

Transfers from reserves during 2010/11

The 2010/11 budget was based on £925k from general fund and £145k from earmarked reserves but the final budget and outturn for 10/11 was £3219k.

(£1,070k) Original Budget

(£2,588k) Depreciation less minimum revenue provision (MRP) which is charged through Income & Expenditure and reversed through reserves so no impact on the General Fund

£33k Movement in the accrual for Council Tax surpluses/deficits

£174k Movement of the accumulated absences accrual

£232k Transfers to earmarked reserves (not all transfers are known when we set the budget as circumstances develop during the year)

(£3,219k) Final budget and outturn

In summary, in the public sector a number of accounting transactions (such as depreciation) that go through the Income & Expenditure account are then reversed out through reserves in order that they do not impact on either the Authority's general fund or precept. In this way, we can demonstrate the true cost of providing services whilst not charging them against Council Tax.