

SUMMARY OF ACCOUNTS 2006/07

Introduction

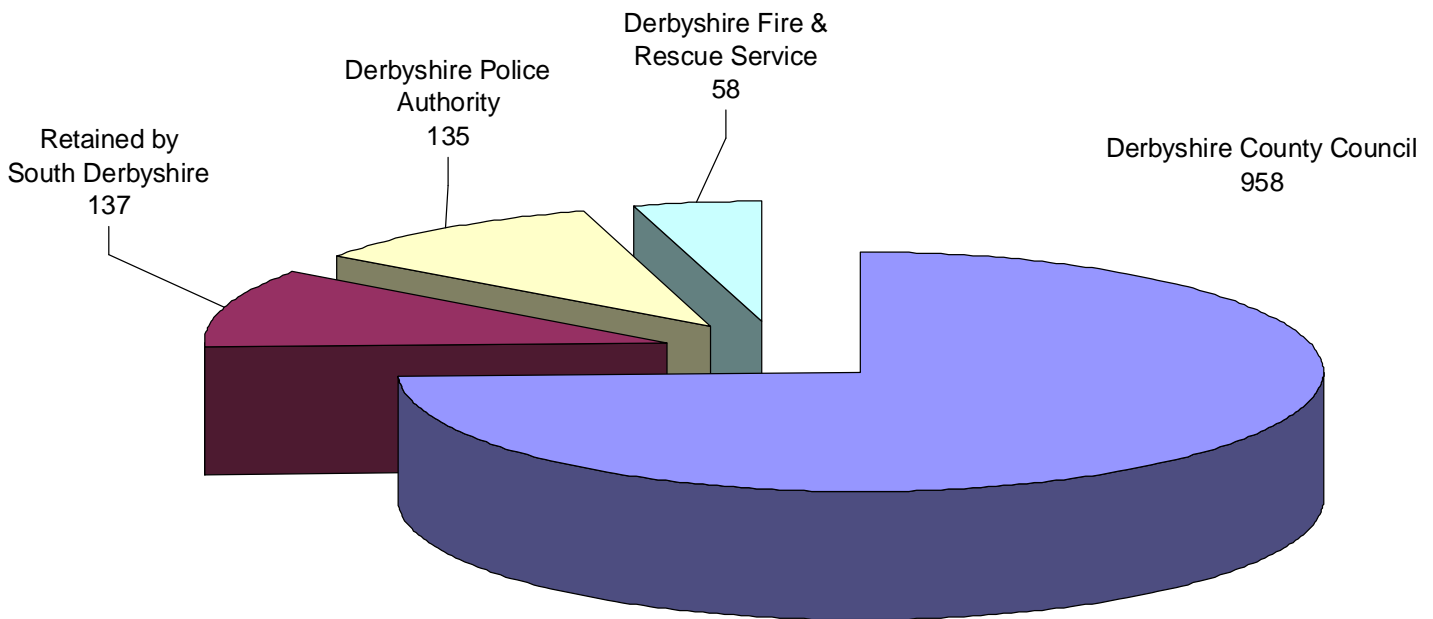
This document provides an overview of the Council's detailed Statement of Accounts for 2006/07. Key points it highlights include:

- The Council spent (net) approximately £11.7m (10.2m) last year on providing local services.
- Of this, 55% came from Government Grant, 39% from Council Tax Payers and 6% from interest, reserves and other sources.
- The Council spent £230,000 on advertising and publicity during the year, £331,000 on members' allowances and £128,000 on external audit and inspection fees.
- Capital investment of nearly £6m was made, with over £2m spent on council housing and £4m on community, infrastructure and environmental projects.
- The council had debt and other loans of £3.7m outstanding at the end of the year.
- Various reserves held for day-to-day spending and future capital investment stood at £8.6m at 31st March 2007.
- In addition, the Council's general reserves (resources unallocated or held as a contingency) were £3.6m.
- The total value of the Council's fixed assets (land, council houses, property and other buildings) was £152.7m at the year-end.
- Current assets (stock and debtors) amounted to £9.1m at the year-end, while current liabilities in the form of creditors and short-term borrowing stood at £5.9m.
- The shortfall on the Council's pension fund was estimated at £17.2m at 31st March 2007 (£20.5m in the previous year).
- Arrangements are in place to fund this deficit over the longer-term and the effects are built into the Council's Medium-Term Financial Plan.
- The Council's cash turnover, including Council Tax received, business rates collected, grants and capital receipts was £85m.
- Rent from council house tenants totalled £8.5m, with nearly half reinvested by repairing, maintaining and managing the properties, with the other half being paid over to the Government's national rent pool.
- The External Auditor's Opinion can be found in the full Statement of Accounts.

COUNCIL TAX IN 2006/07

During 2006/07, the Council collected **£39m** in council tax from over **33,000 properties**. It collected **98.1%** of all tax due in the year, compared to **98.8%** in the previous year (2005/06). It also collected **99.3%** of business rates due compared with **99.5%** in the previous year. The average council tax bill in 2006/07 totalled **£1,288** (£1,233 in 2005/06), split as follows:

Where Your Council Tax Went £

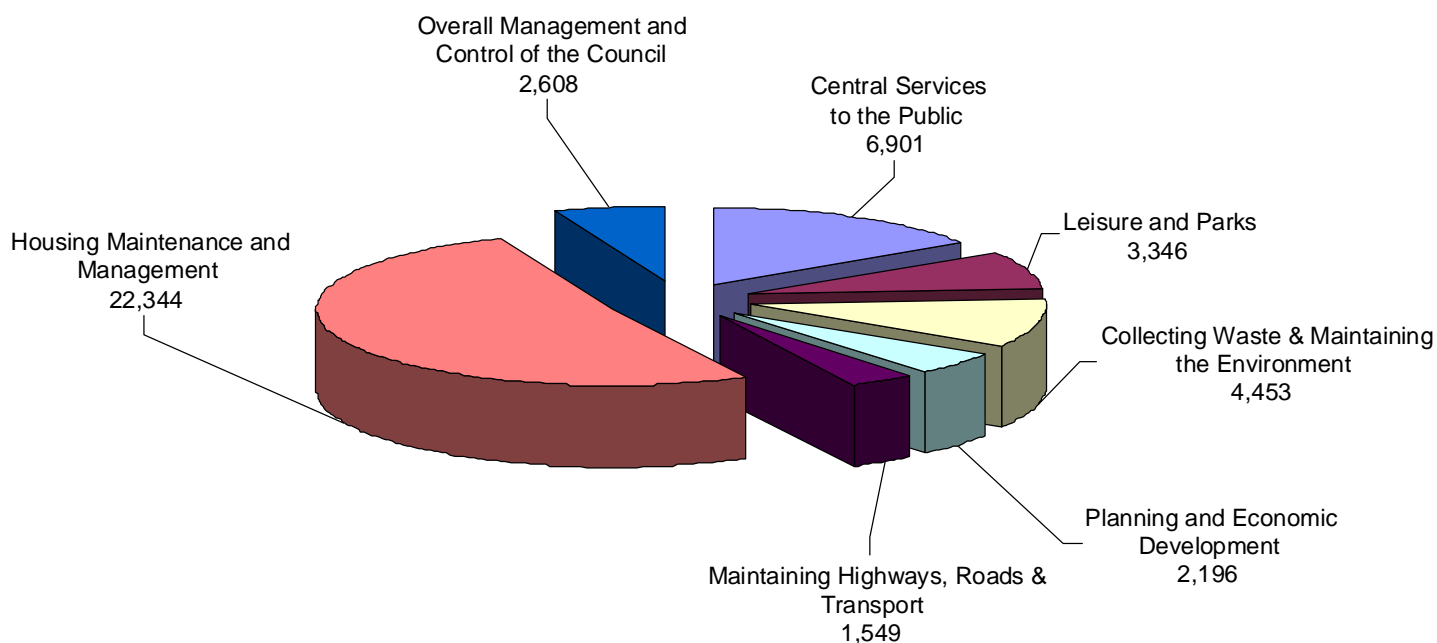


DETAILS OF HOW MONEY IS SPENT

	2005 – 06	2006 – 07
Cost of Collecting Household Waste and Recycling	£47 per Household	£52 per Household
Cost of Leisure, Parks and Recreational Facilities	£21 per Resident	£22 per Resident
Cost of Environmental and Street Cleaning Services	£23 per Resident	£19 per Resident
Cost of Planning and Economic Regeneration	£7 per Resident	£9 per Resident
Cost of Supporting Voluntary Groups and Cultural Activities	£3 per Resident	£4 per Resident
Cost of Supporting Crime Prevention	£2 per Resident	£4 per Resident
Cost of Collecting Council Tax	£13 per Household	£13 per Household

THE COST OF SERVICES

The Council spent £43m on providing local services on a day-to day basis during 2006/07. This is summarised in the following table



THE COUNCIL'S VALUE AND WHAT IT OWNS

The Council owns a fairly substantial amount of assets, and has a level of reserves of £13m at its disposal. As at 31st March 2007 these were valued as shown in the following tables.

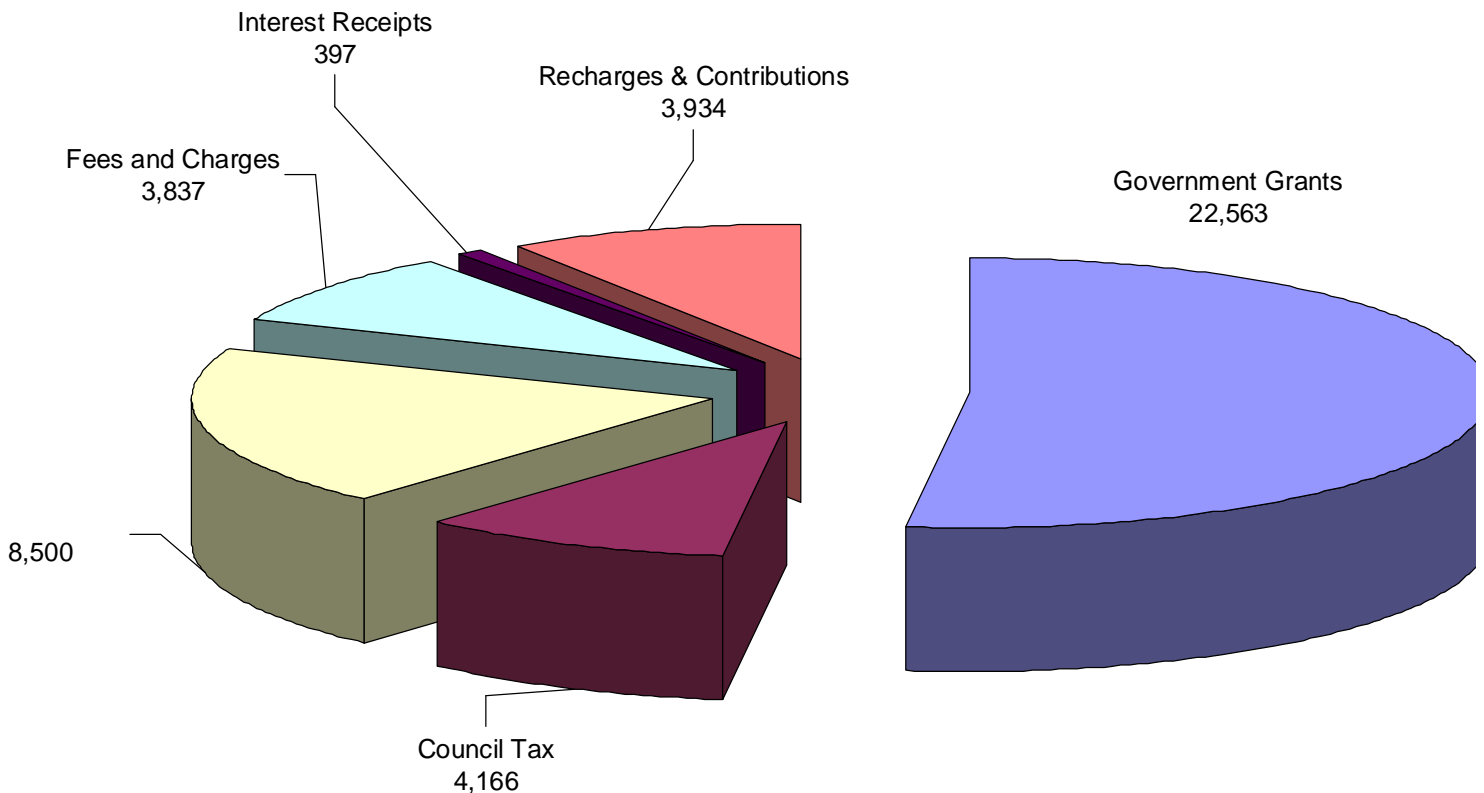
Assets and Liabilities	£M
Value of land and property	152.7
Money owed to the Council	9.1
Debt and Other Loans	-3.7
Money owed by the Council (creditors)	-5.9
Pensions Liability	-17.2
Total Assets less Liabilities	135.0
Earmarked Reserves	8.6
Unallocated Reserves	3.6

Land and Property Holdings	No.
Council Houses	3,124
Garage Sites and Plots	479
Parks and Open Spaces (Acres)	370
Leisure/Recreational Facilities	39
Off-Street Car Parks	22
Commercial and Industrial Property	26
Admin and Operational Buildings	3
Various Other Holdings	24

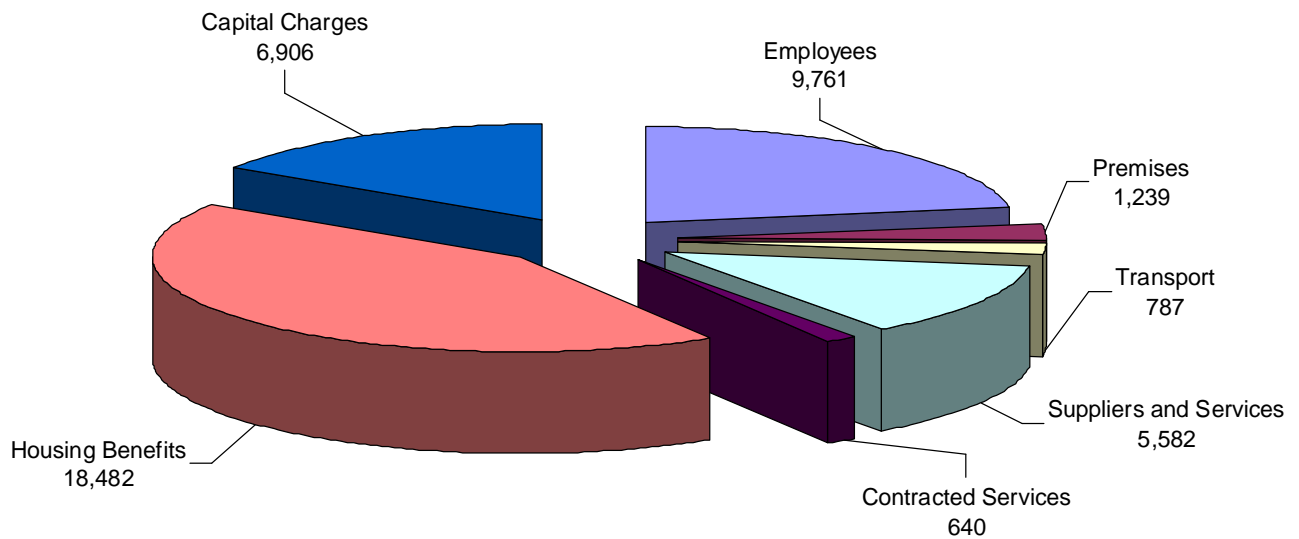
WHERE THE COUNCIL GOT ITS MONEY and HOW IT WAS SPENT DAY TO DAY

The Council got most of its money from Government Grants and its biggest expense was the payment of housing benefit.

Sources of Income
£'000



**The Cost of Running Services
£'000**



CAPITAL INVESTMENT IN 2006/07

The Council spent approximately **£6m** on capital projects such as major improvements and development work across the District. The total is summarised in the table below.

Spending	£'000	Financing	£'000
Council Homes	2,052	Government Grants	1,605
Parks and Recreation	248	Other Grants and Contributions	1,215
Property and Vehicles	1,156	Sale of Property and Land	1,977
Improvement Grants	1,873	Borrowing	2
Environmental Works	493	Reserves	466
New Technology/Systems	62	Contributions from Developers	613
Forestry Centre	41	Transfers from Revenue	47
Total Spending	5,925	Total Financing	5,925

FURTHER INFORMATION

The figures and information in this summary were originally compiled having regard to proper accounting practice in local government. Some modifications have been made to provide less technical but more direct information. However, it should be noted that this Summary Statement is not subject to Audit.

The full Statement of Accounts is available on the Council's web site at:

<http://www.south-derbys.gov.uk/CouncilGovernmentDemocracy/Councils/CouncilTaxAndFinance/accounts.htm>

Or by contacting the Head of Finance and Property Services at the address below.

Further details regarding the Council's spending, how resources are spent, together with its financial position and planning arrangements, can be found in its 3-year Medium-Term Financial Plan (2007 to 2010) which is also available from the address below and on the web site at:

http://www.south-derbys.gov.uk/CouncilGovernmentDemocracy/Councils/CouncilTaxAndFinance/Financial_reports.htm

INVITATION FOR FEEDBACK

In preparing its accounts the Council has attempted to present details of its finances in a way that is accurate, that meets legal requirements and is reasonably easy to understand.

However, efforts are continuing to improve the presentation of financial information, so if you have any views, comments, questions or suggestions for improvement, please contact:

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