



Barrow Borough Council Summary of Accounts 2009-2010



Details of the Council's Spending During 2009-2010

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 by removing some of the more complicated technical accounting requirements which do not impact on the true cost of providing the services.

The Audit Commission is expected to issue an unqualified opinion on the Council's full accounts for 2009-2010.

A full copy of the Council's 2009-2010 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

The Council budgeted net expenditure for 2009-2010 was £13,742,000. The year end position left a surplus of £292,047 after keeping £1,876,125 in reserves.

Council Housing

The Council owns 2,717 houses, rented out to tenants. The income generated from rental income was £8,336,247 and after making all the payments for the management and maintenance of the houses, the year end position was a deficit of £22,919.

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 £11,640,005.

The following pages contain the three main accounts that the Council must legally 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 2010.

M Saleh
Borough Treasurer

The cost of Council services General Revenue Account for the year ended 31 March 2010

The account below shows the cost of providing Council services to the public between April 2009 and March 2010.

	%	£	Per head of Population £.p
Money in hand at start (1)		1,971,258	27.45
Money received from:			
Government grant	<i>31.0</i>	5,272,760	73.44
Business rates	<i>43.0</i>	7,316,049	101.89
Council Tax	<i>26.0</i>	4,437,775	61.81
Total money received (2)	100.0	17,026,584	237.14
Money spent on services:			
Leisure and recreation	<i>12.5</i>	1,856,960	25.86
Museum & Arts	<i>7.5</i>	1,107,347	15.42
Economy and planning	<i>8.9</i>	1,317,093	18.34
Refuse and street cleaning	<i>20.3</i>	3,022,193	42.10
Environmental health	<i>6.9</i>	1,021,064	14.22
Concessionary Travel	<i>5.0</i>	749,940	10.44
Corporate governance	<i>9.7</i>	1,440,450	20.07
Other services to the public	<i>7.5</i>	1,109,417	15.45
Private sector housing	<i>3.5</i>	516,380	7.20
Benefits and benefit administration	<i>4.0</i>	609,883	8.49
Net cost of services	85.8	12,750,727	177.59
Interest on borrowing and other items	<i>13.5</i>	2,005,685	27.93
Parish councils' budgets	<i>0.7</i>	102,000	1.42
Total money spent (3)	100.0	14,858,412	206.94
Spare funds not used (4) [2 minus 3]		2,168,172	30.20
Money put aside for future use (5)		1,876,125	26.13
Money in hand at end (6) [1 plus 4 minus 5]		2,263,305	31.52

The cost of providing Council Housing revenue account for the year ended 31 March 2010

The Council owns 2,717 homes. It is a legal requirement that all expenditure is met by rent income from tenants.

Money in hand at start (1)	845,979	Per House £.p
<i>Money received from:</i>		
Council house rents	8,336,247	3,068.18
Other income	662,851	243.96
Total money received (2)	8,999,098	3,312.14
<i>Money spent on:</i>		
Repairing and improving houses	2,959,661	1,089.31
Management	2,915,528	1,073.07
Cost of owning houses	1,561,600	574.75
Other costs	1,585,227	583.45
Total money spent (3)	9,022,016	3,320.58
Income exceeding expenditure (4) [2 minus 3]	(20,918)	
Money in hand at end (5) [1 plus 4]	823,061	

The type of homes owned by the Council: 1,454 houses
 1,263 flats

The number of homes was reduced by 18 during the year. 6 homes were sold to tenants and 12 flats were demolished.

There were 23 unlet houses at 31/3/2010.

Unpaid rents at 31/3/2010 were £327,326 of which £124,158 relates to former tenants.

The Council Tax for the year ended 31 March 2010

The key data for 2009-2010:

Council Tax collected in the year	£26,976,469
Paid to Cumbria County Council	£24,541,825
Paid to Cumbria Police	£4,053,196
Paid to Barrow Borough Council	£4,448,390
Deficit for the year to be shared amongst the three authorities in 2011-2012	£80,235

The council tax is collected on properties in the borough based on 8 valuation bands. For the year 2009-2010 the council tax was:

	Band A	Band D
The County share	759.89	1,139.84
The Police share	125.50	188.25
The Borough share	134.58	201.87
 Total paid by taxpayer	 1,019.97	 1,529.96
 Dalton taxpayers pay	 1,040.84	 1,561.27
Askam taxpayers pay	1,033.11	1,549.67
Lindal taxpayers pay	1,024.98	1,537.48

Balance Sheet - what the Council owns and is owed

	<u>31 March 2010</u>
Buildings and land owned	176,247,784
Cash in bank	1,125,842
Money owed to the Council	7,066,934
Money owed by the Council	(6,861,513)
Money borrowed	(22,389,734)
Provisions and grants	(79,218,839)
	<u>75,970,474</u>
Finance by:	
Non-distributable reserves (*)	65,727,261
Distributable reserves (**)	10,243,213
	<u>75,970,474</u>

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

(**) Distributable reserves comprise the following balances:

General revenue account balance	2,263,305
Housing revenue account balance	823,061
Useable capital receipts	1,908,986
Other reserves	5,247,861

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 31-3-2009	4,592,394
	Cash in	165,628,876
	Cash out	169,095,428
	Cash in hand at 31-3-2010	1,125,842

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 2009-2010 was:

Public housing	£1,791,215
Private housing grants and renewal	£3,556,202
Public buildings	£874,643
Link Road	£2,253,951
Other assets	£3,163,994
Total	£11,640,005

