

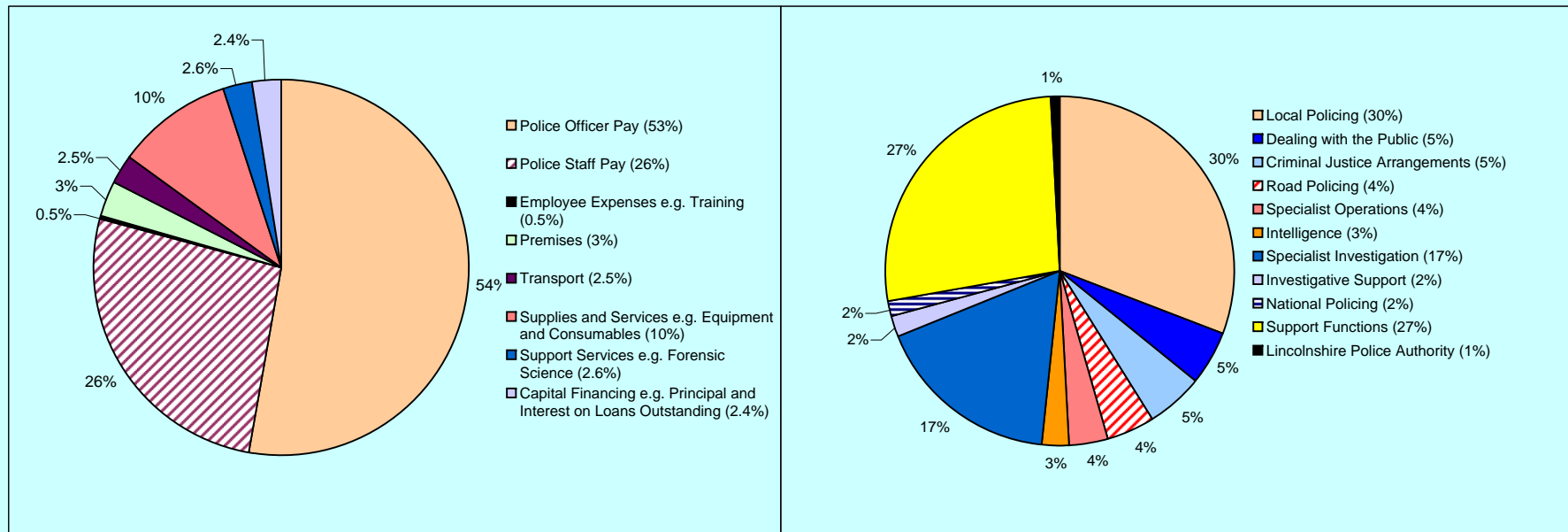
This document summarises the Authority's full 2011/12 Statement of Accounts and gives a view of the financial position at 31st March 2012. In order to present this information in a more concise and user-friendly way, modifications to the full Statement of Accounts have been made. These accounts therefore have no legal standing due to these modifications.



**LINCOLNSHIRE
POLICE
AUTHORITY**

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

2010/11	Revenue Account	2011/12
Net Spending £000's		Net Spending £000's
63,643	Police officer pay	63,505
32,422	Police staff pay	31,793
25,775	Non pay costs	25,222
121,840	Expenditure for the year	120,520
(5,361)	Cost recovery through recharges and local funding arrangements	(7,075)
174	Contribution to/(from) Specific Reserves & Provisions	1,544
116,653	Net Cost of Services for the year	114,989
	less	
	Income receivable	
(74,367)	Home Office grants	(71,732)
(41,995)	Council tax	(42,357)
(1,500)	Other Grants	(1,500)
(1,209)	Surplus available for the general fund	(600)



Where the money was spent 2011/12

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

31 March 2011 £000's	Balance Sheet	31 March 2012 £000's	
Assets and Liabilities			
Assets			
21,971	Land and Buildings	21,014	
8,476	Vehicles, Plant and Equipment	6,789	
15	Intangible Assets	-	
2,030	Non-Operational Assets	2,054	
3,811	Debtors	7,941	
413	Stock	493	
140	Cash	1,002	
14,434	Short Term Investments	12,215	
51,290			51,508
Liabilities			
(7,105)	Creditors	(8,574)	
-	Cash	-	
(1,012)	Provisions	(333)	
(19,366)	Borrowing	(20,253)	
(27,483)			(29,160)
23,807	Total Net Assets		22,348
Financed By			
13,351	Unusable Reserves	9,883	
5,030	General Reserve	5,629	
5,426	Specific Reserves and Capital Receipts	6,836	
23,807	Total Reserves and Balances		22,348

The Balance Sheet shows the financial standing of Lincolnshire Police Authority at a point in time. As at the 31 March 2012 the Authority had long-term assets (such as land, buildings and vehicles) valued at £29.9m. Current assets (such as money due to us, short term investments, stocks of consumable items) were worth £21.6m. Importantly, this is more than enough to meet the £11.0m that we owe to other organisations in the short term (creditors and short term borrowing). The Authority's total borrowing amounts to about £20.2m, 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 2011/12 was £884k (2010/11 £990k).

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.

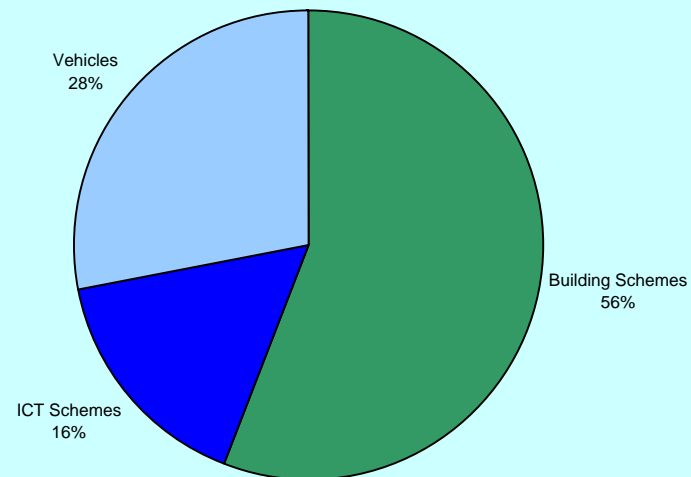
2010/11 £000's	Cash Flow	2011/12 £000's	
Revenue			
121,556	Cash Payments for Employees, Supplies and Services, Interest on loans etc	115,024	
(123,223)	Receipts from Precepts, Government Grants, Interest on Investments etc	(122,664)	
(1,667)			(7,640)
Capital			
3,248	Payments for land, buildings, vehicles etc	4,244	
1,337	Receipts from capital grants, sale of assets etc	1,389	
4,585			5,633
2,918	Net cash outflow / (inflow) for services		(2,007)
Financing			
1,689	Loans Repaid	1,966	
(1,910)	Loans Raised	(3,040)	
(221)	Net decrease / (increase) in Loans		(1,074)
(2,874)	Net decrease / (increase) in Investments		2,219
(3,095)	Total Financing		1,145
(177)	Decrease / (Increase) in Cash		(862)

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

2010/11 £000's	Capital Summary	2011/12 £000's
	Capital Spending	
3,248	Operational Assets	4,244
3,248		4,244
	Financed by	
1,910	Borrowing	3,040
1,166	Capital Grants	792
172	Revenue Contribution	412
3,248		4,244

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.

Capital Expenditure 2011/12



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 £862.9m million. However the arrangements for funding this liability are in place with the Local Governments Pension Scheme latest valuation showing assets of £72.0 million against liabilities of £95.3 million. The Police Pensions Scheme costs are met each year by a specific grant 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 including Major Crime & Technical Support Unit, 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 and Crime Commissioner's website at www.lincolnshire-pcc.gov.uk