



**STATEMENT OF ACCOUNTS
FOR 2000/01**

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EXPLANATORY FOREWORD

1. Introduction

This foreword provides a brief explanation of the Council's accounts for 2000/01 which are set out on pages 10 to 27 of this document and supported by the Statement of Responsibilities (page 6) and the Statement of Accounting Policies (pages 7 to 9).

2. Consolidated Revenue Account

This account covers operating income and expenditure on General Fund services. It shows how the net cost of all the Council's revenue activities has been financed from government grants and income from local taxpayers.

The Consolidated Revenue Account, together with accompanying notes, is set out on pages 10 to 13.

Further details of the cost of services provided by the Council and the income collected to pay for the services are shown graphically on pages 4 and 5.

3. Collection Fund

This account records all council tax and business rate income collected on behalf of the District Council, local town and parish councils, Hampshire County Council, Hampshire Police Authority, and Central Government. Details can be found on pages 14 and 15.

4. Consolidated Balance Sheet

This statement sets out the overall financial position of the Council as at 31st March 2001 and incorporates the value of all assets and liabilities at the year end.

The Consolidated Balance Sheet is set out on page 16 and is supported by notes on pages 17 to 20 and the Statements of Movements in Capital and Revenue Reserves on pages 21 to 23.

5. Cash Flow Statement

All revenue and capital activities are included in this statement which shows cash flows between the Council and third parties. Details can be found on pages 24 and 25.

6. Capital Expenditure

The Council has an approved capital programme with projected spending of £23m over the six year period 1998/99 to 2003/04. Included in the programme are a variety of projects and schemes, such as the construction and improvement of leisure facilities, grants to parish councils and voluntary organisations, social housing schemes, home improvement grants, recycling initiatives, drainage schemes and economic development projects.

Details of spending on capital projects in 2000/01 can be found on pages 26 and 27.

7. Accounting Policies

The accounting policies which support the accounts are set out on pages 7 to 9. There have been no material changes to accounting policies in 2000/01.

8. Financial Performance

There are three main areas to report on -

General Fund - the operating costs and income on General Fund services are set out in the Consolidated Revenue Account on page 10 and a graphical presentation is shown on pages 4 and 5. The General Fund summary shows a deficit for the year of £170k compared to the deficit of £404k forecast in the budget (2000/01 probable estimate). The underspend of £234k referred to above is the result of a large number of variances between revised budget and outturn, the most significant of which are highlighted below.

Savings/Underspends on Expenditure/Additional Income

- (a) Council Tax/Housing Benefits - additional subsidy (£54k)
- (b) Additional income from investment of surplus funds (£81k)
- (c) Leisure Centres and Facilities - additional income and underspends on expenditure (£210k)
- (d) Representing Local Interests - savings on contributions and supplies and services (£13k)
- (e) Public Accountability - savings on supplies and services (£13k)
- (f) Grants and Loans - underspend on grants and loans awarded (£12k)
- (g) Register of Electors - savings on salaries and supplies and services (£16k)

Total of main savings £399k

Lower Income Levels/Overspends on Expenditure

- (a) Revenues Administration - lower level of court costs recovered (£41k)
- (b) Waste Management - anticipated income from Materials Recovery Facility has not materialised (£33k)
- (c) Drainage - additional expenditure due to flooding (£30k)
- (d) Development Control & Building Control - lower level of fees than had been anticipated (£61k)

Total of main overspends £165k

Council Tax collection - the collection rate for council tax in 2000/01 was 99.1% against 98.7% for the previous year. The continued improvement in the collection rate contributed to the Fund achieving a net surplus of £508k for the year.

Capital expenditure - details of how much the Council spent on capital projects and how it was financed are set out on pages 26 and 27. The capital programme provided for expenditure of nearly £4m in 2000/01, but actual spending in the year was £2.7m. Most of the underspend in the year was to do with slippage on social housing schemes, economic development and leisure projects.

9. Funding of future capital expenditure

The Council had funds and reserves of £10.1m at the 31st March 2001 to finance capital expenditure, made up mainly of useable capital receipts (£6.6) and surplus provision for credit liabilities (£2.8m) created following the redemption of external debt. Further details of these reserves can be found in the Statement of Movements in Capital Reserves on pages 21 and 22.

Future capital resources will be generated from right to buy proceeds from the sale of ex-council houses by Hart Housing Association, housing association grant from social housing schemes, developers' contributions, miscellaneous capital receipts from the sale of assets and grants and contributions from the government and central agencies. In the short term, borrowing approvals and revenue contributions are unlikely.

Projected future capital resources, together with the capital resources that the Council has in its possession at the 31st March 2001, will enable the Council to finance its current approved capital programme.

10. Planned future developments in service delivery

The Council's approved six year capital programme has many planned developments for the future. Significant projects include the following -

Social housing schemes	Grants to voluntary organisations
Frogmore gymnasium extension	Environmental enhancement schemes
Refurbishment of play areas	Economic development
Cycleways	Adoption of Private Sewers
Renovation Grants	

With regard to revenue plans, the Council's main priorities are to maintain existing standards of service. Future plans will be restricted by the Government's Standard Spending Assessment for the District and pressure to keep council tax levels down. Developments that exist are in areas such as leisure (e.g. countryside recreation, arts, promotion of the Harlington Centre), town centre security, recycling and environmental issues and planning guidance and control (e.g. Local Plan).

11. Borrowing

The Council achieved debt free status when it repaid all its outstanding external debt in 1994/95.

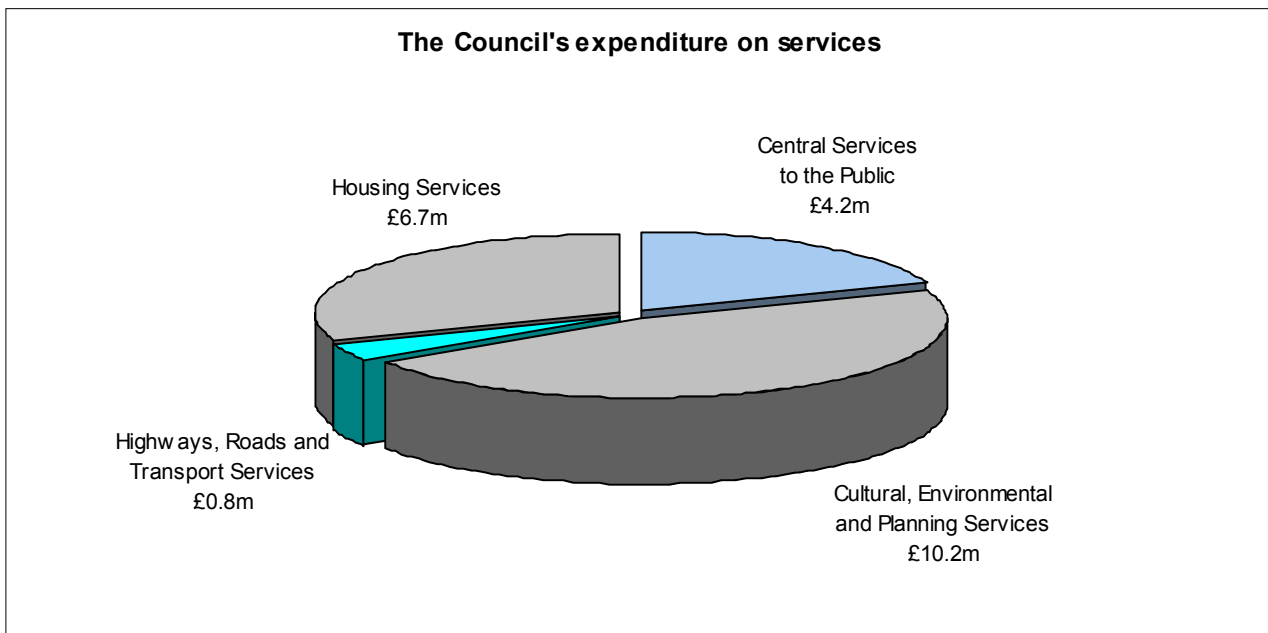
12. Issues related to the Euro

The Council is continuing to monitor the possible introduction of the common European currency which may have an impact on commercial arrangements and financial systems. No costs, other than a minimal amount of staff time, have been incurred to date.

13. The Council's Expenditure on Services

In 2000/01 the Council spent £18.9m providing services to the residents and business organisations living or operating within the District. A brief explanation of the main services provided together with a more detailed analysis of expenditure (and income) can be found in the Consolidated Revenue Account on pages 10 to 13. A broad analysis of the £18.9m is shown below -

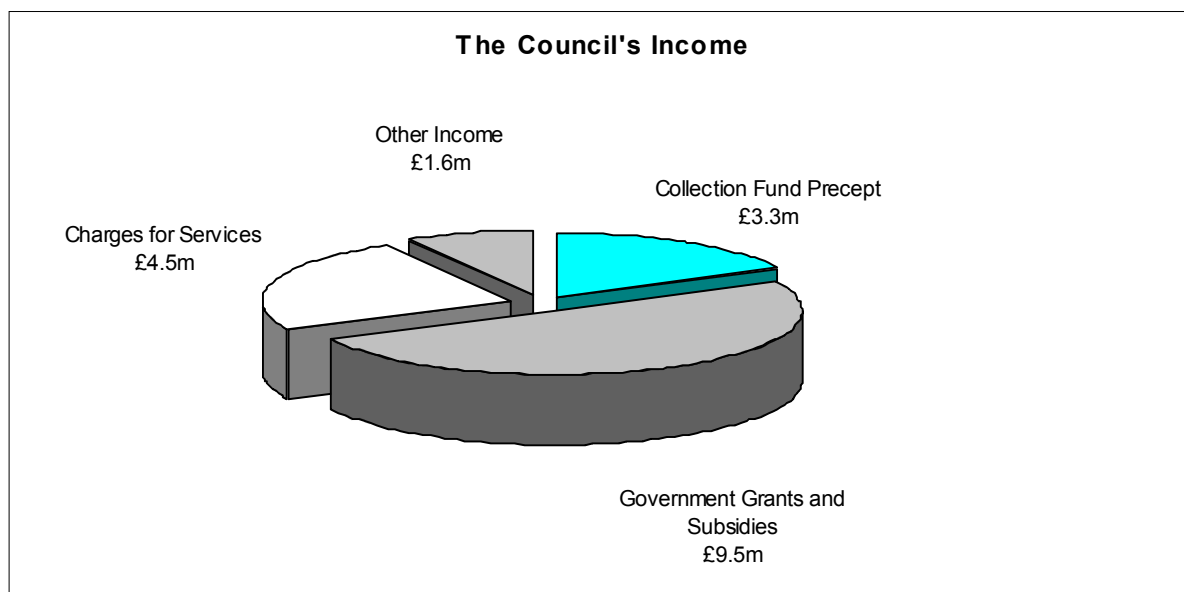
	£m
Central Services to the Public	4.2
Cultural, Environmental and Planning Services	10.2
Highways, Roads and Transport Services	0.8
Housing Services	6.7
	<hr/>
	21.9
Less accounting for capital	3.0
	<hr/>
	18.9



14. The Council's Income

The money to pay for these services came from the following sources -

	£m
Collection Fund precept	3.3
Government grants and subsidies	9.5
Charges for services	4.5
Other income (including transfers and contributions from other funds and reserves)	1.6
	<hr/>
	18.9
	<hr/>



15. Further Information

Further information about the accounts can be obtained from the Head of Finance, Civic Offices, Harlington Way, Fleet, Hants.

David Skelton
Head of Finance
28th November 2001

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 Head of Finance,
- * to manage its affairs to secure economic, efficient and effective use of resources and the safeguarding of its assets.

The Head of Finance's Responsibilities

The Head of Finance 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, is required to present fairly the financial position of the Authority at the accounting date and its income and expenditure for the year ended 31st March 2001.

In preparing this statement of accounts, the Head of Finance has :

- * selected suitable accounting policies and then applied them consistently,
- * made judgements and estimates that were reasonable and prudent,
- * complied with the Code of Practice on Local Authority Accounting

The Head of Finance has also :

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

David Skelton
Head of Finance
Date : 28th November 2001

STATEMENT OF ACCOUNTING POLICIES

1. General

The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting, the Best Value Accounting Code of Practice and guidance notes issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) on the application of those Statements of Standard Accounting Practice (SSAPs) and Financial Reporting Standards (FRS's) relevant to local authorities. Any significant non compliance is disclosed below.

2. Fixed Assets

All expenditure on the acquisition, creation or enhancement of fixed assets is capitalised on an accruals basis in the accounts. 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 which is charged direct to service revenue accounts.

Fixed assets are valued on the basis recommended by CIPFA and in accordance with the Statement of Asset Valuation Principles and Guidance Notes issued by the Royal Institution of Chartered Surveyors. Fixed assets are classified into the groupings required by the Code of Practice. Assets are valued on the following bases:

Land, operational properties and other operational assets are included in the balance sheet at the lower of net current replacement cost and net realisable value.

Non-operational assets, including assets that are surplus to requirements, are included in the balance sheet at the lower of net current replacement cost and net realisable value.

Infrastructure assets have been valued, using as a base, the amount of debt brought forward on the 1st April 1994 that related to those assets.

Community assets are included in the balance sheet at a nominal value of £1 per asset to allow an entry to be made in the register of assets and to enhance control.

The surplus that arose on the initial revaluation of fixed assets was credited to the Fixed Asset Restatement Reserve. Subsequent revaluations are planned on a rolling basis to ensure all assets are revalued within a five year period, although material changes to asset valuations will be adjusted as they occur.

3. Depreciation

The policy for depreciating fixed assets is as follows -

Buildings - All buildings are depreciated on a straight line basis over their estimated lifespan.

Other Assets - where depreciation is charged, it is calculated using a straight line method, with equal instalments of depreciation being charged to revenue for each year of the assets' lives. Although depreciation is charged on the estimated life of the specific individual assets concerned, approximation of average depreciation periods are as follows -

Vehicles : 3 years

IT equipment : 3 years

Furniture : 15 years

CCTV : 7 years

Newly acquired assets are depreciated from the 1st April of the following financial year.

4. Charges to Revenue for Fixed Assets

General fund service revenue accounts, central support services and statutory trading accounts and DSOs are charged with capital charges for the fixed assets used in the provision of services. The total charge covers the annual provision for depreciation plus a capital financing charge determined by applying a specified notional rate of interest to net asset values. The aggregate charge is determined on the basis of capital employed in each service.

Provision for depreciation is charged to the Asset Management Revenue Account which is credited with the capital charges charged to services. The surplus on the account is transferred to the Consolidated Revenue Account at the year end to ensure that capital charges have a neutral impact on the amounts required from local taxation.

5. Deferred Charges

Deferred charges are payments of a capital nature where no fixed assets are created that directly benefit the Authority, but which may be properly capitalised. An example is the awarding of grants to private house-holders where properties lack basic amenities. In line with the advice of CIPFA's Capital Accounting Working Group, most deferred charges are written out to revenue accounts in the year the expenditure is incurred.

6. Leasing

The Council acquires the use of a variety of vehicles, plant and equipment by means of operating leases. These assets do not appear in the Balance Sheet as the Council does not own them. The revenue accounts are charged with the annual rentals as and when they become due.

The Council has not acquired assets by means of finance leases for some years. Those assets that the Council still has in its possession are now in secondary leasing periods. As a result their residual value is minimal, so their valuation has been excluded from fixed assets.

7. Government grants and contributions

Government grants and other contributions are accounted for on an accruals basis (see paragraph 10 below) 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.

8. Capital Receipts

Income from the disposal of fixed assets is accounted for on an accruals basis (see paragraph 10 below). In accordance with Government regulations, capital receipts from the disposal of land, buildings and vehicles are apportioned between usable capital receipts and those which are set aside for the repayment of debt forming part of the capital financing reserve. As a debt free authority, the only receipts which the Council has to set aside is the grant received from the Housing Corporation to fund advances to housing associations.

All capital receipts, whether usable or set aside, are invested until such time as they are needed to finance new capital expenditure.

9. Stocks and Stores

Stocks are valued in the accounts on the lower of historic cost and net realisable value.

10. Debtors and Creditors

All the accounts (revenue and capital) of the Council are maintained on an accruals basis in accordance with the Code of Accounting Practice and SSAP2. This means that sums due to or from the Council during the financial year are included whether or not the cash has actually been received or paid in the year.

There are some exceptions to this principle -

- (a) weekly paid and four weekly paid employees are charged relative to the tax year in which payment is made.
- (b) quarterly payments for electricity, gas and telephone accounts are charged at the date of meter reading rather than being apportioned between financial years.
- (c) income for pre-booked courses at leisure centres tends to be credited to the year of receipt, rather than the year in which the course took place.

The above exceptions are consistently applied each year and therefore do not have a material effect on the year's revenue accounts.

11. Support Services and Corporate Costs

Support services were fully allocated to services in 2000/01. Corporate and democratic core costs were not allocated to services in 2000/01 in accordance with the guidance of CIPFA.

12. Reserves

The Council maintains reserves to meet general rather than specific future expenditure. The reserves the Council maintains are analysed in detail in the Statements of Movements in Capital and Revenue Reserves which can be found on pages 21 - 23.

13. Investments

Investments are shown in the balance sheet at cost with the exception of investments held by fund managers which are shown at cost plus accrued income. The investment values included in the Consolidated Balance Sheet are shown on page 16.

14. Investment Interest

Investment income is calculated on the following basis - for funds managed directly by the Council, income is the interest accrued to the Authority in that year ; for funds managed by fund managers, income is the interest accrued in that year plus the difference between cost and market value of investments held at 31st March 2001.

15. Pensions

To provide for their future pensions and benefits, employees pay a percentage of their pay into the County Council's Superannuation Fund (salaried staff 6% and manual workers 5%).

In addition, the Council made contributions equivalent to 195% of the employee contributions into the Fund in 2000/01.

The pension costs that are charged to the Council's accounts in respect of its employees are equal to the contributions paid to the funded pension scheme for these employees. Further costs arise in respect of certain pensions paid to retired employees on an unfunded basis.

These costs have been determined on the basis of contribution rates that are set to meet less than 100% of the liabilities of the Superannuation Fund. As a result the Council does not comply with the accounting requirements of SSAP 24 (Accounting for Pension Costs) and the liabilities included in the balance sheet are understated in respect of pension costs. The Fund's actuary has advised that the additional pension costs that it would have been necessary to provide for in the year to comply with SSAP 24 are £641,600, representing 16.8% of pensionable pay.

CONSOLIDATED REVENUE ACCOUNT

1999/00 Net £000	Expenditure	2000/01 Gross Expenditure £000	2000/01 Income £000	2000/01 Net Expenditure £000
2,155	Central Services to the Public	4,153	(1,874)	2,279
6,447	Cultural, Environmental and Planning Services	10,225	(3,210)	7,015
123	Highways, Roads and Transport Services	803	(567)	236
933	Housing Services	6,680	(5,318)	1,362
<u>9,658</u>	Net Cost of Services	<u>21,861</u>	<u>(10,969)</u>	<u>10,892</u>
14	Net (Surplus)/Deficit on DSO's			0
839	Parish Precepts			923
(1,426)	Transfer from Asset Management Revenue A/c			(1,528)
(725)	Interest and Investment Income			(903)
3	Increase/(Decrease) in Provision for Bad Debts			(1)
(30)	Provision for G.Rate Refund			0
(87)	Business Rates Rebates			(11)
<u>8,246</u>	Net Operating Expenditure			<u>9,372</u>
	APPROPRIATIONS			
	Contributions (from)/to Reserves			
(125)	- Open Spaces Maintenance			(118)
(168)	- DSO Reserves			1
0	- On-Street Parking Account			40
45	Contribution to Capital Financing Reserve			58
(30)	Contribution to/(from) Carry Forward Reserve			0
(453)	Transfer of Surplus Minimum Revenue Provision			(1,035)
(864)	Deferred Charges Written Off			(469)
<u>6,651</u>	Amount met from Government Grants and Local Taxpayers			<u>7,849</u>
(3,980)	Collection Fund Precept			(4,261)
3	Contribution to/(from) Collection Fund (Community Charge)			(107)
(81)	Contribution to/(from) Collection Fund (Council Tax)			31
0	Contribution to/(from) from Collection Fund (NNDR)			(58)
0	Revenue Support Grant			0
(2,958)	Distribution from Non Domestic Rate Pool			(3,284)
<u>(365)</u>	(Surplus)\deficit for the Year			<u>170</u>
(1,820)	General Fund Balance at 1st April			(2,185)
(365)	(Surplus)\Deficit for the Year			170
<u>(2,185)</u>	General Fund Balance at 31st March			<u>(2,015)</u>

NOTES TO CONSOLIDATED REVENUE ACCOUNT

1. Description of Services

From 2000/01 onwards service expenditure will be analysed under new headings in line with the CIPFA Best Value Accounting Code of Practice.

Central Services to the Public

Services included here comprise the cost of local Council Tax and Business Rate collection, elections, local land charges and emergency planning. This heading also includes the costs of the Corporate & Democratic Core (e.g. corporate management, members expenses) and Unapportionable Central Overheads (e.g. costs of backfunding pensions and early retirement).

Cultural, environmental and planning services

Cultural Services includes the costs of leisure and community centres, open spaces, tourism, playing fields and playschemes.

Environmental Services includes the costs of environmental health, waste collection, community safety, land drainage, environmental improvement schemes, CCTV and cemeteries.

Planning Services includes planning policy, building control, development control and economic development.

Highways, roads and transport services

The Council provides car parks and street furniture and participates in the County wide concessionary travel scheme. It also has agency responsibilities for highways with the County.

Housing services

The Council delivers a strategic housing service which incorporates the provision of housing advice, homelessness and housing register service, the funding of new affordable housing by housing associations, liaison with other statutory and voluntary agencies and the promotion of the Council's overall housing objectives.

The costs associated with administering housing benefit payments together with the net cost of the benefits is also included under this heading.

This heading also includes the cost of welfare services such as meals on wheels and the careline service.

2. Agency Services

The Council has agency responsibilities for some highway matters with Hampshire County Council. Expenditure in 2000/01 was £50,500 which is reimbursed by the County Council.

3. Section 137 Expenditure

Section 137 of the Local Government Act 1972 as amended by Section 36 of the Local Government and Housing Act 1989 enables the Council to spend up to £1.90 per head of resident population (£168,600 in 2000/01) for the benefit of people in the area on activities or projects not specifically authorised by other powers. The amount actually spent in 2000/01 was £155,900 (grants and loans to local voluntary organisations).

4. Asset Management Revenue Account

This account is central to the implementation of the capital accounting requirements of the Accounting Code of Practice.

The Consolidated Revenue Account gross expenditure includes capital charges which reflect the effective cost to the Council of acquiring, retaining and using its present assets in the delivery of services. This normally exceeds the real cost to the authority of depreciation on those assets. As the Council has paid off its external debt it does not have any external interest cost for its assets. The Asset Management Revenue Account surplus represents the difference between the full economic cost and the real cost of depreciation of assets.

The surplus on the account is transferred to the Consolidated Revenue Account so that the inclusion of capital charges in gross expenditure does not impact on the financing requirement from local taxation.

The Asset Management Revenue Account is maintained separately within the Council's accounting system and the transactions in the account for 2000/01 are as follows -

	£000
Capital charges included in cost of services	(2,505)
Release of deferred grant	<u>(58)</u>
	(2,563)
Provision for depreciation	1,035
Surplus transferred to Consolidated Revenue Account	<u>(1,528)</u>

5. Minimum Revenue Provision

Minimum revenue provision (MRP) payments are annual amounts required by Department of the Environment regulations to be set aside from revenue as provision for the repayment of external debt. As this Council is debt free it does not need to make MRP payments.

6. Operating Leases

There are outstanding commitments of £526,800 in respect of operating leases on seven refuse vehicles and two mechanical sweepers. The annual installments payable are -

2001/02	£188,800	2003/04	£156,000
2002/03	£156,000	2004/05	£25,000

7. Publicity

The Council spent £150,000 on advertising and publicity in 2000/01. This is included within the service expenditure shown on page 10 and was spent in the following ways:

Recruitment advertising	£60,000
Other advertising & promotions	£90,000

8. Local Authority (Goods and Services) Act 1970

The Authority is required to disclose the income and expenditure arising from arrangements entered into under Section 1 of the above Act. This Authority did not enter into any such arrangements during 2000/01.

9. Pensions

In 2000/01 the Council paid an employer's contribution of £448,400 into Hampshire County Council's Pension Fund, representing 11.8% of pensionable pay.

The contribution rate is determined by the Fund's Actuary based on valuations every three years. The last valuation was at 31 March 1998 and the actuary recommended an employer's rate of 195% of employees' contributions, payable until the results of the next valuation at 31 March 2001 are implemented on 1 April 2002. Additional contributions are payable to cover the cost of any early retirements except those due to ill-health.

The Fund's actuary has advised that the amount that would have had to be provided for under SSAP 24 (Accounting for Pension Costs) in 2000/01 is £533,900 representing 14% of pensionable pay. In addition the Council pays for all the added years benefits which have been awarded, and the related increases. In 2000/01 these were £107,700 representing 2.8% of pensionable pay.

Further information can be found in the actuary's valuation report and the County Council's Pension Fund Annual Report, which are available from the County Treasurer, The Castle, Winchester, Hants, S023 8UB.

10. Remuneration

The Council is required to disclose the number of employees whose remuneration in 2000/01 fell in each bracket of a scale in multiples of £10,000, starting with £40,000 -

£40,000 - £50,000	5
£50,000 - £60,000	3
£60,000 - £70,000	0
£70,000 - £80,000	1

11. Members Allowances

The Council is required to disclose the total value of members' allowances paid in 2000/01.

Special responsibility allowances	£	4,212
Attendance allowances	£	32,124
Chairman's allowance	£	1,500
Vice-Chairman's allowance	£	600
	<u>£</u>	<u>38,436</u>

12. Related Party Transactions

The purpose of this note is to ensure that the financial statements contain the disclosures necessary to draw attention to the possibility that the financial position and results may have been affected by the existence of related parties and by material transactions with them. The disclosure is intended to let users of the accounts judge the extent of any effect. No material related party transactions involving Officers or Members occurred in 2000/01.

13. Internal Trading Accounts

The Council maintains an internal trading account for the Refuse and Cleansing service. During the year 2000/01 the expenditure and income was as follows -

Expenditure	£1,547,000
Income and recharges	<u>£1,477,000</u>
Net Deficit	<u>£70,000</u>

14. Building Control (Fee Earning)

The Council is required to report whether Building Control expenditure and income have 'broken even' in the year. The results for 2000/01 were as follows -

Expenditure	£319,000
Income from Fees	<u>£310,000</u>
Net Expenditure	<u>£9,000</u>

COLLECTION FUND

1999/00 £000		2000/01 £000
	<u>Income</u>	
25,846	Income from council tax	27,932
1,096	Council tax benefits	1,073
16,374	Income collectable from business ratepayers (note 2)	20,407
1	Community charge surplus/(deficit) for the year	0
43,317		49,412
	<u>Expenditure</u>	
	Precepts and demands	
20,965	- Hampshire County Council	22,289
1,854	- Hampshire Police Authority	1,904
3,980	- Hart District Council, Parishes and Town Councils	4,261
	Business rate	
15,996	- payment to national pool	19,949
100	- interest on refunds	65
90	- costs of collection	96
(50)	- movement on provision for bad and doubtful debts	(65)
238	- bad debts written off	362
	Council Tax	
(10)	- movement on provision for bad and doubtful debts	(25)
129	- bad debts written off	68
43,292		48,904
(25)	Surplus for the year	(508)
	Fund Movements	
(938)	Balance b/fwd 1st April	(453)
	Community Charge	
(3)	- previous years (deficit)/surplus	107
	Distribution of previous years (deficit)/surplus	
396	- Hampshire County Council	(163)
36	- Hampshire Police Authority	(14)
81	- Hart District Council	(31)
(428)	Balance remaining after distribution of previous years surplus	(554)
(25)	Surplus for the year	(508)
(453)	Balance carried forward 31st March (note 4)	(1,062)

NOTES TO COLLECTION FUND

1. The Collection Fund

This account reflects the statutory requirement 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.

2. Non - Domestic Rates

NNDR is organised on a national basis. The Government specifies a national non - domestic multiplier for the year (0.416 in 2000/01) and local business rates are then calculated by reference to the multiplier and their rateable value. The Council is responsible for collecting rates due from its business ratepayers, but pays the collected revenue into the NNDR pool administered by the Government. The funds are then redistributed back to local authorities on the basis of a fixed amount per head of population. The NNDR income for the year was based on a total rateable value of £57,564,803 as at 31st March 2001.

3. Council Tax Base

The residential properties in the District have been classified into 8 valuation bands. The number of chargeable dwellings in each valuation band are converted into an equivalent number of band D dwellings by multiplying by specified proportions. The illustration below demonstrates how the council tax base for 2000/01 was calculated -

	No. of Net <u>Dwellings</u>	Specified <u>Proportion</u>	Equivalent <u>Band D</u>
Band A	485.00	6/9	323.3
Band B	1,242.80	7/9	966.6
Band C	6,711.50	8/9	5,965.8
Band D	7,042.30	9/9	7,042.3
Band E	6,238.50	11/9	7,624.8
Band F	5,501.50	13/9	7,946.6
Band G	2,901.00	15/9	4,835.0
Band H	193.50	18/9	387.0
			<hr/>
			35,091.4
Collection rate			98.5
Tax base (equivalent Band D)			34,565.0

4. Surplus for the Year and Collection Fund Balance

The Collection Fund made a net surplus of £508,000 in 2000/01. The balance on the Fund at the year end was £1,062,000, of which approximately 85% will be distributed in due course to the major precepting authorities, i.e. Hampshire County Council and Hampshire Police Authority.

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH

2000 £000			£000	2001 £000
	Fixed Assets			
	Operational			
158	- Council Dwellings			250
19,738	- Other Land and Buildings			21,193
1,282	- Vehicles, Plant, Furniture and Equipment			1,043
0	- Infrastructure Assets			0
135	- Community Assets			124
610	Non Operational			859
<u>21,923</u>		Notes 1 - 5		<u>23,469</u>
61	Deferred Charges	Note 6		0
11,057	Long Term Investments	Note 7		10,275
591	Long Term Debtors	Note 8		461
<u>33,632</u>	Total Long Term Assets			<u>34,205</u>
	Current Assets			
71	- Stocks and Work in Progress		57	
3,769	- Debtors	Note 9	4,406	
1,964	- Investments	Note 10	1,034	
1	- Cash in Hand		96	5,593
<u>39,437</u>	Total Assets			<u>39,798</u>
	Current Liabilities			
(4,151)	- Creditors	Note 11	(2,735)	
(625)	- Cash Overdrawn		0	(2,735)
<u>34,661</u>	Total Assets less Current Liabilities			<u>37,063</u>
(347)	Deferred Government Grants	Note 12		(346)
(524)	Deferred Capital Receipts	Note 13		(407)
<u>33,790</u>	Total Assets less liabilities			<u>36,310</u>
828	Fixed Asset Restatement Reserve	Note 14		2,819
19,644	Capital Financing Reserve	Note 14		19,257
2,120	Surplus Provision for Credit Liabilities	Note 14		2,810
6,957	Usable Capital Receipts Reserve	Note 14		6,623
488	Earmarked Capital Reserves	Note 14		660
3,753	Revenue Fund Balances and Reserves	Note 14		4,141
<u>33,790</u>	Total Equity			<u>36,310</u>

David Skelton
Head of Finance
28th November 2001

NOTES TO CONSOLIDATED BALANCE SHEET

1. Fixed Assets

The construction, improvement and purchase of assets are regarded as capital transactions, the expenditure and financing of which are recorded separately in the balance sheet.

The movements in fixed assets during the year were as follows -

	<u>Council Dwellings</u>	<u>Other Land & Buildings</u>	<u>Vehicles Plant & Equip.</u>	<u>Comm unity Assets</u>	<u>Non Oper ational</u>	<u>Total</u>
	£000	£000	£000	£000	£000	£000
Net book value as at 31.3.00	158	19,738	1,283	134	610	21,923
Revaluation and restatements	0	0	0	0	0	0
Value as at 1.4.00	158	19,738	1,283	134	610	21,923
Additions and enhancements	0	37	169	0	279	485
Disposals	0	0	0	0	0	0
Revaluations	102	2,011	0	0	(17)	2,096
Gross value as at 31.3.2001	260	21,786	1,452	134	872	24,504
Depreciation for the year	(10)	(595)	(408)	(10)	(12)	(1,035)
Net book value as at 31.3.2001	250	21,191	1,044	124	860	23,469

2. Fixed Asset Valuation

The freehold and leasehold properties, which comprise the Authority's property portfolio, were first valued in 1994/95 by an external independent valuer - Lambert, Smith and Hampton - on the undermentioned bases in accordance with the Statements of Asset Valuation Practice and Guidance Notes of the Royal Institution of Chartered Surveyors.

The Council has a five year rolling programme of revaluations to ensure that the values of all its fixed assets are maintained up to date. Most assets have been revalued since 1994. In 2000/01 the following assets were revalued - Civic Offices, Harlington Centre, Hartley Wintney Depot, Frogmore Day Care Centre, Hart Leisure Centre, Land at Sheldon Lane Hook, Fleet Cemetery Shelter, Birchayes House at Fleet and Avara House at Blackwater, and the car park at London Road, Blackwater.

Plant and machinery is included in the valuation of the buildings.

Properties regarded by the Authority as operational were valued on the basis of open market value for the existing use or, where this could not be assessed because there was no market for the subject asset, the depreciated replacement cost.

Properties regarded by the Authority as non-operational have been valued on the basis of open market value.

3. Finance Leases

All the assets that the Council has acquired through finance leases in the past are now in secondary leasing periods. As a result their residual value is minimal, so valuations of these assets have been excluded from the fixed assets figures in the Consolidated Balance Sheet. The capital value of items acquired through finance leases in previous years, which the Council still had in its possession at 31st March 2001, was £7,750. Rental payments for these leases in 2000/01 amounted to £41. There were no outstanding obligations as at 31st March 2001.

4. Capital Commitments

At 31st March 2001, the Council had major contractual commitments on the following -
£000

Social Housing schemes	945
------------------------	-----

5. Information on Assets Held

Fixed assets owned by the Council -	No.at <u>31.3.00</u>	No.at <u>31.3.01</u>
Council Dwellings	2	2
Operational Buildings		
- Civic Offices	1	1
- Harlington Centre	1	1
- Community Centres	1	2
- Leisure Centres	2	2
- Outdoor Sports Facilities	6	6
- Car Parks	12	12
- Public Conveniences	5	5
- Depots	1	1
- Cemeteries	1	1
Operational Equipment		
- Vehicles	15	12
Infrastructure Assets		
- Amenity Footpaths	32	32
- Street Nameplates	3,213	3,240
Community Assets		
- Common Land and Open Spaces (hectares)	313	-
- Common Land (hectares)	-	226
- Open Spaces incl. Sports Pitches & Play Areas (h/a's)	-	108
- Fleet Pond (hectares)	54	54
- Childrens Play Areas	17	17
Non - Operational Assets		
- Yateley CAB Building	1	1
- Frogmore Daycare Centre	0	1

6. Deferred Charges

A definition of deferred charges appears on page 8. The movements in deferred charges during the year were as follows -

	£000	£000
Balance as at 1st April 2000		61
Expenditure in the year - improvement grants	334	
- other	<u>135</u>	469
Amounts written off to Consolidated Revenue Account		(530)
Balance as at 31st March 2001		<u>0</u>

7. Long Term Investments

This amount represents the sum invested with appointed fund managers. The amount shown at 31st March 2001 represents the cost price plus accrued income.

8. Long Term Debtors

The Council had the following long term debtors -	31.3.00	31.3.01
	£000	£000
Mortgages (mainly from the sale of council houses)	554	410
Car Loans (repayable over more than 1 year)	37	51
	<u>591</u>	<u>461</u>

9. Current Assets (Debtors)

Debtors are analysed below -	31.3.00	31.3.01
	£000	£000
Community Charge Arrears	1	1
NNDR Arrears	1,206	1,376
Council Tax Arrears	1,295	1,823
Government Departments	190	502
Hampshire County Council	81	62
Rents from Council owned properties	178	175
Car Loans (repayable in less than 1 year)	23	28
Sundry Debtors	1,372	895
Payments in Advance	301	307
	<u>4,647</u>	<u>5,169</u>
Less provision for bad and doubtful debts		
- Community Charge	1	1
- NNDR	235	170
- Council Tax	290	265
- General Rates	0	0
- Sundry Debtors	20	17
- Housing Benefit overpayments	174	147
- Rents from temporary accommodation	158	163
	<u>878</u>	<u>763</u>
Net Debtors	<u>3,769</u>	<u>4,406</u>

10. Current Assets (Investments)

The Council invests surplus funds temporarily. The amounts invested at the 31st March 2000 and 2001 are shown below -

	31.3.00	31.3.01
	£000	£000
Banks	464	34
Building Societies	1,000	1,000
Other Local Authorities	500	0
	<u>1,964</u>	<u>1,034</u>

11. Current Liabilities (Creditors)

Creditors are analysed below -	31.3.00	31.3.01
	£000	£000
NNDR Payments in Advance	440	683
Council Tax Payments in Advance	345	579
Government Departments	2,151	142
Sundry Creditors	1,215	1,331
	<u>4,151</u>	<u>2,735</u>

12. Government Grants - Deferred

Grants received by the Council towards the cost of capital expenditure are shown in this account and released to the relevant account over the useful life of the asset to partly offset the depreciation related to the asset. An analysis of the 2000/01 transactions is shown below -

	£000
Balance as at 1st April 2000	347
DETR Public Sector Renewal Grant	58
Release of Sports Council grant re Southwood pavilion	(11)
Release of CCTV grant to offset depreciation	(34)
Release of Additional Public Sector Renewal Grant	(14)
Balance as at 31st March 2001	<u>346</u>

13. Deferred Capital Receipts

Deferred capital receipts are amounts derived from the sale of assets which will be received in instalments over agreed periods of time. They arise mainly from mortgages on the sale of council houses prior to the transfer of housing stock to Hart Housing Association.

14. Balances and Reserves

Details of all balances and reserves are analysed in the Statements of Movement in Capital and Revenue Reserves on pages 21-23.

15. Analysis of Net Assets Employed

The Council is required under the Code of Practice to disclose the net assets employed by the General Fund, Housing Revenue Account and the Direct Service Organisations. An analysis of net assets employed is shown below -

	31.3.00	31.3.01
	£000	£000
General Fund	33,705	36,302
Direct Service Organisations	85	8
	<u>33,790</u>	<u>36,310</u>

Net assets employed represent the aggregate of reserves attributable to the Council and equal the taxpayers equity shown in the Balance Sheet.

STATEMENT OF MOVEMENTS IN CAPITAL RESERVES

	----- ACCOUNTING -----		----- USABLE-----		
	Fixed Asset Restatement	Surplus Provision for Credit	Usable Capital Receipts	Earmarked Capital	
	<u>Reserve</u> £000	<u>Reserve</u> £000	<u>Liabilities</u> £000	<u>Reserve</u> £000	<u>Reserves</u> £000
Balances as at 1st April 2000	828	19,644	2,120	6,957	488
Net surplus/(deficit) for the year		(500)			
Value of assets disposed of	(95)				
Unrealised gains/(losses) on revaluation of fixed assets	2,086				
Set aside of Housing Corporation Grant			1,636		
Proceeds from disposal of fixed assets.				1,171	
Other capital receipts & contributions				131	141
Interest					31
Financing of capital expenditure		113	(946)	(1,636)	0
Balances as at 31st march 2001	<u>2,819</u>	<u>19,257</u>	<u>2,810</u>	<u>6,623</u>	<u>660</u>

Notes

1. Fixed Asset Restatement Reserve

Prior to 1994/95, a local authority's assets were recorded in the balance sheet only to the extent that debt was outstanding against them. The Accounting Code of Practice requires all fixed assets to be stated at current cost.

The opening balance on the Fixed Asset Restatement Reserve was created when assets were restated in the 1994/95 Balance Sheet at current value. After this initial revaluation, the Reserve is credited annually with any increase in the value of fixed assets when they are revalued and debited with any reductions in value. When assets are disposed of, the Reserve is reduced by the net book value of those assets. The Reserve, therefore, reflects the true value of assets at the end of the financial year as compared to the beginning of the year. The Reserve is purely of an accounting nature and does not represent real cash resources that are available to fund future capital expenditure.

2. Capital Financing Reserve

The Capital Financing Reserve is an accounting reserve integral to the system of capital accounting. Again, as an accounting reserve it does not represent resources available to fund future expenditure. The Reserve records the following -

- (1) the amounts required to be set aside from capital receipts for the repayment of debt.
- (2) the difference between amounts provided for depreciation and that required to be charged to revenue to repay the principal element of external debt.
- (3) the financing of capital expenditure from revenue and from capital receipts.
- (4) the amounts required to write down deferred charges.

3. Surplus Provision for Credit Liabilities

All local authorities are required to provide for the repayment of external debt (termed in legislation as providing for credit liabilities). This provision normally forms part of the Capital Financing Reserve described in 2 above. There are regulations which state the contributions that have to be made into the provision (e.g. contributions from revenue and setting aside proportions of capital receipts from the sale of assets). The legislation dictates that the provision cannot be spent on any purpose other than debt repayment, until such time as the local authority concerned repays all its debt and becomes debt free.

The Council transferred its housing stock to Hart Housing Association in March 1994 and in consideration received a capital receipt of £23m (gross). The Council had to set aside a specified proportion (approx, 75%) of this sum for debt repayment and as a result the total amount of provision that had been made greatly exceeded the actual debt outstanding. It was, therefore, in the Council's interest to repay its debt, because the surplus left after repayment would be available to help finance the capital programme.

The Council decided to repay all of its remaining external debt in 1994/95 and thereby achieved debt free status. Following this, there was just over £7m surplus provision.

Even though the Council is now debt free, regulations still require the Council to set aside certain receipts into this Reserve, namely 100% of the payment of Social Housing Grant by the Housing Corporation.

£0.9m was used from this Reserve in 2000/01 to finance capital expenditure and the balance on the Reserve at the 31st March 2001 was £2.8m.

4. Usable Capital Receipts Reseve

This Reserve comprises proceeds from the sale of assets, repayments of loans and mortgages and the Council's share of Right to Buy proceeds from houses sold by Hart Housing Association. Because the Council is debt free, all capital receipts are placed in this Reserve (apart from Housing Association Grant - see 3 above).

The Reserve can be used to finance capital expenditure of any nature. The Council used this Reserve to finance £1.6m of social housing schemes in 2000/01 and obtained 100% reimbursement from the Housing Corporation in the form of Housing Association Grant.

The balance on the Reserve at the 31st March 2001 was £6.6m.

5. Earmarked Capital Reserves

As at the 31st March 2001, the Council also had the following reserves which are earmarked for specific capital schemes and projects -

	£000
S106 Developers Contributions (Leisure)	525
S106 Developers Contributions (Highways)	135
	<hr/>
	660

Developers contributions are received under Section 106 agreements for specific projects to enhance development sites (e.g community buildings, children's playgrounds, highway improvements, etc).

STATEMENT OF MOVEMENTS IN REVENUE RESERVES

	General Fund £000	Open Spaces Maint. £000	Collection Fund £000	DSO's £000	Other £000	Total £000
Balances as at 1st April 2000	2,185	1,030	453	69	16	3,753
Net Surplus/(Deficit) in the year	(170)		508	(70)		268
Interest		64				64
Developers' contributions		40				40
Transfers/redistributions		(118)	101	1	32	16
Balances as at 31st March 2001	<u>2,015</u>	<u>1,016</u>	<u>1,062</u>	<u>0</u>	<u>48</u>	<u>4,141</u>

Notes

1. General Fund Working Balance

This reserve is the cumulative surplus of General Fund revenue income over revenue expenditure which has not been set aside in a specific reserve. The Reserve is used to support future years revenue expenditure and to protect the Council against unexpected events. Further details of the General Fund Revenue Account can be found on page 10.

2. Open Spaces Maintenance Fund

This fund is used to finance the cost of maintaining open spaces on or around development sites. The Fund is credited with financial contributions from developers and interest thereon and an annual contribution is made to the General Fund to offset grounds maintenance expenditure.

3. Collection Fund

Further details as to why the Council maintains this fund can be found on pages 14 - 15. The balance on the Fund as at 31st March 2001 was £1,062,000. Approximately 85% of this (£903,000) was due to Hampshire County Council and Hampshire Police Authority, leaving £159,000 available for this Council to reduce council tax bills in the future.

4. Direct Service Organisations Working Balance

This reserve was exhausted in 2000/01 following the transfer necessary to fund the deficit made by the Direct Service Organisation on its Revenue Account in the year.

5. Other

There are two reserves included under this heading - Vehicle Refit Fund and the On Street Parking Fund. The Vehicle Refit Fund is used to fund major repairs to the Council's vehicle fleet. During 2000/01, a contribution of £8,000 was made into the fund from the DSO Revenue Account, but a transfer out of £16,000 was made to fund major vehicle expenditure, leaving a balance at the 31st March 2001 of £8,000. The On Street Parking Fund was set up during the year and a transfer of £40,300 was made from the General Fund Revenue as an initial contribution to future costs associated with the council's initiative to introduce decriminalised parking enforcement.

CASH FLOW STATEMENT

1999/2000 £'000		2000/01 £'000
	Revenue Activities	
	Cash Outflows	
5,988	- Cash paid to and on behalf of employees	6,296
5,742	- Other operating cash payments	8,448
6,116	- Housing & Council Tax Benefits paid out	6,190
14,535	- NNDR payments to the National Pool	19,894
24,089	- Precepts paid	24,939
56,470		65,767
	Cash Inflows	
0	- Revenue Support Grant	0
(5,869)	- DSS subsidies for benefits	(6,189)
(40)	- Other government grants	(406)
(2,958)	- NNDR receipts from the National Pool	(3,284)
(162)	- Rents	(234)
(25,771)	- Council Tax receipts	(27,637)
(16,850)	- Non domestic rate receipts	(20,457)
(3,922)	- Cash received for goods and services	(4,253)
(2,044)	- Other operating cash receipts	(620)
(57,616)		(63,080)
(1,146)	Revenue Activities Net Cash Flow	2,687
	Returns on Investments & Servicing of Finance	
	Cash Outflows	
100	- Interest paid	65
	Cash Inflows	
(852)	- Interest received	(1,030)
	Capital Activities	
	Cash Outflows	
1,215	- Purchase of fixed assets	613
4,306	- Purchase of long term investments	718
2,778	- Other capital cash payments	2,352
	Cash Inflows	
(2,053)	- Sale of fixed assets	(1,611)
(1,892)	- Capital Grants Received	(1,658)
(2,381)	- Sale of long term investments	(1,500)
(579)	- Other capital cash receipts	(426)
(504)	Net cash (inflow)/outflow before financing	210
	Management of Liquid Resources	
903	Increase/(Decrease) in Short Term Deposits	(930)
399	Decrease in cash	(720)

NOTES TO THE CASH FLOW STATEMENT

1999/2000		2000/01	
	1. Reconciliation of revenue cash flow		
£'000		£'000	£'000
(365)	Surplus/(Deficit) on Consolidated Revenue Account		170
(25)	Collection Fund Surplus	(508)	
432	Collection Fund Distribution re Prior Years	(177)	
725	Interest included in income	903	
(100)	Interest included in expenditure	(65)	
(13)	Capital Charges (net)	0	
19	Increase in Stock	(14)	
(1,037)	Increase/(Decrease) in Debtors	498	
(1,453)	(Increase)/Decrease in Current Liabilities	1,591	
168	Transfer (to)/from DSO Reserve	0	
146	Developers Contributions	(40)	
357	Contributions from Other Provisions and Reserves	329	
			2,517
(1,146)	Revenue Activities Net Cash Flow		2,687
	2. Cash and Net Funds		
Balance At		Balance At	Movement
1/4/00		31/3/01	In Year
£'000	Net Funds	£'000	£'000
2	Cash In Hand and At Bank	96	94
(625)	Cash Overdrawn	0	625
1,964	Liquid Resources	1,034	(930)
1,341		1,130	(211)
11,057	Long Term Investments	10,275	(782)
12,398	Net Funds and Long Term Investments	11,405	(993)
	3. Liquid Resources		
Balance At		Balance At	Movement
1/4/00		31/3/01	In Year
£'000		£'000	£'000
1,964	Short Term Deposits	1,034	(930)
1,964		1,034	(930)
	4. Analysis of Other Government Grants		
Balance At		Balance At	
1/4/00		31/3/01	
£'000		£'000	
40	Home Improvement/Housing Defects Act	40	
	Defects Repurchases Loans	36	
	Hart Drainage (Bellwin Scheme)	24	
	Fraud Prevention	80	
	Benefits Administration	185	
	NNDR Discretionary Relief	41	
40		406	

CAPITAL EXPENDITURE for the year ended 31st March 2001

1. Expenditure in the year

The spending on capital projects and schemes in 2000/2001 is shown in the statement below-

Fixed Assets	£000
Environmental Health and Housing	
- Community Alarms	8
- Frogmore Daycare/Scope Centre	279
- Social Housing	95
Leisure Services	
- Hart Leisure Centre Improvements	1
- Southwood Pitch Surround	1
Planning and Infrastructure	
- Car Parks	13
Policy and Resources	
- Vehicles & Equipment	38
- Economic Development	0
- Major Buildings Repairs	20
- Safe Access to Corporate Roofs	13
- IT systems	118
- Access for the Disabled	3
Total Fixed Assets	589

Deferred Charges

Environmental Health and Housing	
- Social Housing Schemes (SHG)	1,636
- Home Improvement Grants	334
- Adoption of Private Sewers	0
- Private Sector Housing Surveys	6
- FTS Dogmersfield	18
Planning and Infrastructure	
- Environmental Improvements	10
- Cycleways	10
Policy and Resources	
- Support Services	24
- Village Shop Development Scheme	10

Leisure Services Committee

- Management Plans & Open Spaces	1
- Access to the Countryside	4
- Rotherwick Pavilion	6
- Odiham & N Warnborough Bowls Club	8
- Heckfield Memorial Village Hall	1
- Hartley Wintney Victoria Hall Management Committee	12
- Crondall Entertainers	26

Total Deferred Charges 2,106

GRAND TOTAL OF ALL CAPITAL EXPENDITURE 2,695

2. Financing

The Council finances this expenditure from its capital resources as follows:

	£000
Usable capital receipts	1,636
Application of Provision for Credit Liabilities	946
Grants and contributions	113
	<u>2,695</u>

3. Accounting Treatment

In line with CIPFA guidance, capital expenditure on fixed assets has been added to the value of fixed assets where that expenditure represents the acquisition of an asset or the enhancement of the value of assets. When assets have been revalued, giving 31/3/01 values, the change in value indicated by the valuation and not the expenditure on that asset is added to the asset value.

Expenditure on deferred charges (i.e. payments of a capital nature where no fixed assets are created which provide benefits directly to the authority) is not included in the Balance Sheet as an asset, but is written off to revenue accounts in line with guidance in the Code of Practice.

4. Reconciliation to Balance Sheet

	£000
Additions/enhancements as per balance sheet note 1 on page 17	485
Plus expenditure on fixed assets acquired for housing associations	95
Plus deferred charges (see above)	2,106
Other capital expenditure not resulting in enhancement of asset value	9
Total capital expenditure in 2000/01	<u>2,695</u>

AUDITORS REPORT TO HART DISTRICT COUNCIL

We have audited the Statement of Accounts on pages 10 to 27 which has been prepared in accordance with the accounting policies applicable to local authorities as set out on pages 7 to 9.

Respective Responsibilities of Head of Finance and Auditors

As described on page 6, the Head of Finance is responsible for the preparation of the Statement of Accounts. Our responsibilities as independent auditors are established by statute, the Code of Audit Practice issued by the Audit Commission and our profession's ethical guidance.

We report to you our opinion as to whether the Statement of Accounts presents fairly the financial position and results of operations of the Council.

Basis of opinion

We carried out our 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.

Our audit included examination, on a test basis, of evidence relevant to the amounts and disclosures in the Statement of Accounts. It also included an assessment of the significant estimates and judgements made by the Authority in the preparation of the Statement of Accounts and of whether the accounting policies are appropriate to the Authority's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we consider necessary in order to provide us with sufficient evidence to give reasonable assurance that the Statement of Accounts is free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the Statement of Accounts.

Opinion

In our opinion the Statement of Accounts presents fairly the financial position of Hart District Council at 31st March 2001 and its income and expenditure for the year then ended.

Certificate

We certify that we 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.

HLB Kidsons
Spectrum House,
20 - 26, Cursitor Street,
London,
EC4A 1HY

Date: 28th November 2001