



Transport for South Hampshire

Statement of Accounts
2009/10

**TRANSPORT FOR SOUTH HAMPSHIRE
STATEMENT OF ACCOUNTS 2009/10**

Contents:	Page:
Explanatory Foreword	1
Statement of Accounting Policies	4
Annual Governance Statement	6
Statement of Responsibilities – Joint Committee	14
Statement of Responsibilities – Treasurer	15
Auditor’s Report	16
Income and Expenditure Account	19
Statement of Movement on General Fund Balance	20
Balance Sheet	21
Cash Flow Statement	22
Notes to the Core Financial Statements	23

EXPLANATORY FOREWORD

1. Introduction

This document contains Transport for South Hampshire's (TfSH) Statement of Accounts for the year ended 31 March 2010.

The pattern of presentation of the statement is laid down by a code of practice, which the TfSH Joint Committee is legally required to follow. The foreword gives:

- a summary of the various statements which make up the 2009/10 accounts.
- a broad picture of where the money comes from and what it is spent on; and
- a summary of the revenue expenditure on services and capital expenditure on new assets over the course of the year

2. Summary of Statement of Accounts

The accounts for 2009/10 are set out on pages 4 to 23. They consist of:

- Statement of Accounting Policies – sets out the policies adopted by the Joint Committee in preparing the accounts. They are largely determined by the Code of Practice.
- Annual governance statement – which reviews the effectiveness of the system of internal control.
- Statement of responsibilities for the statement of accounts – records the respective responsibilities of the Joint Committee and Treasurer.
- Income and Expenditure Account – reports the net cost for the year of all the functions for which the Joint Committee is responsible and how they have been financed.
- Statement of Movement on the General Fund Balance – discloses the adjustments necessary to determine the movement on the General Fund Balance and incorporates the Statement of Gains and Losses.
- Balance Sheet – this sets out the financial position on 31 March 2010.
- Cash Flow Statement – this summarises cash coming in or going out from transactions with others for revenue and capital purposes.

3. Where the money comes from

The Joint Committee's income comes from central government via Partnership for South Hampshire (PUSH) contribution in the form of New Growth Point Funding and also from partner contributions. Interest is also earned on day to day balances. See Table 1. below for details.

Table 1 – TfSH Resources 2009/10

	Total Funds 2009/10 £'000
Revenue funds	
Core Partner contributions (local authorities)	623
Balance b/f from previous year	134
PUSH contribution	250
Highways Agency	50
Department for Transport	25
South East England Partnership Board (SEEPB)	170
Interest on balances	4
Total	1,256
Capital funds	
Balance b/f from previous year	700
PUSH contribution	2,847
Total	3,547

4. Overview of the year – revenue account

TfSH's adjusted cash limited adjusted budget was £1.256m which was £122,000 higher than the revised budget, mainly due to higher contributions from partners. Total expenditure for the year was £693,000. The main components of the 2009/10 revenue budget and actual expenditure are set out in Table 2 below:

Table 2

Budget Heading	Revised Budget £'000	Cash Limited Adjusted Budget £'000	Actual Spend £'000	Variation £'000
Wider Bus Rapid Transit studies	100	100	148	+48
Eastern access to Southampton	60	60	44	-16
Strategic Development Area (SDA) study – Hedge End / Fareham	100	100	0	-100
Strategy - Reduce	25	25	14	-11
Strategy - Manage	25	25	0	-25

Budget Heading	Revised Budget £'000	Cash Limited Adjusted Budget £'000	Actual Spend £'000	Variation £'000
Access to Gosport	50	50	53	+3
Developing the Evidence base	248	248	51	-197
Delivering a Sustainable Transport Study (DaSTS)	170	170	170	-
Office Staff and Support / Finance / Audit etc	68	68	212	+144
Public Relations and Marketing	0	0	2	+2
Dunsbury Hill Farm	50	50	0	-50
Contingency / Carry Forward	238	360	-1	-361
Total	1,134	1,256	693	-563

5. Overview of the year – capital account

In 2009/10 TfSH spent £3,547,000 on capital projects – which is shown in Table 3 below.

Table 3

Scheme	Revised Budget Allocation £'000	Actual Grant Received £'000	Actual Spend £'000	Lead Authority
M27 Junction 5 – Phase 1	1,914	1,747	1,747	HCC
Tipner – Preliminaries and Design Works of M275 Slip Road	1,100	1,100	1,100	PCC
Access to Strategic Sites	700	700	700	HCC
Total	3,714	3,547	3,547	

6. Further information

Further information can be obtained about the accounts from the Treasurer to the Transport for South Hampshire Joint Committee at the County Treasurer's Department, Hampshire County Council, The Castle, Winchester, Hampshire, SO23 8UB, telephone (01962 846931), or email tom.niedrum@hants.gov.uk.

STATEMENT OF ACCOUNTING POLICIES

1. General principles

- 1.1 The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in Great Britain: A Statement of Recommended Practice (SORP) 2009 and the Accounts and Audit Regulations 2003. Any significant non-compliance is explained in the following notes.

2. Debtors and creditors

- 2.1 Debtors and creditors have been accrued in accordance with the Code of Practice.

3. Reserves and provisions

- 3.1 Specific amounts are set aside as reserves for future policy purposes or to cover contingencies. Reserves are created by transferring amounts in the Statement of Movement on the General Fund Balance. Expenditure on items for which the reserves were originally created is shown as service expenditure in the Income and Expenditure Account and then transferred back into the General Fund Balance Statement so that there is no net charge against council tax for the expenditure. Variations to earmarked reserves are shown in the notes to the accounts.
- 3.2 Provisions represent legal liabilities when the amount or date of payment is uncertain. They are charged to the revenue account in the year they are recognised.
- 3.3 TfSH currently maintains no such reserves or provisions.

4. Fixed assets

- 4.1 TfSH does not own any fixed assets.

5. Specific revenue government grants

- 5.1 Government grants for specific purposes are included in the accounts on the basis of the grant conditions that apply. These grants are shown against the relevant service in the Income and Expenditure Account.

6. Financial Instruments

- 6.1 In accordance with Financial Reporting Standard (FRS 26) long-term debtors, debtors, payments in advance and temporary lending are classified as loans and receivable financial instruments. Creditors, receipts in advance and temporary and long-term borrowing are classified as financial liabilities at amortised cost.
- 6.2 The Authority has not granted any soft loans.

ANNUAL GOVERNANCE STATEMENT

1. SCOPE OF RESPONSIBILITY

Transport for South Hampshire (“TfSH”) is a Joint Committee comprising three local authorities (“the Councils”). The purpose of TfSH is to coordinate the transport requirements of Hampshire County Council, Portsmouth City Council and Southampton City Council in the wider context of South Hampshire, to meet existing and future transport needs in the sub-region. The primary governance arrangements that apply directly to those members and officers of the Councils who are engaged in TfSH activities are those maintained by their own individual local authority (for example, Codes of Conduct). The relationship between the Councils in respect of TfSH are set out in the Joint Agreement (“the Agreement”) which has been approved by each of the Councils at a full council meeting. A copy of the Agreement is available at:

<http://www3.hants.gov.uk/tfsh-legal-agreement.pdf>

Southampton City Council’s Solicitor to the Council (and their Monitoring Officer) has also been appointed as the Lead Advisor on legal and constitutional issues for TfSH, and also the statutory Monitoring Officer for TfSH. As such, the Southampton City Council governance arrangements take precedence, and form the basis of TfSH’s governance framework for the operation of the Joint Committee and its activities.

Hampshire County Council has been appointed as the lead authority for financial matters and the County Treasurer is the statutory Chief Financial Officer (“CFO”) for TfSH. As such, Hampshire County Council’s financial regulations take precedence, and form the basis of TfSH’s own financial protocols.

TfSH (“the Joint Committee”) is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Joint Committee also has a duty under the Local Government Act 1999 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 this overall responsibility, the Joint Committee is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.

In addition to the Agreement, the Joint Committee has established financial protocols (“the Protocols”) for TfSH. These have been in operation from the start of the year, but due to the interdependencies with the financial protocols for the Partnership for Urban South Hampshire (“PUSH”), interim delegations were given to the Project Director to formalise the process, until the full Protocols were agreed by the Joint Committee on 29 April 2009. These Protocols are to be reviewed in June 2010. The documents are available at:

<http://www.hants.gov.uk/decisions/decisions-docs/081017-tshjcc-R1010111724.html>
<http://www.hants.gov.uk/decisions/decisions-docs/090429-tshjcc-R0422154443.html>

2. THE PURPOSE OF THE GOVERNANCE FRAMEWORK

The governance framework comprises the systems and processes, and culture and values, by which the Joint Committee is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Joint Committee to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and 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 Joint Committee's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place for the Joint Committee for the year ended 31 March 2010 and up to the date of approval of the statement of accounts.

3. THE GOVERNANCE FRAMEWORK

The following describes the key elements of the systems and processes that comprise the Joint Committee's governance arrangements including arrangements for:

Identifying and communicating the Joint Committee's vision of its purpose and intended outcomes for citizens and service users:

The sub-regional strategy for South Hampshire sets out objectives to provide sustained economic vitality and viability with a high quality of life for all. Transport for South Hampshire will develop an integrated transport network that supports these key principles at a time of economic and housing growth.

Those objectives need to be translated into actions that will deliver change. TfSH's Business Plan sets out how the sub-regional strategy is to be delivered. This first Business Plan covers the period 2007-09, and is available from:

<http://www.hants.gov.uk/decisions/decisions-docs/071122-countc-R1115155749.html>
<http://www.hants.gov.uk/decisions/decisions-docs/071122-countc-R1115155802.html>

It was reviewed by the Joint Committee at its meeting of 30 June 2009, along with the adoption of the 2009 -11 Business Plan, which is available from:

<http://www.hants.gov.uk/decisions/decisions-docs/090630-tshjcc-R0623162750.html>
<http://www.hants.gov.uk/decisions/decisions-docs/090630-tshjcc-R0623162718.html>
<http://www.hants.gov.uk/decisions/decisions-docs/090630-tshjcc-R0623162723.html>

In addition to the Business Plan, the Joint Committee approved a “TfSH Statement: Towards Delivery” in April 2008, as the basis of the transport strategy and the packages of interventions required in order to deliver the growth agenda.

TfSH has been working with the South East England Partnership Board and the Regional Transport Board on Developing a Sustainable Transport Strategy (DaSTS) for the sub-region, and has embarked on producing a new Local Transport Plan (LTP3) for submission by March 2011.

TfSH is the transport delivery agency for the South Hampshire sub-region in respect of high level strategy, policy formulation, project prioritisation and development, and as a conduit to secure and distribute financial resources. It covers Portsmouth, Southampton and part of Hampshire. This TfSH Statement sets out issues and priorities for the area in the context of planned growth. There are three main strands of the strategy: Reduce-Manage-Invest. All can work together to enable the planned growth and to deliver the development sites identified.

The report and Statement are available at:

<http://www.hants.gov.uk/decisions/decisions-docs/080414-tshjcc-R0408161647.html>
<http://www3.hants.gov.uk/tfsh-towards-delivery-april-2008.pdf>

TfSH is a part of the South Hampshire Agreement which is the Multi Area Agreement (“MAA”) for South Hampshire. The MAA as a whole has been led by PUSH, whilst the transport element has been led and prepared by TfSH.

The MAA proposes a total of eight outcomes and eight enabling measures. With these in place, PUSH and its key partners – Job Centre Plus, Learning and Skills Council, Business Link, SEEDA and Transport for South Hampshire – will achieve more rapid and certain progress in delivering the PUSH / TfSH Business Plans and sub-regional strategy. This in turn will support the achievement of objectives and targets in the Regional Economic Strategy and national Public Service Agreements, particularly relating to skills, employment, housing supply and regional economic performance.

The MAA is available at:

http://www.push.gov.uk/priorities/multi_area_agreement.htm

In the context of TfSH’s role in co-ordinating existing and future transport requirements across the South Hampshire sub-region, the future aspirations of the Partnership for South Hampshire (PUSH) also need to be

accommodated. To facilitate this a new Transport Chapter has now been added to the Multi Area Agreement and can be found at:

<http://www.hants.gov.uk/decisions/decisions-docs/100122-tshjcc-R0118164430.html>
<http://www.hants.gov.uk/decisions/decisions-docs/100122-tshjcc-R0118164447.html>

Reviewing the Joint Committee's vision and its implications for the governance arrangements:

Southampton City Council has adopted a Code of Corporate Governance ("CCG") which identifies in one core document how the Council ensures that it runs itself in a lawful, structured, ethical and professional manner. The CCG is administered by the Monitoring Officer and is updated periodically by the Council's Standards and Governance Committee. As TfSH follows Southampton's governance arrangements (its Constitution etc) subject to where Hampshire County Council's financial regulations take precedence, and form the basis of TfSH's own financial protocols (as Hampshire's CFO is TfSH's CFO), Southampton's CCG reflects and represents TfSH's governance arrangements. The full document is published on the City Council's internet site at:

http://www.southampton.gov.uk/Images/Code%20of%20Corporate%20Governance%20-%20April%202010_tcm46-259807.pdf

Measuring the quality of services for users, for ensuring they are delivered in accordance with the authority's objectives and for ensuring that they represent the best use of resources:

The Joint Committee set an initial budget at its meeting of 29 April 2009. Monitoring reports are considered on a broadly quarterly basis. These reports are available at:

<http://www.hants.gov.uk/decisions/decisions-docs/090429-tshjcc-R0422154432.html>
<http://www.hants.gov.uk/decisions/decisions-docs/090930-tshjcc-R0924123504.html>
<http://www.hants.gov.uk/decisions/decisions-docs/100122-tshjcc-R0118163546.html>

The Joint Committee reviews its performance on an annual basis, and is currently reviewing the Business Plan in the light of the outcomes during 2009/10. A performance monitoring framework was considered by the Joint Committee at its meeting of 30 September 2009. The report is available at:

<http://www.hants.gov.uk/decisions/decisions-docs/090930-tshjcc-R0924123529.html>

Defining and documenting the roles and responsibilities of the executive, scrutiny and officer functions, with clear delegation arrangements and protocols for effective communication:

The Joint Committee has a Joint Agreement and Financial Protocols setting out how it operates, how decisions are made and the procedures followed to ensure that these are efficient, transparent and accountable to local people. Some of these processes are required by the law, while others are a matter for the Joint Committee to choose.

The Financial Protocols set out the detailed rules governing the Joint Committee's business including details of the scheme of delegation that provide for delegation to senior officers (Lead Chief Officer and the Project Director).

Developing, communicating and embedding codes of conduct, defining the standards of behaviour for members and staff:

Members and officers acting on behalf of TfSH are required to follow their individual authority 'Members' Code of Conduct' or 'Officer Code of Conduct' as appropriate.

The Members' Code covers areas of individual behaviour such as Members not abusing their position or not misusing their authority's resources. In addition there are rules governing disclosure of private interests and withdrawal from meetings where Members have relevant interests. Members are also required to record on the public register their financial and other interests.

Reviewing and updating standing orders, standing financial instructions, a scheme of delegation and supporting procedure notes/manuals, which clearly define how decisions are taken and the processes and controls required to manage risks:

The Joint Agreement sets out how the Joint Committee operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable to local people. This includes information on how the Joint Committee operates, how decisions are made and the role of overview and scrutiny.

Periodically, as appropriate, the Monitoring Officer, together with the Project Director and Treasurer, conducts a review of the Joint Committee's governance arrangements, which are considered by the Joint Committee from time to time.

All reports submitted to the Joint Committee for a decision must receive legal and financial clearance prior to publication in accordance with the published procedures.

Undertaking the core functions of an audit committee, as identified in CIPFA's Audit Committees – Practical Guidance for Local Authorities:

It is not practical for TfSH to have a formally constituted Audit Committee whose role would be to provide independent assurance to the Joint Committee on the adequacy of the risk management framework and the internal control and reporting environment, including (but not limited to) the reliability of the financial reporting process and the annual governance statement.

The Joint Committee therefore acts in this capacity directly to receive the accounts, annual governance statement and the reports of the appointed auditor.

Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful

It is the role of the Monitoring Officer and the Treasurer to ensure compliance with relevant laws and regulations and that expenditure is lawful. This is achieved through the governance framework including the Joint Agreement itself and the Financial Protocols.

Whistle-blowing and receiving and investigating complaints from the Public

Any complaints received by the Joint Committee in respect of unlawful conduct, illegality, financial malpractice or dangers to the public, employees or the environment would be dealt with by the Monitoring Officer, in line with Southampton City Council's procedures.

The Joint Committee does not employ staff directly, but rather by the relevant constituent authorities, mostly Hampshire County Council. Each council is required to have its own whistle blowing policy, and staff can utilise these for any activities of TfSH. Hampshire County Council's policy is published on its intranet, which is accessible to all staff and a link is provided below:

http://intranet.hants.gov.uk/whistleblowing_procedure.pdf

Identifying the development needs of members and senior officers in relation to their strategic roles, supported by appropriate training:

The Councils individually have their own programmes for member and senior officer learning and development to cover general development needs. From time to time, TfSH organises member and senior officer workshops to address emerging development needs specific to the Joint Committee.

Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation:

TfSH has not yet established a Communications Strategy, although, the Joint Committee is able to draw on the existing communication channels of the Councils. A communications audit is currently being undertaken and the findings will form the basis for developing the communications strategy.

4. REVIEW OF EFFECTIVENESS

The Joint Committee has a responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the Project Director, Monitoring Officer and Treasurer.

The review process, applied in respect of maintaining and reviewing the effectiveness of the system of internal control, is informed by:

- the work of Members/Officers within the Joint Committee;
- audit and other periodic reports from the Internal Auditor;
- reports received from service review agencies or inspectorates where appropriate, and
- the external auditors in their annual audit letter.

The Joint Committee

The Joint Agreement forms the cornerstone of effective corporate governance, supported by the Governance Framework and the Financial Protocols. It has been approved by the full Council meetings of each of the partner local authorities.

The Joint Committee acting as an audit committee

The Joint Committee receives reports to meet certain statutory obligations, such as approving the Annual Governance Statement, the Statement of Accounts and receiving the annual external auditor's report.

The Senior Management Board

The Senior Management Board is an informal body and without statutory powers or authority, save as directly delegated to individual officers by their authority/the Joint Committee of TfSH. Its terms of reference include:

- Provide policy advice to the Joint Committee and to implement the decisions of the Joint Committee.
- Provide policy advice on behalf of the parties to the Joint Committee.
- Implement and deliver the decisions of the Joint Committee.
- Provide advice and guidance to the Joint Committee within the specific terms of reference of the Joint Committee.
- Monitor and review the activities of the Working Groups.
- Monitor the Business Plan and delivery and to recommend future iterations of the Business Plan to the Joint Committee.

The Working Groups

The Working Groups are informal bodies and without statutory powers or authority save as directly delegated to individual officers by their authority/the

Joint Committee of TfSH. These working groups change from time to time to reflect the priorities of the partnership. The Strategy Working Group is the key standing forum to engage the partners in defining the work of the partnership. Currently, the working groups cover:

- Transport strategy
- Strategic traffic management and information
- Reducing the impact on the existing network

The terms of reference include:

- Provide advice and guidance to the Senior Management Board and Joint Committee within the specific terms of reference of each Working Group.
- Monitor and review the budget, governance, financial compliance matters and issues where appropriate.
- Monitor the action plan and delivery.
- As delegated by the Joint Committee/Working Group, to be responsible for operational decision making and the day-to-day management of projects and activities carried out in the name of, or on behalf of, TfSH.

Internal audit

The Joint Committee does not operate an Internal Audit function. However, the County Council's internal audit function does undertake an assurance role that provides an independent and objective opinion to the Treasurer and to the external auditor to ensure that the financial systems and controls are in place. The audit plan for TfSH is agreed with the Treasurer, Project Director and external auditor, and is incorporated within Hampshire County Council's Environment Department's cyclical audit plan.

The Internal Audit Section is subject to regular review by the Joint Committee's external auditors who seek to place reliance on the work carried out by the section.

Other explicit review/assurance mechanisms.

The Annual Governance Statement is reviewed each year. This statement, insofar as it is applicable to a Joint Committee, follows the guidance set out within the CIPFA/SOLACE framework: "Delivering Good Governance in Local Government" published in June 2007.

The annual review of the effectiveness of the governance arrangements for TfSH, leading to the production of this Annual Governance Statement, has taken cognisance of the areas for improvement identified in the Annual Governance Report. This was presented to the Committee at its meeting of 30 September 2009, and subsequently an Improvement Plan was also approved by the Committee at its meeting of 22 January 2010.

5. SIGNIFICANT GOVERNANCE ISSUES

The Annual Governance Report highlighted one significant governance issue in relation to risk management. This has been addressed through the development of a strategic risk register, which will be considered by the Joint Committee at its June meeting alongside these accounts. No other significant governance issues have been identified, however we will continue to review our governance arrangements from time to time and on at least an annual basis.

We propose over the coming year to take appropriate steps to address matters arising out of such reviews to further enhance our governance arrangements. We are satisfied that this will address the need for any improvements that might be identified in our review of effectiveness and will monitor their implementation and operation as part of any subsequent review.

Signed _____

Councillor Mel Kendal
(Chairman)

Signed _____

Keith Willcox
(Project Director)

STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS - JOINT COMMITTEE

1. The Joint Committee's responsibilities

The Joint Committee is required:

- to make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of those affairs. In this Authority, that officer is the Treasurer;
- to manage its affairs so as to secure economic, efficient and effective use of resources and safeguard its assets; and
- to approve the Statement of Accounts.

2. The Chairman's statement

I certify that the Statement of Accounts for 2009/10 were considered and approved at the Joint Committee meeting on 21 June 2010.

Councillor Mel Kendal
Chairman – Joint Committee
21 June 2010

STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS - TREASURER

1. The Treasurer's responsibilities

The Treasurer is responsible for the preparation of the Joint Committee's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in Great Britain ('the code of practice').

In preparing this statement of accounts, the Treasurer has sought to:

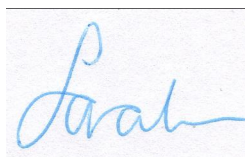
- select suitable accounting policies and apply them consistently
- make judgements and estimates that were reasonable and prudent
- comply with the Code of Practice on Local Authority Accounting in Great Britain

The Treasurer has also:

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

2. The Treasurer's statement

I certify that the Statement of Accounts presents fairly the financial position of the Transport for South Hampshire as at 31 March 2010 and its income and expenditure for the year ended 31 March 2010.



Sarah Pook BSc (Hons) CPFA MCIPD
Treasurer
10 June 2010

INDEPENDENT AUDITOR'S REPORT

***Independent auditor's report to the Members of the Transport
for South Hampshire***

Opinion on the financial statements

The auditor's opinion and certificate will appear here following the completion of the audit for inclusion in the final published accounts.

INCOME AND EXPENDITURE ACCOUNT

2008/09 Total net spend		Note	2009/10 Revenue expenditure	Grants for capital purposes	Total net expenditure
£			£	£	£
2,247,581	Highways, roads and transport services: Transport for South Hampshire	1,2,3	692,257	3,547,184	4,239,441
2,247,581	Net cost of services		692,257	3,547,184	4,239,441
-15,200	- Interest payable Interest receivable	4			-3,985
	- Net operating expenditure				2,232,381
-279,000	PUSH funding – revenue				-250,000
-1,700,000	PUSH funding – capital				-2,847,184
-1,087,274	Partnership contributions	5			-867,654
-833,894	Surplus (-) / deficit (+) for year				-270,618

STATEMENT OF MOVEMENT ON THE GENERAL FUND BALANCE

2008/09	Note	Revenue	2009/10 Capital	Total
£		£	£	£
-	General Fund balance brought forward	-133,894	-700,000	-833,894
-833,894	Surplus (-) / deficit (+) for the year on the Income and Expenditure Account	-429,382	700,000	270,618
-833,894	Balance on General Fund carried forward	-563,276	-	-563,276

STATEMENT OF RECOGNISED GAINS AND LOSSES

The only recognised gains and losses are incorporated into the Income and Expenditure Account and the Statement of Movement on the General Fund Balance.

BALANCE SHEET

2008/09		Note	2009/10
£			£
	Current assets:		
-	Debtors	6	-
-	Payments in advance		-
1,250,319	Cash		586,123
1,250,319	Total current assets		586,123
	Current liabilities:		
416,425	Creditors	7	22,847
-	Receipts in advance	8	-
416,425	Total current liabilities		22,847
833,894	Net current assets		563,276
	Financed by:		
	General reserves		
133,894	For revenue purposes		563,276
700,000	For capital purposes		-
833,894			563,276

CASH FLOW STATEMENT

2008/09 £		Note	2009/10 £
	Revenue activities		
	Cash outflows:		
1,231,156	Operating costs		693,682
1,231,156			693,682
	Cash inflows:		
-279,000	Specific Government grants (NGP)		-259,000
-1,087,275	Other income		-687,654
-1,366,275			-1,117,654
-135,119	Net cash inflow from revenue activities	9	-423,972
	Returns on investments and servicing of finance		
	Cash outflow:		
-	Interest paid		-
	Cash inflow:		
-15,200	Interest received		-3,985
-15,200	Net cash inflow from servicing of finance		-3,985
	Capital activities		
	Cash outflow:		
600,000	Grants for capital purposes		3,939,336
600,000			3,939,336
	Cash inflows:		
-1,700,000	Capital grant		-2,847,184
-1,100,000	Net cash inflow (-) / outflow (+) from capital activities	10	1,092,153
-1,250,319	Net cash inflow (-) / outflow (+)		664,196

Note: Cash inflows are shown as negative numbers (-), outflows as positives.

NOTES TO THE CORE FINANCIAL STATEMENTS

1 Apportionment of costs from corporate and democratic core

Apportionments are not required as all TfSH expenditure falls under the Highways, Roads and Transport Studies heading.

2 Project specific income

There is no project specific income within TfSH's accounts.

3 Payments to partners

The table below sets out payments to partners from TfSH in 2009/10:

Council	Revenue	Capital
	£	£
Hampshire County Council	156,965	2,447,184
Portsmouth City Council	0	1,100,000
Southampton City Council	73,097	0
Total	233,062	3,547,184

4 Interest received

The Treasurer to the Joint Committee is also County Treasurer of Hampshire County Council. The balance held on the TfSH account is pooled with that of the County Council and interest is paid based on the average 7-day rate.

5 Partner contributions

Council	£
Hampshire County Council	300,000
Portsmouth City Council	100,000
Southampton City Council	100,000
Other Partner Contributions	
Hampshire County Council	122,654
Total partner contributions	622,654
Other external bodies funding	245,000
Total	245,000
Total income for the year	867,654

6 Debtors

There are no debtors at 31 March 2010.

7 Creditors

	2008/09	2009/10	2009/10	2009/10
		Revenue	Capital	Total
	£	£	£	£
Government departments	14,800	15,000	-	15,000
Other local authorities	401,625	-	-	-
Sundry creditors	-	-	7,847	7,847
	416,425	15,000	7,847	22,847

Government departments includes HM Revenues and Customs.

8 Receipts in advance

There are no receipts in advance at 31 March 2010.

9 Reconciliation of Income and Expenditure Account to net cash inflow from revenue activities

	£
Surplus on Income & Expenditure Account	-429,382
Increase in debtors	-
Decrease in creditors	1,425
Increase in receipts in advance	-
Less interest received	3,985
	-423,972

10 Reconciliation of Income and Expenditure Account to net cash outflow from capital activities

	£
Deficit on Income & Expenditure Account	700,000
Increase in debtors	-
Decrease in creditors	392,153
Increase in receipts in advance	-
	1,092,153

11 Disclosure of audit costs

In 2009/10, the Joint Committee paid a total fee to the Audit Commission of £15,000.

12 Financial instruments

In accordance with Financial Reporting Standard (FRS 26) debtors, payments in advance and temporary lending are classified as loans and receivable financial instruments. Creditors, receipts in advance and temporary borrowing are classified as financial liabilities at amortised cost. All such elements included in the balance sheet are short term and have been valued at face value, which is a reasonable assessment of fair value.

13 Other notes that require disclosure but which this Joint Committee has nothing to report

- There are no publicity costs in the year.
- There have been no acquired or discontinued operations during the year.
- There were no exceptional items, extraordinary items or prior period adjustments in the year.
- The Joint Committee has no undischarged obligations from long-term projects.
- The Joint Committee does not have any intangible fixed assets.
- The Joint Committee does not have a controlling or dominant influence in any company.
- The Joint Committee has no interests that would require the production of group accounts.
- The Joint Committee has no Business Improvement District Schemes in operation.
- The Joint Committee has no discretionary expenditure or pooled funds under the Health Act 1999.
- The Joint Committee does not administer any trust funds.
- The Joint Committee does not have any interest in building control and therefore no requirement to produce building control accounts.
- The Joint Committee does not operate a scheme under the Transport Act 2000.
- The Joint Committee does not have any PFI schemes.

- No Allowances have been paid to Members.
- There are no related party transactions involving Members or Officers.
- There have been no post balance sheet events up to the date of the issue of the accounts to the Joint Committee.