

Summary of Accounts 2009-10

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 2010 was approved by Audit Committee on 29th June 2010.

Interested members of the public have a statutory right to inspect the accounts from 21th June 2010 to 16th July 2010. 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 as part of the Audit Committee meeting documents. In addition, in order to assist further with the accounts, an explanatory paper is published in Members Information Service (MIS) MIS21a - 25th June 2010 which provides an interpretation of the accounts and highlights key issues for the benefit of Members. [Members Information Service MIS21a](#)

The Audit Commission will 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 2009/10

The Corporate Plan and Budget Report for 2009/10 was approved by Council on 4th March 2009. 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 service plans also show how 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. This has enabled the District to be ranked 16th best place to live in the UK in the 2008 Halifax Quality of Life 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. Similarly, the Council's own survey last summer found that 85% of local people were satisfied with the area in which they lived.



Key areas of work for the Council in 2009/10 were in three themes:

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 2009/10 was reported to Cabinet on 7th June 2010. The report explained that during 2009/10 Members had received four full Budget Management reports, aswell as five interim update reports at alternate meetings. This regularity greatly assisted in the management of the budget and minimised the risk of a significant adverse variation.

Revenue Expenditure

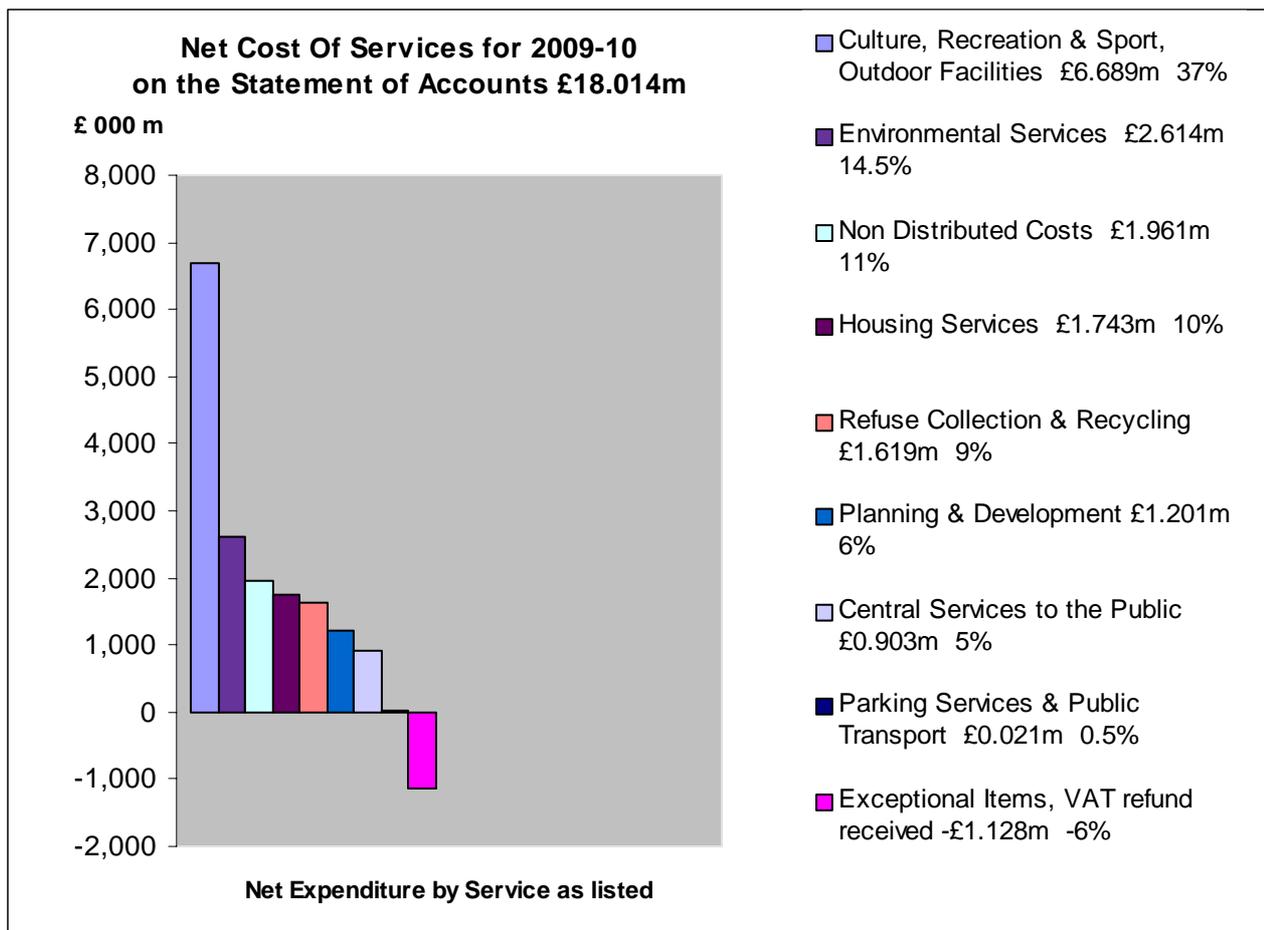
This year has proved especially challenging with the slow recovery from the economic downturn still impacting on our income levels, especially for the first half of the year. However, throughout the year, the drive has been to control costs and this resulted in total savings of £2,365,000 and a net underspend of £224,000. There is now an embedded culture of seeking efficiencies, which has helped achieve this year’s underspend, and which augurs well for future years.

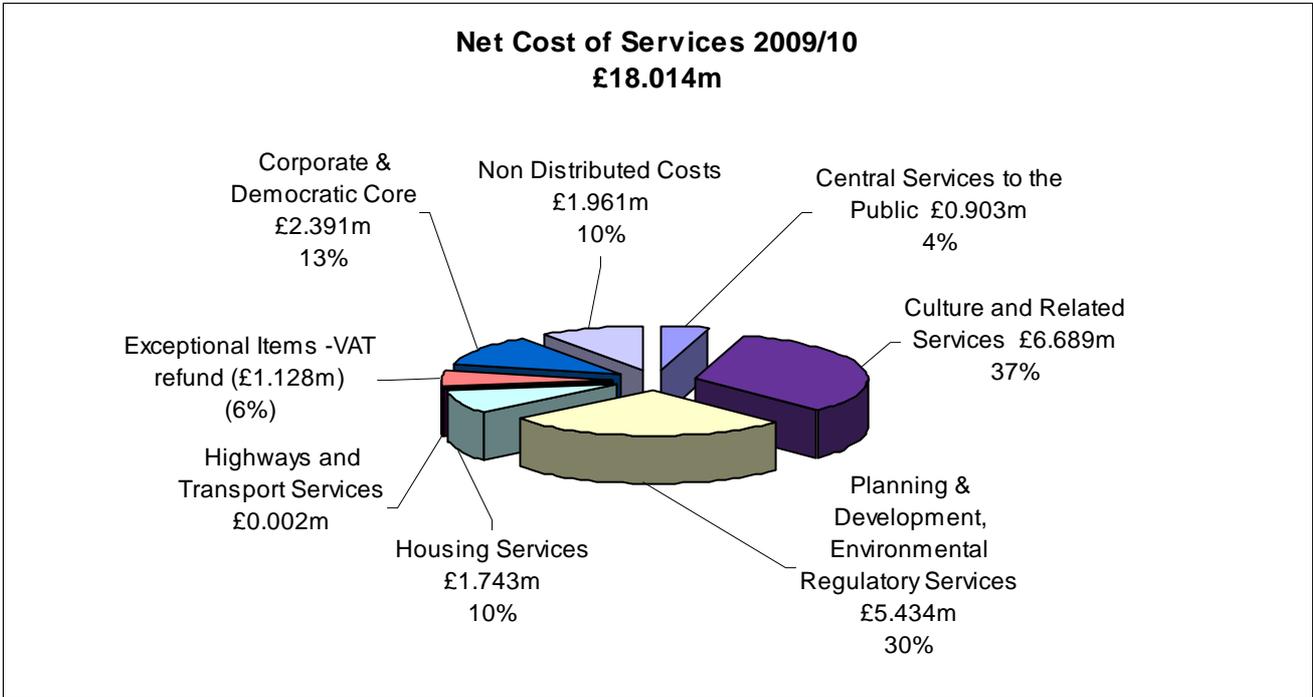
In summary, the underspend of £224,000 is after the inclusion of unbudgeted retirement costs of £143,000 and the transfer of £10,000 to Specific Reserve under delegated authority. The budget for the year included £750,000 of efficiency savings relating to the Alternative Leisure Management contract which took effect from 1st July 2009. This generated significant savings for 2009/10 and exceeded the target by £103,000.

Furthermore, as was the case for previous years, budget management has continued to improve, and has met its objectives. The movement of money between budgets, otherwise known as virement, continued to be minimised.

Net Cost of Services – How the money was spent

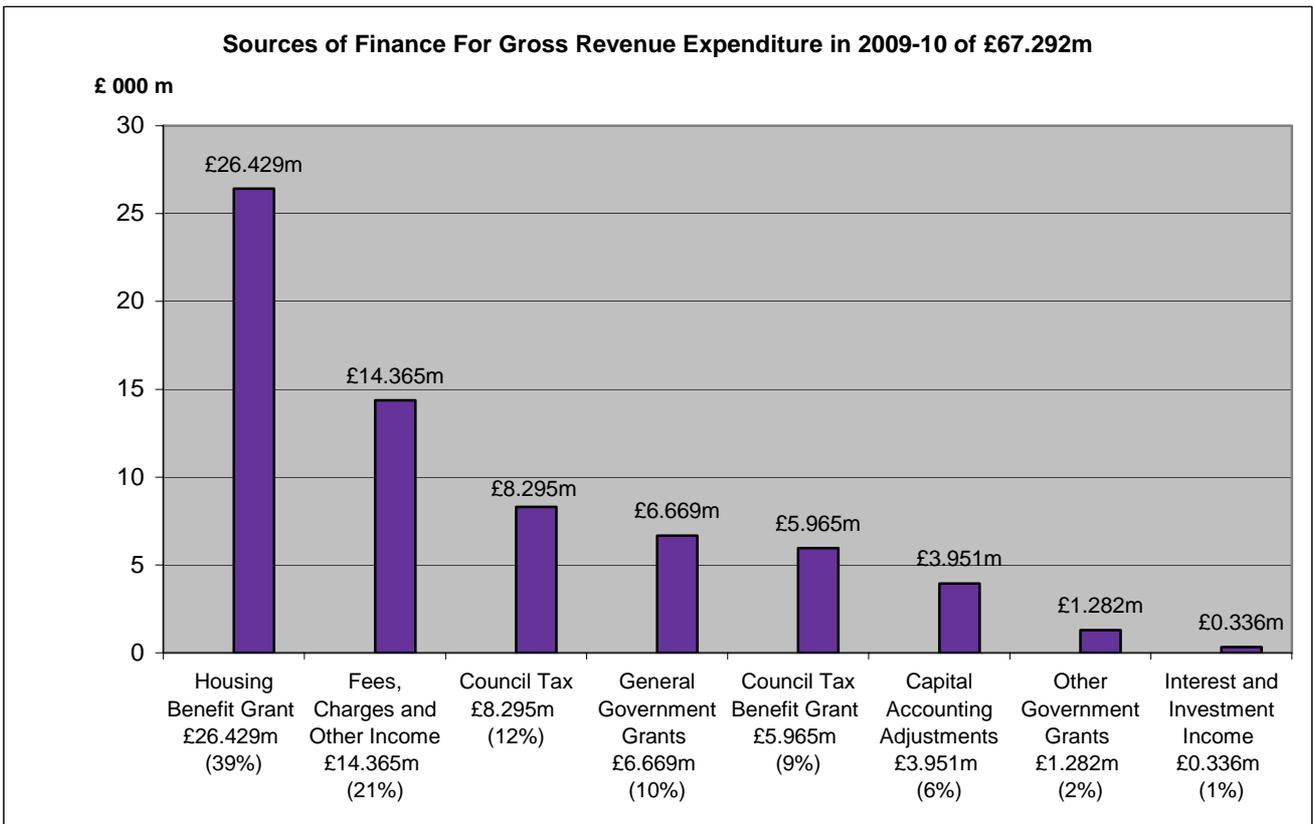
The chart below shows the net cost of all Council services on the Statement of Accounts as a percentage of the total net cost of the services provided by the Council:





Sources of Finance of the Council's Revenue Activities

The following chart show how the Council met the cost of its services in 2009/10:



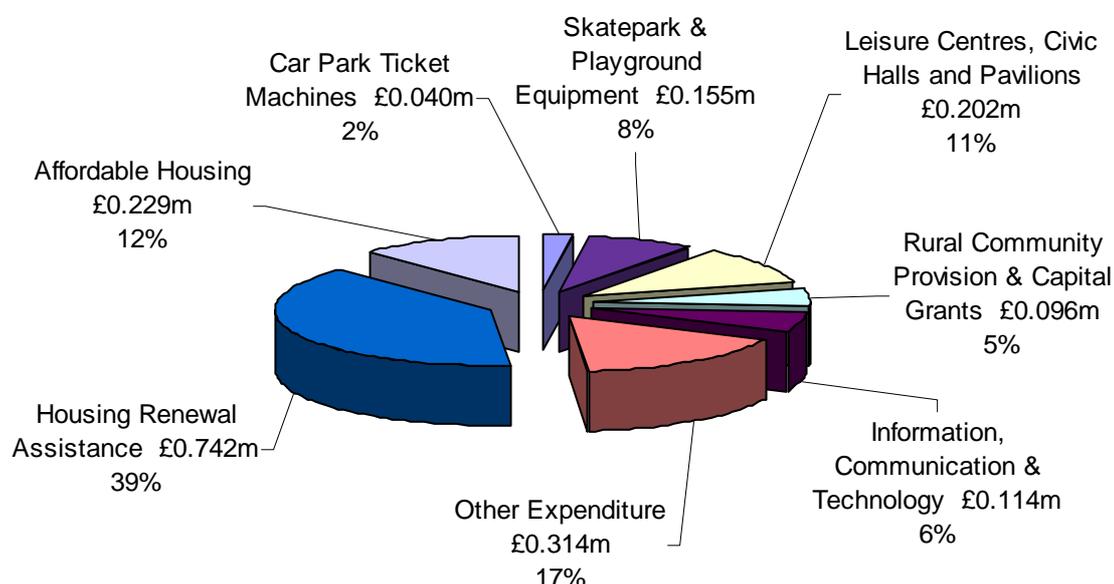
Capital Expenditure

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 2009/10 totalling £1.892m is shown below:

Capital Expenditure 2009/10

£1.892m



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 2010

	<i>£ 000s</i>	<i>£ 000s</i>
Software Licences - Intangible Assets		124
Buildings, Land & Assets owned by the Council		82,934
Stock		5
Money owed to the Council		8,031
Investments		8,000
Cash at Bank		188
Gross Assets		99,282
Money the Council owed	(3,828)	
Borrowing payable less 1 year	(134)	
Government Grants & Contributions Received	(5,735)	
Government Grants Deferred	(467)	
Borrowing payable longer 1 year	(1,591)	
Pension Fund deficit	(45,837)	
		(57,592)
Total Net Assets		41,690
Financed by:		
Reserves and General Fund Balances		6,798
Pension Reserve		(45,837)
Capital Finance and Revaluation of Assets		80,729
Total Net Worth		41,690

Specific Reserves and General Fund Balances held at 31st March 2010 were

	<i>Balance at 1st April £ 000s</i>	<i>Balance at 31st March £ 000s</i>
Specific Reserve		
Member Support & Partnerships	3	43
Development Control	124	125
Planning Policy	249	309
Finance Corporate	87	267
Revenues and Benefits	238	228
Housing	1	48
Environmental Health	1	1
Community Services & Culture	193	213
Leisure Operations	154	105
Building & Asset Maintenance	0	44
Personnel & Payroll	6	0
Corporate Organisational Development	3	5
Better Mid Sussex	82	129
Specific Reserve Total	<u>1,141</u>	<u>1,517</u>
Unallocated General Reserve	2,282	3,327
Other Reserves	42	46
Commuted Sums	1,541	1,527
General Fund Balances	<u>3,865</u>	<u>4,900</u>

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Details of all expenditure financed from the Specific Reserve and General Reserve is contained within the outturn report to Cabinet on 7th June 2010.

Summary of Cash Flow during 2009/10

	<i>£000s</i>	<i>£000s</i>
Cash in Bank 1st April 2009		1,353
Revenue Activities Net Cash Inflow / (Outflow)	1,434	
<i>Cash Inflows</i>		
Interest Received	492	
Capital Activities	<u>369</u>	
		2,295
<i>Cash Outflows</i>		
Interest Paid	(294)	
Capital Activities	<u>(569)</u>	
		(863)
<i>Management of Liquid Resources</i>		
Movement in Other Liquid Resources*		(2,697)
<i>Financing</i>		
New Loan Raised For Capital Financing		205
Repayment PWLB Loan		<u>(105)</u>
Cash in Bank 31st March 2010		188

*The in year movement in Other Liquid Resources is the difference between the net cash received from the Collection Fund for Council Tax and Business Rates and the amount due to be paid to West Sussex County Council and Sussex Police Authority and the amount due to be received from the central Government Business Rates Pool. From 2009-10 onwards the accounts will show this entry to reflect the change to agency accounting for the Collection Fund.