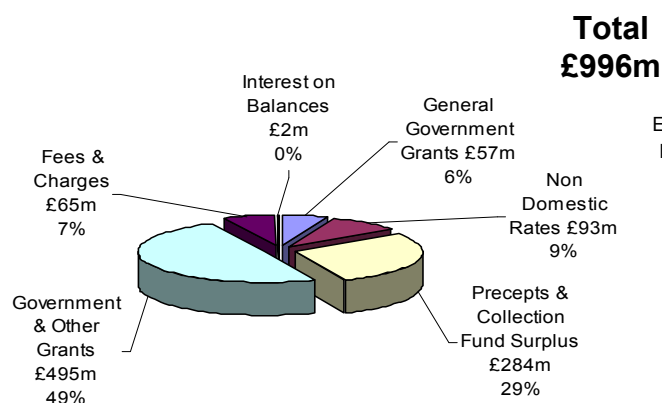


SUMMARY OF ACCOUNTS 2010/11

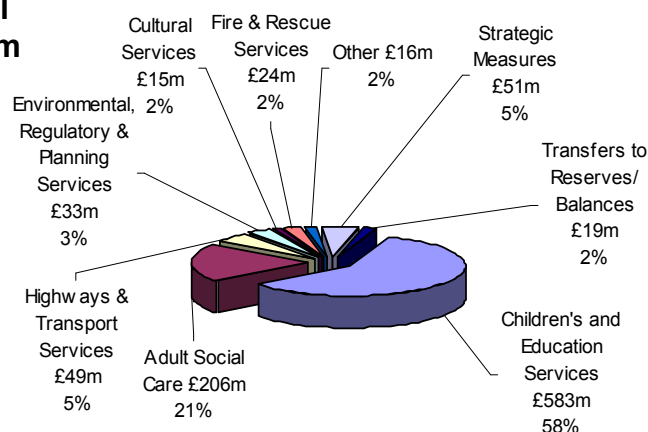
The County Council's accounts set out how much money we have spent on services, what we have invested in capital projects, how we have funded the expenditure and what assets we own.

Review of 2010/11

Where the money came from



What services the money was spent on



The Council set a net revenue budget for the year of £389.9m to finance day to day service provision. Actual spending for the year was £388.8m, £1.1m lower than had been planned. The Council also received £0.7m additional general government grant resulting in a total increase to balances of £1.8m. The County Fund balance has therefore increased from £12.9m at the outset of the financial year to £14.7m at 31 March 2011.

Summarised Revenue Account

	Gross Expenditure £m	Income £m	Net Expenditure £m
Net cost of services	902.2	-555.2	347.0
Other operating expenditure	20.7	-5.8	14.9
Financing and investment income and expenditure	56.2	-9.3	46.9
Taxation and non-specific grant income	0.0	-498.5	-498.5
Surplus on provision of services	979.1	-1,068.8	-89.7
Adjustments between accounting basis & funding basis:			
Income and expenditure to be excluded	-28.8	73.3	44.5
Capital financing costs to be included	26.5	0.0	26.5
Net Increase before transfers to earmarked reserves	976.8	-995.5	-18.7
Transfers to earmarked reserves	16.9	0.0	16.9
Increase in County Fund balance for the year	993.7	-995.5	-1.8

The adjustments between accounting basis and funding basis are those items that regulations require to be added to or removed from the surplus/deficit on provision of services to determine the amount chargeable against the County Fund balance.

County Fund Balance

Balance at start of year
Increase in year
Balance at end of year

£m

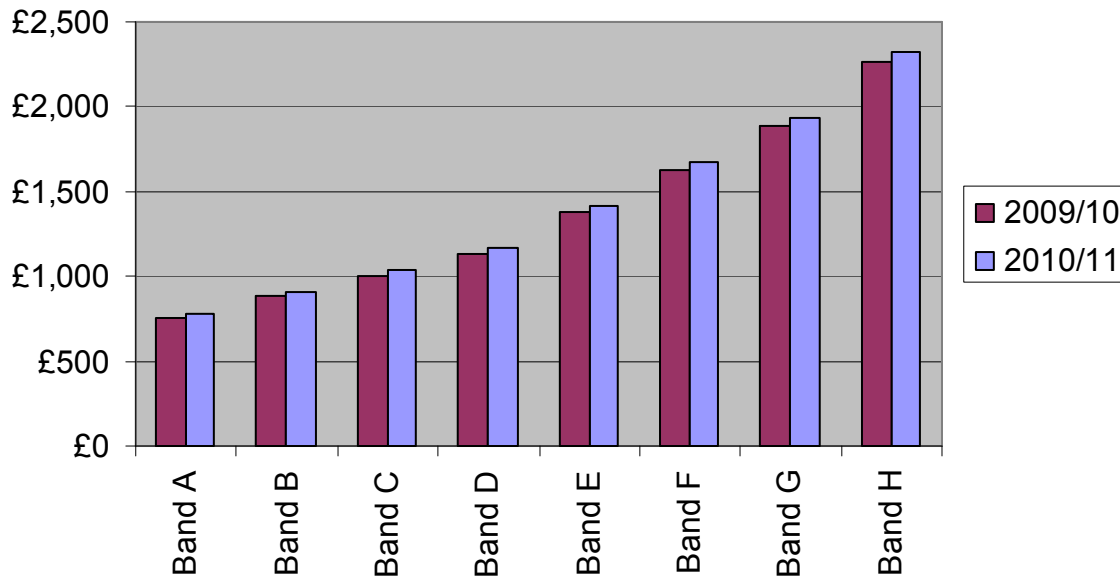
12.9

1.8

14.7

Our Council Tax Funding

The graph below shows how much Council Tax for County Council services was charged for each property band in 2009/10 and 2010/11.



	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
2010/11	£775	£904	£1,033	£1,162	£1,420	£1,678	£1,936	£2,323
2009/10	£754	£879	£1,005	£1,131	£1,382	£1,633	£1,884	£2,261

Capital Investment

We also spent money on improving assets...

Spending...	£m	Paid for by...	£m
Children's and education services	64.1	External borrowing	30.1
Environment, roads and transport	22.1	Grants & contributions	61.9
Social & community services	6.7	Revenue	7.5
Properties and offices	4.9		
Technology	1.7		
	<u>99.5</u>		<u>99.5</u>

Capital schemes that have benefited the community include:

Oxford Academy	£15.6m
Replacement of buildings at Wood Farm School	£3.3m
New sixth form centre at Cooper School	£2.5m
New science block at Chipping Norton School	£2.3m
Self-service automation in libraries	£0.7m
London Road improvements in Headington (Phase 3)	£1.9m
A40 drainage scheme	£1.1m

Summarised Balance Sheet as at 31 March 2011

The balance sheet shows the Council's financial position on 31 March 2011; the end of the 2010/11 financial year. It identifies what we own, what we owe and how this is funded.

	£m
Net Assets	
Long-term assets	1,551.2
Cash and short-term investments	196.3
Money owed to the Council	44.2
Other short-term assets	2.7
Money owed by the Council	-84.2
Borrowing	-439.5
Pensions and other liabilities	-475.8
Capital grants and contributions	-47.1
Total assets less total liabilities	<u>747.8</u>
Financed by	
Earmarked reserves	84.7
Other usable reserves	51.1
Unusable reserves	612.0
Net Assets	<u>747.8</u>

Earmarked Reserves

The Council's earmarked reserves as at 31 March 2011 are as follows:

	£m
Schools' delegated balances	21.6
Capital investment	16.6
Insurance	6.2
Other corporate reserves	24.1
Directorate reserves	16.2
	<u>84.7</u>

Other Usable Reserves

The Council's other usable reserves as at 31 March 2011 are as follows:

	£m
County Fund balance	14.7
Capital investment balances	36.4
	<u>51.1</u>

Cash Flow

The cash flow summary shows the total cash inflows and outflows during the year and includes both capital and revenue transactions.

	£m
Cash in hand at 1 April 2010	-1.9
Cash in	1,589.3
Cash out	-1,561.8
Cash in hand at 31 March 2011	<u>25.6</u>

The negative opening position did not mean that the County Council was overdrawn at the bank, as it manages cash on behalf of the pension fund, trust funds and other third parties which have been excluded from the above. However, it does represent the County Council's position in isolation.

Plans for future service delivery

The Medium Term Financial Plan for 2011/12 to 2015/16 reflects the Council's strategic objectives of Efficient Public Services, World Class Economy, Healthy and Thriving Communities and Environment & Climate Change and the principles of low taxes, real choice and value for money. The Plan builds upon the assumptions used in the previous year to take account of the anticipated national budget reductions. Savings targets reflect the planned reduction in Government departmental spending totals of 25% over the four year period to 2014/15. A Business Strategy programme has been developed to enable the Council to deliver its required savings and to facilitate the shift to a slimmer, more dynamic and empowered organisation.

Oxfordshire County Council Pension Fund

The County Council is the administering authority for the Oxfordshire Local Government Pension Fund, which serves 77 other employing bodies as well as the County Council itself.

Summary at 31 March 2011

Net Assets at 31 March 2011

	£m		£m
Opening net assets at 1 April	1,111.6	Value of investments	1,237.3
Net income from fund members	27.8	Net money owed to the pension fund	7.5
Net returns on investments	<u>105.4</u>		
Closing net assets at 31 March 2011	<u>1,244.8</u>	Net assets of the pension fund at 31 March 2011	<u>1,244.8</u>

There were 18,830 contributing members to the fund at 31 March 2011, and 10,852 pensions were paid. Contribution rates for 2010/11 were based on the valuation of the Scheme's financial position as at 31 March 2007.

Pension Fund Annual Report

The Pension Fund annual report is available to be downloaded from the County Council's website at: www.oxfordshire.gov.uk. The report for 2010/11 will be available from December 2011.

Fire-fighters Pension Fund

Separate fire-fighters pension fund accounts are included in the County Council's Statement of Accounts. The scheme has no assets and the surplus or deficit on the pension fund account is paid to/met by central government.

Status of Accounts

The County Council's accounts are prepared in accordance with the Code of Practice on Local Authority Accounting. This summary is taken from the full Statement of Accounts certified by the Assistant Chief Executive and Chief Finance Officer on 28 June 2011 and is still subject to audit. The audited accounts will be published at the end of September and will be made available on the County Council's website.

What do you think?

If you have any questions or suggestions as to how we could improve these summary accounts, please contact Stephanie Skivington:

Telephone: 01865 797443

Email: stephanie.skivington@oxfordshire.gov.uk

Address: Financial Accounting and Reporting, Operational Finance, Oxfordshire Customer Services, Oxfordshire County Council, Unipart House, Garsington Road, Oxford, OX4 2GQ.

Glossary of Terms

Asset

An asset is something the County Council owns and can be either long term or current.

Balance

The accumulated surplus of income over expenditure. Such a surplus is available to meet unexpected expenditure or a shortfall in income, to allow flexibility in borrowing from the money market, to finance expenditure pending the receipt of income or to reduce the precept requirement.

Balance Sheet

A statement summarising the County Council's financial position at the end of an accounting period. The statement shows the County Council's assets and liabilities.

Capital Asset

A tangible asset that yields benefit to the County Council and the services it provides for a period of more than one year.

Capital Expenditure

Expenditure on the provision of lasting assets, for example land, buildings, road, vehicles and equipment such as computers.

Capital Receipts

Receipts from the sale of capital assets.

County Fund

The main revenue fund of the County Council into which precept income and Government grants are paid and from which day-to-day payments are made.

Financial Year

The County Council's accounts cover the period from 1 April in one year to 31 March in the next year.

Financing and Investment Income and Expenditure

This mainly comprises interest charges, for example on borrowing, and interest earned on investments.

General Revenue Government Grants

These are general grants paid by central government in aid of local authority services as opposed to specific grants which may only be used for a specific purpose. The main general grants are Revenue Support Grant and Area Based Grant.

Liabilities

Amounts owed by the County Council which will be paid some time in the future.

Long Term Assets

Capital assets, long-term investments and money owed to the Council over the long-term.

Non Domestic Rate

A levy on businesses based on a national rate in the pound set by the government multiplied by the 'rateable value' of the premises they occupy.

Net Operating Expenditure

The amount which it costs to provide services after any specific grants and/or income from fees and charges is taken into account, but ignoring general government grant and local taxation.

Non-specific Grant Income

Grant income from general revenue government grants and capital grants and contributions.

Provision

An amount of money put aside in the accounts for anticipated liabilities, which cannot be accurately estimated e.g. insurance provision for claims awaiting resolution.

Reserves

Amounts of money put aside to meet certain categories of expenditure in order to avoid fluctuations in the charge to the County Fund.

Revenue Expenditure

The County Council's day-to-day expenditure on items which include wages, supplies and services and interest charges.

Specific Grants

Grants paid by the government towards either revenue or capital to support the cost of specific services.

Unusable Reserves

Reserves that cannot be used to provide services, for example reserves that hold increases in the value of assets that will not be realised until the assets are sold. Unusable reserves also include those reserves that reflect timing differences between expenditure being recognised in the accounts and when it has to be funded.