

APPENDIX A

Draft (Unaudited)

Core Financial

Statements

Year Ending 31 March 2022

CORE FINANCIAL STATEMENTS

Comprehensive Income and Expenditure Statement

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices. This is not the amount to be funded from taxation, since authorities raise taxation to cover expenditure in accordance with regulations. The taxation position is shown in the Movement in Reserves Statement.

2020/21				Note	2021/22		
Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000			Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000
546	(511)	35	Commercial & Property		5,922	(1,536)	4,386
2,848	(619)	2,229	Communities		3,739	(1,299)	2,440
25,130	(18,626)	6,504	Customer & Digital		25,949	(18,041)	7,908
3,225	(1,284)	1,941	Governance		3,596	(1,627)	1,969
4,214	(3,731)	483	Planning & Development		5,366	(5,251)	115
2,585	(4,379)	(1,794)	Policy		2,919	(740)	2,179
2,498	(41)	2,457	Budgets Not in Directorates		2,641	(2,670)	(29)
41,046	(29,191)	11,855	Cost of Services		50,132	(31,164)	18,968
440	(27)	413	Other operating expenditure	12	478	(185)	293
2,822	(3,137)	(315)	Financing and investment income and expenditure	13	2,353	(3,265)	(912)
10,871	(25,150)	(14,279)	Taxation and non-specific grant income	14	10,977	(31,821)	(20,844)
55,179	(57,505)	(2,326)	(Surplus) / deficit on provision of services		63,940	(66,435)	(2,495)
		(521)	(Surplus) / deficit on revaluation of Property, Plant and Equipment assets				39
		8,346	Re-measurement of the net defined benefit liability	37d			(12,507)
		7,825	Other Comprehensive (Income) and Expenditure				(12,468)
		5,499	Total Comprehensive (Income) and Expenditure				(14,963)

Movement in Reserves Statement

This statement shows the movements in the year on the different reserves held by the council, analysed between those that are “usable” (available to fund expenditure or reduce local taxation), and other reserves.

The line “(Surplus)/deficit on provision of services” shows the true economic cost of providing the authority’s services, as detailed in the Comprehensive Income and Expenditure Statement. For the purposes of council tax setting however, a series of statutory adjustments are then made. These adjustments are shown in total below, and are also detailed in Note 10.

	General Fund £'000	Capital Receipts Reserve £'000	Capital Grants Unapplied £'000	Total Usable Reserves £'000	Unusable Reserves £'000	Total Reserves £'000
Balance at 31 March 2020	(20,813)	0	(10,269)	(31,082)	(6,714)	(37,796)
<u>Movements in 2020/21</u>						
Total Comprehensive Income & Expenditure	(2,326)	0	0	(2,326)	7,825	5,499
Adjustments between accounting basis & funding basis (note 10)	(3,774)	0	1,986	(1,788)	1,788	0
(Increase) / Decrease in year	(6,100)	0	1,986	(4,114)	9,613	5,499
Balance at 31 March 2021	(26,913)	0	(8,283)	(35,196)	2,899	(32,297)
<u>Movements in 2021/22</u>						
Total Comprehensive Income & Expenditure	(2,495)	0	0	(2,495)	(12,468)	(14,963)
Adjustments between accounting basis & funding basis (note 10)	4,987	0	(2,350)	2,637	(2,637)	0
(Increase) / Decrease in year	2,492	0	(2,350)	142	(15,105)	(14,963)
Balance at 31 March 2022	(24,421)	0	(10,633)	(35,054)	(12,206)	(47,260)

Balance Sheet

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices. This is not the amount to be funded from taxation, since authorities raise taxation to cover expenditure in accordance with regulations. The taxation position is shown in the Movement in Reserves Statement.

31 March 2021 £'000		Notes	31 March 2022 £'000
33,868	Property, Plant & Equipment	15	37,366
10,144	Investment Property	16	11,159
163	Intangible Assets	17	112
39	Long Term Debtors	18	186
44,214	Long Term Assets		48,823
29,017	Short Term Investments	18	34,026
111	Inventories	19	114
10,462	Short Term Debtors	20	6,631
15,148	Cash and Cash Equivalents	21	21,272
54,738	Current Assets		62,043
(25,291)	Short Term Creditors	22	(31,307)
(2,081)	Provisions	23	(2,351)
(27,372)	Current Liabilities		(33,658)
(152)	Long Term Creditors	18	(152)
(37,289)	Net Pension Liability	37	(28,718)
(1,842)	Grant Receipts in Advance - Capital	33	(1,078)
(39,283)	Long Term Liabilities		(29,948)
32,297	Net Assets		47,260
(35,196)	Usable Reserves	24 & MiRS	(35,054)
2,899	Unusable Reserves	25	(12,206)
(32,297)	Total Reserves		(47,260)

The unaudited accounts were authorised for issue on XX July 2022.

Louise Mattinson
Director of Finance
XX July 2022

Cash Flow Statement

This shows the changes in cash and cash equivalents during the reporting period. It shows how cash and cash equivalents are generated and used by classifying cash flows into operating, investment and financing activities.

2020/21 £'000		Note	2021/22 £'000
2,326	Net surplus or (deficit) on the provision of services (CIES page 43)		2,495
13,665	Adjustments to net surplus or deficit on the provision of services for non-cash movements	26a	11,339
(134)	Adjustment for items included in the net surplus or deficit on the provision of services that are investing or financing activities	26b	(5,969)
15,857	Net cash flows from Operating Activities	26	7,865
5,384	Investing Activities	27	(5,262)
(18,141)	Financing Activities	28	3,521
3,100	Net (increase) or decrease in cash and cash equivalents		6,124
12,048	Cash and cash equivalents at the beginning of the reporting period		15,148
15,148	Cash and cash equivalents at the end of the reporting period	21	21,272

Notes to the Main Financial Statements

1. Expenditure and Funding Analysis

The Expenditure and Funding Analysis Note, which is a note to the core financial statements, shows how annual expenditure is used and funded from resources (government grants, rents, council tax and business rates) by local authorities in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the Council's directorates.

Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement (CIES). More information on the adjustments between expenditure charged to the General Fund and the CIES is provided in Notes 8 and 10.

2020-21				2021-22		
Net Expenditure chargeable to the General Fund Balance £'000	Adjustments between the Funding and Accounting Basis (note 8 and 10) £'000	Net Expenditure in the CIES £'000		Net Expenditure chargeable to the General Fund Balance £'000	Adjustments between the Funding and Accounting Basis (note 8 and 10) £'000	Net Expenditure in the CIES £'000
(35)	70	35	Commercial & Property	1,576	2,810	4,386
3,357	(1,128)	2,229	Communities	1,401	1,039	2,440
5,347	1,157	6,504	Customer & Digital	5,795	2,113	7,908
1,806	135	1,941	Governance	1,696	273	1,969
301	182	483	Planning & Development	(37)	152	115
(2,172)	378	(1,794)	Policy	2,211	(32)	2,179
2,401	56	2,457	Budgets Not in Directorates	(571)	542	(29)
11,005	850	11,855	Net cost of Service	12,071	6,897	18,968
(17,105)	2,924	(14,181)	Other Income and Expenditure	(9,579)	(11,884)	(21,463)
(6,100)	3,774	(2,326)	(Surplus) / Deficit in year	2,492	(4,987)	(2,495)
(20,813)			Opening General Fund Balance at 1 April	(26,913)		
(6,100)			Add (Surplus) / Less Deficit on General Fund Balance in Year	2,492		
(26,913)			Closing General Fund Balance at 31 March	(24,421)		

8. Note to the Expenditure and Funding Analysis

The Expenditure and Funding Analysis, which forms Note 1 to the Accounts, can be found on page xx.

2021/22	Adjustments for Capital Purposes (Note A)	Net change for the Pensions Adjustments (Note B)	Other Statutory Adjustments (Note C)	Total Statutory Adjustments	Non-Statutory Adjustments (Note D)	Total Adjustments
	£'000	£'000	£'000	£'000	£'000	£'000
Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts						
Commercial & Property	1,972	146	7	2,125	685	2,810
Communities	812	220	7	1,039	0	1,039
Customer & Digital	1,541	470	(17)	1,994	119	2,113
Governance	19	272	(18)	273	0	273
Planning & Development	0	150	2	152	0	152
Policy	16	100	3	119	(151)	(32)
Budgets Not In Directorates	2	539	1	542	0	542
Net Cost of Service	4,362	1,897	(15)	6,244	653	6,897
Other income and expenditure from the Expenditure and Funding Analysis	(10,203)	824	(1,852)	(11,231)	(653)	(11,884)
Difference between General Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services	(5,841)	2,721	(1,867)	(4,987)	0	(4,987)

2020/21 Comparative Figures						
Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts	Adjustments for Capital Purposes (Note A)	Net change for the Pensions Adjustments (Note B)	Other Statutory Adjustments (Note C)	Total Statutory Adjustments	Non-Statutory Adjustments (Note D)	Total Adjustments
	£'000	£'000	£'000	£'000	£'000	£'000
Commercial & Property	(1,277)	38	6	(1,233)	465	(768)
Communities	391	56	30	477	0	477
Customer & Digital	152	315	64	531	63	594
Governance	23	121	45	189	0	189
Planning & Development	0	73	20	93	0	93
Policy	18	40	0	58	(119)	(61)
Budgets Not In Directorates	2	311	13	326	0	326
Net Cost of Service	(691)	954	178	441	409	850
Other income and expenditure from the Expenditure and Funding Analysis	(3,014)	628	5,719	3,333	(409)	2,924
Difference between General Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services	(3,705)	1,582	5,897	3,774	0	3,774

10 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 council in the year in accordance with proper accounting practice to arrive at the resources that are specified by the statutory provisions as being available to the council to meet future capital and revenue expenditure. The following sets out a description of the reserves that the adjustments are made against.

General Fund Balance

The General Fund is the statutory fund into which all the receipts of the council are required to be paid and out of which all liabilities of the council are to be met, except to the extent that statutory rules might provide otherwise. These rules can also specify the financial year in which liabilities and payments should impact on the General Fund Balance, which is not necessarily in accordance with proper accounting practice. The General Fund Balance therefore summarises the resources that the council is statutorily empowered to spend on its services or on capital investment (or the deficit of resources that the council is required to recover) at the end of the financial year and includes Earmarked Reserves (see Note 0).

Capital Receipts Reserve

The Capital Receipts Reserve holds the proceeds from the disposal of land or other assets, which are restricted by statute from being used other than to fund new capital expenditure or to be set aside to finance historical capital expenditure. The balance on the reserve shows the resources that have yet to be applied for these purposes at the year-end.

Capital Grants Unapplied

The Capital Grants Unapplied Reserve holds the grants and contributions received towards capital projects for which the council has met the conditions that would otherwise require repayment of the monies but which have yet to be applied to meet expenditure. The balance is restricted by grant terms as to the capital expenditure against which it can be applied and/or the financial year in which this can take place.

2021/22	General Fund Balance £'000	Capital Receipts Reserve £'000	Capital Grants Unapplied £'000
<u>Adjustments to the Revenue Resources</u>			
Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements:			
Pensions costs (transferred to (or from) the Pensions Reserve) (note 25e)	2,720	0	0
Financial instruments (transferred to the Financial Instruments Adjustments Account) (note 25c)	0	0	0
Council tax and NDR (transfers to or from Collection Fund Adjustment Account) (note 25f)	(1,854)	0	0
Holiday pay (transferred to the Accumulated Absences Reserve) (note 25g)	(12)	0	0
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account) (note 25b)	1,509	0	0
Total Adjustments to Revenue Resources	2,363	0	0
<u>Adjustments between Revenue and Capital Resources</u>			
Transfer of non-current asset sale proceeds from revenue to the Capital Receipts Reserve (MiRS page 44)	(185)	185	0
Statutory provision for the repayment of debt (transfer from the Capital Adjustment Account) (note 25b)	(298)	0	0
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account) (note 25b)	(2,734)	0	0
Total Adjustments between Revenue and Capital Resources	(3,217)	185	0
<u>Adjustments to Capital Resources</u>			
Use of the Capital Receipts Reserve to finance capital expenditure (MiRS page 44)	0	(185)	0
Application of capital grants to finance capital expenditure (MiRS page 44)	(4,133)	0	2,351
Total Capital Resources	(4,133)	(185)	2,351
Total Adjustments	(4,987)	0	2,351

2020/21	General Fund Balance £'000	Capital Receipts Reserve £'000	Capital Grants Unapplied £'000
<u>Adjustments to the Revenue Resources</u>			
Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements:			
Pensions costs (transferred to (or from) the Pensions Reserve) (note 25e)	(1,582)	0	0
Financial instruments (transferred to the Financial Instruments Adjustments Account) (note 25c)	0	0	0
Council tax and NDR (transfers to or from Collection Fund Adjustment Account) (note 25f)	(5,718)	0	0
Holiday pay (transferred to the Accumulated Absences Reserve) (note 25g)	(179)	0	0
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account) (note 25b)	2,998	0	0
Total Adjustments to Revenue Resources	(4,481)	0	0
<u>Adjustments between Revenue and Capital Resources</u>			
Transfer of non-current asset sale proceeds from revenue to the Capital Receipts Reserve (MiRS page 44)	27	(27)	0
Statutory provision for the repayment of debt (transfer from the Capital Adjustment Account) (note 25b)	619	0	0
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account) (note 25b)	2,047	0	0
Total Adjustments between Revenue and Capital Resources	2,693	(27)	0
<u>Adjustments to Capital Resources</u>			
Use of the Capital Receipts Reserve to finance capital expenditure (MiRS page 44)	0	27	0
Application of capital grants to finance capital expenditure (MiRS page 44)	(1,986)	0	1,986
Total Capital Resources	(1,986)	27	1,986
Total Adjustments	(3,774)	0	1,986

11 Transfers to / from earmarked reserves

The movements in earmarked reserves during the year were as follows. The movements in the general reserve are also included, producing the overall total for general fund reserves that appears in the Movement in Reserves Statement on page xx.

	Balance 31 March 2020	Transfers In 2020/21	Transfers Out 2020/21	Balance 31 March 2021	Transfers In 2021/22	Transfers Out 2021/22	Balance 31 March 2022
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
My Neighbourhoods	(67)	(43)	1	(109)	(131)	109	(131)
Borough Council Elections	(160)	0	0	(160)	0	0	(160)
Housing Needs Survey	(100)	(20)	40	(80)	0	0	(80)
Local Development Framework	(255)	(100)	88	(267)	0	59	(208)
Performance Reward Grant	(27)	0	16	(11)	0	0	(11)
Organisation Restructure Costs	(200)	0	0	(200)	0	0	(200)
Borough Investment Account	(4,577)	0	172	(4,405)	0	938	(3,467)
Business Rates Retention	(3,309)	0	165	(3,144)	0	236	(2,908)
City Deal Reserve	(1,851)	0	0	(1,851)	0	0	(1,851)
Capital Funding Reserve	(3,514)	(45)	1,708	(1,851)	(20)	1,387	(484)
Repairs and Maintenance Fund	(500)	0	0	(500)	0	114	(386)
Transformation Fund	(415)	0	185	(230)	(661)	177	(714)
Apprenticeship Reserve	0	0	0	0	0	0	0
Climate Change	(250)	0	0	(250)	0	0	(250)
Credit Union	(150)	0	1	(149)	0	66	(83)
CIL Administration Fund	(248)	0	248	0	0	0	0
Section 106 Reserve	0	(242)	0	(242)	0	0	(242)
Asset Management	0	(400)	0	(400)	0	0	(400)
Business Grants Reserve	0	(150)	0	(150)	(71)	221	0
Community Wealth Building	0	(150)	0	(150)	0	0	(150)
Mental Health for Young People	0	(50)	0	(50)	0	6	(44)
Covid Recovery Fund	0	(675)	0	(675)	(392)	0	(1,067)
Covid Commitments	0	(654)	0	(654)	0	604	(50)
Income Equalisation	0	(150)	0	(150)	0	0	(150)
Leisure Reserve	0	(546)	0	(546)	0	17	(529)
Income Investment Reserve	0	(250)	0	(250)	0	0	(250)
Collection Fund Deficit Distribution Fund	0	(5,244)	0	(5,244)	(3,200)	4,295	(4,149)
Other Earmarked Reserves	(951)	(561)	222	(1,290)	(1,201)	175	(2,316)
Total Earmarked Reserves	(16,574)	(9,280)	2,846	(23,008)	(5,676)	8,404	(20,280)
General Reserve	(4,239)	(31)	129	(4,141)	0	0	(4,141)
Total General Fund Reserves	(20,813)	(9,311)	2,975	(27,149)	(5,676)	8,404	(24,421)

Below is a description of the purpose of each of the earmarked reserves identified above:

Earmarked Reserve	Reason / Use
Community Hubs	An accumulation of unspent core funding allocated to be spent in accordance with the local priorities determined by each of the Community Hub forums.
Elections Provision	An annual transfer from revenue is made to cover the four yearly Borough Elections. The next election is due to take place in May 2023.
Housing Needs Survey	Annual contribution made to fund the costs of carrying out detailed Housing Needs Surveys.
Local Development Framework	To fund one-off costs in relation to the production of planning policy documents in relation to the Local Development Framework.
Performance Reward Grant	External revenue funding held by the council on behalf of South Ribble Partnership set aside for spending on South Ribble Partnership projects in future years.
Organisation Restructure Costs	To be used to assist in funding the one-off costs of any service reviews designed to improve the efficiency of the council.
Borough Investment Account	To facilitate income generation schemes and create a diverse and self-sustaining income portfolio to enable the council to bridge potential funding gaps.
Business Rates Retention	To mitigate the potential risk to the council's medium-term financial strategy by providing funds to smooth out the inherent fluctuations that occur in the Business Rates Retention System.
City Deal	To be used to fund additional costs in relation to the delivery of City Deal projects and outcomes.
Capital Funding Reserve	This is to fund capital expenditure in line with the council's Corporate Plan priorities, as set out in the approved Capital Strategy and Medium-Term Financial Strategy.
Repairs and Maintenance Fund	The revenue budget includes an annual provision for the costs of repairs and maintenance of the council's property assets. The purpose of the reserve is to meet the costs of any major repairs and maintenance works which cannot be met from this base budget.
Transformation Fund	The purpose of the reserve was to provide funding for projects which will generate a payback into the council's revenue budget through sustainable income generation and/or recurring cost savings. The fund has been allocated to the IT Digital Strategy capital costs in the capital programme.
Apprenticeship Reserve	This relates to funding set aside to fund Apprenticeship costs. The reserve is no longer required because the staffing costs for apprenticeship posts have been built into the base budget. Therefore the reserve has been transferred back to the general reserve.
Climate Change	To facilitate spending on initiatives that will reduce the council or the borough's impact on climate change.
Credit Union	To support the creation of a Credit Union within the borough.
CIL Administration Fund	This reserve was created in 2019-20 using the proportion of Community Infrastructure Levy (CIL) which the council is entitled to

Earmarked Reserve	Reason / Use
	retain in respect of administration costs. The reserve was released in 2020-21 to reflect the funding of historic costs in administering CIL.
Asset Management	To fund potential future maintenance costs and part-fund future capital expenditure on short-life assets such as ICT and vehicles.
Business Grants Reserve	To deliver an extended programme of support for businesses beyond government grants to ensure that the council is doing as much as possible to help businesses get back on their feet.
Community Wealth Building	To implement a plan to retain wealth and grow the local economy through a progressive procurement framework and social value policies.
Mental Health for Young People	To support positive mental health for young people through officer resource to deliver a programme of early intervention activity.
Covid Recovery Fund	To support the borough's recovery from covid-19
Covid Commitments	To cover existing Covid-19 commitments which will only be incurred in 21/22.
Income Equalisation	To cover any potential temporary reliefs and losses on investment income over the recovery period from Covid-19.
Leisure Reserve	To fund one-off costs associated with bringing the leisure service in-house and then transferring it to a newly created trading company, and to offset expected deficits in the first year of operation.
Income Investment Reserve	To fund the costs of developing new income generation projects which may not be able to be capitalised.
Collection Fund Deficit Distribution Fund	In 2020-21, because of the Government support measures in respect of the Covid 19 pandemic, the balance of income relating the Business Rates, between actual rates income and government grants, shifted significantly towards grants. The result was a surplus of £5.107m in grant income, offset by a corresponding deficit on the Collection Fund. But whereas the surplus falls immediately into 2020-21, the impact of the Council's share of the deficit will not be felt until 2021-22 and later years. The surplus has therefore been set aside to meet this. There are also smaller deficits, in respect of both Council Tax and Business Rates, which have arisen from the more general effects of the pandemic. Further grants, totalling £136k, have been received to cover a part of these. (See also under Note 14.)
Other	This reserve comprises three elements: approved carry forwards of underspends that have not yet been allocated, surplus income relating to Sports Development service, and miscellaneous ring-fenced grant income specific to certain service areas.

26 Cash flow statement – operating activities

26a Adjust net surplus or deficit on the provision of services for non-cash movements

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

	2020/21 £'000	2021/22 £'000
Depreciation	1,155	3,000
Impairment and valuation changes	(2,789)	601
Amortisation	102	65
Increase / (decrease) in impairment for bad debts	490	911
(Increase) / decrease in debtors	(6,060)	510
Increase / (decrease) in creditors	19,894	3,369
(Increase) / decrease in inventories	(19)	(3)
Movement in pension liability	1,582	3,938
Carrying amount of non-current assets and non-current assets held for sale, sold or derecognised	113	0
Contributions (to) / from Provisions	(605)	270
Movement in investment property values	(198)	(1,322)
Net adjustment	13,665	11,339

26b Adjust for items included in the net surplus or deficit on the provision of services that are investing or financing activities

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

	2020/21 £'000	2021/22 £'000
Proceeds from the sale of property, plant and equipment, investment property and intangible assets	(27)	(185)
Capital Grants credited to surplus or deficit on the provision of services	(107)	(5,784)
Net adjustment	(134)	(5,969)

26c Interest received and interest paid

The cash flows for operating activities include the following items:

	2020/21 £'000	2021/22 £'000
Interest received	186	91
Interest paid	(121)	0
Net cash flow in / (out)	65	91

27 Cash Flow Statement – investing activities

The following items have been included within investing activities in the cash flow statement:

	2020/21 £'000	2021/22 £'000
Purchase of property, plant & equipment, investment property & intangible assets	(3,513)	(6,190)
Purchase of short and long term investments	(32,017)	(21,026)
Proceeds from the sale of property, plant and equipment, investment property and intangible assets	27	185
Proceeds from short and long term investments	41,071	16,017
Other receipts relating to investing activity (government grants)	(184)	5,752
Total cash flows from investing activities	5,384	(5,262)

28 Cash Flow Statement – financing activities

The following have been included within financing activities in the cash flow statement:

	2020/21 £'000	2021/22 £'000
Cash Receipts from Short and Long Term Borrowing	(10,000)	0
Cash paid to reduce lease liabilities.	(283)	0
Other Payments for financing activities - change in indebtedness relating to NNDR (due from Government and Preceptors) and Council Tax (due from Preceptors).	(7,858)	3,521
Total cash flows from financing activities	(18,141)	3,521