

Statement of Accounts Summary 2010/11

Introduction

Doncaster Council is required to produce an annual Statement of Accounts to provide assurance to the public that the Council has used public money legally and responsibly. This year's financial statements represent the first set of accounts produced under a new accounting regime, International Financial Reporting Standards (IFRS).

The Statement of Accounts is inherently a long and technical document that is not always user-friendly for the general public. These summary accounts have been produced to make the information easier to understand and more accessible to a wider audience. This summarised version of the accounts picks out the key elements from the full financial statements. These summary accounts are not subject to external audit review.

Contents

The accounts include: -

- Comprehensive Income and Expenditure Statement
- Balance Sheet
- Cash Flow
- Capital Expenditure and Financing

EXTRACTS FROM THE CORE FINANCIAL STATEMENTS

1. Comprehensive Income and Expenditure Statement

The Comprehensive Income and Expenditure Statement shows the net cost of running the Council's services for 2010/11 and how these were funded.

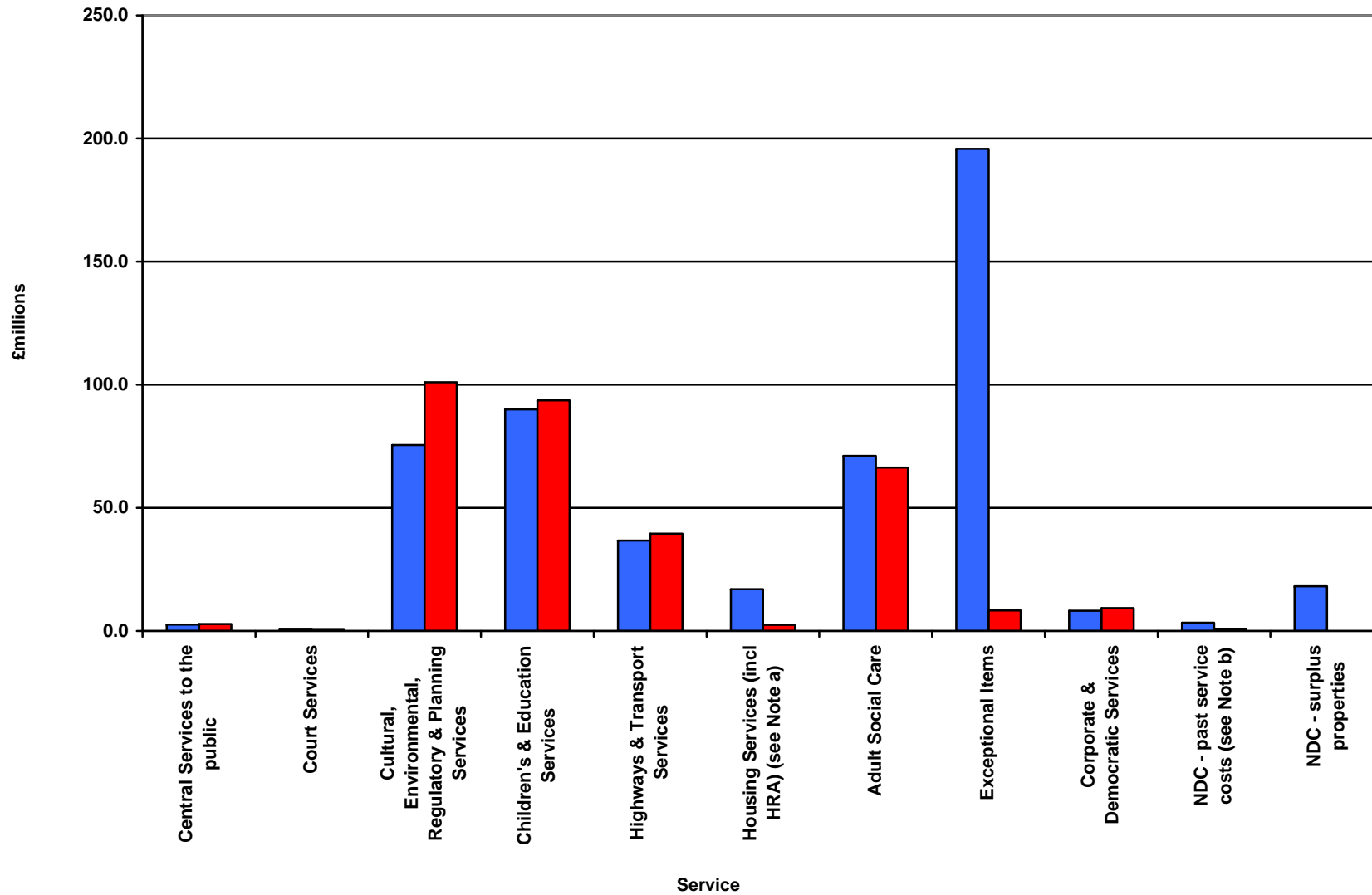
	2009/10 Restated Net Exp £m	2010/11			
		Gross Exp £m	Income £m	Net Exp £m	
	2.764	Central Services to the Public	28.446	(25.858)	2.588
	0.471	Court Services	0.952	(0.421)	0.531
	101.005	Cultural, Environmental, Regulatory and Planning Services	99.417	(23.899)	75.518
	93.580	Children's and Education Services	358.127	(268.175)	89.952
	39.548	Highways and Transport Services	40.616	(3.925)	36.691
	2.116	Local Authority Housing (HRA)	61.230	(62.470)	(1.240)
	0.376	Other Housing Services	105.662	(87.474)	18.188
	66.274	Adult Social Care	115.648	(44.543)	71.105
	8.363	Exceptional Items (see (a) and (b) below)	195.781	(0)	195.781
	9.328	Corporate and Democratic Core	8.507	(0.257)	8.250
		Non Distributed Costs			
	0.788	Past service costs	3.629	(0.228)	3.401
	0	Surplus properties	18.158	(0)	18.158
	324.613	Net Costs of Services			518.923
	63.941	Other Operating Expenditure			65.606
	39.391	Financing & Investment Income & Expenditure			32.482
	(306.305)	Taxation and non-specific grant income			(309.385)
	121.640	(Surplus) / Deficit on Provision of Services			307.626
	(130.102)	(Surplus) / Deficit on revaluation of Property, Plant and Equipment			(94.833)
	111.558	Actuarial gains / (losses) on pension assets / liabilities			(35.020)
	103.096	I & E (Surplus) / Deficit for the year			177.773

MAJOR MOVEMENTS BETWEEN FINANCIAL YEARS

a) There is an impairment charge to the HRA of £237m which is due to the change in the percentage used in calculating the social housing value of Council dwellings (47% in 2009/10 down to 31% in 2010/11). The figure is set by the central government departments.

(b) Following the 2010 UK budget statement public sector pensions are now up-rated in line with the Consumer Price Index (CPI) rather than Retail Prices Index (RPI). This has the effect of reducing the Council's liabilities in the SY Local Government Pension Scheme by £57m

Summary Net Cost of Services 2010/11 : £518.923m (2009/10 : £324.613m)



■ 2010/11 ■ 2009/10

2. The Balance Sheet

The Council's financial position at the end of the year is represented by its balance sheet.

The balance sheet brings together money owed by and to the Council, assets owned, and balances and reserves that the Council may use. The balance sheet includes the Collection Fund and the Housing Revenue Account

2009/10 (restated) £m	Balance Sheet	2010/11 £m
	Assets	
0.254	Intangible assets	0.625
1,660.841	Property, Plant & Equipment	1,427.266
15.330	Investment Property	16.834
0	Assets Held for Sale	7.637
72.063	Debtors (money owed to the Council)	59.844
22.951	Investments, inventories, cash and cash equivalents	41.013
1,771.439	Total Assets	1,553.219
	Liabilities	
(367.719)	Borrowing	(395.536)
(348.658)	Pension liability	(270.020)
(75.538)	Creditors (money owed by the Council)	(72.076)
(61.071)	Deferred liabilities	(58.271)
(40.329)	Other liabilities	(56.779)
(893.315)	Total Liabilities	(852.682)
878.124	Total Assets Less Liabilities	700.537
	Financed by:	
802.300	Non-distributable reserves	624.937
70.659	Reserves available for specific purposes	61.153
5.165	Reserves available for general purposes	14.447
878.124	Net Worth	700.537

3. The Council's Cash flow

The Cash Flow statement shows the movement of money into and out of the Council's bank accounts.

The statement ignores money owed to us and money owed by us. The statement acts as a reality check on the year's accounts.

Money received by the Council, or cash inflows, can come from a variety of sources such as local taxation, government grants, bank interest and fees & charges.

The cash outflows includes purchases, interest and principal payments on loans, salaries and other costs and expenses

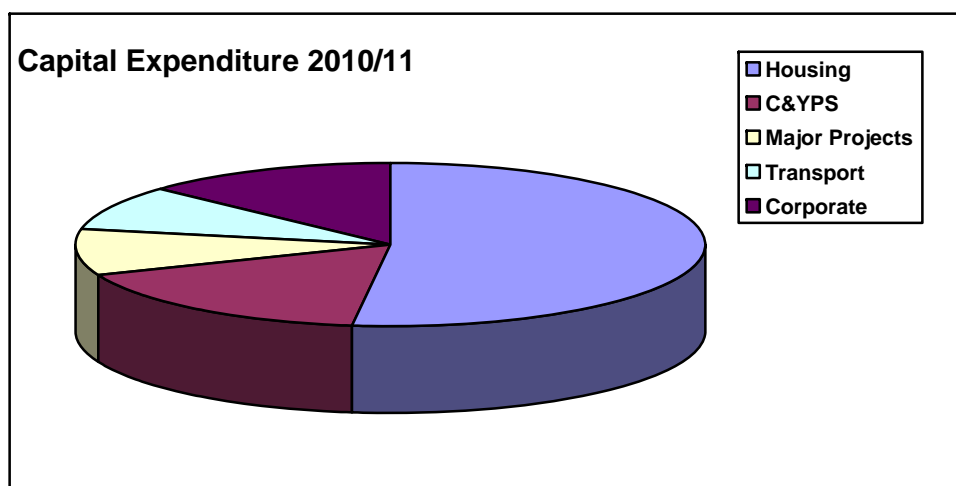
	31 March 2011
	£'000
Net increase or decrease in cash and cash equivalents	19.783
Cash and cash equivalents at the beginning of the reporting period	4.058
Cash and cash equivalents at the end of the reporting period	23.841

4. Capital expenditure and financing

Capital expenditure represents money spent by the Council to purchase, upgrade or improve assets such as buildings, vehicles and roads.

Capital expenditure is distinct from revenue expenditure, as detailed in the Income and Expenditure Account, because the Council and its communities essentially receive the benefit from capital expenditure over a longer period of time.

	£m	%
Housing	53.0	52
Children and Young People Services	17.9	17
Major Projects	9.5	9
Transport	9.2	9
Corporate	13.3	13
Total Capital Expenditure	102.9	100



In 2010/11 the Council spent £102.9m on capital projects. Most of the funds required for the capital programme came from government grants and contributions (£48.0m) and government approved borrowing (£35.6m)