

Broads Authority

Draft Statement of Accounts 2025/26

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Narrative report

Introduction

The purpose of the Narrative Report is to provide information on the Authority, its main objectives and strategies and the principal risks that it faces. It also provides commentary on how the Authority has used its resources to achieve its outcomes in line with its objectives and strategies.

About the Broads Authority

The Broads Authority was established by the Norfolk and Suffolk Broads Act 1988.

Its duties, as subsequently amended by the Natural Environment and Rural Communities Act 2006, are to manage the Broads for the purpose of:

- conserving and enhancing the natural beauty, wildlife and cultural heritage of the Broads;
- promoting opportunities for the understanding and enjoyment of the special qualities of the Broads by the public; and
- protecting the interests of navigation.

This brought the first two purposes into line with those of the English National Park Authorities, as recommended in the Department for Environment, Food and Rural Affairs (Defra) report 'Review of English Park Authorities' published in July 2002.

In discharging its function, the Authority should have regard to:

- the national importance of the Broads as an area of natural beauty and one which affords opportunities for open air recreation;
- the desirability of protecting the natural resources of the Broads from damage; and
- the needs of agriculture and forestry and the economic and social interests of those who live and work in the Broads.

In respect of its navigation area the Authority is required to:

- maintain the navigation area for the purposes of navigation to such a standard as appears to it to be reasonably required; and
- take such steps to improve and develop it as it thinks fit.

The Broads Authority Act 2009 amended the 1988 Act and is primarily concerned with augmenting the Authority's powers to ensure safety on the Broads, including the application of the Boat Safety Scheme and compulsory third-party insurance. It also made provision for the transfer of responsibility for the navigation in Breydon Water to the Authority which was implemented in 2012. The 2009 Act removed the need for the Authority to maintain a separate navigation account and contained provisions which require the Authority to ensure

that, taking one year with another, expenditure on navigation matters is equal to navigation income.

The Broads Plan is the key management plan for the Broads. It sets out a long-term vision for the benefit of the natural and cultural environment, local communities and visitors. Although the Authority is responsible for its production it is a plan for the whole of the Broads, and its success very much depends on a common vision, strong partnership working and the best use of shared resources. The plan for the period 2022-27 was adopted by the Authority on 23 September 2022 and is publicly available via the website link below.

[Broads Plan 2022 - 2027 \(broads-authority.gov.uk\)](https://broads-authority.gov.uk/broads-plan-2022-2027)

The Authority's Strategic Priorities are set annually by the members in line with objectives in the Broads Plan. Progress against the Strategic Priorities is reported regularly to the Authority and details of 2025/26 can be found in the link below:

[Strategic priorities update for 2025/26 and draft strategic priorities for 2026/27](#)

All decisions are supported by the Authority's core values. These are enduring beliefs or ideals about what is good or desirable and what is not. They are:

- Sustainable - we take the long-term view, are passionate about our environment and its ability to provide for a vibrant local economy and the well-being of local people;
- Exemplary - we strive for excellence in all we do. We are ambitious, innovative and lead by example;
- Commitment - we are committed to making a difference to the Broads for the benefit of all, and will have the courage of our convictions when faced with difficult issues;
- Caring - we are considerate and respectful of each other, working together to provide the best service we can; and
- Open and Honest - we are open, honest and inclusive in our communication and in making decisions. We are approachable and available, reaching out to all groups.

The Authority is funded from two major sources; National Park Grant from Defra and Navigation Toll Income.

Governance

The Annual Governance Statement provides details of progress against the current year and provides the new financial year action plan. This is currently available in draft and will be considered by the Authority on 24 July 2026 and is available via the link below:

[Draft Annual Governance Statement](#)

Operational model

The Authority consists of three Directorates; Resources, Delivery and Chief Executive. The total number of staff employed by the Authority gives a head count of 144 or 130.3 Full

Time Equivalents (FTE) as at 31 March 2026. This is split 34 (30.3 FTE) Resources, 78 (73.4 FTE) Delivery, 32 (26.6 FTE) Chief Executive. Due to the seasonal nature of the Authority's activities the levels of staff vary throughout the year and the year-end position may vary depending on when Easter falls.

The Chief Executive is responsible for the Governance Team who service the Authority's various committees; and Communications - responsible for all publications, events and visitor services.

The Resources Directorate consists of; HR - supporting all of the Authority's employees; Volunteer Services which support volunteering opportunities across all areas of the Authority; Asset Management, IT, Collection of Tolls, Finance and Insurance team; the management of the Nature for Climate Peatland Grant Scheme which aims to create solutions towards peatland restoration, and Farming in Protected Landscapes (FiPL) which supports farmers and land managers in the Broads.

The Delivery Directorate consists of; the Construction, Maintenance and Ecology teams who carry out the practical work on the Broads, from dredging to the maintenance and refurbishment of moorings and land-based sites; the Ranger team who patrol the waterways enforcing the byelaws, carry out small scale practical works, Safety Management with health and safety responsibility for all staff and visitor safety on and near the water; and Planning - responsible for all planning applications, enforcement and the Local Plan within the Authority's executive area.

The Authority receives income from planning fees, contributions from landowners and the Rural Payments Agency towards fen management, Visitor Centres and Yacht Station sales and external funding such as the Grant from the Nature for Climate Peatland Scheme and Defra support for FiPL.

Risks

Uncertainty has reduced about future years' settlements following a proposed three-year National Park grant agreement from 2026/27 and indicative allocations for 2027/28 and 2028/29. Cuts to the National Park Revenue Grant in previous years has meant the Authority has already restructured to make savings. For the 2026/27 consolidated budget has a deficit, with the National Park side being balanced through the National Park (General) Reserve. The surplus on the Navigation side will be placed in Navigation reserve at year end and will give the Authority the option to keep toll increases for future years in line with inflation. This is sustainable in the short-term following the action taken by the board for a restructure in 2025/26. National Park revenue and capital grants from Defra for 2026/27 both remain at the 2025/26 levels. In addition, National Parks in England have been awarded a one-off revenue payment to be spent by 31 March 2027. Over the next financial year, the authority will identify ways to spend both the capital grant and one-off revenue payment by 31 March 2027. There continues to be uncertainty around the impact of inflation, wage increases and rising fuel costs. The Landscape Review recommended that "Central Government funding should continue and be both extended and secured across a five-year period." This would greatly assist the Authority in its financial planning.

Risks are reviewed on a regular basis with actions being taken to mitigate any possible impacts. Reports to the Authority highlight risks on potential new areas of activity. The Risk, Audit and Governance Committee receive detailed reports on the current risks with details of the individual risks, risk owner and actions. A link to the latest report can be found below.

[Corporate Risk Register](#)

Review of Corporate Risk Register

The Authority reviewed the risk register and updated it during 2025/26. The risk register is split between the Corporate Risk Register, focusing on risks that are strategic, and Directorates' risk registers, focusing on operational day to day risk. The Corporate Risk Register is reviewed at every Risk, Audit and Governance Committee meeting with the option for significant risks being reported to the Broads Authority.

Opportunities

The UK's 15 National Parks work at a national level with a range of commercial, sustainability and philanthropic partners via National Parks Partnerships and our charitable entity the UK National Parks Foundation. National Parks host over 100 million visits every year and have over 1 million social media followers.

The UK National Parks also continue to investigate efficiencies through joint procurement and services and to create resilience amongst the Parks. The UK National Parks Communication Team was initially hosted by the Broads Authority and is now hosted by National Parks Partnership LLP. This service is jointly funded by 15 UK National Parks and seeks to promote a shared sense of identity.

The Authority has already been successful in gaining external funding from; Nature for Climate Peatland Scheme, Active Travel England, Access for All, LAPWDP, Generation Green 2, BMW, Electrifying the Broads, MHCLG Digital Planning, Water Restoration Fund and Norfolk Green Infrastructure and Recreational Mitigation Strategy.

The Authority attended the Norfolk Show in June 2025, hosting the Broads village and promoting the National Park and partner organisations. It was a popular destination with twenty stands and was visited by up to 90,000 visitors, including hundreds of school children. The Authority is planning to return to the Show in June 2026.

2026/27 will see the Authority benefit from £1,385m additional grant funding from DEFRA. This capital funding will need to be spent in 2026/27. The Authority plans to use the funding to support our annual capital programme. Defra has extended their FiPL funding to March 2027.

Strategy and resource allocation

The current Financial Strategy was drawn up having regard to the Authority's grant settlement and the priorities in the Broads Plan. It sets out a prudent strategy for managing the limited resources available in order to build on the work underway across the organisation and to continue to deliver the Authority's key priorities over the next year. The focus in developing the Financial Strategy has been to deliver the maximum possible

efficiencies and savings in order to minimise the impact on front-line activity. The Authority recognises that without its employees continued commitment and hard work this would not be possible. Work has now commenced on the preparation of a new Broads Plan to cover the period 2028-2033.

In developing the Financial Strategy, a number of assumptions have been made in respect of National Park Grant allocations, future boat numbers and the level of staff pay inflation. The Strategy follows the general principle that the Authority should seek to maintain the general (National Park) reserve at a minimum of £100,000 plus 10% of net expenditure, and the navigation reserves at a minimum of 10% of net expenditure. It also expects that General and Navigation income and expenditure should be broadly in balance across the life of the Financial Strategy.

On 20 November 2007, the Authority took out a £290,000 loan from the Public Works Loan Board (PWLb). The repayment period of the loan is 20 years at a fixed interest rate of 4.82%, repayable by equal instalments of principal. The Public Works Loan Board has advised that the fair value of the debt as at 31 March 2026 is £21,900.

The purpose of this loan was to finance the purchase of the Dockyard Operation from May Gurney to enable the Authority to continue to dredge the Broads in an economical and efficient manner.

During 2020/21, the Authority took out a further loan from the PWLB for £105,000. The purpose of the loan was to fund the purchase of a new JCB excavator. These types of purchases have typically been financed by finance leases in the past, but the fixed rate of interest at 2% made the loan the cheapest option. The loan was repaid in full during 2025/26.

Performance

Performance is assessed against progress made towards the Broads Plan, Strategic Priorities and the Budget with regular updates being provided to the Authority.

General (National Park) Income and Expenditure

In 2025/26 the Authority received National Park Grant of £4,423 from Defra (£3,914k in 2024/25). 2024/25 included one-off additional revenue and capital funding from DEFRA of £250k each. In addition to this, the income received from external grant support, sales, fees, charges and interest totalled £1,649k (£1,876k in 2025/26). Total income for 2025/26 was £6,072k (£5,790k in 2024/25).

The Authority set a budget for 2025/26 with a forecast deficit of £150k (£15k surplus in 2024/25). The Authority monitors its budget throughout the year against a forecast outturn which is updated monthly. The final forecast outturn for the year 2025/26 indicated an anticipated surplus of £19k. The actual outturn saw a surplus of £149k (a favourable variance of £130k). The Authority has a policy for carrying forward requests in respect of underspends. These were considered and approved by the Authority on 15 May 2026 for £4k (£13k from 2024/25 added to the 2025/26 budget) and added to the 2026/27 budget.

Navigation Income and Expenditure

Income from tolls was £4,498k (£4,314k in 2024/25), other income received for the year from external grant support, yacht stations charges, sales of tide tables, works licences and other miscellaneous services was £354k, (£293k in 2024/25) and interest was £134k (£153k in 2024/25). Total income for 2025/26 was £4,968k (£4,544k in 2024/25).

The Authority set a budget with a forecast deficit of £68k for 2024/25 (surplus of £87k for 2024/25). This deficit was to be balanced using reserves. The Authority monitors its budget throughout the year against a forecast outturn which is updated monthly. The final forecast outturn for 2025/26, which took account of approved budget changes, indicated an anticipated surplus of £49k. The actual outturn saw a surplus of £84k (a favourable variance of £35k). The Authority has a policy for carrying forward requests in respect of underspends. These were considered and approved by the Authority on 15 May 2026 for £5k (£1k from 2024/25 added to the 2025/26) and added to the 2026/27 budget.

The Statement of Accounts consolidates these results and the combined figures are found in the Comprehensive Income and Expenditure Statement (CIES) and the Expenditure Funding Analysis (EFA). The CIES can be found on page 17 and the EFA on page 16.

Outlook

2026/27 continues with the delivery of the Active Travel England, Access for All, and Digital Planning. Work continues on the collaborative National Heritage Lottery Fund Landscape Connections bid which if successful could run for up to ten years. The budget for Navigation is projecting a surplus of £76k in 2026/27 (after considering carry forward requests) which will be funded from reserves. This provides a forecast of the Navigation reserve at 11.7% of net expenditure at the end of the year. For General (National Park) funding there is a projected deficit of £90k in 2026/27 (after considering carry forward requests) which will be funded from reserves. This provides a forecast of the National Park reserve at 17.9% of net expenditure. This remains above the recommended minimum level.

The Strategy also covers capital expenditure with the majority being funded from Defra National Park Capital Grant and the rest from Earmarked Reserves and Navigation income.

The 2026/27 investment strategy sees the inclusion of the Authority's minimum revenue provision policy (MRP). The need for formal documentation was highlighted by EY's audit results received in November. The Authority's policy adopts option three which is based on the Asset life method using the annuity method. MRP is charged based on the principal element for the year of the annuity required to repay over the asset's useful life, the amount of capital expenditure financed by borrowing or lease arrangements. The authority should use an appropriate interest rate to calculate the amount. This is typically the Public Works Loan Board (PWLb) rate as this is the source of borrowing previously used.

Each year the Broads Authority identifies a small set of strategic priorities, which focus on projects that have high resource needs or a very large impact on the Broads, or that are politically sensitive. Setting these priorities helps target the Authority's resources and make the most of partnership working and external funding opportunities. Priorities are set each

financial year, although some large-scale projects carry across several years. Strategic priorities for 2026/27 include the preparation of a replacement Broads Plan to cover the period 2028-2033; adoption of the Local Plan for the Broads Authority, Broadland Futures Initiative (BFI), Landscape Connections, responding to Climate Change and Nature Recovery; Access in the Broads; Maintenance of the navigation priorities; Information and Data Management Project; Devolution and Mayoral Authority.

There are a significant number of variables – and some unknown quantities, such as future inflation, cost of utilities and salary increases – which could impact on these figures. The Financial Strategy will therefore be reviewed and updated by the Authority, having regard to any changes in circumstances and the annual outturn figures, at its meeting in February 2027. The annual toll increase for 2026/27 was set at 3.5% for all vessels. When setting the future strategy, the Authority will continue to consult with the Navigation Committee before the Broads Authority makes a decision. 2026/27 continues to focus on the development of partnership work. The scheme administered by the Broads Authority continues to support farmers and land managers in carrying out projects that support the natural environment, mitigate the impacts of climate change, provide public access opportunities or support nature-friendly, sustainable farm businesses (Farming in Protected Landscapes). Climate change remains a threat to the Broads. Broadland Futures Initiative, in collaboration with the Environment Agency, will continue the strategy development for future flood risk management and engagement work with stakeholders.

Changes to the 2025/26 Accounts

In 2025/26 CIPFA Code of practice has introduced indexation of non-investment assets. The changes in the 2025/26 Code apply to the following asset categories: Other land and buildings, vehicles, plant, furniture and equipment, surplus assets, right-of-use assets measured at current value. Assets last valued prior to 2025/26 remain valid during the transition period (1 April 2025 to the date of the next revaluation). The maximum revaluation interval is five years. During this period, indexation must be applied annually. Under the previous Code, assets had to be revalued if their current value differed materially from their carrying amount at the reporting date, and although this requirement has been removed in the 2025/26 Code, the balances as at 31 March 2025 can be considered materially up to date. Therefore, when applying indexation for the first time on 31 March 2026 the calculation of indexation gains or losses will be compared to the 31 March 2025 index (and not the index at the date the asset was last valued if earlier). Changes to the valuation of non-current assets through indexation and/or revaluations are accounted for through the revaluation reserves or the surplus/deficit on provision of services. However, where no suitable index is available the Code outlines the process to follow. In such cases authorities utilising the option to carry out a desktop revaluation in year three.

During 2025/26 the Authority undertook a restructure following the cut in National Park grant funding. This resulted in a reduction of one directorate and the reallocation of departments across the remaining Directors and Chief Executive. This has resulted in the 2024/25 comparatives being amended so they are consistent with the directorates in 2025/26.

The accounting statements

The Broads Authority's accounts for the year 2025/26 are set out on pages 13 to 85. They consist of:

Statement of Responsibilities for the Statement of Accounts

Statement of Corporate Governance

Expenditure and Funding Analysis – This statement shows how annual expenditure is used and funded from resources (government grants and rents) in comparison with those resources consumed or earned in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the Authority's directorates. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement. The Expenditure and Funding Analysis is a note to the Financial Statements, however its position next to the Comprehensive Income and Expenditure Statement is to provide a link from the figures reported under Performance within the Narrative Report.

Comprehensive Income & Expenditure Statement – This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices.

Movement in Reserves Statement – This statement shows the movement in the year on the different reserves held by the Authority, analysed into 'usable' reserves and 'other' reserves. The 'surplus / deficit on the provision of services' line shows the true economic cost of providing the Authority's services, more details of which are shown in the Comprehensive Income & Expenditure Statement. The 'net increase / decrease before transfers to earmarked reserves' line shows the statutory General Fund balance before any discretionary transfers to or from earmarked reserves undertaken by the Authority.

Balance Sheet – The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Authority. Reserves are reported in two categories. The first category of reserves are 'usable' reserves, i.e. those reserves that the Authority may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve may only be used to fund capital expenditure or repay debt). The second category of reserves is those that the Authority is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold, and reserves that hold timing differences shown in the Movement of Reserves Statement line 'adjustments between accounting basis and funding basis under regulations'.

Cash Flow Statement – The Cash Flow Statement shows the changes in cash and cash equivalents of the Authority during the reporting period. The statement shows how the Authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Authority

are funded by way of tolls and grant income or from the recipients of services provided by the Authority. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Authority's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Authority.

These accounts are supported by the Statement of Accounting Policies in Note 1, which follows the Accounting Statements, and various notes to the accounts.

The information included in these accounts incorporates spending relating to the Broads Navigation. The Navigation income and expenditure is separately accounted for in the records to ensure the proper control of income from toll payers and to ensure it is spent primarily to benefit the users of the navigation. Navigation income and expenditure is shown in full at note 36 on page 84.

Statement of Responsibilities for the Statement of Accounts

The Authority's Responsibilities

The Authority is required to:

- a) Make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Authority, that officer is the Director of Resources.
- b) Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- c) Approve the statement of accounts.

The Director of Resources Responsibilities

The Director of Resources is responsible for the preparation of the Authority's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26 (the Code).

In preparing this Statement of Accounts, the Director of Resources has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent; and
- complied with the Local Authority Code.

The Director of Resources has also:

- kept proper accounting records which were up to date; and
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

Director of Resources Certificate

I certify that the Statement of Accounts gives a true and fair view of the financial position of the Broads Authority at 31 March 2026 and its income and expenditure for the year ended 31 March 2026.

Emma Krelle (Director of Resources)

Certificate of Committee Resolution

I confirm that these accounts were given delegated approval by the Broads Authority at its meeting held _____.

Signed on behalf of The Broads Authority:

(Chair of meeting approving the accounts)

Date

Independent Auditor's Report to the Members of the Broads Authority

Expenditure and Funding Analysis

This statement shows how funding available to the Authority for the year has been used in providing services in accordance with generally accepted accounting practices.

2024/25 Net expenditure chargeable to the General and navigation fund balances £000	2024/25 adjustments between the funding and accounting basis £000	2024/25 Net expenditure in the comprehensive income and expenditure statement £000	Function	2025/26 Net expenditure chargeable to the General and navigation fund balances £000	2025/26 adjustments between the funding and accounting basis £000	2025/26 Net expenditure in the comprehensive income and expenditure statement £000
1,515	41	1,556	Delivery	1,373	(99)	1,274
1,411	(186)	1,225	Resources	2,207	(1,087)	1,120
633	19	652	Chief Executive	596	44	640
4	0	4	Corporate Amounts	46	0	46
185	(120)	65	Broads Navigation Account	(104)	(62)	(166)
3,748	(246)	3,502	Net cost of services (subtotal)	4,118	(1,204)	2,914
(4,311)	9	(4,302)	Other income and expenditure	(4,822)	4	(4,818)
(563)	(237)	(800)	(Surplus) or Deficit	(704)	(1,200)	(1,904)
(1,308)			Opening general and navigation fund balance	(1,796)		
(563)			Less/plus surplus or (deficit) on general and navigation balance in year	(704)		
75			Transfer (to)/from earmarked reserves, Capital Receipts Reserve and Capital Grant Unapplied	647		
(1,796)			Closing general and navigation fund balance at 31 March	(1,853)		

The Expenditure and Funding Analysis is a note to the Financial Statements; however, it is positioned here as it provides a link from the figures reported under Performance within the Narrative Report to the Comprehensive Income and Expenditure Statement.

Comprehensive Income and Expenditure statement

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices.

2024/25 Gross expenditure £000	2024/25 Income £000	2024/25 Net expenditure/ (income) £000	Description	Note	2025/26 Gross expenditure £000	2025/26 Income £000	2025/26 Net expenditure/ (income) £000
2,135	(579)	1,556	Delivery		1,736	(462)	1,274
2,173	(948)	1,225	Resources		2,014	(894)	1,120
834	(183)	652	Chief Executive		839	(199)	640
4	0	4	Corporate Items		46	0	46
4,639	(4,575)	64	Broads Navigation Account	36	4,687	(4,853)	(166)
9,785	(6,285)	3,502	Cost of services (subtotal)		9,322	(6,408)	2,914
		(13)	(Gains)/Losses on the disposal of non-current assets				(58)
		(229)	Financing and investment income and expenditure	11			(180)
		(4,060)	Taxation and non-specific grant income and expenditure	12			(4,580)
		(800)	(Surplus) or deficit on provision of services (subtotal)				(1,904)
		(233)	(Surplus) or deficit on revaluation of fixed assets				(4)
		9	Actuarial (gains)/losses on pension assets/liabilities				226
		(224)	Other comprehensive income and expenditure (subtotal)				222
		(1,024)	Total comprehensive income and expenditure				(1,682)

Movement in reserves statement

This statement shows the movement in the year on the different reserves held by the Authority, analysed into ‘usable’ reserves (i.e. those that can be applied to fund expenditure) and ‘other’ reserves. The ‘surplus or (deficit) on the provision of services’ line shows the true economic cost of providing the Authority’s services, more details of which are shown in the Comprehensive Income and Expenditure Statement.

2024/25	General fund and navigation fund balance £000	Capital receipts reserve £000	Earmarked reserves £000	Total useable reserves £000	Unusable reserves £000	Total Authority reserves £000
Balance at 31 March 2024 (A)	1,309	422	3,502	5,233	5,931	11,164
Total comprehensive income and expenditure	800	0	0	800	0	800
Other Comprehensive income and expenditure	0	0	0	0	225	225
Adjustments between accounting basis and funding basis under regulations (Note 9)	(259)	21	0	(238)	238	0
Transfers to or from Earmarked reserves (Note 10)	(54)	0	54	0	0	0
Increase or (decrease in 2024/25 (B) (subtotal)	487	21	54	562	463	1,025
Balance at 31 March 2025 (=A+B)	1,796	443	3,556	5,795	6,394	12,189

2025/26	General fund and navigation fund balance £000	Capital receipts reserve £000	Capital Grants unapplied £000	Earmarked reserves £000	Total useable reserves £000	Unusable reserves £000	Total Authority reserves £000
Balance at 31 March 2025 (A)	1,796	442	0	3,556	5,795	6,394	12,189
Total comprehensive income and expenditure	1,904	0	0	0	1,904	0	1,904
Other Comprehensive income and expenditure	0	0	0	0	0	(220)	(220)
Adjustments between accounting basis and funding basis under regulations (Note 9)	(1,448)	58	191	0	(1,199)	1,199	0
Transfers to or from Earmarked reserves (Note 10)	(399)	0	0	399	0	0	0
Increase or (decrease in 2025/26 (B) (subtotal))	57	58	191	399	705	979	1,684
Balance at 31 March 2026 (=A+B)	1,853	500	191	3,956	6,500	7,373	13,873

Balance sheet

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Authority. The net assets of the Authority (assets less liabilities) are matched by the reserves held by the Authority.

As at 31 March 25 £000	Category	Note	As at 31 March 26 £000
7,313	Property, plant & equipment	13	8,188
29	Intangible assets		30
7,342	Long term assets (subtotal)		8,218
6,102	Short term investments		6,115
164	Inventories	14	232
606	Short term debtors	15	1,133
1,624	Cash and cash equivalents	16	2,207
8,496	Current assets (subtotal)		9,686
(36)	Short term borrowing		(15)
(60)	Lease liability	30	(63)
(2,447)	Short term creditors	17	(2,607)
(103)	Provisions	18	(143)
(195)	Grant receipts in advance	27	(482)
(2,841)	Current liabilities (subtotal)		(3,310)
(22)	Long term borrowing		(7)
(786)	Other long-term liabilities	30, 32	(714)
(808)	Long term liabilities (subtotal)		(721)
12,189	Net assets (liabilities)		13,873
	Useable reserves		
1,169	General account fund balance		1,295
627	Navigation account fund balance		558
443	Capital receipts reserve		500
0	Capital Grants Unapplied Account		191
3,556	Earmarked reserves	10	3,956
	Unusable reserves	20	
2,707	Revaluation reserve		2,667
3,947	Capital adjustment account		4,950
(196)	Pension reserve		(182)
(64)	Accumulated absence reserve		(62)
12,189	Total reserves		13,873

I certify that the Statement of Accounts gives a true and fair view of the financial position of the Authority at 31 March 2026 and its income and expenditure for the year 31 March 2026.

Emma Krelle (Director of Resources/Chief Executive)

Cash Flow statement

The Cash Flow Statement shows the changes in cash and cash equivalents of the Authority during the reporting period. The statement shows how the Authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities.

2024/25 £000	Revenue activities	Note	2025/26 £000
800	Net surplus or (deficit) on the provision of services		1,904
871	Adjustments to net surplus or deficit on the provision of services for non-cash movements		61
5,206	Adjust for items in the net surplus or deficit on the provision of services that are investing and financing activities		5,252
6,877	Net cash flows from operating activities (subtotal)	21	7,217
(6,627)	Investing activities	22	(6,537)
(80)	Financing activities	23	(97)
170	Net increase or (decrease) in cash and cash equivalents (subtotal)		583
1,454	Cash and cash equivalents at the beginning of the reporting period		1,624
1,624	Cash and cash equivalents at the end of the reporting period		2,207

Notes to the Statement of Accounts

1. Accounting policies

i. General principles

The Statement of Accounts summarises the Authority's transactions for the 2025/26 financial year and its position at the year end of 31 March 2026. The Authority is required to prepare an annual Statement of Accounts by the Accounts and Audit (England) Regulations 2015, which those regulations require to be prepared in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2025/26 and the Service Reporting Code of Practice 2025/26, supported by International Financial Reporting Standards (IFRS). The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

ii. Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amounts is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

iii. Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 7 days or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Authority's cash management.

iv. Exceptional items

When items of income and expense are material, their nature and amount is disclosed separately, either on the face of the Comprehensive Income and Expenditure Statement or in the notes to the accounts, depending on how significant the items are to an understanding of the Authority's financial performance.

v. Prior period adjustments, changes in accounting policies and estimates and errors

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Authority's financial position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

vi. Charges to revenue for non-current assets

Services, support services and trading accounts are debited with the following amounts to record the cost of holding fixed assets during the year:

- depreciation attributable to the assets used by the relevant service;
- revaluation and impairment losses on assets used by the service where there;
- are no accumulated gains in the Revaluation Reserve against which the losses;
- can be written off; and
- amortisation of intangible fixed assets attributable to the service.

vii. Employee Benefits

Benefits payable during employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g. cars) for current employees and are recognised as an expense for services in the year in which employees render service to the Authority. An accrual is made for the cost of holiday entitlements (or any form of leave, e.g. time off in

lieu) earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is made at the wage and salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to Surplus or Deficit on the Provision of Services, but then reversed out through the Movement in Reserves Statement so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

Termination benefits

Termination benefits are amounts payable as a result of a decision by the Authority to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged on an accruals basis to the appropriate service line in the Comprehensive Income and Expenditure Statement when the Authority is demonstrably committed to the termination of the employment of an officer or group of officers or making an offer to encourage voluntary redundancy.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable by the Authority to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Post-employment benefits

Employees of the Broads Authority are members of Norfolk Pension Fund for civilian employees (the Local Government Pension Scheme), administered by Norfolk County Council. This is a funded defined benefit final salary scheme, meaning that the Authority and employees pay contributions into a fund, calculated at a level intended to balance the pension liabilities with investment assets.

viii. Events after the balance sheet date

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- Those that provide evidence of conditions that existed at the end of the reporting period - the Statement of Accounts is adjusted to reflect such events.
- Those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

ix. Fair value measurement

The Authority measures some of its non-financial assets such as investment properties and some of its financial instruments such as borrowings at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The Authority measures the fair value of an asset or liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

When measuring the fair value of a non-financial asset, the Authority considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Authority uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Inputs to the valuation techniques in respect of assets and liabilities for which fair value is measured or disclosed in the Authority's financial statements are categorised within the fair value hierarchy, as follows:

- Level 1 – quotes prices (unadjusted) in active markets for identical assets or liabilities that the Authority can access at the measurement date;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 – unobservable inputs for the asset or liability.

x. Financial instruments

Financial liabilities

Financial liabilities are recognised on the Balance Sheet when the Authority becomes party to the contractual provisions of a financial instrument and are initially measured at fair value and carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement (CIES) for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective interest is the rate that

exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

Long term loans are shown in the balance sheet as the capital element outstanding at the year-end, split between amounts due within the current year and amounts due outside the year. Any interest paid is taken directly to the income and expenditure account. The 'fair value' of any loans is disclosed in the notes to the accounts with accompanying explanations.

Financial assets

Financial assets are classified based on a classification and measurement approach that reflects the business model for holding the financial assets and their cashflow characteristics.

There are three main classes of financial assets measured at:

- amortised cost
- fair value through profit or loss (FVPL), and
- fair value through other comprehensive income (FVOCI)

The authority's business model is to hold investments to collect contractual cash flows. Financial assets are therefore classified as amortised cost, except for those whose contractual payments are not solely payment of principal and interest (i.e. where the cash flows do not take the form of a basic debt instrument).

Financial assets measured at amortised cost

Financial assets measured at amortised cost are recognised on the Balance Sheet when the authority becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement (CIES) for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the financial assets held by the authority, this means that the amount presented in the Balance Sheet is the outstanding principal receivable (plus accrued interest) and interest credited to the CIES is the amount receivable for the year in the loan agreement.

Any gains and losses that arise on the derecognition of an asset are credited or debited to the Financing and Investment Income and Expenditure line in the CIES.

Expected Credit Loss Model

The authority recognises expected credit losses on all of its financial assets held at amortised cost, either on a 12-month or lifetime basis. The expected credit loss model also applies to lease receivables and contract assets. Only lifetime losses are recognised for trade receivables (debtors) held by the authority.

The Authority has not made any material loans.

xi. Foreign currency translation

Where the Authority has entered into a transaction denominated in a foreign currency, the transaction is converted into sterling at the exchange rate applicable on the date the transaction was effective. Where amounts in foreign currency are outstanding at the year-end, they are reconverted at the spot exchange rate at 31 March. Resulting gains or losses are recognised in the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement

xii. Government Grants and Contributions

Whether paid on account, by instalments or in arrears, government grants and third-party contributions and donations are recognised as due to the Authority when there is reasonable assurance that:

- the Authority will comply with the conditions attached to the payments; and
- the grants or contributions will be received.

Amounts recognised as due to the Authority are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-ringfenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement.

Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

xiii. Inventories

Inventories are included in the Balance Sheet at the lower of cost or net realisable value. The cost of inventories is assigned using the FIFO (first-in, first-out) costing formula.

xiv. Leases

The Authority as lessee

At inception of an arrangement, the Authority determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Authority the right to control the use of the underlying asset. The Code expands the scope of IFRS 16 leases to include arrangements with nil consideration, peppercorn or nominal payments.

Initial measurement

Leases are recognised as right-of-use assets with a corresponding liability at the date from which the leased asset is available for use (or the IFRS 16 transition date, if later). The lease liabilities arising from a lease are initially measured on a present value basis comprising the following lease payments:

- Fixed payments (including in-substance fixed payments) less any lease incentives receivable.
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date.
- Amounts expected to be payable by the Authority under residual value guarantees.
- The exercise price of a purchase option if the Authority is reasonably certain to exercise that option.
- Payments of penalties for terminating the lease, if the lease term reflects the Authority exercising that option.
- Lease payments to be made under certain extension options.

The lease payments are discounted using the Authority's incremental borrowing rate, being the rate, the Authority would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

For the current year, the Authority's incremental borrowing rate for each tenor consists of Public Works Loan Board (PWL) as this is the source of borrowing previously used.

Lease payments are allocated between the repayment of principal and a finance cost. The finance cost is charged to the Comprehensive Income and Expenditure Statement over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The right-of-use assets are measured at cost comprising the following:

- The amount of initial measurement of lease liability.
- Any lease payments made at or before the commencement date, less any lease incentives received.

- Any initial direct costs.
- Restoration costs.

The right-of-use assets are generally depreciated on a straight-line basis over the shorter of the asset's useful life and the lease term. If it is reasonably certain that the Authority will exercise a purchase option, then the right-of-use asset is depreciated over the underlying asset's useful life. Depreciation and impairments on non-current assets is accounted for under separate arrangements for capital financing. Amounts are therefore adjusted via the capital adjustment account from the General and Navigation Fund balance in the Movement in Reserves Statement.

Payments associated with short-term leases and with low-value assets are recognised on a straight-line basis as an expense in the Comprehensive Income and Expenditure Statement. Short-term leases are leases with a lease term of 12 months or less. Low-value assets are items under £5,000 and comprise of IT equipment, small items of office furniture and low value land.

Subsequent measurement

The right-of-use asset is subsequently measured using the fair value model. The authority considers the cost model to be a reasonable proxy except for:

- assets held under non-commercial leases.
- leases where rent reviews do not necessarily reflect market conditions.
- leases with terms of more than five years that do not have any provision for rent reviews.
- leases where rent reviews will be at periods of more than five years.

For these leases, the asset is carried at a revalued amount. In these financial statements, right-of-use assets held under index-linked leases have been adjusted for changes in the relevant index, while assets held under peppercorn or nil consideration leases have been valued using market prices or rentals for equivalent land and properties.

The right-of-use asset is depreciated straight-line over the shorter period of remaining lease term and useful life of the underlying asset as at the date of adoption.

The lease liability is subsequently measured at amortised cost, using the effective interest method. The liability is remeasured when:

- there is a change in future lease payments arising from a change in index or rate.
- there is a change in the Authority's estimate of the amount expected to be payable under a residual value guarantee.
- the authority changes its assessment of whether it will exercise a purchase, extension or termination option, or
- there is a revised in-substance fixed lease payment.

When such a remeasurement occurs, a corresponding adjustment is made to the carrying amount of the right-of-use asset, with any further adjustment required from remeasurement being recorded in the income statement.

Peppercorn leases

Leases with payments at peppercorn or nominal consideration that are provided at substantially below market terms, and leases for nil consideration, are accounted for as follows:

- Any portion of the lease that is payable is accounted for in the same way as other lease obligations under IFRS 16 Leases
- The difference between the present value of any future lease payments due and the fair value of the lease on initial recognition is recognised as a fair value right-of-use asset on the Balance Sheet, with a corresponding gain recognised in grant income within the surplus or deficit recognised on the provision of services

The Authority has a number of leases over land and property under which it pays £nil or peppercorn rents. It has undertaken an exercise to assess the fair value of the assets leased under these arrangements through use of its property consultant, and these have been recorded in the financial statements, in respect of these leases.

The Authority as lessor

Operating leases

Where the Authority grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Credits are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g. there is a premium paid at the commencement of the lease). Initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the relevant asset and charged as an expense over the lease term on the same basis as rental income.

xv. Property, Plant and Equipment

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accrual's basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Authority and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and

maintenance) is charged as an expense when it is incurred. A de minimis limit of £5,000 is used to recognise fixed assets.

Measurement

Assets are initially measured at cost, comprising:

- the purchase price; and
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Authority does not capitalise borrowing costs incurred whilst assets are under construction.

The cost of assets acquired other than by purchase is deemed to be its fair value, unless the acquisition does not have commercial substance (i.e. it will not lead to a variation in the cash flows of the Authority). In the latter case, where an asset is acquired via an exchange, the cost of the acquisition is the carrying amount of the asset given up by the Authority.

Donated assets are measured initially at fair value. The difference between fair value and any consideration paid is credited to the Taxation and Non-Specific Grant Income line of the Comprehensive Income and Expenditure Statement, unless the donation has been made conditionally. Until conditions are satisfied, the gain is held in the Donated Assets Account. Where gains are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance to the Capital Adjustment Account in the Movement in Reserves Statement.

Assets are then carried in the Balance Sheet using the following measurement bases:

- infrastructure, community assets and assets under construction – depreciated historical cost.
- all other assets – current value, determined as the amount that would be paid for the asset in its existing use (existing use value – EUV).

Where there is no market-based evidence of current value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of current value.

Where non-property assets that have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for current value.

Assets included in the Balance Sheet at current value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their current value at the year-end, but as a minimum every five years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains might be credited to the Comprehensive Income and Expenditure Statement where they arise from the reversal of a loss previously charged to a service.

Where decreases in value are identified, they are accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains).
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

Impairment

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where impairment losses are identified, they are accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains).
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line(s) in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Depreciation

Depreciation is provided for on all Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life (i.e. freehold land and certain Community Assets) and assets that are not yet available for use (i.e. assets under construction).

Depreciation is calculated on the following bases:

- dwellings and other buildings – straight-line allocation between 5 and 50 years, as advised by a professional valuer;
- floating plant and vessels – straight-line allocation between 15 and 30 years, as advised by a suitably qualified officer;
- other plant, vehicles, furniture and equipment – straight-line allocation between 5 and 15 years, as advised by a suitably qualified officer; and

- infrastructure – straight-line allocation between 20 and 25 years, as advised by a suitably qualified officer.
- Listed buildings – depreciation period could to up to 100 years

Where an asset has been acquired under a finance lease arrangement, and the lease term is shorter than the asset's estimated useful life, the asset is depreciated over the lease term.

Where an item of Property, Plant and Equipment asset has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately.

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

Receipts below £5,000 arising from the sale of fixed assets are allocated to revenue. The Broads Authority has a policy of not depreciating assets in the first year of ownership.

Disposals and non-current assets

Assets that are to be abandoned or scrapped are not reclassified as Assets Held for Sale. When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property, Plant or Equipment) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts received for a disposal in excess of £10,000 are categorised as capital receipts. The balance of receipts is required to be credited to the Capital Receipts Reserve, and can then only be used for new capital investment, or set aside to reduce the Authority's underlying need to borrow (the capital financing requirement) (England and Wales). Receipts are appropriated to the Reserve from the General Fund Balance in the Movement in Reserves Statement.

The written-off value of disposals is not a charge against the general fund, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

xvi. Provisions, contingent liabilities and contingent assets

Provisions

Provisions are made where an event has taken place that gives the Authority a legal or constructive obligation that probably requires settlement by a transfer of economic benefits

or service potential, and a reliable estimate can be made of the amount of the obligation. For instance, the Authority may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the Authority becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, considering relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year – where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service.

Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the Authority settles the obligation.

Contingent liabilities

A contingent liability arises where an event has taken place that gives the Authority a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Authority. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but are disclosed in a note (note 33) to the accounts.

Contingent assets

A contingent asset arises where an event has taken place that gives the Authority a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Authority.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

xvii. Reserves

The Authority sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts out of the General Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement.

Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments and retirement and employee benefits and do not represent useable resources for the Authority – these reserves are explained in the relevant policies.

xviii. Operating segments

In accordance with IFRS 8 and the Code, the Broads Authority keeps the general fund and navigation fund separately. Under the Code, the Authority has prepared a single income and expenditure account for 2025/26, however in note 36 to the accounts the navigation income and expenditure is shown.

xix. Allocation of costs

Salary, vehicle and other revenue costs are reallocated within the general expenditure to major projects that are grant aided partially or wholly by sources other than Defra grant. The method of allocation is kept as simple as possible and is either made on usage, such as number of hours spent on a project, or estimated on a percentage basis.

Recharges between the general and navigation funds are based on staff time and usage.

xx. Revenue expenditure funded from capital under statute

Expenditure incurred during the year that may be capitalised under statutory provisions but that does not result in the creation of a non-current asset has been charged as expenditure to the relevant service in the Comprehensive Income and Expenditure Statement in the year.

xxi. VAT

VAT payable is included as an expense only to the extent that it is not recoverable from His Majesty's Revenue and Customs. VAT receivable is excluded from income.

2. Accounting Standards that have been issued but have not yet been adopted

The Code of Practice on Local Authority Accounting adopts the following amendments to International Accounting Standards and International Financial Reporting Standards, which will be required from 1 April 2026:

- Amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (amendments to heritage assets) issued in March 2024.
- Amendments to the Classification and Measurement of Financial Instruments (amendments to IFRS 9 and IFRS 7) issued in May 2024.
- Annual improvements to IFRS accounting standards – Volume 11 issued in July 2024.
- Contracts Referencing Nature-dependent Electricity (amendments to IFRS 9 and IFRS 7) issued in December 2024.

None of the above changes are expected to have a material impact on the Authority's statements.

3. Critical judgements in applying accounting policies

In applying the accounting policies set out in note 1, the Authority has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:

- Despite an indicative three-year settlement from DEFRA for 2026/27 to 2028/29 there remains a degree of uncertainty about the longer-term levels of funding for National Parks. However, the Authority has determined that this uncertainty is not yet sufficient to provide an indication that the assets of the Authority might be impaired as a result of a need to close facilities and reduce levels of service provision.
- The Authority is a member of Whitlingham Charitable Trust of which there are four members. The Authority can appoint up to four trustees and there shall be no more than nine in total. The Trust is limited by guarantee in which each member agrees to contribute £1 in the event of it being wound up. Whitlingham Charitable Trust was established to manage and maintain Whitlingham Country Park for public benefit. The Authority does not have a controlling influence, and it does not have any share equity, or any share in profits or losses. It is considered therefore that International Accounting Standard (IAS) 28 – Accounting for Investments in Associates - does not apply as the charity has no formal equity structure, and the Authority does not derive any financial benefit from the Trust.

4. Assumptions made about the future and other major sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for the revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The key judgements and estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

Item	Uncertainties	Effect if actual results differ from assumptions
Property plant and equipment	Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate makes it uncertain that the Authority will be able to sustain its current spending on repairs and maintenance, bringing into	If the useful life of assets is reduced, depreciation increases and the carrying amount of the assets fall. It is estimated that the annual depreciation charge would increase by £55,085 for every year that useful lives had to be reduced.

Item	Uncertainties	Effect if actual results differ from assumptions
	doubt the useful lives assigned to assets.	
Property plant and equipment	Assets are valued on a five-year rolling basis, supported by indexation adjustments in years where assets are not valued. Where the authority is unable to obtain a suitable index, a desktop revaluation of the asset is carried out in year three of the five-year cycle.	Based on the assets that were valued in the year as part of the five-year rolling revaluation programme, the average increase in the value of assets was 12%. For those assets where indexation was applied, the average increase in the value of assets was 1.08%. If the valuation percentage was applied to the assets valued using indices, this would increase their Balance Sheet value by £296,345, compared to an indexation increase of £26,721.
Pensions liability	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Authority with expert advice about the assumptions to be applied.	The effects on the net pension's liability of changes in individual assumptions can be measured. For instance, a 0.1% decrease in the discount rate assumption would result in an increase in the pension liability of £481,000. Further details are set out in the sensitivity analysis in note 32.

5. Material items of income and expenditure

There are no material items of expense in relation to 2025/26 which are not disclosed elsewhere within the Statement of Accounts.

6. Events after the balance sheet date

The Statement of Accounts was authorised for issue by the Director of Resources on 26 June 2026. Events that occur after this date are not reflected in the financial statements or notes.

7. Note to the expenditure and funding analysis

Adjustments from General and Navigation Fund to arrive at the Comprehensive Income and Expenditure Statement Amount

2024/25 Adjustments for capital purposes (Note 1) £000	2024/25 Net change for the pension's adjustments (Note 2) £000	2024/25 Other differences (Note 3) £000	2024/25 Total adjustments £000	Description	2025/26 Adjustments for capital purposes (Note 1) £000	2025/26 Net change for the pension's adjustments (Note 2) £000	2025/26 Other differences (Note 3) £000	2025/26 Total adjustments £000
49	(9)	1	41	Delivery	(37)	(62)	0	(99)
(181)	(5)	0	(186)	Resources	(1,055)	(32)	0	(1,087)
23	(4)	0	19	Chief Executive	67	(23)	0	44
0	0	0	0	Corporate Items	0	0	0	0
(100)	(20)	0	(120)	Broads Navigation Account	67	(127)	(2)	(62)
(209)	(38)	1	(246)	Net Cost of Services (subtotal)	(958)	(244)	(2)	(1,204)
0	9	0	9	Other income and expenditure from the Expenditure and Funding analysis	0	4	0	4
(209)	(29)	1	(237)	Difference between General and Navigation Fund surplus or deficit and comprehensive Income and Expenditure Statement Surplus of Deficit on the Provision of Services	(958)	(240)	(2)	(1,200)

Note

1. Adjustments for capital purposes – this column adds in depreciation and impairment and revaluation gains and losses in the services line, and for:
 - Other operating expenditure – adjusts for capital disposal with a transfer of income on disposal of assets and the amounts written off for those assets.
 - Financing and investment income and expenditure – the statutory charges for capital financing i.e. Minimum Revenue Provision and other revenue contributions are deducted from other income and expenditure as these are not chargeable under generally accepted accounting practices.
2. Net change for the removal of pension contribution and the addition of IAS 19 Employee Benefits pension related expenditure and income:
 - For services this represents the removal of the employer pension contributions made by the authority as allowed by statute and the replacement with current service costs and past service costs.
 - For Financing and investment income and expenditure – the net interest on the defined benefit liability is charged to the CIES.
3. Other differences between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute including accumulated absences.

Income received on a segmental basis is analysed below:

Service	2024/25 Income from services (£000)	2025/26 Income from services (£000)
Delivery	(579)	(462)
Resources	(948)	(894)
Chief Executive	(183)	(199)
Corporate items	0	0
Specialist ringfenced account (navigation)	(4,575)	(4,853)
Total income analysed on a segmental basis	(6,285)	(6,408)

8a. Expenditure and income analysed by nature

The Authority's expenditure and income is analysed as follows:

Expenditure	2024/25 £000	2025/26 £000
Employee benefits expenses	5,895	5,743
Other services expenses	4,043	3,573
Depreciation, amortisation, impairment	379	408
Interest payments	69	83
Loss/(gain) on the disposal of assets	(12)	(58)
Total expenditure	10,374	9,749

Income	2024/25 £000	2025/26 £000
Fees, charges and other service income	(6,330)	(6,369)
Interest and investment income	(307)	(267)
Contributions from reserves	(477)	(398)
Government grants and contributions	(4,060)	(4,619)
Total income (subtotal)	(11,174)	(11,653)
Surplus or deficit on the provision of services	(800)	(1,904)

In addition to the amounts reported within the Comprehensive Income and Expenditure Statement the breakdown above also includes income and expenditure funded from the earmarked reserves.

8b. Revenue from contracts with service recipients

Amounts included in the Comprehensive Income and Expenditure Statement for contracts with service recipients:

Contract Revenue	2024/25 £000	2025/26 £000
Revenue from contracts with service recipients	174	251
Total included in comprehensive income and expenditure	174	251

Amounts included in the Balance Sheet for contracts with service recipients:

Outstanding Revenue	2024/25 £000	2025/26 £000
Receivables, which are included in debtors (Note 15)	50	113
Total included in net assets	50	113

9. Adjustments between accounting basis and funding basis under regulations

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Authority in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Authority to meet future capital and revenue expenditure.

2024/25 General fund and navigation fund £000	2024/25 Capital receipts reserve £000	2024/25 Movement in unusable reserves £000	Adjustments	2025/26 General fund and navigation fund £000	2025/26 Capital receipts reserve £000	2025/26 Capital grants unapplied account £000	2025/26 Movement in unusable reserves £000
			Adjustments primarily involving the Capital Adjustment Account:				
(21)	21	0	Reversal of items debited or credited to the Comprehensive Expenditure and Income Statement:				
			Transfer of non-current asset sale proceeds from revenue to Capital Receipts Reserve	(58)	58	0	0
(146)	0	146	Right of use assets on transition	0	0	0	0
0	0	0	Donated Asset	(6)	0	0	6
375	0	(375)	Charges for depreciation and impairment of non-current assets	406	0	0	(406)
4	0	(4)	Revaluation losses on property, plant and equipment	2	0	0	(2)
0	0	0	Amortisation of intangible assets	0	0	0	0
30	0	(30)	Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	0	0	0	0
			Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:				
(81)	0	81	Statutory provision for the financing of capital investment	(98)	0	0	98
(392)	0	392	Capital expenditure charged against the General Fund	(144)	0	0	144
			Adjustments involving the Capital Resources:				
0	0	0	Application of Capital Grant to finance Capital Expenditure	0	0	(1,119)	1,119
0	0	0	Transfer of Capital Grants and contributions to Capital Unapplied Grant	(1,310)	0	1,310	0
			Adjustments involving the Pensions Reserve:				
903	0	(903)	Reversal of items relating to post-employment benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement (see note 32)	658	0	0	(658)
(931)	0	931	Employer's pension contributions and direct payments to pensioners payable in the year	(895)	0	0	895
			Adjustments involving the accumulated Absences Account:				
0	0	0	Adjustments in relation to short-term compensated absences	(3)	0	0	3
(259)	21	238	Total adjustments	(1,448)	58	191	1,199

10. Transfers to/from earmarked reserves

This note presents details of the amounts set aside in earmarked reserves to provide financing for future expenditure and the amounts posted back from earmarked reserves to meet expenditure in 2025/26. A description of each of the earmarked reserves follows in the table below.

Reserve Name	Balance at 31 March 2024 £000	Transfers in 2024/25 £000	Transfers out 2024/25 £000	Balance at 31 March 2025 £000	Transfers in 2025/26 £000	Transfers out 2025/26 £000	Balance at 31 March 2026 £000
Property	(1,139)	(63)	359	(843)	(127)	64	(906)
Plant, vessels and equipment	(640)	(260)	117	(783)	(269)	2	(1,050)
Premises	(431)	(27)	16	(442)	(76)	13	(505)
Planning delivery grant	(277)	(270)	42	(505)	(71)	121	(455)
Upper Thurne Enhancement Scheme	(250)	(39)	6	(283)	(36)	0	(319)
Heritage Lottery Fund	(13)	(150)	163	0	(66)	54	(12)
Catchment Partnership	(70)	(60)	54	(76)	(35)	21	(90)
Computer Software	(183)	(9)	34	(158)	(28)	8	(178)
UK National Park Communications	(4)	0	1	(3)	0	3	0
Medium Term Financial Planning	(495)	(279)	311	(463)	(20)	42	(441)
Total	(3,502)	(1,157)	1,103	(3,556)	(728)	328	(3,956)

Included in the closing balance of £3,956k, £1,686k relates to Navigation funded reserves.

Earmarked reserves

Property

A reserve account set up to provide for the ongoing maintenance of the Authority's major assets, moorings and operational property assets, including Mutford Lock.

Plant, Vessels and Equipment

Reserve established to provide for the maintenance and replacement of the Authority's plant and equipment, including launches, construction and maintenance vessels and equipment, pool vehicles and fen management equipment.

Premises

A reserve account established to provide for the maintenance and development of the Authority's Dockyard facility and other buildings throughout the Broads.

Planning Delivery Grant

Balance of Defra and OPDM grants awarded to deliver the planning service.

Upper Thurne Enhancement Scheme

Reserve established to hold the balance of ring-fenced Environment Agency funding for enhancement works in the Upper Thurne.

Heritage Lottery Fund

A reserve account established for the Landscape Partnership project funded by the Heritage Lottery Fund.

Catchment Partnership

A reserve account set up to hold ring-fenced income from various partners within the Catchment Partnership.

Computer Software

A reserve account set up to provide for the ongoing replacement of Authority's Computer Software.

UK National Parks Communications

A reserve account set up to hold ring-fenced income from the 15 National Parks to fund the UK Communications Team.

Match Funding

A reserve account set up for European grant funded project EXPERIENCE.

Medium-term Financial Planning

A reserve account set up for the supplementary National Park Grant to fund medium-term plans for the Authority.

11. Financing and investment income and expenditure

2024/25 £000	Expenditure and income detail	2025/26 £000
69	Interest payable and similar charges	83
9	Net interest on the net defined benefit liability (asset)	4
(307)	Interest receivable and similar income	(267)
(229)	Total	(180)

12. Taxation and non-specific Grant income

2024/25 £000	Income detail	2025/26 £000
	Credited to Taxation and non-specific Grant income	
3,414	DEFRA National Park Grant	3,189
250	DEFRA Capital Grant	1,385
250	DEFRA Additional Revenue funding	0
146	Donated Asset*	6
4,060	Total	4,580

* Peppercorn Leases – Prior Year/ Hardley Mill Pontoons – Current Year

13. Property, plant and equipment

Movements on balances 2024/25

Cost or valuation	Land and buildings £000	Vehicles, plant, furniture & equipment £000	Infrastructure assets £000	Community assets £000	Assets under construction £000	Total property, plant and equipment £000
At 1 April 2024	4,141	3,738	315	323	21	8,538
Right of use assets on transition (peppercorn leases)	360	5	0	0	0	365
Additions	456	363	0	0	3	822
Donated Assets	0	0	0	0	0	0
Revaluation increases/(decreased) recognised in the Revaluation reserve	201	0	0	0	0	201
Revaluation increases/(decreases) recognised in the Surplus/Deficit on the Provision of Services	(21)	0	0	0	0	(21)
Derecognition-disposals	0	(98)	0	0	0	(98)
Reclassification	0	3	15	0	(18)	0
At 31 March 2025	5,137	4,011	330	323	6	9,807

Accumulated depreciation and impairment	Land and Buildings £000	Vehicles Plant, Furniture & Equipment £000	Infrastructure Assets £000	Community Assets £000	Assets Under Construction £000	Total Property, Plant and Equipment £000
At 1 April 2024	73	1,859	304	0	0	2,236
Depreciation charge	92	281	1	0	0	374
Derecognition – disposals	0	(66)	0	0	0	(66)
Revaluations - Revaluation Reserve	(33)	0	0	0	0	(33)
Revaluations - Surplus / Deficit on Provision of Services	(17)	0	0	0	0	(17)
At 31 March 2025	115	2,074	305	0	0	2,494

Net Book Value	Land and Buildings £000	Vehicles, Plant, Furniture & Equipment £000	Infrastructure Assets £000	Community Assets £000	Assets Under Construction £000	Total Property, Plant and Equipment
At 31 March 2025	5,022	1,937	25	323	6	7,313
At 31 March 2024	4,068	1,880	11	323	21	6,303

Movements on balances 2025/26

Cost or valuation	Land and buildings £000	Vehicles, plant, furniture & equipment £000	Infrastructure assets £000	Community assets £000	Assets under construction £000	Total property, plant and equipment £000
At 1 April 2025	5,137	4,011	330	323	6	9,807
Additions	486	652	0	0	133	1,271
Donated Assets	0	6	0	0	0	6
Revaluation increases/(decreased) recognised in the Revaluation reserve	(15)	0	0	0	0	(15)
Revaluation increases/(decreases) recognised in the Surplus/Deficit on the Provision of Services	0	0	0	0	0	0
Derecognition-disposals	0	(97)	0	0	0	(97)
Re-classification	0	0	0	0	0	0
At 31 March 2026	5,608	4,572	330	323	139	10,972

Accumulated depreciation and impairment	Land and Buildings £000	Vehicles Plant, Furniture & Equipment £000	Infrastructure Assets £000	Community Assets £000	Assets Under Construction £000	Total Property, Plant and Equipment £000
At 1 April 2025	115	2,074	305	0	0	2,494
Depreciation charge	109	289	1	0	7	406
Derecognition – disposals	0	(96)	0	0	0	(96)
Depreciation written out to the Revaluation Reserve	(20)	0	0	0	0	(20)
At 31 March 2026	204	2,267	306	0	7	2,784

Net Book Value	Land and Buildings £000	Vehicles, Plant, Furniture & Equipment £000	Infrastructure Assets £000	Community Assets £000	Assets Under Construction £000	Total Property, Plant and Equipment
At 31 March 2026	5,404	2,305	24	323	132	8,188
At 31 March 2025	5,020	1,937	25	323	6	7,313

Under land is Womack Dyke which has been valued at £5,750, however the Authority's ownership cannot be established at this point in time. Its inclusion above is not considered material.

From 1 April 2024 Right of use assets are now included within the balance sheet under Property, Plant and Equipment, this is offset by the corresponding lease liability within current liabilities. See note 30 for further details.

Depreciation

The following useful lives and depreciation rates have been used in the calculation of depreciation:

Category of Asset	Depreciation method	Depreciation period
Operational Land and Buildings	Straight line. (The split between land and buildings is determined by the Authority's property consultant)	Between 5 to 100 years as per professional advice
Community Land	Not depreciated	Not depreciated
Infrastructure Asset	Straight line	Between 20 to 25 years
Maintenance Craft and Floating plant	Straight line	Between 15 to 30 Years
Other Plant and Equipment	Straight line	Between 5 and 15 years
Computer and Office Equipment	Straight line	5 years

Capital Commitments

The Authority has no capital commitments as at the balance sheet date.

Impairments

In accordance with IAS 36 and the Code, Directors have undertaken an annual impairment review. No assets were considered to be impaired.

Revaluations

The Authority carries out a rolling programme that ensures that all Property, Plant and Equipment required to be measured at current value is revalued every five years, supplemented by annual indexation in intervening years. This is as a result in a change of the Code of Practice on Local Authority Accounting in the United Kingdom (the Code) from 1 April 2025. Where authorities cannot obtain indices without undue cost or effort, authorities revalue those assets using a quinquennial revaluation with a desktop revaluation in year three.

Valuations were carried out internally and externally. Valuations of land and buildings were carried out externally by Bruton Knowles Limited, in accordance with methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors. Valuations of vehicles, plant, furniture and equipment that are based on current prices where there is an active second-hand market or latest list prices adjusted for the condition of the asset.

Significant assumptions applied in estimating the current values are:

- Property, Plant and Equipment of a specialised nature were valued on the basis of what it would cost to reinstate the service, suitably adjusted to reflect for age, wear and tear and obsolescence of the existing asset.
- Infrastructure Assets and Community Assets have been valued at historic cost rather than fair value.
- Property leases have been split between finance and operating leases and valued accordingly depending upon whether the Authority is lessor or lessee.

Financial Year	Land and buildings £000	Vehicles, plant, furniture & equipment £000	Infrastructure assets £000	Community assets £000	Assets under construction £000	Total £000
Carried at historical cost	0	1,646	23	323	63	2,055
Valued at current value as at 31 March 2026	2,100	656	1	0	69	2,826
31 March 2025	1,197	3	0	0	0	1,200
31 March 2024	1,603	0	0	0	0	1,603
31 March 2023	234	0	0	0	0	234
31 March 2022	270	0	0	0	0	270
Total cost or valuation	5,404	2,305	24	323	132	8,188

14. Inventories

Description	Consumable stores 2024/25 £000	Consumable stores 2025/26 £000	Maintenance materials 2024/25 £000	Maintenance materials 2025/26 £000	Total 2024/25 £000	Total 2025/26 £000
Balance outstanding at start of year	33	34	176	130	209	164
Purchases	31	37	188	392	219	429
Recognised as an expense in year	(30)	(35)	(234)	(326)	(264)	(361)
Written off balances	0	0	0	0	0	0
Balances outstanding at year end	34	36	130	196	164	232

15. Debtors

31 March 2025 £000	Debtor types	31 March 2026 £000
50	Trade receivables	113
329	Prepayments and accrued income	657
227	Other receivable amounts	363
606	Total	1,133

16. Cash and cash equivalents

The balance of cash and cash equivalents is made up of the following elements:

31 March 2025 £000	Cash and cash equivalent types	31 March 2026 £000
2	Cash held by the Broads Authority	2
1,622	Bank current accounts	2,205
1,624	Total cash and cash equivalents	2,207

17.Creditors

31 March 2025 £000	Creditor types	31 March 2026 £000
644	Trade payables	603
1,621	Accruals and income in advance	1,810
182	Other payable amounts	194
2,447	Total	2,607

18.Provisions

2024/25 Accumulated absences provision £000	2024/25 Biodiversity Net Gain Provision £000	2024/25 Bad Debt Provision £000	2024/25 Total £000	Description	2025/26 Accumulated absences provision £000	2025/26 Biodiversity Net Gain Provision £000	2025/26 Bad Debt Provision £000	2025/26 Redundancy Provision £000	2025/26 Total £000
64	30	0	94	Balance at 1 April	64	35	4	0	103
64	16	4	84	Additional provisions made in year	61	16	0	28	105
(64)	(11)	0	(75)	Settlements or cancellation of provision made at end of proceeding year	(64)	(1)	0	0	(65)
64	35	4	103	Balance at 31 March	61	50	4	28	143

The Biodiversity Net Gain provision relates to funding confirmation received from DEFRA in March 2023. This funding will be used to fund Biodiversity projects in 2026/27.

Biodiversity Net Gain (BNG) became a new legal requirement in 2024/25 and affects most types of planning applications in England. The intention of the legislation is to ensure the biodiversity value of development sites is measurably improved as a result of development. To achieve this, the law requires most planning applications to demonstrate a minimum 10% gain for biodiversity. The requirement applies to small sites as well as major.

For more information on the Accumulated Absence Account, see note 20

During 2025/26 the Authority undertook a restructure following a reduction in National Park funding. Further details can be found in note 31

19. Usable reserves

Movements in the Authority's usable reserves are detailed in the Movement in Reserves Statement.

20. Unusable reserves

31 March 2025 £000	Description	31 March 2026 £000
2,707	Revaluation reserve	2,667
3,947	Capital Adjustment Account	4,950
(196)	Pensions Reserve	(182)
(64)	Accumulated Absences Account	(62)
6,394	Total unusable reserves	7,373

Revaluation reserve

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

2024/25 £000	Description	2025/26 £000
2,698	Balance at 1 April	2,707
232	Upward revaluation of assets	53
0	Downward revaluation of assets	(47)
233	Surplus or deficit on revaluation of non-current assets not posted to the Surplus or Deficit on Provision of Services (subtotal)	6
(223)	Difference between current value depreciation and historical cost depreciation	(46)
(223)	Amount written off to the Capital Adjustment Account (subtotal)	(46)
2,707	Balance at 31 March	2,667

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 current value figures to a historical cost basis). The Account is credited with the amounts set aside by the Authority as finance for the costs of acquisition, construction and enhancement.

The Account contains accumulated gains and losses on Investment Properties and gains recognised on donated assets that have yet to be consumed by the Authority. 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.

2024/25 £000	Description	2025/26 £000
3,513	Balance at 1 April	3,947
146	Right of use assets on transition	0
0	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement: Transfer of non-current asset sale proceeds from revenue to Capital Receipts Reserve	58
(375)	Charges for depreciation and impairment of non-current assets	(406)
(4)	Revaluation losses on property plant & equipment	(2)
0	Revenue expenditure funded from capital under statute	(337)
0	Movement in the Donated Assets	6
0	Amount on Excavator w/off on disposal or sale as part of the gain/loss on disposal to CIES	0
0	Amortisation of intangible assets	0
(31)	Amounts of non-current assets written off on disposal or sale as part of the gain/loss in disposal to the comprehensive income and expenditure statement	(58)
223	Adjusting amounts written out of the revaluation reserve	46

2024/25 £000	Description	2025/26 £000
(41)	Net written out amount of the cost of non-current assets consumed in the year (subtotal)	(693)
0	Capital grants and contributions credited to CIES applied for capital financing	1,645
0	Application of grants to capital financing from Capital Grants Unapplied Account	0
0	Transfer of capital grants and contributions to Capital Grants Unapplied	(191)
81	Capital financing applied in the year: Statutory provision for the financing of capital investment charges against the general fund removal of finance lease liability for assets returned in year	98
394	Capital expenditure charges against the General Fund	144
3,947	Balance at 31 March	4,950

Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Authority accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Authority makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Authority has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

2024/25 £000	Description	2025/26 £000
(216)	Balance at 1 April	(196)
10,840	Remeasurements of the net defined benefit liability/(asset)	(226)
(903)	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	(657)

2024/25 £000	Description	2025/26 £000
932	Employer's pension contributions and direct payments to pensioners payable in the year	897
(10,849)	Reversal due to asset ceiling limitation	0
(196)	Balance at 31 March	(182)

Accumulated Absences Account

The Accumulated Absences Account absorbs the differences that would otherwise arise on the General Fund balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the General Fund balance is neutralised by transfers to or from the Account.

2024/25 £000	Description	2025/26 £000
(64)	Balance at 1 April	(64)
0	Settlement or cancellation of accrual made at the end of the preceding year	64
(64)	Amounts accrued at the end of the current year	(62)
64	Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	0
(64)	Balance at 31 March	(62)

21. Cash Flow Statement – Operating Activities

The cash flows from operating activities include the following items:

2024/25 £000	Operating activity	2025/26 £000
300	Interest received	276
(69)	Interest paid	(83)
231	Net cash flows from operating activities	193

The surplus or deficit on the provision of services has been adjusted for the following non-cash movements:

2024/25 £000	Non-cash movements	2025/26 £000
375	Depreciation	406
4	Impairment and downward valuations	2

2024/25 £000	Non-cash movements	2025/26 £000
(23)	Deferred revenue/ deferred payment agreements (IFRS 15)	(4)
500	Increase/(decrease) in creditors	448
97	(Increase)/decrease in debtors	(517)
44	(Increase)/decrease in inventories	(68)
(29)	Movement in pension liability	(240)
31	Carrying amount of non-current assets and non-current assets held for sale, sold or derecognised	0
(128)	Other non-cash items charged to the net surplus or deficit on the provision of services	34
871	Net non-cash movements	61

The surplus or deficit on the provision of services has been adjusted for the following items that are investing and financing activities:

2024/25 £000	Investing and Financing activities	2025/26 £000
5,500	Proceeds from short-term (not considered to cash equivalents)	(5,500)
(44)	Proceeds from the sale of property, plant and equipment	58
(250)	Any other items for which the cash effects are investing or financing cash flows	(190)
5,206	Net investing and finance movements	5,252

22.Cash flow statement – investing activities

2024/25 £000	Investing activity	2025/26 £000
(394)	Purchase of property, plant and equipment, investment property and intangible assets	(1,263)
(6,527)	Purchase of short-term investments	(6,978)
250	Proceeds from short term investments	1,646
44	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	58
(6,627)	Net cash flows from investing activities	(6,537)

23.Cash flow statement – financing activities

2024/25 £000	Financing activity	2025/26 £000
0	Cash receipts of short- and long-term borrowing	0
(44)	Cash payments for the reduction of the outstanding liabilities relating to finance leases	(61)
(36)	Repayments of short- and long-term borrowing	(36)
(80)	Net cash flows from financing activities	(97)

24.Members' allowances

The Authority paid the following amounts to Members if the Authority during the year:

2024/25 £000	Member payment type	2025/26 £000
36	Allowances	36
9	Expenses	8
45	Total	44

25.Officers' remuneration

On 1st August 2025, the Authority underwent a restructure of its directorates reducing from three to two. The Director of Strategic Services position was made redundant and the remaining two Directors were renamed Director of Delivery (formerly Director of Operations) and Director of Resources (formerly Director of Finance).

The remuneration paid to the Authority's senior employees as follows:

Job Title	Year	Salary, fees and allowances £000	Bonuses £000	Expenses allowances £000	Compens ation for loss of office £000	Pension contribu tion £000	Total £000
Chief Executive	2024/25	99	0	0	0	21	120
	2025/26	103	0	0	0	21	124
Director of Strategic Services	2024/25	66	0	0	0	14	80
	2025/26	28	0	0	21	6	55
Director of Delivery	2024/25	71	0	0	0	15	86
	2025/26	74	0	0	0	15	89

Job Title	Year	Salary, fees and allowances £000	Bonuses £000	Expenses allowances £000	Compensation for loss of office £000	Pension contribution £000	Total £000
Director of Resources	2024/25	68	0	0	0	14	82
	2025/26	72	0	0	0	14	86

The number of employees (inclusive of senior officers), receiving more than £50,000 remuneration for the year (excluding employer's pension contributions) is shown below:

Number of employees 2024/25	Remuneration amount band	Number of employees 2025/26
1	£50,000 - £54,999	2
0	£55,000 - £59,999	0
0	£60,000 - £64,999	0
2	£65,000 - £69,999	0
1	£70,000 - £74,999	2
0	£75,000 - £79,999	0
0	£80,000 - £84,999	0
0	£85,000 - £89,999	0
0	£90,000 - £94,999	0
1	£95,000 - £99,999	0
0	£100,000 - £104,999	1

Exit packages

The number and cost of exit packages agreed, analysed between compulsory redundancies and other departures, are disclosed in the note 31.

26.External audit costs

The Broads authority has incurred the following fees relating to audit of the Statement of Accounts, certification of grant claims and statutory inspections and to non-audit services provided by the Authority's external auditors.

2024/25 £000	Type of external audit cost	2025/26 £000
74	Fees payable to external auditors with regard to external audit services carried out by the appointed auditor for the year	76
74	Total	76

27. Grant income

The Authority credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement:

2024/25 £000	Grant Name	2025/26 £000
3,414	Credited to taxation and non-specific grant income: Defra National Park Grant	3,189
250	DEFRA Capital Grant	1,385
250	DEFRA Additional Revenue Funding	0
146	Donated Asset (Peppercorn Leases/ Hardley Mill Pontoons)	6
4,060	Credited to taxation and non-specific grant income (subtotal)	4,580
142	Credited to services: Heritage Lottery Fund	65
72	DEFRA Access Funding	104
49	Natural England – Nature for Climate Peatland Scheme (Restoration)	89
128	Natural England - Paludiculture Exploration Fund	120
454	DEFRA Farming In Protected Landscapes (FiPL)	293
72	National Parks England - Generation Green	0
45	Department for Transport - Active Travel England	39
13	Broads IDB - Lowland agricultural peat small infrastructure pilot	0
14	Broadland Agricultural Water Abstractors Group - Lowland agricultural peat water discovery pilot	24
228	MHCLG Local Plan/ Planning Improvement	50
0	Water Restoration Fund	172
0	Norfolk Green Infrastructure and Recreational Avoidance and Mitigation Strategy (GIRAMS)	4
1,217	Credited to services (subtotal)	960
5,277	Total	5,540

The authority has received a grant that has yet to be recognised as income as it has conditions attached that will require the monies to be returned to the giver. The balances at the year-end are as follows:

Current liabilities

2024/25 £000	Grant receipts in advance (revenue grants)	2025/26 £000
26	Defra Farming In Protected Landscapes (FiPL)	7
38	Plug-in Norfolk Community Electric Vehicle Charging Points	36
65	BMW Recharge in Nature	0
55	Active Travel England	216
11	Defra Access for All	42
0	Norfolk Green Infrastructure and Recreational Avoidance and Mitigation Strategy (GIRAMS)	172
0	UKNPF Green Pathways College unspent income	9
195	Total	482

Grant receipts in advance (capital grants)

2024/25 £000	Grant receipts in advance (capital grants)	2025/26 £000
0	DEFRA National Park Grant - Capital	151
0	DEFRA Farming in Protected Landscapes (FiPL)	40
0	Total	191

28.Related parties

The Broads Authority is required to disclose material transactions with related parties, bodies or individuals that have the potential to control or influence the Authority or to be controlled or influenced by the Authority. Disclosure of these transactions allows readers to assess the extent to which the Authority might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Authority.

Central Government

Central government has effective control over the general operations of the Authority – it is responsible for providing the statutory framework within which the Authority operates, provides the majority of funding in the form of grants and prescribes the terms of many of the transactions that the Authority has with other parties.

Members

Members of the Broads Authority have direct control over the Authority's financial and operating policies. Members of the Navigation Committee have a consultative role in

respect of navigation matters. The Authority wrote to all Members requesting details of any related party transactions. Details of Members' expenses are included in note 24.

A number of members of the Broads Authority are appointed by Local Authorities within the Broads area. The Authority transacts with these other Local Authorities for items such as rates in the normal course of business. There were no material transactions with Local Authorities which are not disclosed elsewhere within the Statement of Accounts.

Mr Alan Goodchild is a member of the Broads Authority and Navigation Committee and is a Director of 'Goodchild Marine Services Ltd'. Goodchild Marine paid £975 (£836 2024/25) navigation tolls in 2025/26. The Authority also moored two vessels at Goodchild Marine at a cost of £4,257 and made launch fuel and repairs of £804. Nil was outstanding at 31 March 2026.

Mr Daniel Thwaites is a member of the Navigation committee and is a Director of 'Barnes Marine Units'. Barnes Marine Units paid £173,450 (£167,303 2024/25) navigation tolls in 2025/26.

Officers

The Chief Executive represents the Broads Authority on the board of the Whitlingham Charitable Trust. Officer remuneration is detailed in note 25.

Other Public Bodies

Durham County Council provides provision of payroll services to the Broads Authority since 1 April 2024. The Authority paid £10,113 in 2025/26 (£9,721 2024/25). No amounts were outstanding at 31 March 2026.

Norfolk County Council provides legal services to the Broads Authority via its legal practice, NPLaw. The Authority paid £52,367 for legal services in 2025/26 (£39,735 in 2024/25). £4,973 was outstanding at 31 March 2026 (£2,286 2024/25).

The Authority charged Norfolk County Council for grant funding of £2,681 during 2025/26 (£1,072 2024/25). £1,535 was outstanding at 31 March 2026 (£849 2024/25).

Wilkin Chapman provided Jonathan Goolden as the Monitoring Officer. The Authority paid £20,491 in 2025/26 (£58,033 2024/25). £7,246 was outstanding at 31 March 2026 (£10,033 2024/25).

29. Capital expenditure and capital financing

The total amount of capital expenditure incurred in the year is shown in the table below (including the value of assets acquired under finance leases and PFI/PP contracts), together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Authority, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Authority that has yet to be financed. The CFR is analysed in the second part of this note.

2024/25 £000	Description	2025/26 £000
92	Opening Capital Finance Requirement	688
146	Right of use assets on transition	0
925	Capital investment: Property, plant and equipment	1,279
(394)	Sources of finance Sums set aside from revenue: Direct revenue contributions	(1,267)
(81)	MRP	(98)
688	Closing capital finance requirement	602
(596)	Explanation of movements in year Increase/(decrease) in underlying need to borrow (unsupported by government financial assistance)	(86)
(596)	Increase/(decrease) in capital financing requirement	(86)

30. Leases

Authority as lessee

The authority's lease contracts comprise leases of operational land and buildings, plant and equipment. Most are individually immaterial; however, material leases include the lease for the headquarters building commenced in August 2024 for a term of 5 years with 1 extension option for an additional five years. Rentals increase every five years in line with the open market rent review. The value of the asset as at 31 March 2026 was £373k.

Right-of-use assets

This table shows the change in the value of right-of-use assets held under leases by the authority.

Type of movement	Land & Buildings £000's	Vehicles, plant and equipment £000	Total £000
Balance at 1 April 2025	758	4	762
Additions	10	0	10
Revaluations	0	0	0
Depreciation	(78)	(1)	(79)
Disposals	0	0	0
Balance at 31 March 2026	690	3	693

Transactions under leases

The authority incurred the following expenses and cash flows un relation to leases:

Comprehensive Income and Expenditure Statement	2025/26 £000	2024/25 £000
Interest on lease liabilities	28	20
Expenses relating to short term leases	9	34
Expenses relating to exempt leases of low value	3	6
Variable lease payments not included in the measure of lease liabilities	0	0
Income from subletting right-of-use assets	0	0
Gains or losses arising from sale and leaseback transactions	0	0

Cash Flow Statement	2025/26 £000	2024/25 £000
Minimum Lease payments	61	45

Maturity analysis of lease liabilities

The lease liabilities are due to be settled over the following time bands (measured at the undiscounted amounts of expected cash payments)

Time Period	2025/26 £000	2024/25 £000
Less than one year	63	60
One to five years	227	231

Time Period	2025/26 £000	2024/25 £000
More than five years	290	340
Total undiscounted liabilities	580	631

The balance of lease liabilities of £580 thousand in the table above is roughly comparable with the lease liability of £631 thousand as at 31 March 2025. The reduction is mainly due to the repayments due in 2025/26.

Authority as Lessor

The Authority leases out land and property under operating leases for the following purposes:

- For the provision of community services, such as tourism services; and
- For an outdoor education and study centre.

Operating lease income	2025/26 £000	2024/25 £000
Total lease income	4	2
Share of lease income relating to variable lease payments that do not depend on an index rate	0	0

Maturity analysis of lease receivables

The lease receivables are due to be settled over the following time bands (measured at the undiscounted amounts of expected cash payments)

Time Period	2025/26 £000	2024/25 £000
Less than one year	3	0
One to two years	7	1
Two to three years	3	1
Four to five years	0	0
More than five years	1	1
Total undiscounted receivables	14	3

31. Termination benefits

On 1st August 2025, the Authority underwent a restructure of its directorates resulting in five redundancies. The number and cost of exit packages agreed, analysed between compulsory redundancies and other departures, are disclosed in the table below:

Exit package cost band	Number of compulsory redundancies 2024/25	Number of compulsory redundancies 2025/26	Number of other departures agreed 2024/25	Number of other departures agreed 2025/26	Total number of exit packages by cost band 2024/25	Total number of exit packages by cost band 2025/26	Total cost of exit packages in each band 2024/25 £000	Total cost of exit packages in each band 2025/26 £000
£0-£20,000	0	0	0	4	0	4	0	28
£20,001-£40,000	0	0	0	1	0	1	0	21
Total	0	0	0	5	0	5	0	49

Exit packages include compulsory and voluntary redundancy costs, pension contributions in respect of added years, ex-gratia payments and other departure costs. The total cost of £21k in the table above has been charged to the authority's Comprehensive Income and Expenditure Statement in the current year. The authority has established a provision of £28k to address the additional liability associated with termination benefits that will be paid to officers in 2026/27.

32. Defined Benefit Pension Schemes

Participation in Pension Schemes

As part of the terms and conditions of employment of its officers and other employees, the Broads Authority makes contributions towards the cost of post-employment benefits.

Although these benefits will not actually be payable until employees retire, the Authority has a commitment to make future payments and thus these need to be disclosed as a future entitlement. The Authority participates in one pension scheme:

- The Norfolk Pension Fund for civilian employees (the Local Government Pension Scheme), administered locally by Norfolk County Council. This is a funded defined benefit final salary scheme, meaning that the Authority and employees pay contributions into a fund, calculated at a level intended to balance the pension liabilities with investment assets.

Transactions relating to Post-Employment Benefits

The Authority recognises the cost of retirement benefits in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge the Authority is required to make against tolls and Defra grant is based on the cash payable in the year, so the real cost of post-employment benefits is reversed out via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and via the Movement in Reserves Statement during the year:

2024/25 £000	Transaction	2025/26 £000
894 0	Comprehensive Income and Expenditure Statement Cost of services: • current service cost • past service cost	653 0
9	Financing and investment income and expenditure • net interest expense	4
903	Total post-employment benefits charged to the surplus or deficit on the provision of services	657
837 (58) (5,274) (306) (6,039)	Other post-employment benefits charged to the Comprehensive Income and Expenditure Statement: • return on plan assets (excluding the amount included in the net interest expense) • actuarial gains and losses arising on changes in demographic assumptions • actuarial gains and losses arising on changes in financial assumptions • other experience • changes in effect of the asset ceiling	(1,293) (621) (708) 1,800 1,048

2024/25 £000	Transaction	2025/26 £000
10,849	reversal due to asset ceiling limitation	0
9	Total post-employment benefits charged to the Comprehensive Income and Expenditure Statement	226
903	Movement in Reserves Statement reversal of net charges made to the surplus or deficit on the provision of services for post-employment benefits in accordance with the Code	657
(932)	Actual amount charged against the General Fund balance for pensions in the year: employers' contributions payable to scheme	(897)

Pension Assets and Liabilities Recognised in the Balance Sheet

The amount included in the Balance Sheet arising from the Authority's obligation in respect of its defined benefit plan is as follows:

2024/25 £000	Type	2025/26 £000
(29,094)	Present value of the defined benefit obligation	(31,545)
28,898	Fair value of plan assets	31,363
(196)	Net (liability)/asset arising from defined benefit obligation	(182)

Reconciliation of the Movements in the Fair Value of Scheme (Plan) Assets

2024/25 £000	Movements	2025/26 £000
32,847	Opening fair value of scheme assets	28,898
1,595	Interest income	1,671
(837)	Remeasurement gain / (loss): The return on plan assets, excluding the amount included in the net interest expense	1,293
6,039	Asset Ceiling*	(1,048)
(10,849)	Reversal due to asset ceiling limitation	0
0	Other Experience	735
932	Contributions from employer	897
284	Contributions from employees into the scheme	278
(1,113)	Benefits paid	(1,361)

2024/25 £000	Movements	2025/26 £000
28,898	Closing fair value of scheme assets	31,363

* The net defined benefit asset is the surplus, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling.

The Asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. Currently the Authority has no right to a refund without ending its ongoing participation in the fund. The calculation above assumes that the benefit will be available as a reduction in future contributions. This is calculated as the present value of future service costs less the present value of future service contributions.

Reconciliation of Present Value of the Scheme Liabilities (Defined Benefit Obligation)

2024/25 £000	Movements	2025/26 £000
33,063	Balance at 1 April	29,094
894	Current service cost	653
1,604	Interest cost	1,675
284	Contributions from scheme participants	278
(58)	Remeasurement (gains) and losses: Actuarial gains / losses from changes in demographic assumptions	(621)
(5,274)	Actuarial gains / losses arising from changes in financial assumptions	(708)
(306)	Other	2,535
0	Past Service Cost	0
(1,113)	Benefits paid	(1,361)
29,094	Balance at 31 March	31,545

In June 2023, the UK High Court (Virgin Media Limited v NTL Pension Trustees II Limited) ruled that certain historical amendments for contracted-out defined benefit schemes were invalid if they were not accompanied by the correct actuarial confirmation. In August 2024, the judgment has been upheld by the Court of Appeal.

The Department for Work and Pensions (DWP) has been consulted on pragmatic solutions, and the government has announced plans to introduce legislation to address the issues arising from the ruling. This legislation, included in the Pension Scheme Bill (Amendments) tabled on 1 September 2025, aims to allow affected pension schemes to obtain retrospective actuarial confirmation for historic benefit changes, without affecting scheme obligations.

The Local Government Pension Scheme is a contracted out defined benefit scheme, and amendments have been made during the period 1996 to 2016 which could impact member benefits. Work has been performed by the Government Actuary's Department as the Local Government Pension Scheme actuary to assess whether section 37 certificates are in place for all amendments and some of these have been confirmed however, at the date of these financial statements, the full assessment is not complete. Until this analysis is complete, we are unable to conclude whether there is any impact to the liabilities or if it can be reliably estimated.

As a result, the Broads Authority does not consider it necessary to make any allowance for the potential impact of the Virgin Media case in its financial statements.

Local Government Pension Scheme Assets

Local Government Pension Scheme assets comprised:

Fair value of scheme assets 2024/25 £000				Fair value of scheme assets 2025/26 £000		
Quoted prices in active markets	Quoted prices not in active markets	Total	Asset type	Quoted prices in active markets	Quoted prices not in active markets	Total
1,345.1	-	1,345.1	Cash and cash equivalents: All cash and cash equivalents	2,652.8	-	2,652.8
-	-	-	Equity instruments: - Consumer - Manufacturing - Energy and utilities - Financial institutions - Health and care - Information technology - Other	-	-	-
-	-	-		-	-	-
-	-	-		-	-	-
-	-	-		-	-	-
-	-	-		-	-	-
-	-	-		-	-	-
-	-	-		-	-	-
-	-	-		-	-	-
-	-	-	Bonds (Debt securities): - Corporate bonds (investment grade) - Corporate bonds (non-investment grade) - UK Government	-	-	-
-	-	-		-	-	-
758.5	-	758.5		1,045.8	-	1,045.8
-	5,120.2	5,120.2	Private equity: All private equity	-	5,730.6	5,730.6

Fair value of scheme assets 2024/25 £000				Fair value of scheme assets 2025/26 £000		
-	2,551.1	2,551.1	Property:	-	2,278.1	2,278.1
-	374.9	374.9	• UK property	-	398.7	398.7
			• Overseas property			
22,354.8	-	22,354.8	Other investment funds and unit trusts:	17,812.1	-	17,812.1
3,021.4	-	3,021.4	• Equities	8,848.7	-	8,848.7
-	4,472.0	4,472.0	• Bonds	-	5,154.1	5,154.1
-	-	-	• Infrastructure	-	-	-
			• Other			
-	-	-	Derivatives	-	-	-
23.0	-	23.0	• Other derivatives	(31.9)	-	(31.9)
			• Foreign exchange			
(7,643.8)	(3,479.2)	(11,123.0)	Asset Ceiling	(8,656.0)	(3,870.0)	(12,526.0)
19,859.0	9,039.0	28,898.0	Total	21,671.5	9,691.50	31,363.0

Basis for estimating assets and liabilities

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels, etc. The Fund liabilities have been assessed by Hymans Robertson, an independent firm of actuaries, estimates for the fund being based on the latest full valuation of the scheme as at 31 March 2025.

The principal assumptions used by the actuary have been:

31 March 2025	Assumption	31 March 2026
5.8%	Long term expected rate of return on assets in the scheme:	
5.8%	• Equity investments	6.2%
5.8%	• Bonds	6.2%
5.8%	• Property	6.2%
5.8%	• Cash	6.2%
21.3 years	Mortality assumptions:	
24.3 years	Longevity at 65 for current pensioners:	
	• Men	21.9 years
	• Women	24.9 years
22.2 years	Longevity at 65 for future pensioners:	
25.9 years	• Men	22.8 years
	• Women	26.3 years
2.75%	Rate of inflation	3.00%
3.45%	Rate of increase in salaries	3.70%
2.75%	Rate of increase in pensions	3.00%
5.80%	Rate for discounting scheme liabilities	6.20%
	Take up of option to convert annual pension into retirement lump sum:	
45%	Pre- April 2008 service	55%
45%	Post- April 2008 service	55%

*The expected rates of return are set equal to the discount rate (per the revised version of IAS19).

The estimation of the defined benefit obligation is sensitive to the actuarial assumptions set out in the table above. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions at the end of the reporting period and assumes for each other change that the assumption analysed changes while all the other assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increases or decreases for men and women. In practice, this is unlikely to occur, and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial

basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below are consistent with those adopted in the previous period.

Sensitivity analysis – impact on the defined benefit obligation in the scheme

Change in assumptions at 31 March 2026	Approximate % increase to employer liability	Approximate monetary amount £000
0.1% decrease in real discount rate	2%	481
1-year increase in member life expectancy	4%	1,262
0.1% increase in the salary increase rate	0%	26
0.1% increase in the pension increase rate	2%	454

Techniques used to manage risk

The Pensions Committee of Norfolk County Council considers long term liabilities when setting its investment strategy but does not follow a specific liability matching investment approach having taken appropriate professional advice. The Committee has agreed an asset allocation benchmark, a performance target and various controls on the Fund's investments. These reflect their views on the appropriate balance between maximising the long-term return on investments and minimising short-term volatility and risk. The Committee monitors and reviews the performance of investments and the overall strategy on a regular basis, supported by advice from professional advisers as required. A large proportion of the Fund's assets relate to equities (68.7% of scheme assets) and bonds (9.4%). The scheme also invests in properties as part of the diversification of the scheme's investments.

Further details of the Fund's investment approach are outlined in the Statement of Investment Principles and Funding Strategy Statement that are published on the Fund's website www.norfolkpensionfund.org.

Impact on the Authority's cash flows

The objectives of the scheme are to keep employers' contributions at a constant rate as possible. The Administering Authority has agreed a strategy with the scheme's actuary to achieve a funding level of 100% over the next 20 years. Funding levels are monitored on an annual basis. The next triennial valuation will take place on 31 March 2028.

The scheme will need to take account of the national changes to the scheme under the Public Pension Services Act 2013. Under the Act, the Local Government Pension Scheme in England and Wales may not provide benefits in relation to service after 31 March 2014. The Act provides for scheme regulations to be made within a common framework, to establish

new career average revalued earnings schemes to pay pensions and other benefits to certain public servants.

The Authority anticipates paying contributions of approximately £745,000 to the scheme in 2026/27.

33.Contingent Liabilities

The Authority has identified one material contingent liability:

Postwick Tip

The Authority uses a site “Postwick Tip,” which is included in the Authority’s Fixed Asset Register, for the treatment of sediment material from dredging operations. This natural treatment process involves the drying of sediment so that mercury content is absorbed. As such there would be no clean-up costs at the end of the site’s life. However, if the Authority were to stop using the site, there would be a cost of £33,000 to surrender the license. There is currently no expectation that the Authority will cease using the site. The Authority’s use of the site is the subject of a bond / financial provision to the Environment Agency in the amount of £10.6m. This covers the estimated cost of restoration which could arise if there were to be a catastrophic event at the site. Defra are the guarantors for this bond and the Authority would not itself anticipate making any payment under the terms of this agreement.

34. Financial Instruments

The following categories of financial instrument are carried in the Balance Sheet:

Financial Assets

Type	Non-Current Investments 31 March 2025 £000	Non- Current Investments 31 March 2026 £000	Non- Current Debtors 31 March 2025 £000	Non- Current Debtors 31 March 2026 £000	Current Investments 31 March 2025 £000	Current Investments 31 March 2026 £000	Current Debtors 31 March 2025 £000	Current Debtors 31 March 2026 £000	Total 31 March 2025 £000	Total 31 March 2026 £000
Amortised Cost	0	0	0	0	7,724	8,320	423	886	8,147	9,206
Total financial assets	0	0	0	0	7,724	8,320	423	886	8,147	9,206
Non- financial assets	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	7,724	8,320	423	886	8,147	9,206

Financial Liabilities

Type	Non-Current Borrowings 31 March 2025 £000	Non-Current Borrowings 31 March 2026 £000	Non-Current Creditors 31 March 2025 £000	Non-Current Creditors 31 March 2026 £000	Current Borrowings 31 March 2025 £000	Current Borrowings 31 March 2026 £000	Current Creditors 31 March 2025 £000	Current Creditors 31 March 2026 £000	Total 31 March 2025 £000	Total 31 March 2026 £000
Amortised Cost	593	524	0	0	96	78	2,447	2,608	3,136	3,210
Total financial liabilities	593	524	0	0	96	78	2,447	2,608	3,136	3,210
Non-financial liabilities	0	0	0	0	0	0	0	0	0	0
Total	593	524	0	0	96	78	2,447	2,608	3,136	3,210

Income, Expense Gains and Losses

Interest Type	Surplus or Deficit on the Provision of Services 2024/25 £000	Other Comprehensive Income and Expenditure 2024/25 £000	Total 2024/25 £000	Surplus or Deficit on the Provision of Services 2025/26 £000	Other Comprehensive Income and Expenditure 2025/26 £000	Total 202/26 £000
Interest Expense	69	0	69	83	0	83
Interest Income	(307)	0	(307)	(267)	0	(267)

Fair Values of Assets and Liabilities

Financial liabilities, financial assets represented by loans and receivables and long-term debtors and creditors are carried in the Balance Sheet at amortised cost. Their fair value can be assessed by calculating the present value of the cash flows that will take place over the remaining term of the instruments. These valuations are all classified as Level 2, where market prices are not available, with valuation techniques using inputs based significantly on observable market data. The following assumptions should be noted:

- Fixed interest rate of 4.82% over the 20-year PWLB loan;
- Fixed interest rate of 2% over the 5-year PWLB loan;
- No early repayment or impairment is recognised; and
- The fair value of trade and other receivables is taken to be invoices or billed amount.

The fair values calculated are as follows:

Financial Liabilities held at amortised cost:	31 March 2025 Carrying Amount £000	31 March 2025 Fair Value £000	31 March 2026 Carrying Amount £000	31 March 2026 Fair Value £000
PWLB	58	59	22	22
Finance Leases	631	631	580	580
Short Term Creditors	2,447	2,447	2,608	2,608
Total	3,136	3,137	3,210	3,210

The fair value of borrowings is higher than the carrying amount because the authority's PWLB loan is at a fixed interest rate where the interest rate payable is higher than the prevailing rates at the Balance Sheet date. This shows a notional future loss (based on economic conditions as at 31 March 2025) arising from a commitment to pay interest to lenders above the current market rate. Refinancing the loan at lower interest rates would outweigh the early repayment fee.

Financial assets held at amortised cost:	31 March 2025 Carrying Amount £000	31 March 2025 Fair Value £000	31 March 2026 Carrying Amount £000	31 March 2026 Fair Value £000
Fixed term investments	6,102	6,102	6,115	6,115
Cash at banks	1,622	1,622	2,205	2,205
Short Term debtors	423	423	886	886
Total	8,147	8,147	9,206	9,206

Short term debtors and creditors are carried at cost as this is fair approximation of their value.

35. Nature and Extent of Risks Arising from Financial Instruments

The Authority's activities expose it to a variety of financial risks:

Credit Risk: The possibility that other parties might fail to pay amounts due to the Authority.

Liquidity Risk: The possibility that the Authority might not have funds available to meet its commitments to make payments.

Market Risk The possibility that financial loss might arise for the Authority as a result of changes in such measures as interest rates and stock market investments.

Foreign Exchange Risk: The possibility that financial loss might arise for the Authority as a result of changes in the exchange rate (GBP and Euro).

The Broads Authority's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to fund services.

Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to customers. Deposits are only made in line with the Treasury Management Strategy which requires that deposits are not made with banks and financial institutions unless they are highly rated. Therefore, the Broads Authority does not consider there to be any quantifiable risk in relation to investments.

The Authority's standard terms and conditions for payment of invoices are 30 days from invoice date. The Authority does not allow credit for customers. At 31 March 2026, a small amount of invoices were overdue as at 31 March 2026. The majority of this income was received in early 2026/27 and for those overdue a bad debt provision was created in 2024/25.

Liquidity Risk

An indicative three-year funding agreement from DEFRA means the Broads Authority has some certainty over 2026/27 to 2028/29. Longer term uncertainty still remains and future changes in government brings further uncertainty whether future multi-year funding will be available. Given the significant cash balances there is no significant risk that it will be unable to meet its commitments under financial instruments. All financial liabilities are due to be repaid within one to five years with the exception of the 20-year PWLB loan. Therefore, there is no risk of having to borrow at unfavourable rates in future to replenish borrowings.

Market Risk

With the exception of the PWLB loan, the Broads Authority is debt free. Excess cash is invested at variable or fixed money market rates depending on forecasts for interest rates under the period of review.

Foreign Exchange Risk

The Authority's Annual Investment and Capital Financing Strategy for 2026/27 states that if the Authority enters into any contractual arrangements above £100,000 which involve foreign currency, the advice of the Director of Resources will be sought on the advisability of hedging the exchange risk before entering into the contract.

36. Navigation Income and Expenditure Account

2024/25 Gross expenditure £000	2024/25 Income £000	2024/25 Net expenditure/ (income) £000	Description	2025/26 Gross expenditure £000	2025/26 Income £000	2025/26 Net expenditure/ (income) £000
2,978	(44)	2,934	Delivery	2,989	(88)	2,901
950	(8)	942	Resources	1,046	(3)	1,043
708	(134)	574	Chief Executive	641	(163)	478
4	0	4	Corporate Items	11	0	11
0	(4,389)	(4,389)	Navigation Income (Tolls)	0	(4,599)	(4,599)
4,640	(4,575)	65	Cost of services (subtotal)	4,687	(4,853)	(166)
		(1)	(Gains)/Losses on the disposal of non-current assets			0
		(72)	Financing and investment income and expenditure			(61)
		(96)	Donated Asset			(6)
		(104)	(Surplus) or deficit on provision of services (subtotal)			(233)
		(107)	(Surplus) or deficit on revaluation of fixed assets			(3)
		5	Actuarial (gains)/losses on pension assets/liabilities			118
		(102)	Other comprehensive income and expenditure (subtotal)			115
		(206)	Total comprehensive income and expenditure			(118)

37.Going Concern

The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2025/26 (the Code), which is based upon International Financial Reporting Standards (IFRS), as amended for the UK public sector. The accounts have been prepared on the going concern basis.

In carrying out its assessment that this basis is appropriate, made for the going concern period to 31 March 2028, management of the Authority have undertaken forecasting of both income and expenditure, the expected impact on reserves, and cashflow forecasting.

Our most recent year-end balances, as reported in these statements are as follows:

Date	General Fund	Navigation Fund	Earmarked reserves
31/03/26	£1.295m	£0.558m	£3.956m

Our expected General/Navigation Fund and Earmarked Reserve position has a predicted balance of £1.102 million and £0.571 million at 31 March 2028. This remains above our minimum level of balances as previously set by our Director of Resources of £1.036 million.

Our cash flow forecasting and assessment of the adequacy of our liquidity position demonstrates positive cash balances throughout the going concern period, and no expectation of external borrowing.

The key assumptions within this forecast include a 3.3% pay increase per full time equivalent for 2026/27, as negotiated by the National Joint Council (NJC). This is consistent with the agreed pay awards in 2024/25 and 2025/26. We have considered if a higher increase is negotiated above the 3.3%, and the above projections would not be significantly affected with both minimum levels of reserves and liquidity remaining through the same period.

On this basis, the Authority have a reasonable expectation that it will have adequate resources to continue in operational existence throughout the going concern period maintaining the provision of its services. For this reason, alongside the statutory guidance, we continue to adopt the going concern basis in preparing these financial statements.

Glossary of Terms

Accounting period

The period of time covered by the accounts, a period of twelve months commencing on 1 April. The end of the accounting period is the Balance Sheet date.

Accounting policies

The basis on which an organisation's financial statements are based to ensure that those statements 'present fairly' the financial position and transactions of that organisation. Accounting concepts include 'materiality', 'accruals', 'going concern' and 'primacy of legislative requirements'.

Accruals

Sums included in the final accounts to recognise revenue and capital income and expenditure earned or incurred in the financial year, but for which actual payment had not been received or made as at 31 March.

Actuarial gains and losses

These may arise on both defined benefit pension scheme liabilities and assets. A gain represents a positive difference between the actuarial assumptions and actual experience (e.g. liabilities during the period were lower than estimated). A loss represents a negative difference between the actuarial assumptions and actual experience (e.g. liabilities during the period were higher than estimated).

Amortisation

The measure of the wearing out, consumption, or other reduction in the useful economic life of an intangible long-term asset.

Amortised cost

This is cost that has been adjusted for amortisation.

Asset

An item owned by the Authority which has a value, for example, premises, vehicles, equipment, cash.

Budget

The statement of the Authority's policy expressed in financial terms usually for the current or forthcoming financial year. The Revenue Budget covers running expenses (see also: revenue income and expenditure), and the Capital Budget plans for asset acquisitions and replacements (see also: capital income and expenditure).

Capital income and expenditure

Expenditure on the acquisition of a long-term asset, which lasts normally for more than one year, or expenditure which adds to the life or value of an existing long-term asset.

Capital financing

Funds raised to pay for capital expenditure. There are various methods of financing capital expenditure including borrowing, leasing, direct revenue financing, usable capital receipts, capital grants, capital contributions, revenue reserves and earmarked reserves.

Cash equivalents

These are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short term cash commitments rather than for investment purposes.

Chartered institute of public finance and accountancy (CIPFA)

The Chartered Institute of Public Finance and Accountancy (CIPFA) is the professional accountancy institute that sets the standards for the public sector. CIPFA publishes the Accounting Codes of Practice for local government.

Code of practice on local authority accounting (the Code)

Based on International Financial Reporting Standards, the Code aims to achieve consistent financial reporting between all English local authorities and National Park Authorities. It is based on generally accepted accounting standards and practices.

Community assets

Community assets are assets that the Authority intends to hold for an unlimited period of time, have no determinable finite useful life and may have restrictions on their disposal.

Contingent liabilities

Potential costs that the Authority may incur in the future because of something that happened in the past.

Creditors

Amounts owed by the Authority for goods and services provided for which payment has not been made at the end of the financial year.

Current value

This is the cost of an asset if bought in the current year.

Debtors

Sums of money due to the Authority but not received at the end of the financial year.

Deficit

Arises when expenditure exceeds income or when expenditure exceeds available budget.

Depreciation

The measure of the wearing out, consumption, or other reduction in the useful economic life of a long-term asset.

Expected return on pension assets

For a funded defined benefit scheme, this is the average rate of return, including both income and changes in fair value but net of scheme expenses, which is expected over the remaining life of the related obligation on the actual assets held by the scheme.

Fair value

The price at which the Authority could buy or sell an asset in a transaction with another organisation, less any grants received towards buying or using that asset.

Financial asset

A right to future economic benefits.

Financial instrument

Any contract that gives rise to a financial asset in one organisation and a financial liability in another.

Financial liability

An obligation to transfer economic benefits.

Finance lease

A lease which transfers all of the risks and rewards of ownership of a long-term asset to the lessee. Where these leases are entered into, the assets acquired have to be included with the Authority's long-term assets in the balance sheet at the market value of the asset involved (see also: operating lease).

Long term assets

Assets that yield benefits to the Authority and the services it provides for a period of more than one year.

Government grants

Grants paid by the Government. These can be for general expenditure or a particular service or initiative.

Historic cost

The cost of an asset when originally bought.

IAS19 retirement benefits

An International Financial Reporting Standard which requires local authorities to reflect the true value of the assets and liabilities relating to the Pension Fund in their financial statements.

Impairment

A reduction in the value of a long-term asset to below its carrying amount in the Balance Sheet. Impairment of an asset is caused either by a consumption of economic benefits e.g. physical damage (fire at a building) or a deterioration in the quality of the service provided by the asset, or by a general fall in prices of that particular asset or type of asset.

Infrastructure assets

Long term assets that are inalienable, expenditure on which is recoverable only by continued use of the asset created. Examples of infrastructure assets are highways and footpaths.

Intangible assets

Intangible assets are non-financial long-term assets that do not have physical substance but are identifiable and are controlled by the Authority through custody or legal rights.

International financial reporting standards (IFRS)

International Financial Reporting Standards (IFRS) are issued by the International Accounting

Standards Board. All local authorities apply international accounting regulations when preparing accounts. The Authority's accounts follow these standards where they apply to local authorities.

Investment properties

Assets that the Authority owns but which are not used in the direct delivery of services.

Liability

An obligation to transfer economic benefits. Current liabilities are usually payable within one year.

Market price

This is the price at which another organisation is prepared to buy or sell an asset.

Minimum revenue provision (mrp)

The minimum sum charged to the Authority's revenue account each year to provide for the repayment of loans.

Net book value

The amount at which long term assets are included in the Balance Sheet, i.e. their historical costs or current value less the cumulative amounts provided for depreciation.

Non-distributed costs

These are specific overheads relating to unused assets and certain pension costs for employees' service in previous years. These are not allocated to service departments because they do not relate to the in-year cost of providing the service.

Operating lease

A lease whereby the ownership of the asset remains with the leasing company and an annual rent is charged to the relevant service. The assets involved are not included within the Authority's long-term assets in the balance sheet (see also: finance lease).

Outturn

The actual amount spent in the financial year.

Pension fund

A fund which makes pension payments on retirement of its participants.

Provision

An amount set aside to provide for a liability, which is likely to be incurred, but where the exact amount and the date on which it will arise are uncertain.

Reserves

An amount set aside for a specific purpose in one financial year and carried forward to meet expenditure in future years.

Revenue income and expenditure

Expenditure which relates to day-to-day expenses, such as salaries and wages, general

running expenses and the minimum revenue provision. Revenue income includes charges made for goods and services.

Surplus

Arises when income exceeds expenditure or when expenditure is less than available budget.

Value added tax (vat)

A tax on consumer expenditure, collected on business transactions at each stage in the supply, but ultimately borne by the final customer.

Variance / variation

A difference between budgeted income or expenditure and actual outturn, also referred to as an 'over-' or 'underspend'.