

Income and Expenditure Account

2007/08			2008/09		
Restated* Net Expenditure £m		Note	Gross Expenditure £m	Income £m	Net Expenditure £m
	CONTINUING SERVICES				
97.6	Children's and Education Services	1	607.8	(493.9)	113.9
96.3	Adult Social Care		181.5	(52.1)	129.4
44.7	Highways, Roads & Transport Services		63.4	(19.6)	43.8
54.3	Cultural, Environmental & Planning Services	2	76.4	(14.8)	61.6
0.9	Central Services to the Public		1.8	(0.6)	1.2
0.4	Courts Services		0.7	(0.2)	0.5
0.1	Housing Services		0.2	(0.1)	0.1
5.4	Corporate and Democratic Core		7.7	(4.8)	2.9
4.0	Non Distributed Cost		9.9	0.0	9.9
303.7	NET COST OF SERVICES		949.4	(586.1)	363.3
	OTHER ITEMS				
0	(Gain) / Loss on the disposal of fixed assets				(0.1)
0.3	Flood defence levies				0.3
(0.8)	Net surplus on trading accounts	3			(0.6)
19.4	Interest payable				19.9
(8.0)	Interest and investment income				(10.3)
(4.3)	Pensions – Interest cost & expected return on assets	4			7.4
(2.8)	Interest on transferred debt				(2.9)
307.5	NET OPERATING EXPENDITURE				377.0
(211.5)	Precepts on District Councils				(221.4)
(68.4)	Distribution from Non-Domestic Rates				(81.4)
(13.0)	General government grants	39			(33.6)
(0.7)	(Surplus) / Deficit on Collection Funds				0.4
13.9	DEFICIT FOR THE YEAR (a)				41.0

*2007/8 restated for changes in valuation method of Pension scheme assets, see note 4.

Statement of Movement on the General County Fund Balance

The Income and Expenditure Account shows the Council's actual financial performance for the year, measured in terms of the resources consumed and generated over the last twelve months thus reflecting UK Generally Accepted Accounting Practice (UK GAAP). However, the authority is required, by statute, to raise council tax on a different accounting basis, the main differences being:

- Capital investment is accounted for as it is financed, rather than when the fixed assets are consumed.
- Retirement benefits are charged as amounts become payable to pension funds and pensioners, rather than as future benefits are earned.

The General County Fund Balance shows whether the Council has over or under spent against the council tax that it raised for the year, taking into account the use of reserves built up in the past and contributions to reserves earmarked for future expenditure.

This reconciliation statement summarises the differences between the outturn on the Income and Expenditure Account and the General County Fund Balance.

2007/8 £m		2008/9 £m
13.9	Deficit for the year on the Income and Expenditure Account (a)	41.0
(19.2)	Net additional amount required by statute and non-statutory proper practices to be debited or credited to the General Fund Balance for the year (b)	(36.5)
(5.3)	(Increase) / Decrease in General County Fund Balance for the year	4.5
(32.7)	General County Fund Balance brought forward	(38.0)
(38.0)	General County Fund Balance carried forward (c)	(33.5)

Analysis of the movement on the General County Fund Balance for the year between the amount generally available to the authority and the net amount held by schools under locally management schemes:

2007/8 £m		2008/9 £m
(23.7)	Amount of General County Fund Balance held by schools under local management schemes	(21.0)
(5.3)	Amount of General County Fund set aside for other earmarked purposes	(3.4)
(9.0)	Amount of General County Fund generally available for new expenditure	(9.1)
(38.0)	Total General County Fund Balance (c)	(33.5)

Note of reconciling items for the Statement of Movement on General County Fund Balance:

2007/8 £m		Note	2008/9 £m
	Amounts included in the Income and Expenditure Account but required by statute to be excluded when determining the Movement on the General County Fund Balance for the year		
(0.2)	Amortisation of intangible fixed assets	5	(0.2)
(64.9)	Depreciation and impairment of fixed assets	5	(69.1)
(1.9)	Amounts treated as revenue expenditure in accordance with the SORP, but which are classified as capital expenditure by statute	9	(2.1)
16.1	Government Grants Deferred amortisation	12	21.9
0	Net gain / (loss) on sale of fixed assets		0.1
(0.6)	Additional interest on stepped rate loans		(0.3)
0.7	Net charges made for retirement benefits in accordance with FRS 17		(7.1)
(50.8)			(56.8)
	Amounts not included in the Income and Expenditure Account but required to be included by statute when determining the Movement on the General County Fund Balance for the year		
14.1	Statutory provision for repayment of debt		14.2
(2.6)	Less principal repayments on transferred debt		(2.5)
	Add principal repayment on deferred purchase		0.2
2.3	Capital expenditure charged in-year to the General Fund Balance		9.1
0.6	Annual write down of premiums paid on rescheduled debt		0.7
(0.5)	Annual write down of discounts received on rescheduled debt		(0.6)
13.9			21.1
	Transfers to or from the General County Fund Balance that are required to be taken into account when determining the Movement on the General County Fund Balance for the year		
17.7	Net transfer to earmarked reserves		(0.8)
(19.2)	Net additional amount required to be charged to the General County Fund Balance for the year (b)		(36.5)

Statement of Total Recognised Gains and Losses

2007/8 £m		Note	2008/9 £m
13.9	(Surplus) / Deficit for the year on the Income and Expenditure Account (a)		41.0
(55.5)	Surplus arising on revaluation of fixed assets	5	(36.6)
(12.4)	Actuarial (gains) / losses on the pension fund assets and liabilities	4	158.1
(0.3)	Other gains / (losses) required to be included in the STRGL		(0.4)
(54.3)	Total recognised (gains) / losses for the year		162.1

Balance Sheet as at 31 March 2009

31 March 2008 £m		Note	31 March 2009 £m	
0.9	FIXED ASSETS Intangible Assets	5-11		0.8
	Tangible Assets			
680.0	Land and buildings		704.1	
4.1	Vehicles, plant & equipment		3.9	
188.4	Infrastructure		213.5	
12.0	Community assets		11.7	
884.5				933.2
	Non-Operational Assets			
3.4	Investment properties		2.9	
7.7	Assets under construction		4.6	
3.1	Surplus assets, held for disposal		3.4	
14.2				10.9
66.1	Long term investments	22		56.7
55.0	Long term debtors	23		53.9
1,020.7	Total Long Term Assets			1,055.5
	CURRENT ASSETS			
0.9	Stocks and work in progress	24	1.4	
43.5	Debtors	23	44.2	
5.7	Payments in advance		11.7	
111.0	Short term investments	22	102.2	
161.1				159.5
	CURRENT LIABILITIES			
(0.7)	Borrowing repayable on demand or within 12 months	13	(35.0)	
(80.4)	Creditors	26	(90.5)	
(4.7)	Cash overdrawn	25	(4.4)	
(18.7)	Receipts in advance		(21.1)	
(104.5)				(151.0)
56.6	Net Current Assets			8.5
1,077.3				1,064.0
	LONG TERM LIABILITIES			
(376.6)	Long term borrowing	13	(339.7)	
(0.3)	Deferred liabilities	30	(0.2)	
(5.4)	Provisions	27	(5.3)	
(87.3)	Grants and contributions deferred	12	(107.7)	
(143.6)	Defined benefit pension scheme*	4	(308.8)	
(11.4)	Capital contributions unapplied	28	(11.7)	
(624.6)				(773.4)
452.7	Net Assets			290.6

31 March 2008 £m		Note	31 March 2009 £m	
	FINANCED BY			
(457.4)	Capital Adjustment Account	29		(432.4)
(51.6)	Revaluation Reserve	29		(85.8)
(53.8)	Revenue Reserves	29		(52.7)
(1.8)	Capital Receipts Unapplied	29		(1.5)
(0.1)	Other Capital Reserves	29		(0.1)
6.4	Financial Instruments Adjustment A/c	29		6.6
143.6	Pension Reserve*	29		308.8
(29.0)	County fund: Earmarked sums	29		(24.4)
(9.0)	Uncommitted balance	29		(9.1)
(452.7)				(290.6)

*The comparative 2007/08 figures for the pension scheme and the pension reserve have been revised in accordance with FRS 17. See note 4 for further details.

Cash Flow Statement

2007/08 Restated*		Note	2008/09		
			£m	£m	£m
(56.7)	Net Revenue activities cash inflow	37			(25.6)
	Return on Investments and Servicing of Finance				
	Cash outflows:				
20.7	Interest paid		20.9		
0	Premiums paid/discounts received		0		
0	Lease rentals		0		
20.7				20.9	
	Cash inflows:				
(5.3)	Interest received			(15.0)	
15.4					5.9
	Capital Activities				
	Cash outflows:				
67.6	Purchase of fixed assets			79.2	
	Cash inflows:				
(4.8)	Sale of fixed assets		(1.0)		
(36.2)	Capital grants received		(36.0)		
(4.4)	Other capital contributions		(7.9)		
(45.4)				(44.9)	
22.2	Net Capital Activities				34.3
(19.1)	Net cash (inflow)/ outflow before Financing				14.6
	Management of Liquid Resources				
27.6	Net change in investments	38			(17.8)
	Financing				
	Cash outflows:				
61.4	Repayments of amounts borrowed			73.2	
	Cash inflows:				
(70.7)	New loans raised		(36.0)		
	New short term loans raised		(34.3)	(70.3)	
(9.3)					2.9
(0.8)	(Increase)/Decrease in Cash	38			(0.3)

*2007/8 restated for change in accounting policy related to revenue expenditure funded from capital under statute.