

Summary of Accounts 2006-07

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 2007 was approved by Council on 20th June 2007.

Interested members of the public had a statutory right to inspect the accounts from 25th June 2007 to 20th July 2007. The availability of the accounts for inspection was advertised in the local newspapers, Mid Sussex Times, The Leader and East Grinstead 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 will be published on the Council's website when the Audit Commission have provided their opinion. We have prepared summary accounts to provide a brief overview of the year end position, as shown below.

Public Community Engagement

Prior to refreshing the Corporate Plan and preparing the budget for 2006/07, a process of community engagement was undertaken. A number of public events were held during the Autumn of 2005, including displays in town centres on Saturday mornings, presentations at Area Forums, a series of Older People road shows and a workshop for Younger Citizens. The purpose of these events was to gain public opinion regarding the Council's proposed updated priorities. This resulted in an update of the Corporate Plan and budget.

Performance Management

The Corporate Plan and Budget Report for 2006/07 was approved by Council on 1st March 2006. 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.

Key areas of work for the Council in 2006/07 were in three themes:

Better Environment

- Revitalising the Town Centres, improved waste management, recycling and street cleansing, cleaner and safer neighbourhoods

Better Lives

- Improving community safety, exercising our community leadership role regarding health service provision

Better Services

- Providing better services for our customers, improving efficiencies and working with other partners particularly the District's Local Partnership and the West Sussex Local Area Agreement.

Financial Review of the Year

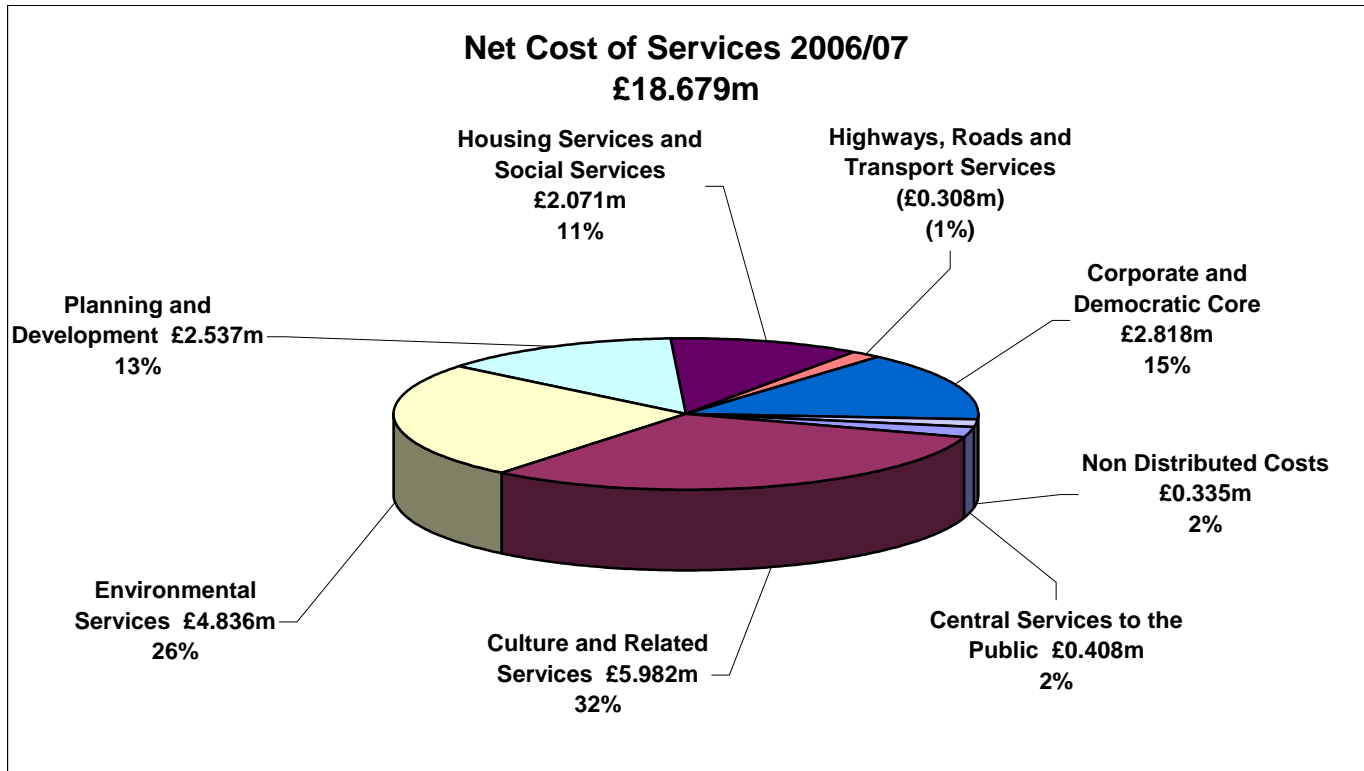
The revenue and capital outturn for 2006/07 was reported to Cabinet on 4th June 2007. The report explained that during 2006/07 Members had received three Budget Management reports to assist in the management of the budget and to minimise the risk of a significant variation.

Revenue Expenditure

The final underspend of £5,000 was within the tolerance level that had been set internally, and is the result of the good budget management and sound financial control throughout the year. Budget management has improved as anticipated and the movement of money between budgets, otherwise known as virement, was significantly reduced in 2006/07 compared to previous years.

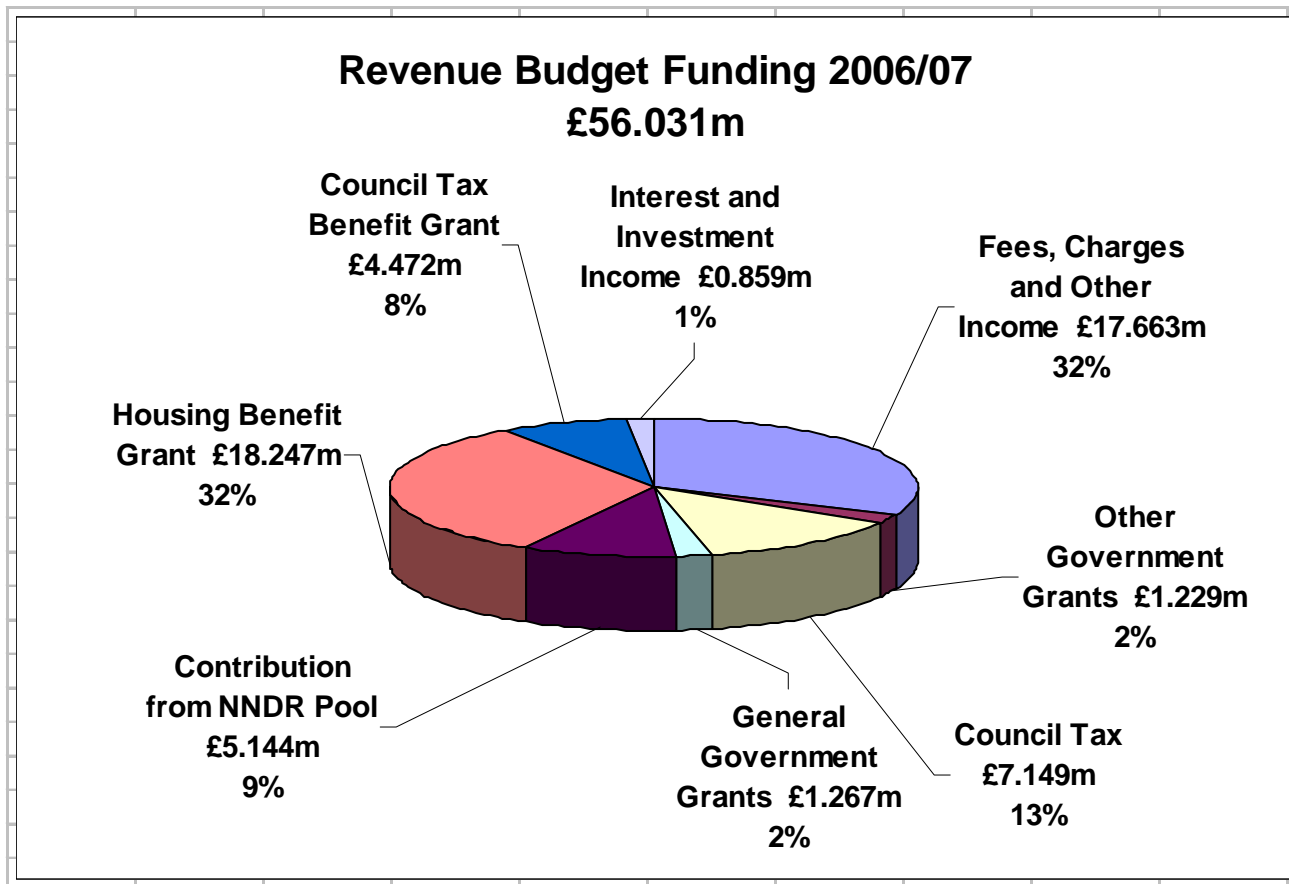
Net Cost of Services – How the money was spent

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



Sources of Finance of the Council's Revenue Activities

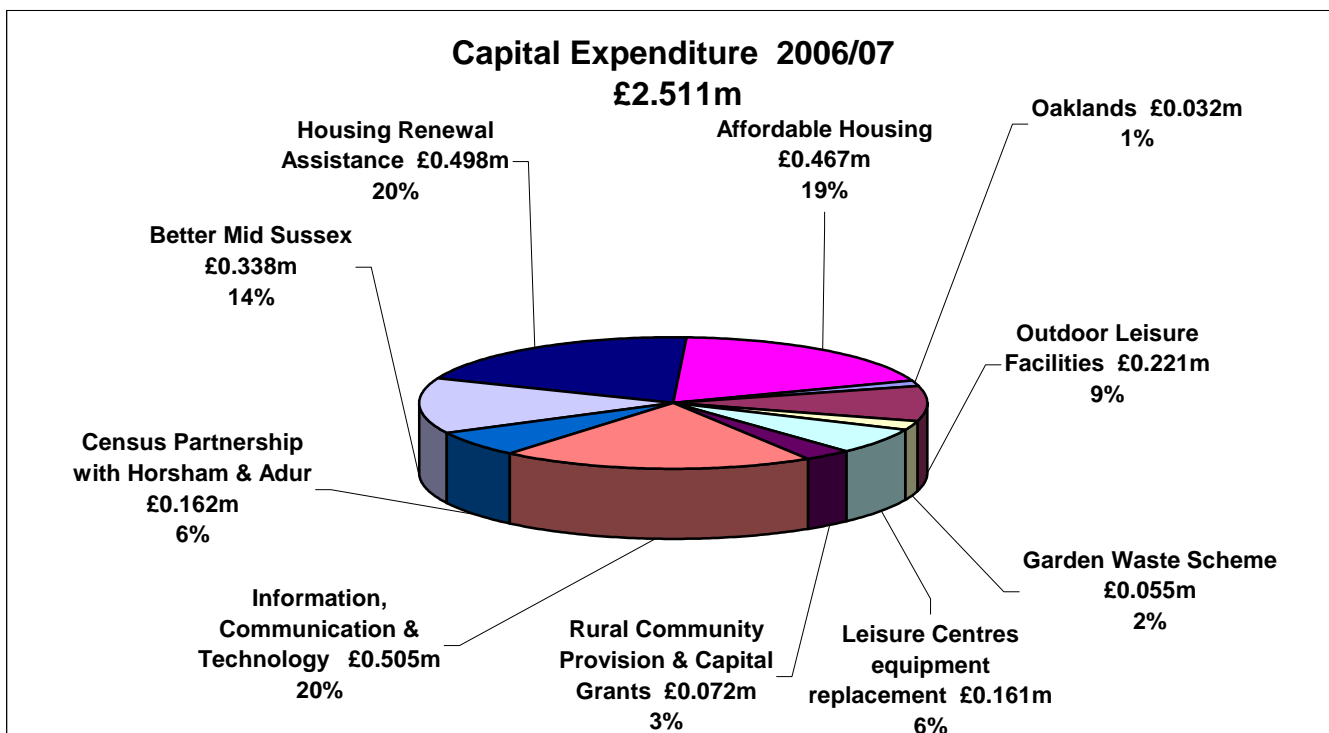
The following chart show how the Council met the cost of its services in 2006/07:



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 2006/07 totalling £2.511m is shown below:



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 2007

	£ 000s
Software Licences - Intangible Assets	260
Buildings, Land & Assets owned by the Council	76,938
Stock	44
Money owed to the Council	4,843
Investments	10,130
Cash at Bank	610
Money the Council owed	(6187)
Government Grants & Contributions Received	(3,529)
Government Grants Deferred	(552)
Provision	(2,000)
Pension Fund deficit	(19,480)
Total	<u>61,077</u>
Financed by:	
Reserves and General Fund Balances	(15,630)
Capital Finance and Revaluation of Assets	<u>76,707</u>
Total	<u>61,077</u>

The General Fund Balances held at 31st March 2007 were:

	Balance at 31st March 2007 £000s	<i>Balance at 1st April 2006 £000s</i>
Unallocated General Reserve	1,759	4,162
Other Reserves	35	40
Commuted Sums	1,424	1,400
	<u>3,218</u>	<u>5,602*</u>

* restated for 2005/06.

Specific Reserves held at 31st March 2007 were:

	Balance at 31st March 2007 £000s	<i>Balance at 1st April 2006 £000s</i>
Specific Reserves	(75)	498
Repairs and Renewals	175	152
Dolphin LC Equipment Renewal Reserve	96	72
NDR Credits	70	70
	<u>266</u>	<u>792</u>

Details of all expenditure financed from the Specific Reserve and General Reserve is contained within the outturn report to Cabinet on 4th June 2007.