

# Summary of accounts 2005/06

Statement by the Director of Corporate Resources

Plymouth City Council



[www.plymouth.gov.uk](http://www.plymouth.gov.uk)

Corporate  
Resources

Finance services

This leaflet shows the main financial results for the year for the activities undertaken by the Council. It summaries the day to day expenditure and income and highlights the changes in the financial position of the Council during the year. The Council incurs both revenue and capital expenditure. Generally, revenue spending relates to items consumed within the year, whereas capital expenditure creates an asset that has a life beyond one year.

The Council's accounts have been audited by the Audit Commission.

The figures in this summary were originally compiled having regard to proper accounting practice.

For the purposes of this statement some modifications have been made to provide more meaningful information.

A full copy of the Council's 2005/06 Statement of Accounts is available on our website:

[www.plymouth.gov.uk/councilanddemocracy/statement\\_of\\_accounts](http://www.plymouth.gov.uk/councilanddemocracy/statement_of_accounts)

or from:

Sandra Wilson,  
Assistant Head of Finance,  
Finance Department, Civic Centre,  
Plymouth PL1 2AA.  
Telephone 01752 304942.



**Adam Broome**  
**Director of Corporate Resources**

## Financial Review 2005/06

### Revenue Account for the Year Ended 31 March 2006

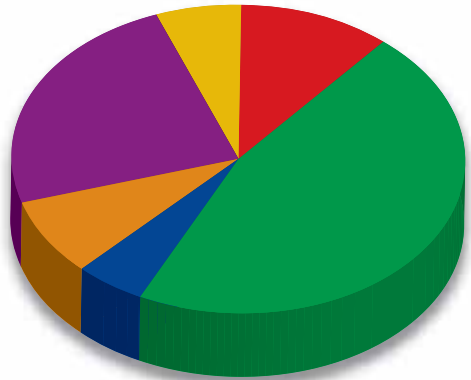
The revenue account sets out the cost of running Council services over a financial year, running from April 1 to March 31. It shows where the money came from to finance the costs and any surplus or deficit at the end of the financial year.

In 2005/06 the gross expenditure budget of the Council was £637.4M which gave net spending on the Council's General Fund services of £278.1M, after taking into account grants and other income, a surplus of £0.7M was returned for the year which has been transferred to the General Fund Reserve bringing the total on this reserve to £3.975M at 31 March 2006.

#### Expenditure on services

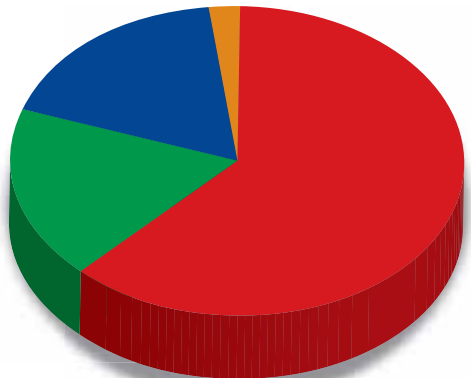
Total £278.1M

- Cultural, environmental and Planning services (11%)
- Education services (46%)
- Highways, roads and transport services (5%)
- Housing services (8%)
- Social services (24%)
- Central and corporate services (6%)



#### How the services are financed

- Government grants (62%)
- Council tax payers (18%)
- Fees, charges and rents (18%)
- Other income (2%)



## Balance Sheet as at 31 March 2006

The Balance Sheet shows the overall financial position of the Council as at 31 March. It shows what the Council owns and is owed by others (its assets) and what it owes to others (its liabilities), as well as the total balances and reserves at the Council's disposal.

	<i>£M</i>
<b>Assets</b>	
Buildings and land and other assets owned by the Council	1,328.8
Investments	70.7
Money owed to the Council	47.0
Cash in hand and other assets	7.1
<b>Total Assets</b>	<b>1,453.6</b>
<b>Liabilities</b>	
Loans Outstanding	232.9
Money owed by the Council	112.5
Pension scheme	231.1
<b>Total Liabilities</b>	<b>576.5</b>
<b>Net Assets</b>	<b>877.1</b>
<b>Financed by:</b>	
Capital balances and reserves	860.5
Revenue balances	16.6
<b>Total Balances and Reserves</b>	<b>877.1</b>

## Housing Revenue Account for Year Ended 31 March 2006

The Housing Revenue Account (HRA) is a separately maintained ring-fenced account showing income and expenditure associated with the provision, management and maintenance of Council Housing. The HRA generated a surplus of £0.783M in 2005/06, which was transferred to the HRA Working Balance increasing the balance to £2.491M at 31 March 2006.

The Council owned on average 15,666 properties in 2005/06 and average weekly rents were £48.25 (50 week basis).

*(Note: Amounts shown in brackets are income).*

### Income

	<b>£000s</b>
Council House Rents and service charges	(39,070)
Non Dwelling rents	(2,236)
Housing subsidy receivable	(1,457)
Other income	(1,151)
<b>Total income</b>	<b>(43,914)</b>

### Expenditure

Repairs and maintenance	14,392
Supervision and management	12,134
Capital financing costs	20,131
Other costs	2,067
<b>Total Expenditure</b>	<b>48,724</b>
<b>Net Operating Expenditure</b>	<b>4,810</b>
Transfers from/to reserves and internal accounting	(5,593)
<b>Surplus for year</b>	<b>(783)</b>

## Cash Flow Statement for period 1 April 2005 to 31 March 2006

The Cash Flow Statement analyses the movement in cash and cash equivalents.

Cash flows in come from Council tax payments, Government funding, rents and other charges made to service users, as well as from new loans taken out during the year.

Cash flows out result from payments to staff and suppliers and from repayment of loans.

	<b>£M</b>
Cash Held at end of March 2005	(4.5)
Plus - Cash in	(647.9)
Less - Cash out	648.8
Cash Held at end of March 2006	(3.6)

## Capital Expenditure 2005/06

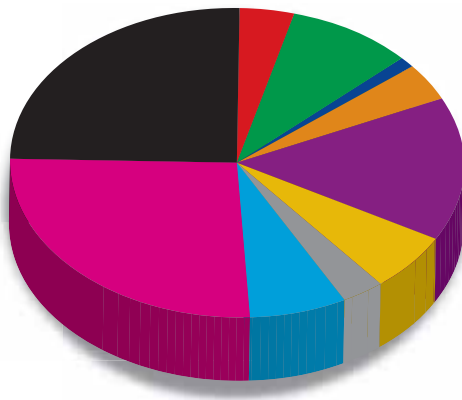
Capital Expenditure is generally the money spent by the Council on purchasing, upgrading and improving assets. The Council's total spend on its capital programme in 2005/06 was £69.7M.

This included £6.5M of redundancy costs for which the Council was given special dispensation to charge to capital from the Government.

### Expenditure on services

**Total £69.7M**

- Information technology and system replacement (4%)
- Redundancies (9%)
- Management of Council properties(1%)
- Environmental services (4%)
- Transport and highways schemes (15%)
- Regeneration schemes (6%)
- Social services (3%)
- Leisure facilities (7%)
- Education/schools (26%)
- Housing (25%)



Some of the major capital schemes undertaken during the year were:

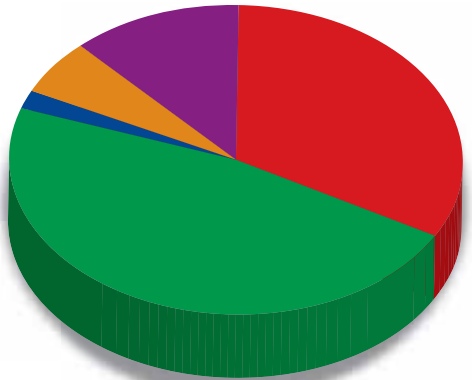
- Brickfields New Sports Hall and Athletic track;
- Waste Transfer Station and Recycling Developments;
- Efford Extra Care Housing;
- Stonehouse and Millbay Regeneration and Acquisition of potential investment properties;
- Transport Strategic investment and Highway construction;
- Longcause School Building development;
- Victoria Road Primary and Tamarfolk Childrens Centre;

- Overcrowding and basic needs improvements at Egguckland and John Kitto Community Colleges;
- Removal of temporary classrooms and provision of lift/library at Morice Town Primary School;
- Improvements to Council Stock, including Windows, Heating and new Kitchens and Bathrooms;
- Further works on regeneration improvements to the East End.

Our expenditure was financed as follows:

**Financing of capital expenditure**  
**(Total £69.7M)**

- Loans (33%)
- Capital grants and contributions (47%)
- Revenue and other (2%)
- Capital receipts (6%)
- MRA (12%)



## Collection Fund for period 1 April 2005 to 31 March 2006

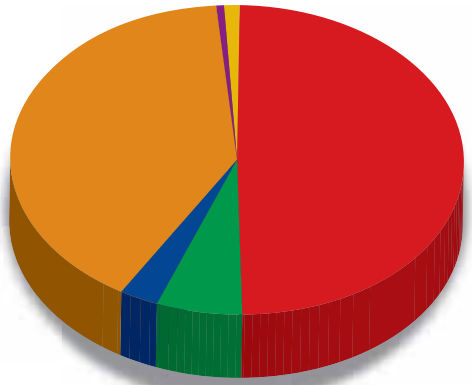
The Collection Fund shows the income received from council taxpayers, council tax benefit and business ratepayers and how it is distributed between the City Council, Devon and Cornwall Police Authority and Devon Fire Authority.

During the year the fund showed a surplus of £0.5M, giving a balance to be carried forward into 2006/07 of £1.7M which must be shared between the three organisations listed above.

### Total collection expenditure

**Total £148.3M**

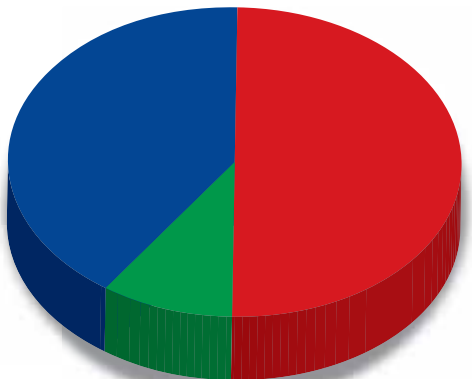
- Plymouth City Council services £73.43M
- Devon and Cornwall Police Authority £8.8M
- Devon Fire Authority £4.29M
- National Non-domestic rates £59.94M
- Provision for non-payment of Council tax £0.66M
- Other £1.1M



### Collection fund income

**(Total £148.8M)**

- Council tax payers (£74.51M)
- Benefits (£14.32M)
- Business ratepayers (£59.94M)





## Notes:

### **Comments and Feedback**

This is the first year that the accounts have been presented in this more summarised format. Your comments and feedback would be welcome by either emailing:

[corporate.accountancy@plymouth.gov.uk](mailto:corporate.accountancy@plymouth.gov.uk)

or in writing to:

Sandra Wilson,  
Assistant Head of Finance,  
Finance Department,  
Civic Centre, Plymouth,  
PL1 2AA.



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