

Summary of Accounts 2010-11

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 31st March 2011 is to be approved by the Head of Finance on 30th June and will be submitted, after the external audit, to Audit Committee on 27th September 2011. This is the first year that IFRS-based statements have been produced, so the set of accounts presented look different from previous years.

Interested members of the public have a statutory right to inspect the accounts from 14th July 2011 to 20th August 2011. The availability of the accounts for inspection is advertised in the local newspapers, Mid Sussex Times, The Leader and East Grinstead Courier & Observer. 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, [Finance Publications](#). The Audit Commission 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 2010/11

The Corporate Plan and Budget Report for 2010/11 was approved by Council on 24th February 2010. 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. In the Halifax Quality of Life Survey, January 2010, the district was ranked the 21st best place to live in the UK, and the best area area to live in the whole of Sussex according to the survey. The Council's role, for example in ensuring that our streets are clean and our parks and open spaces are well presented, was a significant part of this assessment.

The three themes for the Council remain as:

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

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

Better Services Efficient and effective service ~~ Strong community leadership

Financial Review of the Year

The revenue and capital outturn for 2010/11 was reported to Cabinet on 6th June 2011. The report explained that the early part of 2010/11 presented initial uncertainties for Mid Sussex with regard to the Coalition Government announcements of in-year spending cuts hitting local Government. However, in spite of this, continuous prudent management of resources has proved a successful approach to keeping within budget for 2010/11. Throughout the year, the drive has been to control costs, especially as the financial outlook facing the Council next year and beyond is very challenging.

Revenue Expenditure

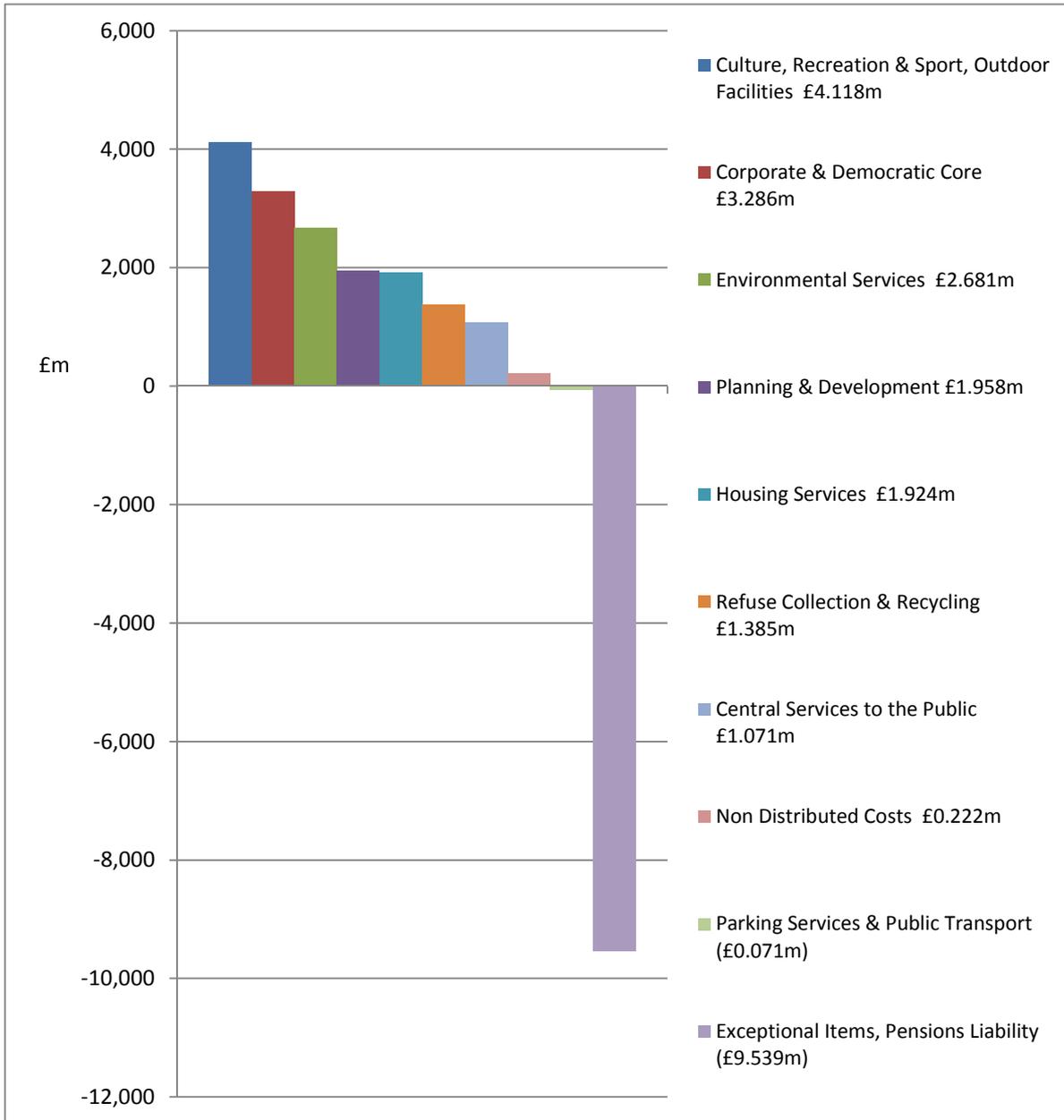
During 2010/11 Members have received five full Budget Management reports, as well as two interim update reports at alternate meetings. Overall, the budget has continued to be managed in order to ensure that financial targets are met without compromising service performance.

Mid Sussex has an embedded culture of seeking efficiencies, which has helped achieve the year's underspend of £743,000. This is after allowing for a previously approved transfer totalling £450,000 to the Job Evaluation/Redundancy Specific Reserve.

Net Cost of Services – How the money was spent

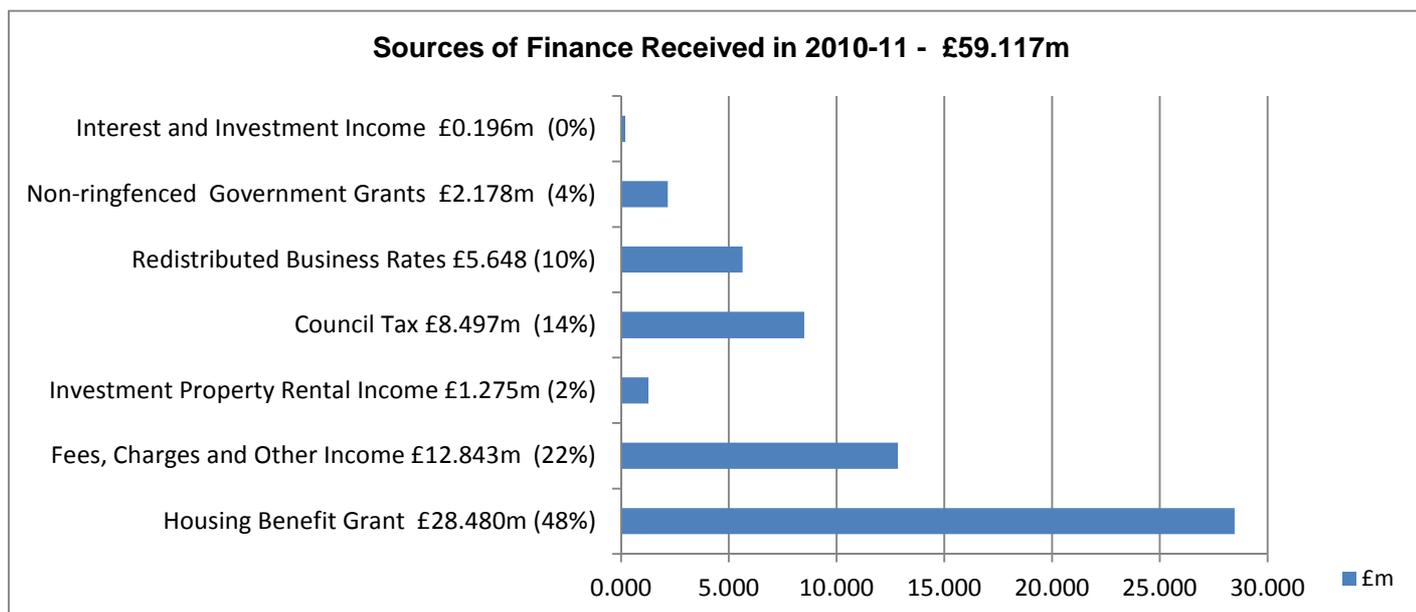
The chart below shows the net cost of all Council services on the Comprehensive Income and Expenditure Statement:

2010-11 Net Cost of Services £7.035m



Sources of Finance of the Council's Activities

The various sources of finance as shown on the Comprehensive Income and Expenditure Statement in 2010-11 are as follows:



Specific Reserves and General Fund Balances held at 31st March 2011

	<i>Balance at 1st April £ 000s</i>	<i>Balance at 31st March £ 000s</i>
Specific Reserve		
Member Support & Partnerships	43	43
Development Control	125	125
Planning Policy	309	428
Accountancy	0	5
Finance Corporate	267	623
ICT	0	11
Revenues and Benefits	228	446
Housing	48	105
Environmental Health	1	1
Land Charges	0	34
Community Services & Culture	213	197
Leisure Operations	105	0
Client Leisure Operations	44	91
Building & Asset Maintenance	0	42
Facilities Management & Streetscene	0	26
Corporate Organisational Development	5	9
Better Mid Sussex	129	6
Specific Reserve Total	1,517	2,192
Unallocated General Reserve	3,327	5,086
Other Reserves	46	44
Commuted Sums	1,527	1,588
: General Fund Balances	4,900	6,718

Details of all expenditure financed from the Specific Reserve and General Reserve is contained within the outturn report to Cabinet on 7th June 2011.

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 2010/11 totalling £3.431m is shown below:

Capital Expenditure 2010/11	2010/11
Property, Plant and Equipment	£000s
Land and Buildings	
Leisure Centres	93
Community Centres	3
Infrastructure Assets	
Drainage Assets	50
Plant / Vehicles / Equipment	
Playground Equipment	183
ICT Hardware	24
Intangible Assets	
Software and software licences	67
Investment Property	
The Brow	1,891
Revenue Expenditure funded from Capital Under Statute	
Housing - Disabled Facilities Grants (DFG)	751
Housing - Affordable Housing	99
Rural Community Provision & Capital Grants	98
Other expenditure	172
Total	3,431

The capital expenditure in the year was financed by:	£000s
Capital Receipts	£399
General Fund Balances	£236
Other Reserves (Specific Reserve)	£57
Government Grants & Other contributions (including Disabled Facility Grants)	£460
Section 106s – Developer Contributions	£387
One Year Loan	£1,891

Usable capital receipts for 2010/11 totalled £293,000 (refer Note 4 of the accounts), and other receipts received in 2010/11 totalled £983,000 (refer Note 29 Grant Income – receipts in advance). The split mainly relates to:

	£000s
Section 106 agreements	£529
Renovation Grant	£352
Other government grants and contributions	£102

The available year end balances of Usable Capital Receipts is £242, Capital Grants and Contributions Reserve is £1,169,000 and Section 106 Contributions and Capital Grants Receipts in Advance is £4,701,000.

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 as at 31st March 2011

	£ 000s	£ 000s
Software & Software Licences - Intangible Assets		314
Property, Plant and Equipment		65,499
Investment Property		20,095
Inventories (stocks)		6
Money owed to the Council		3,147
Investments		13,500
Cash and Short Term Deposits at Bank		1,763
Long Term Assets and Current Assets		104,324
Money the Council owed	(3,449)	
Borrowing payable less 1 year	(2,147)	
Government Grants & S106 Contributions Received	(4,701)	
Provision for Accumulated Absences	(94)	
Finance Lease Liability	(1,003)	
Borrowing payable longer 1 year	(1,458)	
Pension Fund deficit	(18,166)	
Long Term Liabilities and Current Liabilities		(31,018)
Total Net Assets		<u>73,306</u>
Financed by:		
General Fund Balances, Specific Reserves and Capital Reserves		10,080
Pension Reserve		(18,166)
Capital Finance and Revaluation of Assets		81,392
Total Net Worth		<u>73,306</u>

Summary of Cash Flow during 2010/11

	£000s	£000s
Cash in Bank 1st April 2010		4,188
Net Cash Inflow / (Outflow) - Operating Activities	1,974	
Net Cash flows from Investing Activities	(10,883)	
Net Cash flows from Financing Activities	6,484	
Increase / (Decrease) in Cash and Cash Equivalents		<u>(2,425)</u>
Cash in Bank 31st March 2011		1,763