

### **Draft Statement of Accounts 2025/26 – Financial Highlights Report**

This financial highlights report draws Members attention to key financial disclosures reported in the 2025/26 draft Statement of Accounts. The primary financial statements that Members should be aware of are:

- The Comprehensive Income and Expenditure Statement (CIES) on page 6, which is inclusive of the HRA figures shown in the separate statement on page 108, shows what the Council's financial performance would have been on an accounting basis under International Financial Reporting Standards (IFRS). This is very different to the revenue outturn reported on the basis on which local government is funded and which is used to determine the amount to be raised from council tax payers and rent payers.
- The Movement in Reserves Statement on page 7 of the accounts which sets out the change in the overall level of usable reserves (revenue and capital) available to support revenue spending and the capital programme in future years. It provides the reconciliation of the deficit reported in the CIES on an accounting basis to the net change in the General Fund balance and HRA balance on a local government funding basis.
- The Balance Sheet on page 9 of the accounts which sets out the assets and liabilities of the Council at the end of 2025/26.

The Cash Flow Statement on page 10 shows the changes in cash and cash equivalents of the Council during the reporting period.

- The Collection Fund on page 116 of the accounts which shows separately the surplus or deficit to be distributed or recovered relating to council tax and retained business rates.