GUIDANCE ON

ASSET

DECOMMISSIONING

OBLIGATIONS

SEPTEMBER 2014

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The Scottish Government

LASAAC [The Local Authority (Scotland) Accounts Advisory Committee] is constituted of volunteer members representing the four funding bodies: CIPFA, ICAS, Audit Scotland and the Scottish Government. LASAAC is primarily concerned with the development and promotion of proper accounting practice for Scottish local government. A key task in achieving this is LASAAC's representation on CIPFA-LASAAC which produces the UK-wide 'Code of Practice on Local Authority Accounting in the United Kingdom'.

Further information about LASAAC can be obtained at http://www.cipfascotland.org.uk/technical/lasaac.cfm

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LASAAC Guidance on Asset Decommissioning Obligations: Background

1. This paper provides guidance for Scottish local government on accounting for asset decommissioning obligations. The guidance is considered necessary to clarify the accounting required to comply with the Code of Practice on Local Authority Accounting in the UK (the Accounting Code) and the requirements of the Scottish legislative framework for borrowing for capital expenditure.

2. This guidance does not seek to replace or replicate the requirements of the Accounting Code, IAS 16[1] (Property, Plant & Equipment) or IFRIC 1[2] (Changes in Existing Decommissioning, Restoration and Similar Liabilities). Reference to the accounting requirements contained in these reference sources will be required.

LASAAC Guidance

3. The local government accounting treatment of asset decommissioning obligations is a developing area in the United Kingdom. CIPFA's Local Authority Accounting Panel (LAAP) plans to undertake a review of this area, in conjunction with stakeholders, which may result in future LAAP guidance.

4. This guidance is based on LASAAC's interpretation of current proper accounting practices. LASAAC will consider the status of this guidance should LAAP issue Guidance in the future.

5. In producing this guidance LASAAC also considered the funding requirements arising from proper accounting practices.

6. Recognising the financial impact of applying proper accounting practices LASAAC sought statutory mitigation from Scottish Ministers. Scottish Ministers agreed to provide mitigation as a transitional arrangement. This guidance therefore has three sections –
   - Proper accounting practice
   - Statutory funding the capital expenditure i.e. the decommissioning obligation
   - Statutory mitigation and guidance

Implementation – Dialogue Between Authorities and External Auditors

7. It is recommended that authorities and external auditors engage in early discussions regarding critical judgements, the specific circumstances of the authority and the evidence utilised in assessing the impact of application.

PROPER ACCOUNTING PRACTICE

8. The Local Government in Scotland Act 2003[3] places a duty on local authorities to observe proper accounting practice. This includes, in order of priority, legislative requirements, legislative guidance and recognised local government accounting codes of practice. There is no legislative requirement, nor legislative guidance so proper accounting practice will be the Accounting Code.

9. 'Asset decommissioning obligations' is not a term used in the Accounting Code. In this guidance the term refers to "the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located" (Accounting Code para 4.1.2.22 bullet 3).

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[1] IAS 16 is available free of charge upon registration at: http://www.ifrs.org/IFRSs/Pages/IAS.aspx

[2] IFRIC 1 is available free of charge upon registration at: http://www.ifrs.org/IFRSs/Pages/IAS.aspx

[3] Section 12 – see http://www.legislation.gov.uk/asp/2003/1

10. The guidance is applicable to all relevant asset decommissioning obligations. Whilst LASAAC considered the matter in relation to landfill sites, where such obligations arise, the accounting will also apply to other assets e.g. quarries, wind turbines, waste treatment facilities, leased properties etc.

11. This guidance is to clarify the accounting requirements in the following aspects:

    1. Including decommissioning costs in the cost of an asset (capital expenditure)
    2. Pattern of decommissioning obligations
    3. Depreciation
    4. Valuation
    5. Unwinding of the discount
    6. Componentisation
    7. Increases and Decreases in Asset Decommissioning Obligations (IFRIC 1)
    8. Requirement to Revalue All Assets in the Class (IFRIC 1)

Including decommissioning costs in the cost of an asset (capital expenditure)

12. The Accounting Code 4.1.2.22 specifies that the cost of an asset includes "the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located".

13. IAS 16 paragraph 18 states "The obligations for costs accounted for in accordance with IAS 2 or IAS 16 are recognised and measured in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets.". Therefore decommissioning costs, such as dismantling and reinstatement, should be recognised in an asset's costs when, at a minimum[4], the criteria for a provision are met. The criteria are stated in the Accounting Code (8.2.2.12) and are summarised here as:

    - A present obligation exists as a result of a past event
    - An outflow of economic benefits or service potential is probable as settlement
    - A reliable estimate can be made

14. Reference to IAS 37[5] paragraph 19 is also recommended. Where the criteria are not met other disclosures (e.g. a contingent liability) may be required.

15. For asset decommissioning obligations the IAS 37 criteria for a provision may be met at a later date than when the original asset is recognised. Depending on the type of asset the recognition point may be part way through the overall asset's expected useful life.

16. IAS 37 requires that, in the event that the time value of money is significant, the amount of a provision should be the present value of the expected expenditure necessary to discharge the obligation. Where the IAS 37 criteria are all met, the present value estimate for the provision is capital expenditure. (Dr Asset Cr Provision).

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[4] This guidance assumes that a provision will be most commonly recognised, however where there is more certainty over the timing and amount of an obligation a creditor may be recognised. The accounting treatment is similar although: (a) a capital creditor should be regarded as an 'underlying liability' in the calculation of the Capital Financing Requirement, and (b) there will presumably be less volatility and movement in the recognised decommissioning obligations.

[5] IAS 37 is available free of charge upon registration at: http://www.ifrs.org/IFRSs/Pages/IAS.aspx, but this does not include the Appendices

Pattern of Decommissioning Obligations

17. Where a provision is required a key initial task is to ascertain the pattern of the restoration or decommissioning obligations. In particular clarity is required as to:

    - The event(s) that actually trigger(s) the obligation for future restoration / decommissioning costs (e.g. the need for future cash flows to be incurred).
    - The estimated present value of the obligation for each trigger event.

18. IAS 37 (Provisions, Contingent Liabilities and Contingent Assets) Appendix C illustrates the necessity of this in relation to oil rig decommissioning costs. The example is summarised below

The example notes that 90% of the costs of decommissioning relate to removing the rig and restoring the site. The further 10% arises from damage caused by the extraction of the oil. At the balance sheet date the rig has been constructed but no oil has been extracted.

The example states that a provision should be made for the 90% of the costs because:

- A legal obligation exists (licence conditions, probable to arise)
- Obligating event is rig installation
- Costs incurred do not relate to future operations
- Obligation will result in outflow of economic benefits
- Difficult area is whether a reasonable estimate can be made (reasonable estimates are generally expected to be possible)

No provision is required for the 10% since no oil has been extracted. These costs will be accrued as the damage is caused.

19. In relation to assets such as landfill sites and quarries aspects for consideration may include:

    - The extent of restoration/ decommissioning costs incurred when the site is initially developed
    - The extent of further (additional) restoration costs that may arise as the site is utilised (e.g. in a 'multi-cell' site the restoration costs incurred when each new cell is 'opened')

20. It should be noted that some commentaries on IFRIC 1 draw attention to the uncertainties inherent in estimating future cash flows, especially in the longer term. Additionally the Accounting Code (8.2.2.15) states "The amount recognised as a provision should be the best estimate of the expenditure required to settle the present obligation at the reporting date." The potential for technological advancement, regulatory change, discount factor changes, or other factors to affect the expected costs, either increasing or decreasing the provision required, is highlighted.

21. There may therefore be a certain level of volatility in the provision required, and the potential for amendment of the asset historic cost at each year end.

Depreciation

22. Land is often exempted from depreciation as it is normally regarded as having an indefinite useful life. The Accounting Code 4.1.2.37 however notes that this exemption does not apply to "land subject to depletion, ie quarries and landfill sites".

23. It is however important that the residual value used to determine the depreciation charge should be based on the value of the asset assuming that the work represented

by the provision has been undertaken. Failure to do so would effectively 'double charge' the CIES for the cost of the decommissioning work over the useful life of the landfill site (albeit a gain on disposal could be anticipated to arise if the asset is realised at the end of operations).

24. The residual value should be stated as at the balance sheet date.

Valuation

25. Where classified as 'other land and buildings' assets should be carried at 'fair value' (Accounting Code 4.1.2.29) which is defined (4.1.2.9) as "the amount that would be paid for the asset in its existing use". This will normally be assessed according to RICS valuation standards. In some cases Depreciated Replacement Cost (DRC) may be used.

26. The IFRIC 1 'Illustrative Examples' (paragraph IE7) notes the following valuation points:

    - Any valuation should be the 'gross' value, not reduced for the extent of any provision or liability recognised on the balance sheet. Valuation on a 'net' basis (e.g. assuming that a buyer would adopt the liability to restore the site) would be incorrect as the liability is separately recorded on the balance sheet and this would result in the liability being double counted.

    - Equally if DRC is used to determine the valuation the estimate should include the costs of restoration covered by the provision since these are, within net assets, compensated for by the provision recognised on the balance sheet.

Unwinding of the Discount

27. The Accounting Code 8.2.2.16, reflecting IAS 37, requires that, where the effect is material, the amount of the provision should be the present value of the expected expenditures necessary to discharge the obligation. Accounting for changes in provisions is outlined in IFRIC1. The increase in the provision that reflects the passage of time (known as the unwinding of the discount) is required to be recognised as a financing cost (interest charge) in the Surplus or Deficit on the Provision of Services. IFRIC 1 paragraph 8 specifies that capitalisation of this interest element is not permitted.

28. Determining whether the time value of money is material may be particularly relevant for landfill restoration or decommissioning costs where the cash flow settlement may be many years into the future.

29. Additionally annual changes in the appropriate discount rate could potentially add volatility to the estimated decommissioning obligation[6]. Consideration should be given as to the appropriate discount factor to be used, which could normally be expected to relate to the expected term of the provision or liability. Additionally the significance of any consequential change in the estimated liability should be assessed.

Componentisation

30. Authorities may consider separate identification of any 'decommissioning' (e.g. restoration or reinstatement) element in their asset register. This would presumably assist in the application of potential changes in the estimate of decommissioning costs.

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[6] See IFRIC 1 para 3 (b) and para 4 - changes in the anticipated underlying cash flows or the discount rate may affect the estimated obligation and historic cost of the asset

31. In doing so however it should be noted that the requirements of IFRIC 1 are considered to relate to the totality of the whole asset, not just the decommissioning element. This therefore requires that to apply IFRIC 1 the asset register balances, such as accumulated depreciation, for the whole (combined) asset would need to be used in determining the appropriate accounting treatment.

32. This need not necessarily preclude the componentisation of an asset (e.g. a landfill site with each 'cell' treated as a component) where decommissioning obligations can be specifically identified to each cell.

Increases and Decreases in Asset Decommissioning Obligations (IFRIC 1)

33. The wording of IFRIC 1 paragraph 6 (a) (ii) may be open to different interpretations regarding increases in asset decommissioning obligations. For the avoidance of doubt LASAAC considers that, in applying paragraph 6 (a) (ii) it is appropriate for authorities to treat an increase in the cost of decommissioning (an increase in the provision) as follows:

    - In the first instance to reduce the balance on the Revaluation Reserve to the extent of any credit balance existing for the asset, with this change reflected in Other Comprehensive Income & Expenditure

    - Where there is no remaining balance on the Revaluation Reserve the increase in the liability should be treated as per IFRIC 1 paragraph 5 (a) and 5 (c) i.e. treat the increase as capital expenditure and immediately undertake an impairment review.

34. A change in the discount rate used to calculate the present rate of the obligation may result in an increase or decrease in the asset decommissioning obligation[7].

Requirement to Revalue All Assets in the Class (IFRIC 1)

35. IFRIC 1 paragraph 6(c) states:

    "a change in the liability is an indication that the asset may have to be revalued"……"If a revaluation is necessary, all assets of that class shall be revalued."

36. LASAAC notes that a literal interpretation of this requirement could affect a wide variety of unrelated and dissimilar assets. LASAAC therefore considers that professional judgement should be applied in identifying those assets which are sufficiently similar in nature (or other factors affecting valuation) as to warrant simultaneous revaluation.

STATUTORY FUNDING OF CAPITAL EXPENDITURE

Funding the Asset Decommissioning Obligation

37. The present value of the provision made for the decommissioning obligation is capital expenditure. All capital expenditure must be funded on recognition. The normal capital funding resources may be applied. This includes:

    - Capital grants from Government
    - Application of capital receipts
    - Contribution From Current Revenue (CFCR)

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[7] See IFRIC 1 paragraph 4

- Loans Fund Advance

38. Reference should be made to the relevant statutory requirements in force at the date of application.

39. Where the capital expenditure (provision) is funded from borrowing i.e. a loans fund advance is made, the repayment of that advance will be over the period of the useful life of the asset. The unwinding of the discount will increase the provision each year, and both the interest charge and the statutory repayment of debt will be will be a charge to the General Fund each year. These costs will be incurred prior to the actual payments being made to settle the asset decommissioning obligation.

40. It is for authorities to manage their cash position to ensure that cash is available to settle the asset decommissioning obligation when it arises. It is considered that authorities will have the capacity to achieve this cash management within the flexibilities of the existing regulatory framework. Based on this approach the settlement of the obligation at the end of the asset life will be a balance sheet movement (Dr Obligation Cr Cash).

41. A simplified example is provided below to demonstrate the capital expenditure funding. The example is based on asset decommissioning costs of £125,000, discounted to a present value of £100,000 with a loans fund advance for the present value repayable over 5 years on an equal instalments basis.

Yr	**Closing Loans Fund Advance**	**Statutory Repayment of Debt**	**Unwinding of the discount**	**Total charge to General Fund**	**Provision**
0	100	0	0	0	100
1	80	20	5	25	105
2	60	20	5	25	110
3	40	20	5	25	115
4	20	20	5	25	120
5	0	20	5	25	125
		100	**25**	**125**	**125**

Increases and Decreases in Asset Decommissioning Obligations (IFRIC 1)

42. Increases which affect the historic cost of the asset are treated as capital expenditure. The funding of that expenditure should be reflected by either a Loans Fund Advance (an increase or a new advance) or by applying other capital funding sources.

43. Decreases in the provision that are credited to the CIES (SDPS)[8] should be reflected by crediting, through the Movement in Reserves Statement where appropriate, the initial Loans Fund Advance or the original capital funding source.

Prudential Code - Capital Financing Requirement (CFR)

44. An increase in the cost of an asset increases an authority's CFR. The recognition of the present value of the decommissioning obligation (capital expenditure) in the cost of the asset will therefore increase an authority's CFR.

[8] See IFRIC 1 "Changes in Existing Decommissioning, Restoration and Similar Liabilities" paragraph 6 (a) (i) where 'recognised in profit or loss' should for local government be interpreted as 'recognised in the Surplus or Deficit on the Provision of Services'.

45. If the capital expenditure is funded from resources other than borrowing the application of this resource will decrease the CFR i.e. the recognition of the provision will be neutral – an increase in CFR matched by a decrease.

46. If the capital expenditure is funded from borrowing (loan fund advance) the CFR increases and this represents the authorities' underlying need to borrow. LASAAC recognises that for asset decommissioning provisions there is no underlying cash requirement until the obligation is settled i.e. the expenditure is incurred. By this time the CFR will have decreased as the loan fund repayment will have been fully repaid. This means that when the provision is recognised, whilst there is a recognised underlying need to borrow, there is no actual need to borrow externally from the PWLB or other lender as there is no cash flow requirement. When the obligation is settled, there is potentially a need to borrow externally but no CFR cover for that borrowing as the loan fund advance will have been fully repaid. This scenario is not specifically addressed in the Prudential Code, as under normal circumstances the capital expenditure is matched by the cash flow of that transaction. However, LASAAC considers that the prudential regime provides sufficient flexibility to allow a local authority to manage this position.

47. In accordance with the Prudential Code (Paragraph 93) the 'underlying liability' i.e. the provision created should be excluded from the Capital Financing Requirement (CFR).

STATUTORY MITIGATION AND GUIDANCE

48. Applying this guidance will require a local authority to immediately recognise (as capital expenditure) any future decommissioning obligations (discounted to present value) that meet the specified criteria. Previously unrecognised increases in the provision due to the unwinding of the discount will be an immediate charge to the General Fund.

49. LASAAC recognised that the application of proper accounting practices as set out in this guidance may have an immediate funding impact for local authorities. LASAAC therefore requested Scottish Ministers to provide statutory mitigation. LASAAC requested that, for existing assets with decommissioning obligations, local authorities may (i) spread the repayment of borrowing (loan fund advance) beyond the life of the asset; and (ii) to be able to capitalise the increase in the provision that is due to the unwinding of the discount. Scottish Ministers have agreed to provide mitigation, which is not limited to landfill sites but extends to all assets with decommissioning obligations to be recognised.

50. The Scottish Government guidance and mitigation is set out in Annex A.

Annex A

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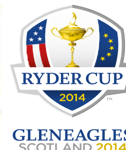

Directors of Finance of Scottish Local Authorities
Audit Scotland

Our ref: A9164061
1 September 2014

Dear Director of Finance,

ASSET DECOMMISSIONING OBLIGATIONS – STATUTORY FRAMEWORK

Introduction

The Local Authority (Scotland) Accounts Advisory Committee (LASAAC) has just issued guidance on proper accounting practice for the recognition of asset decommissioning obligations. Scottish local authorities are required to follow this guidance, this being recognised accounting guidance under section 12 of the Local Government in Scotland Act 2003.

The LASAAC guidance, in accordance with the Code of Practice on Local Authority Accounting in the UK (the Accounting Code) requires a Scottish local authority to make a provision to recognise a decommissioning liability if certain criteria are met. The provision requires to be capitalised in accordance with proper accounting practice. These decommissioning liabilities and the related capitalised costs are measured at the best estimate of the costs required to settle the decommissioning obligation. Where the time value of money is significant, the amount of the provision should be the present value of the expected expenditure necessary to discharge the obligation.

The decommissioning asset is depleted (depreciated) in the same way as other assets. This means that the cost of decommissioning is charged to the Comprehensive Income and Expenditure Statement (CIES) over the life of the asset, rather than in a lump sum at the end of the asset life.

If the decommissioning provision has been discounted the provision is increased over time as the discount is unwound. This is also charged to the CIES.

The result of these transactions is that at the end of the asset life the provision reflects the full decommissioning cost, and, these costs will have been charged to CIES.

Under statutory arrangements the depreciation charge to Surplus or Deficit on the Provision of Services is not a proper charge to the General Fund. Such amounts are transferred to the Capital Adjustment Account and reported in the Movement in Reserves Statement.

The result of this statutory adjustment means the cost of decommissioning obligations will not have been charged to the General Fund over the life of the asset. Whilst any unwinding of the

discount will have been charged to the General Fund over the life of the asset the initial estimate and associated provision will remain unfunded.

Statutory arrangements require funding to be identified for all capital expenditure on recognition. This therefore extends to the capitalised costs recognised for the decommissioning obligation. This means that when decommissioning obligations are recognised and a provision is made in the accounts funding requires to be identified for the capital expenditure (the decommissioning cost recognised in the cost of the asset) in full.

As this is capital expenditure the normal capital funding sources may be applied, including an advance from the loans fund (borrowing). Any advance from the loans fund is repaid by a charge to the General Fund, being the statutory repayment of debt, over the life of the asset. The unwinding of the discount to increase the provision may not be capitalised but is a revenue cost to the General Fund as the cost arises. The funding of the capital expenditure relating to the decommissioning obligation, together with the charge to the General Fund for any increase in the provision, will result in a fully funded provision available to meet the actual costs of decommissioning when they are incurred. When the actual costs are incurred the expenditure is not capital expenditure and statutory funding is therefore not required, or only to the extent that the provision is insufficient to meet the actual costs of decommissioning.

This statutory treatment for decommissioning obligations for local authorities will place them in the same position as private companies – the costs of decommissioning will have been fully funded during the life of the asset.

LASAAC recognised that retrospective restatement arising from the application of proper accounting practices will have an immediate funding impact for local authorities as they are required to fully fund the new capital expenditure and any unwinding of the discount. LASAAC therefore asked the Scottish Government for statutory mitigation. Scottish Ministers have agreed to this request and the statutory guidance and transitional arrangements are set out below.

STATUTORY GUIDANCE

Assets with decommissioning obligations

1. Statutory funding must be identified for all capital expenditure on recognition. For decommissioning obligations the recognition point is when the decommissioning cost is recognised in the cost of the asset and this cost is required to be capitalised in accordance with proper accounting practices.

2. Statutory funding of the capitalised decommissioning obligation can be met from all normal capital funding sources such as capital grant, capital receipts, revenue contribution, loan fund advance (borrowing) etc.

3. Where the statutory funding is to be met from borrowing prudential principles apply. The capital expenditure will increase a local authority's Capital Financing Requirement (CFR). This increase in CFR will be funded by an advance from the loans fund. The CFR represents an underlying need to borrow externally, not a requirement to borrow externally. External borrowing should be in accordance with treasury management principles.

4. Paragraph 31 of Schedule 3 of The Local Government (Scotland) Act 1975 sets the fixed period for the repayment of a loans fund advance as not exceeding 30 years from the date of the advance or any other period that Scottish Ministers may determine. Finance Circular 29/1975 replaces the 30 years and sets out various maximum periods to apply for different types of asset. For loan fund advances made for capital expenditure related to decommissioning obligations the maximum fixed period for the repayment of the advance is

now formally set by Scottish Ministers as the remaining useful life of the asset (i.e. the future period of service provided by the asset).

Transitional arrangements

5. Statutory funding (capital resource) must be identified for all capital expenditure arising from restatements to recognise existing decommissioning obligations. Where the statutory funding identified is a Loans Fund advance statutory mitigation is available for the repayment period (fixed period).

Statutory funding by Loans Fund advance – fixed period

6. Proper accounting practice, as set out in the Accounting Code / LASAAC Guidance, may require a local authority to restate their accounts for existing assets with a decommissioning obligation. This restatement may give rise to an immediate financial impact where the asset is partway through its useful life. For restatements made in response to the LASAAC guidance / the Accounting Code the fixed period for the restated asset may extend beyond the remaining useful life of the asset.

7. The fixed period for these restated assets is still over the useful life of the asset but that period now commences from the date of restatement. For example if the useful life has been identified as 10 years and the asset value is restated in 2013-14 in year 5 of the asset life, the maximum fixed period is 10 years from 2013-14.

8. In response to the LASAAC guidance a local authority may identify a future decommissioning obligation which has not yet been triggered. If the future decommissioning obligation will require recognition in the next 5 years (commencing 1 April 2013) the fixed period for a loans fund advance made during this 5 year period may extend beyond the remaining useful life of the asset. Paragraph 7 applies to determine the fixed period.

9. Any loan fund advance made to fund an increase in the decommissioning obligation during the same 5 year period (this increase must be capable of capitalisation in accordance with proper accounting practices) may be repaid in the same fixed period as determined for that asset when paragraph 7 was applied.

10. From 1 April 2018, i.e. after the 5 year period (1 April 2013 to 31 March 2018) all decommissioning costs which are capitalised in accordance with proper accounting practice, whether these are new or increased costs, which are funded from borrowing (a loans fund advance) have a maximum fixed period for repayment equal to the remaining useful life of the asset. Paragraph 7 ceases to apply from 1 April 2018.

11. The fixed period set out above only applies to new capital expenditure recognised for assets with decommissioning obligations. Any loan fund advance made to fund capital expenditure on these assets prior to 1 April 2013 is unaffected i.e. the repayment profile of the original advance will not change.

Unwinding of the discount

12. On retrospective restatement, a revenue charge to the General Fund may need to be made to recognise that part of a provision that relates to the unwinding of any discount that has been applied. As this is not capital expenditure if cannot be funded from borrowing or other capital sources and will therefore have an immediate financial impact for a local authority. Scottish Ministers have therefore agreed, as a transition arrangement, that a local authority may treat this cost as capital expenditure.

13. Scottish Ministers issue this part of the guidance using powers contained in section 12 of the Local Government in Scotland Act 2003 (proper accounting practices). On the restatement of an asset a local authority may, if it chooses, capitalise that part of the

provision which relates to the unwinding of any discount applied. If a local authority chooses to borrow to fund this cost the fixed period for the repayment of the associated loan fund advance is to be determined in accordance with paragraph 6 above.

14. Only this initial cost on restatement may be capitalised. After restatement all future costs arising from the unwinding of the discount must be treated as revenue expenditure and charged to the General Fund.

15. The issue of this statutory guidance under section 12 of the Local Government in Scotland Act 2003 to vary proper accounting practices to allow the revenue cost arising from the restatement for decommissioning obligations to be capital expenditure applies only for the period 1 April 2013 to 31 March 2015.

If you have any questions please do not hesitate to contact me.

Yours faithfully

Hazel Black
Head of Local Authority Accounting