

GOSPORT BOROUGH COUNCIL

SUMMARY STATEMENT OF ACCOUNTS 2010/11

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 from the Revenue Financing Reserve of £720,000. An additional contribution of £216,000 was made to meet one off severance payments following the approval of major staffing reports to secure future ongoing employee savings. An underspending of £367,000 for the year was put back into the reserve. Non specific grant income of £344,000 was utilised as planned.

	REVISED 2010/11 £'000	ACTUAL 2010/11 £'000	VARIANCE £'000
GENERAL FUND			
Community & Environment Board	7,800	7,858	58
Housing Board	668	622	(46)
Policy & Organisation Board	5,440	5,277	(163)
Total Net Expenditure	13,908	13,757	(151)
Transfer from Revenue Financing Reserve	(720)	(936)	(216)
Transfer to Revenue Financing Reserve - GF Surplus	0	367	367
Non specific grant income	(344)	(344)	0
Budget Total	12,844	12,844	0
FINANCED BY			
Gosport Council Tax	(5,598)	(5,598)	
Revenue Support Grant	(925)	(925)	
Non Domestic Rates Distribution	(6,371)	(6,371)	
Collection Fund Surplus (Deficit)	50	50	
	(12,844)	(12,844)	

General Fund Reserves

At 31st March 2011, the General Fund working balance was £890,000 as budgeted and the Revenue Financing Reserve was £646,000 after the transfers outlined above.

Comprehensive Income and Expenditure Account

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. Authorities raise taxation to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.

2009/10 (restated) £000	COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT	2010/11 £000
	675 Central Services to the Public	1,325
	8,329 Cultural, Environmental, Regulatory & Planning services	8,865
	1,710 Highways, Roads & Transport services	1,418
	2,693 Housing services	610
	0 Housing Services - Exceptional Item (Note 1)	42,936
	2,412 Corporate & Democratic Core	2,670
	122 Non Distributed Costs - Exceptional Item (Note 2)	(9,458)
	15,941 Cost Of Services	48,366
	7,421 Other Operating Expenditure	354
	2,649 Financing and Investment Income and Expenditure	476
	(13,776) Taxation and Non-Specific Grant Income	(13,395)
	12,235 Deficit on Provision of Services	35,801
	5,592 Surplus or deficit on revaluation of Property, Plant and Equipment	232
	14 Other recognised gains or losses	26
	10,720 Actuarial (gains) / losses on pension assets / liabilities	(4,460)
	16,326 Other Comprehensive (Income) and Expenditure	(4,202)
	28,561 Total Comprehensive Income and Expenditure	31,599

Note 1 – reduction in value of the Council's housing stock following the annual valuation in line with central guidance

Note 2 – reduction in the pension fund liability mainly due to the change in the inflation index from Retail Price Index (RPI) to Consumer Prices Index (CPI)

Movement in Reserves Statement

This statement shows the movement in the year on the different reserves held by the authority, analysed into 'usable reserves' (ie those that can be applied to fund expenditure or reduce local taxation) and other reserves.

The council has to adjust the accounting cost of providing services to accord with the statutory amounts required to be charged to the General Fund Balance and Housing Revenue Account for Council Tax setting and Dwellings Rent setting purposes. These adjustments are set out below.

The 'Net Increase / Decrease before transfers to Earmarked Reserves' line shows the statutory General Fund balance and Housing Revenue Account balance before any discretionary transfers to or from earmarked reserves undertaken by the Council.

MOVEMENT IN RESERVES STATEMENT	General Fund Balance £000	Earmarked General Fund Reserves £000	Housing Revenue Account £000	Capital Receipts Reserve £000	Major Repairs Reserve (HRA) £000	Capital Grants Unapplied £000	Total Usable Reserves £000	Unusable Reserves £000	Total Authority Reserves £000
Balance at 31 March 2010	(890)	(2,607)	(358)	(65)	0	(109)	(4,029)	(140,069)	(144,098)
Movement during 2010/11									
(Surplus)/Deficit on the provision of services	(7,480)		43,281				35,801		35,801
Other Comprehensive Income and Expenditure						109	109	(4,311)	(4,202)
Total Comprehensive Income and Expenditure	(7,480)	0	43,281	0	0	109	35,910	(4,311)	31,599
Adjustments between accounting basis & funding basis under regulations	8,423		(43,343)	0		0	(34,920)	34,920	0
Net (increase)/decrease before transfers to Earmarked Reserves	943	0	(62)	0	0	109	990	30,609	31,599
Transfers to/(from) Earmarked Reserves	(943)	962	(19)				0		0
Net (increase)/decrease in 2010/11	0	962	(81)	0	0	109	990	30,609	31,599
Balance at 31 March 2011	(890)	(1,645)	(439)	(65)	0	0	(3,039)	(109,460)	(112,499)

Housing Revenue Account

The Housing Revenue Account surplus was £81,000 against a forecast of £164,000 with a resulting account balance of £439,000 at 31st March 2011.

2009/10	HRA INCOME AND EXPENDITURE STATEMENT	2010/11
£'000		£'000
	Expenditure	
2,596	Repairs & Maintenance	2,742
2,571	Supervision & Management	2,823
45	Rents, Rates, Taxes & Other Charges	47
2,909	Negative HRA Subsidy Payable	3,395
2,543	Depreciation of Non Current Assets	1,965
2,312	Impairment of Non Current Assets	42,936
33	Debt Management Costs	30
13,009		53,938
	Income	
(10,271)	Dwelling Rents	(10,640)
(228)	Non Dwelling Rents	(228)
(377)	Charges for Services and Facilities	(431)
(10,876)		(11,299)
2,133	Net Cost of HRA Services	42,639
	Other Operating Income and Expenditure	
(24)	Gain or (Loss) on the disposal of HRA Non-Current Assets	(52)
154	Payments to the Governments Housing Capital Receipts Pool	251
166	Interest Payable and Similar Charges	174
(12)	Interest and Investment income	(18)
638	Pensions Interest Cost and Expected Return on Pensions Assets	306
3,055	Deficit for the year on the HRA Income and Expenditure Account	43,300
	MOVEMENT ON THE HRA STATEMENT	
(490)	Balance on the HRA at the end of the previous year	(358)
3,055	Deficit for the year on the HRA Income and Expenditure Account	43,300
(2,923)	Adjustments between accounting basis and funding basis under statute	(43,362)
	Net (increase) or decrease before transfers to or from reserves	(62)
0	Transfers to or (from) Reserves	(19)
132	(Increase) or decrease in year on HRA	(81)
(358)	Balance on the HRA at the end of the current year	(439)

Capital Programme

The Capital Programme for 2010/11 was budgeted at £11.011 million with actual expenditure of £6.962 million. The Council invested in the following projects with scheme slippage accounting for the majority of the variations.

CAPITAL PROGRAMME 2010/11	REVISED 2010/11 £	ACTUAL 2010/11 £	SLIPPAGE £
BY BOARD			
Housing Board (HRA)	1,964,000	2,329,200	0
Housing Board (GF)	1,577,000	1,246,134	(331,600)
Community & Environment Board	6,578,000	2,809,430	(3,788,793)
Policy & Organisation Board	892,000	577,235	(324,020)
	11,011,000	6,961,999	(4,444,413)
BY MAJOR SCHEME			
Council Dwellings	1,964,000	2,329,200	0
Landing Stage replacement - completion June 2011	4,786,000	2,129,225	(2,656,780)
Gosport Leisure Park	727,000	225,819	(501,180)
Cemetery	50,000	2,340	(47,660)
Privett Enclosure / GBFC Improved Facilities	150,000	840	(149,160)
Marine Parade West Public Convenience refurb	77,000	0	(77,000)
Lee Promenade - rolling programme of resurfacing	45,000	0	(45,000)
Privett Park - Protective Fence & Multi Use Facility	62,000	0	(62,000)
Waterfront Masterplanning	180,000	94,000	(86,000)
Information Technology	363,000	285,209	(79,450)
Town Hall Major Repairs	288,000	155,011	(132,990)
All other schemes	2,319,000	1,740,354	(607,193)
	11,011,000	6,961,999	(4,444,413)
FINANCED BY			
Major Repairs Allowance	1,824,000	1,965,400	
Capital Receipts	360,000	83,673	
Developer Contributions - Open Spaces	303,000	116,616	
Other Grants & Contributions	1,545,000	1,251,253	
Capital Grants	270,000	274,100	
Borrowing	6,709,000	3,270,957	
	11,011,000	6,961,999	

Financial position at 31st March 2011

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 2011	31st March 2010 £'000 (restated)	31st March 2011 £'000
Assets and Liabilities		
Fixed Assets	194,523	153,918
Other Long Term Assets	858	782
Current Assets (Money owed to the Council)	12,715	13,009
Current Liabilities (Money owed by the Council)	(2,203)	(2,689)
Long Term Liabilities (Money owed by the Council)	(18,797)	(18,458)
Cash and Investments	1,322	(2,633)
Pension Fund liability	(44,320)	(31,430)
Net Assets	144,098	112,499
Financed by		
Usable Reserves	(4,029)	(3,039)
Unusable Reserves	(140,069)	(109,460)
Net Reserves	(144,098)	(112,499)

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 which is included within the Unusable Reserves figure.

The Usable and Unusable Reserves link to the Movement in Reserves statement – 'usable' being those funds that can be utilised to fund services and expenditure and 'unusable' being those that cannot.

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.

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