



Summary Financial Statement 2010/11



The following summary has been produced to give you an insight into the Council's finances for the year ending 31 March 2011.

If you would like to view the full Statement of Accounts document, please visit our website at www.gedling.gov.uk or request a paper copy at a cost of £5 by telephoning 0115 901 3855.

If you have any queries, or you require the document in an alternative format, please telephone the Council's Communications team on 0115 901 3801.



Serving people, improving lives

Overview

The Council's full Statement of Accounts is subject to audit by the District Auditor, and must be signed by him by 30 September 2011. The Council has maintained its reputation for robust financial management, with outturn broadly in line with quarterly monitoring. The preparation of the Statement of Accounts has been particularly challenging for 2010/11 given the new requirement for full compliance with International Financial Reporting Standards. Accounting policy changes arising from the adoption of IFRS have been accounted for retrospectively, and comparative figures have also had to be restated.

Some significant points to note are as follows:

- Following a review of the Council's leisure income in the light of the "Fleming" VAT case, claims in respect of cultural and sporting services were made to HM Revenues and Customs for the return of output tax previously paid, and a total of £840,000 has been successfully recovered.
- Following the Large Scale Voluntary Transfer of the Council's housing stock in 2008, it was anticipated that the VAT partial exemption position could be breached. Accordingly, a provision was set aside, but this was not ultimately required, and was returned to the service revenue accounts in 2010/11.
- Savings on employee expenses have again been achieved in 2010/11. This is due to continued positive vacancy management, with each post being individually assessed and approved before being advertised.
- The economic climate has continued to put pressure on the Council's income budgets.

Revenue Expenditure

Net General Fund expenditure on services for 2010/11 totalled £14.236m, and the council contributed £0.576m to balances for the support of future expenditure, compared to its revised budget of £0.12m, leaving a year-end balance of £5.293m. A balance is always needed to finance expenditure pending receipt of local taxes and other income, especially in the current challenging economic circumstances.

The Council's Comprehensive Income and Expenditure Statement for 2010/11

	Exp £000's	Inc £000's	Net £000's
Central services to the public	12,084	(10,423)	1,661
Cultural, environmental, regulatory & planning services	16,634	(5,680)	10,954
Highways & transport services	3,166	(702)	2,464
GF Housing services (incl rent allowances)	25,160	(24,155)	1,005
Corporate & Democratic Core	2,123	(73)	2,050
Non Distributed Costs (including pension past service gain)	(5,770)	0	(5,770)
Cost of Services	53,397	(41,033)	12,364
OTHER OPERATING EXPENDITURE			
Parish precepts and other levies	320	0	320
Government share of council house sales	1	0	1
Loss on the disposal of non-current assets	597	(424)	173
FINANCING AND INVESTMENT INCOME AND EXPENDITURE			
Interest payable on debt	364	0	364
Pension costs	3,894	(2,995)	899
Interest receivable and similar income	0	(128)	(128)
Income and expenditure in respect of Investment properties & changes in their fair value	19	(243)	(224)
EXCEPTIONAL ITEMS			
Fleming Claims for recovery of VAT	154	(994)	(840)
TAXATION AND NON SPECIFIC GRANTS			
Council Tax	0	(5,871)	(5,871)
Business rates	0	(8,080)	(8,080)
Revenue Support grant and other non service-specific grants	0	(1,253)	(1,253)
Capital grants and contributions	0	(310)	(310)
(Surplus) on Provision of Services	58,746	(61,331)	(2,585)
Deficit on revaluation of non current assets (PPE)			2,099
Actuarial gains on Pension assets and liabilities			(16,412)
Total Comprehensive Income and Expenditure			(16,898)



Capital Expenditure

Capital expenditure for 2010/11 totalled £2.7m, and was predominantly in respect of private sector housing improvements, and the replacement of vehicles and equipment. Controls on capital expenditure have resulted in significantly reduced programmes in recent years, and mean that the Council has continued to be dependent on capital receipts from the sale of assets during the year, and on contributions from other agencies to fund capital schemes.



The Authority's Balance Sheet for 2010/11

WHAT THE COUNCIL OWNS, AND WHAT IS OWED TO THE COUNCIL

	£000's
Property, Plant and Equipment	22,511
Investment property	8,612
Intangible Assets (software licences)	249
Long-term investments (over 1 year)	1,515
Long-term debtors (mortgages etc)	153
Short-term investments (under 1 year)	3,556
Stocks and works-in-progress	140
Cash and cash equivalents	1,766
Short-term debtors	4,366
Creditors and borrowing repayable within 12 months	-2,299
Other short-term liabilities	-25
Long-term borrowing repayable in over 12 months	-9,812
Pension liability	-16,840
Other long term liabilities	-1,537
The Council's total assets less its liabilities	12,355

FINANCED BY:

Usable reserves	7,758
Unusable reserves	4,597
The net worth or "value" of the Council at 31 March 2011	12,355
The net worth or "value" per taxpayer at 31 March 2011	£244

	£000's
Cashflow 2010/11	3,737
Cash and cash equivalents at 1 April 2010	3,737
Net cashflow from the Council's operating activities	895
Cashflow from investing activities (purchase of assets and investments etc)	(5,698)
Cashflow from financing activities (receipt of borrowing etc)	2,832
Cash and cash equivalents at 31 March 2011	1,766

Collection Fund 2010/11

During 2010/11, 98.5% of the Council Tax due and 98.5% of the National Non-Domestic Rate due was collected. The Council acts as an agent of the County Council, Police Authority and Fire Authority in respect of the collection of Council Tax, and as an agent of the Government in the collection of the National non-domestic rate. The following table show the split of the sums collected via your Council Tax bill in 2010/11:

	£000s	%
Nottinghamshire County Council	45,448	75.7
Gedling Borough Council (including its parishes)	5,843	9.7
Nottinghamshire Police Authority	6,099	10.2
Combined Fire Authority	2,655	4.4
Total of Major Precepts	60,045	100.0



The Collection Fund deficit at 31 March 2011 was £0.407m, which is within acceptable tolerances, given that around £80m of Local Taxation is accounted for in this fund, and the fact that significant provisions are held. The deficit has been disaggregated on the balance sheet in accordance with specific accounting requirements.

Sustainability

National reporting of greenhouse gas emissions has been reviewed and data is now recorded in relation to three "scopes". Gedling Borough Council's emissions in 2010/11, in tonnes of CO₂, were as follows:

	2009/10 Tonnes	2010/11 Tonnes
Scope 1 Fleet	1,013	911
Scope 2 Electricity	1,725	1,706
Gas (2010/11 is higher due to the extreme winter)	1,300	1,727
Scope 3 Business mileage	56	32
Total of the council's greenhouse gas emissions	4,094	4,376



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