

GOSPORT BOROUGH COUNCIL

SUMMARY STATEMENT OF ACCOUNTS 2007/08

This summary statement is based on the full published and audited Statement of Accounts and is intended to provide an accessible and transparent overview of the years activities.

General Fund

The General Fund included a budgeted contribution to the General Fund working balance of £20,000 and a contribution from the Revenue Financing Reserve of £169,000. After making these budgeted contributions there was an underspending of £280,000 which was allocated to the Revenue Financing Reserve in line with Council policy. The table below summarises the General Fund actual position for the year by Council Board.

GENERAL FUND BUDGET 2007/2008			
	REVISED 2007/2008 £'000	ACTUAL 2007/2008 £'000	VARIANCE £'000
<u>GENERAL FUND</u>			
Community & Environment	7,114	7,674	560
Housing	532	645	113
Policy & Organisation	4,810	3,857	(953)
Total Net Expenditure	12,456	12,176	(280)
Transfer to GF Working Balance	20	20	0
Transfer from Revenue Financing Reserve	(169)	(169)	0
Transfer to Revenue Financing Reserve - GF S	0	280	280
Transfer from Building Control Reserve	(5)	(5)	0
Budget Total	12,302	12,302	0

	2007/2008	
	£'000	%
<u>FINANCED BY</u>		
Gosport Council Tax	5,137	41.8%
Revenue Support Grant	1,022	8.3%
Non Domestic Rates Distribution	6,088	49.5%
Collection Fund Surplus	55	0.4%
	12,302	100.0%

General Fund Reserves

At 31st March 2008, the General Fund working balance was £860,000 as budgeted and the Revenue Financing Reserve was £502,680 exceeding the forecast by £280,090 due to the underspending for the year.

Income and Expenditure Account

The Income and Expenditure Account is the statutory account that must be produced to account for all the Council's main transactions

INCOME AND EXPENDITURE ACCOUNT 2007/08	2006/07	2007/08
	£'000	£'000
Net Expenditure		
Central Services to the Public	1,149	1,108
Cultural, Environmental and Planning Services	7,254	7,117
Highways, Roads and Transport Services	1,169	2,235
Housing Services	1,670	743
Corporate and Democratic Core	2,428	2,777
Non Distributed Costs	200	621
Net Cost of Services	13,870	14,601
Net Interest and Investment income	(352)	(409)
Pensions Interest Cost and Return on Pensions Assets	640	760
Net Operating Expenditure	14,158	14,952
Financed By		
Gosport Borough Council Tax	(4,853)	(5,137)
Revenue Support Grant	(1,111)	(1,022)
Non-Domestic Rates distribution	(5,755)	(6,088)
Transfer from the Collection Fund	(20)	(55)
Deficit for the year	2,419	2,650

MOVEMENT ON THE GENERAL FUND BALANCE	2006/07	2007/08
	£'000	£'000
Deficit on the Income and Expenditure Account	2,419	2,650
Financing items to be excluded from Council Tax	(850)	(1,904)
Contribution to Capital Expenditure	400	0
Transfer to / (from) Reserves		
HRA	(823)	509
Other Earmarked Reserves	(325)	55
Pensions Reserve	(840)	(1,330)
(Increase) /Reduction in General Fund balance	(19)	(20)
Balance at 1st April	(821)	(840)
Balance at 31st March	(840)	(860)

Housing Revenue Account

The Housing Revenue Account was underspent by £92,800, with a resulting account balance of £676,540 at 31st March 2008. The main variations included improved rental income and reduced repairs and maintenance expenditure offset by additional supervision and management costs.

INCOME AND EXPENDITURE ACCOUNT 2007/08	2006/07	2007/08
	£'000	£'000
Income		
Dwelling Rents	(9,198)	(9,790)
Non Dwelling Rents - Shops & Garages	(214)	(226)
Service Charges	(378)	(380)
Total Income	(9,790)	(10,396)
Expenditure		
Repairs & Maintenance	3,057	2,570
Supervision & Management	2,801	2,948
Rents, Rates, Taxes & Other Charges	81	63
Negative HRA Subsidy Payable	2,231	2,105
Depreciation of Fixed Assets	2,154	2,493
Debt Management Costs		28
Total Expenditure	10,324	10,207
Net Cost of HRA Services	534	(189)
Interest and Investment income	(94)	13
Pensions Interest Cost and Expected Return on Pensions Assets	56	8
(Surplus) or Deficit for the year on HRA Services	496	(168)

MOVEMENT ON THE HRA BALANCE	2006/07	2007/08
	£'000	£'000
(Surplus) or Deficit on the Income and Expenditure Account	496	(168)
Financing items to be excluded from Council Tax		
Impairment of Fixed Assets		(328)
Contribution to Capital Expenditure	400	
Transfer from Pensions Reserve	(73)	(13)
(Increase) or decrease in the HRA Balance	823	(509)
Balance at 1st April	(991)	(168)
Balance at 31st March	(168)	(677)

Capital Programme

The Capital Programme for 2007/08 was budgeted at £7.675 million with actual expenditure of £7.168 million. The Council invested in the following projects with scheme slippage accounting for the majority of the variations.

CAPITAL PROGRAMME 2007/2008			
	REVISED 2007/2008 £'000	ACTUAL 2007/2008 £'000	SLIPPAGE £'000
<u>BY BOARD</u>			
Housing Board (HRA)	4,366	4,801	0
Housing Board (GF)	882	641	(130)
Community & Environment Board	1,622	1,196	(550)
Policy & Organisation Board	805	530	(366)
	7,675	7,168	(1,046)
<u>BY MAJOR SCHEME</u>			
Council Dwellings	4,366	4,801	0
Social Housing	470	340	(130)
Housing Grants	412	301	0
Privett Park Pavilion	352	388	0
Information Technology	253	193	(58)
Replacement Landing Stage	250	300	50
Town Hall Major Repairs	222	148	(74)
High Street Refurbishment	203	9	(194)
Priddys Hard Heritage Area	105	147	(51)
Cherque Farm - provision of play areas	100	67	(33)
CCTV schemes	84	6	(78)
New Cemetery	78	0	(78)
Aid to Voluntary Organisations	60	32	(28)
All other schemes	720	436	(372)
	7,675	7,168	(1,046)

	REVISED 2007/2008 £'000	ACTUAL 2007/2008 £'000
<u>PROGRAMME FINANCING</u>		
Major Repairs Allowance	2,165	2,164
Capital Receipts	716	704
Commuted Sums	167	301
Grants & Contributions	1,069	623
Capital Grants	192	201
Borrowing	3,366	3,175
	7,675	7,168

Financial position at 31st March 2008

The **Balance Sheet** below is a statement of the Council's financial position at the beginning and end of the financial year. It is a summary of the financial value of the Council's assets (land and buildings) and cash and investments along with how much is owed both by and to the Council.

BALANCE SHEET as at 31st March 2008	31st March 2007 £'000	31st March 2008 £'000
Fixed Assets	198,186	210,155
Other Long Term Assets	454	427
Current Assets (Money owed to the Council)	6,669	6,953
Current Liabilities (Money owed by the Council)	(7,329)	(7,216)
Cash and Investments	3,316	2,197
Pension Fund liability	(26,860)	(19,250)
Net Assets	174,436	193,266
Financed by		
Capital Accounting reserves	(194,908)	(204,315)
General and Earmarked reserves and contributions	(6,388)	(8,201)
Pension Fund reserve	26,860	19,250
Net Worth	(174,436)	(193,266)

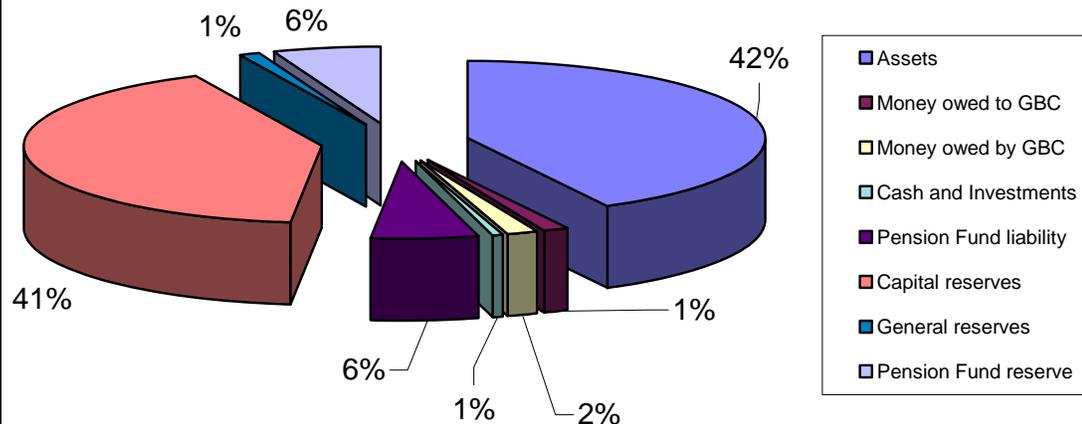
Cash and investments represents the value of cash balances and sums invested at year end less outstanding borrowing.

Usable Capital Receipts of £0.8 million were set aside at the year end to reduce the Council's underlying capital debt and in so doing achieved revenue savings of approximately £32,000 in 2008/09.

Capital accounting reserves are not cash available for future capital investment but represent how assets to date have been financed.

The Pension fund liability is the value of the long term commitment to provide pension benefits to employees and is matched by the pension reserve.

Financial position at 31st March 2008



FEEDBACK

Please let us know if you think this is a useful document together with any suggestions for improvements or questions that you may have.
If you think that the Council should produce a separate annual report as well as the statutory Statement of Accounts then please do let us know that as well

Gosport Borough Council is committed to equal opportunities for all

If you need this document in large print, on tape, in Braille or in other languages, please ask.

March 2009

Gosport Borough Council,
Finance Department,
The Town Hall,
High Street,
Gosport,
Hants
PO12 1EB

Telephone: 02392 545316
Email: enquiries@gosport.gov.uk

