

Local Government Association (Properties) Limited
(a company limited by guarantee)

Local Government Association (Properties) Limited
(a UK Registered company limited by guarantee)
Company Registration No. 03487186

Report and Financial Statements
for the year ended 31 March 2016

**Local Government Association (Properties) Limited
(a company limited by guarantee)**

REPORT AND FINANCIAL STATEMENTS 2016

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**Local Government Association (Properties) Limited
(a company limited by guarantee)**

OFFICERS AND PROFESSIONAL ADVISORS

DIRECTORS

Councillor Ian Swithenbank CBE (Chairman)

Councillor Philippa Roe

Appointed 3 September 2015

Councillor Adrian Naylor

Appointed 6 July 2015

Councillor David Neighbour

Sarah Pickup LGA, Deputy Chief Executive

Appointed 29 October 2015

Councillor Ken Thornber CBE

Resigned 12 August 2015

Councillor Jim Thornton

Resigned 13 May 2015

Carolyn Downs

Resigned 27 July 2015

Stephen Hughes

Appointed 24 July 2015,

Resigned 30 September 2015

SECRETARY

Helen Platts

Resigned 31 May 2015

Claire Holloway

Appointed 26 May 2015

REGISTERED OFFICE

Local Government House
Smith Square
London
SW1P 3HZ

BANKERS

Barclays
UK Banking
1 Churchill Place
London
E14 5HP

STATUTORY AUDITOR

PKF Littlejohn LLP
1 Westferry Circus
Canary Wharf
London
E14 4HD

Local Government Association (Properties) Limited **(a company limited by guarantee)**

DIRECTORS' REPORT

The directors present their report and audited financial statements for the year ended 31 March 2016.

Principal activities

Local Government Association (Properties) Ltd is a Company limited by guarantee. It owns property at Local Government House, Smith Square, London SW1 which is rented to the Local Government Association for the purposes of the Association's and its related entities' business and to third party tenants.

The Company is wholly owned by the Local Government Association.

Business review

The Company's principal business is the rental of the Local Government House property for use by entities controlled by the Local Government Association. Currently a small part of the property is rented to third parties.

Future Developments

The Company has decided to refurbish the property during 2017 with a view to creating better utilisation of the accommodation for LGA and IDEA as well as generating extra revenue through leasing 3 floors of the building to 3rd parties.

Principal risks and uncertainties

The principal risk faced by the Company is that its income is largely dependent on sources from within the Local Government Association group of entities. The planned development will reduce this risk. The Company is also managed within a wider business strategy appropriate for the group.

Employees

The Company has no employees.

Political and charitable contributions

The Company did not make any political or charitable donations and did not incur any political expenditure during the year.

Dividends

The articles of the Company do not permit the payment of a dividend.

Provision of information to Auditors

In the case of each of the persons who are directors at the time when the directors' report is approved, the following applies:

- so far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Auditors

PKF Littlejohn LLP has expressed its willingness to continue in office. A resolution proposing the reappointment of PKF Littlejohn LLP will be proposed at the next board meeting.

Status of this Directors' Report

This report is prepared in accordance with the small companies' regime under the Companies Act 2006.

Approved by the Board of Directors on 15th June 2016

**Local Government Association (Properties) Limited
(a company limited by guarantee)**

Councillor Ian Swithenbank
Signed on behalf of the Board of Directors

**Local Government Association (Properties) Limited
(a company limited by guarantee)**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES
IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102).

Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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**Local Government Association (Properties) Limited
(a company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF LOCAL GOVERNMENT ASSOCIATION (PROPERTIES)
LIMITED**

We have audited the financial statements of Local Government Association (Properties) Limited for the year ended 31 March 2016 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows and the related notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the Financial Statements sufficient to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Directors, and the overall presentation of the Financial Statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited Financial Statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2016 and of its surplus for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Paul Hopper (Senior statutory auditor)
For and on behalf of PKF Littlejohn LLP
Statutory auditor**

1 Westferry Circus
Canary Wharf
London E14 4HD

**Local Government Association (Properties) Limited
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Local Government Association (Properties) Limited
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STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31 MARCH 2016

	Note	2016 £000	Restated 2015 £000
Income	2	1,601	2,097
Administrative expenses		(1,204)	(1,141)
OPERATING SURPLUS BEFORE INTEREST	5	<u>397</u>	<u>956</u>
Interest receivable		6	7
Interest payable		(247)	(507)
Gain on revaluation of Property		4,293	8,089
OPERATING INCOME AFTER INTEREST	6	<u>4,449</u>	<u>8,545</u>

All amounts relate to continuing operations.

There was no Other Comprehensive Income received in either Financial Year.

The accounting policies and notes on pages 11 to 17 form part of these financial statements.

Local Government Association (Properties) Limited
(a company limited by guarantee) - Company Number 03487186

BALANCE SHEET
AS AT 31 MARCH 2016

	Note	2016 £000	Restated 2015 £000
FIXED ASSETS			
Tangible assets	7	647	774
Investment Property	8	35,850	30,700
		<u>36,497</u>	<u>31,474</u>
CURRENT ASSETS			
Debtors	9	245	336
Short term Investments	11	131	1,815
Cash at bank and in hand		10	71
		<u>386</u>	<u>2,222</u>
CREDITORS: amounts falling due within one year	12	(3,226)	(2,032)
NET CURRENT ASSETS / (LIABILITIES)		<u>(2,840)</u>	<u>190</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>33,657</u>	<u>31,664</u>
CREDITORS: amounts falling due after more than one year	13	(13,611)	(16,068)
TOTAL NET ASSETS		<u>20,046</u>	<u>15,596</u>
ACCUMULATED FUNDS			
General Reserve		5,064	4,907
Revaluation Reserve		14,982	10,689
		<u>20,046</u>	<u>15,596</u>

These financial statements were approved by the Board of Directors on 15th June 2016

Councillor Ian Swithenbank

Signed on behalf of the Board of Directors

The accounting policies and notes on pages 11 to 17 form part of these financial statements.

Local Government Association (Properties) Limited
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STATEMENT OF CHANGES IN EQUITY
Year ended 31 March 2016

	Retained Earnings £000	Revaluation Reserve £000	Total £000
Balance at 1st April 2014	4,451	8,089	12,540
Changes in equity for 2014/15			
Surplus for the year	456	-	456
Gain on revaluation of property	-	2,600	2,600
Total comprehensive income for the year	456	2,600	3,056
Balance as at 31st March 2015	4,907	10,689	15,596
Balance at 1st April 2015	4,907	10,689	15,596
Changes in equity for 2015/16			
Surplus for the year	157	0	157
Gain on revaluation of property	0	4,293	4,293
Total comprehensive income for the year	5,064	14,982	20,046
Balance as at 31st March 2016	5,064	14,982	20,046

Local Government Association (Properties) Limited
(a company limited by guarantee)

STATEMENT OF CASH FLOWS
Year ended 31 March 2016

	Note	2016 £000	2015 £000
Cash flow from operating activities			
Operating Surplus		4,450	8,546
Adjustments for:			
Gain on revaluation of property		(4,293)	(8,089)
Investment income		(6)	(7)
Interest expense		247	507
Adjustment for Interest Rate Swap liability		(157)	55
Depreciation		127	127
Decrease in debtors		91	60
Increase/(decrease) in creditors		(305)	1,011
Cash generated from operations		<u>154</u>	<u>2,210</u>
Interest paid		(247)	(507)
Net cash (used)/generated from operating activities		<u>(93)</u>	<u>1,703</u>
Cash flow from investing activities			
Interest received		6	7
Expenditure on LGH Redevelopment		(857)	-
		<u>(851)</u>	<u>7</u>
Cash flow from financing activities			
Repayments of borrowings		(800)	(800)
		<u>(800)</u>	<u>(800)</u>
Net (Decrease)/Increase in cash		(1,745)	909
Cash and cash equivalents at start of the year		<u>1,886</u>	<u>977</u>
Cash and cash equivalents at the end of the year	10	<u>141</u>	<u>1,886</u>

The accounting policies and notes on pages 11 to 17 form part of these financial statements.

Local Government Association (Properties) Limited
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NOTES TO THE ACCOUNTS
Year Ended 31 March 2016

1. ACCOUNTING POLICIES

The financial statements are prepared for the first time in accordance with applicable United Kingdom accounting standards, specifically Financial Reporting Standard FRS102. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention modified by the revaluation of the investment property.

Tangible Fixed Assets and Depreciation

Tangible fixed assets are held at historical cost, net of depreciation and provisions for impairment.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation of each asset, less any estimated residual value, evenly over its expected useful life. The expected useful lives of the principal categories are:

Fixtures and fittings	15 years
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Investment Property

The freehold land and buildings investment property, Local Government House, has been valued by an independent, external valuer on an open market basis at the Balance Sheet date. In accordance with FRS102 the investment property will be revalued annually with the surplus or deficit transferred to the revaluation reserve.

Fair value is defined, in accordance with the RICS valuation standards, as: "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties each had acted knowledgeably, prudently and without compulsion".

Income

Income represents the amounts receivable as rents and services provided (exclusive of Value Added Tax).

Derivative financial instruments

Interest rate swap agreements, caps and collars are used to manage long-term interest rate exposures. Amounts payable or receivable in respect of these derivatives are recognised as adjustments to the interest expense over the period of the contracts.

Company Status

The Company is limited by guarantee and has no share capital. In the event of a winding up of the company, each member's contribution towards the liabilities is limited to £1.

Going Concern

The financial statements have been prepared on a going concern basis. The Directors consider that the going concern basis is appropriate because the Local Government Association and the related entities from which the Company's income derives have agreed budgets and financial plans which will ensure under present arrangements that the Company recovers the full costs of its operations through recharges. During 2016/17 the company will not fully recover in year costs as a result of income reductions if the tenants move to alternate accommodation while building refurbishments are completed. These costs will be recovered in subsequent years via income from group and external tenants.

Local Government Association (Properties) Limited
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NOTES TO THE ACCOUNTS
Year Ended 31 March 2016

2. INCOME

The Company's turnover comprises rent on its freehold building receivable from its controlling entity, the Local Government Association, the LGA's associated company the Improvement & Development Agency (IDeA) and also from external tenants. In accordance with the original lease dated 21 January 2000, the rent charged to the Local Government Association is the greater of £50,000 and the amount required to cover the cost of insuring and servicing the mortgage loans on it.

3. DIRECTORS' EMOLUMENTS

No directors received emoluments during the current or preceding financial year in respect of their services to the Company.

4. STAFF INFORMATION

The Company did not have any employees during the current or preceding financial year.

5. OPERATING SURPLUS

	Year ended 31 March 2016 £000	Year ended 31 March 2015 £000
Operating surplus is after charging:		
Depreciation	127	127
Auditors' remuneration - audit fee	4	1

6. TAXATION

The Company is exempt from tax on its income and gains by virtue of its status as a Local Authority Association under Section 519(3) of the Taxes Act 1988. It is exempt from capital gains tax under Section 271(3) of the Taxation of Chargeable Gains Act 1992.

7. TANGIBLE FIXED ASSETS

Fixtures and Fittings	Fixtures and fittings £000
Cost	
At 1 April 2015	1,901
Additions	-
At 31 March 2016	<u>1,901</u>
Depreciation	
At 1 April 2015	(1,127)
Charge for year	(127)
At 31 March 2016	<u>(1,254)</u>
Net book value	
At 31 March 2016	<u>647</u>
At 31 March 2015	<u>774</u>

Local Government Association (Properties) Limited
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NOTES TO THE ACCOUNTS
Year Ended 31 March 2016

8. INVESTMENT PROPERTIES

	2016	2015
	£000	£000
Brought forward valuation	30,700	28,100
Unrealised gain on revaluation	4,293	2,600
Capitalised items	857	-
Carried forward valuation	<u>35,850</u>	<u>30,700</u>

Local Government House is now treated as an Investment Property under FRS102 being mainly leased to group companies, as well as third parties at a commercial rate on an arm's length basis.

The Company's interest in the property was externally valued at £35.8 million as at 31 March 2016 by Farebrother Chartered Surveyors. The market value of the freehold interest in the property was arrived at primarily after consideration of market evidence for similar properties.

9. DEBTORS

	2016	2015
	£000	£000
Trade debtors	78	39
Due from related entities	165	282
Other Debtors	2	15
	<u>245</u>	<u>336</u>

10. CASH AND CASH EQUIVALENTS

	2016	2015
	£000	£000
Cash at bank and in hand	10	71
Short Term Investments	131	1,815
	<u>141</u>	<u>1,886</u>

11. SHORT TERM INVESTMENTS

Surplus cash balances held by the Company, the companies it controls and related parties are pooled and lent to financial institutions on the Company's approved counterparty list. Investments are typically for periods not exceeding twelve months and as such the loan amount is a reasonable assessment of fair value. The counterparty list is currently restricted to financial institutions that meet agreed credit ratings criteria and subject to the cash limits (per counterparty) as shown in the Company's Investment Strategy. The Company's Investment Strategy strictly applies credit limits for all financial institutions on the approved counterparty list to ensure that investments are diversified. No credit limits were exceeded during the year and the Company does not expect any losses on short term investments.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£000	£000
Accounts payable and accruals	249	108
Other creditors	47	150
Income received in advance	8	16
Bank loans -see note 14	700	700
Loan from Local Government Association	1,600	100
Owed to Related Companies	622	958
	<u>3,226</u>	<u>2,032</u>

Local Government Association (Properties) Limited
(a company limited by guarantee)

NOTES TO THE ACCOUNTS
Year Ended 31 March 2016

A £1.5 million loan agreement was created in March 2013 and extended in March 2015 for a further 2 years with the Local Government Association. This loan bears interest at an interest rate of 2.5% p.a. over base rate.

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016	2015
	£000	£000
Bank loans	4,160	4,860
Loan from ACC (Properties) Limited	2,000	2,000
Loan from AMA (Properties) Limited	6,200	6,200
Loan from Local Government Association	120	1,720
Barclays Swap Liability	1,131	1,288
	<u>13,611</u>	<u>16,068</u>

The new inclusion in the above table for Barclays Swap Liability is a requirement of FRS102 to include a value on the balance sheet for the additional Swap agreement liability as at the 31st of March that would be payable if the loan was repaid (See Note 14 below). The movement in the Swap liability between the years £157,000 is reflected in the Statement of Comprehensive Income for the year.

The loans from ACC (Properties) Ltd and AMA (Properties) Ltd are only repayable in the event of the sale of Local Government House. There is no intention to dispose of the property in the foreseeable future.

The loan from ACC (Properties) Ltd bears compound interest at 1.5% above the base rate with payment conditional upon the disposal of the property. The accumulated interest to date on the loan is £2,693 million.

Under an agreement dated 22 January 1998 made between Association of Metropolitan Authorities (Properties) Ltd, Local Government Association (Properties) Ltd and the Association, the AMA property.

Company contributed the net sale proceeds of its former property in Great Smith Street to the purchase of Local Government House by Local Government Association (Properties) Ltd. In recognition of this, authorities in membership of the Local Government Association that were formerly members of the Association of Metropolitan Authorities receive a discount on their membership subscriptions. The discount, originally at the rate of £6,000 per authority, currently stands at £7,965 and increases every five years in line with inflation.

Following a review of the external debt commitments of the Local Government Association and its related entities, a loan agreement was created in July 2010 for £820,000 then due by the Company to the Local Government Association. The loan is repayable in bi-annual instalments of £50,000 over a period of just under 8 years, with a final repayment of £70,000 on 31 March 2018. This loan bears interest at 5% p.a.

14. BANK LOAN AGREEMENT

The Barclays Bank plc loans of £4.86 million are secured against Local Government House. The liability relates to 13% of the current valuation of £35.850 million. The original loan of £13 million, taken out in 2000, is repayable over 25 years in bi-annual instalments of £260,000. In 2007 the Company took out a further loan of £1.8m with Barclays Bank plc. This loan is repayable over 10 years in bi-annual instalments of £90,000 and interest on it is payable at a fixed rate. Accordingly, instalments totalling £700,000 are included under the heading 'creditors falling due within one year', with the balance of £4.16 million included under the heading 'creditors falling due after more than one year'.

The interest rate strategy of the Company is to align its interest payments with its business structure. As the Company's income is not influenced by changes in short term interest rates, the Company made arrangements for around two-thirds of its original debt to be subject to hedging at a fixed rate and one-third to be hedged at a floating rate within a collar.

The hedging facilities for the two loan tranches originally of £10 million and £3 million were valued at 31 March 2016 as follows:

Local Government Association (Properties) Limited
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NOTES TO THE ACCOUNTS
Year Ended 31 March 2016

Instrument	Notional Amount	Maturity Date	Trade Date	Mark to Market Value Notional (Gain)/Loss
Tranche 1	£000			£000
CAP/CMLPX	1,200	21/01/2025	27/01/2000	266
SWAP	2,400	21/01/2025	27/01/2000	609
Total	<u>3,600</u>		Net Notional Loss	<u>875</u>
Tranche 2	£000			£000
CAP/CMLPX	360	21/01/2025	13/07/2000	78
SWAP	720	21/01/2025	13/07/2000	178
Total	<u>1,080</u>		Net Notional Loss	<u>256</u>
Combined total	<u>4,680</u>		Net Notional Loss	<u>1,131</u>

15. CONTROLLING ENTITY

The controlling entity is the Local Government Association and the registered office is Local Government House, Smith Square, London, SW1P 3HZ.

16. RELATED PARTIES

The Company had the following transactions with related parties:

	Value of related party transactions in year 2016 exp / (inc) £000	Outstanding balance at 31 March 2016 dr / (cr) £000	Value of related party transactions in year 2015 exp / (inc) £000	Outstanding balance at 31 March 2015 dr / (cr) £000
Local Government Association	(416)	(441)	669	(303)
Local Government Association - Loans	-	(1,720)	-	(1,820)
Improvement and Development Agency	(794)	(15)	1,278	(373)

The transactions between these companies are a result of rental and other day to day activity recharges.

Local Government Association (Properties) Limited
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NOTES TO THE ACCOUNTS
Year Ended 31 March 2016

17. TRANSITION TO FRS102

This is the first year that the company has presented its results under FRS 102. The last financial statements under the UK GAAP were for the year ended 31 March 2015. Set out below are the adjustments which reconcile the surplus for the financial year ended 31 March 2015 and the total equity as at 1 April 2014 and 31 March 2015 as a result of the changes to accounting policies between UK GAAP as previously reported and FRS 102.

STATEMENT OF COMPREHENSIVE INCOME		2015
		£000
UK GAAP – As previously reported		249
Depreciation Adjustment - in year operating Surplus	A	262
Gain on revaluation of property	B	2,600
In year Adjustment for Barclays Swap Liability		(54)
Total adjustment to surplus for the financial year		2,808
FRS 102 Total Comprehensive Income		3,057

TOTAL ACCUMULATED FUNDS	1 April	31 March
	2014	2015
	£000	£000
UK GAAP – As previously reported	2,126	2,126
Add back historic buildings depreciation to the General Reserve opening balance	A	3,807
Depreciation Adjustment - in year operating Surplus	A	262
Property Gain added to Revaluation Reserve	B	10,689
Historic Adjustment for Barclays Swap Liability	(1,233)	(1,233)
In year Adjustment for Barclays Swap Liability		(55)
FRS 102	4,700	15,596

Notes:

A Depreciation adjustments

The depreciation on the Local Government Building have been added back to the asset value as at 1 April 2014, and the 2014/15 charge has been removed Income and Expenditure account, increasing the general reserve by £4.069m.

**Local Government Association (Properties) Limited
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**NOTES TO THE ACCOUNTS
Year Ended 31 March 2016**

B – Property gain

Under FRS102 the property is now defined as an investment property. This means any revaluation gain or loss will be shown on the statement of Comprehensive Income, and will be added to a Balance Sheet Revaluation Reserve. Local Government House is now shown in the restated 2014/15 Balance sheet at its valuation as at 31 March 2015 of £30.7m.

C – Barclays Swap Liability

FRS102 requires the revaluation of the Barclays Loan liabilities to include a value on the balance sheet for the additional Swap agreement liability as at the 31st of March that would be payable if the loan was repaid at that date. (See also Note 14).

18. POST BALANCE SHEET EVENTS

The directors are not aware of any material post balance sheet events.