

Wimsgrove District Council

to the Financial Statements
THE YEAR ENDED 31 MARCH 2019

5 Unusable Reserves

	31/03/2019	31/03/2018
	£000	£000
Revaluation Reserve	5,832	6,267
Capital Adjustment Account	18,403	20,964
Pensions Reserve	(46,244)	(38,453)
Collection Fund Adjustment Account	(1,841)	17
Accumulated Absences Account	(183)	(183)
Total Unusable Reserves	(24,033)	(11,388)

Revaluation Reserve

The Revaluation Reserve contains the gains made by the Authority arising from increases in the value of its Property, Plant and Equipment.

The balance 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 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

	31/03/2019	31/03/2018
	£000	£000
Balance at 1 April	6,267	5,828
Upward revaluation of assets	0	488
Surplus or deficit on revaluation of non-current assets not posted to the Surplus or Deficit on the Provision of Services	(356)	488
Difference between fair value depreciation and historical cost depreciation	14	(33)
Revaluation balances on assets scrapped or disposed of	(93)	0
Amount written off to the Capital Adjustment Account	(79)	(33)
Derecognition of Property disposed of	0	(16)
Balance at 31 March	5,832	6,267

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 financing 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 a historical cost basis). 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.

Note 9 provides details of the source of all the transactions posted to the Account, apart from those involving the Revaluation Reserve.