

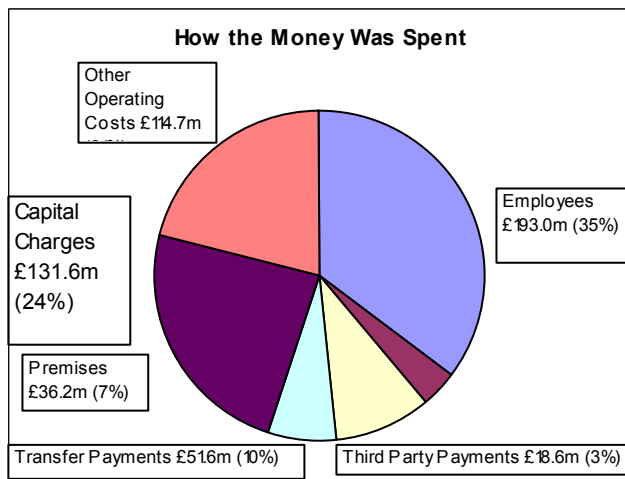
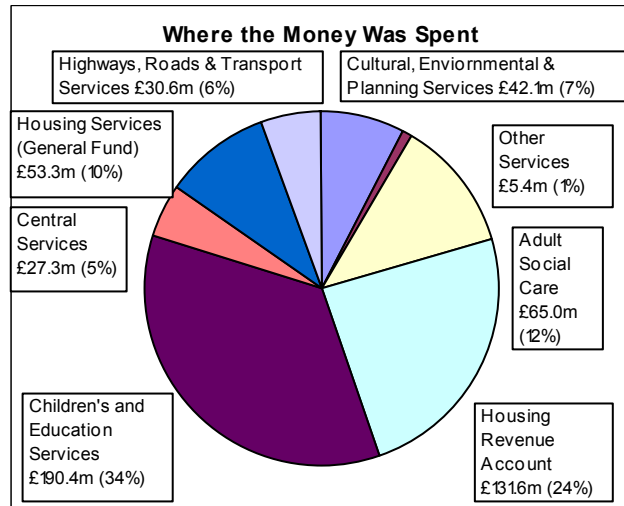
Summary of Accounts 2010/11

INTRODUCTION

The full Statement of Accounts is available on the Council's website. It's format and content is set by International Financial Reporting Standards and the Accounting Code of Practice, therefore this summary report aims to provide a simplified version of the accounts.

REVENUE TRANSACTIONS

The Council set a budget of £117.3m which included growth of £14.7m and savings of £10.3m. There was an underspending during the year compared to the budget of £0.4m, although £0.2m of this was for projects that could not be fully provided in 2010/11, and the resources will be used in 2011/12. In the year it spent £546.9m on providing day-to-day services to the public and has managed a number of pressures during the year. The adjacent graph shows this expenditure on a service basis.



These costs can also be shown by category of expenditure.

Employees costs include the full cost of employing all staff, including teachers

Third party payments include levies from internal drainage boards

Transfer payments relate principally to benefit payments and rent rebates

Premises costs are the cost of running all council premises

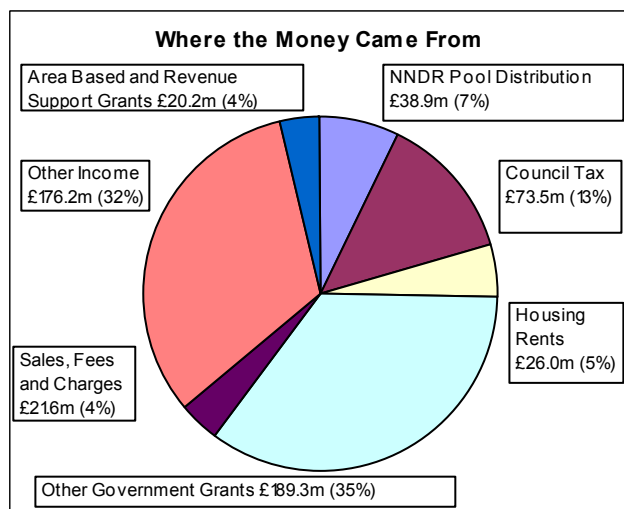
Other operating costs includes such diverse items as social services costs for supporting residents

Capital Charges are depreciation and revaluation loss for fixed assets.

The general fund balance is £14.7m (including £7.3m reserved for use by schools). The funding used in the year is shown in the attached chart.

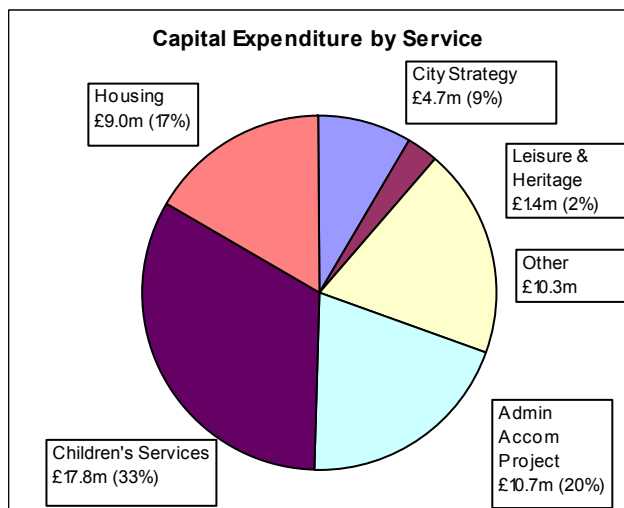
NNDR Distribution and General Government Grants are paid by the government to support general expenditure; other government grants are to fund specific service provision.

While Council Tax may seem very visible to those who pay it, it only represents 13% of the Council's total funding.



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CAPITAL TRANSACTIONS



The expenditure on building and improving the Council's fixed assets was £59.3m compared to a budget of £64.3m. The change has arisen due to re-programming of some of the work.

The Council maintains a wide-ranging capital programme containing initiatives such as:

- Local Transport Plan (£3.5m) & refurbishment of Council roads (£5.4m)
- Modernisation and repairs to Council Properties (£6.4)
- Primary School Strategic programme (£5.8m).
- Schools modernisation capital works on a variety of schools (£2.8m)
- York Pools strategy (£2.9m)
- Cycle England (£1.1m)

SUMMARY BALANCE SHEET AS AT 31 MARCH 2011

The balance sheet shows the end of year financial position for the Council as a whole. It presents the financial value of the land, buildings and other assets owned by the Council and the value of borrowings and other debts owed by the Council.

After adjustments for revaluations, depreciation and disposals, the value of **fixed assets** reduced by £97.6m in the year, including a revaluation loss reduction on Housing properties reflecting the current market conditions and change in revaluation methodology.

The **pension liability** represents the Council's net financial commitment to existing pensioners, future pensioners and current employees. The **pension reserve** is the offsetting amount the Council would need to make available over a period of time to fund these benefits. This results in a net nil cost to the taxpayer.

Capital accounting represents the proportion of the Council's fixed assets that have been funded to date.

Earmarked reserves are funds of money held by the Council for specific purposes. These include money for future capital investment and other projects. The value increased by £0.8m during the year.

General reserves need to be maintained at an adequate level to provide a sound financial basis and meet any unforeseen calls on the Council's resources. They include £7.3m unspent allocations held by schools. As a result of the overall net spending in 2010/11 compared to the budget, the balance on general reserves has increased by £0.4m, of which Members have agreed additional expenditure of £0.2m in 2011/12. This will leave the reserves at a level considered to be adequate.

FURTHER INFORMATION

The full Statement of Accounts is available on the Council's website, and can also be viewed at the Central Library.

	£m	£m
Long Term Assets		
Intangible Assets	2.2	
Property, Plant & Equipment	660.1	
Investment Properties	43.1	<u>705.4</u>
Other Assets and Liabilities:		
Inventories	0.5	
Cash and cash Equivalents	20.4	
Investments	25.3	
Debtors and Other Assets	25.3	
Borrowing	-134.1	
Creditors and Other Liabilities	-52.7	
Pensions Liability	-148.1	<u>-263.4</u>
NET ASSETS		<u>442.0</u>
Financed by:		
Useable Reserves	46.6	
Unusable Reserves	395.4	
TOTAL RESERVES		<u>442.0</u>