

# Statement of Accounts 2003/2004



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Prepared by the Financial Services Division of the Finance and  
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Approved by the Council, 11 August 2004

Signed

Councillor J L Carr, Chair



## **EXPLANATORY FOREWORD**

The purpose of this foreword is to provide a guide to the most significant matters reported in the 2003/2004 accounts. The pages which follow comprise:

### **Statement of Accounting Policies**

This sets out the framework and treatment of figures in the accounts.

The accounts reflect national accounting requirements. The Accounting Policies section explains this in greater detail but in essence the cost of using assets is reflected in the revenue accounts by an asset rental charge regardless of the manner in which the assets were originally financed. The balance sheet records the assets at current values.

### **Consolidated Revenue Account**

This reports the expenditure for the year on major functions for which the Council is responsible including Housing Services and Cultural, Environmental and Planning Services and shows how they were financed.

### **Housing Revenue Account (HRA)**

This reflects a statutory obligation to account separately for the management of the Council's housing stock. It shows the major elements of housing running costs, maintenance, administration, rent rebates and capital financing costs, and how these are met by rents, subsidy and other income.

### **Collection Fund**

This shows the transactions of the Council in relation to its responsibilities for the collection of non-domestic rates, council tax and residual community charge and how they were distributed to the County, Police Authority, District and Local Councils.

### **Consolidated Balance Sheet**

As well as showing the balances and reserves at the Council's disposal a summary of long term borrowings and the day-to-day monies used to support operations is provided, together with details of assets owned by the Council and net pension liability.

### **Statement of Total Movement on Reserves**

This statement brings together all the recognised gains and losses of the authority during the period and identifies those which have, and have not been recognised in the consolidated revenue account.

### **Cash Flow Statement**

This statement shows the receipts and payments of cash arising from transactions during the year.

### **Euro**

During the last financial year the Council has continued to review the impact of the Euro on its ongoing operations and financial systems. Until a decision is made as to whether the UK should adopt the Euro, any expenditure on Euro activities, which is primarily on research and strategic planning will be met from within existing budgetary provision. The replacement financial systems introduced on 1 April 2002, are fully Euro Compliant.

### **Pensions**

The way in which Councils are required to account for pension costs has changed significantly in 2003/04. One of the major changes is that any deficit, or surplus, on the Pension Fund is now required to be shown within the balance sheet. The Council's share of the pension Fund administered by East Sussex County Council, has been assessed by the scheme's actuary at 31 March 2004. This valuation highlighted a deficit on the fund of £6.86 million compared to a deficit of £11.46 million at 31 March 2003.

## REVIEW OF THE 2003/2004 FINANCIAL YEAR

The Council's expenditure is categorised as either revenue or capital. Revenue expenditure relates to items which are consumed within a year on running the organisation and are financed from the Council Tax, Government Grants and other income. Capital expenditure is normally financed over a period of years in the same manner that a private individual pays for the purchase of their home.

### Net Revenue Spending in 2003/2004

2002/03 Actual £m	Services	Budget £m	2003/2004 Actual £m	Variance £m
	<b>NET SERVICE EXPENDITURE:</b>			
5.5	Community Review Board	5.1	4.8	(0.3)
2.9	Environment Review Board	2.9	2.6	(0.3)
2.7	Housing Review Board (General Fund)	2.4	2.0	(0.4)
(0.5)	Housing Revenue Account	(0.2)	(0.5)	(0.3)
(0.6)	Staff and Corporate Policies Review Board including transfer to/from Earmarked Reserves	0.7	0.5	(0.2)
<b>10.0</b>	<b>TOTAL NET SERVICE EXPENDITURE</b>	<b>10.9</b>	<b>9.4</b>	<b>(1.5)</b>
	<b>FUNDED BY:</b>			
1.5	Parish Precepts	1.7	1.7	
(6.3)	Collection Fund Income	(6.9)	(6.9)	
(1.5)	Revenue Support Grant	(2.2)	(2.2)	
(3.7)	Contribution from Non-Domestic Rate Pool	(3.2)	(3.2)	
<b>(10.0)</b>	<b>TOTAL FUNDING</b>	<b>(10.6)</b>	<b>(10.6)</b>	
0.0	Deficit/(Surplus)	0.3	(1.2)	

The Council's net expenditure was £9.4 million, being £1.5 million less than the level budgeted. This meant that the Council was able to increase its working balances by £1.2 million rather than withdraw £0.3 million as budgeted.

The General Fund benefited from an one off adjustment to the amount set aside to repay debt, increased interest on investments, additional income from Planning Fees, Land Charges and Leisure facilities and higher than anticipated grant in respect of the Kerbside recycling scheme. Expenditure on employees and other running costs were less than anticipated.

The Housing Revenue Account benefited from a windfall in respect of the Supporting People Legislation and the settlement of two long standing potential compensation claims for which provisions had been provided but which are no longer required.

## REVIEW OF THE 2003/2004 FINANCIAL YEAR

The tables below show in broad terms where the Council's money came from, what it was spent on and the services provided.

### WHERE THE MONEY COMES FROM

	<b>£'000</b>	<b>%</b>
Government Grants and Contributions	21,593	39.6
Rents	10,585	19.4
Local Taxpayers and share of National Business Rate	10,088	18.5
Charges for Goods and Services	7,763	14.2
Use of Reserves	3,530	6.5
Interest	1,005	1.8
	<b>54,564</b>	<b>100.0</b>

### WHAT THE MONEY IS SPENT ON

#### By type of expenditure

	<b>£'000</b>	<b>%</b>
Housing and Council Tax Benefits	20,383	37.3
Running Costs	20,273	37.2
Employees	12,210	22.4
External Debt Financing	1,698	3.1
	<b>54,564</b>	<b>100.0</b>

#### By type of service

	<b>£'000</b>	<b>%</b>
Housing Services	34,057	62.4
Cultural Environment and Planning and Other Services	13,482	24.7
Central Services to the Public	6,320	11.6
Highway, Roads and Transport Services	705	1.3
	<b>54,564</b>	<b>100.0</b>

The bulk of the Council's spending was on Housing and Council Tax Benefits and running costs followed by employee costs with Housing being the largest service provided.

## Housing

The Council continues to be a major provider of rented accommodation in the District. Council tenants' rents increased in 2003/04 by an average of 2.9% to finance movements in expenditure and income and to maintain a prudent working balance.

The Housing Revenue Account (HRA) for 2003/04 is set out on page 17 and shows that the working balance was £1.338m at the end of the year, £0.326m more than the budgeted position.

The movement in the working balance arose principally from the Supporting People 'windfall' which has been earmarked pending the outcome of the Housing Options Review, compensation provisions in respect of claims which have now been settled by the Council's insurers which are no longer required and the HRA Development Reserve which has been added to the working balance and reserved for future housing IT projects. The remaining variance has arisen from movements in rental income, charges for services and management and maintenance.

## Outlook for 2004/2005 and beyond

The Council's net General Fund Budget for 2004/05 has been set at £10.52m, a decrease of 1.5% from 2003/04. In deciding on this total, the Council considered the competing needs to spend on local and national priorities and the resources which the Government makes available by means of grant. Councillors were also mindful that, should the Government consider the increase in either the net budget or the Council Tax to be excessive, it could impose a 'cap' on the Council's future spending plans. After deducting the external support received from the Government, the net budget requirement, to be met from the Council Tax, was set at £5,686,228. The Band D Tax for the Council rose by 7.25% to £153.90 for 2004/05, whilst the average total tax for this Council, East Sussex County Council, Sussex Police Authority, East Sussex Fire Authority and Town and Parish Councils increased by 6.1%.

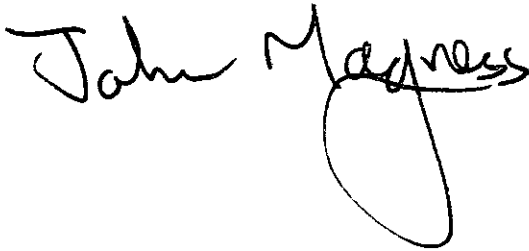
Annual Government funding has generally failed to keep pace with inflation and failed to cover the additional cost of new statutory priorities. In addition, the Council has decided to provide additional services in response to community priorities. Government has made it clear that councils will not be permitted to continually pass on such additional costs through higher Council Tax. The Council must therefore continually review its medium term financial strategy and project the overall impact that these changes might have on Council Tax levels. During 2004/05 we are working with the Audit Commission to benchmark six major service areas against its national database of performance indicators and Value For Money studies. This exercise will contribute to our review of priorities and the re-alignment of our medium term financial strategy.

The Government's programme of reforming local authority housing is continuing with the objectives of encouraging the more efficient use of housing assets and putting authorities' housing accounts on a more business-like basis, offering more direct comparison with Registered Social Landlords. The Council receives a significant sum from the Government in the form of Housing Subsidy with the basis of subsidy determination having a very marked effect on the HRA. For 2004/05 the average projected rent for all Council dwellings is £57.30 per week. This is £0.15 lower than the formula rent target under the Government's 'rent restructuring' system which local authorities and registered social landlords are required to follow. As rent restructuring is phased in over the next eight years, the gap between actual average rents and the target will decrease with the additional rental income being available to the HRA to spend on services. The average General Service Charge for 2004/05 is £2.03 per property per week. The Housing Revenue account balance at 31 March 2005 is estimated to be £1.4m. This is considered to be prudent given a climate of rising tender prices together with potential costs associated with setting up alternative management arrangements should that be the tenants decision as an outcome of the options appraisal process which will take place in 2004.

## REVIEW OF THE 2003/2004 FINANCIAL YEAR

The Annual Capital Programme continues to be drawn up with reference to the Council's Capital Strategy Asset Management Plan and HRA Business Plan. However from 1 April 2004 the Government will no longer directly restrict the amount of borrowing which an individual local authority can incur in order to finance capital expenditure. The new Prudential Framework for capital expenditure allows authorities freedom to borrow as long as they ensure that their plans are both affordable and sustainable in the longer term. The impact on the council tax in future years of financing the Council's capital programme is a key element in assessing affordability.

The 2004/05 General Fund Capital Programme totals £0.92m which includes £0.45m in order to replace essential vehicles (for example refuse freighters) as they reach the end of their life. The Council will continue to bid for external funds for specific projects and if these are successful the programme will be updated. Any capital grants made available by the Government for example for Implementing Electronic Government initiatives will also be added to the programme. The HRA Housing Investment Capital Programme in respect of major repairs and improvements to the Council's housing stock is £3.20m of which £2.17m is to be funded from the Major Repairs Allowance received from the Government. A contribution of £0.26m will be made from the Housing Revenue Account. The General Fund Housing Investment Programme which consists of support to Housing Associations and Private Sector Housing grants will be largely funded from capital receipts and has a total value of £0.68m.



John Magness  
Director of Finance and Community Services  
June 2004

**GENERAL PRINCIPLES**

The Council's accounts have been prepared in accordance with recommended accounting principles as specified in the Code of Practice on Local Authority Accounting issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) and also with guidance notes issued by CIPFA on the application of accounting standards (SSAPs)/(FRSs).

**FIXED ASSETS**

All expenditure on the acquisition, creation or enhancement of fixed assets is capitalised on an accrual basis. Expenditure on fixed assets is capitalised, provided that the fixed asset yields benefits to the authority and the services it provides, for a period of more than one year. This excludes expenditure on routine repairs and maintenance of fixed assets, which is charged direct to service revenue accounts.

The valuations were in accordance with the RICS Appraisal and Valuation Manual issued by the Royal Institute of Chartered Surveyors (RICS). Fixed assets are classified into the groupings required by the 1995 Code of Practice on Local Authority Accounting.

The General Fund fixed assets were valued on 1 April 1999 by the Valuation Agency of the Inland Revenue.

- Operational assets of a non-specialised nature were valued on the basis of Existing Use Value (EUUV).
- Non-operational assets were valued on the basis of Open Market Value (OMV).
- All plant and machinery contained in the buildings is included in the valuations.
- Office fixtures and fittings were not included in the valuations, but were given a notional 10% value of the office's valuation.
- Vehicles, plant and equipment were not included in the valuation, but were valued on the basis of depreciated historic cost.

The Housing Revenue Account fixed assets were valued on 1 April 2000 by King Sturge, a firm of international property consultants. The valuations were in accordance with The Guidance on Stock Valuation issued by the Department of Environment, Transport and the Regions, and have been subject to annual reviews in accordance with Resource Accounting requirements.

- Council dwelling units were valued on the beacon basis using Existing Use Value for Social Housing (EUUV-SH).
- Council owned garages were valued on the basis of Existing Use Value (EUUV).
- Council owned shops and other sundry housing assets were valued on the basis of Open Market Value (OMV) or Existing Use Value (EUUV) as appropriate.
- Housing estate roads, car parks and parking spaces that have not been adopted by the County Council are included in the valuation at historic cost.

The surpluses arising on the re-valuation of fixed assets are credited to the fixed asset restatement reserve. Further re-valuations of fixed assets are required at five yearly intervals, although material changes to asset valuations will be adjusted in the interim period. The next valuation dates are 1 April 2004 for General Fund assets and 1 April 2005 for Housing Revenue Account assets.

Income from the disposal of fixed assets is accounted for on an accruals basis. Income that is not reserved for the repayment of external loans forms part of the reserve available for capital financing. This is described in the balance sheet as usable capital receipts.

Capital expenditure on works below a value of £10,000 is treated as minor and charged to the relevant revenue account.



## **STATEMENT OF ACCOUNTING POLICIES**

### **DEPRECIATION**

Depreciation is provided for on all fixed assets with a useful life (which can be determined at the time of acquisition or revaluation) according to the following policy.

- Council land holdings are not depreciated.
- Major operational buildings are depreciated over the expected remaining life of the asset.
- Depreciation of the housing stock is calculated using the methodology of the Major Repairs Allowance.
- Miscellaneous buildings of minor value are not depreciated on the grounds that the charge for depreciation would not be material.
- Newly acquired assets are generally depreciated from the date of acquisition or the mid-point of the year as appropriate. Assets in the course of construction are not depreciated until they are brought into use.

Depreciation is calculated using either the straight-line method or reducing balance method as appropriate.

An additional charge is made for impairment if there has been an unusual event, such as a fire or flood, which affects the value of an asset. An impairment charge may be reversed in a subsequent year, after the asset has been restored.

### **CHARGES TO REVENUE**

General Fund service revenue accounts, central support services and trading accounts pay a capital charge for all fixed assets used in the provision of services. The capital charge covers the annual provision for depreciation plus a financing charge determined by applying a specified notional rate of interest to net asset values. The aggregate charge to individual services is determined on the basis of the capital employed in each service. The charge made to the Housing Revenue Account is an amount equivalent to the statutory capital financing charges. External interest payable and the provision for depreciation are charged to the asset management revenue account. This account is then credited with capital charges made to services.

Capital charges therefore have a neutral impact on the amounts required to be raised from local taxation.

Amounts set aside from revenue for the repayment of external loans, to finance capital expenditure or as transfers to other earmarked reserves are disclosed separately as appropriations, on the face of the Consolidated Revenue Account, below net operating expenditure.

### **DEFERRED CHARGES**

Deferred charges represent expenditure, such as improvement grants, which may properly be capitalised, but does not result in the creation of fixed assets for the Council. They are charged to revenue over an appropriate period. The Leisure Centres at Lewes and Peacehaven are owned by East Sussex County Council and the agreements refer to the provision, use and management of the buildings without conferring any property interest on the Council.

### **GRANTS AND CONTRIBUTIONS**

Where the acquisition of a fixed asset is financed either wholly or in part by a government grant or other contribution, the amount of the grant or contribution is credited initially to the Government Grants-deferred account. Amounts are released to the Asset Management Revenue Account over the useful life of the asset to match the depreciation charged on the asset to which it relates.

Government grants and other contributions are accounted for on an accruals basis and recognised in the accounting statements when the conditions for their receipt have been complied with and there is reasonable assurance that the grant or contribution will be received.

**RESERVES**

These include earmarked reserves set aside for specific policy purposes and balances which represent resources set aside for purposes such as general contingencies and cash flow management.

- **The Fixed Asset Restatement Reserve** represents principally the balance of the surpluses or deficits arising on the periodic revaluation of fixed assets. This reserve cannot be called upon to support spending.
- **The Capital Financing Reserve** represents amounts used from revenue resources or capital receipts to finance expenditure on fixed assets or amounts set aside for the repayment of external loans and certain other capital financing transactions. This reserve cannot be called upon to support spending.

The Council also has the following reserves:

- **Revenue Equalisation and Asset Maintenance Reserve/ Leisure Buildings Repairs Reserve/ Lewes Leisure Centre Buildings Plant & Equipment Reserve/ Community Leisure Buildings Plant and Equipment Reserve/ Community Grants Reserve/ Corporate Buildings Repairs Reserve/ Maintenance Reserve/ Housing Development Reserve/Financial System Reserve/Kerbside Recycling Reserve.**  
available to be used to finance future expenditure of either a capital or revenue nature.
- **Section 106 Agreements**  
represents contributions made by developers for specific purposes arising from planning decisions. Each agreement is covered by a legal document regarding the way in which funds can be used.
- **Insurance Reserve**  
available to be used to fund any future expenditure, such as excesses not covered by the Council's insurance policies, risk management initiatives and security against an insolvent run off from the Council's former insurer MMI.
- **Partnership Funding Reserve**  
represents the amount available for the Council's contributions to various partnership schemes. These include leisure, arts and economic development projects which are being progressed over the next few years.
- **Rent Deposit Guarantee Scheme**  
represents funds set aside for private sector initiatives in accordance with the Housing Act 1996.
- **West Quay Development Reserve/Newhaven Fort Refurbishment/Denton Island Reclamation**  
represents funds received in anticipation of the future development and refurbishment of West Quay, Newhaven Fort and Denton Island in partnership with other bodies.
- **Building Control Charging Scheme**  
available to be used to finance future expenditure on the Building Control Function.
- **Major Repairs Reserve**  
This account was established by the Local Authorities (Capital Finance and Accounts Regulations 2000) in order to channel funds made available through the Major Repairs Allowance into capital expenditure on HRA property.
- **Loan Premiums and Discounts**  
The Council's policy for treatment of loan premiums and discounts in respect of those relating to the Housing Revenue Account, is to write them off over a period of ten years or the outstanding period of the loan repaid, whichever is the shorter. Loan premiums and discounts relating to the General Fund are written off in the year in which they are incurred.

## **STATEMENT OF ACCOUNTING POLICIES**

### **CAPITAL RECEIPTS RESERVE**

Capital receipts from the disposal of assets are held in the usable capital receipts reserve until such time as they are used to finance capital expenditure or to repay debt. Each capital receipt is required to have a sum reserved as a provision for debt repayment with the balance available to finance capital expenditure. Reserved capital receipts are held in the capital financing reserve. The sum to be reserved is 75% of the receipt in respect of Council house sales. Since 1998 there has no longer been a requirement to reserve a percentage of non-HRA receipts. Interest on all capital receipts is credited to the General Fund Revenue Account. The Housing Revenue Account gains the benefit from interest on reserved housing capital receipts by transfer between the General Fund Revenue Account and the Housing Revenue Account as required by law.

### **PROVISIONS**

The Council sets aside provisions for any liabilities of uncertain timing or amounts that have been incurred. These are for specific future expenses such as Bad Debts, which are likely or certain to be incurred, but the amount of which cannot yet be determined accurately.

### **INVESTMENTS**

Investments are shown in the Consolidated Balance Sheet at the lower of cost or market valuation.

### **INTERNAL INTEREST**

Interest is credited to the General Fund Revenue Account and Housing Revenue Account based on the level of their balances during the year.

### **DEBTORS AND CREDITORS**

The capital and revenue accounts of the Council are maintained on an accruals basis in accordance with the Code of Practice on Local Authority Accounting and FRS18. This requires sums due to or from the Council during the year to be included whether or not the cash has actually been received or paid in the year. An exception to this principle relates to electricity and similar quarterly payments which are charged at the date of the meter reading rather than being apportioned between financial years. This policy is consistently applied each year and, therefore, does not have a material effect on the year's accounts.

The Code of Practice on Local Authority Accounting requires that the accruals concept be applied to capital expenditure and capital receipts.

### **LEASES**

The Council does not have any finance leases. Operating lease rentals are charged to revenue on an accruals basis

**STOCKS AND WORK IN PROGRESS**

Stocks and work in progress are valued in accordance with the requirements of the Code of Accounting Practice and SSAP9, which require stocks to be shown at the lower of actual cost or net realisable value. No losses or profits have been included on work in progress.

**SUPPORT SERVICES**

The Council identifies the cost of providing services to the public (which is in accordance with recommended practice) and part of this cost relates to overheads.

- administrative offices of the Council are charged out to occupants on the basis of floor area
- professionals such as property managers, accountants, lawyers and personnel are charged on the basis of time expended working for clients
- service management represents the management cost of the service Director and administrative backup within the department concerned. The cost of this function is charged to services on the basis of time expended

**CORPORATE AND DEMOCRATIC CORE**

This group of nationally defined costs covering general and specific management functions arises from the need to co-ordinate an elected multi-purpose authority. These costs totalled £1.13million in 2003/04 (2002/03 £1.27million) and in accordance with best practice are left as a direct charge on the General Fund Revenue Account and are not allocated to services.

**PENSIONS**

The Council provides for the pensions of its past and present employees by way of annual contributions to the East Sussex County Council Pension Scheme. The Fund's Actuary determined the contribution rate for 2003/04 at 14.7% resulting in an increase of 1.38% in the Council's total pension contributions.

Although the total cost of pensions included in the accounts is the amount of the contribution due to the East Sussex County Council Pension Scheme, in order to comply with the Accounting Code of Practice we have, in 2003/04, fully adopted the requirements of Financial Reporting Standard No 17 – Retirement Benefits (FRS17). FRS 17 is a complex accounting standard, but it is based on a simple principle – that an organisation should account for retirement benefits when it is committed to give them, even if the actual giving will be many years into the future. Accordingly, the current service cost of pensions, rather than the determined employer's contribution rate, has been charged to services as part of the Council's net operating expenditure, and the Balance Sheet incorporates the Council's net liability for future pension payments taking into account its share of the assets in the Pension Fund.

**PRIOR PERIOD ADJUSTMENT**

As noted above, the accounting policy in respect of pensions has changed for 2003/04. Previous policy was to recognise liabilities in relation to retirement benefits only when employer's contributions became payable to the pension fund or payments fell due to the pensioners for which we were directly responsible. The new policies better reflect our commitment in the long-term to increase contributions to make up any shortfall in attributable net assets in the pension fund. The change has had the following effects in the 2003/2004 accounts:

- the overall amount to be met from Government grants and local taxation has remained unchanged, but the costs disclosed for individual services are 1.7% lower after the replacement of employer's contributions by current service costs and Net Operating Expenditure is 0.9% lower than it would otherwise have been
- the requirement to recognise the net pensions liability in the balance sheet has reduced the reported net worth of the authority by £6.855m, 2.7%.

## CONSOLIDATED REVENUE ACCOUNT

2002/03 Net Expenditure £'000		2003/04 Gross Expenditure £'000	2003/04 Income £'000	2003/04 Net Expenditure £'000
	<b>Expenditure on Services</b>			
1,087	Central Services to the Public	6,320	5,252	1,068
9,039	Cultural, Env & Planning Servs - Note 1	13,690	5,969	7,721
177	Highways, Roads & Transport Services	704	637	67
13,092	Housing Services - Note 2	34,125	25,908	8,217
1,268	Corporate & Democratic Core	1,653	523	1,130
24,663	<b>NET COST OF SERVICES</b>	56,492	38,289	18,203
1,502	Precepts paid to Parish Councils			1,657
(29)	(Surplus)/Deficit from Trading Operation - Note 3			(221)
(11,632)	Transfer to/(from) Asset Management Revenue Account - Note 4			(7,916)
(1,911)	Interest and Investment Income			(1,101)
0	Loan Premiums and Discounts - Note 5			176
(113)	Pension Interest Cost and expected return on pension asset - Note 6			348
12,480	<b>NET OPERATING EXPENDITURE</b>			11,146
	<b>APPROPRIATIONS</b>			
478	Surplus/(Deficit) transferred to/(from) HRA balances			485
(21)	Transfer to/(from) insurance reserve			(5)
1,026	Transfer to/(from) earmarked reserves			171
114	Capital Expenditure financed from revenue			167
(3,338)	Provision for the repayment of external loans - Note 7			(1,294)
853	Deferred Government Grants			1,092
348	Transfer to/(from) Pension Reserve			(145)
	<b>AMOUNT TO BE MET FROM GOVERNMENT</b>			
11,940	<b>GRANT AND LOCAL TAXATION</b>			11,617
	<b>SOURCES OF FINANCE</b>			
(1,543)	Revenue Support Grant			(2,250)
(3,678)	Contribution from Non-Domestic Rate Pool			(3,219)
(6,257)	Precept demanded from Collection Fund			(6,869)
462	<b>NET GENERAL FUND (SURPLUS)/DEFICIT</b>			(721)

£'000	<b>General Fund Balance</b>	£'000
(832)	Balance on General Fund brought forward 1 April	(830)
462	(Surplus)/Deficit for the year	(721)
(460)	Transfer from Revenue Equalisation and Asset Maintenance Reserve	0
(830)	Balance on General Fund carried forward 31 March	(1,551)

**NOTE 1. CHARITY ACCOUNTS**

Included in the Council's revenue account is the grant payable to the Stanley Turner Recreation Ground and Mountfield Pleasure Ground Trust Charities for which the Council's members are trustees. The amount of the grant is shown below:-

2002/03		<b>2003/04</b>	
Grant		<b>Income</b>	<b>Grant</b>
£'000	<b>Expenditure</b>	<b>£'000</b>	<b>£'000</b>
39 Stanley Turner Recreation Ground Charity	66	3	63
0 Mountfield Pleasure Ground Trust Charity	35	29	6

During 2003/2004 the full extent of the facilities included in the Mountfield Pleasure Ground Trust Charity were identified and the Council has established separate accounts for this charity from 1 April 2003.

**NOTE 2. HOUSING**

Housing expenditure for the Council includes the amounts which have been accounted for through both the General Fund and Housing Revenue Account, details of which are shown below:-

2002/03		<b>2003/04</b>	
Net		<b>Gross</b>	<b>Net</b>
Expenditure		<b>Expenditure</b>	<b>Income Expenditure</b>
£'000		<b>£'000</b>	<b>£'000</b>
10,428 Housing Revenue Account		21,083	14,869
2,664 General Fund Housing		13,042	11,039
<b>13,092 Total Housing</b>		<b>34,125</b>	<b>25,908</b>

**NOTE 3. TRADING OPERATION**

The Council manages and maintains six Industrial Estates comprising over 100 individual plots which are situated in Lewes, Newhaven and Seaford.

The turnover of these undertakings, derived mainly from rent, was £518,000 (2002/03 £495,000). The Council charges asset rentals for the use of its Industrial Estates, in line with the Local Authority Accounting Code of Practice. The charges prescribed for certain categories of assets decreased with effect from 1 April 2003 resulting in a surplus of £221,000 being made in 2003/04, (2002/03 £29,000) which was credited in total to the General Fund.

**NOTES TO CONSOLIDATED REVENUE ACCOUNT****NOTE 4. ASSET MANAGEMENT REVENUE ACCOUNT**

The following statement shows the transactions on the asset management revenue account during the 2003/04 financial year.

2002/03		2003/04
£'000	<b>INCOME</b>	£'000
	Capital Charges	
(2,209)	General Fund	(1,570)
(13,879)	Housing Revenue Account	<u>(9,647)</u>
		(11,217)
(852)	Release of Grants and Contributions	(1,092)
	<b>EXPENDITURE</b>	
2,759	Provision for Depreciation	2,728
2,548	External Interest Charges	1,664
1	Finance Lease Interest	1
<b>(11,632)</b>		<b>(7,916)</b>
	Net Surplus to	
833	- General Fund Consolidated Revenue Account	1,327
10,799	- Housing Revenue Account	6,589
<b>0</b>		<b>0</b>

**NOTE 5. LOAN PREMIUMS AND DISCOUNTS**

Loan premiums and discounts represent the share of losses and gains on the early repayment of borrowing which have been written back to the Consolidated Revenue Account in 2003/04. The transaction is detailed in Note 4 to the Consolidated Balance Sheet.

**NOTE 6. PENSION INTEREST COST AND EXPECTED RETURN ON PENSION ASSET**

As part of the terms and conditions of employment of its officers, the Council offers retirement benefits. Although these benefits will not actually be payable until employees retire, the Council has a commitment to make the payments that needs to be disclosed at the time that employees earn their future entitlement. The Council participates in the Local Government Pension Scheme, administered by East Sussex County Council – this is a funded scheme, meaning that the authority and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets.

The Council recognises the cost of retirement benefits in the Net Cost of Services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge the Council is required to make against council tax is based on the cash payable in the year, so the real cost of retirement benefits is reversed out of the Consolidated Revenue Account after Net Operating Expenditure. The following transactions have been made in the Consolidated Revenue Account during the year:

**NOTE 6. PENSION INTEREST COST AND EXPECTED RETURN ON PENSION ASSET (Cont).**

	2002/03 £'000	2003/04 £'000
Net Cost of services	(1,270)	(1,080)
- Current service cost	0	0
- past service cost		
Net operating expenditure		
- interest cost	(2,651)	(2,701)
- expected return on assets in the scheme	2,764	2,353
Amount to be met from Government Grant and Local Taxation		
- movement on pensions reserve	(348)	145
Actual amount charged against Council Tax for pensions in the year (employer's contributions payable to scheme)	<b>(1,505)</b>	<b>(1,283)</b>

Note 14 to the Consolidated Balance Sheet contains details of the assumptions made in estimating the figures included in this note. Note 1 to the Statement of Total Movement in Reserves gives a further analysis of the movements on the Pensions Reserve.

The employer's contribution rate is determined by the Fund's Actuary, based on triennial valuations, the last review being 31 March 2001. In 2003/04 the rate was 14.7% compared with 14.5% in 2002/03.

**NOTE 7. MINIMUM REVENUE PROVISION (MRP)**

The Council is required by statute to make a minimum revenue provision for the redemption of external debt. The method of calculating the MRP is defined by statute.

2002/03 £'000	2003/04 £'000
17 Non-Housing - 4% of credit ceiling	22
275 Housing - 2% of credit ceiling	222
(1,767) Less Commutation Adjustment	(181)
<b>(1,475) Minimum Revenue Provision</b>	<b>63</b>

**NOTE 8. SECTION 137 EXPENDITURE**

The Local Government Act 2000 granted new powers to authorities in England and Wales to promote well-being in their area. As a consequence, the majority of the provisions of Section 137 were repealed with effect from October 2000. No expenditure was incurred by this Council in 2003/04 under the remaining provisions.

**NOTE 9. PUBLICITY**

Section 5 of the Local Government Act 1986 requires a Local Authority to keep a separate account of its expenditure on publicity. Expenditure on publicity in 2003/04 amounted to £135,000 (2002/03 £109,000). The majority of this expenditure relates to the Council's recruitment advertising.



## NOTES TO CONSOLIDATED REVENUE ACCOUNT

### NOTE 10. OPERATING LEASES

The Council uses leased cars, refuse and recycling vehicles, leisure centre fitness equipment and other items of plant and equipment financed under the terms of an operating lease. The amount paid under these arrangements in 2003/04 was £236,000 (2002/03 £243,000)

The future cash payment required under these leases are

2004/05	£218,000
2005 Onward	£442,000

### NOTE 11. BUILDING CONTROL TRADING ACCOUNTS

The Local Authority Building Control regulations require the disclosure of information regarding the setting of charges for the administration of the building control function. However, certain activities performed by the Building Control Unit cannot be charged for, such as providing general advice and liaising with other statutory authorities. The statement below shows the total cost of operating the Building Control Unit divided between the chargeable and non-chargeable activities for the year 2003/04.

<b>Building Regulations</b>			
<b>Charging Account 2003/04</b>			
	<b>Chargeable 2003/04 £</b>	<b>Non Chargeable 2003/04 £</b>	<b>Total Building Control 2003/04 £</b>
<b>Expenditure</b>			
Employee Expenses	134,965	20,805	155,770
Transport	9,319	1,035	10,354
Supplies and Services	42,949	8,783	51,732
Central and Support Services	49,967	9,296	59,263
<b>TOTAL EXPENDITURE</b>	<b>237,200</b>	<b>39,919</b>	<b>277,119</b>
<b>Income</b>			
Building Regulation Charges	274,633	0	274,633
Miscellaneous Income	0	516	516
<b>TOTAL INCOME</b>	<b>274,633</b>	<b>516</b>	<b>275,149</b>
Surplus/(Deficit) for year	37,433	(39,403)	(1,970)

### NOTE 12. AGENCY SERVICES

The principal area of work is a programme of providing job skills training throughout all departments of the Council, in association with the Training Consortium who act as a managing agent for Sussex TEC Limited. The Council incurred expenditure of £48,000 in 2003/04 (2002/03 £62,000). During the 2003/04 financial year the Council also incurred expenditure of £44,000 on facilitating Town and Parish elections the costs of which were fully reimbursed.

**NOTE 13. MEMBERS' ALLOWANCES**

The total paid to members under The Local Authorities (Members Allowances) Regulations 1991 in 2003/04 amounted to £140,000 (2002/03 £140,000). A more detailed analysis of member allowances is shown on pages 51 to 53 of this report.

**NOTE 14. REMUNERATION OF EMPLOYEES**

The Accounts and Audit Regulations require each Council to disclose the number of employees in the period to which the accounts relate whose remuneration fell into each bracket of a scale in multiples of £10,000, starting with £50,000. The relevant details are shown below.

2002/03		2003/04
Number of Employees	Salary	Number of Employees
2	£50,000 - £59,999	4
1	£60,000 - £69,999	0
1	£70,000 - £79,999	2
0	£80,000 - £89,999	1

**NOTE 15. RELATED PARTY TRANSACTIONS**

The Council is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Council or to be controlled or influenced by the Council.

Central government has effective control over the general operations of the Council. It is responsible for providing the statutory framework within which the Council operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Council has with other parties (e.g. housing benefits). Details of transactions with government departments are disclosed elsewhere in the 2003/04 accounts.

Members of the Council have direct control over the Council's financial and operating policies. The Head of Democratic Services maintains a register of members' interests, and reports that there were no material transactions during 2003/04.

Officers of the Council are also required to register any interests with the Head of Democratic Services and again he reports that there were no material transactions during 2003/04.

**NOTE 16. AUDIT COSTS**

The Council appointed the Audit Commission to carry out external audit services in accordance with Section 5 of the Audit Commission Act 1998. Details of the fees payable by the Council are shown below.

2002/03		2003/04
£'000		£'000
47	External Audit Services carried out by the appointed auditor	81
0	Statutory Inspection under Section 10 of Local Government Act 1999	16
35	Certification of grant claims and returns	35
10	Fees payable in respect of any other services	0
<b>92</b>	<b>Total audit fees</b>	<b>132</b>

It should be noted that to bring the Audit Commission financial year in to line with local authorities the fees payable in 2003/04 for the statutory inspection relate to a 17 month period.

## HOUSING REVENUE ACCOUNT

The Housing Revenue Account summarises the transactions relating to the provision, maintenance and sales of Council houses and flats.

2002/03 £'000		2003/04 £'000	2003/04 £'000
	<b>INCOME</b>		
9,705	Dwelling Rents (gross)	9,345	
297	Non-dwelling rents (gross)	312	
312	Charges for services and facilities	758	
2,976	Housing Revenue Account Subsidy receivable (Note 3)	3,380	
111	Contributions towards expenditure	606	
51	Community amenities contribution	68	
<b>13,452</b>	<b>TOTAL INCOME</b>		<b>14,469</b>
	<b>EXPENDITURE</b>		
2,089	Repairs and Maintenance	2,539	
2,471	Supervision and Management	2,453	
143	Rents, Rates, Taxes and other charges	170	
5,109	Rent Rebates	5,264	
13	Increase in provision for doubtful debts	85	
11,656	Cost of capital charge (Note 8)	7,432	
2,223	Depreciation of fixed assets (Note 6)	2,292	
19	Deferred Charges	0	
53	Debt Management Expenses	71	
0	Supporting People & Transitional Protection	72	
<b>23,776</b>	<b>TOTAL EXPENDITURE</b>		<b>20,378</b>
<b>10,324</b>	<b>NET COST OF SERVICES</b>		<b>5,909</b>
	Income from Asset Management		
(10,799)	Revenue Account (Note 9)	(6,608)	
0	Amortised Premiums & Discounts	238	
	Investment Income		
(14)	- Mortgage Interest	(10)	
(93)	- Interest on cash balances (Note 15)	(44)	(6,424)
<b>(582)</b>	<b>NET OPERATING INCOME</b>		<b>(515)</b>
0	Revenue Contribution to Capital Expenditure (Note 12)	0	
275	HRA Minimum Revenue Provision	222	
(170)	Transfer from Major Repairs Reserve	(192)	30
<b>(477)</b>	<b>DEFICIT/(SURPLUS) FOR THE YEAR</b>		<b>(485)</b>
<b>376</b>	<b>BALANCE AT START OF THE YEAR</b>		<b>853</b>
<b>853</b>	<b>BALANCE AT END OF THE YEAR</b>		<b>1,338</b>

**NOTE 1. NEW FINANCIAL FRAMEWORK**

The Government introduced, from April 2001, a new financial framework for the Housing Revenue Account (HRA). Based on a form of resource accounting, it is intended to bring the HRA more into line with the General Fund approach to capital charges. Instead of merely showing historic debt charges, the HRA now reflects both the cost of capital employed and the cost of wear or deterioration of those assets.

**NOTE 2. HOUSING STOCK**

<b>31 March 2003</b>			<b>31 March 2004</b>	
		<u>Houses and Bungalows</u>		
220		- one bedroom	220	
687		- two bedrooms	674	
968		- three bedrooms	937	
62		- four bedrooms	64	
3		- five bedrooms	3	
<hr/>	1,940		<hr/>	1,898
		<u>Flats</u>		
133		- Bedsits	133	
730		- one bedroom	721	
543		- two bedrooms	538	
49		- three bedrooms	49	
4	1,459	- four bedrooms	4	1,445
<hr/>	<b>3,399</b>		<hr/>	<b>3,343</b>

In addition the Council had, at the same date, shared ownership arrangements covering 9 properties and 1 property (partly) sold under the Right to Buy.

**NOTE 3. HRA SUBSIDY RECEIVABLE**

The Subsidy receivable is made up as follows:

<b>2002/03</b>		<b>2003/04</b>
<b>£'000</b>		<b>£'000</b>
2,053	Major Repairs Allowance	2,099
3,297	Management and Maintenance Allowance	3,467
1,486	Capital Charges Allowances	1,562
4,857	Rent Rebate costs	5,214
11	Other Expenditure	12
<hr/>		<hr/>
11,704		12,354
(8,714)	Less: Assumed rent income	(8,961)
(14)	Other income	(13)
<hr/>		<hr/>
<b>2,976</b>	<b>Total</b>	<b>3,380</b>

**NOTE 4. CONTRIBUTION FROM GENERAL FUND**

The standard rent rebate scheme has been enhanced in Lewes for war widows and war disablement pensioners. The cost of this enhancement has not been met by a contribution from the General Fund.

## NOTES TO HOUSING REVENUE ACCOUNT

### NOTE 5. ASSET VALUATION

The Council's Consolidated Balance Sheet includes the following HRA assets:-

	31 March	
	2003	2004
	£'000	£'000
Operational Assets		
- Dwellings	211,346	230,572
- Garages	1,247	1,172
- Other	399	897
Community Assets	486	6
Infrastructure	1,606	1,564
Non-operational Assets	743	845
	<b>215,827</b>	<b>235,056</b>

The increase in the value of dwellings arose following an annual appraisal by the Council's appointed surveyor. A summary of total capital expenditure on Housing Revenue Account assets is shown in Note 1 to the Consolidated Balance Sheet (Page 24).

### NOTE 6. DEPRECIATION

Depreciation of the housing stock has been calculated using the methodology of the Major Repairs Allowance. It is based on the annual cost of replacing individual building components, such as windows, kitchens and heating systems, as they reach the end of their useful life. An additional depreciation sum of £192,193 is also included in respect of non-dwelling assets.

### NOTE 7. MAJOR REPAIRS RESERVE

This account was established by the Local Authorities (Capital Finance and Accounts) Regulations 2000 in order to channel the funds made available through the Major Repairs Allowance (equivalent to the depreciation of the stock – see Note 6) into capital expenditure on HRA property. The movements on the account, as set out below, show that a balance has been retained for future liabilities.

	2003/04
	£'000
Balance at 1 April 2003	(615)
Depreciation	
- Housing Stock	(2,099)
- Other HRA Assets	(192)
Financing of Capital Expenditure	2,135
Transfer to HRA	192
Balance at 31 March 2004	<b>(579)</b>

### NOTE 8. COST OF CAPITAL

In accordance with the principles of resource accounting, a charge representing the cost of capital tied up in housing assets is included in the HRA's Net Cost of Services. It is calculated by applying a notional rate of interest (3.5% Operational & Non-Operational Assets and 4.63% Infrastructure and Community Assets - as specified by regulation) to the value of the HRA stock at the beginning of the accounting period.

### NOTE 9. INCOME FROM ASSET MANAGEMENT REVENUE ACCOUNT

This account is used to replace the NOTIONAL cost of capital (referred to in the note above) with the HRA's proportion of the interest payable on the Council's ACTUAL borrowing. The net income shown is thus the difference between the **cost of capital** and the appropriate interest liability.

**NOTE 10. FUNDING OF CAPITAL EXPENDITURE**

In 2003/04 capital expenditure on HRA services totalled £2.948 million funded as follows

	<b>2002/03</b>	<b>2003/04</b>
	<b>£'000</b>	<b>£'000</b>
Borrowing	492	741
Useable Capital Receipts	122	2
Revenue Contribution	0	0
Major Repairs Reserve	1,927	2,135
Leaseholder Contributions	30	60
Other Contributors	(88)	10
	<b>2,483</b>	<b>2,948</b>

**NOTE 11. CAPITAL RECEIPTS**

Receipts from sales of HRA assets in 2003/04 are summarised below:

	<b>2002/03</b>	<b>2003/04</b>
	<b>£'000</b>	<b>£'000</b>
Sale of Housing Land	0	38
Sale of Council Houses (Right to Buy)	3,771	4,256
Deferred Sales of DIYSO properties	0	72
Repayment of HRA mortgages	30	60
Repayment of RTB discount	38	56
Other Housing Capital Receipts	0	53
	<b>3,839</b>	<b>4,535</b>

**NOTE 12. REVENUE CONTRIBUTION TO CAPITAL EXPENDITURE**

The new financial framework does not impose any direct limit on the extent of direct funding of the capital programme from revenue monies. In 2003/04 Lewes did not augment its capital spending by making a direct revenue contribution.

**NOTE 13. RENT ARREARS**

Rent arrears at 31 March were:

	<b>2003</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Current Tenants	119,785	173,215
Former Tenants	82,449	76,405
Garages	1,011	5,981
	<b>203,245</b>	<b>255,601</b>

Write-offs in 2003/04 amounted to £33,333 compared to £27,342 in 2002/03.

**NOTE 14. PROVISIONS FOR BAD DEBTS**

The amount to be set aside from revenue to provide for non-payment of rent is determined by reference to the level of arrears. The bad debts provision set aside in the accounts has been increased from £147,378 to £117,112, the balance sheet also contains a provision of £39,953 to offset other potential HRA debts reflecting the increase in rent arrears.

**NOTE 15. INVESTMENT INCOME – INTEREST ON CASH BALANCES**

Under the provisions of the Local Government & Housing Act 1989, interest earned from the investment of capital receipts is not credited directly to the HRA. Instead, interest on the 'usable' part of capital receipts – i.e. the part available to finance new capital is credited to the General Fund and interest on the remaining 'reserved' part of capital receipts is effectively netted off the HRA capital financing costs. Consequently, the figure for investment income represents solely interest earned from investment of the HRA's revenue balance

## COLLECTION FUND REVENUE ACCOUNT

This account reflects the statutory requirements for billing authorities to maintain a separate Collection Fund, which shows the transactions of the billing authority in relation to Non-Domestic Rates and the Council Tax, and illustrates the way in which these have been distributed to preceptors and the General Fund. The Collection Fund is consolidated with other accounts of the billing authority.

2002/03 £'000	INCOME	2003/04	
		£'000	£'000
33,733	Council Tax (Note 2)		
	- Income from Council Tax	40,289	
3,547	- Council Tax Benefit	4,474	
37,280			44,763
15,234	Income in respect of Non-Domestic Rates (Note 1)		13,946
52,514	<b>Total Income for the Year</b>		<b>58,709</b>
	<b>EXPENDITURE</b>		
37,023	Precepts and Demands (Note 3)		44,212
	Non-Domestic Rates		
15,109	- Payment to National Pool	13,826	
125	- Cost of Collection Allowance	120	
15,234	<b>Sub Total</b>		13,946
182	Provision for uncollectable amounts		95
(15)	Contribution to/(from) General Fund for previous year Community Charge		0
15	Contribution to General Fund for previous year Council Tax		0
52,439	<b>Total Expenditure for the Year</b>		<b>58,253</b>
(75)	<b>(Surplus) / Deficit for the Year</b>		<b>(456)</b>

2002/03 £'000		2003/04 £'000
69	(Surplus)/Deficit at 1 April brought forward	(6)
(75)	(Surplus) / Deficit for the year	(456)
(6)	(Surplus) / Deficit at 31 March carried forward	(462)

## NOTES TO THE ACCOUNTS

**Note 1 – Non-Domestic Rates**

Non-Domestic Rates are organised on a national basis. The Government specifies the rate in the pound, and subject to the effects of transitional arrangements, local businesses pay rates according to the product of their rateable value, multiplied by the rate in the pound.

The rateable value of hereditaments at 31 March 2004 amounted to £37.1 million and the rate in the £ applied for 2003/04 was 44.4 pence.

**Note 2 – Council Tax**

The Council Tax Base, before adjustment for anticipated losses on collection, is detailed below:

	Ratio to Band "D"	Actual Number of Dwellings	Number of Dwellings Converted to Band "D" Equivalents
Band A Properties	6/9	2,938	1,959
Band B Properties	7/9	4,597	3,575
Band C Properties	8/9	11,228	9,980
Band D Properties	9/9	8,039	8,039
Band E Properties	11/9	4,806	5,874
Band F Properties	13/9	2,627	3,795
Band G Properties	15/9	1,970	3,282
Band H Properties	18/9	184	369
<b>Total</b>		<b>36,389</b>	<b>36,873</b>

**Note 3 – Precepts and Demands**

In addition to Lewes District Council's demand of £6.869 million, East Sussex County Council, and the Sussex Police Authority were the only other authorities to have a call on the Collection Fund, their precepts amounting to £33.793 million and £3.550 million respectively.

**Note 4 – Collection Fund Balance**

The balance on the Collection Fund at 31 March 2004 amounted to £0.462 million, made up wholly of surpluses relating to Council Tax.



## CONSOLIDATED BALANCE SHEET

		31 March	
		2003	2004
		£'000	£'000
	Notes		
<b>FIXED ASSETS</b>	1 & 2		
<b>OPERATIONAL ASSETS</b>			
- Council Dwellings		211,346	230,971
- Other Land and Buildings		16,430	17,386
- Vehicles Plant and Equipment		686	1,542
- Infrastructure		3,307	3,123
- Community Assets		1,151	1,340
<b>NON OPERATIONAL ASSETS</b>			
- Non Operational Land and Property		11,253	11,546
<b>TOTAL FIXED ASSETS</b>		<b>244,173</b>	<b>265,908</b>
Deferred Charges	3	4,599	4,521
Long Term Investments	5	21	21
Long Term Debtors	6	303	227
<b>TOTAL LONG TERM ASSETS</b>		<b>4,923</b>	<b>4,769</b>
<b>CURRENT ASSETS</b>			
- Stocks and Work in Progress	7	4	11
- Debtors	8	4,228	5,290
- Investments	5	29,710	12,750
<b>TOTAL CURRENT ASSETS</b>		<b>33,942</b>	<b>18,051</b>
<b>CURRENT LIABILITIES</b>			
- Short Term Loans	10	5,508	15,150
- Creditors	9	5,816	6,203
- Cash Overdrawn		541	44
<b>TOTAL CURRENT LIABILITIES</b>		<b>11,865</b>	<b>21,397</b>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<b>22,077</b>	<b>(3,346)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>271,173</b>	<b>267,331</b>
Less: Long Term Borrowing	10	26,001	0
Deferred Capital Receipts	12	164	104
Provisions	13	246	0
Liability related to defined benefit pension scheme	14	11,462	6,855
<b>TOTAL ASSETS LESS LIABILITIES</b>		<b>233,300</b>	<b>260,372</b>
<b>REPRESENTING</b>			
Fixed Asset Restatement Reserve	15	185,403	204,601
Capital Financing Reserve	16	43,672	47,784
Government Grants and Contributions Deferred	11	6,704	7,132
Deferred Loan Discounts	4	0	14
Deferred Loan Premiums	4	0	(3,794)
Usable Capital Receipts Reserve	17	2,384	3,009
Capital Contributions Reserve	18	5	0
Earmarked Reserves	19	4,290	4,551
Major Repairs Reserve	19	615	579
Pension Reserve		(11,462)	(6,855)
Revenue Balances - General Fund	Page 11	830	1,551
- Housing Revenue Account	Page 17	853	1,338
- Collection Fund	Page 21	6	462
<b>TOTAL EQUITY</b>		<b>233,300</b>	<b>260,372</b>

**NOTE 1. CAPITAL EXPENDITURE AND CAPITAL FINANCING**

**Capital Spending in 2003/2004**

The Council's capital spending in the year was £6.247 million compared with a forecast of £6.190 million. Approximately 14.3% of the programme has been funded by borrowing, generating charges to be met from future revenue spending, 14.7% from the proceeds of asset sales and the remaining 71% was met from other sources, mainly capital grants and contributions, followed by revenue contributions.

Major capital assets acquired and other items of expenditure for capital purposes during 2003/04 are set out below.

	£'000	£'000
<b>Housing - Own Stock</b>		
Modernisation, Conversion & Enhancements	2,668	
Adaptations for Disabled Tenants	328	
Environmental Improvements, Play area and other works	71	3,067
<b>Housing - Private Sector</b>		
Housing Association Projects	241	
Renovation Grants	416	
Private Sector Energy Works	53	710
<b>Community Leisure</b>		
Leisure Centres and Swimming Pools	57	57
<b>Leisure &amp; Community Services</b>		
Car Parks, Playgrounds and Other Leisure Facilities	785	785
<b>Environmental Services</b>		
Kerbside Recycling	315	
Air Quality Analysis Equipment	16	331
<b>Planning Services</b>		
Coastal Defence Works	9	
Denton Island, Newhaven Reclamation	3	
Disability Discrimination Act Works	32	
Heritage Economic Regeneration Scheme	67	
Lewes Area Conservation Partnership	100	
Newhaven Fort and Castle Hill	118	
Newhaven West Quay Redevelopment	28	357
<b>Corporate Services</b>		
Computer and IT Replacement Programme	154	
Electronic Service Delivery	339	
Lewes House Site Redevelopment	176	
Public Offices and Other Buildings & Land	57	726
<b>Other Services</b>		
Repairs to Flint Walls	5	
Vehicles	209	214
<b>Total Services</b>		<b>6,247</b>

	Financing of Capital Expenditure		Total £'000
	Housing £'000	Non Housing £'000	
<b>Expenditure</b>	3,067	2,198	5,265
Fixed Assets	710	272	982
Deferred Charges	<b>3,777</b>	<b>2,470</b>	<b>6,247</b>
<b>Financed By:</b>			
Credit Approvals	737	154	891
Capital Receipts	413	507	920
Major Repairs Allowance	2,135	0	2,135
Revenue Financing	0	167	167
Capital Grants and Contributions	300	1,383	1,683
Capital Creditors	192	259	451
	<b>3,777</b>	<b>2,470</b>	<b>6,247</b>

## NOTES TO CONSOLIDATED BALANCE SHEET

### NOTE 2. FIXED ASSETS

As a result of the implementation of a computerised asset register and the 5 yearly revaluation of the Council's assets, certain assets have been recategorised in the values shown at 1 April 2003

	Council Dwellings £'000	Other Land & Buildings £'000	Vehicles, Plant & Equipment £'000	Infra- Structure Assets £'000	Community Assets £'000	<b>TOTAL £'000</b>
Gross book value at 1 April 2003	215,297	28,342	2,248	8,073	1,200	255,160
Revaluations	22,400	740	8	1,900	(83)	24,965
Additions	3,067	888	1,078	9	223	5,265
Disposal of Assets	(3,916)	(100)	(273)	0	0	(4,289)
Gross book value at 31 March 2004	<b>236,848</b>	<b>29,870</b>	<b>3,061</b>	<b>9,982</b>	<b>1,340</b>	<b>281,101</b>
Depreciation:						
Balance at 1 April 2003	3,951	659	1,562	4,766	49	10,987
Charge for Year	2,025	230	230	243	0	2,728
Asset Disposals	(99)	0	(273)	0	0	(372)
Asset Restatements	0	49	0	1,850	(49)	1,850
Balance as at 31 March 2004	<b>5,877</b>	<b>938</b>	<b>1,519</b>	<b>6,859</b>	<b>0</b>	<b>15,193</b>
Net Book Value as at 31 March 2004	<b>230,971</b>	<b>28,932</b>	<b>1,542</b>	<b>3,123</b>	<b>1,340</b>	<b>265,908</b>

### Information on assets held

Fixed assets owned by the Council include the following:

	Number as at 31 March 2003	Number as at 31 March 2004
Council Dwellings - HRA	3,399	3,343
Council Dwellings - General Fund	5	5
Shared Ownership Dwellings	11	10
Private Sector Leasehold Dwellings	3	19
Council Garages	776	776
Civic Offices	6	6
Depots	2	2
Car Parks	38	39
Golf Course	1	1
Downs Leisure Centre & Seahaven Pool	2	2
Parks and Gardens	2	2
Recreation Grounds	18	18
Public Halls	1	1
Cemeteries	2	2
Industrial Units	100	98
Vehicles		
- Owned	47	48
- Leased	15	15
Community Recycling Centre	1	1

**FIXED ASSET VALUATION**

The General Fund fixed assets were valued by the Valuation Agency of the Inland Revenue and the Housing Revenue Account fixed assets were valued by King Sturge, a firm of international property consultants. The valuations were made in accordance with the RICS Appraisal and Valuation Manual as published by the Royal Institution of Chartered Surveyors, so far as they are consistent with the stated and agreed requirements of the Council. Agreed departures from the manual are explained below.

The Housing Revenue Account Valuations were in accordance with the Guidance on Stock Valuation issued by the Department of Environment, Transport and the Regions in their publication "A New Financial Framework for Local Authority Housing".

For each operational asset, that is, those held, occupied and used by the Council in the direct delivery of services for which there is either a statutory or discretionary responsibility, Existing Use Value (EUV) has been used.

In the case of specialised properties, that is, those properties that are rarely, if ever, sold on the open market due to the specialised nature of the properties, their location or use, the valuation basis used is Depreciated Replacement Cost (DRC).

Non-operational assets, which are assets held by the Council but which are not directly occupied or used in the delivery of services, are valued at Open Market Value (OMV).

The following departures from the RICS Appraisal and Valuation Manual were agreed in respect of General Fund assets.

- Community Assets – These were not valued by the Valuation Agency and have been included at historic cost.
- Infrastructure Assets – These were not valued by the Valuation Agency and have been included at historic cost and depreciated as appropriate.
- The Leisure Centres at Lewes and Peacehaven are owned by East Sussex County Council and they were excluded from the valuations since the agreements respectively refer to the provision, use and management of the buildings without conferring any property interest on the Council. The licences granted by the County Council are for periods of sixty years. The costs of constructing the leisure centres are written off as a deferred charge over the period of the licences.

Resource Accounting requires the Housing Revenue Account housing stock to be valued on the beacon basis of Existing Use Value for Social Housing (EUV-SH). This valuation was completed in the autumn of 2000 and was reviewed as at March 2004. The provisional updated valuation has been included in the accounts for 2003/04.

Plant and machinery, which would normally be regarded as an integral part of the buildings on letting or sale, has been included in the valuation of the buildings. Office fixtures, fittings, furniture and loose furnishings have not been included in the valuation but were given a notional 10% value of the office's valuation and are depreciated.

Vehicles, plant and equipment were not included in the valuation, but have been included on the basis of depreciated historic cost.

**NOTE 3. DEFERRED CHARGES**

	2002/03	2003/04
	£'000	£'000
Balance as at 1 April	4,699	4,599
Expenditure in Year		
Renovation Grants	715	416
Advances to Housing Associations	356	241
Private Sector Energy Works	64	50
West Quay Newhaven Development	58	28
Other Services	257	247
Amounts charged to Service Revenue Accounts	(1,550)	(1,060)
Balance at 31 March	4,599	4,521

**NOTES TO CONSOLIDATED BALANCE SHEET****NOTE 4. DEFERRED LOAN PREMIUMS AND DISCOUNTS**

Deferred loan premiums and discounts represent the share of losses and gains on the early repayment of borrowing which are written back to the Consolidated Revenue Account over a timescale prescribed by statute.

	Premiums £'000	Discounts £'000
<b>Opening Balance 1 April 2003</b>	<b>0</b>	<b>0</b>
Premium & Discounts paid in year	4,195	0
Amounts written back to the		
- Housing Revenue Account	(248)	9
- General Fund	(153)	(23)
<b>Closing Balance 31 March 2004</b>	<b>3,794</b>	<b>(14)</b>

**NOTE 5. INVESTMENTS**

The investments in the accounts are at cost

	Long Term £'000	Short Term £'000
Cash Management Funds		
- Tradition U.K.	0	10,500
Banks and Building Societies	0	2,250
ADC Debenture Stock 1996/2011	21	0
Balance at 31 March 2004	<b>21</b>	<b>12,750</b>

**NOTE 6. LONG TERM DEBTORS**

These are debtors which fall due after a period of at least one year, analysed as follows:

	31 March	
	2003 £'000	2004 £'000
Mortgages	221	154
Loans to Individuals	82	73
Total	<b>303</b>	<b>227</b>

**NOTE 7. STOCKS AND WORKS IN PROGRESS**

An analysis of stocks and work in progress is shown below:

	31 March	
	2003 £'000	2004 £'000
Community Leisure - Catering Stocks	4	11
Total	<b>4</b>	<b>11</b>

**NOTE 8. DEBTORS**

An analysis of Debtors is shown below:

	31 March	
	2003	2004
	£'000	£'000
Government Departments	979	1,798
H.M. Customs	247	354
Other Local Authorities	209	281
Council Taxpayers	849	1,071
Non-Domestic Ratepayers	167	337
Housing Rents	203	261
Inland Revenue	0	6
Sundry Debtors	2,339	2,095
	<b>4,993</b>	<b>6,203</b>
Less Provision for Doubtful Debts	(765)	(913)
Total	<b>4,228</b>	<b>5,290</b>

**NOTE 9. CREDITORS**

An analysis of Creditors is shown below:

	31 March	
	2003	2004
	£'000	£'000
Government Departments	585	100
Inland Revenue	250	281
Other Local Authorities	246	325
Council Taxpayers	691	744
Non-Domestic Ratepayers	180	279
Housing Rents	108	129
Sundry Creditors	3,756	4,345
Total	<b>5,816</b>	<b>6,203</b>

## NOTES TO CONSOLIDATED BALANCE SHEET

### NOTE 10. SHORT TERM AND LONG TERM BORROWING

#### Source of Loan

	31 March 2003
	£'000
Public Works Loan Board	2,001
Banks	24,000
<b>Total</b>	<b>26,001</b>

#### Analysis of Loans by Maturity

		31 March 2003
		£'000
Within	1- 2 Years	0
	2- 5 Years	17,000
	5- 10 Years	9,001
	10+ Years	0
<b>Total</b>		<b>26,001</b>

There were no long-term loans outstanding at 31 March 2004. As part of the Council's debt rescheduling exercise, all remaining long-term loans were repaid in March 2004. Short term loans amounting to £15.150 million were held at 31 March 2004, as part of the same rescheduling exercise.

### NOTE 11. GOVERNMENT GRANTS AND CONTRIBUTIONS DEFERRED

	Balance at 1.4.03	Additions	Revenue Accounts	<b>Balance at 31.3.04</b>
	£'000	£'000	£'000	<b>£'000</b>
Coast Protection	1,180	3	(104)	1,079
Kerbside Recycling	218	287	(101)	404
Electronic Service Delivery	61	292	(19)	334
Leisure and Recreation	1,457	326	(35)	1,748
Council Dwellings	921	70	(613)	378
Derelict Land	37	0	0	37
Newhaven Town Centre	126	0	0	126
Newhaven Fort	1,601	114	0	1,715
Denton Island	1,038	4	0	1,042
West Quay Newhaven Redevelopment	0	36	(36)	0
Other Properties	65	388	(184)	269
<b>Total</b>	<b>6,704</b>	<b>1,520</b>	<b>(1,092)</b>	<b>7,132</b>

**NOTE 12. DEFERRED CAPITAL RECEIPTS**

Deferred Capital Receipts are amounts derived from sales of assets which will be received by instalments over agreed periods of time. The account reflects mortgages on sold Council Houses, which form the main part of long term debtors.

	<b>£'000</b>
Opening Balance at 1 April 2003	164
Receipts Applied in Year	(60)
Closing Balance at 31 March 2004	<b>104</b>

**NOTE 13. PROVISIONS**

	31 March 2003 £'000	At 31 March 2004
Compensation and Damages	120	there were no potential liabilities requiring monies to be set aside.
Asset Rental Equalisation - Contract Works Group	42	
Profit Sharing Schemes		
- Contract Works Group	40	
- Contract Works Unit	2	
- Community Leisure	29	
- Lewes Leisure Centre	13	
<b>Total</b>	<b>246</b>	



## NOTES TO CONSOLIDATED BALANCE SHEET

### NOTE 14. LIABILITY RELATED TO DEFINED PENSION SCHEME

Note 6 to the Consolidated Revenue Account contains details of the Council's participation in the Local Government Pensions Scheme (administered by East Sussex County Council). The underlying assets and liabilities for retirement benefits attributable to the Council at 31 March are as follows:

	31 March 2003	31 March 2004
	£'000	£'000
Estimated assets in Scheme	33,029	40,113
Less:		
Present Value of Scheme Liabilities	(43,334)	(45,732)
Present Value of Unfunded Liabilities	(1,157)	(1,236)
Net Pension Asset/(Liability)	<b>(11,462)</b>	<b>(6,855)</b>

The liabilities show the underlying commitments that the Council has in the long-run to pay retirement benefits. The total liability of £6.86m has a substantial impact on the net worth of the Council as recorded in the balance sheet. However, statutory arrangements for funding the deficit mean that the financial position of the Council remains healthy - the deficit on the pension scheme will be made good by increased contributions over the remaining working life of employees, as assessed by the scheme actuary.

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates etc. The liabilities have been assessed by Hymans Robinson, an independent firm of actuaries. The main assumptions used in their calculations are:

	31 March 2003	31 March 2004
	% per annum	% per annum
Price increases	2.5	2.9
Salary increases	4.0	4.4
Pension increases	2.5	2.9
Rate for discounting scheme liabilities (based on 3.5% real)	6.1	6.5

Assets in the East Sussex County Pension Fund as a whole are valued at fair value, principally market value for investments. Assets are analysed by type below, along with the expected annual return.

Asset type (Whole Fund)	Whole Fund		Whole Fund		Expected Return £'000 per annum
	Value at 31 March 2003 £'000	Long Term Return % per annum	Value at 31 March 2004 £'000		
Equities	620,100	7.7	830,950		63,980
Bonds	104,300	5.1	137,100		6,990
Property	111,100	6.5	117,550		7,640
Cash	53,600	4.0	36,000		1,440
<b>TOTAL</b>	<b>889,100</b>		<b>1,121,600</b>		<b>80,050</b>

**NOTE 15. FIXED ASSET RESTATEMENT RESERVE**

	£'000
Opening Balance at 1 April 2003	185,403
Surplus on revaluation and restatement of fixed assets	23,114
Disposal of fixed assets	(3,916)
Closing Balance at 31 March 2004	<b>204,601</b>

The balance represents the difference between the valuation of assets under the previous system of capital accounting and subsequent revaluations. The reserve will be written down by the net book value of assets as they are disposed of and debited or credited with the deficits or surpluses arising on future revaluations.

**NOTE 16. CAPITAL FINANCING RESERVE**

	£'000
Opening Balance at 1 April 2003	43,672
Capital Receipts set aside in year	3,325
Release of Grants and Contributions	1,092
Capital Programme Financing	
- Capital Receipts	920
- Revenue, General Fund	167
- Major Repairs Reserve	2,135
Less:	
- Major Repairs Allowance Transfers	(2,209)
- Long Term Debtors Write Down	(7)
- Appropriation to Consolidated Revenue Account	(1,311)
Closing Balance at 31 March 2004	<b>47,784</b>

The Reserve contains the amounts which are required by statute to be set aside from capital receipts for the repayment of external loans and the amount of capital expenditure financed from revenue and capital receipts. It also contains the difference between the amounts provided for depreciation and that required to be charged to revenue to repay the principal element of external loans. The Reserve cannot be called upon to support either capital or revenue spending.

**NOTE 17. USABLE CAPITAL RECEIPTS RESERVE**

	£'000	£'000
Opening Balance at 1 April 2003		2,384
Capital Receipts 2003/04		4,870
Less:		
- 2003/04 capital receipts set aside	(3,325)	
- 2003/04 capital receipts used for financing	<u>(920)</u>	(4,245)
Closing Balance at 31 March 2004		<b>3,009</b>

The usable capital receipts reserve represents the capital receipts available to finance capital expenditure in future years, after setting aside the statutory amounts for the repayment of external loans.

## NOTES TO CONSOLIDATED BALANCE SHEET

### NOTE 18. CAPITAL CONTRIBUTIONS RESERVE

	£'000
Opening Balance at 1 April 2003	5
Received 2003/04	234
Applied 2003/04	(239)
Closing Balance at 31 March 2004	<b>0</b>

The Capital Contributions Reserve represents the contributions received from private developers and individuals towards the financing of future capital projects.

### NOTE 19. OTHER RESERVES

	Balance at 1 April 2003 £'000	Receipts In Year £'000	Payments In Year £'000	Balance at 31 Mar 2004 £'000
Leisure Buildings Repairs	83	67	60	90
Private Sector Leasing Repairs	1	8	0	9
Corporate Buildings Repairs	96	50	13	133
Lewes Leisure Centre Buildings Repairs Maintenance	8 194	0 16	7 22	1 188
Revenue Equalisation & Asset Maintenance	2,240	254	429	2,065
Contract Works Group	85	0	85	0
Contract Works Unit	6	0	6	0
Community Leisure	47	0	47	0
Community Leisure Building Repairs	57	48	8	97
Section 106 Agreements	242	516	6	752
Partnership Fund	185	128	71	242
Insurance	141	29	6	164
Rent Deposit Guarantee Scheme	52	0	0	52
Housing Development	252	0	57	195
Financial Systems	14	0	3	11
Community Grants	15	0	0	15
Building Control Charging Scheme	147	37	51	133
Kerbside Recycling	42	98	0	140
Major Repairs Allowance	615	2,292	2,328	579
<b>Partnership Projects:</b>				
West Quay Development	83	7	38	52
Newhaven Fort Refurbishment	184	49	136	97
Denton Island Reclamation	116	3	4	115
<b>Total</b>	<b>4,905</b>	<b>3,602</b>	<b>3,377</b>	<b>5,130</b>

### NOTE 20. PROVISION FOR CREDIT LIABILITIES (MEMORANDUM ACCOUNT)

	£'000
Opening Balance at 1 April 2003	39,027
Amount set aside for MRP (See page 14- Note 7)	63
Reserved capital receipts	3,325
Closing Balance at 31 March 2004	<b>42,415</b>

**NOTE 21. CAPITAL COMMITMENTS**

As at 31 March 2004, the Council was contractually committed to capital works which amounted to approximately £155,000. This included the following contracts, the balance comprising minor schemes or retentions.

	£'000
Lewes House Site - Redevelopment and Access Road	52
4 Fisher Street, Lewes, - Reception improvement	20
Seaford Head Swimming Pool - roof replacement	20
Gibbon Road, Newhaven - refurbishment	18
2 Fisher Street, Lewes - Roof repairs	17

**NOTE 22. AGGREGATE CREDIT LIMIT**

At the end of 2003/04 Lewes' actual external debt was well within the aggregate credit limit defined by the regulations.

**NOTE 23. CONTINGENT LIABILITIES**

There were no known liabilities at 31 March 2004.

**NOTE 24. POST BALANCE SHEET EVENTS**

At 31 March 2004 the Council was part way through an exercise to restructure its debt, with this exercise being completed on 6 April 2004. On 28 March 2004, the Council had repaid long-term loans with a total value of £8m, funding the repayments by short term borrowing. The intention was to take out new long-term borrowing, at lower rates of interest, at the beginning of April 2004. On 1 April 2004, the Council borrowed a total of £11m from the Public Works Loan Board (utilising new arrangements which had been introduced on that day). On 6 April 2004, the Council took out a long-term loan of £5m from Barclays Bank, bringing the Council's total long-term debt to £16m. The short-term borrowing was repaid, completing the debt restructuring exercise.

## STATEMENT OF TOTAL MOVEMENT IN RESERVES

	2002/03 £'000	2003/04 £'000
(Surplus)/Deficit for the year:		
- General Fund	462	(721)
- Housing Revenue Account	(477)	(485)
add back movements on earmarked revenue reserves	(512)	(261)
deduct Appropriation from pensions reserve	(348)	145
Actuarial gains and losses relating to pensions	8,927	(4,697)
<b>Total (increase)/ decrease in revenue resources (Note 1)</b>	<b>8,052</b>	<b>(6,019)</b>
(Increase)/decrease in useable capital receipts	(380)	(625)
(Increase)/decrease in unapplied capital grants	0	0
<b>Total (increase)/decrease in realised capital resources (Note 2)</b>	<b>(380)</b>	<b>(625)</b>
(Gains)/losses on revaluation of fixed assets	(24,927)	(23,114)
Impairment losses on fixed assets due to general changes in prices	0	0
<b>Total (increase)/decrease in unrealised value of fixed assets (Note 3)</b>	<b>(24,927)</b>	<b>(23,114)</b>
Value of assets sold, disposed of or decommissioned (Note 4)	3,799	3,916
Capital Receipts set aside	(3,755)	(4,245)
Revenue Resources set aside	2,277	133
Movement on Government Grants Deferred	(349)	(428)
Movement on Major Repairs Reserve	(126)	36
<b>Total (increase)/decrease in amounts set aside to finance capital investment (Note 5)</b>	<b>(1,953)</b>	<b>(4,504)</b>
<b>Total recognised gains and losses</b>	<b>(15,409)</b>	<b>(30,346)</b>

### NOTE 1. MOVEMENTS IN REVENUE RESOURCES

	General Fund £'000	Housing Revenue £'000	Earmarked Reserves £'000	Pension Reserve £'000
Surplus /Deficit for 2003/04	721	485	0	0
Appropriations to/(from) revenue	0	0	261	(90)
Actuarial gains and losses relating to pensions	0	0	0	4,697
	721	485	261	4,607
Balance 1 April 2003	830	853	4,290	(11,462)
<b>Balance 31 March 2004</b>	<b>1,551</b>	<b>1,338</b>	<b>4,551</b>	<b>(6,855)</b>

**NOTES TO THE STATEMENT OF TOTAL MOVEMENT IN RESERVES**

**NOTE 1. MOVEMENTS IN REVENUE RESOURCES (Contd.)**

The actuarial gains/(losses) can be analysed into the following categories:-

	<b>2002/03</b>	<b>2003/04</b>
	<b>£'000</b>	<b>£'000</b>
Actual return less expected return on Pension Scheme Assets	(9,130)	4,821
Experience gains and losses arising on the scheme liabilities	203	(124)
Actuarial gains/(loss) recognised in the statement of movement in net pension liability	<b>(8,927)</b>	<b>4,697</b>

**NOTE 2. MOVEMENTS IN REALISED CAPITAL RESOURCES**

	<b>Usable Capital Receipts</b>
	<b>£'000</b>
Amounts receivable in 2003/04	(1,545)
Amounts applied to finance new capital investment in 2003/04	920
Total (increase)/decrease in realised capital resources 2003/04	<b>(625)</b>
Balance brought forward 1 April 2003	(2,384)
Balance carried forward 31 March 2004	<b>(3,009)</b>

**USABLE CAPITAL RECEIPTS**

Represents the capital receipts available to finance capital expenditure in future years, after setting aside the statutory amounts for the repayment of external loans. (See Note 17 Consolidated Balance Sheet)

**NOTE 3. MOVEMENTS IN UNREALISED VALUE OF FIXED ASSETS**

	<b>Fixed Asset Restatement Reserve</b>
	<b>£'000</b>
(Gains)/losses on revaluation of fixed assets in 2003/04	(23,114)
Impairment losses on fixed assets due to general changes in prices in 2003/04	0
Total (increase)/decrease in unrealised capital resources	<b>(23,114)</b>

**NOTE 4. VALUE OF ASSETS SOLD, DISPOSED OF OR DECOMMISSIONED**

Amounts written off fixed asset balances for disposals in 2003/04	3,916
Total movement on reserve in 2003/04	<b>(19,198)</b>
Balanced brought forward 1 April 2003	(185,403)
Balance carried forward 31 March 2004	<b>(204,601)</b>

**NOTES TO THE STATEMENT OF TOTAL MOVEMENTS IN RESERVES****FIXED ASSET RESTATEMENT RESERVE**

This account shows the surplus that has arisen on the valuation of assets under the new system of capital accounting and subsequent valuations.

The reserves will be written down by the net book value of assets as they are disposed of and debited or credited with the deficits or surpluses arising on future valuations. (See Note 15 Consolidated Balance Sheet)

**NOTE 5. MOVEMENTS IN AMOUNTS SET ASIDE TO FINANCE CAPITAL INVESTMENT**

	Major Repairs Reserve £'000	Capital Financing Reserve £'000	Government Grants Deferred £'000	<b>Total £'000</b>
Major Repairs Allowance	(2,099)	0	0	(2,099)
Capital receipts set aside in 2003/04				
- reserved receipts	0	(3,325)	0	(3,325)
- useable receipts applied	0	(920)	0	(920)
Total capital receipts set aside in 2003/04	<b>0</b>	<b>(4,245)</b>	<b>0</b>	<b>(4,245)</b>
Revenue resources set aside in 2003/04				
- capital expenditure financed from revenue	0	(2,303)	0	(2,303)
- reconciling amount and provisions for loan repayment	0	2,436	0	2,436
Total revenue resources set aside in 2003/04	<b>0</b>	<b>133</b>	<b>0</b>	<b>133</b>
Applied to capital investment in 2003/04	2,135	0	(1,520)	615
Amounts credited to the asset management revenue account in 2003/04	0	0	1,092	1,092
Total movement on reserve in 2003/04	<b>36</b>	<b>(4,112)</b>	<b>(428)</b>	<b>(4,504)</b>
Balance brought forward at 1 April 2003	(615)	(43,672)	(6,704)	
Balance carried forward at 31 March 2004	<b>(579)</b>	<b>(47,784)</b>	<b>(7,132)</b>	

**CAPITAL FINANCING RESERVE**

The capital financing reserve contains the amounts which are required by statute to be set aside from capital receipts for the repayment of external loans and the amount of capital expenditure financed from revenue and capital receipts. (See Note 16 Consolidated Balance Sheet)

**GOVERNMENT GRANTS DEFERRED**

(See Note 11 Consolidated Balance Sheet)

## THE CASH FLOW STATEMENT

This consolidated statement summarises the inflows and outflows of cash arising from transactions with third parties for revenue and capital purposes.

<b>2002/03 REVENUE ACTIVITIES</b>	<b>2003/04</b>	
<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Cash Outflows</b>		
10,745 Cash paid to and on behalf of employees	11,851	
17,325 Other operating cash payments	18,860	
10,284 Housing Benefit paid out	14,334	
15,048 National non-domestic rate payments to pool	14,834	
32,268 Precepts paid	39,000	
85,670		98,879
<b>Cash Inflows</b>		
5,569 Rents (after rebates)	5,026	
40,156 Council Tax Receipts	46,990	
3,678 National non-domestic rate receipts from pool	3,219	
15,043 Non-Domestic Rate Receipts	13,974	
1,543 Revenue Support Grant	2,250	
15,095 DSS grants for benefits	17,103	
713 Other government grants (Note 3)	1,026	
4,827 Cash received for goods and services	8,724	
649 Other operating cash receipts	898	
87,273		99,210
(1,603) <b>NET REVENUE INCOME (Note 1)</b>		(331)
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		
<b>Cash Outflows</b>		
2,606 Interest paid	2,292	
<b>Cash Inflows</b>		
1,605 Interest received	882	
1,001		1,410
<b>CAPITAL ACTIVITIES</b>		
<b>Cash Outflows</b>		
3,382 Purchase of fixed assets	4,883	
1,892 Other capital cash payments	967	
5,274		5,850
<b>Cash Inflows</b>		
4,142 Sale of fixed assets	4,795	
1,545 Capital grants received	1,117	
450 Other capital cash income	914	
6,137		6,826
(863)		(976)
(1,465) <b>NET CASH INFLOW/OUTFLOW BEFORE FINANCING</b>		103
<b>FINANCING</b>		
<b>Cash Outflows</b>		
6,550 Repayment of amounts borrowed		53,848
<b>Cash Inflows</b>		
(4,050) New loans raised		(37,488)
1,035 <b>INCREASE/DECREASE IN CASH &amp; CASH EQUIVALENTS (Note 2)</b>		16,463



## NOTES TO THE CASH FLOW STATEMENT

### NOTE 1.

Reconciliation between the net surplus/(deficit) on the income and expenditure account to the revenue activities net cash flow.

<b>2002/03</b>		<b>2003/04</b>
<b>£'000</b>		<b>£'000</b>
106	Surplus/(Deficit) for the year	1,008
75	Non-Cash Transactions re Capital Financing	(1,234)
717	Less contributions to or (from) reserves	(9)
(55)	Add/(Less) provisions set aside in the year	(99)
1	Add/(Less) movement in stocks	(6)
(1,087)	Add/(Less) movement in debtors	(796)
845	Add/(Less) movement in creditors	57
	Other items not classified in revenue activities in the cash flow statement	
2,606	Interest Paid	2,292
(1,605)	(Less) investment income	(882)
<b>1,603</b>	<b>Net cash flow from revenue activities</b>	<b>331</b>

### NOTE 2.

Movement in cash and cash equivalents

	<b>Balance</b>	<b>Balance</b>	<b>Movement</b>
	<b>1 April</b>	<b>31 March</b>	<b>in the</b>
	<b>2003</b>	<b>2004</b>	<b>year</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Bank Overdraft	(541)	(44)	497
Short Term Investments	29,710	12,750	(16,960)
Increase in cash and cash equivalents			<b>(16,463)</b>

**NOTE 3.**

An analysis of other Government Grants is shown below:

<b>2002/03</b>		<b>2003/04</b>
<b>£'000</b>		<b>£'000</b>
295	Housing Benefits Administration	599
39	Home Improvement Agency	0
0	Planning Delivery	75
0	Crime and Disorder Reduction Partnership	76
48	Communities Against Drugs	26
23	Partnership Development Fund	0
12	Safer Communities Initiatives	0
74	Kerbside Recycling	0
23	Homelessness	31
4	Discretionary Housing Payment	38
195	Improvement Grants	181
<b>713</b>	<b>TOTAL</b>	<b>1,026</b>

## STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS

### The Authority's Responsibilities

The Authority is required:

- \* to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this authority, that officer is the Director of Finance and Community Services.
- \* to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.

### The Director of Finance and Community Services' Responsibilities

The Director of Finance and Community Services is responsible for the preparation of the authority's statement of accounts which, in terms of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in Great Britain ("the Code"), is required to present fairly the financial position of the authority at the accounting date and its income and expenditure for the year ended 31 March 2004.

In preparing this statement of accounts, the Director of Finance and Community Services has:

- \* selected suitable accounting policies and then applied them consistently;
- \* made judgements and estimates that were reasonable and prudent;
- \* complied with the Code.

The Director of Finance and Community Services has also:

- \* kept proper accounting records which were up to date;
- \* taken reasonable steps for the prevention and detection of fraud and other irregularities.

### CHIEF FINANCIAL OFFICER'S CERTIFICATE

I certify that the accounts set out on pages 6 to 40 fairly states the financial position of the Council at 31 March 2004 and its income and expenditure for the year ended 31 March 2004.



John Magness CPFA  
Director of Finance & Community Services  
11 August 2004

**1. SCOPE OF RESPONSIBILITY**

The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and is used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Council is also responsible for ensuring that there is a sound system of internal control that facilitates the effective exercise of the Council's functions and that includes arrangements for the management of risk.

**2. THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

The system of internal control is designed to manage risk to a reasonable level rather than eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place at the Council for the year ended 31 March 2004 and up to the date of the approval of the annual report and accounts, and accords with proper practice.

**3. THE INTERNAL CONTROL ENVIRONMENT**

The key elements of the Council's internal control environment are described below.

The Council's strategic objectives are stated in the Council Plan, with the supporting strategies and departmental service plans providing the detailed commitments in terms of the Council's core services and activities. Quarterly performance monitoring by the Cabinet is supplemented by regular performance monitoring and reviews by Review Boards. Cabinet has extended quarterly monitoring to incorporate the Council's improvement plans that arose from the CPA process.

The Council has recognised the need to develop a more systematic approach to setting priorities and linking them to the Council's Medium Term Financial Strategy. It is undertaking a comprehensive review of services and functions during 2004/05. This review is being supported by work to strengthen the Council's framework for performance management. These developments will be achieved as part of a consultancy project with the Improvement and Development Agency.

The Council's Constitution has established clear arrangements for decision making and the delegation of powers to Councillors and officers. The roles of the Monitoring Officer and Chief Finance Officer include responsibility for ensuring that agreed procedures are followed and that all applicable statutes, regulations and relevant statements of good practice are complied with.

The Council has an established framework for financial governance based on Contract and Financial Procedure Rules, with budgeting systems, clear budget guidance for managers and regular reporting of financial performance to officers and Councillors. As part of the Corporate Governance arrangements the Council has established an Audit Committee that is responsible, amongst other things, for keeping under review the probity and effectiveness of internal controls and the effectiveness of management arrangements to ensure legal and regulatory compliance. The Audit Committee reports to the Cabinet on the results of Value for Money studies and on the effectiveness of internal controls within the Council.

## **STATEMENT ON INTERNAL CONTROL**

The Internal Audit Section is a fully established and independent review function that has responsibility to report on the adequacy of the whole system of internal control as a contribution towards the proper, economic, efficient and effective use of Council resources. The purpose and responsibilities of Internal Audit are defined in the Council's Charter for Internal Audit, including a Code of Ethics, that has been formally adopted by the Audit Committee.

Cabinet agreed the Council's Risk Management Strategy and associated action plan at its meeting on 3 September 2003. Since then the Council has put in place the main elements of the risk management framework outlined in the strategy. These elements include the provision of risk assessment guidance and a methodology for service planners and decision makers, an analysis of risks in service areas completed as part of the 2004/05 service planning process, and a Council wide risk register. The Council recognises that risk management is a developing process and accordingly a number of improvements are planned for the next year.

The Council applies the principles of best value to ensure that its services are efficient, effective and economical, and that they are managed to achieve continuous improvement. Each year the Council conducts at least one best value review focusing on service improvements and linked to priority community issues. The best value process is managed by the relevant Review Board and is carried out in accordance with the Council's standard methodology. Each review produces a Service Improvement Plan that is approved by Cabinet. Progress on implementation is monitored by the relevant Review Board.

In addition to in depth best value reviews the Council, through its Review Board programme, carries out other service and policy reviews to ensure continuous improvement and cost effectiveness. The programme of this work is set out in the Council Plan.

### **4. REVIEW OF EFFECTIVENESS**

The Council has responsibility for conducting, at least annually, a review of the effectiveness of the system of internal control. During 2003/04 the Council has reviewed the effectiveness of its governance arrangements, including its systems of internal control, on an ongoing basis. The following processes have informed this review of effectiveness.

The Chief Internal Auditor has compared the Council's Corporate Governance arrangements against the CIPFA/SOLACE framework, and has concluded that the arrangements are satisfactory. These results have been reported to the Audit Committee, which has approved the Council's new Code of Corporate Governance that draws together the regulatory framework of the Council.

Internal Audit reports regularly to the Audit Committee on all aspects of its plans, activities and audits, and the Chief Internal Auditor provides an annual report on the systems of internal control. The annual report includes the opinion of the Chief Internal Auditor on the internal control environment, and for 2003/04 the overall standards of internal control are satisfactory. Whilst recommendations were made to improve management controls, there were no instances in which internal control problems created significant risks for the Council.

The Council's work on Risk Management has included an annual report to the Corporate Management Team on the main risks faced by the Council and the controls that are in place to mitigate those risks. The report noted that most risks are mitigated by the effective operation of controls or other measures. However, there are some risks that are outside the Council's control, including a major incident or disaster, a downturn in the national economy or a major change in government policy or legislation. The Council is putting in place measures to address key risks in the areas of business continuity and emergency planning. An annual report on Risk Management is to be presented to Cabinet in July 2004.

The Government relies on external auditors and inspectors to periodically review the work of the Council to make sure it is meeting its statutory obligations and performing well in its services. The Council has undergone a series of inspections and audits over the last year:

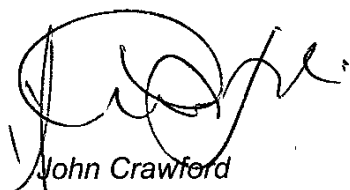
## STATEMENT ON INTERNAL CONTROL

- Comprehensive Performance Assessment - the inspection took place in November 2003 and the Council was judged as 'Good' overall, achieving the highest possible rating for financial standing, standards of financial conduct and the prevention and detection of fraud and corruption, legality of significant financial transactions and internal financial control. The inspection also recognised the need to improve performance management and risk management, and the Council's approach in these areas is outlined above.
- Benefit Fraud Inspection - the inspection took place in November 2003 and the Council was judged 'Fair' overall.
- Audit Commission Annual Audit Letter – the audit took place over the summer of 2003 and looked at a range of financial and performance information. The Council received a positive report.

### 5. SIGNIFICANT INTERNAL CONTROL ISSUES

We have been advised on the implications of the result of the review of the effectiveness of the system of internal control by the Audit Committee.

There are no significant internal control issues to report for the year ended 31 March 2004, but the Council is putting in place measures to further improve the internal control environment.



John Crawford  
Chief Executive  
11 August 2004

*Ann De Vecchi*

Ann De Vecchi  
Leader of the Council  
11 August 2004

**INDEPENDENT AUDITOR'S REPORT TO LEWES DISTRICT COUNCIL**

I have audited the statement of accounts on pages 1 and 6 to 41 which have been prepared in accordance with the accounting policies applicable to local authorities as set out on pages 6 to 10. This report is made solely to Lewes District Council in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 54 of the Statement of Responsibilities of Auditors and of Audited Bodies, prepared by the Audit Commission.

**Respective Responsibilities of the Director of Finance and Community Services and Auditor**

As described on page 41 the Director of Finance and Community Services is responsible for the preparation of the statement of accounts in accordance with the Statement of Recommended Practice on Local Authority Accounting in the United Kingdom 2003. My responsibilities, as independent auditor, are established by statute, the code of Audit Practice issued by the Audit Commission and my profession's ethical guide.

I report to you my opinion as to whether the statement of accounts presents fairly the financial position of the Council and its income and expenditure for the year. I review whether the statement on internal control on pages 42 to 44 reflects compliance with CIPFA's guidance 'The Statement on Internal Control in Local Government: Meeting the Requirements of the Accounts and Audit Regulations 2003' published on 2 April 2004. I report if it does not comply with proper practices specified by CIPFA or if the statement is misleading or inconsistent with other information I am aware of from my audit of the financial statements. I am not required to consider, nor have I considered, whether the statement of assurance covers all risks and controls. I am also not required to form an opinion on the effectiveness of the authority's corporate governance procedures or its risk and control procedures. My review was not performed for any purpose connected with any specific transaction and should not be relied upon for any such purpose. I read the other information published with the statement of accounts and considered the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the statement of accounts.

**Basis of audit opinion.**

I conducted my audit in accordance with the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission, which requires compliance with relevant auditing standards issued by the Auditing Practices Board.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the council in preparation of the financial statements, and of whether the accounting policies are appropriate to the Council's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the statement of accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion, I evaluated the overall adequacy of the presentation of the information in the financial statements.

**Opinion**

In my opinion the statement of accounts presents fairly the financial position of Lewes District Council as at 31 March 2004 and its income and expenditure for the year then ended.

**INDEPENDENT AUDITOR'S REPORT**

**INDEPENDENT AUDITOR'S REPORT TO LEWES DISTRICT COUNCIL (Contd)**

**Certificate**

I certify that I have completed the audit of accounts in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission.

Signature..... *DWells* ..... Date..... *27th November 2004* .....

Darren Wells  
District Auditor and Relationship Manager  
Audit Commission  
16 Southpark  
Sevenoaks  
Kent  
TN13 1AN





**Accruals**

The concept that income and expenditure are recognised as they are earned or incurred, not as money is received or paid.

**Agency Services**

The provision of services by one authority on behalf of, and reimbursed by, another local authority or central Government.

**Asset Management Revenue Account**

An account kept separately from the main service accounts, which bears the cost of depreciation of assets and external interest payments, and receives a credit netting off the capital charges borne by service accounts.

**Balances**

A working balance is needed so that payments can be made before income is received, and as a cushion against unexpected expenditure during the year.

**Basic Credit Approval**

The limit set by the Government on borrowing to finance capital expenditure in any one year.

**Budget**

An expression, mainly in financial terms, of the Council's policy for a specified period.

**Business Rates**

A charge on non-domestic buildings fixed by the Government and collected by local authorities for the Government. The Government makes an allocation back to local authorities based upon population.

**Capital Charges**

Amounts charged to service revenue accounts to reflect the cost of fixed assets used in the provision of services.

**Capital Expenditure**

Expenditure on the acquisition of assets, or which adds to, rather than maintains, the value of existing assets.

**Capital Financing Reserve**

A reserve which is not available for revenue purposes: it is credited with the amounts set-aside for the repayment of external debt and with capital expenditure paid for from revenue and usable capital receipts.

**Capital Receipts**

Income received from sale of capital assets. Legislation requires a proportion (0%-100%) to be set-aside for debt redemption the usable balance is then available to finance new capital expenditure.

**Cash Equivalents**

This includes short term highly liquid investments readily convertible into known amounts of cash.

**Contingency**

A sum set-aside to meet future pay and price rises over and above provision made in service budgets.

**Corporate and Democratic Core**

The corporate and democratic core comprises all activities which local authorities engage in specifically because they are elected, multi-purpose authorities. The cost of these activities are thus over and above those which would be incurred by a series of independent, single purpose, nominated bodies managing the same service. There is therefore no logical basis for apportioning these costs to services.

**Creditors**

Amounts owed by the Council but not paid at the date of the balance sheet.

**Debtors**

Amounts owed to the Council but unpaid at the date of the balance sheet.

**Deferred Charges**

Expenditure which may properly be charged to revenue over a number of years, but which does not result in tangible assets.

**Direct Service Organisation**

An organisation within the District Council undertaking work which would otherwise have been carried out by private contractors.

**Financial Reporting Standards (FRS)**

These are prepared by the Accounting Standards Board set up in 1990 by the professional accountancy bodies and they set out methods of accounting for application to company accounts. Some of the standards apply or are adapted for use in the public sector.

**Fixed Asset Restatement Reserve**

This account shows the surplus which has arisen on the valuation of assets following the introduction of a new system of capital accounting in 1994/95.

**Formula Spending Shares**

A Government estimate of what it thinks each local authority needs to spend to provide a typical standard of services, allowing for the particular characteristics of each area, but within the Government's overall estimate of expenditure.

**General Fund**

The main revenue fund of the Council which is used to meet the cost of providing services paid for from Council Tax, Government grants and charges for services.

**Government Grants**

Assistance by central Government towards either the revenue or capital cost of local authority services.

**Housing Revenue Account**

The Housing Revenue Account reflects a statutory obligation to account separately for local authority housing provision. It shows the major elements of housing revenue expenditure, maintenance, administration, rent rebates and capital financing costs and how these are met by rents, subsidy and other income.

**Leasing**

A method of acquiring capital assets by which a rental charge is paid for a specified period.

**Levy**

A contribution, which the District Council is required to make, towards the costs of the Environment Agency.

## **GLOSSARY OF TERMS continued**

### **Loan Premiums**

Amounts payable where loans are repaid earlier than the originally agreed term. This permits the lender to receive compensation for forgone interest receipts which they would have received on the loan or loans

### **Loan Discounts**

Amounts receivable and in respect of loans redeemed earlier than the originally agreed term, where the lender can now re-lend the money at a higher interest rate.

### **Minimum Revenue Provision**

An amount, prescribed by Government, to be set aside from revenue for the redemption of debt.

### **Precept**

The income needed by one authority which is collected by another. The District Council collects on behalf of the County Council, Parish Councils and the Sussex Police Authority.

### **Provision for Credit Liabilities**

Amounts set-aside for the redemption of debt, usually from revenue account or from capital receipts.

### **Provisions**

Provisions are made for liabilities and losses which are likely or certain to be incurred but the amount or dates on which they will arise cannot be determined accurately.

### **Public Works Loan Board**

A Government agency which provides a source of borrowing for local authorities.

### **Rateable Value**

A notional annual rental value of property assessed by the District Valuer and to which the rate poundage is applied to determine the rates payable for non-domestic property.

### **Rate Poundage or Multiplier**

The number of pence in the £ applied to rateable value to determine the rates payable.

### **Reserves**

Internal reserves set aside to finance future expenditure for purposes falling outside the definition of provisions.

### **Revenue Expenditure**

Recurring expenditure principally on pay, running costs of buildings, equipment and capital financing costs.

### **Revenue Support Grant (RSG)**

A grant from the Government to contribute to the cost of providing services.

### **Revised Estimates**

The approved estimates as amended by any budget transfers, supplementary estimates, inflation adjustments and sums brought forward from the previous year.

### **Statements of Standard Accounting Practice (SSAP)**

These were prepared by the Accounting Standards Committee of the professional accountancy bodies before it was replaced by a new Accountancy Standards Board in 1990. SSAPs are similar to the newer FRSs described previously and they will continue to apply unless they are replaced by FRSs or withdrawn.

**Statements of Recommended Practice (SORP)**

These are similar to FRSs and SSAPs described above but not of such fundamental importance or of limited application.

**Supplementary Credit Approvals**

Borrowing approvals which may only be used to meet capital expenditure on other specific schemes.

**LEWES DISTRICT COUNCIL**

.....

**The Local Authorities (Members' Allowances) Regulations 2003**

.....

Notice is hereby given that the total payments made by the Council during the financial year 2003/04 to each member in respect of Basic and Special Responsibility Allowances were as shown on the following sheets:

N.B.

1. Basic Allowance recognises the time devoted by members to their work, including meetings with constituents.
2. Special Responsibility Allowance recognises the types of special responsibility (e.g. chairmanship of Review Boards and leadership of political groups) for which an additional allowance is payable.
3. The figures relate to the financial year.

John Crawford  
Chief Executive

Councillor	Basic	Special Responsibility	Carers Allowance	Total
	£	£	£	£
Appleton	215.65	37.63		253.28
Bennett	2,076.35			2,076.35
Best	2,292.00	2,372.09		4,664.09
Borrowski	215.65	188.18		403.83
Bratchie	2,076.35	1,779.27		3,855.62
Brown	2,076.35			2,076.35
Byng	215.65			215.65
Carr	2,292.00	1,847.29		4,139.29
Chartier	2,292.00	2,372.09		4,664.09
Clark	2,292.00	687.24		2,979.24
Clayton	215.65			215.65
Collict	2,292.00	2,595.55		4,887.55
Commin	2,076.35	2,964.90		5,041.25
Cornwell	215.65			215.65
Cowdrey	215.65			215.65
Craven	2,292.00			2,292.00
Crocker	2,292.00	2,964.90		5,256.90
Daly	2,076.35			2,076.35
Davies	2,076.35			2,076.35
Davy	2,076.35			2,076.35
De Vecchi	2,292.00	6,400.32		8,692.32
Farrar	215.65			215.65
Fitton	2,292.00	632.92		2,924.92
Fletcher	2,076.35			2,076.35
Fricker	2,076.35			2,076.35
Frost	215.65			215.65
Griffiths	215.65			215.65
Hallett	2,076.35	1,779.27		3,855.62
Harper	2,292.00	894.15		3,186.15
Harrison Hicks	2,076.35			2,076.35
Hearn	215.65			215.65
Holland	215.65	112.90		328.55
Howard	215.65			215.65
James AJ	215.65			215.65
James SIC	2,292.00	2,484.99		4,776.99
Lee	2,292.00	2,964.90		5,256.90
Lewry	2,292.00	323.16		2,615.16
Living	2,076.35			2,076.35
Mayers	2,076.35			2,076.35
Mayhew	215.65			215.65
Messer	215.65			215.65
Mitchell	2,076.35			2,076.35
Carried Forward	62,099.65	33,401.75	0.00	95,501.40

Councillor	Basic £	Special Responsibility £	Carers Allowance £	Total £
Brought Forward	62,099.65	33,401.75	0.00	95,501.40
Moorhouse	215.65	188.18		403.83
Munro	2,076.35			2,076.35
Neighbour	2,292.00	1,204.52		3,496.52
O'Keefe	2,076.35			2,076.35
Olbrich	215.65	94.08		309.73
Osborne	2,076.35		128.50	2,204.85
Ost	2,292.00	2,372.09		4,664.09
Parfect	215.65			215.65
Pepper	1,719.00			1,719.00
Peterson	215.65			215.65
Rogers	2,292.00	2,964.90		5,256.90
Small	2,292.00	1,477.94		3,769.94
Smith BG	215.65	112.90		328.55
Smith MEA	215.65			215.65
Stechler	215.65			215.65
Sugarman	215.65			215.65
Taylor	2,076.35	2,165.18		4,241.53
Thorne	215.65			215.65
Turner	2,076.35			2,076.35
Webber	2,076.35	1,167.57		3,243.92
White	215.65			215.65
Whittle JL	215.65			215.65
Whittle LR	215.65			215.65
Willis	2,076.35			2,076.35
Wilson IP	2,076.35			2,076.35
Wilson RG	215.65	188.18		403.83
Worthington	2,076.35			2,076.35
Total	94,477.25	45,337.29	128.50	139,943.04