

Summary of Accounts 2015-16

Introduction

The Council's accounts are an important element in demonstrating the stewardship of public money. The Head of Finance is responsible for the preparation of the Council's Statement of Accounts in accordance with the accounting requirements. The Statement Of Accounts for year ended 31 March 2016 is approved by the Head of Finance on 30 June and submitted, after the external audit, to Audit Committee on 20 September 2016. Interested members of the public have a statutory right to inspect the accounts from 1 July 2016 to 11 August 2016. The availability of the accounts for inspection is advertised on the Council's website. It is our intention to be open with the information that we hold and we encourage local stakeholder enquiries. A copy of the statement is available on the Council's website page, Finance Publications / Year End Accounts Publications. The independent auditors provide their opinion before the end of September on the completion of their audit of the accounts. We have prepared summary accounts to provide a brief overview of the year end position, as shown below.

Council Priorities for 2015/16

The Corporate Plan and Budget Report for 2015/16 was approved by Council on 25 February 2015. It sets out the way in which the delivery of services would contribute to the achievement of the Corporate Plan. Effective service delivery relies on effective prioritisation in accordance with the Corporate Plan, and adequate resources. The primary resources are staff and money. The service plans show how each service would be delivered and measured, and through the budget, the financial resources necessary to deliver the services and corporate objectives.

The Council works with its partners to promote healthy lifestyles, attract inward investment (e.g. through town centre revitalisation), keep levels of crime low and secure other community benefits. The Council continues to ensure that our streets are clean and our parks and open spaces are well presented.

The three themes for the Council remain as:

Better Lives Healthy Lifestyles ~ ~ Opportunities and quality of life for all ~ ~ Strong, safe communities

Better Environment Quality and Sustainable Environment ~ ~ Distinctive and sustainable towns and villages

Better Services Efficient and effective service ~ ~ Strong community leadership

Impact of the current economic climate

The financial climate in Mid Sussex rewards careful watching although income levels were above target in a number of key areas and careful management of expenditure by budget holders resulted in a satisfactory end of year position. The level of Reserves increased during 2015/16, mainly from the receipt of New Homes Bonus (NHB) grant (£3,263k) and investment interest (£494k).

The Council's level of General Reserves held as at 31 March 2016 stands at £13.406m and is considered adequate for withstanding future financial pressures arising from the continuing squeeze on local government finance.

Financial Review of the Year

The revenue and capital outturn for 2015/16 was reported to Cabinet on 6 June 2016.

Revenue Expenditure

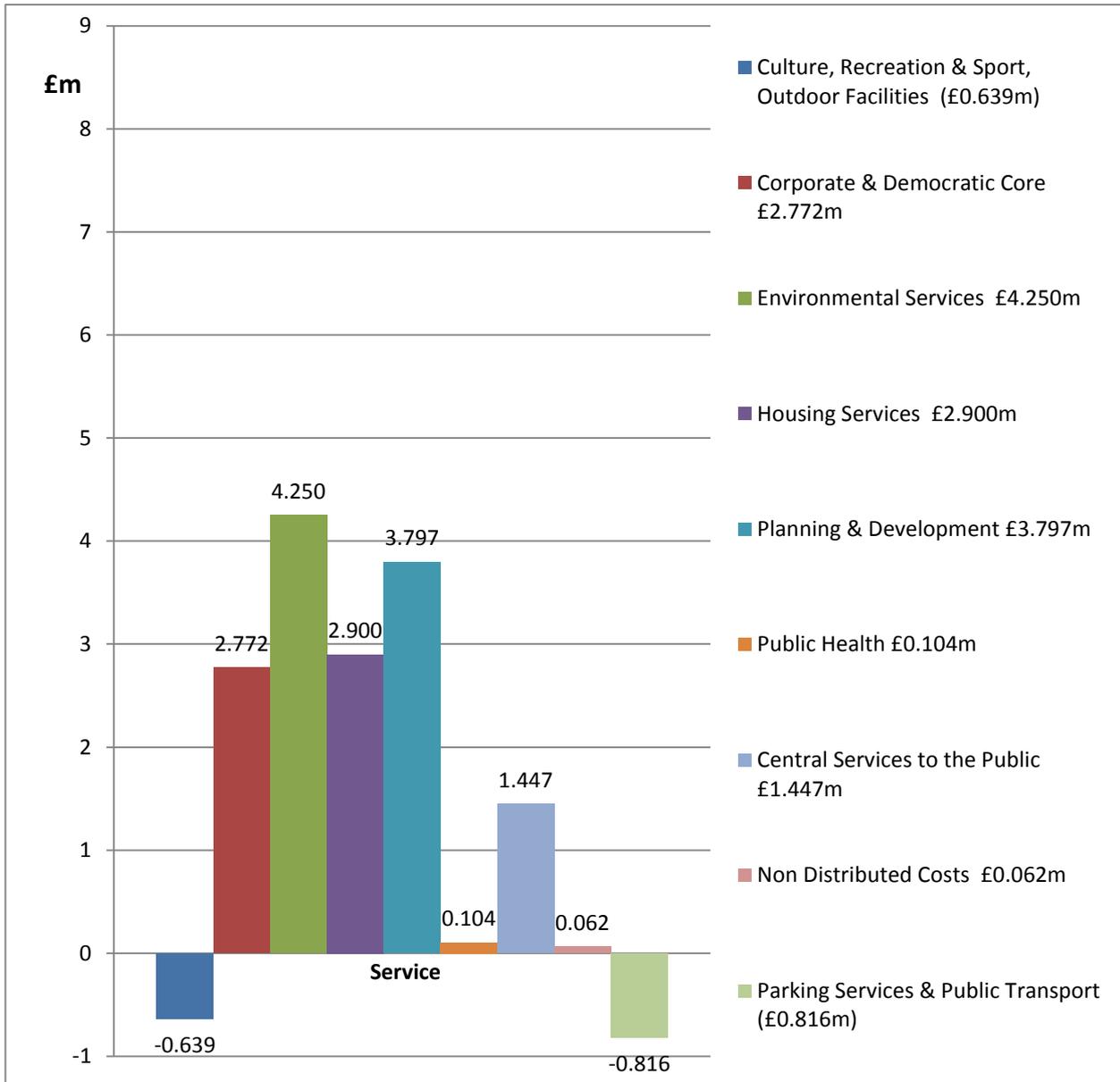
During 2015/16 Cabinet received six full Budget Management reports (including the Outturn Report). Over the year, income has exceeded targets in a number of areas. However, the budget has continued to be tightly managed in order to ensure that financial targets are met without compromising service performance. It should be noted that the Budget Outturn Report links with the Service Performance Outturn Report which is separately reported to Cabinet in July 2016.

In summary, increased income levels experienced in 2015/16 and Mid Sussex's embedded culture of seeking efficiencies, have both contributed to this year's underspend of £997,000, which has been fully utilised, following transfers to Earmarked Reserves, leaving a balance of £12,000 to return to General Reserve

Net Cost of Services – How the money was spent

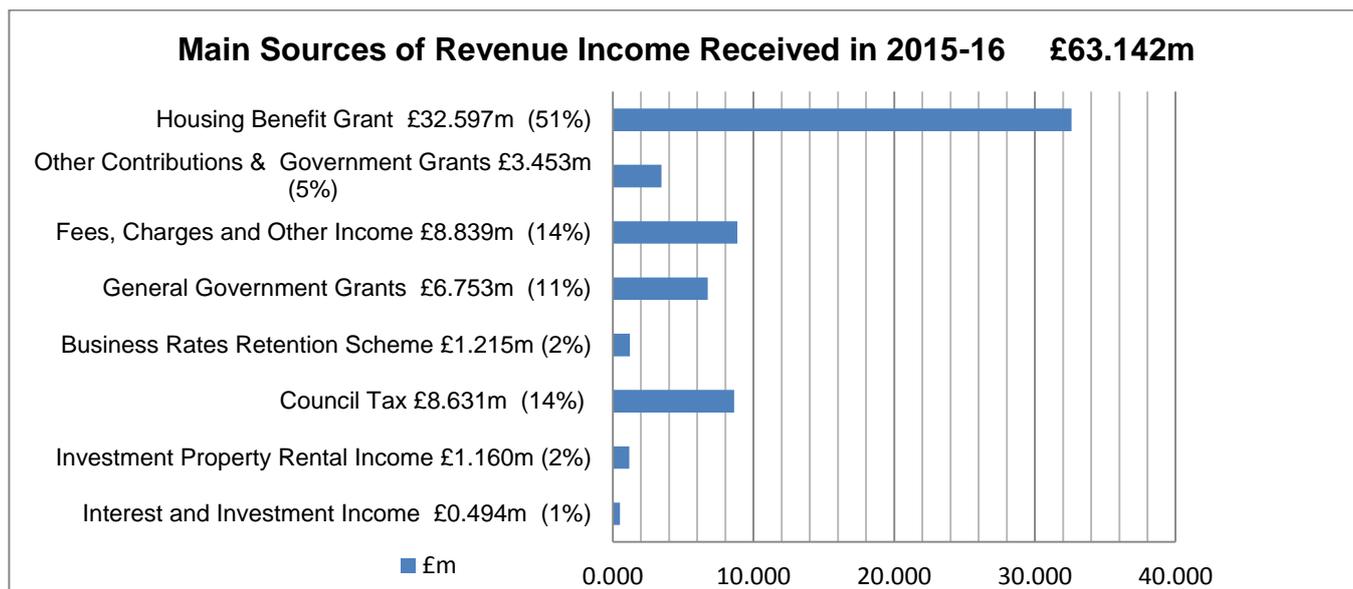
The chart below shows the net cost of all Council services on the Comprehensive Income and Expenditure Statement:

2015-16 Net Cost of Services £13.877m



Sources of Finance of the Council's Activities

The various sources of finance as shown on the Comprehensive Income and Expenditure Statement in 2015/16 are as follows:



Specific Reserves and General Fund Balances held at 31 March 2016

Specific Reserve	Balance at 1 April £ 000s	Balance at 31 March £ 000s
Performance & Partnerships	(70)	(70)
Development Management	(95)	(90)
Planning Policy & Economic Development	(567)	(643)
Planning Service Support	(25)	(25)
Accountancy	(2)	(7)
Finance Corporate	(177)	(404)
Human Resources & Payroll	(11)	(12)
CenSus ICT	(28)	(482)
CenSus Revenues & Benefits	(300)	(369)
Housing	(189)	(199)
Leisure, Community Services & Culture	(317)	(756)
Facilities Management & Streetscene	(140)	(97)
Cleansing Services	(10)	(24)
Property & Asset Maintenance	(284)	(408)
Member Support & Partnerships	(199)	(121)
Land Charges	(17)	(17)
Corporate Funds	(2,236)	(2,643)
Earmarked Specific Reserve	(4,667)	(6,367)
General Fund Balances	(10,925)	(13,406)
Total Reserves	(15,592)	(19,773)

Details of all expenditure financed from the Specific Reserve and General Reserve is contained within the outturn report to Cabinet on 6 June 2016.

Capital Expenditure

Local authorities are required to distinguish between revenue and capital expenditure. Revenue expenditure represents the day to day costs of running Council services. Capital expenditure represents money spent on the purchase, upgrading or improvement of assets which have a long-term value to the authority in the provision of its services.

A summary of the capital expenditure in the year 2015/16 totalling £3.629m is shown below:

Capital Expenditure 2015/16	2015/16
	£000s
Property, Plant and Equipment	
Land and Buildings	
Oaklands Office	68
Pavilions	24
Car Parks	338
Land	474
Asset Under Construction	
Basepoint Business Centre, Bridge Road Starter Units	1,148
Plant / Vehicles / Equipment	
Playground Equipment	88
ICT Hardware	80
Intangible Assets	
Software and software licences	40
Revenue Expenditure funded from Capital Under Statute	
Housing - Disabled Facilities Grants (DFG)	691
Housing – Affordable Housing	5
Other expenditure	674
Total	3,629

The capital expenditure in the year was financed by:	<u>£000s</u>
Capital Receipts	156
General Fund Balances & Specific Reserve	2,368
Government Grants & Section 106s Receipts in Advance	857
Capital Grants Unapplied Account	248

Usable capital receipts for 2015/16 totalled £203,000 (refer Note 8). Other receipts received in 2015/16 totalled £2,045,000 (refer Note 36 Grant Income – Capital Grants and Contributions- receipts in advance). The split mainly relates to:

	<u>£000s</u>
Time Limited Section 106 agreements	1,611
Disabled Facilities Grant (contribution from WSCC)	434

The available year end balances of Usable Capital Receipts is £1,261,000 (refer Note 8) Capital Grants Unapplied Account is £3,335,000 and Section 106 Contributions and Capital Grants Receipts in Advance is £5,891,000 (refer Note 36).

Balance Sheet

The Council's overall financial position for the year is represented by its balance sheet. This identifies what is owned by the Council, how much is owed and how much the Council owes.

Balance Sheet	31 March 2016	31 March 2016
	£ 000s	£ 000s
Property, Plant and Equipment		88,536
Heritage Assets		837
Investment Property		15,646
Software & Software Licences - Intangible Assets		226
Long Term Investments		6,905
Inventories (stocks)		5
Amounts due to the Council		3,727
Investments including Cash Equivalents		16,155
Cash at Bank and Cash Equivalents		11,159
Long Term Assets and Current Assets		143,196
Amounts due to others	(7,200)	
Capital Grants & S106 Contributions Received	(5,891)	
Provisions	(2,016)	
Finance Lease Liability	(310)	
Borrowing	(939)	
Pension Fund deficit	(26,322)	
Long Term Liabilities and Current Liabilities		(42,678)
Total Net Assets		100,518
Financed by:		
General Fund Balances, Specific Reserves and Capital Reserves		(24,369)
Pension Reserve		26,322
Capital Finance and Revaluation of Assets		(102,471)
Total Net Worth		(100,518)

Summary of Cash Flow during 2015/16

	£000s	£000s
Cash in Bank and Cash Equivalents at 1 April 2015		1,398
Net Cash Inflow / (Outflow) - Operating Activities	14,091	
Net Cash flows from Investing Activities	(5,322)	
Net Cash flows from Financing Activities	992	
Increase / (Decrease) in Cash and Cash Equivalents		9,761
Cash in Bank and Cash Equivalents at 31 March 2016		11,159