

Belfast City Council

Statement of Accounts 2025



**Belfast
City Council**

BELFAST CITY COUNCIL
Statement of Accounts
For the year ended 31 March 2025

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Narrative Report

Introduction

Organisational overview and external environment

Belfast City Council remains the largest of Northern Ireland's 11 local authorities, serving a population of 348,005 residents, as well as the thousands of people who travel to the city to work, study and visit each day.



With a net budgeted expenditure of £206.1m in 2024/25 Belfast City Council's 2,376 employees, led by 60 councillors across 10 electoral areas, carry out six principal roles:

- i. a civic leadership role to ensure a better quality of life for our citizens;
- ii. provision of a number of services and facilities including planning, parks and leisure, refuse and recycling and community services;
- iii. promoting the arts, tourism, community and economic development;
- iv. regulating and licensing activities relating to environmental health, consumer protection, building and public safety;
- v. a representative role on a number of bodies and boards, including education and health; and
- vi. a consultative role in relation to functions conducted by other government bodies and agencies on issues such as planning, water, roads and housing.

With our role in leading community planning in Belfast we have published the Belfast Agenda, outlining our priorities for the City which will require collaboration with key partners to ensure delivery of these ambitions for the City.

The key services delivered by the Council are outlined below under our Operational Model and the key objectives of the Council are outlined below under Strategic Performance. The key deliverables for year ended 31 March 2025 reflect the priorities articulated by local people and relate to the council's functions as both a civic leader and service provider.

Operational Model

Each year, the Council must ensure it has the resources it needs to deliver services to the standard expected by its ratepayers. Budget plans are submitted to the relevant committees for approval regarding what the Council hopes to do and how much it will cost. This helps the Council understand how much money is required and, taking account of other sources of income, what 'rate' needs to be set for the city to raise the required money.

Throughout the year the Council reports to the relevant committees on the financial performance against agreed budget for each committee. 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 (Note 2) and the Movement in Reserves Statement.

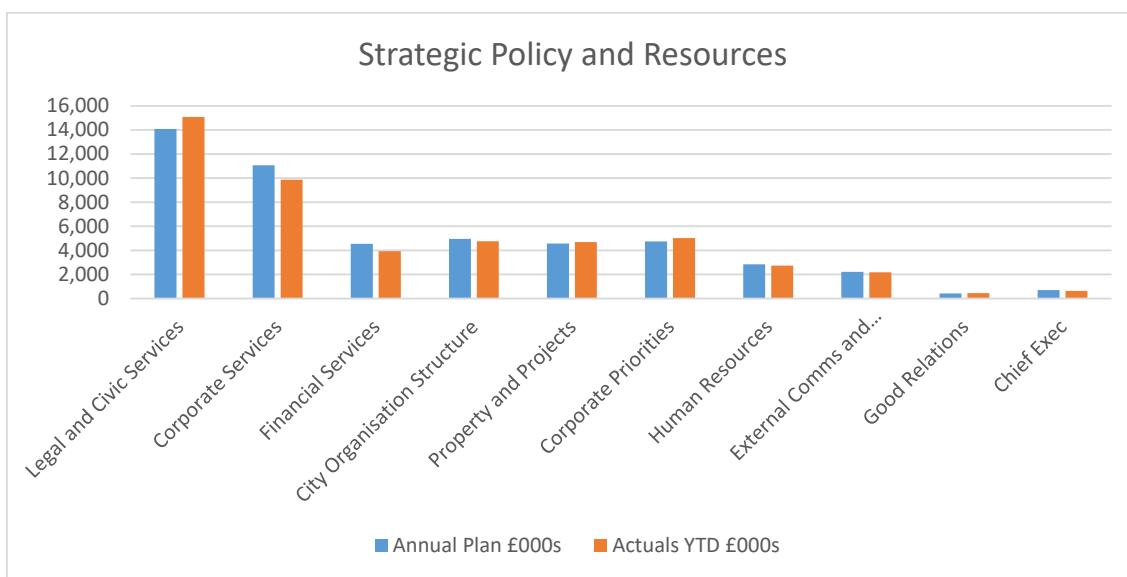
The majority of the variance between budget and actual expenditure is disclosed in the Expenditure and Funding Analysis and is mainly due to accounting adjustments that are required for the purposes of preparing the financial statements, such as depreciation and impairments, fair value adjustments on investment properties and IAS 19 accounting adjustments. There are also variances due to reclassification of income and expenditure to other income and expenditure for financial accounting purposes such as rental and financing activities.

Each committee is responsible for the delivery of key services to the Council and the main services included in each committee is as follows:

Strategic Policy and Resources Committee

This committee is responsible for setting the strategic direction of the Council through the development of its Corporate Plan and other key corporate and cross cutting strategies and policies. The net expenditure of this committee includes Legal and Civic Services, Corporate Services, Financial Services, City Organisation Structure and Property and Projects with Corporate Priorities, Human Resources, External Comms and Marketing and Good Relations. The total net expenditure budget for this committee for these services in 2024/25 was £50.1m, with actual net expenditure for the year amounting to £49.3m.

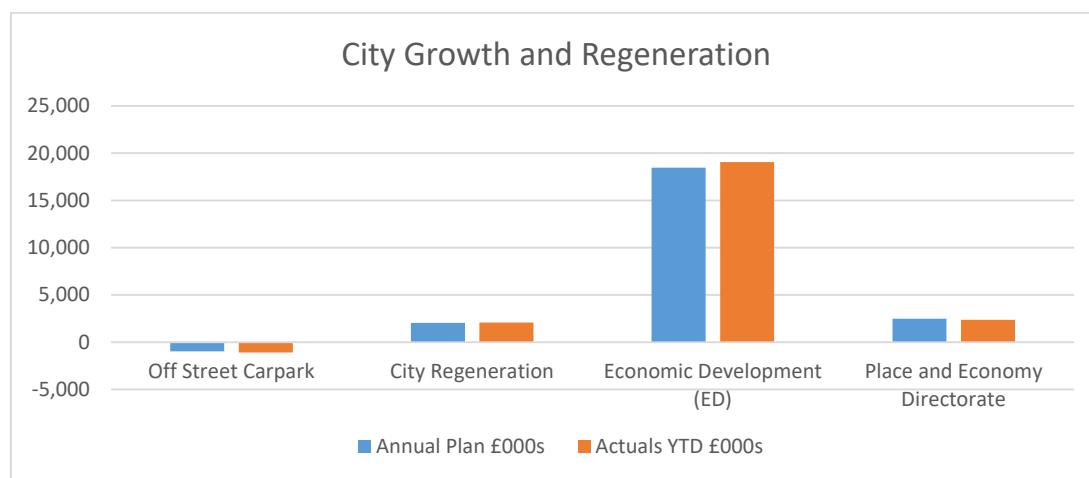
The graph below outlines the services delivered within this committee and performance against budget. These amounts do not include the accounting adjustments that are required to be included in the net expenditure for this committee in the Comprehensive Income and Expenditure Account. The net expenditure of £56.2m reported in the Comprehensive Income and Expenditure Statement for this Committee includes the accounting adjustments that are required for preparing the financial statements.



City Growth and Regeneration Committee

This committee is responsible for the development and implementation of strategies, policies, programmes and projects directed to the regeneration and growth of the City in the context of outcomes agreed in the Community and Corporate plans and other corporate strategies. The net expenditure of the committee includes Economic Development including City Events and Venues such as the Zoo, City Regeneration, Off-Street Car Parking and Place and Economy Directorate. The total budget for net expenditure for this committee for these services was £22m and actual net expenditure was £22.4m

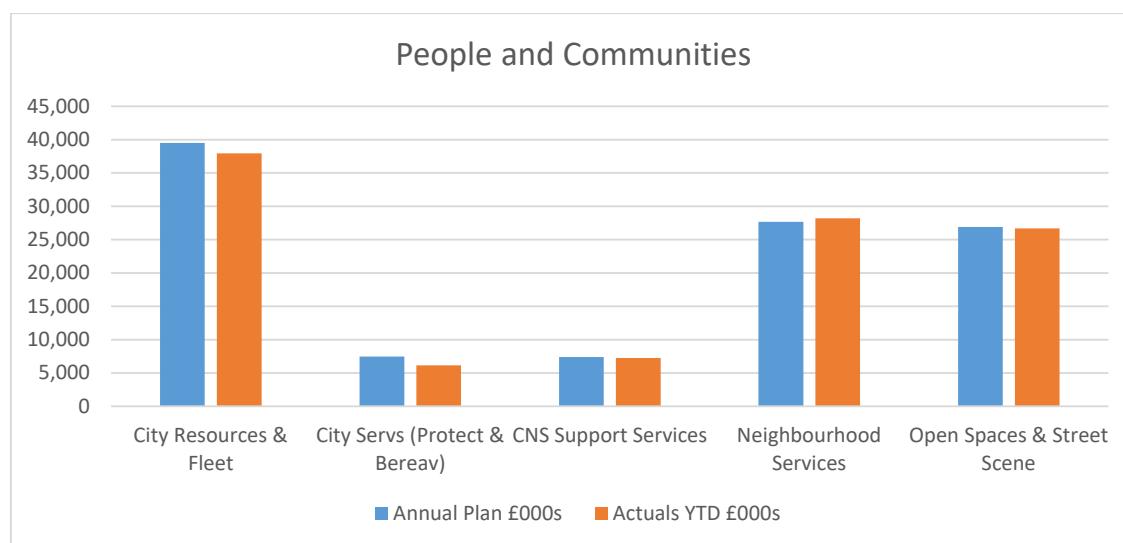
The graph below outlines the services delivered within this committee and performance against budget. These amounts do not include the accounting adjustments that are required to be included in the net expenditure for this committee in the Comprehensive Income and Expenditure Account. The net expenditure of £32.6m for this Committee reported in the Comprehensive Income and Expenditure Statement includes the accounting adjustments that are required for preparing the financial statements.



People and Communities Committee

This committee is responsible for the development and implementation of strategies, policies, programmes and projects aimed at improving life at a local level in the context of the outcomes agreed in the community and corporate plans and other corporate strategies. The net expenditure of the committee includes City Services such as Environmental Health and Bereavement, City Resources and Fleet (including waste collection and management), Neighbourhood Services, such as Community services and Leisure Centres, and Open Spaces and Street Scene, such as parks, street cleansing and City and Neighbourhood Support Services. The total budget for net expenditure for this committee for these services was £108.9m and actual net expenditure was £106.3m.

The graph below outlines the services delivered within this committee and performance against budget. These amounts do not include the accounting adjustments that are required to be included in the net expenditure for each committee in the Comprehensive Income and Expenditure Account. The net expenditure of £124.3m for this Committee reported in the Comprehensive Income and Expenditure Statement includes the accounting adjustments that are required for preparing the financial statements.



Planning and Licensing Committee

These two committees are responsible for delivery of all of the Council's planning functions and policy and legislation in relation to licensing issues. The net expenditure includes Planning and Building Control services. The total budget for net expenditure for this committee for these services was £2.7m and actual net expenditure was £3.2m.

The graph below outlines the services delivered within this committee and performance against budget. These amounts do not include the accounting adjustments that are required to be included in the net expenditure for each committee in the Comprehensive Income and Expenditure Account. The net expenditure of £3.2m for this Committee reported in the Comprehensive Income and Expenditure Statement includes the accounting adjustments that are required for preparing the financial statements.



Further information regarding the variances between budgeted (planned) and actual expenditure is included in the individual committee reporting for 2024/25. Total net expenditure budget of £206.1m includes the above committees budgets totalling £183.7m and the capital financing budget of £22.3m.

Financial Outlook

Despite the challenging financial position faced by the Council going into 2024/25, departments worked to deliver the financial strategy for 2024/25. The departmental underspend at the year end was an underspend of £2.55m. The main drivers to this underspend were the savings realised on new contracts and vacant posts related to the turnover of staff.

Going forward, the savings realised by new contracts have been reallocated to growth areas in order to meet priorities in 2025/26. As ratepayers begin to fully recover from the cost of living crisis, uncertainty in global trade agreements means that the Bank of England now predicts inflation increases of up to 3.7% in the coming year. The delivery of priorities including regeneration, climate and Fleadh Cheoil will require significant investment at a time when businesses face uncertainty. Although investment continues throughout the city to grow the rate base, setting budgets over the medium term will be challenging and is likely to require the realignment of existing budgets to Member agreed priorities.

Governance

The work of Belfast City Council is overseen by the committee structure outlined below and detailed further in our Governance Statement on pages 16 - 29. This Annual Governance Statement for 2024/25 highlights the Council's governance arrangements during the year and how significant governance issues are being addressed and actions implemented. A programme management framework is in place to manage both revenue and capital streams of activity for the Council. Directors and Members have oversight in accordance with the terms of reference for the relevant Committee as well as finance reports covering all aspects of Council expenditure being presented to the Strategic Policy and Resources Committee on a quarterly basis. The Committee structure, which is based on the full council and eight standing committees, is illustrated and described below.



Strategic Performance

We have an extensive network of plans and strategies that comprise our strategic planning and performance management framework. At a City level, the Belfast Agenda outlines the Council's ambitions for Belfast by 2035 and our immediate priorities to:

- Our people and communities: making life better for all of our residents
- Our economy: creating inclusive and sustainable growth, learning and opportunity
- Our place: creating a liveable and connected, vibrant and competitive city
- Our planet: creating a sustainable, nature-positive city

- Compassionate city: making Belfast a welcoming, caring, fair and inclusive city – leaving no one behind.

Cascading from these longer term objectives, are our medium term objectives set out in the Corporate Plan 2025-28. All of our priorities are based upon extensive external and internal analysis, including key socio-economic data, analysis of the plans and strategies impacting the city and its communities, performance information and political engagement.

An annual Corporate Delivery plan defines our objectives, sets out our in-year deliverables and the KPIs and targets we will achieve, which are all set against the priorities agreed as part of the four-year corporate plan. Our Performance Improvement Plan 2025-26 sets out Council's key priorities for improvement during the year, which are as follows:

- i. We will continue to adapt and improve our services to better meet the needs of our residents and stakeholders.
- ii. We will improve our local areas and provide opportunities to support our residents to become healthier and engaged.
- iii. We will create a more vibrant, attractive, and connected city (including the city centre).
- iv. We will champion climate action; protect the environment and improve the sustainability of Belfast.
- v. We will stimulate inclusive growth and innovation, help businesses to start-up and grow and create opportunities for more and better jobs and employment.
- vi. We will support our most vulnerable people to make Belfast a more caring, safe and inclusive city.

We have extensive arrangements in place to monitor and manage strategic performance. As part of these robust performance management arrangements, we undertake an annual self-assessment of our progress against these performance improvement objectives, including how we are delivering on the statutory performance indicators set out in the Local Government Act (Northern Ireland) 2014.

Financial Statements

The Council's financial performance for the year ended 31st March 2025 is as 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.

These financial statements have been prepared in line with the Code of Practice on Local Authority Accounting in the United Kingdom for the year ended 31st March 2025 (the Code) and the Department for Communities Accounts Direction, Circular LG 10/2025. It is the purpose of this foreword to explain, in an easily understandable way, the financial facts in relation to the Council.

This Statement of Accounts explains Belfast City Council's finances during the financial year 2024/25 and its financial position at the end of that year. It follows approved accounting standards and is necessarily technical in parts.

The annual accounts for 2024/25 have been prepared on the assumption that the Council will continue in existence for the foreseeable future.

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. Belfast City Council have prepared group financial statements for the financial year ended 31 March 2025 to include Belfast Waterfront and Ulster Hall Limited (BWUH) and Belfast City Council's contribution to Beltel LLP in relation to the redevelopment of the Belfast Telegraph Building. The results of Beltel LLP are included in the group financial statements. The results of Belfast Gasworks Management Co Ltd for the year ended 31 March 2025 are not deemed material to Belfast City Council accounts and as such are not included in the group financial statements.

The Movement in Reserves Statement

This statement, as set out on page 43, 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) and unusable 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 Statement (CIES). These are different from the statutory amounts required to be charged to the General Fund Balance for Local Tax purposes. The 'Net Increase/Decrease before transfers to Earmarked Reserves' line shows the statutory General Fund Balance before any discretionary transfers to or from earmarked reserves undertaken by the Council.

The group Movement in Reserves Statement on page 103, includes the reserves of BWUH Ltd, contributing to an increase of £11.0k on the Group General Fund.

The Comprehensive Income and Expenditure Statement

This statement, as set out on page 44, 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 regulations; this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.

The group Comprehensive Income and Expenditure Statement on page 104, includes the consolidated income and expenditure of BWUH Ltd.

The Balance Sheet

The Balance Sheet, as set out on page 45, shows the value as at the Balance Sheet date of the Council's assets and liabilities. The net assets of the Council (assets less liabilities) are matched by the reserves held by the Authority. 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 *unusable reserves* i.e. those that the authority 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 group Balance Sheet on page 105, includes relevant balances for BWUH Ltd and Beltel LLP.

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.

The group Cash Flow Statement on page 106, includes the cash and cash equivalents of BWUH Ltd, Gas Pension Fund and the Council's interests in Beltel LLP.

Expenditure and Funding Analysis

The resourcing of the Council's activities is outlined in the Annual Report, demonstrating the funding available and what services this funding provided for 2024/25.

The objective of the Expenditure and Funding Analysis is to demonstrate to ratepayers how the funding available to the Council (i.e. government grants, rates, fees and charges) for the year has been used in providing services in comparison with those resources consumed or earned by the Council in accordance with generally accepted accounting practices. The main services provided under each committee are summarised in this note and performance against budget is summarised in the Narrative Report. The main variances from the results as reported in the Narrative Report will arise due to the accounting cost of providing services in accordance with generally accepted accounting practices, such as depreciation charges and IAS 19 pension adjustments which are not funded from taxation. These charges are summarised per committee in Note 2a and Note 2b.

The Expenditure and Funding Analysis also shows how this expenditure is allocated for decision-making purposes between the Council's committees. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

Financial Performance

For the year ended 31 March 2025, the Council increased its General Fund to £64.6m. The Budget plans form part of the Revenue Estimates and in 2024/25 the total net expenditure budget for the Council was set at £206.1m.

The Council reported a £2.55m underspend on service delivery at the year end. Performance against budget for each of the Committees is continuously monitored throughout the year. This performance is reported to the Strategic Policy and Resources Committee on a quarterly basis as agreed at Strategic Policy and Resources on 19th February 2021. The overall position for the year ended 31 March 2025 is mainly due to underspends in capital financing and employee budgets.

The Cost of Services on Continuing Operations of £216.3m as reported in the Comprehensive Income and Expenditure Statement, also includes the accounting cost of providing services in addition to the amount to be funded from taxation. The total net expenditure reported in the Comprehensive Income and Expenditure Statement is (£0.9m) being net surplus on the provision of services.

Borrowings

For the 2024/25 year the Council has an authorised borrowing limit of £145m. This is based on the Council's forecast capital expenditure plans over the medium to long term. In conjunction with the Council's Capital Financing Requirement of £118.5m, this ensures that the Council only borrows for capital purposes. During the year, the Council repaid external loans of £5.38m with Department of Finance. At 31 March 2025, the total amount outstanding on external loans was £33.1m.

Capital Expenditure

Expenditure on capital projects during the year amounted to £17m (excluding IFRS 16 Right of Use Asset amount). The most significant expenditure was on: Templemore Leisure Centre £4.2m; Belfast Stories £2.5m and Fleet Replacement Programme 2024/25 £2.2m.

Strategy and Resource allocation

Members agreed to a district rate increase of 5.44% when setting the revenue budget for 2024/25,

When setting the district rate increase for 2023/24, Members agreed to defer an estimated funding gap of £12.5m into 2024/25. A review of the gap was undertaken as part of the 2024/25 budget setting process and the revised gap, in addition to pay and other inflationary pressures resulted in uncontrollable cost increases of almost £14.6m for 2024/25. Additional proposals for growth totalling £6m were also submitted for consideration by departments.

Subsequent meetings between Members and Chief Officers resulted in revised growth proposals, budgetary realignment and efficiencies resulting in a district rate increase of 5.44% for 2024/25.

Outlook

The Council is fully aware that it is operating in a continually challenging environment with the ongoing cost of living crisis and inflationary pressures. The Council is committed to delivering business as usual where possible and will continue with our ambitions for the City under the Belfast Agenda and City Deal.

The Council strives to deliver at the highest of standards and these efforts have been recognised in the many awards achieved by the Council in the year ended 31 March 2025, including:

- Belfast Castle awarded Green Tourism's Green Meetings Bronze award.
- Six Belfast Venues and Visitor experiences recognised for their work to support disabled visitors at the City's inaugural Inclusive Tourism Awards.
- Digital Services, Resource and Fleet Collections and the Customer Hub achieved the Gold Winner ranking in this year's Contact Centre Network NI Awards (CCNNI Awards) for their innovative Report-It app.
- The Parks team secured an impressive 20 Green Flags at the Keep Northern Ireland Beautiful Green Flag Awards. They also clinched the overall Pollinator Award, with Musgrave Park taking first place and Falls Park second, highlighting our staff's work to protect the environment and our local biodiversity.
- Over fifty local organisations have now signed up to the Belfast Business Promise, an accreditation scheme developed and supported by Belfast City Council to deliver fair pay, good jobs and secure contracts.
- Colleagues in Resources and Fleet were recently conferred with the award of Ambassador by the Waste Industry Safety and Health Forum Northern Ireland (WISHNI) for their work on road risk management.

The Council seeks out opportunities to pursue additional funding streams for the City, adopting innovative approaches to delivering services and working in partnership to ensure the City optimises its resources to deliver on its six key objectives. A few of the current initiatives the Council is currently developing are outlined below:

- Smart Belfast – The City Innovation Office continued to deliver its Smart Belfast urban innovation programme that seeks to foster collaborative innovation between the public, private and academic sectors with the aim of addressing urban policy challenges while also contributing to economic growth by stimulating investment in innovation. During 2024/2025 the Office completed the final year of the €8 million Horizon 2020 funded, five-year 'Hubs of Innovation' programme with Belfast Maritime Trust. Phase Two of the £900,000 Augment the City Challenge competition was successfully delivered with six participating companies developing immersive prototypes. The Office also successfully delivered Phase One of the £3.8m million Belfast 5G Innovation Regions which supported eleven use cases delivered by city partners. Following this, the Office successfully bid for a further £1.3 million for a second phase of the programme aimed at public sector innovation. Finally, the Office has also developed two major business cases with City Deal partners that include plans for a

£5 million regional SBRI programme and a £5 million AI Adoption programme for the public and private sectors.

- Belfast Region City Deal – By the end of March 2025 - with 16 Outline Business Cases (OBCs) and three Full Business Cases (FBCs) approved (at a combined project value of £620m) 13 Contracts for Funding signed, two projects already operational, two in construction or fit-out stage, 12 projects at design phase, five with planning approvals, and four skills assessments completed - it is clear that the programme of investment is firmly in delivery phase, reflecting significant momentum over the last year.

| | | | | | | | | | |
|---|--|--|---|---|---|---|---|---|---|
| 4  | 16  | 13  | 2  | 0  | 3  | 21 | 14 | 10,935 | 3,238 |
| OBC / addendum drafting | OBC approved | CfF & FA signed | FBC drafting | FBC submitted | FBC approved | No. of contracts awarded with SV included | BRCD SV reporting to SIB commenced | No of SV points committed in SIB portal | No of SV points delivered in SIB portal |
| 3  | 16  | 12  | 3  | 5  | 4  | 2  | 2  | 4  | 1  |
| ICT Procurement ongoing | ICT awarded | Design stage | Planning submitted | Planning approved | IST Procurement ongoing | Construction/ Fit-out | Operational | Skills Assessments complete | Skills Assessments drafting |

- PEACEPLUS - The Council is delighted to have secured €17.4million (£15.1m) for the delivery of the Belfast PEACEPLUS Local Community Action Plan which comprises of 16 projects, delivered across 3 themes of Community Regeneration & Transformation, Thriving and Peaceful Communities and Celebrating Cultures and Diversity. The Action plan will engage over 17,000 people across the city in a range of activities, which aim to develop Belfast as a compassionate, culturally vibrant, and inclusive city.

A further €13.5million (£11.7m) of PEACEPLUS funding has been secured for transformation plans to regenerate Alexandra Park and the Waterworks in North Belfast. This Reconnected Belfast project will bring communities together and enhance connectivity between the Waterworks and Alexandra Park. The project will develop the parks and surrounding area to create a functional shared space engaging over 7,000 local people.

Both projects are supported through PEACEPLUS, a programme managed by the Special EU Programmes Body (SEUPB).

Through 2025/26 the Council will continue to adopt a pro-active approach to ensure that it responds to the emerging needs of residents and businesses to support communities, businesses and vulnerable people.

In line with all other councils in Northern Ireland and the wider public sector, Belfast City Council is still facing a number of challenges. Public finances are under increasing pressure as a result of ongoing tightening of government spending agendas, inflationary pressures, amongst other challenges. The Council will continue to develop its approach to financial planning to support performance, aligning corporate and service plans with financial plans.

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 accounts were approved by the Chief Finance Officer on 19 December 2025.

The Chief Financial Officer's Responsibilities

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

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

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

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

The Chief Financial Officer is also required to:

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

Annual Governance Statement 2024/2025

The Council's Annual Governance Statement (AGS) follows the Code of Practice on Local Authority Accounting in the UK 2024/25 and comprises the following sections:

- Scope of responsibility
- The purpose of the governance framework
- The governance framework
- Review of effectiveness
- Update on the significant governance issues that were declared last year
- Significant governance issues for the year-end 2025

Scope of responsibility

Belfast City Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for, and is used economically, efficiently and effectively. The Council also has a duty under Part 12 of 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 strategic effectiveness, service quality, service availability, fairness, sustainability, efficiency and innovation.

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

The Council has prepared an Annual Governance Statement, which is consistent with the principles of the new CIPFA/SOLACE Framework *Delivering Good Governance in Local Government (2016 edition)*. This statement explains how the Council has complied with the code and meets the requirements of regulation 4 of the Local Government (Accounts and Audit) Regulations (Northern Ireland 2015) in relation to the publication of an annual governance statement.

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 the 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 services and value for money.

The system of internal control is a significant part of that 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 system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework continues to be in place at Belfast City Council for the year ending 31st March 2025 and up to the date of approval of the Annual Governance Statement

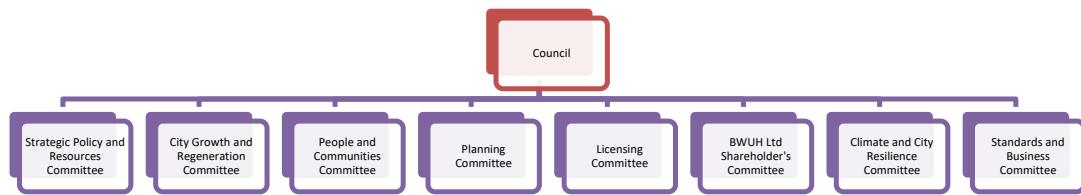
and statement of accounts. The following section sets out the key elements of the governance framework.

The governance framework

Following the expiration of the Coronavirus Act 2020 (Extension of Provisions Relating to Local Authority Meetings) (No. 2) Order (Northern Ireland) 2023 members were required to be physically present at Council and Committee meetings from 7th March 2024 in order to take part in debates and to vote on any issues which may be raised. The Local Government (Remote Meetings) Regulations (Northern Ireland) 2024 were approved by the NI Assembly and became operational from 25 June 2024 which required councils to put in place standing orders governing remote attendance at meetings of council. Belfast City Council approved the Supplement to the Standing Orders, Remote Meetings Protocol and Procedure Rules, on 2nd September 2024. The first remote meeting under the new legislation was Strategic Resources and Policy committee on 20 September 2024.

As working groups and workshops are not decision-making bodies and are not subject to the same legislation, these continue to be held as hybrid meetings.

Our committee structure, which is based on the full council and eight standing committees is illustrated and described below.



Through the work of committees, our Members oversee the work of the council. All committee decisions need to be ratified by the full council except where committees have been granted delegated authority to make decisions.

The full council, which consists of all 60 elected representatives, is the overarching decision-making body.

The Strategic Policy and Resources Committee is responsible for setting the strategic direction of the Council through the development of its corporate plan and other key corporate and cross cutting strategies and policies. It will also ensure effective use of resources and value for money for ratepayers and oversee the Council's relationship with a number of key agencies and partners.

The City Growth and Regeneration Committee is responsible for the development and implementation of strategies, policies, programmes and projects directed to the regeneration and growth of the city in the context of the outcomes agreed in the community and corporate plans and other corporate strategy.

The People and Communities Committee is responsible for the development and implementation of strategies, policies, programmes and projects aimed at improving life at a local level in the context of the outcomes agreed in the community and corporate plans and other corporate strategy.

The Planning Committee is responsible for all the Council's planning functions, except those matters, which are delegated to officers or reserved to full Council.

The Licensing Committee is responsible for the consideration of all matters pertaining to policy and legislation in relation to licensing issues.

The Belfast Waterfront and Ulster Hall Ltd Shareholders' Committee is responsible for making the decisions required by the Shareholders' Agreement and ensure that the company complies with the contract for the operation of the venues.

The Climate and City Resilience Committee is responsible for political oversight of the resilience strategy for Belfast, liaising with Belfast Resilience and Sustainability Board who are responsible for monitoring and delivery with the support of Belfast Climate Commission, supporting a targeted approach through existing structures to those issues which pose the greatest risk to the city, its economy and its people. This includes considering the potential implications of climate change for the city of Belfast and for making recommendations to the Council on Belfast City Council's approach to addressing the climate crisis and Council's role and responsibilities at city level.

The terms of reference of the Standards and Business Committee are to: promote, sustain and safeguard the conduct of Councillors within the Council; promote a collaborative working relationship between senior officers and Members; ensure the probity of all the council's proceedings; and review and improve processes in relation to bringing business before the Council, including review of all Notices of Motion, any review of Standing Orders and the Council's Scheme of Delegation.

In addition to the Committees listed in the diagrams above there are 19 Working Groups established which include the Audit & Risk Panel and four Area Working Groups. In addition, there is a Party Leaders' Consultative Forum.

The Audit & Risk Panel provides an independent assurance on the adequacy of the Council's risk management framework and associated control environment. It provides an independent scrutiny of the Council's financial and non-financial performance, which is relied upon by the Council, to the extent that it exposes it to risk and weakens the control environment. The Panel reports to the Strategic Policy and Resources Committee. The Audit & Risk Panel met four times during 2024/25.

The Council's Code of Governance is based on the seven core principles set out in the CIPFA/SOLACE Framework (2016 edition). How we meet these seven core principles is reviewed and updated annually. A summary of the key elements of our governance framework are set out in the following table:

Our seven principles of good governance

| A: Behaving with integrity | B: Ensuring openness |
|---|--|
| <ul style="list-style-type: none">• Shared values communicated via corporate plan, community plan and key strategies• Codes of conduct for Members and staff• PDP / appraisal process for Members & staff• Gifts and hospitality and conflicts of interest policies and registers in place• Fraud and Raising Concerns policies• Good Relations Unit• Equality and Diversity Framework• Council constitution, standing orders & scheme of delegation• Expert professional advice• Partners and contractors required to comply with relevant policies• Achieving Through People Framework• Standards and Business Committee• Accessibility Statement for the updated website• Social Value Procurement Policy | <ul style="list-style-type: none">• Council / committee meetings open to the public and agendas / minutes on website• Belfast Agenda developed via extensive consultation and engagement.• Corporate plan and annual improvement plan are subject to consultation before agreement• Statement of Community Involvement for production of the Local Development Plan• Ongoing consultation and engagement with staff and trade unions• Corporate communications• Annual financial report published on the BCC website• Equality Screening Outcome reports available through the BCC website• Formal Partnership arrangements with GLL, Active Belfast, arc21, BWUH Ltd, Visit Belfast, Innovation City Belfast• “Your Say” consultation hub• Working with Belfast Region City Deal partners |
| C: Defining outcomes | D: Optimising the achievement of outcomes |
| <ul style="list-style-type: none">• Belfast Agenda outlines long term economic, social and environmental benefits and is refreshed every 4 years• Belfast Region City Deal Investment Plan• Cultural Strategy• Corporate plan outlines the annual contribution to the Belfast Agenda• City Centre Regeneration & Investment strategy• Physical Investment Programme• Grant funding processes• Equality Impact Assessments | <ul style="list-style-type: none">• Corporate plan aligned to delivery of Belfast Agenda• Adoption of the Belfast Local Development Plan (LDP) - Plan Strategy• Key partner in the Belfast Region City Deal• Consultation and engagement processes• Strategic financial management and reporting framework in place.• Performance management framework• Regular reports on progress of our performance improvement plan to CMT and SP&R• Risk management strategy & framework |

| | |
|--|--|
| <p>E: Developing capacity & capability</p> | <p>F: Finance, performance and risk management</p> |
| <ul style="list-style-type: none"> • People Strategy • Achieving Through People Framework • Benchmarking activity • Efficiency programme • Regular performance monitoring of the delivery of improvement objectives • Learning and development policy • Health and wellbeing strategy • Appraisal scheme in place for Chief Officers, Operational Directors / Heads of Service and Senior Managers • PDPs for officers and Members • Member capacity building / training • Continuing Development Programme for members • Party group briefings | <ul style="list-style-type: none"> • Annual Rate Setting process • Financial Strategy • Compliance with CIPFA Financial Management Code • Performance management framework • Treasury Management Strategy • Capital Strategy • Risk management strategy • Corporate risk management framework • Regular reporting of finance, risk and performance • Audit and Risk Panel • Internal audit function / annual internal audit strategy and plan in place • Recommendations Monitor process • Data protection policy and procedures • Corporate Fraud Risk Assessment • Increased data security controls |
| <p>G: Transparency, reporting & effective accountability</p> | |
| <ul style="list-style-type: none"> • BCC website regularly updated • Publication of key reports including the annual financial report; annual governance statement and; performance improvement report • Committee support framework to approve papers prior to submission to Members • AGRS (internal audit) annual assurance statement within the annual governance statement • Internal Audit effectiveness annually reviewed against relevant internal audit standards, with an independent external review every five years • Internal / external audit recommendations followed up as part of recommendations monitoring process every six months • Key governance arrangements in place for the Council's Accountable Body role for the Belfast Region City Deal | |

The Chief Executive is the Council's designated Chief Financial Officer under the Local Government Finance Act (Northern Ireland) 2011, responsible for the proper administration of the Council's financial affairs.

The Council's financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2016).

We have re-assessed our compliance with the principles of the CIPFA Financial Management Code and work ongoing to improve compliance in three areas:

- Governance - the City Solicitor and Director of Legal Services is leading on the update of the Council's Scheme of Delegation and Financial Regulations.
- Integrated Planning – a cross departmental working team is reviewing the current financial and corporate planning processes so that Corporate, Departmental and Service Plans will be aligned with approved estimates for the start of the 2026/27 financial year.
- Investment Planning – the new 8-10 year capital programme should be integrated with the annual rate setting process.

The continuing development of the Council's approach to Medium Term Financial Planning will support performance by better alignment of corporate and service plans with financial plans. Planning beyond the annual budget will enable Members and senior management to protect the financial sustainability of the Council by linking vision and strategy to outcomes.

Having considered all the principles of the CIPFA Code of Practice on Managing the Risk of Fraud and Corruption (2014), subject to the implementation of the Corporate Fraud Risk Action Plans, the Council has adopted a response that is appropriate for its fraud and corruption risks and commits to maintain its vigilance to tackle fraud.

The Council's arrangements conform to the requirements of the new CIPFA Code of Practice for the Governance of Internal Audit in UK Local Government (2025) which apply from 1st April 2025.

The CIPFA Statement on the Role of the Head of Internal Audit (2019) outlines the five principles that set out the organisation's responsibilities to ensure the Head of Internal Audit (HIA) can operate effectively and perform their core duties. The Statement also sets out the core responsibilities of the HIA along with the personal skills and professional standards expected of the HIA. The Head of Audit, Governance and Risk Services (AGRS), and the supporting operational arrangements in place, conform to the five principles set out in the CIPFA Statement. This is demonstrated through a self-assessment exercise undertaken by the Head of AGRS. While the principles state that the HIA should not be responsible for preparing the annual governance report, the arrangements within the council, involve AGRS co-coordinating the preparation of the Annual Governance Statement which is then reviewed and agreed by the Corporate Management Team, Audit Assurance Board and Audit and Risk Panel, before being reviewed by Strategic Policy and Resources committee and signed by the Chair of Strategic Policy & Resources and the Chief Executive.

The Council reported one breach of personal data to the Information Commissioner's Office (ICO) during 2024/25. After further investigation, it was confirmed that there was no personal data breach, and no further action was taken by the ICO.



Review of Effectiveness

The following diagram illustrates the Assurance Framework in place that provides information on compliance with the various elements of the Council's Governance Framework, including performance reports, health and safety reports, finance reports, external audit reports, internal audit reports and risk management report

Continued effort has been put into developing and implementing the key elements of an assurance framework within the Council with the key elements being:

- a process whereby senior managers are required to sign annual assurance statements;
- a process whereby members of CMT are required to sign quarterly assurance statements;
- embedding risk management and developing the arrangements for oversight of the management of these risks;
- business planning and related performance reporting arrangements;
- an Audit and Risk Panel;
- a professional internal audit function, which has been reviewed for effectiveness against the relevant professional standards; and
- a Health & Safety Assurance Board.

The various in year and year-end reports arising from the Assurance Framework are reviewed and approved by the Audit and Risk Panel and Strategic Policy and Resources Committee.

In addition, the review of the effectiveness of the Governance Framework is also informed by:

- the annual review and update of the Code of Governance;
- comments or recommendations made by the external auditors during their annual audit; and
- the Head of Audit Governance and Risk Services (AGRS) annual assurance statement for the period ending 2024/25, which gives an opinion on the Council's risk and control environment.

A Statement by the Head of Internal Audit

As Head of Audit, Governance and Risk Services (AGRS), on the basis of work carried out, I can provide a reasonable assurance regarding the adequacy and effectiveness of the Council's framework of governance, risk management and control.

We developed our audit plan in consultation with management to ensure that our audit work was focused on the areas where assurance was most valuable. Member and management agreement of this plan combined with delivery of the majority of this plan signifies members and managers recognition of the importance of receiving independent assurance over the council's risk, control and governance frameworks and provided me with sufficient evidence to support my assurance statement.

My opinion is based on completion of audits in the audit plan for 24/25; programme and project assurance and advisory work undertaken for a number of fundamental corporate IT projects; other advisory work and; quarterly assurance statements from senior management on compliance with risk management and internal control systems.

Specifically, my opinion is based on the following:

Evidence from areas subject to detailed internal audit during 2024/2025, in that AGRS has been able to provide positive statements of assurance with the majority of audits falling into the 'some improvement needed' category - the 2nd tier of assurance in the 4-tier model.

Provision of assurance and advisory work for major programmes and projects including the new accounting system which went live on 1 May 2024.

The results of the recommendations monitor exercise completed in February 2025.

The work that was undertaken to support management in their quarterly review and update on the management of the corporate risks that could potentially impact on delivery of our corporate plan and priorities.

The work that was undertaken to complete the review of the Corporate Fraud Risk Assessments and to support management in the development of associated fraud risk mitigation plans.

Quarterly assurances from senior management on the management of key risks and maintenance of internal control systems.

The evidence set out in the review of the Council's Code of Governance and Annual Governance Statement regarding the range of key assurance and governance arrangements that the Council has in place to direct / oversee its activities.

However, some weaknesses and areas for improvement have been identified through audit work. These have been reported in detail to the Council's Audit Assurance Board and Audit and Risk Panel during 2024/25 through quarterly progress reports. In addition, I have highlighted, where appropriate, where further action is required to implement agreed audit actions. The key issues I would highlight in this statement are as follows:

AGRS was able to provide positive statements of assurance in the majority of audits completed in 2024/25, however one area resulted in 'major improvement' assurance level, relating to Communications, Marketing and External Affairs. It is important that the action plan for this audit is implemented in as timely a manner as possible.

The Asset Management gap analysis reported to the Panel in December 2024, set out improvement actions that should enable the Council to manage its substantial asset base in a way that should ensure the maximum contribution to delivery of corporate objectives. It is important that an agreed approach to improving asset management is developed and implemented.

The most recent recommendations monitor exercise completed in February 2025, showed a reduction in the implementation rate for audit actions. An analysis into the reasons for this reduction is underway and it is important that appropriate action is taken to ensure that there is a robust control environment to support delivery of services, programmes and priorities.

Departmental risk management processes were reintroduced during 2024/25, with each Director agreeing the risk management framework that was appropriate for their department. Departmental risk management frameworks take account of risk management processes for health and safety, programmes and projects, fraud etc. I underline the importance of Directors ensuring that these risk management frameworks are implemented effectively.

Looking ahead, I highlight the importance of the ongoing development of the council's approach to medium term financial planning and adequate and effective programme management and performance management processes to support the delivery of the new corporate plan and priorities for 2025-28.

Limitations – the most recent External Quality Assessment (EQA) of AGRS found strong evidence that AGRS is viewed as making a positive contribution to the continuous improvement of governance, risk management and internal control in the Council and conforms to the requirements of the Public Sector Internal Audit Standards. One of the recommendations for improvement arising from the EQA was that my annual assurance report should highlight the limitations that result from AGRS' role in supporting the Council's risk management arrangements. In this regard I highlight that AGRS is responsible for assisting the Director in establishing, maintaining and supporting the implementation of the council's Risk Management Strategy. This places limitations on AGRS' ability to assess the overall effectiveness of the Council's risk management arrangements. To manage these limitations and to preserve the independence and objectivity of AGRS a number of safeguards have been put in place including resource planning to manage boundaries between our advisory and assurance work; self-assessments against best practice and periodic external assurance reviews of the councils' arrangements for risk management.

Public Sector Internal Audit Standards

I can confirm that the AGRS Service has conformed to Public Sector Internal Audit Standards during 2024/25. A quality assurance and improvement programme is in place including internal review of

work, annual assessment against professional standards, quarterly progress and performance reporting to the Assurance Board and Audit & Risk Panel. An external quality assessment of AGRS took place in 2022 and this confirmed the Service's compliance with professional standards.

As of 1st April 2025, the new Global Internal Audit Standards (GIAS) and the Application Note for the Public Sector came into effect and replaced the Public Sector Internal Audit Standards (PSIAS). I have completed an initial assessment of AGRS conformance with the new GIAS and I can confirm that AGRS conforms with these standards.

Update on the Significant Governance Issues that were declared last year

Four issues were declared last year and two continue to be declared as issues in this year's statement regarding Digital Information Security and the Brexit Implementation Programme for Port Health. The issues relating to Financial Planning and the Black Mountain Shared Space Non-Compliance Issue are no longer considered to be significant governance issues for the year ended 31st March 2025 and an update on the work that was completed last year to manage these issues is set out below.

Financial Planning

The 5-step strategy was stood down for 2024/25 however, during the year, regular monitoring and reporting on actual spend against budget spend, as well as forecast spend against annual budget was carried out. This provided the council with assurance that the financial position of the Council was secure.

Contract savings achieved during the 24/25 financial year were incorporated into the 25/26 rate setting process, and although the increase in the district rate was above inflation, this was to allow for additional growth in services and capital spend and not because of a shortfall in the budget position.

This no longer remains a significant issue for 2025/26.

Black Mountain Shared Space Non-Compliance Issue

In 2024-25, the Director of Property and Projects have strengthened and ensured that adequate management and control systems are in place to ensure full compliance with all European Union grant funding conditions to prevent any reoccurrence of losses from fines. The Director has agreed additional management step and controls to be built in for above threshold capital projects funded by the Special European Union Programmes Body (SEUPB) or any other European funding source, such as:

- procurement strategy must include a section on the requirement to advertise in the Official Journal of the European Union as necessary;
- prior to commencement of procurement, written approval of the procurement strategy must be secured from the funding body as well as the Project Board;
- the Programme Delivery Manager must confirm to the Portfolio Office that the funding body has approved the procurement strategy prior to requesting the commencement of the procurement exercise, both for construction professionals and contractors; and
- the Portfolio Office to ensure this confirmation has been received before publishing any procurement exercise.

Furthermore, the Council has received SEUPB funding for both Belfast Local Community PEACE Action Plan and PEACEPLUS Reconnected Belfast which will deliver infrastructure projects and investments

to local community activities. The Director will ensure that these projects will comply with the set funding terms and conditions, and lessons learned on the above governance issue will be considered.

Significant Governance Issues for the year ended 31 March 2025

The significant governance issues for the year ended 31 March 2025 were identified through review of the risks in the Corporate Risk Register and review of the Directors' Annual Assurance Statements.

The most significant issues for the Council are listed below and relate to two issues which have been carried forward from last year:

1. Digital Information Security / Digital Strategy
2. Brexit Implementation Programme for Port Health
3. Bank Reconciliations

More information on these significant governance issues is provided on the following pages.

1. Digital Information Security / Digital Strategy

Digital information security continues to be a significant governance issue and is overseen through the Council's risk management processes by the Council's Corporate Management Team. Digital Services has implemented the following controls to manage and have better visibility of the growing threats in this area:

- Completion of penetration tests and vulnerability scans.
- Completion of Payment Card Industry Data Security Standard attestation.
- Ongoing delivery of a Security Awareness programme through regular five-minute online training modules on a range of issues that pose a cyber risk for our network.
- Unannounced phishing tests.
- Public Key Infrastructure to enhance network access control.
- Always-On Virtual Private Network to ensure all homeworking access is managed through our security infrastructure.
- Mobile device management using Microsoft Intune being rolled out for all new mobile phones.
- Completion of firewall upgrades.
- Draft Ransomware incident response playbook.
- Cloud services access report reviewed by Security Oversight Group.
- Completion of separate cyber security desktop exercises for response to a ransomware incident for Digital Services, critical services and the Corporate Management Team.

The Digital information Security programme will continue to focus on priority areas that are most important to enhance the council's cyber security controls, including:

- Cyber security incident response.
- Identity management.
- Cloud strategy.
- Maturity assessment priorities.

Additional actions to be undertaken to further mitigate this key corporate risk in 2025/26 include:

- Carry out a new Cyber Security desktop Exercise.
- Ongoing Ransomware Playbook development.
- Managed Security Operations Centre procurement.

- Carry out NCSC Cyber Assessment Framework self and external assessments.

An internal audit highlighted issues with the management of the corporate risk on the strategic approach to the use of data, including future ownership of this risk. A Data and Analytics Board chaired by the Deputy Chief Executive / Strategic Director of Corporate Services has been established and has focused on:

- The development of technical infrastructure to support a corporate approach to Data & Analytics.
- Preparing a pipeline of data and analytics use cases.
- Developing an AI policy.
- Developing an Outline Business Case for the implementation of a corporate approach to the implementation of an Electronic and Document Records Management system.

Our new Digital Strategy with the vision to make the best use of digital and data to deliver excellent public services and inclusive growth in the Belfast City Region is supported through the delivery of a digital programme of work. The main objectives of the Digital Strategy relate to Digital Public Services; Information as an Asset; Digital City Innovation and Digital Capability.

ICT capability is an intrinsic pillar of the overall operating model of the Council, and it is important that we have the right skills within Digital Services and across the Council. Attracting new talent is proving problematic across the service but particularly in specialist areas such as Cyber Security and Application Development. In 24-25 Digital Services:

- Established a workforce planning group to review and determine future skills and development needs across the service.
- Focused on successfully recruiting external staff into entry level posts with a view to developing staff with the right skills required for the service.
- Successfully recruited 18 posts including our first apprentice post.

Additional actions are still required due to the high number of vacancies that still exist in the service. The following actions are planned to be carried out to mitigate this risk in 25-26 include:

- Carrying out a salary benchmark of the roles in Digital Services.
- Procuring managed Security Operations Centre services to enhance the cyber security team.
- Keeping a strong focus on recruitment and retention of staff.

2. Brexit Implementation Programme for Port Health

Engagement has continued at strategic and operational levels with partners including Food Standards Agency (FSA), Department of Agriculture, Environment and Rural Affairs (DAERA) and Department for Environment, Food and Rural Affairs (DEFRA) across all key strands of work to implement the changes, processes, systems and facilities required for delivery of the Council's Port Health statutory functions, including delivery of the Windsor Framework. This has included:

- Funding model: The Council has continued to advocate for a longer-term funding model for the provision of Port Health services. A further one-year funding arrangement is planned for 2025/26 however we are aware that a further four-year funding package is under consideration. It remains unclear when or if this will be confirmed. There is also no confirmation from Government whether fees and charges for checks / inspections will form part of the longer-term funding model.

- New Sanitary and Phytosanitary Inspection (SPS) inspection facility at Belfast Port: The Council has participated in the DEFRA SPS Facilities Board and Steering Groups which leads on construction and Go Live planning for operationalisation of the new inspection facilities in July 2025. The Council has developed its own Go Live plan in consultation with partners for transition to the new facility. This will be further developed as Standard Operating Procedures; risk assessments and detailed timelines are confirmed by DEFRA.
- IT systems: The Council has worked closely with DAERA and other Councils to enhance the DAERA IT systems provided to Council to streamline the process for recording of checks and inspections, and to move towards a more efficient one system approach which will be required when these services are co-located on the new inspection facility site. This work will continue in 2025/26.
- Staffing: A number of recruitment exercises have been completed in 2024/25 which has reduced the number of vacancies within the teams. However, challenges remain in securing sufficient Environmental Health Officers and a small number of vacant posts remain. Going forward, there remains uncertainty over future trade volumes which may be impacted further by introduction of latter phases of the Windsor Framework arrangements, and this may impact future resourcing requirements for the service. It is anticipated that further review will be required in the future to confirm the longer-term staffing requirements and structures.

In 2025/26, this remains a significant governance issue for the Council due to lack of clarity regarding future funding models, trade volumes and resourcing requirements particularly in the context of the announcement in May 2025 relating to the UK and EU discussions regarding a future sanitary and phytosanitary (SPS) agreement. The move to a new inspection facility in summer of 2025 also poses risks to the Council's service delivery as it relies on effective staff resourcing, traffic management and operations management by the operator (DAERA), together with efficient service delivery by users (including Belfast City Council's Port Health service).

In each of these areas the Council will continue to engage with partners to:

- Advocate for a longer-term funding model.
- Ensure plans for transition to the new inspection facility are robust and effectively implemented in Summer 2025.
- Transition to the newly developed IT systems to improve joint working.
- Undertake recruitment campaigns to fill priority vacant posts.
- Following the announcement in May 2025 arising from UK and EU discussions, as more information becomes known, assess the impact of the future SPS agreement on Port Health arrangements.

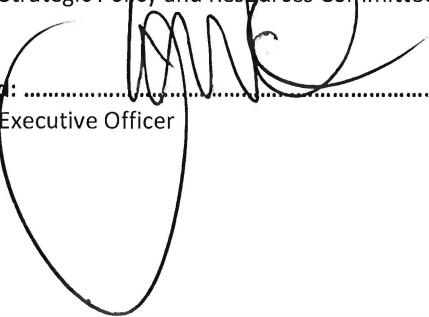
3. Bank Reconciliations

The migration to a new finance system took place in May 2024. Several issues arose on migration to the new finance system in relation to bank reconciliations and clearing of unreconciled items. This combined with incorrect configuration of bank rules in the new finance system created an increasing volume of unreconciled banking transactions which at 31 March 2025 remained outstanding.

Actions have been implemented to address configuration of bank rules to maximise automatic clearing of transactions and training has been undertaken to ensure correct reconciliation coding to facilitate timely clearing of unreconciled items. Strengthened management and control systems are being developed for escalation of any issues surrounding unallocated income with monthly reports to management on volume and aging of uncleared items. These measures, combined with resolution

of issues on migration to a new finance system, should prevent recurrence for the 2026 year-end bank reconciliations.

Signed: 
Chair Strategic Policy and Resources Committee

Signed: 
Chief Executive Officer

Date: 19/12/2025

Belfast City 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, which came into operation on 1 October 2019.

Guidance and determinations on Councillors' Allowances applicable from 1 April 2024 were issued by the Department for Communities on 9 December 2024 (Circular LG 15/2024). Details of the allowances paid to individual Councillors are published on Council websites.

Following local elections on 18 May 2023, 462 Councillors were elected to the 11 new Councils for a four year term. Belfast City Council has 60 elected Members representing 10 District Electoral Areas in 2024/25.

SENIOR EMPLOYEES

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

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 was:

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

| Allowance | 2024/25 | | 2023/24 | |
|----------------------------------|-----------------------|---|-----------------------|--|
| | Total Allowances £ | Number of Councillors receiving the Allowance (FTE) | Total Allowances £ | Number of Councillors receiving the Allowance restated (FTE) |
| Basic Allowance | 1,049,366 | 60 | 929,294 | 60 |
| Special Responsibility Allowance | 125,630 | 30 | 113,581 | 28 |
| Lord Mayor Allowance | 34,800 | 1 | 34,800 | 1 |
| Deputy Lord Mayor Allowance | 6,250 | 1 | 6,029 | 1 |
| PCSP Allowance | 10,860 | 26 | 11,100 | 27 |
| High Sheriff's Allowance | 6,250 | 1 | 6,250 | 1 |
| Fees & Travel | 9,572 | 13 | 1,890 | 4 |
| Mileage Allowance | 1,381 | 9 | 1,399 | 9 |
| Accommodation & Subsistence | 8,154 | 12 | 1,657 | 1 |
| TOTAL ALLOWANCES | 1,252,263 | | 1,106,000 | |

Details of the allowances paid to individual Councillors in 2024/25 are published on the Council website at www.belfastcity.gov.uk/council/your-council/councillors-allowances

The above table provides further information and details on the allowances paid to Councillors to that published on the Council website.

Details of the current Councillors can be found on the Council website.

REMUNERATION OF SENIOR EMPLOYEES

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

Table 2 - Table 2: Remuneration (including salary) [audited information]

| Officers | 2024/25 | | | | 2023/24 | | | |
|---|--|----------------------|------------------------|-------------|--|----------------------|------------------------|-----------------|
| | Salary (Full year equivalent in brackets where applicable) £'000 | Bonus Payments £'000 | Benefits in kind £'000 | Total £'000 | Salary (Full year equivalent in brackets where applicable) £'000 | Bonus Payments £'000 | Benefits in kind £'000 | Total £'000 |
| Chief Executive - John Walsh* | 150-155 | | | 150-155 | 155-160 | | | 155-160 |
| Deputy Cx / Strategic Dir of Corporate Services) - Sharon McNicholl** | 120-125 | | | 120-125 | 75-80 (115-120) | | | 75-80 (115-120) |
| Director of City and Organisational Strategy - John Tully | 115-120 | | | 115-120 | 115-120 | | | 115-120 |
| Strategic Director of City Operations - David Sales*** | 120-125 | | | 120-125 | 45-50 (115-120) | | | 45-50 (115-120) |
| Strategic Director of Place and Economy - Damien Martin **** | 115-120 | | | 115-120 | 25-30 (115-120) | | | 25-30 (115-120) |
| City Solicitor - Nora Largey | 115-120 | | | 115-120 | 110-115 | | | 110-115 |
| Director Operational of Physical Programmes - Sinead Grimes | 105-110 | | | 105-110 | 100-105 | | | 100-105 |
| Director of External Affairs, Marketing & Comms - Lisa Caldwell***** | 0 | | | 0 | 40-45 (100-105) | | | 40-45 (100-105) |
| Director of Human Resources - Christine Sheridan | 105-110 | | | 105-110 | 100-105 | | | 100-105 |
| Director of Finance - Trevor Wallace | 105-110 | | | 105-110 | 100-105 | | | 100-105 |
| Director of Ext Affairs, Comms & Market - Eunan McConville***** | 100-105 | | | 100-105 | 30-35 (95-100) | | | 30-35 (95-100) |

*The 2023/24 comparative figure includes payments in respect of duties as Deputy Returning Officer during elections in May 2023

** Sharon McNicholl appointed Deputy Chief Executive on 31 July 2023

***David Sales appointed to this post on 6 November 2023

****Damien Martin appointed to this post on 1 January 2024

*****Lisa Caldwell left on 31 August 2023

*****Eunan McConville appointed to this post on 4 December 2023

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

The banded remuneration of the highest paid member of the Corporate Management Team at 31 March 2025 was £150k-155k. This was 4.98 times the median remuneration of the workforce, which was £31,067.

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

| | 2024/25 £'000 | 2023/24 £'000 |
|---|------------------|------------------|
| Salary Band of Highest Paid member of the CMT | 150-155 | 155-160 |
| Median Total Remuneration | 31.1 | 30.8 |
| Ratio | 4.98 | 5.07 |

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

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

Salary and Benefits in Kind:

"Salary" includes gross salary and any ex gratia payments.

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 voluntary redundancies as agreed under the Council's voluntary redundancy scheme 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 in each Cost Band | Total Cost of Packages in each Cost Band £'000 | Number of Compulsory Redundancies | Number of Other departures agreed | Total Number of Exit Packages in each Cost Band | Total Cost of Packages in each Cost Band £'000 |
| £0 - £20,000 | 0 | 1 | 1 | 2 | 0 | 0 | 0 | 0 |
| £20,001 - £40,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| £40,001 - £60,000 | 0 | 0 | 0 | 0 | 0 | 1 | 1 | 59 |
| £60,001 - £80,000 | 0 | 1 | 1 | 65 | 0 | 0 | 0 | 0 |
| £80,001 - £100,000 | 0 | 0 | 0 | 0 | 0 | 2 | 2 | 174 |
| £100,001 - £150,000 | 0 | 2 | 2 | 254 | 0 | 1 | 1 | 150 |
| £150,001 - £200,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| £200,001 - £250,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 0 | 4 | 4 | 321 | 0 | 4 | 4 | 383 |

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.

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

Councillors have been able to join the Scheme since May 2011. The Scheme application is modified to reflect the fact that councillors hold an elected office. Councillor members have always accrued pension on a career average basis. Prior to 1 April 2015 pension was accrued at a rate of 1/60th and thereafter at a rate of 1/49th.

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

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

Table 5: Employee Contribution Rates

| Band | Range | Employee Contribution Rate |
|-------------|--------------------|-----------------------------------|
| 1 | £0 - £18,000 | 5.50% |
| 2 | £18,001 - £27,700 | 5.80% |
| 3 | £27,701 - £46,300 | 6.50% |
| 4 | £46,301 - £56,300 | 6.80% |
| 5 | £56,301- £111,700 | 8.50% |
| 6 | More than £111,700 | 10.50% |

Employers' contribution rates are determined by the fund's actuary every three years at the triennial valuation. Contribution rates for the 2024/25 year were set from the formal triennial actuarial valuation of the Fund as at 31 March 2022 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 have been able to join the Scheme since May 2011 and therefore have not accrued significant benefits thus far. However, the in-year pension contributions made by the Council for all Councillors during 2024/25 was £191,914 (2023/24 £190,397).

The value of pension benefits of the most senior management of the Council accrued during the year was as follows:

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

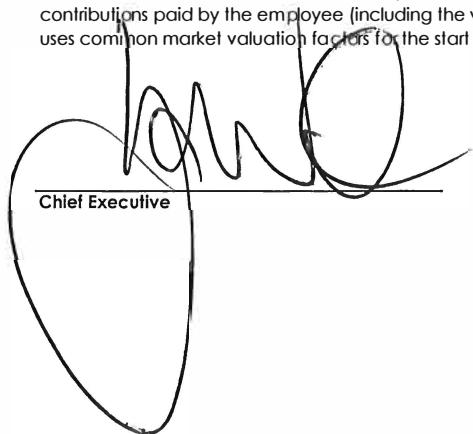
| Officers | Accrued Pension and Related Lump Sum (LS) at pension age as at 31/03/25 £'000 | Real Increase in pension and related lump sum at pension age £'000 | CETV at 31/03/25 £'000 | CETV at 31/03/24 £'000 | Real Increase in CETV £'000 |
|--------------------|---|--|------------------------|------------------------|-----------------------------|
| John Walsh | 70-75 | 5-7.5 | 1,550 | 1,354 | 157 |
| | 90-95 (LS) | 2.5-5 (LS) | | | |
| Sharon McNicholl | 0-5 | 2.5-5 | 63 | 24 | 26 |
| | | | | | |
| John Tully | 35-40 | 2.5-5 | 591 | 509 | 62 |
| | | | | | |
| David Sales | 5-10 | 2.5-5 | 99 | 58 | 27 |
| | | | | | |
| Damien Martin | 20-25 | 2.5-5 | 321 | 263 | 41 |
| | | | | | |
| Nora Largey | 35-40 | 5-7.5 | 633 | 493 | 119 |
| | 20-25 (LS) | 0-2.5 (LS) | | | |
| Sinead Grimes | 35-40 | 2.5-5 | 665 | 571 | 75 |
| | 25-30 (LS) | 0-2.5 (LS) | | | |
| Christine Sheridan | 45-50 | 5-7.5 | 973 | 795 | 156 |
| | 60-65 (LS) | 0-2.5 (LS) | | | |
| Trevor Wallace | 45-50 | 2.5-5 | 986 | 858 | 105 |
| | 60-65 (LS) | 0-2.5 (LS) | | | |
| Eunan McConville | 0-5 | 0-2.5 | 34 | 8 | 17 |
| | | | | | |

The Cash Equivalent Transfer Value (CETV)

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

The real increase in the value of the CETV

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



Date: 19/12/2025

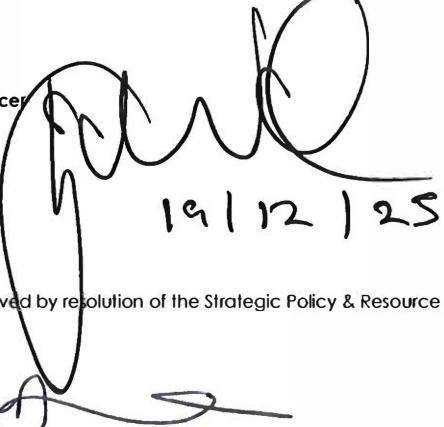
Certificate of the Chief Financial Officer

I certify that:

- (a) The Statement of Accounts for the year ended on pages 43 to 118 has been prepared in the form directed by the Department for Communities and under the accounting policies set out on pages 47 to 59 and page 107.
- (b) in my opinion the Statement of Accounts gives a true and fair view of the income and expenditure and cash flows for the financial year and the financial position as at the end of the financial year ending 31st March 2025.

Chief Financial Officer

Date



19/12/2025

These accounts were approved by resolution of the Strategic Policy & Resource Committee on 19 December 2025.

Chairperson

Date



19/12/2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BELFAST CITY COUNCIL

Opinion on financial statements

I have audited the financial statements of Belfast City Council and its group 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, together with the Group Accounts 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 Belfast City Council and its group 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 Belfast City Council in accordance with the ethical requirements of the Financial Reporting Council's Ethical Standard and have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

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

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Belfast City Council's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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

Other Information

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

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

I have nothing to report in this regard.

Opinion on other matters

In my opinion, based on the work undertaken in the course of the audit: the part of the Remuneration Report to be audited has been properly

prepared in accordance with the Department for Communities' directions made under the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015; and

the information given in the Statement of Accounts for the financial year ended 31 March 2025 is consistent with the financial statements.

Matters on which I report by exception

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

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

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

Responsibilities of the Chief Financial Officer for the financial statements

As explained more fully in the Statement of Council's and Chief Financial

Officer's Responsibilities, the Chief Financial Officer is responsible for:

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

Auditor's responsibilities for the audit of the financial statements

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

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to Belfast City Council through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included the Code of Practice on Local Authority Accounting in the United Kingdom 2024-25, the Local Government (Accounts and Audit) Regulations (Northern

Ireland) 2015 and the Department for Communities' directions issued thereunder;

- making enquires of management and those charged with governance on Belfast City Council's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of Belfast City Council's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in the following areas: management override of controls 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;
- communicating with component auditors to request identification of any instances of non-compliance with laws and regulations that could give rise to a material misstatement of the group financial statements;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading council and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;

- addressing the risk of fraud as a result of management override of controls by:
 - performing analytical procedures to identify unusual or unexpected relationships or movements;
 - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
 - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
 - investigating significant or unusual transactions made outside of the normal course of business; 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. This description forms part of my certificate.

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

Certificate

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



*Brian O'Neill
Local Government Auditor
Northern Ireland Audit Office
106 University Street
BELFAST
BT7 1EU*

23 January 2026

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Belfast City Council

Movement in Reserves Statement for the year ended 31 March 2025

The Movement in Reserves Statement shows the movement from the start of the year to the end on the different reserves held by the authority, analysed into 'usable reserves' (ie those that can be applied to fund expenditure or reduce local taxation) and 'unusable reserves'. The Statement shows how the movements in year of the Council's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustment required to return to the amounts chargeable to council tax for the year. The net "Increase/(Decrease)" line shows the statutory General Fund Balance movements in the year following those adjustments.

| | General Fund Summary | Other Fund Balances and Reserves | Capital Receipts Reserves (inc deferred and unapplied) | Total Usable Reserves | Total Unusable Reserves | Total Council Reserves |
|--|----------------------|----------------------------------|--|-----------------------|-------------------------|------------------------|
| | Restated £ | £ | £ | £ | Restated £ | £ |
| Balance as at 1 April 2023 | 58,815,944 | 28,329,227 | 642,458 | 87,787,629 | 763,415,446 | 851,203,075 |
| Movement in reserves during the year | | | | | | |
| Surplus/ (Deficit) on the provision of services | (5,785,711) | - | - | (5,785,711) | - | (5,785,711) |
| Other Comprehensive Income and Expenditure | - | - | - | - | 3,509,775 | 3,509,775 |
| Total Comprehensive Income and Expenditure | (5,785,711) | - | - | (5,785,711) | 3,509,775 | (2,275,936) |
| Adjustments between accounting basis & funding under regulations | 5,862,150 | 9,450 | 216,000 | 6,087,600 | (872,414) | 5,215,186 |
| Net increase before transfers to Statutory and Other Reserves | 76,439 | 9,450 | 216,000 | 301,889 | 2,637,361 | 2,939,250 |
| Transfers to / from Statutory and Other Reserves | 406,628 | (406,628) | - | - | - | - |
| Other movements | - | - | (129,450) | (129,450) | (853,000) | (982,450) |
| Increase/ (Decrease) in year | 483,067 | (397,178) | 86,550 | 172,439 | 1,784,361 | 1,956,800 |
| Balance as at 31 March 2024 | 59,299,011 | 27,932,049 | 729,008 | 87,960,068 | 765,199,807 | 853,159,875 |
| Movement in reserves during the year | | | | | | |
| Surplus/ (Deficit) on the provision of services | 921,477 | - | - | 921,477 | - | 921,477 |
| Other Comprehensive Income and Expenditure | - | - | - | - | 25,446,123 | 25,446,123 |
| Total Comprehensive Income and Expenditure | 921,477 | - | - | 921,477 | 25,446,123 | 26,367,600 |
| Adjustments between accounting basis & funding under regulations | 3,895,124 | 1,261,786 | 5,962,500 | 11,119,410 | (9,225,219) | 1,894,191 |
| Net increase before transfers to Statutory and Other Reserves | 4,816,601 | 1,261,786 | 5,962,500 | 12,040,887 | 16,220,904 | 28,261,791 |
| Transfers to / from Statutory and Other Reserves | 146,254 | (146,254) | - | - | - | - |
| Other movements | 309,202 | - | (1,753,630) | (1,444,428) | 103,953 | (1,340,475) |
| Increase/ (Decrease) in year | 5,272,057 | 1,115,532 | 4,208,870 | 10,596,459 | 16,324,858 | 26,921,317 |
| Balance as at 31 March 2025 | 64,571,068 | 29,047,581 | 4,937,878 | 98,556,527 | 781,524,665 | 880,081,192 |

Belfast City Council

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

The Comprehensive Income and Expenditure Statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. Councils raise taxation to cover expenditure in accordance with statutory requirements; this may be different from the accounting cost. The taxation position is shown in both the Expenditure and Funding Analysis (Note 2) and the Movement in Reserves Statement.

| Service Expenditure | Note | 2024/25 | | | 2023/24 | | |
|--|------|---------------------|----------------------|--------------------|--------------------|----------------------|--------------------|
| | | Gross Expenditure | Gross Income | Net Expenditure | Gross Expenditure | Gross Income | Net Expenditure |
| | | £ | £ | £ | Restated £ | Restated £ | Restated £ |
| Strategic Policy & Resources | 2 | 110,265,101 | (54,102,376) | 56,162,725 | 94,713,172 | (33,098,855) | 61,614,317 |
| City Growth & Regeneration | 2 | 62,250,793 | (29,644,238) | 32,606,555 | 47,429,133 | (18,164,896) | 29,264,237 |
| People & Communities | 2 | 148,141,633 | (23,818,216) | 124,323,417 | 146,988,485 | (23,348,487) | 123,639,998 |
| Planning & Licensing | 2 | 10,288,097 | (7,103,184) | 3,184,913 | 9,755,547 | (6,336,033) | 3,419,514 |
| Cost of Services on Continuing Operations | | 330,945,624 | (114,668,014) | 216,277,610 | 298,886,337 | (80,948,271) | 217,938,066 |
| Other Operating Expenditure/ Income | 8 | 5,992,173 | (9,902,865) | (3,910,692) | 137,193 | (5,840,643) | (5,703,450) |
| Financing and Investment Income and Expenditure | 9 | 1,247,095 | (8,876,526) | (7,629,431) | 1,620,218 | (9,532,097) | (7,911,879) |
| (Surplus) or Deficit on Discontinued Operations | | | | - | | - | - |
| Net Operating Expenditure | | 338,184,892 | (133,447,405) | 204,737,487 | 300,643,748 | (96,321,011) | 204,322,737 |
| Taxation and Non-Specific Grant Income | 10 | 2,788,459 | (208,447,423) | (205,658,964) | 897,462 | (199,434,488) | (198,537,026) |
| (Surplus)/Deficit on the Provision of Services | | 340,973,351 | (341,894,828) | (921,477) | 301,541,210 | (295,755,499) | 5,785,711 |
| (Surplus)/Deficit on revaluation of non-current assets | 11 | | | (24,562,123) | | | (19,659,775) |
| Impairment losses on non-current assets charged to the Revaluation Reserve | 11 | | | - | | - | - |
| Surplus/(Deficit) arising on revaluation of available-for-sale financial assets | 11 | | | - | | - | - |
| Remeasurements of the Net Defined Benefit Liability (Asset) | 20 | | | (884,000) | | | 16,150,000 |
| Share of Other Comprehensive Expenditure & Income of associates and joint ventures | 29 | | | - | | - | - |
| Other Comprehensive Income and Expenditure | | (25,446,123) | | | | (3,509,775) | |
| Total Comprehensive Income and Expenditure | | | (26,367,600) | | | | 2,275,936 |

Belfast City Council

Balance Sheet as at 31 March 2025

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Council. The net assets of the Council (assets less liabilities) are matched by the reserves held by the Council. Reserves are reported in two categories. The first category is 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 is unusable reserves, 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 & funding basis under regulations'.

| | | 31st March 2025 | 31st March 2024 |
|---|--------|--------------------|--------------------|
| | Note | £ | £ |
| Fixed Assets | 11 | 903,680,574 | 886,802,159 |
| Long Term Investments | | - | - |
| Investment in Associates and Joint Ventures | 29 | 3,436,859 | 3,436,859 |
| Long Term Debtors | 15 | 276,161 | 936,759 |
| Contract Assets | | - | - |
| Contract Costs | | - | - |
| LONG TERM ASSETS | | 907,393,594 | 891,175,777 |
| Short Term Investments | | - | - |
| Inventories | 14 | 222,543 | 220,813 |
| Short Term Debtors | 15 | 28,348,917 | 45,276,406 |
| Cash and Cash Equivalents | 24 | 57,539,430 | 13,499,122 |
| Assets Held for Sale | 11 | 2,650,001 | 5,770,001 |
| Contract Assets | 3, 15 | 486,489 | 556,847 |
| Contract Costs | | - | - |
| CURRENT ASSETS | | 89,247,380 | 65,323,189 |
| Bank Overdraft | 24 | - | - |
| Short Term Borrowing | 16 | 4,512,476 | 5,375,701 |
| Short Term Creditors | 17 | 68,594,155 | 50,414,704 |
| Provisions | 18 | 3,593,301 | 4,265,735 |
| Contract Liabilities | 17 | - | 35,000 |
| CURRENT LIABILITIES | | 76,699,932 | 60,091,140 |
| Long Term Creditors | 17 | 1,020,343 | 11,778 |
| Provisions | 18 | 1,844,093 | 1,844,093 |
| Long Term Borrowing | 16 | 28,633,163 | 33,145,642 |
| Other Long Term Liabilities | 20 | 6,154,942 | 7,068,942 |
| Contract Liabilities | | - | - |
| Donated Assets Account | 21 | 1,914,576 | 443,856 |
| Capital Grants Receipts in Advance | 21, 22 | 292,732 | 733,640 |
| LONG TERM LIABILITIES | | 39,859,849 | 43,247,951 |
| NET ASSETS | | 880,081,193 | 853,159,875 |
| USABLE RESERVES | | | |
| Capital Receipts Reserve | 25 | 4,139,224 | 729,008 |
| Deferred Capital Receipts | 25 | 665,000 | - |
| Capital Receipts Unapplied | 25 | 111,725 | - |
| Capital Grants Unapplied | 25 | 21,929 | - |
| Capital Fund | 25 | 16,607,146 | 14,409,960 |
| Leisure Mobilisation Fund | 25 | 534,521 | 534,521 |
| Neighbourhood Regeneration Fund | 25 | 9,906,334 | 10,052,018 |
| Other Balances and Reserves | 25 | 1,999,580 | 2,935,552 |
| General Fund | 25 | 64,571,068 | 59,299,011 |
| | | 98,556,527 | 87,960,070 |
| UNUSABLE RESERVES | | | |
| Capital Adjustment Account | 26 | 530,276,689 | 526,101,099 |
| Revaluation Reserve | 26 | 259,650,318 | 248,325,740 |
| Pensions Reserve | 26 | (6,154,942) | (7,068,942) |
| Accumulated Absences Account | 26 | (2,243,204) | (2,153,896) |
| Provisions Discount Rate Reserve | 26 | (4,196) | (4,196) |
| | | 781,524,666 | 765,199,805 |
| NET WORTH | | 880,081,193 | 853,159,875 |

Belfast City Council**Cash Flow Statement at 31 March 2025**

The Cash Flow Statement shows the changes in cash and cash equivalents of the Council during the reporting period. The statement shows how the Council generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Council are funded by way of taxation and grant income or from the recipients of services provided by the Council. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Council's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Council.

| | | 2024/25 | 2023/24 Restated |
|---|------|-------------------|---------------------|
| | Note | £ | £ |
| Surplus/(Deficit) on the Provision of Services | | 921,477 | (5,785,711) |
| Adjustment for non-cash movements | 24 | 64,476,592 | 24,900,871 |
| Adjust for items included in the (Surplus)/Deficit on the Provision of Services that are investing and financing activities | 24 | (10,670,399) | (5,948,531) |
| Net cash flows from operating activities | | 54,727,670 | 13,166,629 |
| Cash flows from Investing Activities | 24 | (5,311,658) | (13,547,607) |
| Net Cash flows from Financing Activities | 24 | (5,375,704) | (5,260,562) |
| Net increase or decrease in cash and cash equivalents | | 44,040,308 | (5,641,540) |
| Cash and cash equivalents at the beginning of the reporting period | 24 | 13,499,122 | 19,140,662 |
| Cash and cash equivalents at the end of the reporting period | | 57,539,430 | 13,499,122 |

Belfast City Council
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2025

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.

Summary of Significant Accounting Policies

i) Accruals of Income and Expenditure

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

- Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract.

- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.

- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.

- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.

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

ii) Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in six months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

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

iii) Contingent Assets

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

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

iv) Contingent Liabilities

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

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

v) **Employee Benefits**

Short-term employee benefits are those due to be settled wholly within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g. cars) for current employees, and are recognised as an expense in the year in which employees render service to the Council. An accrual is made for the cost of holiday entitlements (or any form of leave, e.g. time off in lieu) earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is made at the applicable wage and salary rate. 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

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

The Northern Ireland Local Government Officers' Pension Fund

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

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

Liabilities are discounted to their value at current prices, using a discount rate based on the Aon 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
- unitised securities – current bid price

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

Within the Cost of Services

Current Service Cost – the increase in the present value of the defined benefit obligation (liabilities) resulting from employee service in the current period.

Past Service Cost – (where applicable) the change in the present value of the defined benefit obligation for employee service in prior periods, resulting from a scheme amendment (the introduction or withdrawal of, or changes to, a defined benefit scheme) or a curtailment (a significant reduction in the number of employees covered by the scheme).

Any Gains or Losses on Settlement – (where applicable) arising where a council enters into a transaction that eliminates all further legal or constructive obligations for part or all of the benefits provided under a defined benefit scheme.

Within Financing and Investment Income and Expenditure

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

Within Other Comprehensive Income and Expenditure (Remeasurements)

The Return on Plan Assets – excluding amounts recognised in the Net Interest on the Net Defined Benefit Liability (Asset). 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 present value of the defined benefit obligation resulting from: a) experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and b) the effects of changes in actuarial assumptions.

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.

Northern Ireland Civil Service (NICS) Pension Scheme

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 schemes 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:

- 1) 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.
- 2) Those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

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

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

vii) **Exceptional Items**

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

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

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

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

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

ix) **Financial Instruments**

Financial Liabilities

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.

Where premiums and discounts have been charged to the Comprehensive Income and Expenditure Statement, regulations allow the impact on the General Fund Balance to be spread over future years. The Council has a policy of spreading the gain or loss over the term that was remaining on the loan against which the premium was payable or discount receivable when it was repaid. The reconciliation of amounts charged to the Comprehensive Income and Expenditure Statement to the net charge required against the General Fund Balance is managed by a transfer to or from the Financial Instruments Adjustment Account in the Movement in Reserves Statement.

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, except for those whose contractual payments are not solely payment of principal and interest (i.e. where the cash flows do not take the form of a basic debt instrument).

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 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

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

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

- instruments with quoted market prices - the market price.
- other instruments with fixed and determinable payments - discounted cash flow analysis.

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

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

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

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:

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

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

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

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

xii) **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 FIFO 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.

xiii) **Overheads and Support Services**

The majority of overheads and support services are included in the expenditure of the Strategic Policy & Resources Committee in the Comprehensive Income and Expenditure Statement.

xiv) **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.

xv) **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 £5,000) the Capital Receipts Reserve.

xvi) **Investment Property**

Investment properties are those that are used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or is held for sale.

Investment properties are measured initially at cost and subsequently at fair value, being the price that would be received to sell such an asset in an orderly transaction between market participants at the measurable date. As a non-financial asset, investment properties are measured at highest and best use. Properties are not depreciated but are revalued annually according to market conditions at the year-end. Gains and losses on revaluation are posted to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal.

Rentals received in relation to investment properties are credited to the Financing and Investment Income line in the Comprehensive Income and Expenditure Statement and result in a gain for the General Fund Balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and the Capital Receipts Reserve.

xvii) **Leases**

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

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

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

The Council as Lessee - lease

In 2024/25, the Council applied IFRS 16 Leases as required by the Code of Practice for Local Authority Accounting in the United Kingdom. The main impact of the new requirements is that for arrangements previously accounted for as operating leases (i.e. without recognising the leased property as an asset and future rents as a liability) a right-of-use asset and a lease liability are to be brought into the Balance Sheet at 1 April 2024.

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) or where the underlying asset is of low value. At the commencement of the lease, its fair value is 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.

Some practical expedients have been applied as required or permitted by the Code:

- lease liabilities are measured at the present value of the remaining lease payments at 1 April 2024, discounted by the authority's incremental borrowing rate at that date.
- right-of-use assets are measured at the amount of the lease liability, adjusted for any prepaid or accrued lease payments that were in the balance sheet on 31 March 2024, and any initial direct costs have been excluded.

Lease payments are apportioned between:

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

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

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

Rentals paid under operating leases that are of low value or exempt under the provisions of IFRS16 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).

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 debt) in the Balance Sheet.

The Council as Lessor - lease

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.

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.

The Council as Lessor - Operating Lease

The council has no sale and leaseback arrangements.

xviii) **Surplus Assets**

Surplus assets are non-operational assets that do not meet the conditions to be classified as assets held for sale. They are measured at fair value, reflecting the actual market state and conditions at the balance sheet date (which is the valuation date) with best evidence of fair value in an active market for similar properties in the same location. The Council classifies assets to surplus assets on the advice of its estates management officers and in consultation with its external property valuers.

The surplus assets held by the Council comprise a number of properties including land, buildings or sites of land and buildings combined, which have not reached the stage where the council can market these for sale advantageously, or where the properties have restrictions that prevent them currently being brought to market.

xix) **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 greater than £5k 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.

xx) **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. The Council applies a de-minimis level of £25k to Plant & Machinery, Information Technology equipment, Fixtures & Fittings and Office equipment, meaning only assets over £25k are capitalised. Subsequent capital expenditure is only capitalised where it provided an enhancement to the economic benefits of the asset in excess of those previously addressed.

Measurement

Assets are initially measured at cost, comprising:

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

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

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

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

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

- infrastructure, community assets and assets under construction: depreciated historical cost.
- short life assets, including road vehicles, plant and equipment, fixtures and fittings, office equipment, and IT and IT equipment: depreciated historic cost as a proxy for current value.
- surplus assets: fair value (at highest and best use).
- investment properties: measured initially at cost and subsequently at fair value as outlined in accounting policy xv.
- all other assets: service potential (current value).

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.

Valuation

The Council operates a rolling programme for the revaluation of Land and Buildings with approximately 20% of these being revalued by physical inspection each year and the remainder being revalued by a desktop exercise. 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 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

Impairment

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

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

- a. where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains).
- b. where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line(s) in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

The same accounting treatment is applied to revaluation losses as a result of a general fall in asset prices across the board as opposed to a consumption of economic benefit specific to an asset as is in the case of impairment losses.

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 a straight-line basis on the following classes of tangible asset:

- buildings, installation and fittings are depreciated on their fair value over the estimated remaining lives of those assets as advised by the Independent Chartered Surveyors. Depending on the type of building, installation or fitting the maximum useful life will be a range up to 60 years.
- infrastructure assets, short-life assets, including road vehicles, plant and equipment, fixtures and fittings, office equipment, and IT and IS equipment are depreciated over their estimated useful lives.

Intangible assets are amortised on a straight-line basis over their estimated useful lives.

Amortisation is calculated on the following basis:

- straight-line allocation of the estimated useful lives.
- amortisation is charged in the month of capitalisation but not in the month of disposal.

Componentisation

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

Componentisation is only applicable to larger value land and buildings or equipment assets. The Council applies the following de-minimis levels in relation to componentisation:

- a component should be valued separately if it is greater than or equal to 3% of the total value of the asset; and
- the individual component has a valuation of greater than or equal to £300k.

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.

xxi) *Community Assets*

From 1 April 2017, community assets are recognised, measured and accounted for at their depreciated historic cost. The historical cost of a community asset is deemed to be the carrying amount of an asset as at 1 April 2007 or at the date of acquisition, whichever date is the later, and adjusted for subsequent depreciation or impairment (if applicable).

Community assets that consist of land or that have an indeterminable useful life will not be depreciated but will be subject to annual review for impairment. Community assets that are depreciable, or that have depreciable components, and have a determinable useful life will be depreciated systematically at a constant (straight-line) rate over their useful lives, as well as being subject to impairment review if there is evidence of excessive deterioration or that their value to the Council is below their then carrying amount.

Depreciation on community assets will be charged on an annual basis to the appropriate service of the Council in that year against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement.

xxii) **Heritage Assets**

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

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

The Council's collection of Heritage Assets (Works of Art and Civic Items) is reported in the balance sheet at insurance valuation, which is based on market values, or if it is not possible to obtain a valuation, they are maintained at historical cost less any depreciation, amortisation or impairment losses. These insurance valuations based on market values are updated on a periodic basis. Where no cost can be measured reliably, heritage assets are not held at a monetary value and are not reported in the balance sheet. Such assets will continue to be retained by the Council and will form part of its heritage assets collection, and will be reported in summary by way of a note to the financial statements.

Summary information on Heritage Assets has been provided for current financial year along with comparatives for the previous financial year. Detailed information relating to transactions has not been included for prior years as it would not be practical to do so and there is little value added for the users of the accounts.

xxiii) **Provisions**

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

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

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

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

xxiv) **Reserves**

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

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

xxv) **Charges to Revenue for Non-Current Assets**

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

- a. depreciation attributable to the assets used by the relevant service.
- b. revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off.
- c. amortisation of intangible fixed assets attributable to the service.

The Council is not required to raise District Rates to cover depreciation, revaluation and impairment losses or amortisations. However, it is required to make an annual contribution from revenue to contribute towards the reduction in its overall borrowing requirement [equal to either an amount calculated on a prudent basis determined by the Council in accordance with statutory guidance]. Depreciation, revaluation and impairment losses and amortisation are therefore replaced by the contribution in the General Fund Balance [minimum revenue provision (MRP)], by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

xxvi) **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.

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

xxviii) **Landfill Exploration and Evaluation**
 The Council considers the facts and circumstances to determine whether an exploration and evaluation asset should be recognised in respect of the landfill site including assessment of the amount, timing and certainty of future cash flows under IFRS 6. The Council's landfill site produces gas to generate electricity. The increase in utility prices in recent years due in principal to a number of Global Geo-political factors has ended and prices have fallen back substantially from their peak in 2022. This has led to a substantial reduction in income from electricity generation during financial year 24/25 and an under recovery position at Period 13 of £98,522. Gas levels have also continued to decrease in line with expectations and will continue to do so, leading to lower KWH output. Whilst operating costs have increased due to index linking of contract costs with Renewable Power Systems, the Council does not recognise any asset in respect of this gas production as any forecasting or estimating of future income is uncertain. The Council cannot reliably measure or value such an asset under IAS 38.

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

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

 The Council measures the fair value of an asset or liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
 When measuring the fair value of a non-financial asset, the Council takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
 The Council uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
 Inputs to the valuation techniques in respect of assets and liabilities for which fair value is measured or disclosed in the Council's financial statements are categorised within the fair value hierarchy, as follows:

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

xxx) **Capital Receipts Unapplied**
 This represents capital receipts that are held on the balance sheet to finance future capital expenditure. Income from disposal of fixed assets is posted into the capital receipts unapplied account until such time as it is allocated to finance other capital expenditure.

b Accounting Standards That Have Been Issued but Have Not Yet Been Adopted
 At the balance sheet date, the following new standards and amendments to existing standards have been published, but not yet adopted by the Code of Practice for Local Authority Accounting:
 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. These include setting out three valuation processes for operational property, plant and equipment, requiring indexation for tangible non-investment assets and a requirement to value intangible assets using the historical cost approach.

c Critical Judgements in Applying Accounting Policies

In applying accounting policies set out from Note 1a above the Council has had to make certain judgements about complex transactions or those involving uncertainty about future events.

The critical judgements made in the Statement of Accounts are:

Landfill Provision

The calculation of the necessary financial provision for the capping and aftercare costs for the landfill site depends on a judgement around the appropriate discount rate to be used and the number of years over which these costs need to be provided. The landfill provision figures are sensitive to the assumptions used. The impact of amending the interest rates used to discount this provision has been mitigated through the creation of a Provision Discount Rate Reserve to accommodate fluctuations in the current value of the annual calculation of long term provisions for landfill costs.

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:

Pension Liability

Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries AON Hewitt is engaged to provide the Council with expert advice about the assumptions to be applied. The pension figures disclosed in these financial statements are sensitive to the assumptions used.

The approximate impact of changing key assumptions on the present value of the funded defined benefit obligation as at 31 March 2025 and the projected service cost for the year ending 31 March 2025 is set out in Note 20.

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a Expenditure and Funding Analysis

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

| | 2024/25 | | | 2023/24 | | |
|--|--|---------------------|---|--|---------------------|---|
| | Net Expenditure Chargeable to the General Fund | Adjustments | Net Expenditure in the Comprehensive Income and Expenditure Statement | Net Expenditure Chargeable to the General Fund | Adjustments | Net Expenditure in the Comprehensive Income and Expenditure Statement |
| | £ | £ | £ | £ | £ | £ |
| Strategic Policy & Resources | 53,273,447 | (2,889,278) | 56,162,725 | 55,135,342 | (6,478,975) | 61,614,317 |
| City Growth & Regeneration | 27,962,346 | (4,644,209) | 32,606,555 | 24,471,258 | (4,792,979) | 29,264,237 |
| People & Communities | 105,821,387 | (18,502,030) | 124,323,417 | 101,912,838 | (21,727,160) | 123,639,998 |
| Planning & Licensing | 3,156,287 | (28,626) | 3,184,913 | 3,242,324 | (177,190) | 3,419,514 |
| Net Cost of Services | 190,213,467 | (26,064,143) | 216,277,610 | 184,761,762 | (33,176,304) | 217,938,066 |
| Other Income and Expenditure | (195,485,524) | 21,713,563 | (217,199,087) | (185,244,829) | 26,907,526 | (212,152,355) |
| Surplus or Deficit | (5,272,057) | (4,350,580) | (921,477) | (483,067) | (6,268,778) | 5,785,711 |
| Opening General Fund | | | 59,299,011 | | | 58,815,944 |
| Surplus/(Deficit) on General Fund Balance in Year | | | 5,272,057 | | | 483,067 |
| Closing General Fund | | | 64,571,068 | | | 59,299,011 |

Councils are required to report on the basis of how they are structured and how they operate, monitor and manage financial performance. The purpose of the Expenditure and Funding Analysis is to bring together the operating framework and accounting framework. The adjustments referenced above are detailed in Note 2b.

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b Note to the Expenditure and Funding Analysis

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

| Adjustments between Funding and Accounting Basis 2024/25 | | | | | |
|--|----------------------------------|--|-----------------------------|---------------------------------|---------------------|
| Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement Amounts | Adjustments for Capital Purposes | Net Change for the Pension Adjustments | Other Statutory Adjustments | Other non-statutory Adjustments | Total adjustments |
| | £ | £ | £ | £ | £ |
| Strategic Policy & Resources | (2,556,644) | (287,333) | 57,457 | (102,758) | (2,889,278) |
| City Growth & Regeneration | (4,509,478) | (29,435) | (61,800) | (43,496) | (4,644,209) |
| People & Communities | (18,262,450) | (158,636) | (80,944) | - | (18,502,030) |
| Planning & Licensing | - | (24,605) | (4,021) | - | (28,626) |
| Net Cost of Services | (25,328,572) | (500,009) | (89,308) | (146,254) | (26,064,143) |
| Other Income and Expenditure from the Expenditure and Funding Analysis | 21,495,756 | 527,009 | - | (309,202) | 21,713,563 |
| Difference between General Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services | (3,832,816) | 27,000 | (89,308) | (455,456) | (4,350,580) |

| Adjustments between Funding and Accounting Basis 2023/24 | | | | | |
|--|----------------------------------|--|-----------------------------|---------------------------------|---------------------|
| Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement Amounts | Adjustments for Capital Purposes | Net Change for the Pension Adjustments | Other Statutory Adjustments | Other non-statutory Adjustments | Total adjustments |
| | £ | £ | £ | £ | £ |
| Strategic Policy & Resources | (4,200,477) | (761,928) | (175,217) | (1,341,353) | (6,478,975) |
| City Growth & Regeneration | (5,452,484) | (180,885) | (94,336) | 934,726 | (4,792,979) |
| People & Communities | (20,629,845) | (969,402) | (127,913) | - | (21,727,160) |
| Planning & Licensing | - | (151,054) | (26,136) | - | (177,190) |
| Net Cost of Services | (30,282,806) | (2,063,269) | (423,602) | (406,627) | (33,176,304) |
| Other Income and Expenditure from the Expenditure and Funding Analysis | 25,558,260 | 1,349,266 | - | - | 26,907,526 |
| Difference between General Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services | (4,724,546) | (714,003) | (423,602) | (406,627) | (6,268,778) |

Adjustments for Capital Purposes

Adjustments to General Fund Balances to meet the requirements of generally accepted accounting practices, this column adds in depreciation and impairment and revaluation gains and losses in the services line and for:

- i) Other operating expenditure – adjusts for capital disposals with a transfer of income on disposal of assets and the amounts written off for those assets.
- ii) 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.
- iii) Taxation and Non Specific Grant Income and Expenditure – Capital grants are adjusted for income not chargeable under generally accepted accounting practices. Revenue grants are adjusted from those receivable in the year to those receivable without conditions or for which conditions were satisfied throughout the year. The Taxation and Non Specific Grant Income and Expenditure line is credited with capital grants receivable in the year without conditions or for which conditions were satisfied in the year.

Net change for the Pensions Adjustments

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

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

For Financing and investment income and expenditure: the net interest on the defined benefit liability is charged to the CIES.

Other statutory differences

Other statutory adjustments between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute:

For Financing and investment income and expenditure the other statutory adjustments column recognises adjustments to General Fund for the timing differences for premiums and discounts.

The charge under Taxation and non-specific grant income and expenditure represents the difference between what is chargeable under statutory regulations for district rates and NDR that was projected to be received at the start of the year and the income recognised under generally accepted accounting practices in the Code.

Other non-statutory adjustments

Other non-statutory adjustments represent amounts debited/credited to service segments which need to be adjusted against the 'Other income and expenditure from the Expenditure and Funding Analysis' line to comply with the presentational requirements in the Comprehensive Income and Expenditure Statement:

For financing and investment income and expenditure the other non-statutory adjustments column recognises adjustments to service segments, e.g. for interest income and expenditure and changes in the fair values of investment properties.

For taxation and non-specific grant income and expenditure the other non-statutory adjustments column recognises adjustments to service segments, e.g. for unringfenced government grants.

Each committee is responsible for the delivery of key services to the Council and the main services included in each committee is as follows:

Strategic Policy and Resources Committee

The net expenditure of this committee includes Legal and Civic Services, Finance, Corporate Services, City Organisation Structure and Major Projects and Corporate Priorities, Human Resources, External Comms and Marketing and Good Relations.

City Growth and Regeneration Committee

The net expenditure of the committee includes Economic Initiatives and City Regeneration, City Events and Venues including Off-Street Car Parking, Place and Economy and Parks Estates and Zoo.

People and Communities Committee

The net expenditure of the committee includes Cleansing, Waste Management and Vehicles, Parks, Cemeteries and Leisure Centres, Environmental Health, Neighbourhood and Development and Community Services.

Planning and Licensing Committees

The net expenditure includes Planning and Building Control Services.

3 a Expenditure and Income Analysed by Nature

| Expenditure | Note | 2024/25 | 2023/24 | Restated |
|---|------|----------------------|----------------------|----------|
| | | £ | £ | £ |
| Employee Benefits Expenses | 7 | 118,288,761 | 110,380,690 | |
| Other Services Expenditure | | 195,850,704 | 160,049,736 | |
| Support Service Recharges | | - | - | |
| Depreciation, Amortisation, Impairment | 11 | 25,328,572 | 30,282,807 | |
| Interest Payments | 9 | 854,093 | 985,734 | |
| District Rate Clawback | 10 | 2,788,458 | 894,750 | |
| (Gain)/Loss on the Disposal of Assets | 8 | (2,044,237) | (200,507) | |
| Other Expenditure | 9 | (93,000) | (852,000) | |
| Total Expenditure | | 340,973,351 | 301,541,210 | |
| Income | Note | 2024/25 | 2023/24 | Restated |
| | | £ | £ | £ |
| Fees, Charges and Other Service Income | | (124,570,879) | (86,788,914) | |
| Interest and Investment Income | 9 | (8,876,526) | (9,532,097) | |
| District Rate Income | 10 | (199,532,067) | (187,441,550) | |
| Government Grants and Contributions | 10 | (8,915,356) | (11,992,938) | |
| Support Service Income | | - | - | |
| Other Income | | - | - | |
| Total Income | | (341,894,828) | (295,755,499) | |
| (Surplus)/Deficit on the Provision of Services | | (921,477) | 5,785,711 | |

b Revenue from contracts with service recipients

On transition to IFRS 15, there is no impact on the Belfast City Council revenue recognition for contracts with customers.

Amounts included in the Comprehensive Income and Expenditure Statement for contracts with service recipients

| Revenue from contracts with service recipients | 2024/25 | 2023/24 | 2023/24 |
|---|-------------------|---------|-------------------|
| | £ | £ | £ |
| Strategic Policy & Resources | 4,869,475 | | 4,767,681 |
| City Growth & Regeneration | 1,465,096 | | 1,181,877 |
| People & Communities | 4,747,674 | | 6,356,005 |
| Total included in Comprehensive Income and Expenditure Statement | 11,082,245 | | 12,305,563 |

Revenue from contracts with service recipients includes services such as the provision of IT support, the provision of off street car parking facilities, and the sale of recyclate. Income is recognised as the contract obligation is satisfied and received in arrears after each event.

The Council has applied the accounting standard to determine revenue recognition under IFRS 15.

Amounts included in the Balance Sheet for contracts with service recipients

| | Note | 31st March 2025 | 31st March 2024 | 31st March 2024 |
|--|------|-----------------|-----------------|-----------------|
| | | £ | £ | £ |
| Receivables, which are included in Debtors | | | | |
| Contract Assets | 15 | 486,489 | | 556,847 |
| Contract Liabilities | | - | | (35,000) |
| Other | | | | - |
| Total included in Net Assets | | 486,489 | | 521,847 |

4 Adjustments between an Accounting Basis and Funding Basis under Regulations
a Amounts included in the Comprehensive Income and Expenditure Statement but required by statute to be excluded when determining the Movement on the General Fund Balance for the year:

| | | 2024/25 | | 2023/24 | |
|---|----------|------------------|--------------|------------------|--------------|
| | Note | £ | £ | £ | £ |
| 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: | | | | | |
| Impairments (losses & reversals) of non-current assets | | | | | |
| Derecognition (other than disposal) of non-current assets | 11 | - | - | - | - |
| Revaluation increases/decreases taken to Surplus/Deficit on the Provision of Services | 11 | (3,576,975) | | (1,609,311) | |
| Depreciation charged in the year on non-current assets | 11 | 28,791,047 | 25,214,072 | 30,392,118 | 28,782,807 |
| Net Revenue expenditure funded from capital under statute | 12 | 8,100,274 | | 17,029,101 | |
| REFCUS - Government Grants and other Contributions | 12 | (5,855,398) | | (15,264,024) | |
| REFCUS - Direct Financing | 12 | (1,971,946) | | (1,765,077) | |
| REFCUS - Capital grants applied | 12 | (272,930) | | - | - |
| Carrying amount of non current assets sold | 8, 11 | 5,992,173 | | 137,193 | |
| Proceeds from the sale of PP&E, investment property and intangible assets | 8, 9, 24 | (8,036,410) | (2,044,237) | (337,700) | (200,507) |
| Difference between finance costs calculated on an accounting basis and finance costs calculated in accordance with statutory requirements | | - | | - | |
| Net charges made for retirement benefits in accordance with IAS 19 | 20 | | 17,754,000 | | 17,155,000 |
| Direct revenue financing of Capital Expenditure | 12, 25 | | (7,562,536) | | (9,594,430) |
| Capital Grants and Donated Assets Receivable and Applied in year | 10 | | (2,633,989) | | (5,610,831) |
| Capital Grants Receivable and Unapplied in year | 10 | | - | | - |
| Rates Claw-Back Reserve | | | - | | - |
| Adjustments in relation to Short-term compensated absences | 26 | | 89,308 | | 423,603 |
| Adjustments in relation to Lessor Arrangements | | | - | | - |
| Landfill Regulations Reserve Adjustment | | | - | | - |
| Provisions Discount Rate Reserve Adjustment | 26 | | - | | - |
| 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 | 26 | | (9,140,494) | | (8,652,492) |
| Employers contributions payable to the NILGOSC and retirement benefits payable direct to pensioners | 20 | | (17,781,000) | | (16,441,000) |
| | | 3,895,124 | | 5,862,150 | |

| b Net transfers (to)/from statutory and other earmarked reserves: | Note | 2024/25 | 2024/25 | 2023/24 | 2023/24 |
|--|-------------|----------------|----------------|----------------|----------------|
| | | £ | £ | £ | £ |
| Capital Fund | | | | | |
| Interest | | - | - | - | - |
| From Capital | | - | - | - | - |
| Other | 25e | (935,402) | (935,402) | 696,480 | 696,480 |
| Leisure Mobilisation Fund | | | | | |
| Interest | | - | - | - | - |
| Other | 25f | - | - | 77,356 | 77,356 |
| Capital Receipts Reserve | | | | | |
| Interest | | - | - | - | - |
| Other | 25a | - | - | - | - |
| Neighbourhood Regeneration Fund | | | | | |
| Interest | | - | - | - | - |
| Other | 25g | 145,684 | 145,684 | (52,016) | (52,016) |
| Other Funds and earmarked reserves | | | | | |
| Interest | | (12,652) | (12,652) | (62,745) | (62,745) |
| From Other funds | | - | - | - | - |
| Other | 25h | 948,624 | 935,972 | (252,447) | (315,192) |
| Unusable reserves | | | | | |
| Capital Adjustment Account | | - | - | - | - |
| | | | 146,254 | | 406,628 |

5 Cost of Services on Continuing Operations

a General power of competence

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.

Expenditure under the power of competence during 2024/25 was £1,037,151 (2023/24 £263,965).

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.

| | 2024/25 | 2023/24 |
|------------------------------|----------------|----------------|
| | £ | £ |
| External Audit Fees | 131,850 | 126,000 |
| National Fraud Initiative | 1,437 | - |
| Performance Improvement work | 28,750 | 26,250 |
| | 162,037 | 152,250 |

There were no other fees payable in respect of any other services provided by the appointed auditor over and above those described above.

6 Leases (as a Lessor and Lessee)

Council as Lessor

a Finance Leases (Council as lessor)

The Council leases out a number of land and building assets by long term leases with lease terms from 250 to 999 years. The leases for 250 years are on a perpetual basis and it is assumed the leases will be renewed so the economic substance is similar to disposal. The rental income is either nil or 5p per annum. Rent is not normally received on these properties and so future minimum lease income is assumed to be nil.

The Council has a gross investment in the lease, made up of the minimum lease payments expected to be received over the remaining term and the residual value anticipated for the property when the lease comes to an end.

The minimum lease payments comprise settlement of the long-term debtor for the interest in the property acquired by the lessee and finance income that will be earned by the Council in future years while the debtor remains outstanding. The gross investment is made up of the following amounts:

| | 31st March 2025 | 31st March 2024 |
|--|------------------------|------------------------|
| | £ | £ |
| lease debtor (net present value of minimum lease payments): | | |
| Current | - | - |
| Non-current | - | - |
| Unearned finance income | - | - |
| Unguaranteed residual value of property | - | - |
| Gross Investment in the lease | | |
| Total undiscounted lease receivables | - | - |
| Discounted amount of unguaranteed residual values | - | - |

The gross investment in the lease and the minimum lease payments will be received over the following periods:

| | Gross Investment in the Lease | | Minimum Lease Payments | |
|-------------------------|--------------------------------------|------------------------|-------------------------------|------------------------|
| | 31st March 2025 | 31st March 2024 | 31st March 2025 | 31st March 2024 |
| | £ | £ | £ | £ |
| Not later than one year | - | - | - | - |
| 1 - 2 years | - | - | - | - |
| 2 - 3 years | - | - | - | - |
| 3 - 4 years | - | - | - | - |
| 4 - 5 years | - | - | - | - |
| Later than five years | - | - | - | - |

| | 31st March 2025 | 31st March 2024 |
|---|-----------------|-----------------|
| | £ | £ |
| Transactions under leases: | | |
| The council made the following gains and losses as a lessor during the year: | | |
| Finance Leases | | |
| Selling gain or loss | - | - |
| Finance income on the net investment in the lease | - | - |
| Income relating to variable lease payments not included in the measurement of the net | - | - |
| Operating Leases | | |
| Total lease income | - | - |
| Share of lease income relating to variable lease payments that do not depend on an index | - | - |
| | | |
| | 31st March 2025 | 31st March 2024 |
| | £ | £ |
| Net investment in finance leases: | | |
| The council experienced the following changes in the carrying amount of its net investment | | |
| Net investment at 1 April | - | - |
| New leases entered into | - | - |
| Payments by lessees | - | - |
| Lease modifications | - | - |
| Impact of changes in unguaranteed residual values | - | - |
| Movements in impairment loss allowances | - | - |
| Net investment at 31 March | - | - |

As there is a possibility that worsening financial circumstances might result in lease payments not being made, the Council has set aside an allowance for uncollectable amounts of £nil (£nil at 31 March 2024)

The minimum lease payments do 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, £nil contingent rents were receivable by the Council (2023/24 £nil).

b Operating Leases (Council as lessor)

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

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

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

| | 31st March 2025 | 31st March 2024 |
|-----------------------|--------------------|--------------------|
| | £ | £ |
| Not later than 1 year | 6,380,290 | 6,279,489 |
| 1-2 years | 5,624,488 | 5,559,330 |
| 2-3 years | 5,624,488 | 5,550,080 |
| 3-4 years | 5,580,405 | 5,550,080 |
| 4-5 years | 5,520,015 | 5,485,496 |
| Later than 5 years | 410,182,678 | 406,277,932 |
| | 438,912,364 | 434,702,408 |

The minimum lease payments receivable do 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, no contingent rents were receivable by the Council (2023/24 £nil).

Council as lessee

c Leases - Right of Use Assets - (Council as lessee)

IFRS 16 Leases has been applied using the modified retrospective approach as required by the Code of Practice for Local Authority Accounting, allowing prospective application of the changes in accounting. Therefore, a prior restatement of the balance sheet is not required.

This has resulted in the following additions to the Balance Sheet on 1 April 2024:

- £1,473,381 Property, plant and equipment - land and buildings, vehicles, plant and equipment (right of use assets)
- £1,083,077 Non-current creditors (lease liabilities)
- £362,358 Current creditors (lease liabilities)

The Council has acquired a number of operational buildings, vehicles, plant and equipment and copier-printer systems under leases.

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

| | 31st March 2025 | 31st March 2024 |
|--|------------------|-----------------|
| | £ | £ |
| Other Land and Buildings | 1,031,459 | - |
| Vehicles, Plant, Furniture and Equipment | 319,737 | - |
| | 1,351,196 | - |

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:

| | 31st March 2025 | 31st March 2024 |
|---|------------------|-----------------|
| | £ | £ |
| Leases liabilities (net present value of minimum lease payments): | | |
| Current | 345,516 | - |
| Non- Current | 974,994 | - |
| Finance costs payable in future years | 192,489 | - |
| Minimum Lease Payments | 1,512,999 | - |

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

| | Minimum Lease Payments | | Lease Liabilities | |
|---|------------------------|-----------------|-------------------|-----------------|
| | 31st March 2025 | 31st March 2024 | 31st March 2025 | 31st March 2024 |
| | £ | £ | £ | £ |
| Not later than one year | 345,516 | - | 414,778 | - |
| Later than one year and not later than five years | 849,672 | - | 962,914 | - |
| Later than five years | 125,322 | - | 135,307 | - |
| | 1,320,510 | - | 1,512,999 | - |

The Council incurred the following expenses and cash flows

| | 31st March 2025 | 31st March 2024 |
|---|-----------------|-----------------|
| | £ | £ |
| Comprehensive Income and Expenditure Statement | | |
| Interest expense on lease liabilities | - | - |
| Expense relating to short-term leases | 78,227 | - |
| Expense relating to exempt leases of low-value items | - | - |
| Variable lease payments not included in the measurement | - | - |
| Income from subletting right-of-use assets | (270,402) | - |
| Expense relating to operating leases prior to implementation of IFRS 16 | - | - |
| Gains or losses arising from sale and leaseback transactions | - | - |
| Balance Sheet | | |
| Repayment of Lease Liabilities held on the Balance Sheet | 439,749 | - |
| Cash flow statement | | |
| Total cash outflow for leases | 247,574 | - |

| | 31st March 2025 | 31st March 2024 |
|--|-----------------|-----------------|
| | £ | £ |
| Future cash outflows to which the lessee is potentially exposed that are | | |
| Variable lease payments | - | - |
| Extension options and termination options | - | - |
| Residual value guarantees | - | - |
| Leases not yet commenced to which the lessee is committed | - | - |
| Restrictions or covenants imposed by leases | - | - |
| Sale and leaseback transactions | - | - |

The minimum lease payments do 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, no contingent rents were payable by the Council (2023/24 £nil).

The Council has sub-let some of the property held under these leases. At 31 March 2025, the minimum payments expected to be received under non-cancellable sub-leases was £984,838 (2023/24 £1,237,554).

d Operating Leases (Council as lessee)

The Council is paying ground rent on 19 properties

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

| | 31st March 2025 | 31st March 2024 |
|---|-----------------|-----------------|
| | £ | £ |
| Not later than 1 year | 6,759 | 3,029 |
| Later than 1 year and no later than 5 years | - | - |
| Later than 5 years | - | - |
| | 6,759 | 3,029 |

Where assets acquired under operating leases are sub-let, disclosures is required of the future minimum sublease payments expected to be received by the Council, per paraapraph 4.2.4.2(7) of the Code.

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

| | 31st March 2025 | 31st March 2024 |
|------------------------------------|-----------------|-----------------|
| | £ | £ |
| Minimum lease payments | 6,759 | 3,029 |
| Contingent rentals | - | - |
| Less: Sublease payments receivable | - | - |
| Total | 6,759 | 3,029 |

7 Employee Costs and Member Allowances

a Staff Costs

| | 2024/25 | 2023/24 |
|--------------------------|--------------------|--------------------|
| | £ | £ |
| Salaries and Wages | 90,814,376 | 85,274,611 |
| Employers NIC | 9,546,274 | 8,691,938 |
| Employers Superannuation | 17,928,111 | 16,414,141 |
| Total staff costs | 118,288,761 | 110,380,690 |

The above staff costs include the costs of voluntary redundancies in 2024/25. These costs total £320,433 (2023/24 £383,187) and are disclosed separately in Table 4 of the Remuneration Report. In addition, agency costs during the year amounted to £7,708,888 (2023/24 £8,589,688).

The Council's contribution rate to the NILGOSC scheme in 2024/25 was 19%. At the last actuarial valuation dated 31 March 2022 there was a surplus of £1,004.4m relative to the liabilities and funding level was 111%.

Average Number of Employees - where FTE represents fulltime equivalent employees

b Average Number of Employees

| | 2024/25 | 2023/24 |
|------------------------------|----------------|----------------|
| | FTE | FTE |
| Strategic Policy & Resources | 608 | 590 |
| City Growth & Regeneration | 196 | 197 |
| People & Communities | 1,276 | 1,206 |
| Planning & Licensing | 150 | 151 |
| Total Number | 2,230 | 2,144 |
| | 2024/25 | 2023/24 |
| | Actual Numbers | Actual Numbers |
| Full-time numbers employed | 2,068 | 1,968 |
| Part-time numbers employed | 308 | 322 |
| Total Number | 2,376 | 2,290 |

c Senior Employees' Remuneration

| | 2024/25 | 2023/24 |
|----------------------|------------|------------|
| | £ | £ |
| £50,001 to £60,000 | 183 | 149 |
| £60,001 to £70,000 | 87 | 74 |
| £70,001 to £80,000 | 26 | 2 |
| £80,001 to £90,000 | 6 | 6 |
| £90,001 to £100,000 | 3 | 5 |
| £100,001 to £110,000 | 9 | 8 |
| £110,001 to £120,000 | 3 | 5 |
| £120,001 to £130,000 | 2 | - |
| £130,001 to £140,000 | - | - |
| £140,001 to £150,000 | - | 1 |
| £150,001 to £160,000 | 1 | - |
| Total Number | 320 | 250 |

d Members' Allowances

| | 2024/25 | 2023/24 |
|---------------------------------------|------------------|------------------|
| | £ | £ |
| Salaries | - | - |
| Basic Allowance | 1,049,366 | 929,294 |
| Special Responsibility Allowance | 125,630 | 113,581 |
| Lord Mayor Allowance | 34,800 | 34,800 |
| Deputy Lord Mayor Allowance | 6,250 | 6,029 |
| PCSP Allowance | 10,860 | 11,100 |
| High Sheriff Allowance | 6,250 | 6,250 |
| Fees & Travel | 9,572 | 1,890 |
| Mileage Allowance | 1,381 | 1,399 |
| Subsistence (including Accommodation) | 8,154 | 1,657 |
| Total | 1,252,263 | 1,106,000 |

e Northern Ireland Civil Service Pension Arrangements

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

The Northern Ireland Civil Service Pension arrangements are unfunded multi-employer defined benefit schemes but the Department for Communities is unable to identify its share of the underlying assets and liabilities. The Government Actuary's Department (GAD) is responsible for carrying out scheme valuations. The Actuary reviews employer contributions every four years following the scheme valuation. The 2020 scheme valuation has been finalised. The outcome of this valuation informed contribution rates from April 2023 for both employers and employees.

For 2024/25, employers' contributions of £379,345 (2023/24 £352,883) were payable to the NICS pension arrangements at a rate of 34.25% of pensionable pay.

The Government Actuary's Department (GAD) is responsible for carrying out scheme valuations. The Actuary reviews employer contributions every four years following the scheme valuation. The 2020 scheme valuation was completed by GAD in October 2023. The outcome of this valuation was used to set the level of contributions for employers from 1 April 2023.

8 Other Operating Income & Expenditure**a Surplus/Deficit on Non-Current Assets (excl. Investment Properties)**

| | 2024/25 | 2023/24 |
|---|-------------|-----------|
| | £ | £ |
| Proceeds from sale | (8,036,410) | (337,700) |
| Carrying amount of non-current assets sold (excl Investment Properties) | 5,992,173 | 137,193 |
| | <hr/> | <hr/> |
| | (2,044,237) | (200,507) |

b Other Operating Income/ Expenditure

| | 2024/25 | 2023/24 |
|-------------|-------------|-------------|
| | £ | £ |
| Income | (1,866,455) | (5,502,943) |
| Expenditure | - | - |
| | <hr/> | <hr/> |
| | (1,866,455) | (5,502,943) |

Other Operating Income for both 23/24 and 24/25 is in relation to compensation from a VAT court case

| Other Operating Expenditure | 2024/25 | 2023/24 |
|--|-------------|-------------|
| | £ | £ |
| (Surplus) /Deficit on Non Current Asset: | (2,044,237) | (200,507) |
| Other Operating (Income) / Expenditure | (1,866,455) | (5,502,943) |
| | <hr/> | <hr/> |
| | (3,910,692) | (5,703,450) |

9 Financing and Investment Income and Expenditure**a Interest Payable and Similar Charges**

| | 2024/25 | 2023/24 |
|------------------------------|---------|---------|
| | £ | £ |
| Lease/hire purchase interest | - | - |
| Bank interest | - | - |
| Government Loan Interest | 837,941 | 919,489 |
| Commercial Loan Interest | - | - |
| Other interest | 16,152 | 66,245 |
| | <hr/> | <hr/> |
| | 854,093 | 985,734 |

b Interest and Investment Income

| | 2024/25 | 2023/24 |
|---|-----------|---------|
| | £ | £ |
| Bank Interest | 2,338,673 | 875,080 |
| Employee car loan interest | 1,076 | 1,543 |
| NIHE Loan interest receivable | - | - |
| <i>Investment Income on Fund Balances</i> | | |
| Capital Fund | - | - |
| Repairs & Renewals Fund | - | - |
| Election Fund | 12,652 | 62,745 |
| Other Investment income | - | - |
| | <hr/> | <hr/> |
| | 2,352,401 | 939,368 |

c Pensions interest costs and expected return on pensions assets

| | 2024/25 | 2023/24 |
|---|----------|-----------|
| | £ | £ |
| Net interest on the net defined benefit liability (asset) | (93,000) | (852,000) |
| Past service cost increase | | |
| | <hr/> | <hr/> |
| | (93,000) | (852,000) |

d Surplus/ (Deficit) on trading operations

| | 2024/25 | 2023/24 |
|--------------------------------|---------|---------|
| | £ | £ |
| Income from trading | - | - |
| Expenditure | - | - |
| | <hr/> | <hr/> |
| (Surplus)/Deficit for the year | - | - |

e Income, Expenditure and changes in Fair Value of Investment Properties

| | 2024/25 | 2023/24 |
|--|-------------|-------------|
| | £ | £ |
| Income/Expenditure from Investment Properties | | |
| Income including rental income | (6,316,625) | (6,240,729) |
| Expenditure | 393,002 | 634,484 |
| <i>Net income from investment properties</i> | | |
| | (5,923,623) | (5,606,245) |
| Surplus/deficit on sale of Investment Properties | | |
| Proceeds from sale | - | - |
| Carrying amount of investment properties sold | - | - |
| <i>(Surplus)/deficit on sale of Investment Properties:</i> | | |
| | - | - |
| Changes in Fair Value of Investment Properties | | |
| | (114,500) | (1,500,000) |
| | <hr/> | <hr/> |
| | (6,038,123) | (7,106,245) |

| Financing and Investment Income and Expenditure | | 2024/25 | | 2023/24 | |
|---|--|-------------------|--------------|-----------------|-------------------|
| | | Gross Expenditure | Gross Income | Net Expenditure | Gross Expenditure |
| | | £ | £ | £ | £ |
| Interest Payable and Similar Charges | | 854,093 | - | 854,093 | 985,734 |
| Interest and Investment Income | | - | (2,352,401) | (2,352,401) | - |
| Pensions interest cost | | | (93,000) | (93,000) | - |
| Surplus/(Deficit) on trading operations | | | | | |
| | | - | - | - | - |
| Other investment income | | 393,002 | (6,316,625) | (5,923,623) | 634,484 |
| Changes in Fair Value of Investment Properties | | | | | |
| | | - | (114,500) | (114,500) | - |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| | | 1,247,095 | (8,876,526) | (7,629,431) | 1,620,218 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| | | (9,532,097) | | | (7,911,879) |

10 Taxation and Non Specific Grant Income

a Revenue Grants

| | 2024/25 | 2023/24 |
|---------|-------------|-------------|
| | £ | £ |
| General | (6,281,367) | (6,382,107) |
| Other | - | - |
| | <hr/> | <hr/> |
| | (6,281,367) | (6,382,107) |

b Revenue Grants - Unapplied

| | 2024/25 | 2023/24 |
|--|---------|---------|
| | £ | £ |
| Government & Other Grants - Conditions met and applied in year | - | - |
| Other | - | - |
| | <hr/> | <hr/> |
| | - | - |

c Capital Grants and Donated Assets - Applied

| | 2024/25 | 2023/24 |
|--|--|--|
| | £ | £ |
| Government & Other Grants - Conditions met and applied in year | (1,316,198) | (4,428,028) |
| Government & Other Grants - Transfer from receipts in advance | (1,317,791) | (1,182,803) |
| Donated Assets - Conditions met | - | - |
| Donated Assets - Transfer from donated assets creditor | - | - |
| | <hr style="border: 0.5px solid black;"/> | <hr style="border: 0.5px solid black;"/> |
| | (2,633,989) | (5,610,831) |

d Capital grants from capital receipts unapplied

| | 2024/25 | 2023/24 |
|--|--|--|
| | £ | £ |
| Government & Other Grants - Conditions met and not applied in year | - | - |
| Capital grants from capital receipts unapplied | - | - |
| | <hr style="border: 0.5px solid black;"/> | <hr style="border: 0.5px solid black;"/> |
| | - | - |

e District Rates

| | 2024/25 | 2023/24 |
|--|--|--|
| | £ | £ |
| Current year | (199,532,067) | (187,441,550) |
| Clawback/ (Finalisation) - previous year | 2,788,458 | 894,750 |
| Transitional Relief | - | - |
| Clawback/ (Finalisation) - other years | 1 | 2,712 |
| | <hr style="border: 0.5px solid black;"/> | <hr style="border: 0.5px solid black;"/> |
| | (196,743,608) | (186,544,088) |

Taxation and Non Specific Grant Income Summary

| | 2024/25 | 2023/24 |
|--|--|--|
| | £ | £ |
| District Rate Income | (196,743,608) | (186,544,088) |
| Revenue Grants | (6,281,367) | (6,382,107) |
| Capital Grants from capital receipts unapplied | - | - |
| Capital Grants and Contributions | (2,633,989) | (5,610,831) |
| | <hr style="border: 0.5px solid black;"/> | <hr style="border: 0.5px solid black;"/> |
| | (205,658,964) | (198,537,026) |

Belfast City Council
 Notes to the Financial Statements
 FOR THE YEAR ENDED 31 MARCH 2025

11 a Long - Term Assets - Current Year

| Cost or Valuation | Land | Buildings | Infrastructure Assets | Landfill Sites | Vehicles, Plant & Equipment | Community Assets | PP&E Under Construction | Surplus Assets | Total PP&E | Heritage Assets | Assets Held for Resale | TOTAL |
|--|--------------------|--------------------|-----------------------|----------------|-----------------------------|-------------------|-------------------------|------------------|--------------------|-------------------|------------------------|--------------------|
| | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Balance as at 1 April 2024 | 112,336,504 | 555,929,618 | 5,093,674 | - | 53,465,269 | 60,835,882 | 30,998,214 | 5,446,001 | 824,105,162 | 10,108,954 | 1,863,000 | 836,077,116 |
| Adjustments between cost/value & depreciation/impairment | - | 100,933 | - | - | - | (77,061) | - | - | 23,872 | - | - | 23,872 |
| Balance as at 1 April 2024 | 112,336,504 | 556,030,551 | 5,093,674 | - | 53,465,269 | 60,758,820 | 30,998,214 | 5,446,001 | 824,129,035 | 10,108,954 | 1,863,000 | 836,100,989 |
| Additions | 8,100 | 7,215,184 | - | - | 3,917,554 | 213,358 | 6,744,958 | - | 18,099,153 | 200 | - | 18,099,353 |
| Donations | 16,900 | 1,106,770 | - | - | - | 247,050 | - | - | 1,370,720 | 100,000 | - | 1,470,720 |
| Revaluation increases/ (decreases) to Revaluation Reserve | 6,740,500 | (8,827,628) | - | - | - | 94,866 | 6,189,256 | 1,000 | 4,197,994 | 16,109 | - | 4,214,103 |
| (decreases) to Surplus or Deficit on the Provision of Services | 1,268,500 | (228,486) | - | - | - | - | 1,666,466 | - | 2,706,480 | (6,070) | - | 2,700,410 |
| Deficit on the Provision of Services | - | - | - | - | - | - | - | - | - | - | - | - |
| Derecognition - Disposals | (140,000) | - | - | - | (1,212,376) | - | - | - | (1,352,376) | - | - | (1,352,376) |
| Derecognition - Other | - | (1) | - | - | (7,728) | - | - | - | (7,729) | - | - | (7,729) |
| Reclassifications & Transfers | 180,000 | 863,529 | - | - | 309,764 | 398,044 | (9,864,241) | (4,170,000) | (12,282,904) | 12,500 | 11,887,000 | (383,405) |
| Newly recognised on the valuation report | - | - | - | - | - | 1 | - | - | 1 | - | - | 1 |
| Balance as at 31 March 2025 | 120,410,504 | 556,159,918 | 5,093,674 | - | 56,472,483 | 61,712,139 | 35,734,653 | 1,277,001 | 836,860,374 | 10,231,693 | 13,750,000 | 860,842,067 |

| Depreciation and Impairment | Land | Buildings | Infrastructure Assets | Landfill Sites | Vehicles, Plant & Equipment | Community Assets | PP&E Under Construction | Surplus Assets | Total PP&E | Heritage Assets | Assets Held for Resale | TOTAL |
|--|--------------------|--------------------|-----------------------|----------------|-----------------------------|-------------------|-------------------------|------------------|--------------------|-------------------|------------------------|--------------------|
| | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Balance as at 1 April 2024 | - | 189,098 | 1,301,614 | - | 32,485,521 | 11,237,013 | - | - | 45,213,246 | 27,261 | - | 45,240,507 |
| Adjustments between cost/value & depreciation/impairment | - | (24) | - | - | - | (77,064) | - | - | (77,088) | - | - | (77,088) |
| Balance as at 1 April 2024 | - | 189,074 | 1,301,614 | - | 32,485,521 | 11,159,949 | - | - | 45,136,158 | 27,261 | - | 45,163,419 |
| Depreciation Charge | - | 21,079,766 | 169,794 | - | 4,059,350 | 2,812,914 | - | - | 28,121,824 | 226,232 | - | 28,348,056 |
| Depreciation written out on Revaluation Reserve | - | (20,230,831) | - | - | - | - | - | - | (20,230,831) | (117,189) | - | (20,348,020) |
| Depreciation written out on Revaluation taken to Surplus or Deficit on the Provision of Services | - | (762,065) | - | - | - | - | - | - | (762,065) | - | - | (762,065) |
| Impairment losses/reversals to Revaluation Reserve | - | - | - | - | - | - | - | - | - | - | - | - |
| Impairment losses/reversals to Surplus or Deficit on the Provision of Services | - | - | - | - | - | - | - | - | - | - | - | - |
| Derecognition - Disposals | - | - | - | - | (1,130,203) | - | - | - | (1,130,203) | - | - | (1,130,203) |
| Derecognition - Other | - | - | - | - | (6,376) | - | - | - | (6,376) | - | - | (6,376) |
| Reclassifications & Transfers | - | - | - | - | - | - | - | - | - | - | - | - |
| Eliminated on reclassification to Held for Sale | - | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at 31 March 2025 | - | 275,944 | 1,471,408 | - | 35,408,292 | 13,972,863 | - | - | 51,128,507 | 136,304 | - | 51,244,811 |
| Balance as at 31 March 2025 | 120,410,504 | 555,883,974 | 3,622,266 | - | 21,064,191 | 47,739,276 | 35,734,653 | 1,277,001 | 785,731,867 | 10,095,389 | 13,750,000 | 809,577,256 |

b Long - Term Assets - Comparative Year

| Cost or Valuation | Land | Buildings | Infrastructure Assets | Landfill Sites | Vehicles, Plant & Equipment | Community Assets | PP&E Under Construction | Surplus Assets | Total PP&E | Heritage Assets | Assets Held for Resale Restated | TOTAL |
|---|--------------------|--------------------|-----------------------|----------------|-----------------------------|-------------------|-------------------------|------------------|--------------------|-------------------|---------------------------------|--------------------|
| | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Balance as at 1 April 2023 | 112,007,504 | 535,655,715 | 5,093,674 | - | 54,101,042 | 53,798,477 | 50,767,895 | 5,446,001 | 816,870,308 | 9,643,064 | - | 826,513,372 |
| Adjustments between cost/value & depreciation/impairment | - | - | - | - | - | - | - | - | - | - | 1,863,000 | 1,863,000 |
| Balance as at 1 April 2023 | 112,007,504 | 535,655,715 | 5,093,674 | - | 54,101,042 | 53,798,477 | 50,767,895 | 5,446,001 | 816,870,308 | 9,643,064 | 1,863,000 | 828,376,372 |
| Additions | 1,500 | 1,457,699 | - | - | 3,551,694 | 194,835 | 11,208,448 | - | 16,414,176 | 15,001 | - | 16,429,177 |
| Donations | - | - | - | - | - | - | - | - | - | - | - | - |
| Revaluation increases/decreases to Revaluation Reserve | 27,500 | (3,473,458) | - | - | - | - | 15 | - | (3,445,943) | 42,890 | - | (3,403,053) |
| Revaluation increases/ decreases to Surplus or Deficit on the Provision of Services | 300,000 | (509,646) | - | - | - | - | (239,215) | - | (448,861) | (5,290) | - | (454,151) |
| Impairment to Surplus or Deficit on the Provision of Services | - | - | - | - | - | - | - | - | - | - | - | - |
| Derecognition - Disposals | - | - | - | - | (4,139,172) | - | - | - | (4,139,172) | - | - | (4,139,172) |
| Derecognition - Other | - | - | - | - | (152,460) | - | - | - | (152,460) | - | - | (152,460) |
| Reclassifications & Transfers | - | 22,799,309 | - | - | 104,165 | 6,842,570 | (30,738,929) | - | (992,885) | 413,289 | - | (579,596) |
| Reclassified to(-) / from(+) Held for Sale | - | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at 31 March 2024 | 112,336,505 | 555,929,619 | 5,093,674 | - | 53,465,268 | 60,835,883 | 30,998,213 | 5,446,001 | 824,105,163 | 10,108,954 | 1,863,000 | 836,077,117 |

| Depreciation and Impairment | Land | Buildings | Infrastructure Assets | Landfill Sites | Vehicles, Plant & Equipment | Community Assets | PP&E Under Construction | Surplus Assets | Total PP&E | Heritage Assets | Assets Held for Resale | TOTAL |
|--|--------------------|--------------------|-----------------------|----------------|-----------------------------|-------------------|-------------------------|------------------|--------------------|-------------------|------------------------|--------------------|
| | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | |
| Balance as at 1 April 2023 | - | 201,401 | 1,131,820 | - | 32,760,547 | 8,849,493 | - | - | 42,943,261 | 27,261 | - | 42,970,522 |
| Adjustments between cost/value & depreciation/impairment | - | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at 1 April 2023 | - | 201,401 | 1,131,820 | - | 32,760,547 | 8,849,493 | - | - | 42,943,261 | 27,261 | - | 42,970,522 |
| Depreciation Charge | - | 23,494,247 | 169,794 | - | 3,861,777 | 2,387,520 | - | - | 29,913,338 | 119,740 | - | 30,033,078 |
| Depreciation written out on Revaluation Reserve | - | (22,943,088) | - | - | - | - | - | - | (22,943,088) | (119,740) | - | (23,062,828) |
| Depreciation written out on Revaluation taken to Surplus or Deficit on the Provision of Services | - | (563,462) | - | - | - | - | - | - | (563,462) | - | - | (563,462) |
| Impairment losses/reversals to Revaluation Reserve | - | - | - | - | - | - | - | - | - | - | - | - |
| Impairment losses/reversals to Surplus or Deficit on the Provision of Services | - | - | - | - | - | - | - | - | - | - | - | - |
| Derecognition - Disposals | - | - | - | - | (4,001,979) | - | - | - | (4,001,979) | - | - | (4,001,979) |
| Derecognition - Other | - | - | - | - | (134,824) | - | - | - | (134,824) | - | - | (134,824) |
| Reclassifications & Transfers | - | - | - | - | - | - | - | - | - | - | - | - |
| Eliminated on reclassification to Held for Sale | - | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at 31 March 2024 | - | 189,098 | 1,301,614 | - | 32,485,521 | 11,237,013 | - | - | 45,213,246 | 27,261 | - | 45,240,507 |
| Net Book Values | | | | | | | | | | | | |
| Balance as at 31 March 2024 | 112,336,505 | 555,740,521 | 3,792,060 | - | 20,979,747 | 49,598,870 | 30,998,213 | 5,446,001 | 778,891,917 | 10,081,693 | 1,863,000 | 790,836,610 |
| Balance as at 31 March 2025 | 120,410,504 | 555,883,974 | 3,622,266 | - | 21,064,191 | 47,739,276 | 35,734,653 | 1,277,001 | 785,731,865 | 10,095,389 | 13,750,000 | 809,577,256 |

Valuations

The land and buildings assets held by the Council were valued originally as at 1 April 1997 by the Valuations and Lands Agency, in accordance with the statements of asset valuation practice and guidance notes of the Royal Institute of Chartered Surveyors. The Council operates a rolling programme for the valuation of its land and building properties, so approximately 20% of these assets are revalued discretely by physical inspection each year, and the remainder are revalued annually by a desktop exercise.

In the 2024/25 year, land and buildings including investment properties were valued as at 31 March 2025. The valuations were carried out by Land and Property Services (LPS), a part of the Department of Finance.

Capital Commitments

A total of 3 capital contracts were entered into during the period.

| Project Name | Date | Capital Commitment £ |
|-------------------------------|------------|----------------------|
| Belfast Story/Destination Hub | 25/03/2024 | 344,880 |
| Floral Hall H&S Works | 13/01/2025 | 645,145 |
| Belfast eBikes | 12/03/2025 | 955,250 |
| Total | | 1,945,275 |

Effects of Changes in Estimates

There were no material changes in accounting estimates for property, plant and equipment during the period.

Surplus Assets

Surplus assets are non-current assets that are not being used to deliver services but which do not meet the criteria to be classified as either investment properties or non-current assets held for sale. Assets held for sale are assets which are not being used to deliver services and whose economic value will be realised by disposal, are actively being marketed, and ordinarily are expected to be disposed of within 12 months of the balance sheet date.

Impairment and revaluation losses

There were no material impairments to property during the period.

11 c Property, plant and equipment

Depreciation

The useful lives and depreciation rates applied to calculate the depreciation are outlined in Note 1.

d Intangible Assets

Intangible assets relate to landfill closure costs with a net book value of £nil (2023/24: £nil) and a gross cost before amortisation of £16,700k (2023/24: £16,700k); and purchased licensed software and related implementation costs with a net book value of £1,608k (2023/24: £1,511k), and a gross costs before amortisation of £4,058k (2023/24: £4,674k)

| Intangible Assets | 2024/25 | 2023/24 |
|---|------------------|------------------|
| | £ | £ |
| Balance at start of year: | | |
| Gross carrying amounts | 21,442,663 | 20,888,569 |
| Accumulated amortisation | (19,932,114) | (19,573,074) |
| Net carrying amount at start of year | 1,510,549 | 1,315,495 |
| Additions | 107,359 | (25,503) |
| Amortisation for the period | (442,991) | (359,040) |
| Reclassification and transfer from WIP | 433,405 | 579,597 |
| Gross carrying amount of assets derecognised in the year | (1,156,215) | - |
| Accumulated amortisation on assets derecognised during the year | 1,156,215 | - |
| Net carrying amount at end of year | 1,608,322 | 1,510,549 |
| Comprising: | | |
| Gross carrying amounts as previously published | 21,983,427 | 21,442,663 |
| Derecognise intangible assets for the year | - | - |
| Gross carrying amounts restated | 21,983,427 | 21,442,663 |
| Accumulated amortisation as previously published | (20,375,105) | (19,932,114) |
| Derecognise intangible assets for the year | - | - |
| Accumulated amortisation | (20,375,105) | (19,932,114) |
| Net carrying amount at end of year | 1,608,322 | 1,510,549 |

e Investment Properties

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

| Investment Properties | 2024/25 | 2023/24 |
|--|------------------|------------------|
| | £ | £ |
| Rental Income from Investment Activities | 6,316,625 | 6,240,729 |
| Direct Operating expenses arising from investment properties | (393,002) | (634,484) |
| Net gain/(loss) | 5,923,623 | 5,606,245 |

There are no restrictions on the Council's ability to realise the value inherent in its investment properties or on the Council's right to the remittance of income and proceeds of disposal. The Council has no contracted 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:

| Investment Properties | 2024/25 | 2023/24 |
|--|-------------------|-------------------|
| | £ | £ |
| Balance at start of the year | 94,455,000 | 92,955,000 |
| Additions | 625,500 | - |
| Disposals | - | - |
| Net gains/losses from fair value adjustments | 114,500 | 1,500,000 |
| Transfers to/ from inventories | - | - |
| Transfers to/ from property, plant and equipment | (2,700,000) | - |
| Other changes | - | - |
| Balance at end of the year | 92,495,000 | 94,455,000 |

Investment Properties are comprised of the following properties, all held at valuation:

| Investment Property | 2024/25 | 2023/24 |
|-----------------------------------|-------------------|-------------------|
| | £ | £ |
| Industrial Estates | 76,540,000 | 75,770,000 |
| Commercial Units | 11,955,000 | 18,685,000 |
| Land/building combined | 4,000,000 | - |
| Balance at end of the year | 92,495,000 | 94,455,000 |

Summary of the net book values of non-current assets as reported in the balance sheet is as follows

| Non-current assets | Total PP&E | Heritage Assets | Investment Properties | Intangible Assets | Assets held for sale | TOTAL |
|---|--------------------|-------------------|-----------------------|-------------------|----------------------|--------------------|
| | £ | £ | £ | £ | £ | £ |
| Net Book Value as at 31 March 2024 | 778,891,916 | 10,081,693 | 94,455,000 | 1,510,549 | 1,863,000 | 886,802,158 |
| Net change in cost or valuation | 12,755,211 | 122,739 | (1,960,000) | 540,764 | 11,887,000 | 23,345,714 |
| Depreciation and Impairment in the year | (5,915,261) | (109,043) | | (442,991) | | (6,467,295) |
| Net movement for the year | 6,839,950 | 13,696 | (1,960,000) | 97,773 | 11,887,000 | 16,878,419 |
| Net Book Value as at 31 March 2025 | 785,731,866 | 10,095,389 | 92,495,000 | 1,608,324 | 13,750,000 | 903,680,577 |

Fair Value Hierarchy

Details of the Council's Investment Properties and information about the fair value hierarchy as at 31 March 2025 and 31 March 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 |
|--|--|---|---|----------------------------------|
| | £ | £ | £ | £ |
| Industrial Estates and Commercial Units | - | 92,495,000 | - | - |
| Total | - | 92,495,000 | - | - |

| 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 |
|--|--|---|---|----------------------------------|
| | £ | £ | £ | £ |
| Industrial Estates and Commercial Units | - | 94,455,000 | - | - |
| Total | - | 94,455,000 | - | - |

Transfers between levels of the fair value hierarchy

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

Investment Properties are considered to have enough uniqueness so they no longer can be compared to similar items that are used for reference in an active market, and are valued using inputs other than quoted prices that are observable. As such, they are valued using Level 2 inputs.

Valuation techniques used to determine Level 2 and 3 Fair Values for Investment Properties

Significant Observable Inputs - Level 2

In 2024/25, all Investment Properties were measured using the same methodology as in 2023/24, and additionally, for industrial estates included within investment properties, an assessment was made of their incomes and expenditures over the preceding rolling 5-year period. The inputs used to value these properties have been classified as Level 2, other significant observable inputs

Highest and best use of Investment Properties

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

Valuation Techniques

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

Gains or losses arising from changes in the fair value of the investment properties are recognised in Surplus or Deficit on the Provision of Services - Financing and Investment Income and Expenditure line.

Valuation process for Investment Properties

The fair value of the Council's investment properties is measured at market value as at 31 March 2025. All valuations are carried out by Land and Property Services, in accordance with their methodologies and bases for estimation as set out in the professional standards of the Royal Institution of Chartered Surveyors. The Council's valuation experts work closely with Council finance officers reporting directly to the Chief Financial Officer on a regular basis regarding all valuation matters.

f Heritage Assets

The Council's collection of heritage assets consists of works of art, civic items, donated works of art, and certain historic buildings and monuments with historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture. These assets are reported in the balance sheet at valuation; or at insurance valuation as a proxy for market value; or, if it is not possible to obtain a valuation, they are measured at historic cost less depreciation, amortisation or impairment losses. Insurance valuations are updated on a periodic basis.

Where no cost can be measured accurately for a heritage asset, it is not held on the balance sheet at a monetary value. The item will still be retained in the Council's possession and will form part of its heritage asset collection. There are currently 169 of these items recorded by Belfast City Council.

| Heritage assets- additions | 2024/25 | 2023/24 |
|---|---------------|----------------|
| | £ | £ |
| Frederick Douglass Statue | 200 | 155,709 |
| Winifred Carney & Mary Anne McCracken Statues | | 257,579 |
| Portrait of Councillor Kate Nicholl | | 15,000 |
| Michael Longley 'Light from Two Windies' | | 1 |
| Portrait of Councillor Tina Black | 12,500 | |
| | | |
| | | |
| Total | 12,700 | 428,290 |

There were no other additions, transfers or disposals of heritage assets during the period.

g Assets Held for Sale

| Assets Held for Sale | Current | Non Current | Total |
|--|------------------|-------------------|-------------------|
| | Restated | Restated | Restated |
| | £ | £ | £ |
| Cost or Valuation | | | |
| Balance as at 1 April 2024 | 5,770,001 | 1,863,000 | 7,633,001 |
| Adjustments between cost/value & depreciation/impairment | - | - | - |
| Transferred from Non-Current Assets during year | 2,650,000 | 11,887,000 | 14,537,000 |
| Assets Held for Sale Donations | - | - | - |
| Assets Held for Sale Revaluation increases/decreases to Revaluation Reserve | - | - | - |
| Revaluation increases/decreases taken to Surplus or Deficit on the Provision of Services | - | - | - |
| Assets Held for Sale Impairment @ Cost to Provision of Services | - | - | - |
| Derecognition - Disposals | (5,770,000) | - | (5,770,000) |
| Derecognition - Other | - | - | - |
| Reclassified from Current Assets Held for Sale to non current Assets Held for Sale | - | - | - |
| Transferred to Property, Plant & Equipment during year | - | - | - |
| Balance as at 31 March 2025 | 2,650,001 | 13,750,000 | 16,400,001 |
| Impairment | | | |
| Balance as at 1 April 2024 | - | - | - |
| Adjustments between cost/value & depreciation/impairment | - | - | - |
| Impairment losses/reversals taken to Surplus or Deficit on the Provision of Services | - | - | - |
| Derecognition - Disposals | - | - | - |
| Derecognition - Other | - | - | - |
| Reclassified from Current Assets Held for Sale to non current Assets Held for Sale | - | - | - |
| Transferred to Property, Plant & Equipment during year | - | - | - |
| Balance as at 31 March 2025 | - | - | - |
| Net Book Values | | | |
| Balance as at 31 March 2025 | 2,650,001 | 13,750,000 | 16,400,001 |
| Balance as at 31 March 2024 | 5,770,001 | 1,863,000 | 7,633,001 |

During 2024/25, non-current assets with a fair value of £11,887,000 met the criteria to be recognised as assets held for sale.

The gain on assets classified as held for sale and sold during the year was £650,000.

| Assets Held for Sale | Current | Non Current | Total |
|--|------------------|------------------|------------------|
| | Restated | Restated | Restated |
| | £ | £ | £ |
| Cost or Valuation | | | |
| Balance as at 1 April 2023 | 5,770,001 | 1,863,000 | 7,633,001 |
| Adjustments between cost/value & depreciation/impairment | | | - |
| Transferred from Non-Current Assets during year | - | - | - |
| Assets Held for Sale Donations | - | - | - |
| Assets Held for Sale Revaluation increases/decreases to Revaluation Reserve | - | - | - |
| Revaluation increases/decreases taken to Surplus or Deficit on the Provision of Services | - | - | - |
| Assets Held for Sale Impairment @ Cost to Provision of Services | - | - | - |
| Derecognition - Disposals | - | - | - |
| Derecognition - Other | - | - | - |
| Reclassified from Current Assets Held for Sale to non current Assets Held for Sale | - | - | - |
| Transferred to Property, Plant & Equipment during year | - | - | - |
| Balance as at 31 March 2024 | 5,770,001 | 1,863,000 | 7,633,001 |
| Impairment | | | |
| Balance as at 1 April 2023 | - | - | - |
| Adjustments between cost/value & depreciation/impairment | - | - | - |
| Impairment losses/reversals taken to Surplus or Deficit on the Provision of Services | - | - | - |
| Derecognition - Disposals | - | - | - |
| Derecognition - Other | - | - | - |
| Reclassified from Current Assets Held for Sale to non current Assets Held for Sale | - | - | - |
| Transferred to Property, Plant & Equipment during year | - | - | - |
| Balance as at 31 March 2024 | - | - | - |

During 2023/24, non-current assets with a fair value of £1,863,000 met the criteria to be recognised as assets held for sale.

The restatement of this note for balance classified as Assets Held for Sale in 23/24 has impacted several notes to the accounts as well as the Balance Sheet and Cashflow statement.

The gain on assets classified as held for sale and sold during the year was £nil.

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

| | Land and Buildings | Vehicles | Equipment | TOTAL |
|--|--------------------|-----------------|-----------------|------------------|
| | £ | £ | £ | £ |
| Cost or Valuation | | | | |
| At 1 April 2024 (Recognition upon implementation of IFRS 16) | 1,307,404 | 55,608 | 110,369 | 1,473,381 |
| Additions | - | 34,249 | 252,629 | 286,878 |
| Revaluations | - | - | - | - |
| Disposals | - | - | - | - |
| At 31 March 2025 | 1,307,404 | 89,857 | 362,998 | 1,760,259 |
| Depreciation | | | | |
| At 1 April 2024 | - | - | - | - |
| Disposals | - | - | - | - |
| Provided for year | (275,945) | (47,613) | (85,505) | (409,063) |
| At 31 March 2025 | (275,945) | (47,613) | (85,505) | (409,063) |
| Net Book Value | 1,031,459 | 42,244 | 277,493 | 1,351,196 |

| | Land and Buildings | Vehicles | Equipment | TOTAL |
|--|--------------------|----------|-----------|----------|
| | £ | £ | £ | £ |
| Cost or Valuation | | | | |
| At 1 April 2023 (Completion of comparatives required if implemented IFRS 16 early) | - | - | - | - |
| Additions | - | - | - | - |
| Revaluations | - | - | - | - |
| Disposals | - | - | - | - |
| At 31 March 2024 | - | - | - | - |
| Depreciation | | | | |
| At 1 April 2023 (Completion of comparatives required if implemented IFRS 16 early) | - | - | - | - |
| Disposals | - | - | - | - |
| Provided for year | - | - | - | - |
| At 31 March 2024 | - | - | - | - |
| Net Book Value | - | - | - | - |

I Fair Value Hierarchy for Surplus Assets

Surplus assets are non-operational assets that do not meet the conditions to be classified as assets held for sale. They are measured at fair value, reflecting the actual market state and conditions at the balance sheet date (which is the valuation date) with best evidence of fair value in an active market for similar properties in the same location. The council classifies assets to surplus assets on the advice of its estates management officers and in consultation with its external property valuers.

The surplus assets held by the council comprise a number of properties including land, buildings or sites of land and buildings combined, which have not reached the stage where the council can market these for sale advantageously, or where the properties have restrictions that prevent them currently being brought to market.

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:

| 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 |
|--|--|---|---|----------------------------------|
| | £ | £ | £ | £ |
| Land | - | 967,001 | - | 967,001 |
| Buildings | - | 300,000 | - | 300,000 |
| Land and Buildings combined | - | 10,000 | - | 10,000 |
| Total | - | 1,277,001 | - | 1,277,001 |

| 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 |
|--|--|---|---|----------------------------------|
| | £ | £ | £ | £ |
| Land | - | 676,001 | - | 676,001 |
| Buildings | - | 660,000 | - | 660,000 |
| Land and Buildings combined | - | 4,110,000 | - | 4,110,000 |
| Total | - | 5,446,001 | - | 5,446,001 |

Surplus Assets are considered to have enough uniqueness that they no longer can be compared to similar items that are used for reference in an active market, and are valued using inputs other than quoted prices that are observable. As such, they are valued using Level 2 inputs.

Transfers between levels of the fair value hierarchy

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

In 2024/25, all Surplus Assets were measured using the same methodology as in 2023/24. The inputs used to value these properties have been classified as Level 2, other significant observable inputs, due to the uniqueness of these properties.

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.

Valuation Techniques

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

The fair value of the Council's Surplus Assets is measured at market valuation as at 31 March 2025. 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. The Council's valuation experts work closely with finance officers reporting directly to the chief financial officer on a regular basis regarding all valuation matters.

12 Capital Expenditure and Capital Financing

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

| Capital Expenditure | Note | 2024/25 | | 2023/24 | |
|---|----------|--------------------|----------|--------------------|----------|
| | | £ | Restated | £ | Restated |
| Opening Capital Financing Requirement | | 121,643,598 | | 129,217,677 | |
| Capital Investment | | | | | |
| Property, Plant and Equipment | 11 | 18,099,354 | | 16,429,177 | |
| Investment Properties | | 625,500 | | - | |
| Intangible Assets | 11 | 107,359 | | (25,503) | |
| Revenue Expenditure Funded from Capital under Statute | | 8,100,274 | | 17,029,101 | |
| Investments | | - | | - | |
| Sources of Finance | | | | | |
| Capital Receipts | 25a | (2,000,000) | | - | |
| Government Grants and Other Contributions | 10c | (2,633,989) | | (5,610,831) | |
| REFCUS - Government Grants and other Contributions | | (5,855,398) | | (15,264,024) | |
| REFCUS - Direct Financing | | (1,971,946) | | (1,765,077) | |
| REFCUS - Capital grants applied | | (272,930) | | - | |
| Transfers from Earmarked Reserves | 25e, 26a | (625,500) | | (120,000) | |
| Sums set aside from Revenue: | | | | | |
| Direct Revenue Contributions | | (7,562,536) | | (9,594,430) | |
| Minimum Revenue Provision | | (9,140,494) | | (8,652,492) | |
| Closing Capital Financing Requirement | | 118,513,292 | | 121,643,598 | |
| Explanation of Movements in Year | | 2024/25 | | 2023/24 | |
| | | £ | | £ | |
| Increase/(decrease) in underlying need to borrow | | (3,130,306) | | (7,574,079) | |
| Assets acquired under finance leases | | - | | - | |
| Assets acquired under PFI/PPP contracts | | - | | - | |
| Increase/(decrease) in Capital Financing Requirement | | (3,130,306) | | (7,574,079) | |

Belfast City Council have undertaken a number of projects including expenditure on community and leisure infrastructure and have provided grant aid to community organisations which have been included in the REFCUS totals above. The 23/24 accounts have been updated for disclosure of these REFCUS amounts.

13 Future Capital Commitments

| | Gross Cost | Grant Aid | Net Cost |
|-------------------|-------------------|------------------|-------------------|
| | £ | £ | £ |
| Schemes underway | 21,724,909 | 4,956,803 | 16,768,106 |
| Other Commitments | 37,040,274 | 152,088 | 36,888,186 |
| Total | 58,765,183 | 5,108,891 | 53,656,292 |

Total net expenditure of £2,334,528 has been incurred against these projects in the year ended 31 March 2025

| 14 Inventories | 2024/25 | | 2023/24 | |
|----------------|----------------|---|----------------|---|
| | £ | £ | £ | £ |
| Central Stores | 222,543 | | 220,813 | |
| Total | 222,543 | | 220,813 | |

The cost of inventories written down, recognised as an expense and included in 'services' amounted to £785,998 (2023/24 £682,751).

Belfast City Council also hold £109k worth of stock on behalf of suppliers, which is only charged when used. This value does not form part of the stock figure disclosed in the Accounts.

15 **Debtors****a Long Term Debtors**

| | 2024/25 | 2023/24 |
|---------------------------------------|----------------|----------------|
| | £ | £ |
| Government Departments | - | - |
| Other Councils | - | - |
| Public corporations and trading funds | - | - |
| Bodies external to general government | - | - |
| Employee car loans | 13,177 | 18,119 |
| Revenue Grants | - | - |
| Capital Grants | - | - |
| Interest Receivable | - | - |
| Capital Debtors | - | - |
| Loans and advances | - | - |
| Finance lease debtors | - | - |
| Trade debtors | 262,984 | 918,640 |
| NIHE Loans | - | - |
| Other | - | - |
| Impairment of loans and receivables | - | - |
| Contract Receivables | - | - |
| Total Long Term Debtors | 276,161 | 936,759 |

b Short Term Debtors

| | 2024/25 | 2023/24 |
|---------------------------------------|-------------------|-------------------|
| | £ | £ |
| Government Departments | 1,446,650 | 1,384,978 |
| Other Councils | 100,640 | 401,041 |
| Public corporations and trading funds | - | - |
| Bodies external to general government | - | - |
| Rates finalisation | - | - |
| NIHE loans | - | - |
| Employee car loans | 17,743 | 23,591 |
| Revenue Grants | 5,973,020 | 18,548,774 |
| Capital Grants | 8,269,981 | 6,480,062 |
| Interest receivable | - | - |
| Capital Debtors | 665,000 | - |
| Value Added Tax | 4,382,047 | 2,218,990 |
| Prepayments | 2,567,182 | 4,568,566 |
| Finance lease debtors | - | - |
| Other | 3,011,865 | 10,946,522 |
| Trade receivables | 2,435,067 | 1,778,520 |
| Impairment loss - Trade receivables | (520,278) | (1,074,638) |
| Contract receivables | 486,489 | 556,847 |
| Total Short Term Debtors | 28,835,406 | 45,833,253 |

The total short term debtors have decreased from prior year due to an decrease in grants receivable at year end.

Total Debtors

29,111,567 **46,770,012**

Trade debtors, inclusive of VAT, can be analysed by age as follows:

| | £ |
|--------------------------|------------------|
| Less than 3 months | 3,683,053 |
| Three months to one year | 785,792 |
| More than one year | 262,985 |
| Total | 4,731,830 |

| 16 Borrowings | | 2024/25 | 2023/24 |
|-----------------------------------|------------|-------------------|-------------------|
| c Short Term Borrowing | | £ | £ |
| Loans re-payable within one year | 4,512,476 | 5,375,701 | |
| Finance lease principal | - | - | |
| Total Short Term Borrowing | | 4,512,476 | 5,375,701 |
| b Long Term Borrowing | | 2024/25 | 2023/24 |
| | | £ | £ |
| Between 1 and 2 years | 4,598,568 | 4,512,476 | |
| Between 2 and 5 years | 12,838,723 | 13,064,416 | |
| Between 5 and 10 years | 6,260,226 | 10,633,101 | |
| In more than 10 years | 4,935,646 | 4,935,649 | |
| Government Loans Fund | | 28,633,163 | 33,145,642 |
| Total Borrowing | | 33,145,639 | 38,521,343 |

Belfast City Council also have two loans due to Lisburn & Castlereagh Borough Council totalling £45,349.10. These relate to assets transferred under Local Government Reform in 2015, and are included in creditors in the accounts

| 17 Creditors | | 2024/25 | 2023/24 |
|---------------------------------------|------------|-------------------|-------------------|
| c Short Term Creditors | | £ | £ |
| Government Departments | 4,101,146 | 2,486,587 | |
| Other Councils | 463 | - | |
| Lease liability right of use assets | 345,516 | - | |
| Bodies external to general government | - | - | |
| Rates clawback | 2,742,451 | 894,750 | |
| De-rating grant clawback | 240,000 | - | |
| Remuneration due to employees | 2,879 | 1,071 | |
| Accumulated absences | 2,243,204 | 2,153,896 | |
| Loan interest payable | 130,824 | 151,535 | |
| Capital creditors | 6,437,938 | 2,749,841 | |
| Receipts in advance | 25,580,261 | 18,324,042 | |
| Trade creditors | 1,462,295 | 3,297,222 | |
| Creditor accruals | 25,307,178 | 20,355,760 | |
| Contract payables | - | 35,000 | |
| Total Short Term Creditors | | 68,594,155 | 50,449,704 |

The total short term creditors have increased significantly due to amounts owed in respect of Belfast Region City Deal projects and related deferred income, as well as an increase in rates clawback to Land and Property Services.

| b Long Term Creditors | | 2024/25 | 2023/24 |
|--|---------|-------------------|-------------------|
| Other creditors falling due after more than one year | | £ | £ |
| Government Departments | - | - | |
| Other Councils | - | - | |
| Lease liability right of use assets | 974,994 | - | |
| Bodies external to general government | - | - | |
| Rates clawback | - | - | |
| Remuneration due to employees | - | - | |
| Accumulated absences | - | - | |
| Receipts in advance | - | - | |
| Trade creditors | - | - | |
| Other | 45,349 | 11,778 | |
| Contract payables | - | - | |
| Total Long Term Creditors | | 1,020,343 | 11,778 |
| Total Creditors | | 69,614,498 | 50,461,482 |

c Payment of Invoices

The Council has a target, where no other terms are agreed, of paying supplier invoices within 30 days. During the year 2024/25 the Council paid 69,124 (2023/24: 75,629) invoices totalling £180,851,764 (2023/24: £192,418,313).

The Council paid:

53,191 invoices within 10 working days target (2023/24: 58,774);
 61,691 invoices within 30 calendar days target (2023/24: 70,456); and
 7,433 invoices outside of the 30 day target (2023/24: 5,173).

The average number of days taken to pay suppliers during the year was 19 days (2023/24: 17 days).

The Council paid 89.25% of invoices within the target of 30 days (2023/24: 93.2%), against the target objective of 90%.

18 Provisions

| | Balance as at 1 April 2024 | (Decrease)/Increase in provision during year | Utilised during year | Unused amounts | | Balance as at 31 March 2025 |
|------------------------|-------------------------------|--|----------------------|-------------------|----------|--------------------------------|
| | | | | £ | £ | |
| Landfill Closure | 3,236,198 | (272,640) | (87,969) | - | - | 2,875,589 |
| Claims Management | 2,338,982 | 999,660 | (490,937) | (285,900) | - | 2,561,805 |
| EU Fine Black Mountain | 534,648 | 101,042 | (635,690) | - | - | - |
| Total | 6,109,828 | 828,062 | (1,214,596) | (285,900) | - | 5,437,394 |

The above EU fine relates to a penalty for a non-compliance issue on Black Mountain Shared Space project. Further details are included in the Annual Governance Statement.

| | | | | | | |
|----------------------|------------------|----------------|--------------------|------------------|----------|------------------|
| Current Provisions | 4,265,735 | 828,062 | (1,214,596) | (285,900) | - | 3,593,301 |
| Long Term Provisions | 1,844,093 | - | - | - | - | 1,844,093 |
| Total | 6,109,828 | 828,062 | (1,214,596) | (285,900) | - | 5,437,394 |

Comparative Year

| Provisions | Balance as at 1 April 2023 | (Decrease)/Increase in provision during year | Utilised during year | Unused amounts | | Balance as at 31 March 2024 |
|------------------------|-------------------------------|--|----------------------|-------------------|----------|--------------------------------|
| | | | | £ | £ | |
| Landfill Closure | 3,203,740 | 124,805 | (92,347) | - | - | 3,236,198 |
| Claims Management | 2,377,327 | 1,455,616 | (1,218,755) | (275,206) | - | 2,338,982 |
| EU Fine Black Mountain | - | 534,648 | - | - | - | 534,648 |
| Total | 5,581,067 | 2,115,069 | (1,311,102) | (275,206) | - | 6,109,828 |

Landfill Closure

The financial provision for the capping and annual monitoring costs required to meet the Council's environmental obligations under the NIEA licence has been agreed on a Local Authority Deed. The discount rates applied on the provision are based on PWLB borrowing rates adjusted for inflation which has resulted in a valuation of £2,875,589.

Claims Management

A provision of £2,561,805 has been made in respect of public liability, employer's liability and other claims/legal cases notified but not processed. Adequate insurance arrangements are in place covering the Council's activities as recommended by the Council's Insurance Brokers. The related insurance premiums paid are accounted for in the financial statements. At 31 March 2025, the total liability for legal cases notified but not processed amounted to an estimated maximum liability of £4,908,446

19 Financial Instruments

Financial Assets as at 31 March 2025

The Council has the following non-current investments and debtors:

The Council's contribution to Beltel LLP is included in 'Investments in Associates and Joint Ventures' and is disclosed at the original value of the contribution.

The majority of the long term debtor relate to trade debtors and car loan balances with employees. The relevant credit losses have been calculated and included in the impairment loss balance.

Current financial assets, namely trade debtors, employee car loans and cash balances have been assessed and relevant credit losses calculated. These amounts are included in the impairment loss balance of £520,278 for 2024/25 (2023/24 £1,074,638).

The employee car loan rate at 31 March 2025 was 2.45%, in comparison to the HMRC official rate of 2.25%.

Financial Liabilities as at 31 March 2025

The Council is in receipt of loans from the Department of Finance at concessionary interest rates that differ from the prevailing market rates. The fair value of these loans is £30,468,684 (2023/24 £35,861,380).

20 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

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

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

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

| | Note | 2024/25 | 2023/24 |
|--|------|-------------------|-------------------|
| | | £ | £ |
| Net cost of services: | | | |
| Current service cost | | 17,663,000 | 17,890,000 |
| Past service cost/(gain) | | 184,000 | 117,000 |
| Gains and losses on settlements or curtailments | | - | - |
| Net operating expenditure: | | | |
| Net interest on net defined benefit Liability (asset) | | (93,000) | (852,000) |
| | | | - |
| Total Post-employment Benefits charged to the Surplus or Deficit on the Provision of Services | | 17,754,000 | 17,155,000 |
| Movement in Reserves Statement: | | | |
| Reversal of net charges made for retirement benefits in accordance with IAS 19 and the Code | | (17,754,000) | (17,155,000) |
| Actual amount charged against the general fund balance for pensions in the year: | | | |
| Employers' contributions payable to scheme | | 17,781,000 | 16,441,000 |
| Net adjustment to General Fund | | 27,000 | (714,000) |

The service cost figures include an allowance for administration expenses of £445k (2023/24 £412k).

The impact of the McCloud judgement has been allowed for in these figures with the change in allowance over the period being treated as an experience item through Other Comprehensive Income.

| | Note | 2024/25 | 2023/24 |
|--|------|----------------|---------------------|
| | | £ | £ |
| Remeasurements recognised in Other Comprehensive Income and Expenditure | | | |
| Liability gains/(losses) due to change in assumptions | | 109,696,000 | 22,238,000 |
| Liability gains/(losses) due to demographic changes | | 4,745,000 | 10,269,000 |
| Liability experience gains/(losses) arising in the year | | (899,000) | (8,528,000) |
| Actuarial gains/(losses) on plan assets | | (2,822,000) | 32,168,000 |
| Adjustment due to restriction of surplus (para 64 IAS19) | | (109,836,000) | (72,297,000) |
| Total gains/(losses) recognised in Other Comprehensive Income and Expenditure | | 884,000 | (16,150,000) |

| c Assets and liabilities in relation to retirement benefits | | 2024/25 | | 2023/24 | |
|--|--|---------|--------------------|--------------------|---|
| Reconciliation of present value of the scheme liabilities: | | Note | £ | £ | £ |
| Balance as at 1 April | | | 651,745,000 | 646,002,000 | |
| Current service cost | | | 17,663,000 | 17,890,000 | |
| Interest cost | | | 30,838,000 | 29,949,000 | |
| Contributions by members | | | 6,130,000 | 5,579,000 | |
| Remeasurement (gains) and losses: | | | | | |
| Actuarial gains/losses arising from changes in financial assumptions | | | (109,696,000) | (22,238,000) | |
| Actuarial gains/losses arising from demographic changes | | | (4,745,000) | (10,269,000) | |
| Actuarial gains/losses arising on liabilities from experience | | | 899,000 | 8,528,000 | |
| Other (if applicable) | | | - | - | |
| Past service costs/(gains) | | | 184,000 | 117,000 | |
| Losses/(gains) on curtailments | | | - | - | |
| Liabilities extinguished on settlements | | | - | - | |
| Estimated unfunded benefits paid | | | (683,000) | (684,000) | |
| Estimated benefits paid | | | (24,687,000) | (23,129,000) | |
| Balance as at 31 March | | | 567,648,000 | 651,745,000 | |
| Reconciliation of present value of the scheme assets: | | Note | 2024/25 | 2023/24 | |
| Balance as at 1 April | | | 717,190,058 | 656,014,058 | |
| Interest Income | | | 34,401,000 | 30,801,000 | |
| Contributions by members | | | 6,130,000 | 5,579,000 | |
| Contributions by employer | | | 17,098,000 | 15,757,000 | |
| Contributions in respect of unfunded benefit: | | | 683,000 | 684,000 | |
| Remeasurement gain/(loss) | | | (2,822,000) | 32,168,000 | |
| Assets distributed on settlements | | | - | - | |
| Unfunded benefits paid | | | (683,000) | (684,000) | |
| Benefits paid | | | (24,687,000) | (23,129,000) | |
| Balance as at 31 March | | | 747,310,058 | 717,190,058 | |

Belfast City Council employs a building block approach in determining the rate of return on Fund assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principles. The assumed rate of return on each asset class is calculated and the overall expected rate of return on assets so derived by aggregating the expected return for each asset class over the actual asset allocation for the Fund at 31 March 2025.

The actual return on scheme assets in the year was a gain of £31,579,000 (2023/24: gain £62,969,000).

| Fair Value of Plan Assets | 2024/25 | 2023/24 |
|---------------------------|-------------|--------------------|
| | £ | £ |
| Equity investments | 300,418,643 | 284,724,453 |
| Bonds | 141,988,911 | 140,569,251 |
| Property | 74,731,006 | 66,698,675 |
| Multi Asset Credit | 100,139,548 | 93,234,708 |
| Cash | 85,193,346 | 88,931,567 |
| Other | 44,838,604 | 43,031,404 |
| 747,310,058 | | 717,190,058 |

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

| | 2024/25 | 2023/24 |
|--|--------------------|--------------------|
| | £ | £ |
| Fair Value of Employer Assets | 747,310,058 | 717,190,058 |
| Present value of funded defined benefit obligation | (561,707,000) | (644,893,000) |
| Pension asset/(liability) of Funded Scheme | 185,603,058 | 72,297,058 |
| Present Value of unfunded defined benefit obligation | (5,941,000) | (6,852,000) |
| Adjustment due to restriction of surplus (para 64 IAS19) | (185,603,000) | (72,297,000) |
| Net asset/(liability) arising from the defined benefit obligation | (5,940,942) | (6,851,942) |
| Amount in the Balance sheet: | | |
| Liabilities | (567,648,000) | (651,745,000) |
| Assets | 747,310,058 | 717,190,058 |
| Adjustment due to restriction of surplus (para 64 IAS19) | (185,603,000) | (72,297,000) |
| Net Asset/(Liability) | (5,940,942) | (6,851,942) |

| d Scheme History | | 2024/25 | 2023/24 |
|---|--------------------|--------------------|---------|
| Analysis of scheme assets and liabilities | | £ | £ |
| Fair Value of Assets in pension scheme | 747,310,058 | 717,190,058 | |
| Present Value of Defined Benefit Obligation | (567,648,000) | (651,745,000) | |
| Adjustment due to restriction of surplus (para 64 IAS19) | (185,603,000) | (72,297,000) | |
| Surplus/(deficit) in the Scheme | (5,940,942) | (6,851,942) | |
| Amount recognised in Other Comprehensive Income and Expenditure: | | 2024/25 | 2023/24 |
| | | £ | £ |
| Actuarial gains/(losses) | 884,000 | (16,150,000) | |
| Expected Return on Plan Assets | - | - | |
| Increase/(decrease) in irrecoverable surplus from membership fall and other factors | - | - | |
| Remeasurements recognised in Other Comprehensive Income and Expenditure | 884,000 | (16,150,000) | |
| Cumulative actuarial gains and losses | 177,273,000 | 176,389,000 | |
| History of experience gains and losses: | | | |
| Experience gains and (losses) on assets | (2,822,000) | 32,168,000 | |
| Experience gains and (losses) on liabilities | (899,000) | (8,528,000) | |

The Council has a net pension asset at 31 March 2025 mainly due to higher asset returns. The Council has restricted the surplus under para 64 of IAS 19 and this is reflected in notes b, c and d

Analysis of projected amount to be charged to the Comprehensive Income and Expenditure Statement for the year to 31 March 2026

| | 31/03/2025 | 31/03/2025 |
|---|---------------|------------|
| | £ | % |
| Projected current cost | 12,262,000 | 101.5% |
| Net interest on the net defined benefit liability (asset) | (187,000) | -1.5% |
| Past service cost | - | - |
| Gains and losses on settlements or curtailments | - | - |
| 12,075,000 | 100.0% | |

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 £18,299k (2024/25 £17,027k).

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 Asset: | -0.38% | 4.49% |
| Experience gains and (losses) on Liabilities | 0.16% | 1.31% |

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 2022.

| Pension scheme assumptions: | 2024/25 | 2023/24 |
|--|----------------|----------------|
| | % | % |
| Mortality assumptions: | | |
| Longevity at 65 current pensioners: | Years | Years |
| Men | 21.6 | 21.7 |
| Women | 24.5 | 24.6 |
| Longevity at 65 for future pensioners: | | |
| Men | 22.2 | 22.7 |
| Women | 25.2 | 25.6 |
| Inflation/Pension Increase Rate | 2.50% | 2.60% |
| Salary Increase Rate | 4.00% | 4.10% |
| Discount Rate | 5.80% | 4.80% |
| Pension accounts revaluation rate | 2.50% | 2.60% |
| Take-up of option to convert annual pension into retirement lump sum: | | |
| Service to April 2009 | 75% | 75% |
| Service post April 2009 | 75% | 75% |

Pension Assumptions Sensitivity Analysis

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

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

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

Funded Pension Scheme Benefits

| Discount Rate Assumption | | |
|--|-------------------|-------------------|
| Adjustment to discount rate | +0.1% p.a. | -0.1% p.a. |
| Present value of the total obligation | 553,281,000 | 570,133,000 |
| % change in the present value of the total obligation | -1.50% | 1.50% |
| Projected service cost | 11,735,000 | 12,802,000 |
| Approximate % change in projected service cost | -4.30% | 4.40% |
| Rate of General Increase in Salaries | | |
| Adjustment to salary increase rate | +0.1% p.a. | -0.1% p.a. |
| Present value of the total obligation | 563,392,000 | 560,022,000 |
| % change in the present value of the total obligation | 0.30% | -0.30% |
| Projected service cost | 12,262,000 | 12,262,000 |
| Approximate % change in projected service cost | 0.00% | 0.00% |
| Rate of Increase to Pensions in Payment and Deferred Pension Assumption | | |
| Adjustment to pension increase rate | +0.1% p.a. | -0.1% p.a. |
| Present value of the total obligation | 568,447,000 | 554,967,000 |
| % change in the present value of the total obligation | 1.20% | -1.20% |
| Projected service cost | 12,802,000 | 11,735,000 |
| Approximate % change in projected service cost | 4.40% | -4.30% |
| Post Retirement Mortality Assumption | | |
| Adjustment to mortality age rating assumption* | +0.1% p.a. | -0.1% p.a. |
| Present value of the total obligation | 574,626,000 | 548,788,000 |
| % change in the present value of the total obligation | 2.30% | -2.30% |
| Projected service cost | 12,703,000 | 11,821,000 |
| Approximate % change in projected service cost | 3.60% | -3.60% |

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

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

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

| | 31/03/2025 % | 31/03/2024 % |
|--------------------|-----------------|-----------------|
| Equity investments | 40.20% | 39.70% |
| Government Bonds | 15.40% | 15.00% |
| Corporate Bonds | 3.60% | 4.60% |
| Property | 10.00% | 9.30% |
| Multi Asset Credit | 13.40% | 13.00% |
| Cash | 11.40% | 12.40% |
| Other | 6.00% | 6.00% |
| Total | 100.00% | 100.00% |

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 completed by October 2023. 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.

h Assets and Liabilities in relation to the retirement benefits of the Gas Pension fund

| Reconciliation of present value of the scheme liabilities: | 2024/25 Note | 2023/24 £ |
|--|------------------|------------------|
| Balance as at 1 April | 499,000 | 613,000 |
| Current service cost | - | - |
| Interest cost | 21,000 | 26,000 |
| Contributions by members | - | - |
| Remeasurement (gains) and losses: | | |
| Actuarial gains/losses arising from changes in financial assumptions | (15,000) | (2,000) |
| Actuarial gains/losses arising from demographic changes | (8,000) | (12,000) |
| Actuarial gains/losses arising on liabilities from experience | 1,000 | 4,000 |
| Other (if applicable) | - | - |
| Past service costs/(gains) | - | - |
| Losses/(gains) on curtailments | - | - |
| Liabilities extinguished on settlements | - | - |
| Net benefits paid | (126,000) | (130,000) |
| Balance as at 31 March | 372,000 | 499,000 |
| Reconciliation of present value of the scheme assets: | 2024/25 Note | 2023/24 £ |
| Balance as at 1 April | 282,000 | 407,000 |
| Interest Income | 11,000 | 16,000 |
| Contributions by members | - | - |
| Contributions by employer | - | - |
| Remeasurement gain/(loss) | (9,000) | (11,000) |
| Assets distributed on settlements | - | - |
| Net Benefits paid | (126,000) | (130,000) |
| Balance as at 31 March | 158,000 | 282,000 |
| Analysis of scheme assets and liabilities | 2024/25 Note | 2023/24 £ |
| Fair Value of Assets in pension scheme | 158,000 | 282,000 |
| Present Value of Defined Benefit Obligation | 372,000 | 499,000 |
| Net Asset/(Liability) recognised on the balance sheet | (214,000) | (217,000) |

Funded Pension Scheme Benefits- Gas Pension Fund Sensitivity Analysis

| Discount Rate Assumption | | |
|---|------------|------------|
| Adjustment to discount rate | +0.1% p.a. | -0.1% p.a. |
| Present value of the total obligation | 371,000 | 374,000 |
| % change in the present value of the total obligation | -0.40% | 0.50% |
| Rate of Increase to Pensions in Payment accounts assumption | | |
| Adjustment to pension increase rate | +0.1% p.a. | -0.1% p.a. |
| Present value of the total obligation | 374,000 | 371,000 |
| % change in the present value of the total obligation | 0.50% | -0.40% |
| Post Retirement Mortality Assumption | | |
| Adjustment to mortality age rating assumption* | -1 Year | +1 Year |
| Present value of the total obligation | 398,000 | 347,000 |
| % change in the present value of the total obligation | 7.00% | -6.80% |

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

| | 2024/25 % | 2023/24 % |
|--|----------------|----------------|
| Government Bonds | 0.00% | 45.70% |
| Cash | 100.00% | 54.30% |
| Total | 100.00% | 100.00% |
| Mortality assumptions: | | |
| Members aged 85 at accounting date | Years | Years |
| Men | 6.7 | 6.7 |
| Women | 7.7 | 7.7 |
| Inflation/Pension Increase Rate | 2.50% | 2.60% |
| Discount Rate | 5.60% | 4.80% |

Gas Pension Fund

The Council's Gas Pension Fund had been established under an agreement between the Council and the Department of Economic Development on 3rd July, 1990. The purpose of the Fund was to provide for the continuation of pension payments to former Gas Department employees and their dependants who were members of various statutory pension schemes. The Gas Pension Fund is maintained to provide for future pension payments to the beneficiaries, the objective being to maintain a fund sufficient to provide all future anticipated payments. No contributions are currently being paid and there are no service members accruing further benefits. Members' benefits are guaranteed by statute. Should the Fund's assets not be sufficient to provide all the benefits, the residual liability for pension payments would fall on Belfast City Council.

The current market value of the Fund at 31 March 2025 is assessed by the Council's actuaries, Aon Hewitt and is disclosed above. The Fund's financial statements outlined below do not take account of liabilities to pay pensions and other benefits after 31 March 2025.

At 31 March 2025 there were 10 pensioners left in the Gas Pensions Fund and the balances relating to the Gas Pension Fund are fully consolidated in the Group financial statements.

| GAS PENSION FUND RESULTS | 31/03/2025 £ | 31/03/2024 £ |
|---|------------------|------------------|
| INCOME AND EXPENDITURE STATEMENT: | | |
| INCOME | | |
| Investment Income | 1,623 | 3,156 |
| EXPENDITURE | | |
| Pensions Paid | (122,347) | (125,578) |
| Administration Expenses | (4,876) | (4,850) |
| Surplus/(Deficit) for the Year | (125,600) | (127,272) |
| NET ASSET MOVEMENTS: | | |
| Brought forward balance | 210,263 | 337,507 |
| Unrealised gain | 72,770 | 69,910 |
| Opening Value of Fund | 283,033 | 407,417 |
| Add contribution from City Council | 0 | 0 |
| Add surplus/(deficit) for the year | (125,600) | (127,272) |
| CHANGE IN MARKET VALUES OF INVESTMENTS | | |
| Realised gain for year | 58,031 | 0 |
| Unrealised gain/(loss) for year | (57,770) | 2,888 |
| Closing value of fund | 157,694 | 283,033 |
| FINANCED BY: | | |
| UK Index Linked Investments | 0 | 128,930 |
| Cash deposits and at bank | 157,692 | 153,423 |
| Debtors | 0 | 678 |
| | 157,692 | 283,031 |
| Bank Balance | - | - |
| Creditors | - | - |
| | - | - |
| Closing value of fund | 157,692 | 283,031 |

| Summary Net Asset/Liability recognised on the Balance Sheet | 2024/25 | 2023/24 |
|--|--------------------|--------------------|
| Northern Ireland Local Government Officer's Pension Fund | (5,940,942) | (6,851,942) |
| Gas Pension Fund | (214,000) | (217,000) |
| Belfast Waterfront & Ulster Hall Limited | - | - |
| Total Net Asset/(Liability) recognised on the Balance Sheet | (6,154,942) | (7,068,942) |

The figures above include a pension amount in respect of Belfast Waterfront & Ulster Hall Limited (BWUH Ltd). BWUH Ltd became a participating employer in the NILGOSC scheme on 1 April 2016. Belfast City Council has agreed to include and disclose the net pension amount under this scheme up to 31 March 2025 within the net total for Belfast City Council. The net pension asset of BWUH Ltd has been restricted under para 64 of IAS 19 by £3.749m

Allowance for the McCloud Judgement and GMP Indexation / Equalisation

The above amounts include an allowance for additional liabilities arising from the McCloud Judgement and GMP Indexation and Equalisation cases outlined below.

McCloud Judgement

In December 2018, the Court of Appeal ruled in the 'McCloud/Sargeant' judgement that the transitional protection arrangements put in place when the Firefighters' and Judges' pension schemes were reformed in 2015 were age discriminatory. While the judgement was not in relation to members with Local Government Pension Scheme (NI) benefits it would be reasonable to assume that the Government will seek remedy for all public sector schemes including Local Government Pension Scheme (NI).

The method for valuing the McCloud remedy is closely aligned with the method proposed by MHCLG (now DLUHC) in its consultation issued in July 2020 and the Department of Communities in its consultation issued in November 2020.

As under the proposed remedy the period of protection will apply from 1 April 2015 to 31 March 2022. The McCloud allowances are included within the past service liabilities, and no allowance has been made within the current service cost over this accounting period.

GMP Indexation and Equalisation

Guaranteed Minimum Pension (GMP) is a portion of pension that is payable to members who were contracted out of the State Second Pension and accrued benefits in the scheme between 6 April 1978 and 5 April 1997. The LGPS (NI) was contracted out. The GMP was intended to approximately replace the State Pension which members were giving up, however the payment terms of GMP are different between men and women, which was a consequence of the state pension itself being unequal at that time.

On 26 October 2018 the High Court ruled in the Lloyds Bank case that equalisation for the effect of unequal GMPs is required. The estimated liability has been based on a typical Local Government pension fund to quantify the value of fully indexing GMP's in line with CPI inflation for those reaching State Pension Age (SPA) after 5 December 2018. This was calculated to be 0.3% of the liabilities/defined benefit obligation.

Allowance has been made for full pension increases to be paid on GMPs to individuals reaching SPA after 6 April 2016. Any increase in liability at this accounting date has been charged through Other Comprehensive Income. No allowance has been made for the outcome of the second ruling in the Lloyds bank case in October 2020.

| 21 | Donated Assets Account | Note | 2024/25 | 2023/24 |
|----|---|------|------------------|----------------|
| | | | £ | £ |
| | Opening balance | | 443,856 | 443,856 |
| | Add: new donated assets received (condition of use not met) | | 1,470,720 | - |
| | Less: amounts released to the District Fund - Comprehensive Income and Expenditure Account (conditions met) | | - | - |
| | | | 1,914,576 | 443,856 |

Analysis of Donated Assets Account

The balance of the Donated Assets Account represents donations received that have yet to be recognised as income, as they have conditions attached to them, which will require the donated assets to be returned, if conditions are not met. The balances at the year end are as follows:

| Donated Assets Account | Note | 2024/25 | 2023/24 |
|--|------|------------------|----------------|
| | | £ | £ |
| Neil Shawcross "Writers of Belfast" collection | | 430,000 | 430,000 |
| Animal Welfare Van Vauxhall Combo Cargo | | 13,856 | 13,856 |
| Rory Gallagher Statue | | 100,000 | |
| Pairc an Lonnain (Land) | | 16,900 | |
| Pairc an Lonnain (Built) | | 1,106,770 | |
| Ravenhill Road Site (Built) | | 247,050 | |
| | | 1,914,576 | 443,856 |

| Capital Receipts Unapplied | Note | 2024/25 | 2023/24 |
|--|------|-----------|----------------|
| | | £ | £ |
| Opening balance | | 111,725 | 111,725 |
| Add: new capital grants received in advance (condition of use not met) | | - | - |
| Less: amounts transferred to Capital Receipts Unapplied Reserve | 25 | (111,725) | - |
| | | - | 111,725 |

Proceeds of £250k was received in 17/18 in relation to a disposal to NIHE. To date, £138k of this has been used to finance a playground, with the balance remaining of £112k transferred to Capital Receipts Unapplied Reserve in 24/25.

| 22 | Capital Grants Received in Advance | Note | 2024/25 | 2023/24 |
|---|------------------------------------|------|----------------|----------------|
| | | | £ | £ |
| Opening balance | | | 621,914 | 1,599,918 |
| Add: new capital grants received in advance (condition of use not met) | | | 1,809,544 | 204,800 |
| Less: amounts released to the Comprehensive Income and Expenditure Statement other projects | | | (799,006) | |
| Less: amounts released to the Comprehensive Income and Expenditure Statement | | | (1,317,791) | (1,182,803) |
| Less: amounts transferred to Capital Grants Unapplied Reserve | 25 | | (21,929) | 0 |
| | | | 292,732 | 621,914 |

Analysis of Capital Grants Receipts in Advance Balance

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

| Capital Grants Receipts in Advance | Note | 2024/25 | 2023/24 |
|---|------|----------------|----------------|
| | | £ | £ |
| Forth Meadow DFC | | 117,338 | 211,731 |
| Loughside Trim Trail-UKSPT Green Spaces | | | - |
| Belfast Bikes Asset Upgrade | | | 4,233 |
| Paisley Park Refurb | | 46,236 | 147,034 |
| Belfast Castle LWWP | | 1,000 | 1,000 |
| Forthriver LWWP | | 5,327 | 5,327 |
| Ballysillan PF LWWP | | 122,831 | 221,151 |
| Botanic Upsurge | | - | 31,439 |
| | | 292,732 | 621,914 |

23 Contingencies

Residential Waste Treatment Project

The arc21 Joint Committee has, with the approval of their Participant Councils, entered into a Contingent Liability Undertaking with the bidding consortium in the procurement for the Residential Waste Treatment Project. Payments made, if any, in accordance with this undertaking will be funded by the Participant Councils.

Landfill Site

The financial provision for the capping and annual monitoring cost of the landfill site, required to meet the Council's environmental obligations under the NIEA licence, has been agreed on a Local Authority Deed and disclosed in Note 18. The remaining area not covered by NIEA licence may require specific capping depending on the future use of this land. The impact of any future capping of this area on the liabilities of Belfast City Council is uncertain and therefore no provision for any such costs has been made.

Contingent Asset

The Council has recognised £1,866,455 (23/24 £5,502,943) in compensation payments in respect of ongoing legal action against HMRC to recover previously overdeclared output VAT in respect of leisure and recreational income. These amounts are included in Note 8b as Other Income. If resolution is reached on the remaining elements of this legal action, it will take time to conclude the matter and assess any associated financial impact.

24 Other cash flow disclosures

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

| Adjustment to surplus or deficit on the provision of services for non-cash movements | | 2024/25 | 2023/24 Restated |
|---|------------|-------------|---------------------|
| | Note | £ | £ |
| Depreciation | 4a, 11 | 28,791,047 | 30,392,118 |
| Impairment & downward revaluations (& non-sale derecognitions) | 4a, 11 | (3,576,975) | (1,609,311) |
| Amortisation (included with depreciation above) | | - | - |
| (Increase)/Decrease in inventories | 14 | (1,730) | 85,945 |
| (Increase)/Decrease in Debtors | 15 | 18,212,805 | (15,216,011) |
| Increase/(Decrease) in impairment provision for bad debts | 15 | (554,360) | 170,839 |
| Increase/(Decrease) in Creditors | 17 | 19,063,708 | 7,168,902 |
| Increase/(Decrease) in Interest Creditors | | - | - |
| Payments to NILGOSC | 20b | (27,000) | 714,000 |
| Carrying amount of non-current assets sold | 4a, 8a, 11 | 5,992,173 | 137,193 |
| A/C/WIP written off to Net Cost of Services | | - | - |
| Contributions to Other Reserves/Provisions | | (3,423,076) | 3,057,196 |
| Movement in value of investment properties (included with impairment & downward revaluations (& non-sale derecognitions) above) | | - | - |
| Amounts posted to CIES from Donated Assets Account | 21 | - | - |
| Contract Costs | | - | - |
| Contract Assets | | - | - |
| Contract Liabilities | | - | - |
| Deferred Revenue | | - | - |
| | | 64,476,592 | 24,900,871 |

| Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities | | 2024/25 | 2023/24 |
|--|------------|--------------|-------------|
| | Note | £ | £ |
| Purchase of short-term (not considered to be cash equivalents) and long-term investments (includes investments in associates, joint ventures and subsidiaries) | | - | - |
| Proceeds from short-term (not considered to be cash equivalents) and long-term investments (includes investments in associates, joint ventures and subsidiaries) | | - | - |
| Proceeds from the sale of PP&E, investment property and intangible assets | 4a, 8a, 9e | (8,036,410) | (337,700) |
| Capital grants included in Taxation & non-specific grant income | 10c | (2,633,989) | (5,610,831) |
| | | (10,670,399) | (5,948,531) |

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:

| | Note | 2024/25 | 2023/24 |
|--|------|------------|------------|
| | | £ | £ |
| Cash and Bank Balances | | (764,131) | 1,499,122 |
| Short Term Deposits (considered to be cash equivalents) | | 58,303,561 | 12,000,000 |
| Short Term Investments (considered to be cash equivalents) | | - | - |
| Bank Overdraft | | - | - |
| | | 57,539,430 | 13,499,122 |

c Cash flows from Investing Activities

| | Note | 2024/25 | 2023/24 |
|--|------------|------------------|-------------------|
| | | £ | £ |
| Purchase of PP&E, investment property and intangible assets | 11 | 15,144,116 | 18,576,649 |
| Purchase of Short Term Investments (not considered to be cash equivalents) | | - | - |
| Purchase of Long Term Investments | | - | - |
| Other Payments for Investing Activities | | 837,941 | 919,489 |
| Proceeds from the sale of PP&E, investment property and intangible assets | 4a, 8a, 9e | (8,036,410) | (337,700) |
| Proceeds from Short Term Investments (not considered to be cash equivalents) | | - | - |
| Proceeds from Long Term Investments | | - | - |
| Capital Grants and Contributions Received | 10c | (2,633,989) | (5,610,831) |
| Other Receipts from Investing Activities | | - | - |
| Net Cash flows from Investing Activities | | 5,311,658 | 13,547,607 |

| d Cash flows from Financing Activities | 2024/25 | 2023/24 |
|---|--------------------|--------------------|
| | £ | £ |
| Cash Receipts from Short and Long Term Borrowing | - | - |
| Other Receipts from Financing Activities | - | - |
| Cash payments for the reduction of the outstanding liability relating to a finance lease and on-Balance Sheet PFI contracts | - | - |
| Repayment of Short and Long Term Borrowing | (5,375,704) | (5,260,562) |
| Other payments for Financing Activities | - | - |
| Net Cash flows from Financing Activities | (5,375,704) | (5,260,562) |

25 Usable Reserves
a Capital Receipts Reserve

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

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

| Capital Receipts Reserve | | 31/03/2025 | 31/03/2024 |
|--|-------|-------------------|-------------------|
| | Note | £ | £ |
| At 1 April | | 729,008 | 642,458 |
| Transfers between Statutory & Other Reserves & the General Fund | | - | - |
| Disposal of Non Current Assets/ Capital Sales | 8, 9e | 7,297,500 | 216,000 |
| Capital Receipts used to finance capital expenditure | 12 | (2,000,000) | - |
| Difference between finance and other costs and income calculated on an accounting basis and finance costs calculated in accordance with statutory requirements | | - | - |
| Other Movements | | (1,887,284) | (129,450) |
| At 31 March | | 4,139,224 | 729,008 |

b Deferred Capital Receipts Account

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

| Deferred Capital Receipts Account | | 31/03/2025 | 31/03/2024 |
|--|------|-------------------|-------------------|
| | Note | £ | £ |
| At 1 April | | - | - |
| Other movements | | 665,000 | - |
| At 31 March | | 665,000 | - |

c Capital Receipts Unapplied

Where a capital receipt (or part thereof) has been recognised as income in the Comprehensive Income and Expenditure Statement, but the expenditure to be financed from that receipt has not been incurred at the Balance Sheet date, the receipt shall be transferred to the Capital Receipts Unapplied Account, 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 receipt is incurred, the receipt (or part thereof) shall be transferred from the Capital Receipts 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 Receipts Unapplied Account | | 31/03/2025 | 31/03/2024 |
|---|------|-------------------|-------------------|
| | Note | £ | £ |
| At 1 April | | - | - |
| Transfer from Capital Receipts Unapplied | 21 | 111,725 | - |
| Other movements | | - | - |
| At 31 March | | 111,725 | - |

Proceeds of £250k was received in 2017/18 in relation to a disposal to NIHE. To date £138k of this has been used to finance a playground with a balance of £112k remaining. Previously these funds were held in Note 21 Donated Assets Account before being transferred to Capital Receipts Unapplied Account in 2024/25.

d Capital Grants Unapplied

Where a capital grant (or part thereof) has been recognised as income in the Comprehensive Income and Expenditure Statement, but the expenditure to be financed from that grant has not been incurred at the Balance Sheet date, the grant shall be transferred to the Capital Grants Unapplied Account, 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 is incurred, the grant (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 | | 31/03/2025 | 31/03/2024 |
|--|------|---------------|------------|
| | Note | £ | £ |
| At 1 April | | - | - |
| Transfer from Capital Grants Received in Advance | 22 | 21,929 | - |
| Other movements | | - | - |
| At 31 March | | 21,929 | - |

e Capital Fund

This fund is authorised under Section 9 of Part 1 of the Local Government Finance Act (Northern Ireland) 2011.

| Capital Fund | | 31/03/2025 | 31/03/2024 |
|---|---------|-------------------|-------------------|
| | Note | £ | £ |
| At 1 April | | 14,409,960 | 15,096,990 |
| Transfers between statutory & other reserves & the General Fund | 4b | 935,402 | (696,480) |
| Transfer to Neighbourhood Regeneration Fund | | - | - |
| Financing from CCIF | | - | - |
| CCIF new contributions | 12, 26a | 1,887,284 | 129,450 |
| CCIF drawdowns from fund | 12, 26a | (625,500) | (120,000) |
| At 31 March | | 16,607,146 | 14,409,960 |

| | | £ | £ |
|-----------------------------|--|-------------------|-------------------|
| Local Investment Fund | | 304,937 | 348,433 |
| Belfast Investment Fund | | 5,872,462 | 4,807,700 |
| City Centre Investment Fund | | 9,508,497 | 8,246,713 |
| Social Outcomes Fund | | 921,250 | 1,007,114 |
| Total | | 16,607,146 | 14,409,960 |

The movement and purpose of these funds is outlined below:

| Local Investment Fund | | 31/03/2025 | 31/03/2024 |
|--------------------------------------|------|----------------|----------------|
| | Note | £ | £ |
| Opening balance | | 348,433 | 579,545 |
| Add: new contributions to fund | | - | - |
| Less: financing drawn down from fund | 4b | (43,496) | (231,112) |
| At 31 March | | 304,937 | 348,433 |

Local Investment Fund (LIF) is a key part of the Investment Programme that provides funding for smaller initiatives focusing on physical work on buildings or facilities within communities. The balance on this fund as at 31 March 2025 is £304,937.

| Belfast Investment Fund | | 31/03/2025 | 31/03/2024 |
|---|------|------------------|------------------|
| | Note | £ | £ |
| Opening balance | | 4,807,700 | 4,638,532 |
| Add: new contributions to fund | 4b | 1,270,000 | 1,270,000 |
| Less: financing drawn down from fund | 4b | (205,238) | (1,100,832) |
| Less: transfer to Neighbourhood Regeneration fund | | - | - |
| At 31 March | | 5,872,462 | 4,807,700 |

There is a balance of £5,872,462 on the Belfast Investment Fund at year end 31 March 2025. This fund was established to support partnership projects across the City.

| City Centre Investment Fund | | 31/03/2025 | 31/03/2024 |
|------------------------------------|------|------------------|------------------|
| | Note | £ | £ |
| Opening balance | | 8,246,713 | 8,237,263 |
| Add: new contributions to fund | | 1,887,284 | 129,450 |
| Less: amounts drawn down from fund | | (625,500) | (120,000) |
| At 31 March | | 9,508,497 | 8,246,713 |

City Centre Investment Fund (CCIF) is a fund to support the Belfast City Centre Regeneration Investment Plans. The proposed investment principles for the CCIF are as follows:

- the project should make a significant impact on the City Centre economy in terms of "gross value added" and job creation
- the project should make positive and net contribution to the business rates income received by Belfast City Council

Belfast City Council used this fund to support ongoing and potential City Centre regeneration projects. The balance on CCIF at year end 31 March 2025 is £9,508,497.

| Social Outcomes Fund | | 31/03/2025 | 31/03/2024 |
|--|------|----------------|------------------|
| | Note | £ | £ |
| Opening balance | | 1,007,114 | 1,641,650 |
| Add: transfer from Belfast Investment fund | | - | - |
| Less: amounts drawn down from fund | 4b | (85,864) | (634,536) |
| At 31 March | | 921,250 | 1,007,114 |

Social Outcomes Fund is set up to support City Centre projects which might not generate a direct financial return but which would enhance the overall City Centre offer and support the attraction of investment into the City Centre. The balance on this fund as at 31 March 2025 is £921,250.

f Leisure Mobilisation Fund

This fund is authorised under Section 9 of Part 1 of the Local Government Finance Act (Northern Ireland) 2011.

| Leisure Mobilisation Fund | Note | 31/03/2025 | 31/03/2024 |
|--|------|----------------|----------------|
| | | £ | £ |
| At 1 April | | 534,521 | 611,877 |
| Transfers between statutory & other reserves & the General Fund | 4b | - | (77,356) |
| Transfers between Renewal & Repair Fund & CAA to finance Capital Expenditure | 12 | - | - |
| At 31 March | | 534,521 | 534,521 |

The Leisure Mobilisation Fund is a fund to support the Leisure Transformation Programme. This fund will cover programme level costs including communications, engagements and procurement costs.

g Neighbourhood Regeneration Fund

This fund is authorised under Section 9 of Part 1 of the Local Government Finance Act (Northern Ireland) 2011.

| Neighbourhood Regeneration Fund | Note | 31/03/2025 | 31/03/2024 |
|---|------|------------------|-------------------|
| | | £ | £ |
| At 1 April | | 10,052,018 | 10,000,000 |
| Transfers between statutory & other reserves & the General Fund | 4b | - | 280,000 |
| Less: amounts drawn down from fund | | (145,684) | (227,982) |
| At 31 March | | 9,906,334 | 10,052,018 |

The Neighbourhood Regeneration Fund is a fund to support neighbourhood regeneration and tourism projects in local neighbourhoods.

h Other Balances & Reserves

| Other Balances & Reserves | Note | 31/03/2025 | 31/03/2024 |
|---|------|------------------|------------------|
| | | £ | £ |
| At 1 April | | 2,935,552 | 2,620,360 |
| Transfers between statutory & other reserves & the General Fund | 4b | (935,972) | 315,192 |
| Transfer to BWUH Subvention Fund | | 276,768 | 131,673 |
| Transfer to BWUH Sinking Fund | | (276,768) | (131,673) |
| At 31 March | | 1,999,580 | 2,935,552 |
| | | £ | £ |
| Election Fund | | 225,397 | 62,745 |
| BWUH Subvention Fund | | 1,102,648 | 1,078,513 |
| BWUH Sinking Fund | | 671,535 | 1,794,294 |
| Total | | 1,999,580 | 2,935,552 |

The movement and purpose of these funds is outlined below:

| Election Fund | Note | 31/03/2025 | 31/03/2024 |
|--------------------------------------|------|----------------|---------------|
| | | £ | £ |
| Opening balance | | 62,745 | 913,390 |
| Add: new contributions to fund | | 162,652 | 62,745 |
| Less: financing drawn down from fund | | - | (913,390) |
| At 31 March | | 225,397 | 62,745 |

This reserve is used to equalise (smooth) the cost of elections by building up a fund to cover the costs of future elections by making contributions, as and when required, to the reserve.

| BWUH Subvention Fund | Note | 31/03/2025 | 31/03/2024 |
|---|------|------------------|------------------|
| | | £ | £ |
| Opening balance | | 1,078,513 | 909,283 |
| Add: new contributions to fund | | 300,903 | 300,903 |
| Less: amounts drawn down from fund | | - | - |
| Less: amounts transferred to Sinking Fund | | (276,768) | (131,673) |
| At 31 March | | 1,102,648 | 1,078,513 |

BWUH Subvention Fund was established to support national and international corporate organisations in bringing their conferences to Belfast.

| BWUH Sinking Fund | Note | 31/03/2025 | 31/03/2024 |
|------------------------------------|------|----------------|------------------|
| | | £ | £ |
| Opening balance | | 1,794,294 | 797,687 |
| Add: new contributions to fund | | 200,000 | 1,211,480 |
| Less: amounts drawn down from fund | | (1,322,759) | (214,873) |
| At 31 March | | 671,535 | 1,794,294 |

BWUH Sinking Fund is a fund to support planned maintenance and future capital works of the new exhibition centre at Waterfront Hall.

1 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 | Note | 2024/25 £ | 2023/24 Restated £ |
|--|--------|-------------------|--------------------------|
| At 1 April | | 59,299,011 | 58,815,944 |
| Prior year adjustment | | | |
| Applied Capital Grants | 10, 12 | (2,633,989) | (5,610,831) |
| Unapplied Capital Grants received in year | | | |
| Direct Revenue Financing | 4, 12 | (7,562,536) | (9,594,430) |
| Depreciation and Impairment adjustment | 4 | 25,214,072 | 28,782,807 |
| Statutory Provision for financing Capital Investment | 4 | (9,140,494) | (8,652,492) |
| Net Revenue expenditure funded from capital under statute | 4, 12 | 8,100,274 | 17,029,101 |
| REFCUS - Government Grants and other Contributions | 4, 12 | (5,855,398) | (15,264,024) |
| REFCUS - Direct Financing | 4, 12 | (1,971,946) | (1,765,077) |
| REFCUS - Capital grants applied | 4, 12 | (272,930) | - |
| Surplus/(Deficit) on the Provision of Services | C1E5 | 921,477 | (5,785,711) |
| Transfers between Statutory and Other Reserves and the General Fund | 4 | 146,254 | 406,628 |
| Net movements on Pension Reserve | 4, 20 | (27,000) | 714,000 |
| Disposal of Fixed Assets/Capital Sales | 4, 11 | (2,044,237) | (200,507) |
| Difference between finance and other costs and income calculated on an accounting basis and finance costs calculated in accordance with statutory requirements | 26d | 89,308 | 423,603 |
| Other Movements | | 309,202 | - |
| At 31 March | | 64,571,068 | 59,299,011 |

This fund represents the surplus of income over expenditure. It can be used to supplement income and unexpected expenditure in future years. Of the £64.6m, £50.1m relates to expenditure committed at the year end (23/24 £59.3m, £46.1m committed).

| Committed Expenditure by Theme | £ |
|-------------------------------------|-------------------|
| Theme 1: Our services | 7,316,698 |
| Theme 2: Our organisation | 12,674,887 |
| Theme 3: Our people and communities | 7,185,131 |
| Theme 4: Our economy | 7,918,111 |
| Theme 5: Our place | 5,798,183 |
| Theme 6: Our planet | 3,561,989 |
| Theme 7: Compassionate city | 4,687,949 |
| Other | 972,479 |
| Total | 50,115,427 |

26 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.

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

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

The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains.

| Capital Adjustment Account | Note | 2024/25 £ | 2023/24 Restated £ |
|---|--------|--------------------|--------------------------|
| At 1 April | | 526,101,099 | 522,981,947 |
| Prior year restatement | 31 | 333,404 | |
| At 1 April (restated) | | 526,434,504 | 522,981,947 |
| Applied Capital Grants | 10, 12 | 2,633,989 | 5,610,831 |
| Unapplied Capital Grants transferred to CAA in year | | - | - |
| Direct Revenue Financing | 4, 12 | 7,562,536 | 9,594,430 |
| Depreciation & Impairment adjustment | 11 | (25,214,072) | (28,782,807) |
| Statutory Provision for financing Capital Investment | 4, 12 | (9,140,494) | (8,652,492) |
| Net Revenue expenditure funded from Capital under statute | 4, 12 | 8,100,274 | 17,029,101 |
| REFCUS - Government Grants and other Contributions | 4, 12 | (5,855,398) | (15,264,024) |
| REFCUS - Direct Financing | 4, 12 | (1,971,946) | (1,765,077) |
| REFCUS - Capital grants applied | 4, 12 | (272,930) | - |
| Disposal of Fixed Assets/ Capital Sales | 4, 11 | (5,911,353) | (42,759) |
| Capital Receipts used to finance capital expenditure | 4, 12 | 2,000,000 | - |
| Other Movements | | 13,005,091 | 7,966,965 |
| Transfers between Capital Fund & CAA to finance capital expenditure | 12 | 625,500 | 120,000 |
| At 31 March | | 530,276,689 | 526,101,099 |

b Revaluation Reserve

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

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

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

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

| Revaluation Reserve | | 2024/25 | 2023/24 Restated |
|--|------|--------------------|---------------------|
| | Note | £ | £ |
| At 1 April | | 248,325,740 | 231,519,930 |
| Prior year restatement | | (232,447) | 5,113,000 |
| At 1 April (restated) | | 248,093,293 | 236,632,930 |
| Revaluation & Impairment | 11 | 24,562,123 | 19,659,775 |
| Movements from associates & joint ventures | | - | - |
| Other Movements | | (13,005,098) | (7,966,965) |
| At 31 March | | 259,650,318 | 248,325,740 |

c Pension Reserve

| Pension Reserve | | 2024/25 | 2023/24 |
|----------------------------------|-------|--------------------|--------------------|
| | Note | £ | £ |
| At 1 April | | (7,068,942) | 10,648,058 |
| Net Movements on Pension Reserve | 4, 20 | 27,000 | (714,000) |
| Revaluation & Impairment | 20 | 884,000 | (16,150,000) |
| Gas pension & BWUH movement | | 3,000 | (853,000) |
| At 31 March | | (6,154,942) | (7,068,942) |

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Council accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs.

However, statutory arrangements require benefits earned to be financed as the Council makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Council has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

d 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 | | 31/03/2025 | 31/03/2024 |
|--|------|--------------------|--------------------|
| | Note | £ | £ |
| At 1 April | | (2,153,896) | (1,730,293) |
| Difference between finance and other costs and income calculated on an accounting basis and finance costs calculated in accordance with statutory requirements | | (89,308) | (423,603) |
| At 31 March | | (2,243,204) | (2,153,896) |

e Provisions Discount Rate Reserve

The Provisions Discount Rate Reserve covers the arrangement, put in place by the Department under its amendment to the 2017/18 accounts direction (see DfC circular LG 05/2018), to accommodate changes in the current value of the annual calculation of long term provisions for landfill costs, which arises as a result of changes to the interest rates used to discount these provisions and landfill cash flows being increased for inflation.

| Provisions Discount Rate Reserve | Note | 31/03/2025 | 31/03/2024 |
|--|------|----------------|----------------|
| | | £ | £ |
| At 1 April | | (4,196) | (4,196) |
| Difference between finance and other costs and income calculated on an accounting basis and finance costs calculated in accordance with statutory requirements | | - | - |
| Other Movements | | - | - |
| At 31 March | | (4,196) | (4,196) |

27 Significant Trading Operations

The Council considers a trading operation exists where the service it provides is competitive i.e the user always has the choice to use an alternative supplier to the Council and the Council charges the user on a basis other than a straightforward recharge of the Council's costs in supplying the service. The Council uses a variety of charging mechanisms such as quoted lump sums, fixed periodical charges or rates, or a combination of these.

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

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

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

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

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

In applying the aforementioned criteria, the Council considers the letting of industrial estates to be a significant trading operation. The income and expenditure associated with these industrial estates is disclosed below:

| Industrial Estate Lettings | | 2024/25 | 2023/24 |
|----------------------------|--|------------------|------------------|
| | | £ | £ |
| Rental Income | | 5,471,940 | 5,412,765 |
| Rental Expenditure | | (72,371) | (97,248) |
| Net Income | | 5,399,569 | 5,315,517 |

These significant trading operations form part of Note 9e to these financial statements.

28 Agency Services

The Council provides administration services to Belfast One BID Ltd, Destination CQ BID Ltd and Belfast Central Business District. These entities pay an administration fee to the Council for these services. This fee amounted to £30,527 (2023/24 £16,488) across the 3 entities.

The council holds bank accounts for Belfast One BID Ltd, Destination CQ BID Ltd and Belfast Central Business District. The total amount held across these bank accounts was £976,063 at 31 March 2025.

29 Joint Arrangements

During 2024/25 Belfast City Council did not make a financial contribution to Beltel LLP relating to the redevelopment of the Belfast Telegraph Building (2023/24 £nil).

The contribution to LLP is included in the Long term Assets of Belfast City Council. This represents 46% of the net assets of the LLP which is included in Belfast City Council's consolidated balance sheet.

The amount in the table below of £3,436,859 represents financial contributions made to date. The underlying value of the asset in Beltel LLP fluctuates year on year depending on market conditions.

The recoverability of this amount is contingent on the market value of the underlying asset at the conclusion of the project.

| | | 2024/25 | 2023/24 |
|-----------------------|--|------------------|------------------|
| | | £ | £ |
| Long term assets | | 3,231,429 | 3,231,429 |
| Current assets | | 242,435 | 242,435 |
| Current liabilities | | (37,005) | (37,005) |
| Long term liabilities | | - | - |
| Net Assets | | 3,436,859 | 3,436,859 |

On 1 April 2016, the operations of Waterfront Hall and Ulster Hall were transferred to a company BWUH Limited. Belfast City Council hold the entire share capital of this company, 1 ordinary share at £1 each. Belfast City Council entered into an agreement with BWUH Limited under which the Council pays the company a management fee for the operation of Belfast Waterfront and Ulster Hall. Payments to and from the company are outlined in Note 30f.

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 Transaction 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, where the relationship with the Council and the entity is solely that of an Agency (see note 28) these are not deemed to be Related Party Transactions.

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.

As part of their duties, Councillors are appointed to represent the Council in a range of other organisations and further details of these arrangements can be found on the Council's website.

Transactions with related parties not disclosed elsewhere in these financial statements are set out below.

Councillors have direct control over the Council's financial and operating policies. In the 2024/25 financial year the Council commissioned £3,152,863 (2023/24 £3,212,622) of works and services from Visit Belfast in which Councillors have an interest. The Council entered into these contracts in full compliance with the Council's standing orders and codes of conduct.

The Council also paid grants of £3,054,614 (2023/24 £3,916,364) to a number of organisations in which Councillors and Council officers had an interest. These grants were made with proper consideration of declaration of interests.

During 2024/25 the Council had expenditure of £3,728,966 (2023/24 £484,568) to other Councils and income received of £2,996,512 (2023/24 £2,481,414) from other Councils, and £100,640 (2023/24 £401,041) was outstanding at 31 March 2025. These amounts mainly related to services provided.

31 Other Organisations

| | Councillors | 2024/25 | 2023/24 |
|--|-------------|---------|---------|
| | | £ | £ |
| Active Communities Network | 1 | 25,760 | 40,688 |
| Ashfield Girls High | 1 | 2,100 | 0 |
| Belfast City of Sanctuary | 0 | 0 | 16,663 |
| Belfast Community Sports Development Network | 1 | 0 | 34,678 |
| Belfast Film Festival | 2 | 60,000 | 62,000 |
| Belfast Harbour Commissioners | 5 | 53,857 | 916,241 |
| Belfast Health and Social Care Trust | 2 | 220,300 | 159,200 |
| Belfast Hills Partnership | 1 | 68,121 | 72,134 |
| Belfast Orange Hall | 1 | 4,703 | 0 |
| Belmont Primary School | 1 | 0 | 1,000 |
| Black Mountain Shared Spaces Project | 1 | 88,939 | 180,243 |
| Blackie River Centre | 2 | 92,088 | 122,459 |
| Boy's Brigade | 1 | 4,000 | 0 |
| Children's Law Centre | 1 | 15,000 | 0 |
| Colaiste Feirste | 1 | 100,000 | 0 |
| Colin Neighbourhood Partnership | 1 | 64,076 | 48,142 |
| Common Youth | 1 | 693 | 3,432 |
| Crumlin Star Social Club Committee | 1 | 891 | 0 |
| Cumann Cultúrtha Mhic Reachtain | 1 | 44,029 | 43,500 |
| Denmark Community Centre | 1 | 29,594 | 0 |
| Duncain Community Partnership | 2 | 6,000 | 9,020 |
| Feile an Phobail | 1 | 625,029 | 527,454 |
| Foodstock Charity | 1 | 0 | 15,156 |
| Gort na Mona GAA | 1 | 2,460 | 0 |
| Grand Opera House Trust | 1 | 982 | 3,241 |
| Greater Shankill Partnership Board | 1 | 1,500 | 53,984 |
| Groundwork | 1 | 2,160 | 1,920 |
| Hanwood Trust | 1 | 110,969 | 92,201 |
| Healing Through Remembering | 1 | 1,500 | 0 |
| Henderson Retail | 0 | 0 | 1,605 |
| Here NI | 1 | 35,442 | 7,132 |
| Impact Training | 1 | 3,051 | 15,194 |
| Glenbank Community Association | 1 | 16,129 | 0 |
| James Connolly Visitor Centre | 1 | 220 | 148 |
| Lagan Valley Regional Park | 1 | 70,400 | 67,000 |
| Lagmore Youth Project | 1 | 22,650 | 16,630 |
| Ligoniel Amateur Boxing Club | 1 | 2,220 | 5,260 |
| Ligoniel Improvement Association | 1 | 276,793 | 444,077 |
| Linenhall Library Board | 1 | 34,750 | 0 |
| Lower Ormeau Residents Action Group (LORAG) | 0 | 0 | 176,887 |
| Lower Shankill Community Association | 2 | 6,029 | 3,120 |
| Mount Eagles/Lagmore Youth & Community Association | 1 | 8,744 | 24,317 |
| MW Advocate Ltd | 1 | 1,224 | 0 |
| National Association of Councillors | 6 | 3,560 | 0 |
| Nettlefield Multi-Sports | 1 | 4,035 | 736 |
| NI Amenity Council | 1 | 2,330 | 0 |
| NI Local Government Association | 4 | 118,565 | 71,385 |

| | | | |
|--|---|------------------|------------------|
| Open University | 1 | 1,187 | 299 |
| PIPS Charity | 1 | 20,629 | 24,000 |
| Queens University Belfast | 1 | 1,387 | 250 |
| Roden Street Community Development Group | 1 | 226,458 | 291,910 |
| Rosario Youth Centre | 1 | 2,198 | 5,584 |
| Royal Society of Ulster Architects | 0 | 0 | 187 |
| Shankill Housing and Enterprise Ltd | 1 | 8,190 | 0 |
| Spectrum Centre Trust | 1 | 48,898 | 24,933 |
| St. Teresa's Youth Centre | 1 | 20,969 | 4,086 |
| Sure Start | 1 | 800 | 0 |
| Sustainable NI working group | 1 | 6,000 | 0 |
| Taughmonagh Primary School | 1 | 4,500 | 0 |
| Templemore Avenue Schools Trust | 1 | 2,369 | 3,007 |
| Tullycarnet Boxing Club | 1 | 4,853 | 4,450 |
| Ulster Orchestra | 1 | 282,581 | 180,491 |
| Upper Springfield Development Trust | 1 | 188,951 | 140,320 |
| Visit Belfast | 2 | 3,152,863 | 3,212,622 |
| Welcome Organisation | 1 | 3,750 | 0 |
| At 31 March | | 6,207,477 | 7,128,986 |

b Payments to Community Groups

Belfast City Council made payments to the following Community Groups that have Councillors as part of their committee structure:

| | Councillors | 2024/25 £ | 2023/24 £ |
|--|----------------|--------------|----------------|
| Eastside Partnership (East Belfast Partnership Board) | 1 | 162,734 | 137,037 |
| Forward South (previously South Belfast Partnership Board) | 4 | 136,520 | 133,311 |
| West Belfast Partnership Board | 6 | 398,670 | 195,064 |
| Total | 697,924 | | 465,412 |

c Joint Committees

Belfast City Council made payments to the following Joint Committees:

| | Councillors | 2024/25 £ | 2023/24 £ |
|--------|-------------|--------------|--------------|
| Arc 21 | 1 | 20,799,228 | 16,789,193 |

The origins of arc21 can be traced back to June 1999, when a small number of Council representatives agreed that a joint approach was the best way to deliver an effective waste management strategy for the region. By 2000, 11 Councils had joined together from the eastern Region Waste Management Group, which was eventually renamed arc21.

At present arc21 has successfully been awarded and is managing waste management contracts on behalf of Councils with a value in the region of £200m.

d Greenwich Leisure Limited

Belfast City Council entered into an agreement with Greenwich Leisure Limited (GLL) for the provision of leisure services. These financial statements include expenses of £9,529,057 (2023/24 £10,732,762) for the provision of these services in the year ended 31 March 2025. During 2024/25 the Council also received a profit share of £639,508 (2023/24 £1,220,190) which has been recorded in reserves.

e Car Loans to Council Officers

The Council makes car loans available to employees who are designated essential car users. The total amount outstanding in respect of car loans to designated employees as at 31 March 2025 was £30,921 (2023/24 £41,710).

f Belfast Waterfront and Ulster Hall Limited

With effect from 1 April 2016 the Council transferred the operations of Belfast Waterfront Hall and Ulster Hall to a new company BWUH Limited with the Council being the sole shareholder in this new company. During 2024/25 the Council invoiced BWUH Ltd for £4,133,236 for expenditure incurred on its behalf and also received invoices from the Company for £3,234,458 mainly for the management fee. At 31 March 2025, £1,273,212 (2023/24 £139,323) was owed to the company by the Council and £555,460 (2023/24 £1,321,695) receivable from the company.

g Beltel LLP

During 2024/25, Belfast City Council did not make a financial contribution to Beltel LLP (2023/24 £nil), relating to the redevelopment of the Belfast Telegraph Building (as outlined in Note 29). The Council is represented by two officers on the Management Board of the LLP and ES BT Holdings Limited is also represented by two members on the Management Board.

Belfast City Council

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

| | General Fund Summary Restated £ | Other Fund Balances and Reserves £ | Capital Receipts Reserves (inc deferred and unapplied) £ | Total Usable Reserves £ | Total Unusable Reserves Restated £ | Total Council Reserves £ |
|--|--|---|--|-------------------------------|---|--------------------------------|
| Balance as at 1 April 2023 | 58,829,065 | 28,329,227 | 642,458 | 87,800,750 | 763,415,446 | 851,216,196 |
| Movement in reserves during the year | | | | | | |
| Surplus/ (Deficit) on the provision of services* | | | | | | |
| | (5,958,798) | - | - | (5,958,798) | - | (5,958,798) |
| Other Comprehensive Income and Expenditure | - | - | - | - | 3,509,775 | 3,509,775 |
| Total Comprehensive Income and Expenditure | (5,958,798) | - | - | (5,958,798) | 3,509,775 | (2,449,023) |
| Adjustments between accounting basis & funding under regulations | 6,080,577 | 9,450 | 216,000 | 6,306,027 | (872,414) | 5,433,613 |
| Net increase before transfers to Statutory and Other Reserves | 121,779 | 9,450 | 216,000 | 347,229 | 2,637,361 | 2,984,590 |
| Transfers to / from Statutory and Other Reserves | 406,628 | (406,628) | - | - | - | - |
| Other movements | (47,000) | - | (129,450) | (176,450) | (853,000) | (1,029,450) |
| Increase/ (Decrease) in year | 481,407 | (397,178) | 86,550 | 170,779 | 1,784,361 | 1,955,140 |
| Balance as at 31 March 2024 | 59,310,472 | 27,932,049 | 729,008 | 87,971,529 | 765,199,807 | 853,171,336 |
| Movement in reserves during the year | | | | | | |
| Surplus/ (Deficit) on the provision of services | | | | | | |
| | 835,431 | - | - | 835,431 | - | 835,431 |
| Other Comprehensive Income and Expenditure | - | - | - | - | 25,446,123 | 25,446,123 |
| Total Comprehensive Income and Expenditure | 835,431 | - | - | 835,431 | 25,446,123 | 26,281,554 |
| Adjustments between accounting basis & funding under regulations | 4,061,672 | 1,261,786 | 5,962,500 | 11,285,958 | (9,225,219) | 2,060,739 |
| Net increase before transfers to Statutory and Other Reserves | 4,897,103 | 1,261,786 | 5,962,500 | 12,121,389 | 16,220,904 | 28,342,293 |
| Transfers to / from Statutory and Other Reserves | 146,254 | (146,254) | - | - | - | - |
| Other movements | 228,203 | - | (1,753,630) | (1,525,427) | 103,953 | (1,421,474) |
| Increase/ (Decrease) in year | 5,271,560 | 1,115,532 | 4,208,870 | 10,595,962 | 16,324,858 | 26,920,819 |
| Balance as at 31 March 2025 | 64,582,031 | 29,047,581 | 4,937,878 | 98,567,490 | 781,524,665 | 880,092,155 |

Belfast City Council

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

| | Service Expenditure | Note | 2024/25 | | | 2023/24 | | |
|---|---------------------|--------------------|----------------------|---------------------|--------------------|----------------------------|-----------------------|--------------------------|
| | | | Gross Expenditure | Gross Income | Net Expenditure | Gross Expenditure Restated | Gross Income Restated | Net Expenditure Restated |
| Strategic Policy & Resources | 2 | 110,265,101 | (54,102,376) | 56,162,725 | 94,713,172 | (33,098,855) | 61,614,317 | |
| City Growth & Regeneration | 2 | 76,848,823 | (44,075,222) | 32,773,601 | 56,455,885 | (26,971,561) | 29,484,324 | |
| People & Communities | 2 | 148,141,633 | (23,818,216) | 124,323,417 | 146,988,485 | (23,348,487) | 123,639,998 | |
| Planning & Licensing | 2 | 10,288,097 | (7,103,184) | 3,184,913 | 9,755,547 | (6,336,033) | 3,419,514 | |
| Cost of Services on Continuing Operations | | 345,543,654 | (129,098,998) | 216,444,656 | 307,913,089 | (89,754,936) | 218,158,153 | |
| Other Operating Expenditure | 8 | 5,992,173 | (9,902,865) | (3,910,692) | 137,193 | (5,840,643) | (5,703,450) | |
| Financing and Investment Income and Expenditure | 9 | 1,166,095 | (8,876,526) | (7,710,431) | 1,573,218 | (9,532,097) | (7,958,879) | |
| Net Operating Expenditure | | 352,701,922 | (147,878,389) | 204,823,533 | 309,623,500 | (105,127,676) | 204,495,824 | |
| Taxation and Non-Specific Grant Income | 10 | 2,788,458 | (208,447,422) | (205,658,964) | 897,462 | (199,434,488) | (198,537,026) | |
| (Surplus)/Deficit on the Provision of Services | | 355,490,380 | (356,325,811) | (835,431) | 310,520,962 | (304,562,164) | 5,958,798 | |
| (Surplus)/Deficit on revaluation of non-current assets | 11 | | | (24,562,123) | | | (19,659,775) | |
| Surplus/(Deficit) arising on revaluation of available-for-sale financial assets | 11 | | | - | | | - | |
| Remeasurements of the Net Defined Benefit Liability (Asset) | 20 | | | (884,000) | | | 16,150,000 | |
| Other Comprehensive Income and Expenditure | | | | (25,446,123) | | | (3,509,775) | |
| Total Comprehensive Income and Expenditure | | | | (26,281,554) | | | 2,449,023 | |

Belfast City Council
Group Balance Sheet as at 31 March 2025

| | | 31st March 2025 | 31st March 2024 Restated |
|---|---------|--------------------|-----------------------------|
| Fixed Assets | Note G4 | £ 907,084,916 | £ 890,373,053 |
| Long Term Investments | | - | 129,000 |
| Investment in Associates and Joint Ventures | | - | - |
| Long Term Debtors | G6 | 276,161 | 936,759 |
| Contract Assets | | - | - |
| LONG TERM ASSETS | | 907,361,077 | 891,438,812 |
| Short Term Investments | | - | - |
| Inventories | | 222,543 | 220,813 |
| Short Term Debtors | G6 | 29,673,054 | 45,196,930 |
| Cash and Cash Equivalents | G8 | 62,185,739 | 20,415,261 |
| Assets Held for Sale | | 2,650,001 | 5,770,001 |
| Contract Assets | G6 | 486,489 | 556,847 |
| CURRENT ASSETS | | 95,217,826 | 72,159,852 |
| Bank Overdraft | | - | - |
| Short Term Borrowing | | 4,512,476 | 5,375,701 |
| Short Term Creditors | G7 | 74,499,992 | 57,464,717 |
| Provisions | | 3,593,301 | 4,265,735 |
| Contract Liabilities | | - | 35,000 |
| CURRENT LIABILITIES | | 82,605,769 | 67,141,153 |
| Long Term Creditors | G7 | 1,041,472 | 50,003 |
| Provisions | | 1,844,093 | 1,844,093 |
| Long Term Borrowing | | 28,633,163 | 33,145,642 |
| Other Long Term Liabilities | | 6,154,942 | 7,068,942 |
| Contract Liabilities | | - | - |
| Donated Assets Account | | 1,914,576 | 443,856 |
| Capital Grants Receipts in Advance | | 292,732 | 733,640 |
| LONG TERM LIABILITIES | | 39,880,978 | 43,286,176 |
| NET ASSETS | | 880,092,156 | 853,171,335 |
| USABLE RESERVES | | | |
| Capital Receipts Reserve | | 4,139,224 | 729,008 |
| Deferred Capital Receipts | | 665,000 | - |
| Capital Receipts Unapplied | | 111,725 | - |
| Capital Grants Unapplied | | 21,929 | - |
| Capital Fund | | 16,607,146 | 14,409,960 |
| Leisure Mobilisation Fund | | 534,521 | 534,521 |
| Neighbourhood Regeneration Fund | | 9,906,334 | 10,052,018 |
| Other Balances and Reserves | | 1,999,580 | 2,935,552 |
| General Fund | | 64,582,031 | 59,310,472 |
| | | 98,567,490 | 87,971,531 |
| UNUSABLE RESERVES | | | |
| Capital Adjustment Account | | 530,276,689 | 526,101,099 |
| Revaluation Reserve | | 259,650,318 | 248,325,740 |
| Pensions Reserve | | (6,154,942) | (7,068,942) |
| Accumulated Absences Account | | (2,243,204) | (2,153,896) |
| Provisions Discount Rate Reserve | | (4,196) | (4,196) |
| | | 781,524,666 | 765,199,805 |
| NET WORTH | | 880,092,156 | 853,171,335 |

Belfast City Council
Group Cash Flow Statement at 31 March 2025

| | Note | 2024/25 | 2023/24 |
|--|------|-------------------|--------------------|
| | | Restated | |
| | | £ | £ |
| Net Deficit on the Provision of Services | | 835,431 | (5,958,798) |
| Adjustment for non-cash movements | G8 | 62,351,892 | 25,679,591 |
| Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities | G8 | (10,670,399) | (5,948,531) |
| Net cash flows from operating activities | | 52,516,924 | 13,772,262 |
| Cash flows from Investing Activities | G8 | (5,370,743) | (13,777,393) |
| Net Cash flows from Financing Activities | G8 | (5,375,704) | (5,260,562) |
| Net increase or decrease in cash and cash equivalents | | 41,770,478 | (5,265,692) |
| Cash and cash equivalents at the beginning of the reporting period | | 20,415,261 | 25,680,953 |
| Cash and cash equivalents at the end of the reporting period | | 62,185,739 | 20,415,261 |

Belfast City Council
Notes to the Group Financial Statements
FOR THE YEAR ENDED 31 MARCH 2025

G1 Group Accounts

The Group Accounting Policies are the same as the Council policies and have not been repeated again in these Notes. The exception to this is in relation to Retirement Benefits which have been treated in BWUH Limited as a defined contribution scheme as the liabilities of the NILGOSC scheme remain with Belfast City Council and have been disclosed in Belfast City Council's financial statements.

Since there are no significant changes to the Consolidated Group Balance Sheet as compared to the Council's Balance Sheet, only those notes affected by group transactions have been included.

G2 Combining Entities

Belfast Waterfront Ulster Hall Limited (BWUH Ltd)

Belfast Waterfront Ulster Hall Limited is a company incorporated under the terms of the Companies Acts to operate the Belfast Waterfront and Ulster Hall. The Authority is the principal shareholder in the company holding 1 ordinary £1 shares and representing 100% of the issued share capital. Under accounting standards, the Authority has a controlling interest in this company. The financial results for the company have been included in the group accounts as a subsidiary.

Net assets of the company were £10,963 at 31 March 2025 (2023/24: £11,462). There was no profit/loss on ordinary activities before taxation for the period to 31 March 2025 (2023/24 £nil). No dividend payments were due to, or received by, the Authority in respect of its investment.

As noted in Note 20, the pension asset of BWUH Limited is included in the pension asset of Belfast City Council. The asset was restricted to nil in 2024/25 in accordance with Paragraph 64 of IAS 19.

The latest set of accounts is for the year to 31 March 2025 has an unqualified audit certificate.

BELTEL LLP

For the purposes of economic regeneration as part of the City Centre Regeneration objectives the Council made a financial contribution in the form of a loan totalling £3,436,859 as at year ended 31 March 2025, to Beltel LLP relating to the redevelopment of the Belfast Telegraph building. This contribution represents 46% of the net assets of Beltel LLP which have been included in the Council's group balance sheet and the breakdown of the net assets is included in Note 29 Joint Arrangements.

Gas Pension Fund

The liability of £214,000 in respect of the Gas Pension Fund is disclosed and recognised in Belfast City Council's balance sheet and Note 20 Retirement Benefits disclosures. The Group balance sheet has included the assets and liabilities giving rise to this liability:

| | 2024/25 | 2023/24 |
|-----------------------|------------------|------------------|
| | £ | £ |
| Long term assets | - | 128,930 |
| Current assets | 157,693 | 154,102 |
| Long term liabilities | (371,693) | (500,032) |
| Net liability | (214,000) | (217,000) |

The Council has not consolidated its interests in Belfast Gasworks Management Co Ltd or Arc21 as the Council's share of these balance sheets is not deemed material to the group accounts at this point in time.

Financial impact of combination

The effect of the inclusion of the subsidiaries and associates in 2024/25 was to increase the Council's reserves and net assets by £10,963 representing the net asset in the consolidating entities.

G3 Adjustments between an Accounting Basis and Funding Basis under Regulations

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

| | 2024/25 | | 2023/24 | |
|---|-------------|--------------|--------------|--------------|
| | £ | £ | £ | £ |
| 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: | | | | |
| Impairments (losses & reversals) of non-current assets | - | - | - | - |
| Derecognition (other than disposal) of non-current assets | - | - | - | - |
| Revaluation increases/decreases taken to Surplus/Deficit on the Provision of Services | (3,576,975) | | (1,609,311) | |
| Depreciation charged in the year on non-current assets | 28,933,595 | 25,356,620 | 30,529,545 | 28,920,234 |
| Net Revenue expenditure funded from capital under statute | 8,100,274 | | 17,029,101 | |
| REFCUS - Government Grants and other Contributions | (5,855,398) | | (15,264,024) | |
| REFCUS - Direct Financing | (1,971,946) | | (1,765,077) | |
| REFCUS - Capital grants applied | (272,930) | - | - | - |
| Carrying amount of non current assets sold | 5,992,173 | | 137,193 | |
| Proceeds from the sale of PP&E, investment property and intangible assets | (8,036,410) | (2,044,237) | (337,700) | (200,507) |
| Difference between finance costs calculated on an accounting basis and finance costs calculated in accordance with statutory requirements | | - | - | - |
| Net charges made for retirement benefits in accordance with IAS 19 | | 18,211,000 | | 17,635,000 |
| Direct revenue financing of Capital Expenditure | | (7,562,536) | | (9,594,430) |
| Capital Grants and Donated Assets Receivable and Applied in year | | (2,633,989) | | (5,610,831) |
| Capital Grants Receivable and Unapplied in year | | - | | - |
| Rates Claw-Back Reserve | | - | | - |
| Adjustments in relation to Short-term compensated absences | | 89,308 | | 423,603 |
| Adjustments in relation to Lessor Arrangements | | - | | - |
| Provisions Discount Rate Reserve Adjustment | | - | | - |
| 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 | | (9,140,494) | | (8,652,492) |
| Employers contributions payable to the NILGOSC and retirement benefits payable direct to pensioners | | (18,214,000) | | (16,840,000) |
| | 4,061,672 | | 6,080,577 | |

Belfast City Council
 Notes to the Group Financial Statements
 FOR THE YEAR ENDED 31 MARCH 2025

G4

Fixed Assets

| Cost or Valuation | Land | Buildings | Infrastructure Assets | Landfill Sites | Vehicles, Plant & Equipment | Community Assets | PP&E Under Construction | Surplus Assets | Total PP&E | Heritage Assets | Assets Held for Resale | TOTAL |
|---|--------------------|--------------------|-----------------------|----------------|-----------------------------|-------------------|-------------------------|------------------|---------------------|-------------------|------------------------|--------------------|
| | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Balance as at 1 April 2024 | 112,336,504 | 555,929,618 | 5,093,674 | - | 54,310,994 | 60,835,883 | 30,998,213 | 5,446,001 | 824,950,887 | 10,108,954 | 1,863,000 | 836,922,841 |
| Adjustments between cost/value & depreciation/impairment | - | 100,933 | - | - | - | (77,061) | - | - | 23,872 | - | - | 23,872 |
| Balance as at 1 April 2024 | 112,336,504 | 556,030,551 | 5,093,674 | - | 54,310,994 | 60,758,822 | 30,998,213 | 5,446,001 | 824,974,759 | 10,108,954 | 1,863,000 | 836,946,713 |
| Additions | 8,100 | 7,215,184 | - | - | 3,976,639 | 213,358 | 6,744,958 | - | 18,158,239 | 200 | - | 18,158,439 |
| Donations | 16,900 | 1,106,770 | - | - | - | 247,050 | - | - | 1,370,720 | 100,000 | - | 1,470,720 |
| Revaluation increases/ (decreases) to Revaluation Reserve | 6,740,500 | (8,827,628) | - | - | - | 94,866 | 6,189,256 | 1,000 | 4,197,994 | 16,109 | - | 4,214,103 |
| Revaluation increases/ (decreases) to Surplus or Deficit on the Provision of Services | 1,268,500 | (228,486) | - | - | - | - | 1,666,466 | - | 2,706,480 | (6,070) | - | 2,700,410 |
| Impairment to Surplus or Deficit on the Provision of Services | - | - | - | - | - | - | - | - | - | - | - | - |
| Derecognition - Disposals | (140,000) | - | - | - | (1,212,376) | - | - | - | (1,352,376) | - | - | (1,352,376) |
| Derecognition - Other | - | (1) | - | - | (7,728) | - | - | - | (7,729) | - | - | (7,729) |
| Reclassifications & Transfers | 180,000 | 863,529 | - | - | 309,764 | 398,044 | (9,864,241) | (4,170,000) | (12,282,904) | 12,500 | 11,887,000 | (383,404) |
| Reclassified to(-) / from(+) Held for Sale | - | - | - | - | - | 1 | - | - | 1 | - | - | 1 |
| Balance as at 31 March 2025 | 120,410,504 | 556,159,919 | 5,093,674 | - | 57,377,293 | 61,712,141 | 35,734,652 | 1,277,001 | 837,765,184 | 10,231,693 | 13,750,000 | 861,746,877 |

| Depreciation and Impairment | Land | Buildings | Infrastructure Assets | Landfill Sites | Vehicles, Plant & Equipment | Community Assets | PP&E Under Construction | Surplus Assets | Total PP&E | Heritage Assets | Assets Held for Resale | TOTAL |
|--|-------------|----------------|-----------------------|----------------|-----------------------------|-------------------|-------------------------|----------------|-------------------|-----------------|------------------------|-------------------|
| | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Balance as at 1 April 2024 | - | 189,098 | 1,301,614 | - | 33,034,879 | 11,237,013 | - | - | 45,762,604 | 27,261 | - | 45,789,865 |
| Adjustments between cost/value & depreciation/impairment | - | (24) | - | - | - | (77,064) | - | - | (77,088) | - | - | (77,088) |
| Balance as at 1 April 2024 | - | 189,074 | 1,301,614 | - | 33,034,879 | 11,159,949 | - | - | 45,685,516 | 27,261 | - | 45,712,777 |
| Depreciation Charge | - | 21,079,766 | 169,794 | - | 4,191,955 | 2,812,914 | - | - | 28,254,429 | 226,232 | - | 28,480,661 |
| Depreciation written out on Revaluation Reserve | - | (20,230,831) | - | - | - | - | - | - | (20,230,831) | (117,189) | - | (20,348,020) |
| Depreciation written out on Revaluation taken to Surplus or Deficit on the Provision of Services | - | (762,065) | - | - | - | - | - | - | (762,065) | - | - | (762,065) |
| Impairment losses/reversals to Revaluation Reserve | - | - | - | - | - | - | - | - | - | - | - | - |
| Impairment losses/reversals to Surplus or Deficit on the Provision of Services | - | - | - | - | - | - | - | - | - | - | - | - |
| Derecognition - Disposals | - | - | - | - | (1,130,203) | - | - | - | (1,130,203) | - | - | (1,130,203) |
| Derecognition - Other | - | - | - | - | (6,376) | - | - | - | (6,376) | - | - | (6,376) |
| Reclassifications & Transfers | - | - | - | - | - | - | - | - | - | - | - | - |
| Eliminated on reclassification to Held for Sale | - | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at 31 March 2025 | - | 275,944 | 1,471,408 | - | 36,090,255 | 13,972,863 | - | - | 51,810,470 | 136,304 | - | 51,946,774 |
| Net Book Values | | | | | | | | | | | | |
| Balance as at 31 March 2025 | 120,410,504 | 555,883,975 | 3,622,266 | - | 21,287,038 | 47,739,278 | 35,734,652 | 1,277,001 | 785,954,714 | 10,095,389 | 13,750,000 | 809,800,103 |

b

| Cost or Valuation | Land | Buildings | Infrastructure Assets | Landfill Sites | Vehicles, Plant & Equipment | Assets | PP&E Under Construction | Surplus Assets | Total PP&E | Heritage Assets | Assets Held for Resale | TOTAL |
|---|--------------------|--------------------|-----------------------|----------------|-----------------------------|-------------------|-------------------------|------------------|--------------------|-------------------|------------------------|--------------------|
| | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Balance as at 1 April 2023 | 112,007,505 | 535,655,715 | 5,093,674 | - | 54,905,004 | 53,798,478 | 50,767,894 | 5,446,001 | 817,674,271 | 9,643,064 | - | 827,317,335 |
| Adjustments between cost/value & depreciation/impairment | - | - | - | - | - | - | - | - | - | - | 1,863,000 | 1,863,000 |
| Prior Period adjustment | | 22 | | | | | | | 22 | - | | 22 |
| Balance as at 1 April 2023 | 112,007,505 | 535,655,737 | 5,093,674 | - | 54,905,004 | 53,798,478 | 50,767,894 | 5,446,001 | 817,674,293 | 9,643,064 | 1,863,000 | 829,180,357 |
| Additions (Note 11) | 1,500 | 1,457,699 | - | - | 3,593,458 | 194,835 | 11,208,448 | - | 16,455,940 | 15,001 | - | 16,470,941 |
| Donations | - | - | - | - | - | - | - | - | - | - | - | - |
| Revaluation increases/decreases to Revaluation Reserve | 27,500 | (3,473,458) | - | - | - | - | 15 | - | (3,445,943) | 42,890 | - | (3,403,053) |
| Revaluation increases/ decreases to Surplus or Deficit on the Provision of Services | 300,000 | (509,646) | - | - | - | - | (239,215) | - | (448,861) | (5,290) | - | (454,151) |
| Impairment to Surplus or Deficit on the Provision of Services | - | - | - | - | - | - | - | - | - | - | - | - |
| Derecognition - Disposals | - | - | - | - | (4,139,172) | - | - | - | (4,139,172) | - | - | (4,139,172) |
| Derecognition - Other | - | - | - | - | (152,460) | - | - | - | (152,460) | - | - | (152,460) |
| Reclassifications & Transfers | - | 22,799,309 | - | - | 104,165 | 6,842,570 | (30,738,929) | - | (992,885) | 413,289 | - | (579,596) |
| Reclassified to(-) / from(+) Held for Sale | - | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at 31 March 2024 | 112,336,505 | 555,929,641 | 5,093,674 | - | 54,310,995 | 60,835,883 | 30,998,213 | 5,446,001 | 824,950,912 | 10,108,954 | 1,863,000 | 836,922,866 |

| Depreciation and Impairment | Land | Buildings | Infrastructure Assets | Landfill Sites | Vehicles, Plant & Equipment | Assets (Restated) | PP&E Under Construction | Surplus Assets | Total PP&E | Heritage Assets | Assets Held for Resale | TOTAL |
|--|------|----------------|-----------------------|----------------|-----------------------------|-------------------|-------------------------|----------------|-------------------|-----------------|------------------------|-------------------|
| | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Balance as at 1 April 2023 | - | 201,401 | 1,131,820 | - | 33,182,421 | 8,849,493 | - | - | 43,365,135 | 27,261 | - | 43,392,396 |
| Adjustments between cost/value & depreciation/impairment | - | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at 1 April 2023 | - | 201,401 | 1,131,820 | - | 33,182,421 | 8,849,493 | - | - | 43,365,135 | 27,261 | - | 43,392,396 |
| Depreciation Charge | - | 23,494,247 | 169,794 | - | 3,989,261 | 2,387,520 | - | - | 30,040,822 | 119,740 | - | 30,160,562 |
| Depreciation written out on Revaluation Reserve | - | (22,943,088) | - | - | - | - | - | - | (22,943,088) | (119,740) | - | (23,062,828) |
| Depreciation written out on Revaluation taken to Surplus or Deficit on the Provision of Services | - | (563,462) | - | - | - | - | - | - | (563,462) | - | - | (563,462) |
| Impairment losses/reversals to Revaluation Reserve | - | - | - | - | - | - | - | - | - | - | - | - |
| Impairment losses/reversals to Surplus or Deficit on the Provision of Services | - | - | - | - | - | - | - | - | - | - | - | - |
| Derecognition - Disposals | - | - | - | - | (4,001,979) | - | - | - | (4,001,979) | - | - | (4,001,979) |
| Derecognition - Other | - | - | - | - | (134,824) | - | - | - | (134,824) | - | - | (134,824) |
| Reclassifications & Transfers | - | - | - | - | - | - | - | - | - | - | - | - |
| Eliminated on reclassification to Held for Sale | - | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at 31 March 2024 | - | 189,098 | 1,301,614 | - | 33,034,879 | 11,237,013 | - | - | 45,762,604 | 27,261 | - | 45,789,865 |

Net Book Values

| | | | | | | | | | | | | |
|------------------------------------|-------------|-------------|-----------|---|------------|------------|------------|-----------|-------------|------------|------------|-------------|
| Balance as at 31 March 2024 | 112,336,505 | 555,740,543 | 3,792,060 | - | 21,276,116 | 49,598,870 | 30,998,213 | 5,446,001 | 779,188,308 | 10,081,693 | 1,863,000 | 791,133,001 |
| Balance as at 31 March 2025 | 120,410,504 | 555,883,975 | 3,622,266 | - | 21,287,038 | 47,739,278 | 35,734,652 | 1,277,001 | 785,954,714 | 10,095,389 | 13,750,000 | 809,800,103 |

Belfast City Council
Notes to the Group Financial Statements
FOR THE YEAR ENDED 31 MARCH 2025

| Intangible Assets | 2024/25 | 2023/24 |
|--|-------------------|-------------------|
| | £ | £ |
| Balance at start of year: | | |
| Gross carrying amounts | 21,542,093 | 20,987,999 |
| Accumulated amortisation | (19,995,915) | (19,626,932) |
| Net carrying amount at start of year | <u>1,546,178</u> | <u>1,361,067</u> |
| Additions | 107,359 | (25,503) |
| Assets reclassified as held for sale | - | - |
| Revaluation increases or decreases | - | - |
| Impairment losses recognised or reversed directly in the Revaluation Reserve | - | - |
| Impairment losses recognised or reversed directly in the Surplus/ Deficit on the Provision of Services | - | - |
| Amortisation for the period | (452,934) | (368,983) |
| Other Changes | 433,405 | 579,597 |
| Net carrying amount at end of year | 1,634,008 | 1,546,178 |
| Investment Properties | 2024/25 | 2023/24 |
| | £ | £ |
| Balance at start of the year | 97,693,877 | 96,176,881 |
| Additions | 625,500 | - |
| Disposals | - | - |
| Net gains/losses from fair value adjustments | 114,500 | 1,500,000 |
| Transfers to/ from inventories | - | - |
| Transfers to/ from property, plant and equipment | (2,700,000) | - |
| Other changes | (83,089) | 16,996 |
| Balance at end of the year | 95,650,788 | 97,693,877 |
| Investment Property | 2024/25 | 2023/24 |
| | £ | £ |
| Industrial Estates | 76,540,000 | 75,770,000 |
| Commercial Units | 19,110,788 | 21,923,877 |
| Balance at end of the year | 95,650,788 | 97,693,877 |

G5

| a | Employee Costs and Member Allowances | 2024/25 | | 2023/24 | |
|--------------------------|---|--------------------|---|--------------------|---|
| | | £ | £ | £ | £ |
| Salaries and Wages | | 94,819,460 | | 88,820,646 | |
| Employers NIC | | 9,885,902 | | 8,986,887 | |
| Employers Superannuation | | 18,375,101 | | 16,831,395 | |
| Total staff costs | | 123,080,463 | | 114,638,928 | |

The above staff costs include the costs of voluntary redundancies in 2024/25. These costs total £320,433 (2023/24 £383,187) and are disclosed separately in Table 4 of the Remuneration Report. In addition, agency costs during the year amounted to £7,708,888 (2023/24 £8,589,688)

The Council's contribution rate to the NILGOSC scheme in 2024/25 was 19%. At the last actuarial valuation dated 31

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

| b | Average Number of Employees | 2024/25 | | 2023/24 | |
|------------------------------|------------------------------------|----------------|-----|----------------|-----|
| | | FTE | FTE | FTE | FTE |
| Strategic Policy & Resources | | 608 | | 590 | |
| City Growth & Regeneration | | 267 | | 268 | |
| People & Communities | | 1,276 | | 1,206 | |
| Planning and Licensing | | 150 | | 151 | |
| Total Number | | 2,301 | | 2,215 | |

| c | | 2024/25 | | 2023/24 | |
|----------------------------|--|----------------|----------------|----------------|----------------|
| | | Actual Numbers | Actual Numbers | Actual Numbers | Actual Numbers |
| Full-time numbers employed | | 2,139 | | 2,039 | |
| Part-time numbers employed | | 556 | | 540 | |
| Total Number | | 2,695 | | 2,579 | |

| d | Senior Employees' Remuneration | 2024/25 | | 2023/24 | |
|----------------------|---------------------------------------|----------------|---|----------------|---|
| | | £ | £ | £ | £ |
| £50,001 to £60,000 | | 183 | | 149 | |
| £60,001 to £70,000 | | 87 | | 74 | |
| £70,001 to £80,000 | | 26 | | 2 | |
| £80,001 to £90,000 | | 6 | | 6 | |
| £90,001 to £100,000 | | 3 | | 5 | |
| £100,001 to £110,000 | | 9 | | 8 | |
| £110,001 to £120,000 | | 3 | | 5 | |
| £120,001 to £130,000 | | 2 | | - | |
| £130,001 to £140,000 | | - | | - | |
| £140,001 to £150,000 | | - | | 1 | |
| £150,001 to £160,000 | | 1 | | - | |
| Total Number | | 320 | | 250 | |

| G6 | Debtors | | |
|-----------|---------------------------------------|-------------------|-------------------|
| a | Long Term Debtors | 2024/25 | 2023/24 |
| | | £ | £ |
| | Government Departments | - | - |
| | Other Councils | - | - |
| | Public corporations and trading funds | - | - |
| | Bodies external to general government | - | - |
| | Employee car loans | 13,177 | 18,119 |
| | Revenue Grants | - | - |
| | Capital Grants | - | - |
| | Interest Receivable | - | - |
| | Capital Debtors | - | - |
| | Loans and advances | - | - |
| | Finance lease debtors | - | - |
| | Trade debtors | 262,984 | 918,640 |
| | NIHE Loans | - | - |
| | Other | - | - |
| | Impairment of loans and receivables | - | - |
| | Contract Receivables | - | - |
| | Total Long Term Debtors | 276,161 | 936,759 |
| b | Short Term Debtors | 2024/25 | 2023/24 |
| | | £ | £ |
| | Government Departments | 1,446,650 | 1,384,978 |
| | Other Councils | 100,640 | 401,041 |
| | Public corporations and trading funds | - | - |
| | Bodies external to general government | - | - |
| | Rates finalisation | - | - |
| | NIHE loans | - | - |
| | Employee car loans | 17,743 | 23,591 |
| | Revenue Grants | 5,973,020 | 18,548,774 |
| | Capital Grants | 8,269,981 | 6,480,062 |
| | Interest Receivable | - | - |
| | Capital Debtors | 665,000 | - |
| | Value Added Tax | 4,382,047 | 2,218,990 |
| | Prepayments | 2,567,182 | 4,568,566 |
| | Finance lease debtors | - | - |
| | Other | 3,011,865 | 10,946,522 |
| | Trade receivables | 3,759,204 | 1,699,045 |
| | Impairment loss - Trade receivables | (520,278) | (1,074,638) |
| | Contract Receivables | 486,489 | 556,847 |
| | Total Short-Term Debtors | 30,159,543 | 45,753,778 |
| | Total Debtors | 30,435,704 | 46,690,537 |

| G7 | Creditors | | |
|---------------------------------------|--|-------------------|---------|
| | | 2024/25 | 2023/24 |
| a | Short Term Creditors | £ | £ |
| Government Departments | 4,101,146 | 2,486,587 | |
| Other Councils | 463 | - | |
| Public corporations and trading funds | 345,516 | - | |
| Bodies external to general government | - | - | |
| Rates clawback | 2,742,451 | 894,750 | |
| De-rating grant clawback | 240,000 | - | |
| Remuneration due to employees | 2,879 | 1,071 | |
| Accumulated Absences | 2,243,204 | 2,153,896 | |
| Receipts in advance | 25,580,261 | 18,324,042 | |
| Trade creditors | 1,462,295 | 3,297,222 | |
| Loan interest | 130,824 | 151,535 | |
| Capital Creditors | 6,437,938 | 2,749,841 | |
| Creditor Accruals | 31,213,015 | 27,405,773 | |
| Contract Payables | - | 35,000 | |
| Total Short Term Creditors | 74,499,992 | 57,499,717 | |
| | | | |
| b | Long Term Creditors | 2024/25 | 2023/24 |
| | Other creditors falling due after more than one year | £ | £ |
| Government Departments | - | - | |
| Other Councils | - | - | |
| Public corporations and trading funds | 974,994 | - | |
| Bodies external to general government | - | - | |
| Rates clawback | - | - | |
| Remuneration due to employees | - | - | |
| Accumulated Absences | - | - | |
| Receipts in advance | - | - | |
| Trade creditors | - | - | |
| Other | 66,478 | 50,003 | |
| Contract Payables | - | - | |
| Total Long Term Creditors | 1,041,472 | 50,003 | |
| Total Creditors | 75,541,464 | 57,549,720 | |

G8 Other cash flow disclosures
a Analysis of Adjustments to Surplus/Deficit on the Provision of Services

| Adjustment to surplus or deficit on the provision of services | 2024/25 | 2023/24 Restated |
|---|-------------------|---------------------|
| | £ | £ |
| Depreciation | 28,933,595 | 30,529,545 |
| Impairment & downward revaluations (& non-sale derecognitions) | (3,576,975) | (1,609,311) |
| Amortisation (included with depreciation above) | - | - |
| (Increase)/Decrease in Inventories | (1,730) | 85,945 |
| (Increase)/Decrease in Debtors | 16,809,193 | (14,661,793) |
| Increase/(decrease) in impairment provision for bad debts | (554,360) | 170,839 |
| Increase/(Decrease) in Creditors | 17,902,436 | 6,916,524 |
| Increase/(Decrease) in Interest Creditors | - | - |
| Payments to NILGOSC | (3,000) | 795,000 |
| Carrying amount of non-current assets sold | 5,992,173 | 137,193 |
| AIC/WIP written off to Net Cost of Services | - | - |
| Contributions to Other Reserves/Provisions | (3,149,440) | 3,315,649 |
| Movement in value of investment properties - included above in Impairment & downward revaluations (& non-sale derecognitions) | - | - |
| Amounts posted to CIES from Donated Assets Account | - | - |
| Contract Costs | - | - |
| Contract Assets | - | - |
| Contract Liabilities | - | - |
| Deferred revenue | - | - |
| | | |
| | 62,351,892 | 25,679,591 |

Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities

| | 2024/25 | 2023/24 |
|--|---------------------|--------------------|
| | £ | £ |
| Purchase of short-term (not considered to be cash equivalents) and long-term investments (includes investments in associates, joint ventures and subsidiaries) | - | - |
| Proceeds from the sale of PP&E, investment property and intangible assets | (8,036,410) | (337,700) |
| Capital grants included in "Taxation & non-specific grant income" | (2,633,989) | (5,610,831) |
| | | |
| | (10,670,399) | (5,948,531) |

b Cash and Cash Equivalents

| | 2024/25 | 2023/24 |
|--|-------------------|-------------------|
| | £ | £ |
| Cash and Bank balances | 3,882,178 | 8,415,261 |
| Short Term Deposits (considered to be cash equivalents) | 58,303,561 | 12,000,000 |
| Short Term Investments (considered to be cash equivalents) | - | - |
| Bank Overdraft | - | - |
| | | |
| | 62,185,739 | 20,415,261 |

| c | Cash flows from Investing Activities | 2024/25 | 2023/24 |
|--|--------------------------------------|-------------------|---------|
| | | £ | £ |
| Purchase of PP&E, investment property and intangible assets | 15,203,201 | 18,677,435 | |
| Purchase of Short Term Investments (not considered to be cash equivalents) | - | - | |
| Purchase of Long Term Investments | - | 129,000 | |
| Other Payments for Investing Activities | 837,941 | 919,489 | |
| Proceeds from the sale of PP&E, investment property and intangible assets | (8,036,410) | (337,700) | |
| Proceeds from Short Term Investments (not considered to be cash equivalents) | - | - | |
| Proceeds from Long Term Investments | - | - | |
| Capital Grants and Contributions Received | (2,633,989) | (5,610,831) | |
| Other Receipts from Investing Activities | - | - | |
| Net Cash flows from Investing Activities | 5,370,743 | 13,777,393 | |

| d | Cash flows from Financing Activities | 2024/25 | 2023/24 |
|---|--------------------------------------|--------------------|---------|
| | | £ | £ |
| Cash Receipts from Short and Long Term Borrowing | - | - | |
| Other Receipts from Financing Activities | - | - | |
| Cash payments for the reduction of the outstanding liability relating to a finance lease and on-Balance Sheet PFI contracts | - | - | |
| Repayment of Short and Long Term Borrowing | (5,375,704) | (5,260,562) | |
| Other payments for Financing Activities | - | - | |
| Net Cash flows from Financing Activities | (5,375,704) | (5,260,562) | |

Date of authorisation for issue

The Chief Financial Officer authorised these financial statements for issue on 23 January 2026.