



Dorset
Police
Authority

Statement
of Accounts
2004-05

CONTENTS

	Page
Glossary of Terms	2 - 3
Audit Opinion	4 - 5
Foreword to the Accounts	6 - 7
Statement of Accounting Policies	8 - 9
Statement on the System of Internal Control	10 - 15
Statement of Responsibilities / Further Information.....	16
Consolidated Revenue Account	17
Notes to the Consolidated Revenue Account	18 - 21
Consolidated Balance Sheet	22
Notes to the Consolidated Balance Sheet	23 - 27
Statement of Total Movement in Reserves	28 - 29
Cash Flow Statement and Notes	30 - 31
Holding Accounts and Notes	32 - 33
The Financial Year in brief	34

GLOSSARY OF FINANCIAL TERMS

The following definitions of technical terms used in these accounts may be of assistance.

ACCOUNTING PERIOD	The period of time covered by the accounts, which for this Authority means a period of twelve months commencing on 1 April.
ACCRUAL	Sums included in the final accounts to cover income and expenditure attributable to the accounting period but for which payment has not been made or received by 31 March.
ACTUARIAL VALUATION	An independent report on the financial status of the Pension Fund, which determines its ability to meet future payments.
AGENCY SERVICES	The provision of services by one body (the agent) on behalf of, and generally with reimbursement from, the responsible body.
APPROPRIATION	A transfer of monies between the revenue account and the balance sheet
ASSET	Something of worth that is measured in monetary terms e.g. land and buildings (also referred to as capital assets or fixed assets).
BALANCES	The accumulated surplus of income over expenditure.
BUDGET	A statement of the Authority's plans expressed in financial terms for a specified period of time.
CAPITAL CHARGE	A charge to service revenue accounts to reflect the cost of fixed assets used in the provision of services.
CAPITAL EXPENDITURE	Expenditure on the acquisition or construction of significant assets (e.g. land and buildings) which have a long term value to the Authority (also referred to as capital spending or capital payments).
CAPITAL GRANTS	Grants paid to the Authority in support of approved capital projects.
CAPITAL RECEIPTS	Income from the sale of capital assets (land, buildings, etc.).
COLLECTION FUND	A fund maintained by district, unitary and borough councils for the collection and distribution of local tax receipts. County, police, fire, district, unitary and parish council precepts are met from these funds.
CONTINGENCY	A sum of money set aside to meet unforeseen expenditure.
CONTINGENT LIABILITY	A possible obligation arising from past events where it is not probable that a transfer of economic benefits will be required or the amount of the obligation cannot be measured with sufficient reliability.
CORPORATE & DEMOCRATIC CORE	Those activities which police authorities engage in specifically because they are elected authorities. There is no basis for apportioning these costs over services.
COST CENTRE	A specific area of activity where control of certain budgets has been delegated.
COUNCIL TAX	A property based tax, with discounts for those living alone, which is administered by District, Borough and Unitary Councils.
CREDITORS	Amounts owed by the Authority for work done, goods received or services rendered but for which payment has not been made by the end of the accounting period.
CUSTOMER & CLIENT RECEIPTS	Income derived from services provided by the Authority, from sales (excluding land & buildings), and from rents.
DEBTORS	Amounts due to the Authority but unpaid by the end of the accounting period.
DEFERRED CHARGES	Expenditure of a capital nature, which does not result in the acquisition of a fixed asset. Such expenditure is written out of the accounts in the year it is incurred.
DEPRECIATION	The measure of the use of a fixed asset over its' economic life.
DIRECT SERVICE ORGANISATION (DSO)	A workforce employed by the Authority to carry out defined areas of work in competition with the private sector.
FIXED ASSETS	Assets that provide benefits to the Authority and the services it provides, for a period of more than one year.

GLOSSARY OF FINANCIAL TERMS

FORMULA SPENDING SHARE (FSS)	The Government's assessment of each Authority's spending needs, used as the mechanism to distribute government grant.
HOME OFFICE GRANT	A central government grant paid by the Home Office to Police Authorities in support of their day to day expenditure, allocated by means of the FSS mechanism.
IMPAIRMENT	A loss in the value of a fixed asset, arising from physical damage such as a major fire, or a significant reduction in market value.
NATIONAL NON-DOMESTIC RATES (NNDR)	District and Unitary councils collect this tax locally and pay it to the Government. It is then re-distributed to Local and Police Authorities on the basis of resident population.
NON DISTRIBUTED COSTS (NDC)	Overheads for which no user benefits, and therefore not apportioned over services. Previously this was called Unapportionable Central Overheads (UCO).
NON-OPERATIONAL ASSETS	Fixed assets that are not occupied or used in the delivery of services. Examples are investment properties and assets surplus to requirements, pending sale.
PENSION FUND	For staff other than police officers, contributions from both employers and employees are invested for the time being, and used to provide pension benefits to contributors and their dependants. Police officer pensions are not paid into a fund, but are paid directly from revenue expenditure.
PRECEPT	A levy requiring the District, Borough and Unitary Councils to collect income from council taxpayers on behalf of the Authority.
PROVISIONS	Amounts set aside to meet liabilities or losses which are likely to be incurred, but where the actual sum and timing are uncertain.
RESERVES	Sums set aside to meet the cost of specific future expenditure.
REVENUE EXPENDITURE	The day to day costs incurred by the Authority in providing services.
REVENUE SUPPORT GRANT (RSG)	A general central government grant paid to the Authority, in addition to Home Office Grant, in support of its day to day expenditure.
RUNNING COSTS	Expenditure incurred on the use of premises, transport and equipment, together with other general expenditure necessary to enable the service to be provided.
SPECIFIC GRANTS	Grants from the Home Office, additional to other grants, for specific projects.
THIRD PARTY PAYMENTS	The cost of specialist or support services purchased by the Authority from outside contractors and other bodies.
TRUST FUNDS	Funds administered by the Authority for such purposes as prizes, charities and special projects.

AUDIT OPINION

Independent Auditor's Report to Dorset Police Authority

I have audited the statement of accounts on pages 6 to 9 and 16 to 31 which have been prepared in accordance with the accounting policies applicable to local authorities as set out on pages 8 to 9.

This report is made solely to Dorset Police Authority in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 54 of the Statement of Responsibilities of Auditors and of Audited Bodies, prepared by the Audit Commission.

Respective Responsibilities of the Chief Financial Officer and Auditor/s

As described on page 16 the Chief Financial Officer is responsible for the preparation of the statement of accounts in accordance with the Statement of Recommended Practice on Local Authority Accounting in the United Kingdom 2004. My responsibilities, as independent auditor, are established by statute, the Code of Audit Practice issued by the Audit Commission and my profession's ethical guidance.

I report to you my opinion as to whether the statement of accounts presents fairly the financial position of the Council and its income and expenditure for the year.

I review whether the statement on internal control on pages 10 to 15 reflects compliance with CIPFA's guidance 'The Statement on Internal Control in Local Government: Meeting the Requirements of the Accounts and Audit Regulations 2003' published on 2 April 2004. I report if it does not comply with proper practices specified by CIPFA or if the statement is misleading or inconsistent with other information I am aware of from my audit of the financial statements. I am not required to consider whether the statement on internal control covers all risks and controls, or to form an opinion on the effectiveness of the Authority's corporate governance procedures or its risk and control procedures. My review was not performed for any purpose connected with any specific transaction and should not be relied upon for any such purpose.

I read the other information published with the statement of accounts and consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the statement of accounts.

Basis of audit opinion

I conducted my 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 issued by the Auditing Practices Board.

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

AUDIT OPINION

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me 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 my opinion, I evaluated the overall adequacy of the presentation of the information in the financial statements.

Opinion

In my opinion the statement of accounts presents fairly the financial position of Dorset Police Authority as at 31 March 2005 and its income and expenditure for the year then ended.

Certificate

I certify that I have completed the audit of the accounts in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission.

Signature:



Name:

Peter Arkell

Date:

30 September 2005

Address:

Audit Commission
2nd Floor
50 South Street
Dorchester
DT1 1DQ

FOREWORD TO THE ACCOUNTS

In February 2004 the Police Authority set the revenue budget for 2004-05 at £101.678M, an increase of 6.4% on the budget for 2003-04. The Band D council tax was set at £135.36, an increase of £11.97 (9.7%) compared to the relevant figure for 2003-04. It will be noted that the percentage increase in council tax is greater than the percentage increase in the budget. This is because the Government's general funding level was set at only £85.1M. This total was £10.5M below the budget level for 2003-04 and the Police Authority regarded this amount as insufficient to maintain the quality and quantity of policing in Dorset at previous levels. As a consequence, a disproportionate amount of the budget increase for 2004-05 fell upon the council tax payer.

In setting the budget strategy for 2004-05, the Police Authority agreed to support an increase in overall officer numbers by 20, to release a further 10 officers by civilianisation and 10 officers through efficiency gains and reorganisation. The outcome of this would be a total strength of 1461 and this strategy was successfully achieved in November 2004. The count as at 31 March 2005 was 1458, due to minor variations in recruitment and retirement patterns. The Authority also supported an increase to 57 in the number of Police Community Support Officers (PCSO's) although only 49 were in post by the end of the year.

The final estimate of spending in the year was £102.036M to be met from Government grants, council tax and cost centre balances brought forward of £0.358M. This was after taking into account potential variances reported to earlier meetings of the Police Authority. Actual spending was £100.712M, producing an underspend of £0.966M against the original estimate. Much of this is committed, leaving a small balance to be added to general balances. This small variance from the original budget indicates sound financial management within the Force. Within this overall figure, variations include an underspend on police staff pay (including PCSO's) due to delays in recruitment and a significant reimbursement by the Foreign & Commonwealth Office of costs incurred in providing assistance in connection with the tsunami disaster.

The Authority set a capital programme of £4.592M including £0.648M in respect of Airwave, the new radio and communications system being adopted by all police forces. This was increased to £7.587M by £2.0M balances brought forward from 2003-04 and £1.0M additional specific grants. Final capital expenditure was £4.609M including £0.862M in respect of Airwave. This was funded by Home Office and other grants of £2.352M, revenue contributions of £1.198M, and capital receipts of £1.034M with a small balance of £25,000 funded from the capital reserves. The underspend on the capital budget, detailed in the notes to the Balance Sheet on page 24, largely arises from delays in the scheme for new custody facilities in the east of the county. This led to the reduced use of capital reserves and no requirement to borrow externally, but had no effect on the revenue financing requirement. The unused capital reserves and borrowing option are carried forward to fund the delayed scheme in 2005-06.

Work progresses on the Dorset Emergency Services Partnership Initiative project, which aims to provide joint accommodation for Dorset Police and Dorset Fire & Rescue Service in Poole and new accommodation for Dorset Fire & Rescue Service at two other sites. It is anticipated that the joint accommodation in Poole will be ready for occupation in early 2007.

Work continued on a rolling programme of revaluation of the Authority's assets, and this has resulted in the increased valuation detailed in the Balance Sheet and the table on page 23.

The Authority's general balances at the start of the year were £2.819M. This was increased to £3.785M during the year by the underspend detailed above and as detailed in the table at the foot of page 17. Of this total, £1.386M are cost centre balances under the control of devolved budget managers. Uncommitted general balances are thus £2.399M, representing 2.4% of the budget requirement for 2004-05, compared with a target of 3%.

Specific reserves are now £16.5M, an increase of £4.3M from 2003-04. There is a planned increase in the PFI reserve which will continue to accumulate government grant paid in the early years of the scheme. This grant will be used to fund the reducing level of government

FOREWORD TO THE ACCOUNTS

grant in the later years of the 30 year life span of the project. The insurance reserve has increased by £2.3M because the provision made in previous years has been reclassified as a reserve. The level of the pensions reserve, accumulated to fund a known peak of retirements in the near future, will be reviewed in the light of proposals for new pensions funding arrangements to be introduced by the Home Office from 2006-07. The Authority has responded to a consultation exercise on these proposals. There is no doubt that the foresight of the Authority in putting in place the reserve several years ago has eased the budgetary difficulties that would otherwise have been caused by the increasing but fluctuating pensions costs.

Expenditure on pensions, including both uniformed officers and the employer's contributions to the Local Government Pension Scheme for civilian staff, now totals £14.5M, or 14% of the total budget. The figures returned by the actuary in the FRS17 note on page 27 indicate an increased long term liability for police staff in the Local Government Pension Scheme, and a much larger and growing liability for the unfunded officer's scheme, although much of this increase arises from a change in the rate of increase of liabilities used by the Actuary. This follows recent increases in police officer numbers, and confirms pensions as an area of increasing budgetary pressure and a continuing cause for concern. This concern is shared by almost all other Police Authorities, many of whom have an even greater proportion of their budget committed to pension payments. The significant liability in respect of the unfunded police pension scheme is the amount assessed by the actuary as necessary to meet the pension costs of current pensioners and existing employees over their expected lives. This liability will be met by the revenue budget (or the Home Office if the new funding arrangements for police pensions referred to earlier are adopted) as and when the pensions become payable in future years.

The accounts incorporate changes required by the Accounts & Audit Regulations 2003 and the CIPFA Code of Practice on Local Authority Accounting, including a revised Best Value format for the Consolidated Revenue Account on page 17 and the enhanced Statement on Internal Control on pages 10 to 15. The accounts that follow show the Dorset Police Authority's financial outturn for the year 2004-05. The accounts comprise: -

- ◆ the revenue account, which shows the Authority's income and expenditure for the year. These figures are compared with the estimates that were updated continuously throughout the year and with the actual expenditure for 2003-04;
- ◆ the balance sheet, which shows the assets and liabilities of the Authority;
- ◆ the cash-flow statement, which shows the sources and the applications of the Authority's fund during the year.

These Accounts have been audited by the District Auditor, and his opinion is shown on pages 4 and 5. I confirm that the Statement of Accounts presents fairly the position of the Authority as at 31 March 2005 and its income and expenditure for that year.

Peter Lewis
Treasurer to the Police Authority

I confirm that these accounts were approved by the Police Authority at the meeting on 30 June 2005.
Signed on behalf of Dorset Police Authority

Michael Taylor CBE
Chairman of the Authority

ACCOUNTING POLICIES

1. Introduction

These accounts have been prepared in accordance with the principles recommended in the Codes of Practice on Local Authority Accounting and Best Value Accounting issued by the Chartered Institute of Public Finance and Accountancy (CIPFA). The accounts also comply with the Statements of Standard Accounting Practice (SSAPs) and Financial Reporting Standards (FRSs) so far as they are applicable to local authority accounts. Any significant variation is explained below.

Estimation techniques have been determined that most closely reflect the economic reality of the transactions or other events to which the accounting policy refers.

Minor modifications have been made wherever necessary to secure better compliance with the Code of Practice on Local Authority Accounting.

2. Accruals of Income and Expenditure

The revenue accounts of the Authority reflect the day to day transactions such as salaries & wages, running expenses and customer & client receipts. These transactions are recorded in the accounts on an accruals basis, which means that income and expenditure due in the financial year is charged to the year even if the cash has not actually been received or paid. This is achieved by the use of debtors (for income receivable) and creditors (for payments due).

For building repair and maintenance works, orders are brought into account based upon an assessment of the work likely to have been carried out by 31 March. The capital accounts of the Authority include provision for the accrual of capital expenditure and income.

3. Contingent Liabilities

Contingent Liabilities are not charged to the revenue account. Details of any such liabilities are disclosed in Balance Sheet Note 2.12.

4. Deferred Charges

Where capital expenditure does not result in the acquisition or an increase in the valuation of a fixed asset, the expenditure is treated as a deferred charge and written out in the year of account.

5. Fixed Assets

a) Recognition - the Code of Practice on capital accounting requires Authorities to establish asset registers to record information

on their capital assets and for those assets to be valued and revalued periodically by professional valuers for inclusion in the balance sheet in accordance with FRS11. A de minimis level of £25,000 has been applied generally, except for vehicles, and individual assets below this figure are excluded from the asset register.

b) Measurement - values are updated based on the results of annual revaluations of 20% of properties, so that all properties are revalued over a five year period. The values for the purposes of the capital accounting requirements do not purport to be the market values of assets owned by the Authority.

c) Impairment - instances of impairment of assets are reviewed annually.

d) Disposals - capital receipts from the disposal of property and other assets owned by the Authority, less the cost of the sale, are used to finance new capital expenditure.

e) Depreciation is charged on intangible and fixed assets with a finite useful life, including buildings in accordance with the requirements of FRS 15. As part of the annual valuation of properties, the Valuer determines the estimated useful life of the properties. The depreciation charge is based on equal annual instalments over the expected life of the asset. No allowance is made for residual value except in the case of the helicopter. For guideline purposes, intangible assets are depreciated over periods ranging from 2 to 4 years, buildings over 20 to 60 years, vehicles and equipment over 2 to 10 years. No depreciation charge is made for land.

f) Charges to Revenue

Capital charges to services are based on the minimum requirements of the Code of Practice. Charges comprise an interest charge, based on the value of the asset, and depreciation. These charges are reversed in the Asset Management Revenue Account in order that the cost to the local taxpayer is unaffected by capital accounting requirements.

6. Foreign Currency Translation

Income or expenditure arising from a transaction in a foreign currency is translated into £sterling at the exchange rate in operation on the date on which the transaction occurred.

7. Government Grants

Government grants in relation to revenue expenditure are shown in the accounts in the year in which the related expenditure is

ACCOUNTING POLICIES

charged. Capital grants are credited to the Government Grants Deferred Account and are released over the life of the relevant assets to match the depreciation on those assets. Government grants are accounted for on an accruals basis.

8. Investments

The Authority holds no investments in companies or marketable securities. Short-term cash surpluses are invested with other local authorities, banks and building societies in accordance with the CIPFA Code on Treasury Management as detailed in note 2.6 to the balance sheet.

9. Leases

Annual expenditure on property leases is a charge to the Consolidated Revenue Account.

10. Overheads

Support Services are activities of a professional, technical and administrative nature carried out in support of the direct service provision of the Authority. They are provided by directly employed staff of the Authority, or via contractual arrangements with external service providers. The costs are fully allocated over service divisions, in accordance with the Best Value Accounting Code of Practice.

11. Pensions

Revised arrangements for accounting for the costs of pensions under FRS17 were introduced in 2001-02 for implementation on a phased basis. Full implementation was in place in the statement of accounts for the 2003-04 financial year.

The overall amount to be met from Government grants and local taxpayers remains unchanged, but the costs reported for individual services are adjusted by the difference between the employer's contributions and the current service costs defined under FRS17. This adjustment is reversed in the Net Operating Cost section of the Consolidated Revenue Account.

The attributable liabilities of the both pension schemes are measured on an actuarial basis using the projected unit method.

The current service costs are included within the 'Net Cost of Services' and the net of interest cost and expected return on assets is included in 'Net Operating Expenditure' in the revenue account in respect of the County

scheme. Actuarial gains and losses arising from new valuations or revaluations are recognised in the Statement of Total Movement in Reserves. The independent actuary has determined these amounts in accordance with the FRS and government regulations.

The costs of 'added years' awarded to ex-staff are charged centrally as non-distributed costs.

12. Post Balance Sheet Events

Where a material event occurs after the end of the financial year, concerning conditions which did not exist at the balance sheet date, details of the nature of the event and an estimate of the financial effect are disclosed in the notes to the balance sheet.

13. Provisions

The Authority maintains a provision relating to taxation in respect of rent allowances. This is detailed in Balance Sheet Note 2.12. Following a review, the former insurance provision has been reclassified as a reserve.

14. Reserves

A number of earmarked reserves have been established to meet future expenditure. These include capital reserves relating to particular projects and reserves to smooth irregular expenditure. The Special Operations Reserve has been reclassified and is now included with general balances.

15. Stocks and Stores

Stocks and stores held at the year-end are valued either at cost or on an average price basis. Certain minor stocks are not valued and are therefore excluded from the balance sheet. The necessity for, and level of, stocks is regularly reviewed.

16. Value Added Tax

VAT is only included in the accounts to the extent that it is irrecoverable.

STATEMENT ON INTERNAL CONTROL

1. SCOPE OF RESPONSIBILITY

Dorset Police Authority and the Chief Constable of Dorset Police are responsible for ensuring that business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

Under the Local Government Act 1999 Dorset Police Authority also has a duty to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging their overall responsibilities, Dorset Police Authority and the Chief Constable are responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of their functions and which includes arrangements for the management of risk. The overarching aim is to ensure that the various responsibilities of the Police Authority and the Chief Constable are discharged with integrity, probity and in a manner that is publicly accountable.

2. THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level to achieve policies, aims and objectives rather than to eliminate all risk of failure; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of the Police Authority and the Chief Constable, to evaluate the likelihood of these risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place for the year ended 31 March 2005 and up to the date of approval of the annual report and accounts and, except for the details of significant control issues in section 5, accords with proper practice.

3. THE INTERNAL CONTROL ENVIRONMENT

The key elements of the internal control environment are:

Establishing and monitoring the achievement of the authority's objectives:

- A three year Strategic Plan setting out force priorities determined against the background of the National Police Plan.
- The Police Authority agrees the three year strategic plan and Annual Policing Plan, which is in turn supported by more detailed Divisional/Departmental plans which ensure that high level priorities are translated into direct working plans.
- The Strategic and Annual Policing Plans are agreed in consultation with stakeholders through the Annual Community Safety Survey, Business Survey, CDRP surveys, and internal consultation with Divisions/Departments who in turn consult with local community groups.
- The achievement of Force objectives is closely monitored by the full Police Authority and the Audit and Performance and Review Committee. Chief Officers and Managers are held accountable for their specific areas of responsibility, through Strategic and Performance meetings, conducted by Chief Officers.

STATEMENT ON INTERNAL CONTROL

The facilitation of policy and decision-making:

- The Force's Corporate Governance Policy outlines the Business Cycle, decision making processes, meeting structures and standards, policy making arrangements and corporate records management.
- Each board, committee or meeting of the Force has specific terms of reference linking back to the principle objectives of the Force.

Ensuring compliance with established policies, procedures, laws and regulations:

- Appropriately qualified staff are recruited for key roles throughout the organisation, such as Finance and Human Resources.
- Internal Audit inspections provide independent assurance to the Police Authority on the effectiveness and adequacy of systems of internal control.
- The Treasurer is responsible for maintaining an adequate and effective internal audit function and has overall responsibility for the proper administration of the Authority's financial affairs. An annual Quality Assurance Programme is in place to review systems and processes at a tactical level across the Force.
- Audit Commission inspections and reports provide assurance to the Police Authority.
- Policies and Procedures can be accessed by all staff via the Force intranet
- The HMIC comprehensive inspections programme provides independent assurance of Force compliance with established policies procedures, laws and regulations.

Identifying, assessing and managing the risks to the authority's objectives:

- A Head of Audit, Performance and Risk Management has been appointed with specific responsibilities for overseeing the Force's insurance and risk management arrangements, audit liaison and the Statement of Internal Control.
- There is a designated member of the Police Authority with specific responsibility for Risk Management.
- A Risk Management Group operates as a forum to discuss and promote risk management initiatives and issues chaired by a Chief Officer, with representation from key operational and support disciplines, the Police Authority and the Authority's Insurers and Brokers.
- A comprehensive insurance programme is in place in accordance with arrangements approved by the Treasurer and the Police Authority.
- Processes are in place for the continuous monitoring of sickness and accident data, and to provide feedback to relevant Departments.
- Health and Safety risk assessments and training are embedded across the Force.
- A Force Risk Register has been established which is monitored by the Risk Management Group.
- Risk Assessment of Divisional beat areas and the production of operational orders for planned operations and major operational events.
- The Professional Standards and Diversity Committee on the Police Authority monitors the Force's Corporate Governance arrangements and its arrangements for the maintenance of professional standards.
- A Capability Assessment is undertaken annually linked to the Policing Plan.

STATEMENT ON INTERNAL CONTROL

Ensuring the economical, effective and efficient use of resources, and for securing continuous improvement in the ways in which its functions are exercised, having regard to the combination of economy, efficiency and effectiveness as required by the Best Value duty:

- The targeted scrutiny of devolved and centralised budgets operates through performance meetings.
- An ongoing Quality Assurance Programme is in place.

A programme of continuous improvement is established following the capability assessment which identifies areas of improvement in relation to performance, efficiency and risk. The programme is prioritised and reviewed by the Continuous Improvement Board.

- HMIC undertakes a comprehensive inspection programme, which comprise of Thematic Inspections, Baseline Assessment, CU Inspection and Best Value Review Inspection.
- An activity based costing (ABC) programme is in place linked to the achievement of the Efficiency Plan.
- Arrangements are in place for the production and review of the Force Financial Strategy.
- A Budget and Policing Plan Working Group, chaired by the Chief Constable, provides a mechanism to engage the Police Authority in planning and budgetary matters.

Financial management of the Authority and the reporting of financial management:

- A Financial Strategy is in place providing a framework for resource allocation and control.
- A Financial Management Manual is held and accessible in all Divisions and Departments.
- A full review of revenue reserves was undertaken in tandem with the review of the financial strategy.
- Financial management is tested by the Chief Constable as part of the quarterly performance review process.
- Budget monitoring information and projected end of year spend is presented to the Force Executive Board each month.
- Budgetary reports are prepared on a quarterly basis for the Police Authority.

The performance management of the authority and the reporting of performance management:

- The Dorset Police Performance Assessment Framework (DPPAF) sets performance standards and measures performance at Strategic, Tactical and Operational levels. Performance is compared nationally across the whole Police Service.
- The Home Office Police Standards Unit (PSU) produces performance monitoring information that is benchmarked against 'Most Similar Forces' and BCU's.
- Performance information is reported to the Police Authority, Chief Officers and at Strategic, Tactical and Operational levels.

STATEMENT ON INTERNAL CONTROL

- All performance is scrutinised by the Police Authority's Audit & Performance Review Committee (A&PRC)
- The Continuous Improvement Board and Strategy ensures that performance assessment, and fundamental reviews are continuously developed.
- Dorset Management Information System II (DORMIS II) provides personal performance indicators to enable supervisors to review team and individual performance, against priority targets.
- The HMIC is the overarching body responsible for Police Service Performance.
- The Governance Structure ensure that all performance is reported and communicated between Operational level to the Police Authority.

4. REVIEW OF EFFECTIVENESS

Dorset Police Authority has responsibility for conducting, at least annually, a review of the effectiveness of the systems of internal control. The review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within the authority who have responsibility for the development and maintenance of the internal control environment; also by comments made by the external auditors and other review agencies and inspectorates in the annual audit letter and other reports.

The Authority's Audit and Performance Review Committee carries out an important role in monitoring the effectiveness of the system of internal control. In this regard, relevant responsibilities include:

- Monitoring and reviewing the arrangements for securing the efficient and effective management of all the Authority's resources and for securing Best Value.
- Monitoring and reviewing the financial outcomes of the Authority.
- Considering the Authority's annual internal and external audit plans and ensuring the maximum liaison between all audit activities.
- Receiving and considering all internal and external audit reports including relevant action and improvement plans.
- Agreeing the Authority's policy for insurance and risk management.

The Chief Constable and Chief Officers provide decisions at an executive level and give direction to the Force. They discharge their responsibilities through the following:

- A personal portfolio of responsibilities that collectively, cover all functions of the Force.
- They chair boards and groups relevant to their portfolio.
- Conduct bi-annual performance inspections on Divisions and Departments.
- The Strategic Board sets and monitors progress in relation to the corporate aims, objectives and performance.

The Authority's internal auditors undertake an assurance function that primarily provides an independent and objective opinion to the organisation on the control environment comprising risk management, control and governance by evaluating its effectiveness in achieving the organisations objectives. It objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of resources. Key activities provided by the internal auditors are as follows:

STATEMENT ON INTERNAL CONTROL

- To review the audit needs assessment to confirm that all significant financial and non-financial risks are incorporated into the strategic and annual audit plans.
- To provide a strategic and annual audit plan for approval by the Treasurer to the Police Authority, in consultation with the Chief Constable. These plans are reviewed annually and reported to the Audit and Performance Review Committee.
- To undertake the audit reviews as specified in the approved annual audit plan to ensure that adequate systems and controls are in place and to report to the Treasurer and the Chief Constable at the conclusion of each audit.
- To report to the Audit and Performance Review Committee twice a year on any high risks identified and to report annually to the Audit and Performance Review Committee on progress against the plan
- To provide an opinion on the overall adequacy and effectiveness of the organisation's internal control environment and disclose any qualifications to that opinion, together with the reasons for the qualification
- To draw attention to any issues the Chief Internal Auditor judges particularly relevant to the preparation of the statement on internal control and to investigate financial irregularities as required by the Treasurer.
- The external audit, by the Audit Commission, provides independent assurance as to the adequacy of internal audit work. They conduct their own risk based audits and form an opinion as to the effectiveness of the assurance mechanisms in place. They report directly to the Police Authority in the Annual Audit Letter.

Other explicit review and assurance mechanisms are:

- The HMIC in the conduct of Force wide and thematic inspections that flow from the Annual Base Line Assessment.
- The Health and Safety Executive inspections and reviews in respect of reportable accidents.
- Lessons learnt from the Professional Standards Unit and the reports from the Independent Police Complaints Authority (IPCC).
- The review and monitoring of risk by the Risk Management Group.

I/We have been advised on the implications of the result of the review of the effectiveness of the system of internal control by the Authority's Internal Auditors and our Internal Assurance Working Group and a plan to address weaknesses and ensure continuous improvement of the system is in place.

5. SIGNIFICANT INTERNAL CONTROL ISSUES

Using the definition provided in guidance to support compliance with the Accounts and Audit Regulations 2003, Dorset Police Authority have judged the following issue to be a control issue appropriate for comment:

Dorset Emergency Services Partnership Initiative – following the selection of a preferred bidder, it has been necessary to request a 20% increase in credits as allowed for in the submission of the Final Business Case. This has been endorsed by the Joint Fire and Police Authority PFI Committee on the 31 March 2005, in terms of necessity and affordability. This equates to £5.58m for which the Police Authority has a 64% responsibility. The incremental resource requirement is projected at £441,000.

STATEMENT ON INTERNAL CONTROL

The Audit Commission and Internal Audit have both indicated that in their opinion there are no significant audit issues found over the last year, and this will be reflected in the Annual Audit Letter and Annual Audit Report. However the Force is committed to enhancing our service, systems and processes to ensure continuous improvement in our systems of internal control. Some of the key areas of work in relation to this are as follows:

- To continue to develop our Risk Management Programme in order to embed Risk Management in all Force activities.
- To develop a corporate framework for Partnership identification and working.
- To continue to monitor and improve our work in relation to Activity Based Costing and the quality of our Crime Recording Data.
- To continue to work to enhance the level and quality of our community engagement and public confidence.
- In line with our responsibilities under the Civil Contingencies Bill, to review our Business Continuity Arrangements.

Mr Martin Baker BSc (Hons) MBA
Chief Constable

Mr Michael Taylor CBE
Chairman

Date

Date

STATEMENT OF RESPONSIBILITIES

The Police Authority is responsible for: -

- ◆ securing appropriate arrangements for the proper administration of its financial affairs and ensuring that the nominated officer, namely the Treasurer, has the responsibility for them;
- ◆ managing its affairs so as to ensure the economic, effective, and efficient use of resources and the safeguarding of assets; and
- ◆ approving the statement of accounts.

The Treasurer is responsible for: -

- ◆ the preparation of the Authority's statement of accounts so as to present fairly the financial position at the accounting date, and its income and expenditure for the year;
 - ◆ selecting suitable accounting policies and applying them consistently;
 - ◆ making reasonable and prudent judgments and estimates;
 - ◆ complying in all material aspects with the Code of Practice on Local Authority Accounting in Great Britain;
 - ◆ ensuring that proper, up to date, accounting records are kept, and
 - ◆ taking reasonable steps for the prevention and detection of fraud and other irregularities.
-

FURTHER INFORMATION

This report concentrates on the financial aspect of the Authority. Details of organisational and operational matters are contained in the free newspaper 'A Safer Dorset', published annually in the summer and distributed to most households in Dorset. Copies can be obtained from the Chief Constable, Police HQ, Winfrith, Dorset, DT2 8DZ, or viewed in most public libraries in Dorset. The Force's Corporate Governance Policy, the Annual Policing Plan, and Best Value Review reports are all available on the Dorset Police web-site, which can be visited at www.dorset.police.uk

The Annual Report and Accounts of the Dorset County Pension Fund, which Police Support Staff are eligible to join, can be obtained from the Director of Resources, County Hall, Dorchester, Dorset DT1 1XJ.

Access to Information Act 1985

The public and press are able to attend all meetings of the Dorset Police Authority and most of its committees, and to have access to reports and background papers, subject to the exemptions and confidentiality provisions of the Local Government Act 1972.

Questions and Comments

Any questions or comments about the Dorset Police Authority, or requests for further information, should be directed either to P. K. Harvey, Clerk to the Police Authority, Police HQ, Winfrith, Dorset, DT2 8DZ, or to the Chief Constable at the same address or by e-mail to council.tax@dorset.pnn.police.uk

Complaints

Persons who consider they have a justified complaint against the conduct of Officers of the Dorset Force should submit their complaint to the Deputy Chief Constable, Police HQ, Winfrith, Dorset, DT2 8DZ. Resulting enquiries are received by the independent Police Complaints Commission.

CONSOLIDATED REVENUE ACCOUNT (Best Value Basis)

2003-04 Net Spending £'000		Gross Spending £'000	2004-05		Net Spending £'000
			Income £'000	Specific Grants £'000	
	Division of Service				
	Crime				
3,087	Reducing Crime	8,681	(474)	(3,377)	4,830
27,133	Investigating Crime	34,414	(2,819)	(1,950)	29,645
	Policing the Community				
47,118	Promoting Public Safety	58,613	(1,922)	(3,214)	53,477
16,407	Assistance to the Public	23,085	(3,427)	(2,530)	17,128
(1,506)	Exceptional item - reversal of pensions provision	0	0	0	0
0	National services undertaken locally	1,238	(29)	(1,209)	0
633	Corporate and Democratic Core	719	(8)	(13)	698
0	Non Distributed Costs	506	0	0	506
92,872	Net Cost of Service	127,256	(8,679)	(12,293)	106,284
0	Seconded Officers	1,506	(1,506)	0	0
(3,201)	Asset Management Revenue Account	(3,713)			(3,713)
(747)	Interest on balances	(749)			(749)
27,995	Pensions Interest Cost & Expected Return on Assets	32,615			32,615
116,919	Net Operating Cost	156,915	(10,185)	(12,293)	134,437
2,144	Transfers to / (from) Specific Reserves				1,565
1,506	Transfer to Pensions Reserve following reclassification of provision				0
(1,211)	Transfer from Special Operations Reserve following reclassification				0
2,015	Revenue Financing of Capital				1,512
(1,555)	Appropriations to / (from) Capital Financing Reserve				(1,712)
(25,898)	Appropriations to / (from) Pensions Reserve				(35,090)
93,920	Amount to be met from Government Grant and Local Taxpayers				100,712
	Financed by				
39,689	Home Office Grant				40,138
11,973	Revenue Support Grant				13,956
9,898	Non Domestic Rates				9,483
34,006	Council Tax Precept				38,101
95,566	Total Funding				101,678
1,646	Surplus / (Deficit) Appropriated to / from Balances				966
	Movement in Balances				
Total Balances £'000			General Balances £'000	Cost Centre £'000	Total Balances £'000
1,173	Balances as at 1 April		2,395	424	2,819
(63)	Use of accumulated balances		0	(358)	(358)
498	Surplus / (Deficit) in year		4	1,320	1,324
1,211	Transfer from Special Operations Reserve		0	0	0
2,819	Balances as at 31 March		2,399	1,386	3,785

NOTES TO THE CONSOLIDATED REVENUE ACCOUNT

1.1. GENERAL

The revenue account is shown here in subjective format, with a comparison between actual spending for the year and budgets agreed by the Authority.

2003-04		2004-05			Difference () = over £'000
Actual £'000		Original Estimate £'000	Final Estimate £'000	Actual £'000	
<u>Police Authority</u>					
395	Running Costs	463	467	440	27
<u>Police Force</u>					
81,753	Employees	91,483	94,318	94,375	(57)
(1,506)	Exceptional item - reversal of pension provision following reclassification	0	0	0	0
2,898	Premises Related Expenses	3,037	2,957	2,897	60
3,980	Transport Related Expenses	4,167	4,097	3,982	115
6,429	Supplies and Services	5,449	6,934	6,746	188
4,983	Third Party Payments	4,603	5,010	5,168	(158)
3,825	Capital Charges	3,882	3,882	4,542	(660)
102,757		113,084	117,665	118,150	(485)
<u>Income</u>					
(7,961)	Specific Grants	(6,871)	(8,955)	(9,268)	313
(1,109)	Reimbursements & Contributions	(471)	(1,037)	(1,711)	674
(815)	Customer & Client Receipts	(606)	(847)	(887)	40
92,872	Net Cost of Service	105,136	106,826	106,284	542
(3,201)	Asset Management Revenue Account	(3,472)	(3,472)	(3,713)	241
(747)	Interest on balances	(706)	(706)	(749)	43
27,995	Pensions Interest Cost & Expected Return on Assets	0	32,615	32,615	0
116,919	Net Operating Expenditure	100,958	135,263	134,437	826
2,144	Transfers to / (from) Specific Reserves	229	1,618	1,565	53
1,506	Transfer to Pension Reserve following reclassification of provision	0	0	0	0
(1,211)	Transfer from Special Operations Reserve following reclassification	0	0	0	0
2,015	Revenue Financing of Capital	1,728	1,532	1,512	20
(1,555)	Appropriations to / (from) Capital Financing Account	(1,287)	(1,287)	(1,712)	425
(25,898)	Appropriations to / (from) Pensions Reserve	0	(35,090)	(35,090)	0
93,920	Amount to be met from Government Grant and Local Taxpayers	101,628	102,036	100,712	1,324
Financed by					
39,689	Home Office Grant	40,138	40,138	40,138	0
11,973	Revenue Support Grant	13,956	13,956	13,956	0
9,898	Non Domestic Rates	9,483	9,483	9,483	0
34,006	Council Tax Precept	38,101	38,101	38,101	0
95,566	Total Funding	101,678	101,678	101,678	0
1,646	Net General Fund Surplus / (Deficit)	50	(358)	966	1,324

NOTES TO THE CONSOLIDATED REVENUE ACCOUNT

1.2. MOVEMENT IN BALANCES

The level of general balances has increased by the general fund surplus of £966,000 shown above, to a total of £3.785M. Of this, £1.386M relates to budgets delegated to cost centre managers, leaving uncommitted general balances at £2.399M or 2.4% of the budget requirement.

1.3. ASSET MANAGEMENT REVENUE ACCOUNT

In accordance with the capital accounting requirements, this account records the reversal of the capital charges for the use of fixed assets incorporated in the revenue account, the depreciation and associated release of Government Grants Deferred.

2003-04 £'000		2004-05 £'000
(4,756)	Reversal of capital charges	(5,425)
3,171	Depreciation	3,738
(1,616)	Release of Government Grants Deferred	(2,026)
<u>(3,201)</u>		<u>(3,713)</u>

1.4. LEASES

The Authority leases a small number of properties for operational purposes. The cost of these leases are included in the Consolidated Revenue Account.

2003-04 £'000		2004-05 £'000
217	Expenditure	294
n/a	Commitment - 1 year	234
n/a	Commitment - 2 to 5 years	687
n/a	Commitment - over 5 years	320

1.5. LONG TERM CONTRACTS

The Authority signed a contract for the replacement of the Western Division Headquarters and certain section stations in March 2000, using the Government's Private Finance Initiative (PFI). Occupation of the facilities and payments under the contract commenced during 2001-02 and continue for a 30 year period. Payments this year were £2.7 million. The actual amount each year will be affected by the contractor's performance. The Authority received PFI Special Grant of £3 million in the year in support of the project. Surplus grant paid in the early years of the scheme is held in a reserve (see note 2.13 later in this publication) to be used to fund grant shortfalls in later years.

1.6. DISCRETIONARY EXPENDITURE

Section 137 of the Local Government Act 1972 gave a general power to Authorities to incur limited expenditure on areas not covered by other legislation. The main type of expenditure under this heading is grants to voluntary bodies. Some other grants, not covered by the same legislation and not reported here, are also distributed from the proceeds of disposal of property other than found under the Police (Disposal of Property) Regulations 1975.

2003-04 £'000		2004-05 £'000
10	Expenditure	14

1.7. AGENCY WORK

The Authority has an agency agreement with the Criminal Records Bureau (an Executive Agency of the Home Office) whereby the Authority is responsible for processing security checks. The expenditure noted below is included in the Consolidated Revenue Account and is fully reimbursed by the Home Office.

2003-04 £'000		2004-05 £'000
124	Expenditure	118

NOTES TO THE CONSOLIDATED REVENUE ACCOUNT

1.8. PUBLICITY

Section 5 of the Local Government Act 1986 requires the Authority to keep a separate account of expenditure incurred on publicity.

2003-04			2004-05	
£'000			£'000	
79		Employee Costs	70	
113		Staff Advertising	160	
15		Other Advertising	10	
93		Public Relations / Community Consultancy	92	
<u>300</u>			<u>332</u>	

1.9. PENSIONS (see also notes 2.16 and 3.5)

The Authority participates in two different pension schemes that meet the needs of employees in particular services. Both are defined benefit schemes providing members with benefits related to pay and length of service. The schemes are as follows: -

a) The Local Government Pension Scheme (LGPS) for civilian employees, is administered by Dorset County Council. This is a funded scheme, meaning that the Authority and the employees pay contributions into a fund, calculated at a level intended to balance the pension liabilities with investment assets.

b) The Police Pension Scheme for police officers. This is an unfunded scheme, meaning that there are no investment assets built up to meet the pension liabilities, and cash has to be generated to meet the actual pension payments as they eventually fall due.

The cost of retirement benefits is recognised in the Net Cost of Services when they are earned by employees, rather than when they are eventually paid as pensions. However, the charge against council tax has to be based on the cash payable in the year, so the real cost of retirement benefits is reversed out of the Consolidated Revenue Account after Net Operating Expenditure. The following transactions have been made in the Consolidated Revenue Account: -

2003-04			2004-05	
LGPS	Police		Police	LGPS
£'000	£'000		£'000	£'000
		Net Cost of Services		
1,686	10,490	Current Service Cost	15,629	2,884
0	0	Past Service Costs	499	7
0	0	Settlements / Curtailments	0	2
		Net Operating Expenditure		
2,226	27,213	Interest Cost	31,796	2,759
(1,444)	0	Expected Return on Assets	0	(1,940)
		Amount to be met from Government Grant and Local Taxation		
(515)	(25,383)	Movement on Pensions Reserve	(33,791)	(1,299)
		Actual amount charged against council tax for pensions in the year		
(1,953)	(12,320)	Employer's contributions payable		(2,413)
		Retirement benefits payable to pensioners	(14,133)	

1.10. MEMBERS' ALLOWANCES AND REMUNERATION OF SENIOR STAFF

The Authority is required to report the total amount of Members' Allowances paid. The increase reflects the additional workload placed on Members, in particular the programme of Best Value Reviews and changes in the arrangements for allowances to bring Dorset Police into line with national arrangements.

2003-04			2004-05	
£'000			£'000	
88		Expenditure	112	

NOTES TO THE CONSOLIDATED REVENUE ACCOUNT

The Authority is also required, under Regulation 7(2) of the Accounts and Audit Regulations 2003, to report the numbers of staff with salary payments and allowances in excess of £50,000 per annum, in multiples of £10,000. The figures below represent the amounts paid in each year taking account of starting and leaving dates where retiring staff have been replaced during the year, and include officers seconded to other Forces.

2003-04		2004-05
10	£50,000 - £59,999	14
8	£60,000 - £69,999	10
1	£70,000 - £79,999	2
1	£80,000 - £89,999	0
0	£90,000 - £99,999	1
1	£100,000 - £109,999	0

Police salary scales and conditions of service are negotiated and agreed at national level.

1.11. STAFFING STATEMENT

The staff numbers for Police Officers, Police Staff and Community Support Officers are expressed as whole time equivalents, while the number for the Special Constabulary is the number of individuals.

2003-04		2004-05
In post		In post
1,442	Police Officers	1,458
828	Police Staff	875
7	Community Support Officers	49
<u>2,277</u>		<u>2,382</u>
211	Special Constabulary	225
0	Volunteers	36

1.12. SPONSORSHIP

The Authority directly received £37,000 in sponsorship from outside bodies during 2004-05, in support of various community-related schemes. This figure does not include sponsorship received by various crime reduction partnerships with which the Authority is involved.

1.13. RELATED PARTIES

Police Authorities are required to disclose details of material transactions with related parties, including Central Government, other Local Authorities, and Members and Senior Officers and their close families.

Grants from the Home Office are shown in the Consolidated Revenue Account on page 17.

The Treasurer to the Authority is also the Director of Resources of Dorset County Council. The Authority purchases some financial and other services from the County Council.

The Clerk to the Authority has written to all Members and Senior Officers explaining the requirements and the need for disclosure. No instances of transactions involving these related parties have been declared.

1.14. AUDIT FEES

The Authority paid the following fees to its external auditors, the Audit Commission: -

2003-04		2004-05
£'000		£'000
54	External Audit Services	85
0	Statutory Inspections	0
6	Certification of grant claims	3
<u>60</u>		<u>88</u>

CONSOLIDATED BALANCE SHEET

This Balance Sheet is a record of the financial position of the Police Authority as at 31 March 2005, with comparative figures for 31 March 2004. Detailed supporting notes are shown on the following pages.

31 March 2004			<u>31 March 2005</u>	
£'000	£'000	Note	£'000	£'000
365			479	
		Intangible Assets		
		Tangible Fixed Assets		
		Operational Assets		
33,632		Land & Buildings	35,385	
8,704		Vehicles, Plant & Equipment	8,956	
		Non-operational Assets		
0		Assets under construction	284	
1,489		Surplus assets, held for disposal	1,956	
	44,190			47,060
	<u>1</u>	Long Term Debtors		0
	44,191			47,060
		Current Assets		
394		Stocks and Stores	429	
2,955		Debtors	6,522	
22,500		Temporary Investments	22,321	
62		Cash in hand	79	
<u>25,911</u>			29,351	
		Current Liabilities		
(8,640)		Creditors	(7,792)	
0		Temporary Borrowing	0	
(24)		Bank Overdrawn	(823)	
<u>(8,664)</u>			(8,615)	
	<u>17,247</u>	Net Current Assets		20,736
	61,438	Total Assets less Current Liabilities		67,796
	(2,885)	Deferred Liabilities		(2,765)
	2,581	Deferred Credits		2,486
	(2,186)	Provisions		(403)
	(495,103)	Pensions Asset / (Liability)		(608,683)
	<u>(436,155)</u>	Total Net Assets		(541,569)
		Financed by :-		
	23,230	Fixed Asset Restatement Account		25,229
	11,622	Capital Financing Account		12,192
	9,034	Capital Grants Deferred Account		9,360
	11	Usable Capital Receipts Reserve		11
	(495,103)	Pensions Reserve		(608,683)
	12,232	Specific Reserves		16,537
	2,819	Revenue Balances		3,785
	<u>(436,155)</u>			(541,569)

NOTES TO THE CONSOLIDATED BALANCE SHEET

2.1. FIXED ASSETS

The following table shows the overall movements in fixed assets during the financial year. The figures for intangible assets relate to computer software licences which have a useful economic life of more than one financial year. This year, the table also shows separately the cost of assets under construction and not yet in operational use.

	Intangible	Operational Assets		Non-operational Assets		Total Assets
	Assets	Land and Buildings	Vehicles, Plant & Equipment	Under construction	Surplus Assets *	
2004-05	£'000	£'000	£'000	£'000	£'000	£'000
Gross Book Value 1 April	830	35,331	17,129	-	1,519	54,809
Accumulated Depreciation	(465)	(1,699)	(8,425)	-	(30)	(10,619)
Net Book Value 1 April	365	33,632	8,704	-	1,489	44,190
Transfers	-	(523)	-	-	523	-
Additions	416	703	3,206	284	-	4,609
Disposals	-	(524)	(784)	-	(411)	(1,719)
Revaluations	-	2,570	-	-	380	2,950
Depreciation for the year	(302)	(486)	(2,918)	-	(31)	(3,737)
Depreciation on assets sold	-	13	748	-	6	767
Impairment	-	-	-	-	-	-
Net Book Value 31 March	479	35,385	8,956	284	1,956	47,060

* Former police houses declared surplus to requirements and awaiting disposal.

Schemes in progress and Commitments

A major building project to renew custody facilities in Bournemouth has been delayed, with work anticipated to commence during 2005-06. A commitment is also carried forward in respect of projects at Headquarters and Sherborne, part funded by premises improvement grant; work on these projects is not anticipated to complete in 2005-06. A full programme of building works arising from the Disability Discrimination Act commenced during 2004-05 and a commitment remains for the completion of the programme. Funding set aside for improvements to the HQ stores building is carried forward with work anticipated to commence during 2005-06. The total outstanding commitment on capital schemes is £2.8m; funding and funding approvals will be carried forwards to fund this expenditure.

Fixed Asset Valuation

The freehold and leasehold assets in the Authority's Asset Register were valued by the Dorset County Council Valuer's Department as at 1 April 1994. Assets have to be revalued at least every five years, and 20% of the Authority's properties are valued each year in a rolling programme in order to achieve this. The Valuer has also carried out a review of the properties and confirms that none are affected by impairment as at the valuation date.

Type of Property

Non-operational

Operational, non-specialised

Operational, specialised

Vehicles, Plant and Equipment

Basis of Valuation

Open market value

Open market value for existing use

Depreciated replacement cost

Depreciated historic cost

(as a proxy for current value)

Valuation Method

Comparative

Comparative

Cost of replacement

Estimated life

Asset Register

Stations provided under the Western Division PFI Scheme are no longer the property of the Police Authority, and accordingly no longer recorded in the Asset Register.

2003-04 No.		2004-05 No.
23	Stations including HQ	23
62	Houses	60
8	Other	8
93		91

NOTES TO THE CONSOLIDATED BALANCE SHEET

2.2. SUMMARY OF CAPITAL EXPENDITURE AND SOURCES OF FINANCE

This table shows capital spending, the sources of funding used to finance it and, for 2004-05, a comparison with the estimated spending and funding. The underspend mainly relates to the carried forwards projects referred to in paragraph 2.1 above

2003-04		<u>2004-05</u>	
Actual		Final	Actual
£'000		Estimate	£'000
		£'000	£'000
971	Major Schemes	1,316	284
317	Minor works to buildings	1,925	704
805	Vehicles	916	900
847	IT equipment and software	1,660	1,014
696	Other equipment	859	601
481	Safety Camera Partnership	263	244
1,134	Airwave	648	862
<u>5,251</u>	Total Payments	<u>7,587</u>	<u>4,609</u>
95	Use of Capital Receipts	600	1,034
1,592	Home Office Grants	2,088	2,108
481	Safety Camera Partnership Grant	263	244
1,391	Use of Capital Reserves	1,752	25
1,692	Revenue Financing	1,234	1,198
0	Borrowing	1,650	0
<u>5,251</u>		<u>7,587</u>	<u>4,609</u>

2.3. LONG TERM DEBTORS

An analysis of amounts due to the Authority, repayable over a period of more than one year, as at 31 March 2005 is shown below. The previous year balance related to car loans to officers authorised to use their cars on official duties.

2003-04		<u>2004-05</u>	
£'000		£'000	
0	Central Government Departments	0	
0	Other Police and Local Authorities	0	
1	Others	0	
<u>1</u>		<u>0</u>	

2.4. STOCKS AND STORES

The Authority holds a number of stocks and stores. Stocks are regularly reviewed to ensure that only necessary items are held.

2003-04		<u>2004-05</u>	
£'000		£'000	
135	Uniform Stocks	194	
60	Fuel Stocks	52	
114	Vehicle Parts	88	
78	Stationery Stocks	77	
7	Other Stocks	18	
<u>394</u>		<u>429</u>	

NOTES TO THE CONSOLIDATED BALANCE SHEET

2.5. DEBTORS

An analysis of the amounts due to the Authority at 31 March 2005 is shown below. The accounts include a provision for potential bad debts.

2003-04 £'000		2004-05 £'000
1,219	Central Government Departments	4,071
746	Other Police and Local Authorities	854
990	Others	1,597
<u>2,955</u>		<u>6,522</u>

2.6. TEMPORARY INVESTMENTS

The Authority has contracted with the Dorset County Council Financial Services for the provision of this facility. The CIPFA Code of Practice for Treasury Management in Local Authorities, which governs the way in which surplus cash is invested, has been adopted. The Authority's surplus cash is invested with other local authorities and approved commercial banks and building societies.

2.7. CASH AND BANK BALANCES

Cash in hand includes imprest accounts held by accounting officers. The bank overdrawn figure includes the value of outstanding cheques drawn shortly before the end of the financial year and which were unrepresented as at 31 March 2005.

2.8. CREDITORS

An analysis of the amounts owed by the Authority at 31 March 2005 is shown below.

2003-04 £'000		2004-05 £'000
1,938	Central Government Departments	1,973
700	Other Police and Local Authorities	992
6,002	Others	4,827
<u>8,640</u>		<u>7,792</u>

2.9. LOANS OUTSTANDING

A capital reserve has been established to even out the fluctuations caused by large capital schemes. This, together with Home Office capital grant, revenue account contributions, and the use of accumulated capital receipts, will be used to finance capital expenditure. The Authority is currently free of external debt.

2.10. DEFERRED LIABILITIES

This balance originates from the system of Capital Financing and Home Office Capital Grant Aid in use until 1990. There is a commitment to repay this sum to Dorset County Council over the life of the relevant assets that were built or purchased prior to 1990.

2.11. DEFERRED CREDITS

The value of the assets which were transferred to the Western Division PFI scheme provider are shown under this heading. The balance is written down over the period of the contract.

2.12. PROVISIONS

The Authority has made provisions in respect of the following expected situations, which are summarised in the table shown below.

	Balance 2003-04 £'000	Income £'000	Expenditure / Transfers £'000	Balance 2004-05 £'000
Insurance	1,764	486	2,250	0
Taxation	422	403	422	403
	<u>2,186</u>	<u>889</u>	<u>2,672</u>	<u>403</u>

NOTES TO THE CONSOLIDATED BALANCE SHEET

Insurance

The Authority operates an internal insurance fund, with external policies covering larger and catastrophic losses. The former provision has been reviewed and reclassified as a reserve, and is now included in the table in Note 2.13 below.

Taxation

This provision covers payments to officers who are in receipt of a Rent Allowance. It relates to the Compensatory Grant payable under their conditions of service, and is in respect of the additional tax liability payable in the following financial year.

2.13. SPECIFIC RESERVES

The following reserves have been set up to fund future spending.

Capital Reserve

The Capital Reserve was set up to provide for large capital projects. Annual contributions are made to the fund in years when demands are low to assist in those years when high capital payments have to be made. This avoids undue fluctuations in the level of capital financing required from the revenue budget.

Airwave (formerly Public Safety Radio Communications Project) Reserve

All Police forces are in the process of changing their radio communications systems to benefit from new technologies. Dorset Police had purchased a significant amount of the equipment required to introduce this new system by the end of 2003/04, with roll out across the force anticipated early in 2004/05. This reserve relates to additional equipment requirements.

Special Operations Reserve

This reserve was set up to provide for costs arising from major incidents and events taking place in the Authority's area. The balance of the reserve, including that controlled by BCU's, has now been amalgamated with general balances.

Pensions Reserve

This reserve was set up to cover costs for officers who have delayed their retirement, and to cater for known peaks in retirement pensions that will occur over the next few years.

Insurance Reserve

This reserve is to cater for claims against the Authority that have arisen or may arise. It now includes the balance of the former provision.

PFI Reserve

Surplus grant from early years of the scheme is held here to fund shortfalls in later years.

Other Reserves

This includes a reserve established to provide for unscheduled maintenance of the force helicopter.

Reserves	Balance 2003-04 £'000	Income / Transfers £'000	Expenditure / Transfers £'000	Balance 2004-05 £'000
Capital	1,968	3,116	2,061	3,023
Airwave	3,030	868	1,410	2,488
Special Operations	107	14	121	0
Pensions	5,709	3,038	2,067	6,680
Insurance	109	2,277	12	2,374
PFI	1,252	648	0	1,900
Other Reserves	57	84	69	72
	12,232	10,045	5,740	16,537

2.14. TRUST FUNDS

The Authority administers the Dorset Police Scholarship Trust fund. This was established to provide scholarships that enable officers of the Force to gain experience of work practices in other Police Forces, for the benefit of this Authority. Although the Authority holds this fund as Trustee, it does not belong to the Authority and does not form part of the annual accounts.

2.15. EUROPEAN MONETARY UNION

No date has yet been established by the Government for entry into the EMU, and a detailed assessment of the implications and costs involved has yet to be carried out. Consideration will be given to the implications of accommodating the euro when new financial systems are being specified.

NOTES TO THE CONSOLIDATED BALANCE SHEET

2.16. RETIREMENT BENEFITS (see also notes 1.9 and 3.5)

The underlying assets and liabilities for retirement benefits attributable to the Authority as at 31 March each year are shown in the following table, which also shows the distribution of its share of Local Government Pension Scheme (LGPS) assets by proportion of the total and the expected long-term return. The Police Pension Scheme has no assets to cover its liabilities. The LGPS assets are valued at fair value, principally market value for investments, and consist of the following categories: -

2003-04				2004-05		
Rate of Return	£'000	% of Assets		% of Assets	£'000	Rate of Return
7.50%	20,669	74%	Equities	62%	21,147	7.50%
4.50%	4,631	17%	Gilts	24%	8,245	4.50%
5.50%	247	1%	Bonds	0%	119	5.30%
			Property *	10%	3,368	7.00%
3.75%	2,279	8%	Cash	4%	1,346	4.30%
6.70%	27,826		Estimated Assets in the LGPS		34,225	6.60%
	40,425		Present value of liabilities in the LGPS		54,567	
	0		Present value of unfunded liabilities **		177	
	40,425		Total value of LGPS liabilities		54,744	
	(12,599)		Net Staff Pensions Surplus / (Deficit)		(20,519)	
	(482,504)		Estimated Liabilities in Police Pension Scheme		(588,164)	
	(495,103)		Net Pensions Surplus / (Deficit)		(608,683)	

* Previously included with Equities
** Previously included in scheme liabilities

The liabilities show the underlying commitments that the Authority has in the long run to pay retirement benefits. The total liability of £609m has a substantial impact on the net worth of the Authority as recorded in the balance sheet, resulting in a negative overall balance of £542m. However, statutory arrangements for funding the deficit mean that the financial position of the Authority remains healthy.

The deficit on the LGPS will be made good by increased contributions over the remaining working life of employees, as assessed by the scheme actuary. Finance is only required to be raised to cover police pensions when the pensions are actually paid.

Liabilities have been assessed by Punter Southall Co., an independent firm of actuaries, using the projected unit method. This gives an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels, etc. Under this method, the current service cost will increase as the members of the scheme approach retirement. Estimates are based on the latest full valuation of the scheme as at 1 April 2004, as updated for changes in numbers of staff and pensioners.

The main assumptions used in their calculations are: -

2003-04				2004-05	
LGPS	Police			Police	LGPS
2.9%	2.9%		Rate of inflation	2.9%	2.9%
4.7%	4.7%		Rate of increase in salaries	4.7%	4.7%
2.9%	2.9%		Rate of increase in pensions	2.9%	2.9%
6.4%	6.4%		Rate for discounting scheme liabilities ***	5.4%	5.4%

*** For 2004-05, the definition used to determine the discount rate has changed from 3.5% above inflation to the yield available from AA rated bonds. This reduction in discount rate increases the value placed on the liabilities, as more money has to be set aside now to meet future benefits costs. For comparison purposes, had this definition applied in 2003-04, the estimated LGPS liabilities of £40.425m reported above would have been increased by £8.961m to a total of £49.386m and the Police liability of £482.504m would have been increased by £94.863m to £577.367m.

STATEMENT OF TOTAL MOVEMENTS IN RESERVES

2003-04			Note	2004-05	
£'000	£'000			£'000	£'000
1,646		Revenue Account Surplus / (Deficit)		966	
2,546		Add back movements on specific reserves		4,305	
	4,192	Total increase / (decrease) in revenue resources			5,271
(10)		Increase / (decrease) in usable capital receipts		0	
	(10)	Total increase / (decrease) in realised capital resources	3		0
1,916		Gains / (losses) on revaluation of fixed assets		2,951	
	1,916	Total increase / (decrease) in unrealised value of fixed assets	3		2,951
	(812)	Value of assets sold, disposed of or decommissioned			(952)
1,647		Revenue resources set aside		570	
457		Movement on Government Grants Deferred account	3	326	
	2,104	Total increase / (decrease) in amounts set aside to finance capital investment	3		896
	(25,595)	Movement in FRS17 Pensions Liability	4		(113,580)
	<u>(18,205)</u>	Total Recognised gains and losses			<u>(105,414)</u>

NOTES TO THE STATEMENT OF TOTAL MOVEMENTS IN RESERVES

3.1. MOVEMENTS IN REALISED CAPITAL RESOURCES

Capital receipts from the sale of capital assets (chiefly surplus police housing stock) can be used to finance new capital expenditure.

2003-04			2004-05
£'000			£'000
21		Balance as at 1 April	11
1,120		Receipts in the year	1,034
(1,035)		Transfer to Capital Reserve	0
(95)		Less Applied during the year	(1,034)
<u>11</u>		Balance at 31 March	<u>11</u>

3.2. MOVEMENTS IN UNREALISED VALUE OF FIXED ASSETS

The Fixed Asset Restatement Account represents the difference between asset valuations arising from the new system of capital accounting introduced in 1994 and valuations under the previous system. The reserve is written down as the assets are disposed of.

2003-04			2004-05
£'000			£'000
22,126		Balance as at 1 April	23,230
1,916		Revaluations	2,951
(812)		Net Book Value of Disposals	(952)
<u>23,230</u>		Balance at 31 March	<u>25,229</u>

3.3. MOVEMENTS IN AMOUNTS SET ASIDE TO FINANCE CAPITAL INVESTMENT

The Capital Financing Account contains the amount of capital expenditure that has been financed from revenue and capital receipts.

STATEMENT OF TOTAL MOVEMENTS IN RESERVES

It also contains the difference between the Minimum Revenue Provision and depreciation and also the release of government grant from the government grants deferred account. This avoids any impact on the consolidated revenue account, and hence ultimately the Council Tax payers.

2003-04			2004-05	
£'000			£'000	
9,975		Balance as at 1 April	11,622	
3,083		Capital Financing	1,223	
95		Capital Receipts Applied	1,034	
(3,171)		Minimum Revenue Provision (less depreciation)	(3,737)	
121		Reduction in Deferred Liability	121	
(97)		Movement in Deferred Consideration	(96)	
1,616		Release of Government Grant	2,025	
<u>11,622</u>		Balance at 31 March	<u>12,192</u>	

3.4. MOVEMENTS IN CAPITAL GRANTS DEFERRED

Where the acquisition of a fixed asset is financed either wholly or partly by a government grant or other contribution, the amount of the grant is credited initially to the government grants deferred account. Amounts are released to the asset management revenue account over the useful life of the asset to match the depreciation charged on the asset to which it relates.

2003-04			2004-05	
£'000			£'000	
8,577		Balance as at 1 April	9,034	
2,073		Grants used for Capital Financing	2,351	
<u>(1,616)</u>		Release of Government Grant	<u>(2,025)</u>	
<u>9,034</u>		Balance at 31 March	<u>9,360</u>	

3.5. MOVEMENTS IN PENSIONS RESERVE (see also notes 1.9 and 2.16)

Analysis of the attributable movements in the surplus / (deficit) in the schemes during the year: -

2003-04			2004-05	
LGPS	Police		Police	LGPS
£'000	£'000		£'000	£'000
(15,058)	(454,450)	Surplus / (Deficit) as at 1 April	(482,504)	(12,599)
n/a	n/a	Effect of change in Accounting Methodology	(94,863)	(8,961)
(1,686)	(10,490)	Current Service Cost	(15,629)	(2,884)
1,953	12,320	Contributions	14,133	2,413
0	0	Past Service Cost	(499)	(7)
(782)	(27,213)	Other Finance Income	(31,796)	(819)
0	0	Settlements / Curtailments	0	(2)
2,974	(2,671)	Actuarial gain / (loss)	22,994	2,340
<u>(12,599)</u>	<u>(482,504)</u>	Surplus / (Deficit) as at 31 March	<u>(588,164)</u>	<u>(20,519)</u>

The LGPS actuarial gains or losses identified in the above table can be analysed into the following categories, shown as cash amounts and as a percentage of assets or liabilities as at 31 March

2002-03		2003-04			2004-05	
£'000		£'000			£'000	
(6,205)	29%	3,414	12%	Difference between expected and actual return on assets	2,166	6.0%
82	0%	0	0%	Difference between actuarial assumptions about liabilities and actual experience	776	1.4%
0	0%	(440)	0%	Changes in demographic or financial assumptions used to estimate liabilities	(602)	-1.1%
<u>(6,123)</u>		<u>2,974</u>	7%		<u>2,340</u>	4.3%

CASH FLOW STATEMENT

2003-04			2004-05	
£'000	£'000	Note	£'000	£'000
		Revenue Activities		
		Expenditure		
99,505		Cash paid to or on behalf of employees	93,535	
18,087		Other operating costs	21,437	
	117,592			114,972
		Income		
34,006Cr		Precept - Council Tax income	38,101Cr	
9,898Cr		Non-Domestic Rate income	9,484Cr	
11,973Cr		Revenue Support Grant	13,956Cr	
51,058Cr		Home Office Grants	52,430Cr	
16,236Cr		Cash received for goods and services	1,651	
	123,171Cr			112,320Cr
	5,579Cr	Revenue Activities Net Cash Flow		2,652
		Servicing of Finance		
		Expenditure		
3		Interest paid	1	
		Income		
1,012Cr		Interest received	647Cr	
	1,009Cr			646Cr
		Capital Activities		
		Expenditure		
5,543		Purchase of fixed assets	4,327	
		Income		
1,235Cr		Sale of fixed assets	2,097Cr	
49Cr		Sale of vehicles	96Cr	
2,073Cr		Capital Grants received	2,352Cr	
	2,186			218Cr
		Management of liquid resources		
88,860		Short Term Lending	93,821	
84,760Cr		Short Term Loans Repaid	94,000Cr	
		Financing		
2,000Cr		Short Term Borrowing	800Cr	
2,000		Short Term Borrowing Repaid	800	
	4,100			179Cr
	302Cr	Net cash inflow / (outflow)		1,609
		Other Movements		
	483	Transfers		827Cr
	181	Net increase / (decrease) in cash		782

CASH FLOW STATEMENT

NOTES TO THE CASH FLOW STATEMENT

4.1. MOVEMENT IN CASH

This table reconciles the net revenue account surplus or deficit to the net increase or decrease in cash.

2003-04			2004-05	
£'000	£'000		£'000	£'000
	1,646Cr	Net surplus / (deficit) on Revenue Account		966Cr
		Movement in accruals items:-		
2Cr		Long Term Debtors	1Cr	
84		Stocks	35	
253		Debtors	3,567	
1,099Cr		Creditors	848	
479Cr		Provisions	1,783	
	1,243Cr			6,232
		Movement in non-cash items:-		
1,040Cr		Specific Reserves	4,305Cr	
10		Capital Receipts Reserve	0	
	1,030Cr			4,305Cr
		Movement in financing items:-		
4,100		Short Term Loans	179Cr	
	4,100			179Cr
	181	Increase / Decrease in Cash		782

4.2. MOVEMENT IN NET FUNDS

Net funds are cash and other liquid resources (e.g. temporary investments), less any borrowings. This table shows the movement during the year.

	Balance 1 April	Movement in year	Balance 31 March
	£'000	£'000	£'000
Cash in hand and at bank	38	782Cr	744Cr
Temporary investments and borrowing	22,500	179Cr	22,321
	22,538	961Cr	21,577

4.3. MOVEMENT IN LIQUID RESOURCES

Liquid resources are current assets that are readily convertible into known amounts of cash. For the Authority these are the temporary investments.

2003-04		2004-05
£'000		£'000
18,400	Temporary Investments as at 1 April	22,500
4,100	Increase / Decrease in Loans in the Period	179Cr
22,500	Temporary Investments as at 31 March	22,321

4.4. ANALYSIS OF GOVERNMENT GRANTS

This table gives details of the specific grants received from central government departments.

2003-04		2004-05
£'000		£'000
3,574Cr	Home Office (inc. PITO & NCS)	12,293Cr
69Cr	Govt. Office for the South West	0
3,643Cr		12,293Cr

HOLDING ACCOUNTS

5.1. SECONDED OFFICERS

This account shows the cost of officers based in the force, who are seconded to other bodies including the National Crime Squad, Training Establishments, etc. These costs are fully reimbursed.

2003-04 £'000	SECONDED OFFICERS	<u>2004-05</u> £'000
1,520	EMPLOYEES	1,465
26	TRANSPORT RELATED EXPENSES	28
22	SUPPLIES AND SERVICES	13
1,568	EXPENDITURE	1,506
(1,568)	REIMBURSEMENTS & CONTRIBUTIONS	(1,506)
(1,568)	INCOME	(1,506)
-	NET EXPENDITURE	-

5.2. TRANSPORT

These costs relate to the vehicle fleet, the costs of which are charged to operational units. Other transport costs (e.g. marine) are charged directly to the revenue account.

2003-04 £'000	TRANSPORT	<u>2004-05</u> £'000
307	EMPLOYEES	336
77	PREMISES RELATED EXPENSES	84
1,622	TRANSPORT RELATED EXPENSES	1,850
20	SUPPLIES AND SERVICES	11
836	CAPITAL CHARGES	788
2,862	EXPENDITURE	3,069
(16)	REIMBURSEMENTS & CONTRIBUTIONS	(17)
(33)	CUSTOMER & CLIENT RECEIPTS	(24)
(2,813)	RECHARGES TO OTHER ACCOUNT HEADS	(3,028)
(2,862)	INCOME	(3,069)
-	NET EXPENDITURE	-

5.3. AIR SUPPORT

These costs relate to the helicopter.

2003-04 £'000	AIR SUPPORT	<u>2004-05</u> £'000
1	EMPLOYEES	3
1	PREMISES RELATED EXPENSES	2
47	TRANSPORT RELATED EXPENSES	43
11	SUPPLIES AND SERVICES	12
674	THIRD PARTY PAYMENTS	600
171	CAPITAL CHARGES	167
905	EXPENDITURE	827
(2)	REIMBURSEMENTS & CONTRIBUTIONS	(1)
(903)	RECHARGES TO OTHER ACCOUNT HEADS	(826)
(905)	INCOME	(827)
-	NET EXPENDITURE	-

HOLDING ACCOUNTS

5.4. PENSIONS

This holding account collects all the costs relating to former police officer pensioners, the income from current contributors and transfer values, and the recharge to the revenue account.

2003-04 £'000	PENSIONS	<u>2004-05</u> <u>£'000</u>
18,271	PENSION PAYMENTS	20,668
<u>18,271</u>	EXPENDITURE	<u>20,668</u>
(7,032)	REIMBURSEMENTS & CONTRIBUTIONS	(6,126)
-	TRANSFER FROM RESERVE	-
<u>(11,239)</u>	RECHARGES TO OTHER ACCOUNT HEADS	<u>(14,542)</u>
<u>(18,271)</u>	INCOME	<u>(20,668)</u>
<u>-</u>	NET EXPENDITURE	<u>-</u>

5.5. SPECIAL OPERATIONS

This holding account collects all the costs relating to policing political party conferences, central government grant support and any net recharge to the revenue account.

2003-04 £'000	SPECIAL OPERATIONS	<u>2004-05</u> <u>£'000</u>
909	EMPLOYEES	651
428	PREMISES RELATED EXPENSES	271
19	TRANSPORT RELATED EXPENSES	19
246	SUPPLIES AND SERVICES	232
199	THIRD PARTY PAYMENTS	65
<u>1,801</u>	EXPENDITURE	<u>1,238</u>
(1,770)	GOVERNMENT GRANTS	(1,209)
(31)	OTHER REIMBURSEMENTS & CONTRIBUTIONS	(29)
<u>(1,801)</u>	INCOME	<u>(1,238)</u>
<u>-</u>	NET EXPENDITURE	<u>-</u>

5.6. SAFETY CAMERA PARTNERSHIP

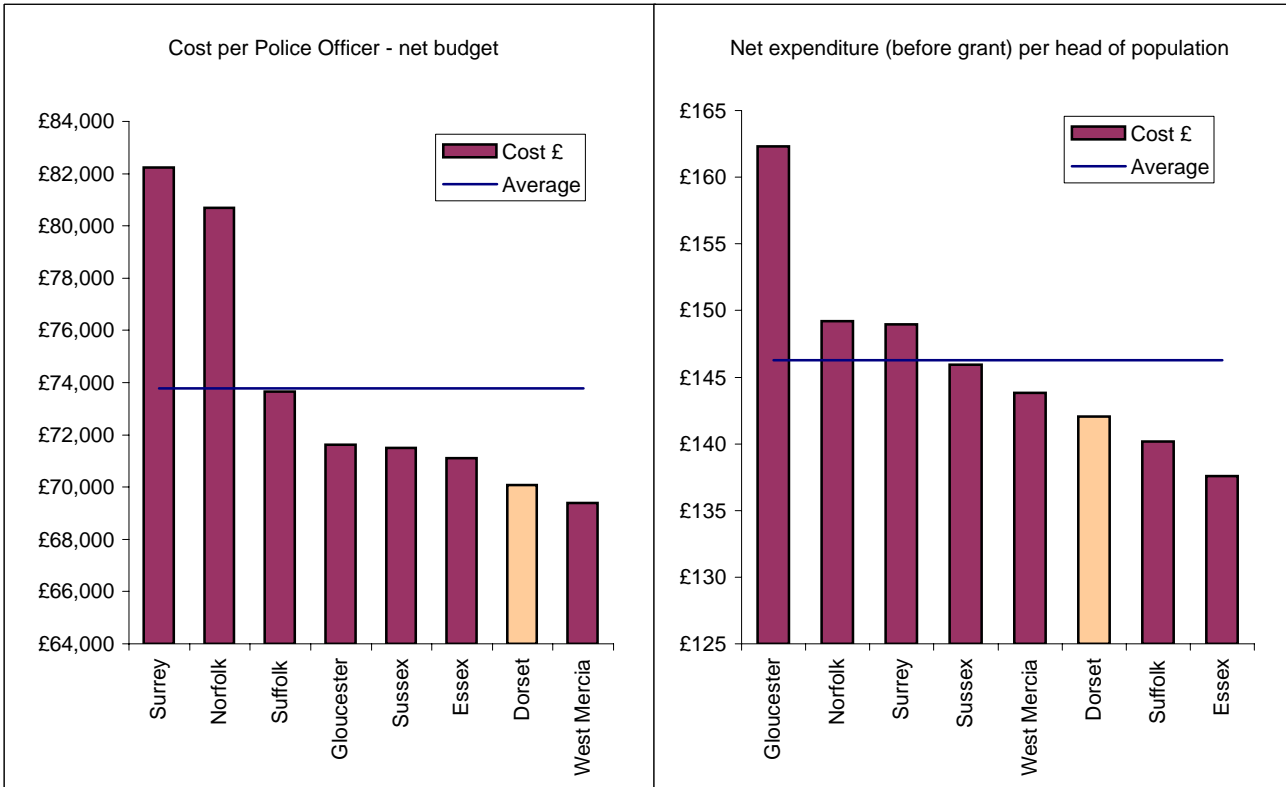
This holding account shows all the costs incurred by the Police Authority, and the reimbursement from Government Grant by the Dorset Safety Camera Partnership.

2003-04 £'000	SAFETY CAMERA PARTNERSHIP	<u>2004-05</u> <u>£'000</u>
1,043	EMPLOYEES	1,257
75	PREMISES RELATED EXPENSES	61
16	TRANSPORT RELATED EXPENSES	41
526	SUPPLIES AND SERVICES	444
18	SUPPORT SERVICES	13
<u>1,678</u>	EXPENDITURE	<u>1,816</u>
(1,638)	GOVERNMENT GRANTS	(1,816)
(40)	OTHER REIMBURSEMENTS	-
<u>(1,678)</u>	INCOME	<u>(1,816)</u>
<u>-</u>	NET EXPENDITURE	<u>-</u>

THE FINANCIAL YEAR IN BRIEF

COMPARATIVE INFORMATION (HM Inspector of Constabulary grouping of similar Authorities)

Source: - CIPFA Statistics, 2004-05 Estimates



SUMMARY

