



# Summary of Accounts 2005/06

**Details of the Council's spending during  
2005/06 and how we financed our spending.**

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

## Director's Statement

The Council's Statement of Accounts has been prepared in accordance with the Accounting Code of Practice. The figures in this summary are taken from those statements, although some changes have been made to the presentation to make them more understandable.

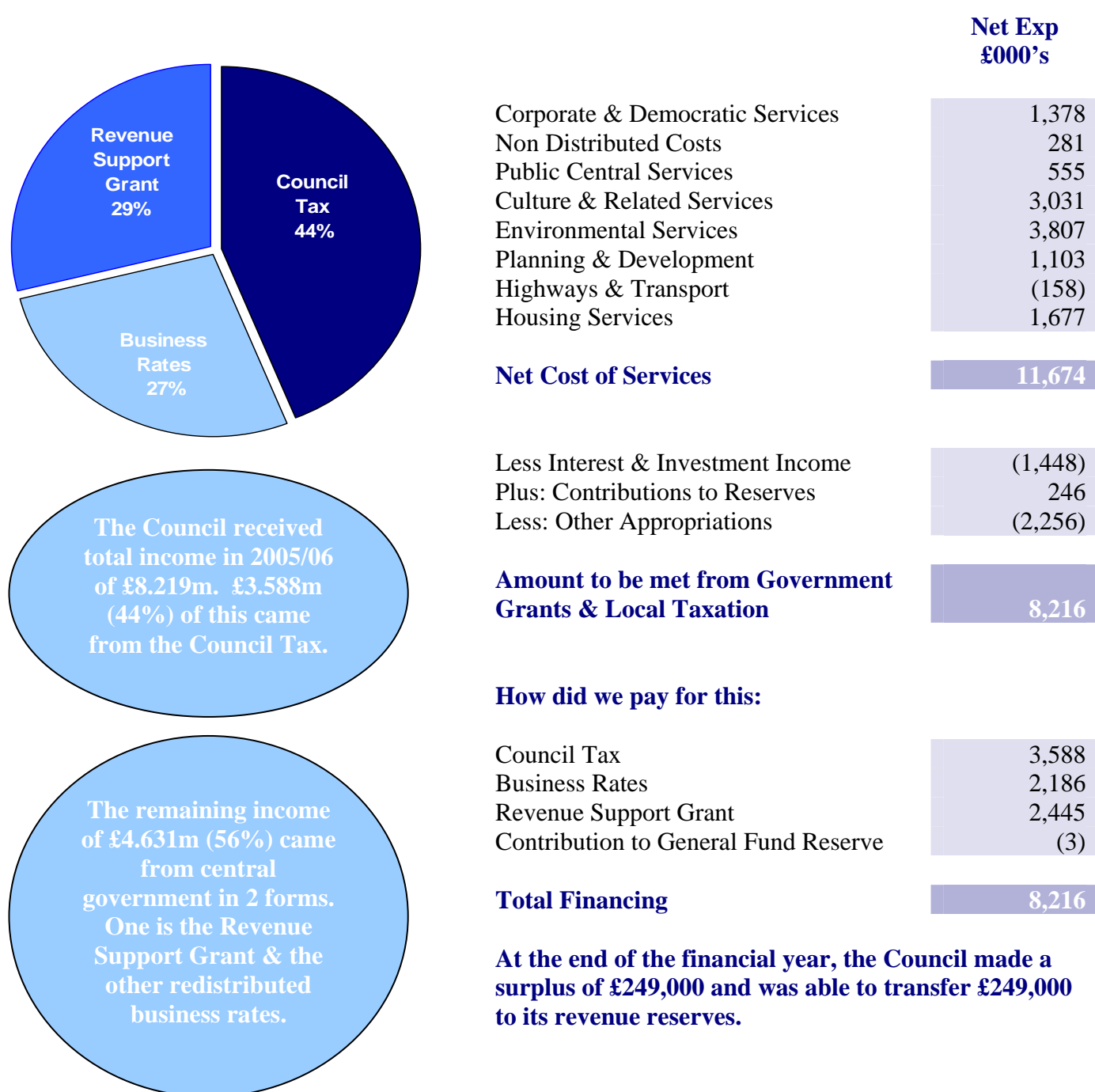
This summary is published based on the audited accounts of the Council.

A full copy of the Council's 2005/06 accounts are available on request or from the Council's website – [www.kennet.gov.uk](http://www.kennet.gov.uk). Please contact Janet Ditte, Chief Accountant & Auditor on 01380 734721.

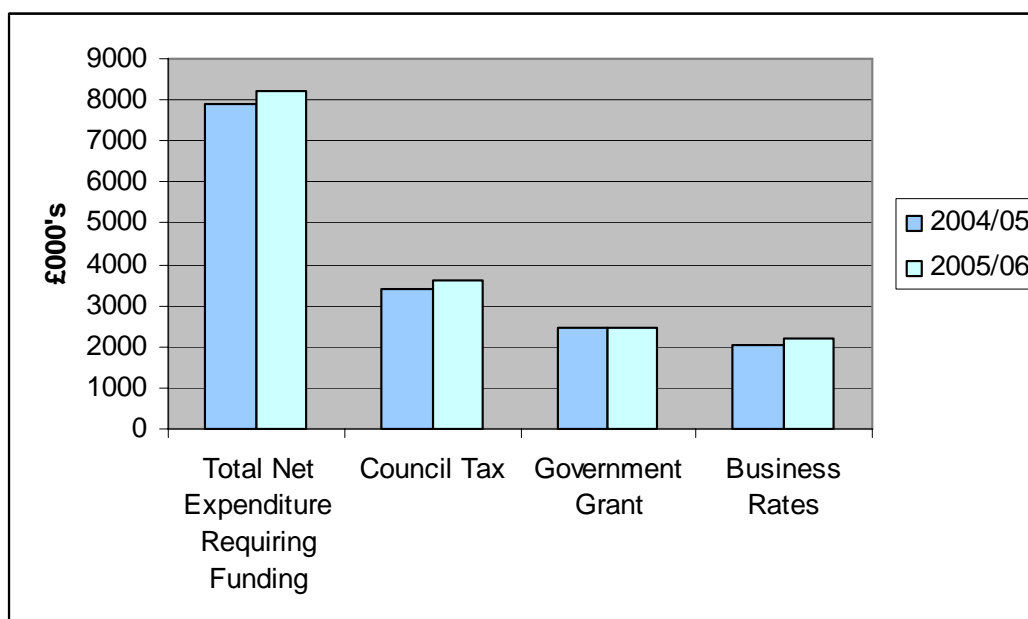
## The Cost of Council Services for the Year ended 31<sup>st</sup> March 2006

The revenue account below represents the costs of running the council between 1<sup>st</sup> April 2005 and 31<sup>st</sup> March 2006 and where the money came from to finance those costs. Revenue expenditure is money spent on day to day costs such as gas, electricity and salaries, required to run the Council's services.

### INCOME



## Comparison of Net Revenue Expenditure and Funding Sources Between 2004/5 and 2005/6



A charge is made to use some of the Council's services (e.g. leisure centre admissions), while other services attract specific government grants (e.g. Housing Benefit payments). Kennet's total expenditure for the year was £38.463 million and of that only £3.588 million was met by Kennet residents paying Council Tax. This means that 90.7% of the cost of providing services to Kennet residents was paid for by income from Government Grants or fees and charges.

### Capital Expenditure

Capital expenditure is money spent on creating, purchasing or improving fixed assets, for example the construction of a new building or the purchase of a refuse vehicle. It also includes capital grants provided by the Council for improving housing within the district. The Council spent £3.868 million during the year as seen in the table below:

#### Capital Expenditure Summary 2005/06

<b>Expenditure</b>	<b>£ 000s</b>
Computer Software	625
Repairs to Buildings	2,160
Commercial Vehicles/Equipment	553
Footway Lighting	24
Expenditure on Non-Operational Assets	25
Improvement Grants	347
Community Buses/Flood Defence & Misc.	134
<b>Total Capital Spend</b>	<b>3,868</b>
<b>How did we pay for this:</b>	
Capital Reserves	3,276
Government Grants	592
<b>Total Financing</b>	<b>3,868</b>

## Balance Sheet

The balance sheet gives a snapshot of the Council's financial position at the year end (31 March 2006). It shows the Council's assets (what it owns or is owed by others), its liabilities (what it owes) and its reserves and balances. The summary balance sheet as at 31 March 2006 is shown in the table below:

### Summary Balance Sheet 31 March 2006

<b>Assets</b>	<b>£ 000s</b>
Fixed and other Long Term Assets	24,800
Money owed to the Council	2,344
Investments	27,878
Stock	54
Cash in Hand	0
	<b>55,076</b>
<b>Liabilities</b>	
Money owed by the Council	(2,552)
Overdraft	(389)
Pension Fund Shortfall	(13,466)
	<b>(16,407)</b>
<b>Net Assets</b>	<b>38,669</b>
<b>Financed by:</b>	
Usable reserves and balances	28,005
Other accounting adjustments	10,664
	<b>38,669</b>

Usable reserves include £22.642 million of income received over a number of years from the sale of the Council's assets which can only be used for capital investment and not to subsidise day to day expenditure and Council Tax income. They also include £3.62 million earmarked reserves for specific items of expected future expenditure.

## Cash Flow Statement

This statement analyses the movement of cash during the year, as follows:

	<b>£ 000's</b>
Cash held at 1 April 2005	(379)
Cash In	85,252
Cash Out	(85,262)
Cash held on 31 March 2006	(389)

There has been a decrease in cash of £10,000 that has resulted in an increased overdraft at the year end.

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