



Barrow Borough Council Summary of Accounts 2006-2007



Details of the Council's Spending During 2006-2007 - Including:
Housing, Leisure, Cleansing, Economic Development and Planning.

Treasurer's Statement

The Council's Statement of Accounts has been prepared in accordance with the Accounting Code of Practice for Local Authorities. The figures in this summary were originally compiled having regard to proper accounting practice. For the purposes of this statement some modifications were made to provide more meaningful information.

The Audit Commission is expected to issue an unqualified opinion on the Council's full accounts for 2006-2007.

A full copy of the Council's 2006-2007 audited accounts is available for examination on request. The accounts are also available on the Council's web site at www.barrowbc.gov.uk.

Financial Review for the Year

The following statement by the Borough Treasurer describes some of the key points on the Council's stewardship of public funds.

Financial performance

We budgeted to break even in 2006-2007. The year end position was a surplus of £558,664 after adding £500,000 to the earmarked reserves. This was mainly due to higher than expected income.

Council Housing

The Council owns 2,781 houses, rented out to tenants. The income generated from rental income was in excess of £7,500,000 and after making all the payments for the management and maintenance of the houses, the year end position was a surplus of £645,222.

Capital Expenditure

This type of expenditure represents money spent by the Council for the purpose of purchasing, upgrading or improving assets such as buildings. The distinction from revenue expenditure is that the Council receives the benefits from capital expenditure over a longer period of time. The capital expenditure for the year was over £17,000,000.

The following pages contain the three main accounts that the Council must hold separately:

- General Revenue Account
- Housing Revenue Account
- Council Tax Account

Revenue expenditure represents money spent by the Council on the day to day running costs of providing services to the public. The benefit received from this type of expenditure is consumed within the financial year ended 31st March 2007.

M Saleh
Borough Treasurer

The cost of Council services General Revenue Account for the year ended 31 March 2007

The account below shows the cost of providing Council services to the public between April 2006 and March 2007.

The total income for the year was £12,586,310
£1,365,536 (11%) was from the government.

£7,074,008 (56%) was the Council's share of the business rates national pool.

The local tax-payers paid £4,089,381 (33%) towards the cost of providing local services.

Money in hand at start (1)	1,043,034
Money received from:	
Government grant	1,365,536
Business rates	7,074,008
Council Tax	4,089,381
Other	57,385
Total money received (2)	12,586,310
Money spent on services:	
Leisure and recreation	1,745,039
Museum & Arts	1,178,727
Economy and planning	911,258
Refuse and street cleaning	2,722,589
Environmental health	790,517
Concessionary Travel	871,416
Benefits for low income groups	645,371
Private sector housing	191,283
Corporate democratic governance	1,324,037
Services to the public	614,531
Net cost of services	10,994,767
Interest on borrowing and other items	460,879
Parish councils budgets	72,000
Total money spent (3)	11,527,646
Spare funds not used (4) [2 minus 3]	1,058,664
Money put aside for future use (5)	(500,000)
Money in hand at end (6) [1 plus 4 minus 5]	1,601,698

The Council Tax revenue account for the year ended 31 March 2007

The account below shows the amounts collected from the council tax payers of the borough and the use of the funds.

Money in hand at start (1)	72,873
Money paid by local tax payers	29,622,665
Money paid by local businesses	18,808,617
Total funds in hand (2)	48,431,282
Fund given to/used for:	
The County for services they deliver	21,623,083
The Police for services they deliver	3,459,089
The Borough for own services	4,089,381
The Government for business rates	18,703,799
The cost of collecting business rates	104,818
Providing for bad debts	160,669
Other items	14,686
Total fund used (3)	48,155,525
Spare funds not used (4) [2 minus 3]	275,757
Money in hand at end (5) [1 plus 4]	348,630

The council tax is collected on properties in the borough based on 8 valuation bands. For the year 2006-2007 the council tax was:

	Band A	Band D
The County share	679.62	1,019.43
The Police share	108.72	163.08
The Borough share	126.27	189.40
Total paid by taxpayer	914.61	1,371.91
Dalton taxpayers pay	928.10	1,392.15
Askam taxpayers pay	926.63	1,389.95
Lindal taxpayers pay	919.71	1,379.57

Balance Sheet - what the Council owns and is owed

	<u>31 March 2007</u>
Buildings and land owned	142,464,357
Cash in bank	1,500,000
Money owed to the Council	11,108,194
Money owed by the Council	(7,673,934)
Provisions and grants	(31,141,841)
	<u>116,256,776</u>
Finance by:	
Borrowing	29,000,000
Non-distributable reserves(*)	81,433,129
Distributable reserves(**)	5,823,647
	<u>116,256,776</u>

(*) Non-distributable reserves are balances not available for spending.

(**) Distributable reserves comprises the following balances:

General revenue account balance	1,601,698
Housing revenue account balance	2,576,559
Useable capital receipts	1,269,935
Other reserves	375,455

The Council has a duty under legislation to maintain a prudent level of balances. The Borough Treasurer has determined that a minimum £1,500,000 balance is required for the general revenue account and £650,000 for the housing revenue account.

Cash Flow

	Cash in hand at 31-3-2006	2,300,000
	Cash in	186,279,952
	Cash out	187,079,952
	Cash in hand at 31-3-2007	1,500,000

Capital Expenditure

Capital Expenditure generally represents money spent by the Council on purchasing, upgrading and improving assets such as buildings and land. The Council receives the benefit from this type of expenditure over a long period of time. Capital investment made during the year 2006-2007 was:

Public housing	2,178,606
Private housing grants and renewal	6,923,824
Public buildings	1,739,162
Other assets	6,813,453
Total	17,655,045



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Borough Council**

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