

INCOME AND EXPENDITURE ACCOUNT

This account summarises the resources that have been generated and consumed in providing services and managing the Council during the last year. It includes all day-to-day expenses and related income on an accruals basis, as well as transactions measuring the value of fixed assets actually consumed and the real projected value of retirement benefits earned by employees in the year.

Net Expenditure 2005/06 £'000		Notes	Gross Expenditure 2006/07 £'000	Gross Income 2006/07 £'000	Net Expenditure 2006/07 £'000
843	Central Services to the Public		8,648	(7,729)	919
6,041	Cultural and Related Services		9,563	(3,276)	6,287
5,501	Environmental Services		7,810	(2,193)	5,617
2,845	Planning and Development Services		4,773	(2,344)	2,429
738	Highways, Roads and Transport Services		3,400	(2,444)	956
(833)	Housing Services		41,607	(42,442)	(835)
1,850	Corporate and Democratic Core		2,331	(12)	2,319
(885)	Non-Distributed Costs		826	-	826
16,100	Net Cost of Services	1 - 8	78,958	(60,440)	18,518
492	Gain or loss on the disposal of fixed assets				460
829	Parish Council Precepts				925
953	Contribution to Housing Pooled Capital Receipts				1,613
516	Interest Payable				476
(1,493)	Interest and Investment Income				(1,451)
	Pensions Interest Cost and Expected				
469	Return on Pensions Assets	19			138
17,866	Net Operating Expenditure				20,679
(6,863)	Demand on Collection Fund				(7,294)
(4,426)	General Government Grants				(2,627)
(3,834)	Non-Domestic Rates Distribution				(8,034)
2,743	Net General Fund Deficit				2,724

STATEMENT OF MOVEMENT ON THE GENERAL FUND BALANCE

The Income and Expenditure Account shows the Council's actual performance for the year, measured in terms of the resources consumed and generated over the last twelve months. However, the authority is required to raise council tax on a different accounting basis, the main differences being:

- Capital investment is accounted for as it is financed, rather than when the fixed assets are consumed.
- The payment of a share of housing capital receipts to the Government scores as a loss in the Income and Expenditure Account, but is met from the usable capital receipts balance rather than council tax.
- Retirement benefits are charged as amounts become payable to pension funds and pensioners, rather than as future benefits are earned.

The General Fund Balance compares the Council's spending against the council tax that it raised for the year, taking into account the use of reserves built up in the past and contributions to reserves earmarked for future expenditure.

This reconciliation statement summarises the differences between the outturn on the Income and Expenditure Account and the General Fund Balance.

2005/06 £'000		Notes	2006/07 £'000
2,743	Deficit for the year on the Income and Expenditure Account		2,724
	Net additional amount required by statute and non-statutory proper practices to be debited or credited to the General Fund Balance for the year	28	
<u>(2,843)</u>			<u>(2,724)</u>
(100)	(Increase) / Decrease in General Fund Balance		-
<u>(1,000)</u>	General Fund Balance brought forward		<u>(1,100)</u>
<u><u>(1,100)</u></u>	General Fund Balance carried forward		<u><u>(1,100)</u></u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

This statement brings together all the gains and losses of the Council for the year and shows the aggregate increase in its net worth. In addition to the deficit generated on the Income and Expenditure Account, it includes gains and losses relating to the revaluation of fixed assets and re-measurement of the net liability to cover the cost of retirement benefits.

2005/06 £'000		Notes	2006/07 £'000
2,743	Deficit for the year on the Income and Expenditure Account		2,724
(3,400)	Surplus arising on revaluation of fixed assets	9	(4,398)
(647)	Actuarial (gains) / losses on pension fund assets and liabilities	19	(3,609)
(39)	Movement on Collection Fund Balance	Coll. Fund 5	(41)
(402)	Other items		(132)
<u>(1,745)</u>	Total recognised gains for the year		<u>(5,456)</u>

CASH FLOW STATEMENT

Year Ended
31 March 2006
£'000

Notes
Year Ended
31 March 2007
£'000 £'000

REVENUE ACTIVITIES

Cash Outflows				
15,376	Cash paid to and on behalf of employees		15,899	
27,041	Other operating cash payments		18,502	
9,508	Housing Benefit paid out		10,532	
4,287	Payments to the National Housing Rent Pool		5,105	
51,007	Non-Domestic Rate payments to National Pool		53,312	
55,993	Precepts Paid		58,458	
1,022	Payments to the capital receipts pool		1,213	163,021
Cash Inflows				
(9,431)	Rents (after rebates)		(9,390)	
(55,920)	Council Tax Receipts		(59,264)	
(3,796)	Non-Domestic Rate receipts from National Pool		(8,034)	
(50,287)	Non-Domestic Rate receipts		(53,296)	
(4,426)	Revenue Support Grant		(1,607)	
(24,625)	DWP grants for Housing Benefits		(27,539)	
(2,541)	Other Government grants	25	(2,736)	
(11,112)	Cash received for goods and services		(11,929)	(173,795)
2,096	Net cash (inflow)/outflow from Revenue Activities	22		(10,774)

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

Cash Outflows				
2	Interest paid		1	
34	Interest element of finance lease rental payments		36	37
Cash Inflows				
(1,486)	Interest received			(1,512)
646				(12,249)

CAPITAL ACTIVITIES

Cash Outflows				
9,045	Purchase of fixed assets		6,059	
5,352	Purchase of long term investments	23	4,649	
2,883	Other capital cash payments		2,522	13,230
Cash Inflows				
(5,444)	Sale of fixed assets		(2,972)	
(2,000)	Disposal of investments		-	
(5,457)	Other capital cash receipts		(755)	(3,727)
5,025	NET CASH (INFLOW) / OUTFLOW BEFORE FINANCING			(2,746)

CASH FLOW STATEMENT

Year Ended
31 March 2006
£'000

Notes
Year Ended
31 March 2007
£'000 £'000

5,025	NET CASH (INFLOW) / OUTFLOW BEFORE FINANCING			(2,746)
MANAGEMENT OF LIQUID RESOURCES				
-	Net increase / (decrease) in short term deposits		-	
(4,878)	Net increase / (decrease) in other liquid assets	23	<u>1,117</u>	<u>1,117</u>
<u>147</u>				(1,629)
FINANCING				
Cash Outflows				
-	Repayments of amounts borrowed		-	
-	Short term loans repaid		-	
115	Capital element of finance lease rental payments		<u>18</u>	<u>18</u>
Cash Inflows				
-	New short term loans		-	
<u>262</u>	NET (INCREASE) / DECREASE IN CASH			<u>(1,611)</u>