

BRIGHTON & HOVE CITY COUNCIL

Meeting:	Shoreham Airport Joint Committee
Date :	26 September 2003
Report of :	Airport Treasurer
Subject :	Shoreham Airport Statement of Accounts 2002/03
Wards affected :	All

1. Purpose Of The Report

- 1.1 This report presents to Members the Statement of Accounts for Shoreham Airport for the financial year 2002/03 (Appendix 3). All figures are in draft format as the accounts have not been fully audited by the District Auditor.
- 1.2 This report also presents the outturn position for Shoreham Airport.

2. Recommendation

The Joint Committee is asked to

- 2.1 Note that the net surplus for the Airport is £13,212, compared with a budgeted surplus of £2,000
- 2.2 Recommend to the two owning Councils that this surplus is transferred to the Airport's general reserves.

3. Format of the Statement of Accounts

- 3.1 The Airport's Statement of Accounts has been prepared in accordance with the Code of Practice on Local Authority Accounting in Great Britain.
- 3.2 Brighton & Hove City Council has a controlling interest in the Airport, owning two-thirds compared with Worthing Borough Council's one-third share. The Council is therefore required to consolidate the Airport's accounts into its own accounts. This has been reflected in the Council's Statement of Accounts.

4. Outturn Position

- 4.1 The net revenue outturn position for the Airport is a surplus of £13,212 compared with a budgeted surplus of £2,000 (Appendix 1). Included in this report is a comparison with the projected outturn at month 10.

- 4.2 Capital expenditure outturned at £251,843. This is an overspending of £21,843 on the £230,000 Supplementary Credit Approval (SCA) provided by the Department for Transport (DfT). The reasons for the variances are explained in appendix 2. This overspending has been financed from revenue resources.

5. Comments of the Airport Treasurer

- 5.1 As at 31st March 2003 the General Reserves stand at £23,698 including the 2002/03 surplus of £13,212. In view of this low reserves position, it is recommended that this surplus is retained in the Airport reserves and not distributed to the two owning councils. The Airport Joint Committee will have to ensure that it manages within budget in 2003/04 to achieve the budgeted surplus of £11,000.
- 5.2 In accordance with the forecast outturn reports presented to Members during the year, the 2002/03 revenue contribution to the bad debts provision was increased by £11,000 to £15,313 as at 31st March 2003.

6. Consultation

- 6.1 The purpose of this report is to advise the Joint Committee of the Airport Outturn for 2002/03 and therefore there has been no external consultation.

Meeting/Date	Shoreham Airport Joint Committee
Report of	Airport Treasurer
Subject	Statement of Accounts 2002/03
Wards affected	All

Financial implications

The Comments of the Airport Treasurer section of the report give full details of the financial implications.

Legal implications

When considering the outturn position the impact of the Human Rights Act 1998 on the provision of council services is a relevant consideration.

Corporate/Citywide implications

Managing within budget has avoided the owning Councils having to make financial contributions to the airport running costs.

Risk assessment

There has been no risk assessment for this report.

Sustainability implications

There are no direct environmental implications arising from this report. However, it is believed that the reputation of the Airport's financial framework and its ability to demonstrate sound budgetary control, could have an impact on the willingness of other funding partners to invest in and with the Council. This could invariably affect the level of inward investment in respect of environmental projects.

Equalities implications

There are no direct equalities implications arising from this report although reductions in expenditure may reduce opportunities in employment from disadvantaged groups. As previously stated if the reputation of the Airport's financial framework is good, then more opportunities for partnership working, particularly targeting specific areas may be created.

Implications for the prevention of crime and disorder

There are no implications for the prevention of crime and disorder arising from this report.

Background papers

Accounting files are held in Corporate Finance.

Contact Officer

Chris Taylor, Airport Treasurer, Tel 291333
John Timson, Accountant, Tel 291253