,125)
(Increase)/Decrease in Stock	14	65,095	16,606
(Increase)/Decrease in Debtors		2,666,224	(1,944,841)
Increase/(Decrease) in Impairment Provision for Bad Debts	15b	(501,203)	56,527
Increase/(Decrease) in Creditors		3,385,648	(2,171,244)
Increase/(Decrease) in Interest Debtors		(116,910)	(77,898)
Payments to NILGOSC	21b	(757,833)	509,162
Carrying Amount of Assets Disposed	4,8	111,600	8,399
WIP Written off to Net Cost of Services	4	2,150,935	2,313,990
Contributions to Other Reserves/Provisions		(729,449)	183,295
		<b>12,998,616</b>	<b>4,300,449</b>

Adjust for items included in the Net Surplus or deficit on the Provision of Services that are Investing and Financing activities	Notes	2024/25	2023/24
		£	£
Proceeds from the sale of PP&E, Investment Property and Intangible Assets	8	(215,256)	(321,159)
Capital Grants included in "Taxation & Non-Specific grant Income"	10e	(2,077,127)	(20,126,148)
		<b>(2,292,383)</b>	<b>(20,447,307)</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	734,061	279,530	81,275
Short-Term Deposits (considered to be cash equivalents)	21,777,355	17,232,837	26,883,791
Short-Term Investments (considered to be cash equivalents – Tullyvar cash balances)	250,819	289,021	344,389
<b>Total Cash and Cash Equivalents</b>	<b>22,762,235</b>	<b>17,801,388</b>	<b>27,309,455</b>

### c) Cash Flows from Operating Activities

	2024/25	2023/24
	£	£
The cash flows from operating activities include		
Interest received	1,336,677	1,134,584
Interest paid	157,088	(192,806)

**d) Cash Flows from Investing Activities**

	2024/25	2023/24
	£	£
Purchase of PP&E, Investment Property and Intangible assets	(8,505,121)	(10,624,192)
Purchase/(Proceeds) of Short-Term Investments (not considered to be Cash Equivalents)	(7,000,000)	(4,000,000)
Proceeds from the sale of PP&E, Investment Property and Intangible Assets	215,256	321,159
Proceeds from Short term Investments		-
Capital Grants and Contributions Received	9,242,512	875,450
<b>Net Cash Flows from Investing Activities</b>	<b>(6,047,353)</b>	<b>(13,427,583)</b>

**e) Cash Flows from Financing Activities**

	2024/25	2023/24
	£	£
Repayment of Short and Long-Term Borrowing	(592,097)	(622,254)
Other receipts from Financing Activities	787,223	(1,527)
<b>Net Cash Flows from Financing Activities</b>	<b>195,126</b>	<b>(623,781)</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 the Council's capital financing requirement (or used for purposes permitted by statute).

Capital Receipts Reserve	Notes	2024/25	2023/24
		£	£
<b>At 1 April 2024</b>		1,113,493	756,334
Disposal of Assets/ Capital Sales	4,8	215,256	321,159
Interest	4,9	56,000	36,000
<b>At 31 March 2025</b>		<b>1,384,749</b>	<b>1,113,493</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.

Capital Grants Unapplied Account	Notes	2024/25	2023/24
		£	£
<b>At 1 April 2024</b>		18,922,419	367,287
Capital Grants received in year	10d,26f	1,425,655	18,756,324
Other Movements in year	10d,26f	-	(73,484)
Capital Grants transferred to CAA in year	27a	(1,486,115)	(127,708)
<b>At 31 March 2025</b>		<b>18,861,959</b>	<b>18,922,419</b>

The Capital Grants unapplied balance relates mainly to a capital grant award of £20m from Department for Levelling Up, Housing and Communities.

### c) Capital 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.

Capital Fund	Notes	2024/25	2023/24
		£	£
<b>At 1 April 2024</b>		8,516,261	3,772,761
Transfers between Statutory & Other Reserves & the General Fund	4b	3,950,000	7,203,500
Transfers between Capital Fund & CAA to Finance Capital Expenditure	12	(2,737,661)	(2,460,000)
<b>At 31 March 2025</b>		<b>9,728,600</b>	<b>8,516,261</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.

Renewal and Repairs Fund	Notes	2024/25	2023/24
		£	£
<b>At 1 April 2024</b>		2,198,610	3,339,610
Transfers between Statutory & Other Reserves & the General Fund	4b	1,110,000	409,000
Transfers between Renewal & Repair Fund & CAA to Finance Capital Expenditure	12	(845,428)	(1,550,000)
<b>At 31 March 2025</b>		<b>2,463,182</b>	<b>2,198,610</b>

### e) Other Balances & Reserves

Other Balances & Reserves	Notes	2024/25	2023/24
		£	£
<b>At 1 April 2024</b>		6,993,748	10,572,193
Transfers between Statutory and Other Reserves and the General Fund	4b	(559,000)	(1,698,000)
Transfers - Other Funds (Tullyvar)	4b	(96,630)	42,555
Transfers between Capital Fund/Renewal and Repair Fund and CAA to Finance Capital Expenditure	12	(638,374)	(1,923,000)
<b>At 31 March 2025</b>		<b>5,699,744</b>	<b>6,993,748</b>

## 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	2024/25	2023/24
		£	£
<b>At 1 April 2024</b>		4,386,088	4,316,928
Capital Grants Conditions met and applied in year	10c,27a	(750,747)	(1,443,308)
Applied Capital Grants – Other Movements	10c,27a	99,275	-
Unapplied Capital Grants movements in year	10d,26b	(1,425,655)	(18,682,840)
Direct Revenue Financing	4,12	(1,085,000)	(1,247,953)
Depreciation and Impairment Adjustment	4	7,270,375	6,786,182
De-recognition/(Recognition) (other than disposal) of Non-Current Assets	4	(545,866)	(1,379,729)
Statutory Provision for Financing Capital Investment	4,12	(1,097,525)	(1,127,708)
Net Revenue Expenditure Funded from Capital Under Statute	4,12	2,150,935	2,313,990
Surplus/(Deficit) on the Provision of Services	CIES	106,841	20,690,155
Transfers between Statutory and Other Reserves and the General Fund	4b	(4,460,370)	(5,993,055)
Net Movements on Pension Reserve	21b	(757,833)	509,162
Disposal of Fixed Assets/Capital Sales	3,4,8	(103,656)	(312,760)
Difference between Finance and Other Costs and Income calculated on an Accounting Basis and Finance Costs calculated in accordance with Statutory Requirements	4a,27g	90,364	56,584
Other Movements - Discount Rate Reserve Adjustment	4a, 27h	(160,056)	(98,033)
Other Movements - Adjustment to IFRS 16 Leases	4a,27a	2,431	-
Other Movements - Adjustment to Lessor Arrangements	4a,27f	785,653	(1,527)
<b>At 31 March 2025</b>		<b>4,505,254</b>	<b>4,386,088</b>

## 27 Unusable 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.

This account which is credited with the amounts set aside by the Council as finance for the costs of acquisition, construction and subsequent costs, 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	2024/25	2023/24
		£	£
<b>At 1 April 2024</b>		91,741,081	89,383,672
Capital Grants Conditions met and applied in year	10c,26f	750,747	1,443,308
Applied Capital Grants – Other Movements	10c,26f	(99,275)	-
Unapplied Capital Grants transferred to CAA in year	26b	1,486,115	127,708
Direct Revenue Financing	4,12	1,085,000	1,247,953
Depreciation & Impairment adjustment	4,11	(7,270,375)	(6,786,182)
Recognition of Non-Current Assets	4	545,866	1,379,729
Statutory Provision for Financing Capital Investment	4 12 26f	1,097,525	1,127,708
Net Revenue Expenditure funded from Capital Under Statute	4,12	(2,150,935)	(2,313,990)
Disposal of Fixed Assets/ Capital Sales	4,8,11	(111,600)	(8,399)
Other Movements	27c, 17b	1,014,745	206,574
Other Movements – Adjustment to IFRS 16 Leases	26f	(2,431)	-
Transfers between Capital Fund/Renewal & Repair Fund & CAA to finance Capital Expenditure	12	4,221,463	5,933,000
<b>At 31 March 2025</b>		<b>92,307,926</b>	<b>91,741,081</b>

#### b) Financial Instruments Adjustment Account

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

#### 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
- 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	2024/25	2023/24
		£	£
<b>At 1 April 2024</b>		62,953,367	59,602,237
Revaluation & Impairment	11	4,598,877	3,557,704
Other Movements	27a	(1,014,745)	(206,574)
<b>At 31 March 2025</b>		<b>66,537,499</b>	<b>62,953,367</b>

#### d) Available for Sale Financial Instruments Reserve

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

**e) Pension Reserve**

Pension Reserve	Notes	2024/25	2023/24
		£	£
<b>At 1 April 2024</b>		(245,000)	1,010,000
Net Movements on Pension Reserve	3, 21b	757,833	(509,162)
Revaluation & Impairment	21b	(733,833)	(745,838)
<b>At 31 March 2025</b>		<b>(221,000)</b>	<b>(245,000)</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.

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

Capital Receipts Deferred Account	Notes	2024/25	2023/24
		£	£
<b>At 1 April 2024</b>		1,531,921	1,530,394
Adjustments in relation to Lessor Arrangements	4	(785,653)	1,527
<b>At 31 March 2025</b>		<b>746,268</b>	<b>1,531,921</b>

**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	2024/25	2023/24
		£	£
<b>At 1 April 2024</b>		(1,213,189)	(1,156,605)
Difference between Finance and Other Costs and Income calculated on an Accounting Basis and finance costs calculated in accordance with Statutory Requirements	4	(90,364)	(56,584)
<b>At 31 March 2025</b>		<b>(1,303,553)</b>	<b>(1,213,189)</b>

**h) Provision Discount Rate Reserve**

The Provision Discount Rate Reserve includes the impact of the change in the current value of the long-term provisions for landfill costs as a result of a change in the valuation of provisions due to the change of use of interest rates in previous years (Note 19). Charges are made annually to the General Fund in respect of the unwinding of this Reserve over the remaining period of the associated landfill provisions.



	Notes	2024/25	2023/24
		£	£
<b>At 1 April 2024</b>		451,102	353,069
Difference between Finance and Other Costs and income calculated on an Accounting Basis and finance costs calculated in accordance with Statutory Requirements	4	175,543	113,393
Provisions Discount Rate Reserve - Tullyvar	4,29	(15,487)	(15,360)
<b>At 31 March 2025</b>		<b>611,158</b>	<b>451,102</b>

## 28 Agency Services

Fermanagh and Omagh District Council provides a Regional Property Certificate service on behalf of all 10 Councils following the transfer of this service to the Council from the Department for Communities (previously Department of the Environment) on 1 April 2015. A Transferred Function Grant of £438,393 was received from DfC for running costs in 2024/25. The cost of providing this service in 2024/25 was £368k (including staff costs of £342k). Income received during the year on behalf of the 10 Councils amounted to £2,086,813. Amounts due to other Councils at 31 March 2025 in respect of the Regional Property Certificates is £764,873 and is included within Note 18. Transactions relating to this service are not included within the Statement of Accounts.

Fermanagh and Omagh District Council is the billing authority for Enniskillen BID Ltd and is responsible for collecting the BID Levy following the introduction on 1 April 2017. The cost of providing this service in 2024/25 was £4.6k (2023/24 £2.7k) which was invoiced to Enniskillen BID Ltd. Invoices raised during the year on behalf of Enniskillen BID Ltd amounted to £149.5k (2023/24 £186k). Transactions relating to this service are not included within the Statement of Accounts.

## 29 Joint Arrangements

Tullyvar Joint Committee is the body responsible for a waste disposal site jointly owned and managed by Mid Ulster District Council and Fermanagh and Omagh District Council.

The financial provision for aftercare costs was reviewed in the year and discounted in accordance with IAS 37, this resulted in a total discounted provision of £388,522 (2023/24 £420k). An amount of £34,269 (2023/24 £203k) has been offset against this provision resulting in a net discounted provision of £354,253 (2023/24 £217k), the Council's share of which is £177,126.

In accordance with IAS 37, the provision is based on the percentage utilisation of the site which is 100% i.e. in line with the current management position the site is filled and has been capped/closed since March 2020. The aftercare provision is for a period of 20 years post closure.

The current site gas generation model has been reviewed by management to reflect more recent gas generation and income figures. The future projected discounted gas income is £34k over the next 3 years (2023/24 £202k).

The value of Fermanagh and Omagh District Council's investment in Tullyvar is £1,536,236 (2023/24 £1,653k) which represents half of Tullyvar's net assets employed and is broken down as follows

	2024/25	2023/24
	£	£
Long-term assets	1,491,833	1,496,065
Current assets	260,434	323,752
Current liabilities	(38,905)	(58,732)
Long-term liabilities	(177,126)	(108,501)
<b>Net Assets</b>	<b>1,536,236</b>	<b>1,652,584</b>

The movement in Fermanagh and Omagh District Council's investment in Tullyvar is a decrease of £116,348 (2023/24 increase of £25,015) is broken down as follows

	2024/25	2023/24
	£	£
Sales	-	-
Gas income	15,752	39,744
Other	9,245	12,366
<b>Total Income</b>	<b>24,997</b>	<b>52,110</b>
Administration costs	35,018	51,232
Operating costs	235,706	107,345
<b>Total costs</b>	<b>270,724</b>	<b>158,577</b>
<b>Net Income/Expenditure</b>	<b>245,727</b>	<b>106,467</b>
Revaluation Reserve movement	(129,379)	(131,482)
Provisions Discount Rate Reserve	(15,487)	(15,360)
<b>Net Movement</b>	<b>(100,861)</b>	<b>(40,375)</b>

	2024/25	2023/24
<b>Net (Income)/Expenditure</b>	<b>245,727</b>	<b>106,467</b>
Depreciation	(133,610)	(133,662)
Discount Rate Reserve	(15,487)	(15,360)
<b>Transferred to Reserves (Note 4b)</b>	<b>96,630</b>	<b>(42,555)</b>

### 30 Related Party Transactions

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

Transactions with related parties not disclosed elsewhere in these Statement of Accounts are set out below, where a description of the nature, the amount of the transaction and the amount of the outstanding balance (both of which include VAT) is as follows.



- Fermanagh and Omagh District Council appointed Councillors to the boards and committees of 72 various bodies ranging from local groups such as Fermanagh Lakeland Tourism Ltd and Fintona Regeneration Initiative Ltd to national groups such as Northern Ireland Amenity Council and the Northern Ireland Local Government Association. During the year the Council had financial transactions with 22 of these bodies totalling £1,096k payments and receipts of £28.6k.
- In the financial year the Council received £26k for services provided and paid £43k for works/grants from companies in which Councillors have an interest. These payments were made with proper consideration of declaration of the Council.
- The total Members' Allowance paid in 2024/25 is shown in Note 7d.

During 2024/25, the Council had actual expenditure of £2,258k to other Councils with £882k (note 18a) outstanding at 31 March 2025. The Council received £343k from other Councils with £695k (note 15b) outstanding at 31 March 2025. These amounts relate mainly to services provided.

Included within Note 16 is Loans to other Local Authorities of £13m which are fully repayable. The loans issued during the year generated interest of £293k, of which £171k interest was owing at the 31 March 2025.

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. Grant receipts outstanding at 31 March 2025 are shown in Note 15b.

### **31 Events after the Reporting Period**

There were no additional events occurring after 31 March 2025 which require adjustment to the Council's Statement of Accounts or additional disclosures.

### **Accounts Authorised for the Issue Certificate**

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

The Chief Financial Officer authorised the Statement of Accounts for issue on 30 September 2025.