

Cabinet 5 July 2011

Agenda item 5 – Statement of Accounts

Amendment to page 4 of the Statement of Accounts (Explanatory Foreword)

- **Borrowing/Investments**

During 2010/2011 the level of debt, i.e. money that the Council owes decreased by ~~£50,576,000~~ £25,303,000 from ~~£252,610,000~~ £202,034,000 to ~~£202,034,000~~ £176,731,000. This is due to the current strategy of financing capital from investment balances rather than new debt. Additionally as debt falls due for repayment it is not being replaced, whilst interest rates are low.

The level of investments has subsequently decreased from ~~£134,751,000~~ £89,059,000 to ~~£89,059,000~~ £69,526,000 primarily due to the above strategy.

- **Fixed Assets**

The total value of the Authority's fixed assets has decreased in 2010/2011 by approximately £68 million. Although there was capital investment of some £48m, there was a greater decrease in the value of all classes of assets as a result of revaluation, impairment, depreciation and disposals.