

Reserves

Forecast Movements in City Fund Usable Reserves 2014/15				
	N o t e s	Estimated Opening Balance 1 April 14 £m	Forecast Net Movement in Year £m	Estimated Closing Balance 31 March 15 £m
<u>Revenue Usable Reserves</u>				
General	a	(39.5)	(5.7)	(45.2)
Earmarked:				
Police future expenditure	b	(14.9)	5.1	(9.8)
Highway improvements	c	(13.4)	8.0	(5.4)
Crossrail	d	(20.4)	(2.0)	(22.4)
VAT Reserve	e	(4.2)	0.0	(4.2)
Proceeds of Crime Act	f	(1.3)	0.0	(1.3)
Judges Pensions	g	(1.3)	0.0	(1.3)
Central Criminal Court	h	(0.8)	0.0	(0.8)
Maintenance of Graves	i	(0.5)	0.0	(0.5)
6-8 Bonhill Street	j	(0.5)	0.0	(0.5)
Service Projects	k	(1.9)	0.3	(1.6)
Total Revenue Earmarked		(59.2)	11.4	(47.8)
Housing Revenue Account		(6.5)	(0.4)	(6.9)
Total Revenue Usable Reserves		(105.2)	5.3	(99.9)
<u>Capital Usable Reserves</u>				
General Capital Receipts Reserve		(47.4)	34.9	(12.5)
Crossrail Capital Receipts Reserve		(27.0)	(58.0)	(85.0)
Capital Grants Unapplied		(0.4)	0.0	(0.4)
HRA Major Repairs Reserve		(4.7)	3.0	(1.7)
Total Capital Usable Reserves		(79.5)	(20.1)	(99.6)
Total Usable Reserves		(184.7)	(14.8)	(199.5)

Notes

- (a) General Reserve – The accumulated balance from annual surpluses or deficits on the City Fund Revenue Account less any transfers to, or plus any transfers from, earmarked reserves.

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- (b) Police Future Expenditure - Revenue expenditure for the City Police service is cash limited. Underspendings against this limit may be carried forward as a reserve to the following financial year and overspendings are required to be met from this reserve.
- (c) Highway Improvements - Created from on-street car parking surpluses to finance future highways related expenditure and projects as provided by section 55 of the Road Traffic Regulation Act 1984, as amended by the Road Traffic Act 1991.
- (d) Crossrail – Revenue funds set aside to contribute towards the City’s £200m commitment towards the Crossrail project, currently anticipated in 2016.
- (e) VAT Reserve – Should the City Corporation no longer be able to recover VAT incurred on exempt services as a result of exceeding the 5% partial exemption threshold, this reserve will be the first call for meeting the associated costs.
- (f) Proceeds of Crime Act – In 2011/12, the City Police received a substantial cash forfeiture award of £1.6m. Under the guidelines of the scheme, the funds must be ringfenced for crime reduction initiatives.
- (g) Judges Pensions - Sums set aside to assist with the City of London’s share of liabilities.
- (h) Central Criminal Court Plant Replacement – Sums set aside to assist with financing the net cost up to design report stage.
- (i) Maintenance of Graves - to help fund the maintenance of graves and memorial gardens so that current income is not the sole source of finance for the maintenance of old graves. Any surpluses made by the Cemetery and Crematorium are transferred to the Reserve at year end.
- (j) 6-8 Bonhill Street – Sums obtained on the surrender of the headlease and set aside to fund cyclical maintenance and repair works to the property and void costs.
- (k) A number of reserves for service specific projects and activities where the balance on each individual reserve is less than £0.5m have been aggregated under this generic heading.