

GOSPORT BOROUGH COUNCIL

SUMMARY STATEMENT OF ACCOUNTS 2011/12

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 £611,000. An underspending of £613,000 for the year was put back into the reserve.

	REVISED 2011/12 £'000	ACTUAL 2011/12 £'000	VARIANCE £'000
<u>GENERAL FUND</u>			
Community Board	6,464	7,059	595
Economic Development Board	917	1,056	139
Policy & Organisation Board	3,938	2,591	(1,347)
Total Net Expenditure	11,319	10,706	(613)
Transfer from Revenue Financing Reserve	(611)	(611)	0
Transfer to Revenue Financing Reserve - GF Surplus		613	613
Budget Total	10,708	10,708	0
<u>FINANCED BY</u>			
Gosport Council Tax	(5,597)	(5,597)	
Revenue Support Grant	(1,216)	(1,216)	
Non Domestic Rates Distribution	(3,935)	(3,935)	
Collection Fund Surplus (Deficit)	40	40	
	(10,708)	(10,708)	

General Fund Reserves

At 31 March 2012, the General Fund working balance was £890,000 as budgeted and the Revenue Financing Reserve was £665,000 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.

2010/11	COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT	2011/12
£000		£000
1,325	Central Services to the Public	1,138
3,212	Cultural & Related services	2,892
4,303	Environmental and Regulatory Services	3,691
1,350	Planning Services	1,636
1,418	Highways, Roads and Transport Services	716
610	Housing services	1,114
42,936	Housing Services - Exceptional Item (Note 1)	57,029
2,670	Corporate and Democratic Core	2,489
(9,458)	Non Distributed Costs - Exceptional Item (Note 2)	(197)
48,366	Cost Of Services	70,508
354	Other Operating Expenditure	(555)
476	Financing and Investment Income and Expenditure	2,314
(13,395)	Taxation and Non-Specific Grant Income	(11,113)
35,801	Deficit on Provision of Services	61,154
232	Surplus or deficit on revaluation of Property, Plant and Equipment	(1,604)
26	Other recognised gains or losses	520
(4,460)	Actuarial (gains) / losses on pension assets / liabilities	8,210
(4,202)	Other Comprehensive (Income) and Expenditure	7,126
31,599	Total Comprehensive Income and Expenditure	68,280

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

Note 2 – For 2010/11 a 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 2011	(890)	(1,645)	(439)	(65)	0	0	(3,039)	(109,658)	(112,697)
Movement during 2011/12									
(Surplus)/Deficit on the provision of services	3,181		57,973				61,154		61,154
Other Comprehensive Income and Expenditure							0	7,126	7,126
Total Comprehensive Income and Expenditure	3,181	0	57,973	0	0	0	61,154	7,126	68,280
Adjustments between accounting basis & funding basis under regulations	(2,960)		(58,137)	0		0	(61,097)	61,097	0
Net (increase)/decrease before transfers to Earmarked Reserves	221	0	(164)	0	0	0	57	68,223	68,280
Transfers to/(from) Earmarked Reserves	(221)	221					0		0
Net (increase)/decrease in 2011/12	0	221	(164)	0	0	0	57	68,223	68,280
Balance at 31 March 2012	(890)	(1,424)	(603)	(65)	0	0	(2,982)	(41,435)	(44,417)

Housing Revenue Account

The Housing Revenue Account surplus for 2011/12 was £164,000 and the account balance at 31 March 2012 was £603,000, both as forecast. The Council paid £57.029 million to the government during the year to secure self-financing of the it's housing stock under the HRA reform initiative. This is shown in both the HRA Income and Expenditure and Capital Programme statements.

2010/11 £'000	HRA INCOME AND EXPENDITURE STATEMENT	2011/12 £'000
	Expenditure	
2,742	Repairs & Maintenance	2,919
2,823	Supervision & Management	2,892
47	Rents, Rates, Taxes & Other Charges	44
3,395	Negative HRA Subsidy Payable	3,479
1,965	Depreciation of Non Current Assets	2,324
42,936	Impairment of Non Current Assets	820
30	Debt Management Costs	60
-	Settlement Payment to the Government for HRA Self Financing	57,029
53,938		69,567
	Income	
(10,640)	Dwelling Rents	(11,357)
(228)	Non Dwelling Rents	(246)
(431)	Charges for Services and Facilities	(540)
(11,299)		(12,143)
42,639	Net Cost of HRA Services	57,424
	Other Operating Income and Expenditure	
(52)	Gain or (Loss) on the disposal of HRA Non-Current Assets	15
251	Payments to the Governments Housing Capital Receipts Pool	153
174	Interest Payable and Similar Charges	177
(18)	Interest and Investment income	(7)
306	Pensions Interest Cost and Expected Return on Pensions Assets	211
43,300	Deficit for the year on the HRA Income and Expenditure Account	57,973
	MOVEMENT ON THE HRA STATEMENT	
(358)	Balance on the HRA at the end of the previous year	(439)
43,300	Deficit for the year on the HRA Income and Expenditure Account	57,973
(43,362)	Adjustments between accounting basis and funding basis under statute	(58,137)
(62)	Net (increase) or decrease before transfers to or from reserves	(164)
(19)	Transfers to or (from) Reserves	-
(81)	(Increase) or decrease in year on HRA	(164)
(439)	Balance on the HRA at the end of the current year	(603)

Capital Programme

The actual capital investment in 2011/12 including HRA reform was £66.6 million. The table below shows the main schemes and how it the programme was financed..

SCHEME	REVISED 2011/12 £	ACTUAL 2011/12 £	SLIPPAGE £
BY BOARD			
Community Board - Housing (HRA)	3,843,000	3,695,420	(375,600)
Community Board - Housing Reform (HRA)	0	57,029,000	0
Community Board - Housing (GF)	1,067,000	915,469	(80,480)
Community Board - Non Housing	5,663,000	4,472,679	(606,470)
Economic Development Board	86,000	10,000	(76,000)
Policy & Organisation Board	552,000	478,263	(102,330)
	11,211,000	66,600,831	(1,240,880)
BY MAJOR SCHEME			
Council Dwellings	2,643,000	2,871,017	0
Agnew House Family Centre	1,200,000	824,403	(375,600)
Housing Reform	0	57,029,000	0
Affordable Housing	649,000	639,225	(10,000)
Disabled Facilities	340,000	264,994	(40,480)
Housing Renewal	78,000	11,250	(30,000)
Landing Stage replacement	2,657,000	2,338,362	0
Gosport Leisure Park	1,597,000	1,579,068	(17,930)
Provide lighting to pathways within Leisure Parks, Ga	195,000	16,807	(178,200)
Privett Enclosure / GBFC Improved Facilities	171,000	176,484	0
Marine Parade West Public Convenience refurbishment	77,000	5,970	(71,030)
Public Conveniences refurbishment	80,000	3,850	(76,150)
Information Technology	224,000	164,423	(59,580)
Town Hall Major Repairs	218,000	246,591	0
All other schemes	1,082,000	429,388	(381,910)
	11,211,000	66,600,831	(1,240,880)
FINANCED BY			
Major Repairs Allowance	2,200,000	2,323,636	
Capital Receipts	1,338,000	288,386	
Developer Contributions - Open Spaces	339,000	79,507	
Other Grants & Contributions	1,335,000	802,332	
Capital Grants	240,000	264,994	
Borrowing	5,759,000	5,812,976	
Borrowing - HRA Reform		57,000,000	
Revenue - HRA Reform		29,000	
	11,211,000	66,600,831	

Financial position at 31 March 2012

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 31 March 2012	31 March 2011 £'000 (restated)	31 March 2012 £'000
Assets and Liabilities		
Fixed Assets	154,116	152,504
Other Long Term Assets	782	5,601
Current Assets (Money owed to the Council)	13,009	6,894
Current Liabilities (Money owed by the Council)	(2,689)	(3,775)
Long Term Liabilities (Money owed by the Council)	(18,458)	(72,557)
Cash and Investments	(2,633)	(4,020)
Pension Fund liability	(31,430)	(40,230)
Net Assets	112,697	44,417
Financed by		
Usable Reserves	(3,039)	(2,982)
Unusable Reserves	(109,658)	(41,435)
Net Reserves	(112,697)	(44,417)

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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