

## **Northumbria Police Authority Summary Accounts 2005/06**

### **Treasurer's Statement**

Northumbria Police Authority's Statement of Accounts has been prepared in accordance with the Code of Practice on Local Authority Accounting and the Accounts and Audit Regulations 2003. For the purpose of this summary statement some modifications have been made to provide some of the key information about the Police Authority's financial position.

A full copy of Northumbria Police Authority's 2005/06 detailed accounts is available for examination upon request. Please contact John Jopling, Head of Financial Management on 0191 4333587.

Northumbria Police Authority has a duty to the people of Northumberland and Tyne & Wear to provide an efficient and effective service. To support this, we would welcome any feedback regarding the format and contents of the Summary Accounts, so that they can be improved where possible to better meet the needs of stakeholders. Any comments should be directed to [enquiries.npa@gateshead.gov.uk](mailto:enquiries.npa@gateshead.gov.uk)

**D V Coates BA CPFA IRRV**  
**Northumbria Police Authority Treasurer**

### **Financial Review**

The following statement by the Treasurer describes some of the key points on the Police Authority's stewardship of public funds.

#### **Financial Performance**

The Police Authority Revenue Account reports expenditure and income relating to all services provided by Northumbria during the year, and shows how the net costs of these services have been financed by local taxpayers and Central Government Grants.

We budgeted to break even in 2005/06 after using £2.480m of our reserves. This was later revised to breakeven after a contribution to reserves of £1.380m. Total final Revenue Account net expenditure was £258.661m after transfers to earmarked reserves of £3.071m against the revised budget of £262.015m resulting in an underspend of £3.354m which was transferred to the general reserve.

#### **Capital Expenditure**

Capital expenditure represents money spent by the Police Authority for the purposes of purchasing, upgrading or improving assets such as buildings and vehicles. The distinction from revenue expenditure is that

the Police Authority receives the benefit from capital expenditure over a longer period of time.

The Police Authority spent £9.919m on capital expenditure during the year against an original budget of £21.941m and a revised budget of £13.851m. This expenditure was financed from, Capital grants (£5.193m), Borrowing (£1.960m), Revenue contributions (£2.619m), and Reserves (£0.147m).

### **The Cost of Northumbria Police Authority Services – Revenue Account for the year ended 31 March 2006**

The revenue account shown below presents the cost of running Police Authority Services for the financial year ended 31 March 2006, and identifies how these costs were funded.

<b>Net Expenditure</b>	<b>£000s</b>
Crime	139,401
Policing in the Community	131,914
Corporate and Democratic Core	1,422
Non distributed costs	884
<b>NET COST OF SERVICES</b>	<b>273,621</b>
Non service specific net expenditure and internal accounting	(14,960)
<b>AMOUNT TO BE MET FROM GOVERNMENT GRANTS AND LOCAL TAXATION</b>	<b>258,661</b>
<b>Financed by:</b>	
Police Grant	(130,020)
Revenue Support Grant	(79,518)
National Non-domestic rates	(22,623)
Precepts	(29,854)
<b>REVENUE ACCOUNT SURPLUS FOR THE YEAR</b>	<b>(3,354)</b>

## Balance Sheet

The balance sheet shows what Northumbria Police Authority owns, and what it is owed as at 31 March 2006:

	<b>£000s</b>
Fixed Assets	64,216
Stocks and Stores	700
Money owed to the Authority	136,799
Money owed by the Authority	(2,354,244)
	<b>(2,152,529)</b>
<b>Financed by</b>	
Reserves	<b>2,152,529</b>

Money owed by the Police Authority includes long term borrowing and pension fund liabilities.