

THE COMPACT ACCOUNTS 2010/11



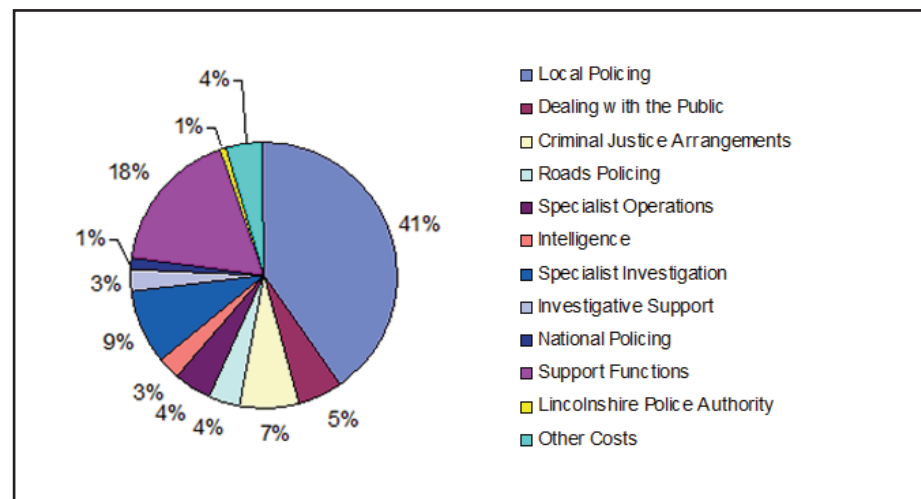
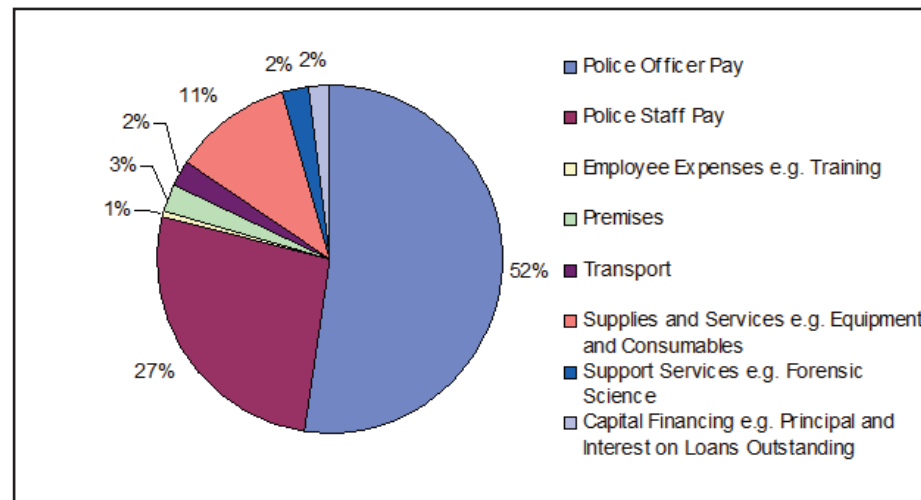
Lincolnshire Police Authority

This document summarises the Authority's full 2010/11 Statement of Accounts and gives a view of the financial position at 31st March 2011. In order to present this information in a more concise and user-friendly way, modifications to the full Statement of Accounts have been made. These accounts therefore have no legal standing due to these modifications.

The **Revenue Account** summarises the costs of the police activity during the year and the sources of funding that support it.

2009/10 Net Spending £000's	Revenue Account	2010/11 Net Spending £000's
64,174	Police Officer Pay	63,643
31,080	Police Staff Pay	32,422
1,280	Employee Expenses e.g. Training	819
3,934	Premises	3,101
2,875	Transport	2,982
14,171	Supplies and Services e.g. Equipment and Consumables	13,399
2,229	Support Services e.g. Forensic Science	2,955
2,703	Capital Financing e.g. Principal and Interest on Loans Outstanding	2,519
122,446	Gross Cost of Services	121,840
(9,081)	Income e.g. Recharges and Recoveries	(6,861)
113,365	Net Cost of Services	114,979
914	Contribution to the General Reserve	1,209
(660)	Contribution to/(from) Specific Reserves & Provisions	174
113,619	Total to be Financed	116,362
(39,402)	Police Grant	(40,762)
(3,952)	Revenue Support Grant	(3,238)
(20,912)	Non Domestic Rates	(22,301)
(40,449)	Council Tax	(41,995)
(3,267)	Additional Police Grant Rule 2	(2,334)
(2,189)	Crime Fighting Fund	(2,189)
(2,789)	Neighbourhood Policing	(2,868)
(659)	Other Grants	(675)
(113,619)	Total Financing	(116,362)

Where the money was spent 2010/11



The **Balance Sheet** gives a snapshot of the Authority's financial situation at the end of the year.

31 March 2010 £000's	Balance Sheet	31 March 2011 £000's	
	Assets and Liabilities		
	Assets		
24,841	Land and Buildings	21,971	
9,654	Vehicles, Plant and Equipment	8,476	
43	Intangible Assets	15	
725	Non-Operational Assets	2,030	
5,783	Debtors	3,811	
393	Stock	413	
-	Cash	140	
11,560	Short Term Investments	14,434	
52,999			51,290
	Liabilities		
(7,497)	Creditors	(7,105)	
(37)	Cash	-	
(878)	Provisions	(1,012)	
(19,159)	Borrowing	(19,366)	
(27,571)			(27,483)
25,428	Total Net Assets		23,807
	Financed By		
16,602	Unusable Reserves	13,351	
3,821	General Reserve	5,030	
5,005	Specific Reserves and Capital Receipts	5,426	
25,428	Total Reserves and Balances		23,807

The **Balance Sheet** shows the financial standing of Lincolnshire Police Authority at a point in time. As at the 31 March 2011 the Authority had long-term assets (such as land, buildings and vehicles) valued at £32.5m. Current assets (such as money due to us, short term investments, stocks of consumable items) were worth £18.8m. Importantly, this is more than enough to meet the £9.3m that we owe to other organisations in the short term (creditors and short term borrowing). The Authority's total borrowing amounts to about £19.4m, which is much less than the value of the long-term assets it has been used to finance. The Balance Sheet also shows the usable cash reserves, these include reserves which are held for a specific purpose such as to meet the cost of Major Incidents and unused capital receipts from the sale of capital assets. Amounts held against unknown future financial risks are included in the General Reserve. Unusable reserves are required to be included but are not available for use by the Authority.

The Cost of the Police Authority in 2010/11 was £990,000 (2009/10 £922,000).

It should be noted that the accounting entries relating to International Financial Reporting Standards for Pensions, Jointly Controlled Assets and Employee Benefits have been excluded from this Statement. Please see the Notes Page.

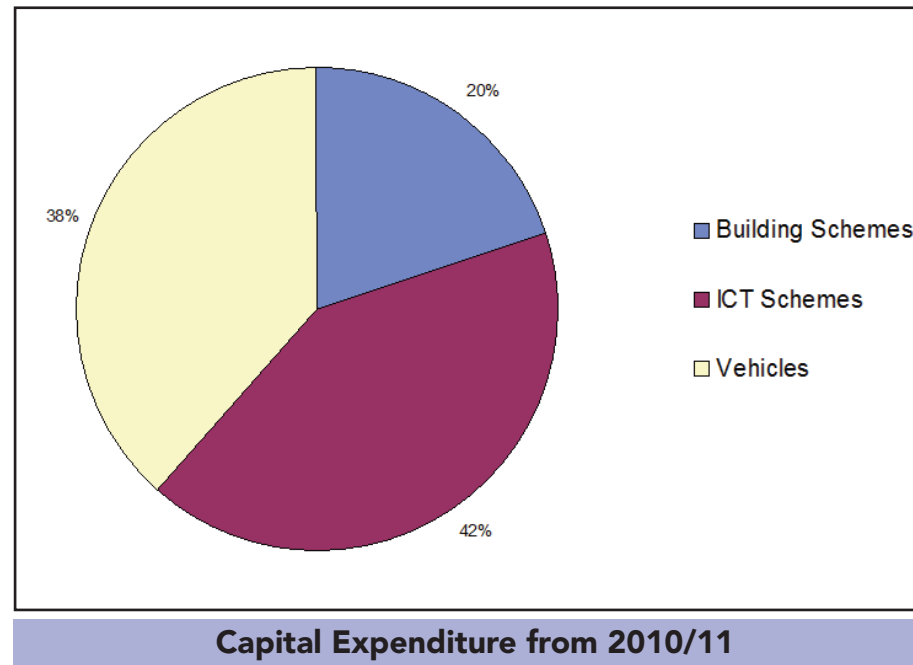
The **Cash Flow Statement** summarises the money which actually moved into and out of our accounts during the year.

2009/10 £'000	Cash Flow	2010/11 £'000	
	Revenue		
121,329	Cash Payments for Employees, Supplies and Services, Interest on loans etc	121,556	
(122,623)	Receipts from Precepts, Government Grants, Interest on Investments etc	(123,223)	
(1,294)			(1,667)
	Capital		
11,341	Payments for land, buildings, vehicles etc	3,248	
(1,747)	Receipts from capital grants, sale of assets etc	1,337	
9,594			4,585
8,300	Net cash outflow / (inflow) for services		2,918
	Financing		
1,404	Loans Repaid	1,689	
(2,450)	Loans Raised	(1,910)	
(1,046)	Net decrease / (increase) in Loans		(221)
(7,121)	Net decrease / (increase) in Investments		(2,874)
(8,167)	Total Financing		(3,095)
133	Decrease / (Increase) in Cash		(177)

The **Capital Summary** gives an overview of investments made during the year and how we paid for it.

2009/10 £'000	Capital Summary	2010/11 £'000
	Capital Spending	
5,443	Operational Assets	3,248
5,443		3,248
	Financed by	
2,450	Borrowing	1,910
2,705	Capital Grants	1,166
288	Revenue Contribution	172
5,443		3,248

Capital Expenditure relates to the provision of assets which will bring long term benefit to the Authority such as Building schemes, the purchase of ICT systems, vehicles and equipment.



NOTES TO THE COMPACT ACCOUNTS

These compact accounts simplify our financial position considerably from the accounts required in law and under accounting regulations. The following notes explain the significant items that are excluded.

Accounting for Pensions

The Accounting Regulations require the Authority to recognise the financial consequences of retirement benefits when they are earned by employees rather than when the benefits are eventually paid as pensions. As a result on this basis the Authority has a total liability of £801.4 million. The latest valuation of the Local Government Pension Scheme (Police Staff) shows assets of £68 million against liabilities of £84.2 million, the Police Officer Pension Scheme costs are met by specific grants from the Home Office.

Accounting for Capital

The statutory accounts are charged with a capital charge for all long-term assets used in the provision of services. The total charge covers the annual provision for depreciation, these summarised accounts only include the capital charges incurred by the Authority during the year.

Jointly Controlled Assets

The Authority has two jointly controlled asset arrangements (EMSOU and the Sexual Assault Referral Centre). The compact accounts do not include any adjustments for these arrangements.

Collection Fund and Employee Benefits

The accounting entries relating to the Collection Fund and Employee Benefit liabilities, have been removed from these compact accounts, as they have no effect on the amount to be raised from council tax.

*Anyone who would like to see the Full Financial Statements can do so by looking at the Police Authority website at **www.lincolnshire-pa.gov.uk***