

Annual Report

Summary of Accounts

2005/06

This Summary can be provided in large type, cassette, Braille or in another format or language if required. Please contact Robert Spurr on 01924 306430 or via email on rspurr@wakefield.gov.uk to discuss your requirements.



City of Wakefield Metropolitan District Council

Introduction

This is a summary of the main points from the authority's published accounts. Its aim is to offer an understanding of the authority's finances in a concise format; the full Statement of Accounts in addition to this summary is available on the WMDC internet site :

**[http://www.wakefield.gov.uk/
CouncilAndDemocracy/Finance/
StatementAccounts/2005-2006/default.htm](http://www.wakefield.gov.uk/CouncilAndDemocracy/Finance/StatementAccounts/2005-2006/default.htm)**

These accounts cover the year ended 31 March 2006 and are referred to as "2005/06 accounts".

What's Included

These summary accounts include:

- Analysis of revenue spending and how it has been paid for;
- Analysis of capital expenditure and how it has been funded;
- Analysis of the balance sheet, which shows the assets, liabilities and reserves of the Council at 31/3/06;
- A note of the cash flow or volume of cash transactions going through the Council's books in the year.

Capital and Revenue Spending

All councils must make a distinction between capital and revenue spending. They must account for each separately.

Revenue spending on services

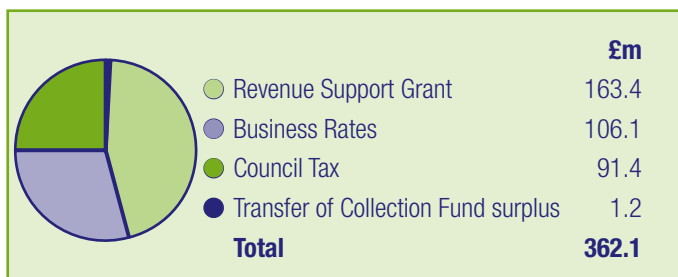
Spending on day-to-day things such as staff and running costs. It is paid for from income from Government grants, non-domestic (business) rates and council tax payers.

Expenditure Net of Income – This shows the cost to the Council of providing those services after deducting income from fees and charges.

	£m
Education Services	201.1
Social Services	95.8
Cultural, Environmental and Planning Services	51.8
Highways, Roads & Transport	27.1
Housing	12.7
Parish Council Precepts	1.8
Trading Operations	0.5
Interest & Investment Income	-2.5
Other Corporate Costs	-3.9
Internal Asset Charges	-10.4
Movements in Reserves	-16.2
Net Cost of Services	357.8

How we financed our revenue spending

We spent £357.8m and received income of £362.1m, leaving a surplus to carry forward of £4.3m. This surplus includes £3.4m in respect of schools and can only be spent by the schools it relates to.



Capital spending

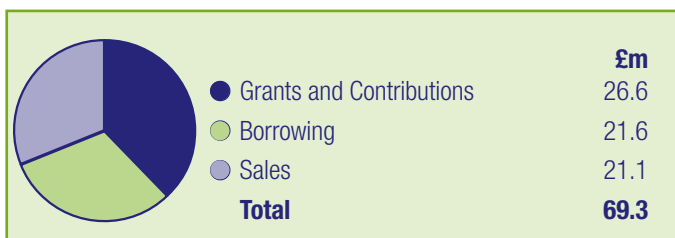
Capital spending is money that is spent in either improving or building new assets such as schools, highways or other public buildings, which has benefits for more than one year. The funding for these investments mainly comes from grants, sales of assets, private sector contributions, and borrowing.



This included expenditure on the major schemes listed below

● Wakefield Waterfront Phase 1A	£15.89m
● Westgate Key Development Area	£14.91m
● Frickley Colliery Reclamation	£10.00m
● Strategic Development Fund	£8.44m
● Sustainable Growth Park	£6.30m
● Castleford Forum Project	£6.00m

How we funded our capital expenditure



- The Council used £26.6m of grants and contributions from the Government and other bodies to fund capital spending in year.
- A further £21.1m came from income received from sale of assets, which has been reinvested by the Council.

- The remaining £21.6m was financed by borrowing – there are ongoing annual costs relating to this which are shown within the revenue spending analysis. The Council receives grants from the Government to pay for most of the costs of borrowing.

Balance Sheet

The Balance Sheet presents the financial position of the Council at the end of March 2006. It shows the Council's assets (what it owns) and the Council's liabilities (what it owes) at 31 March 2006.

	£m
Assets:	
Buildings, land & equipment	651.9
Other long term assets	39.7
Money owed to the Council	62.0
Cash, investments and stocks	70.5
	824.1
Liabilities:	
Borrowing	- 220.0
*Pension Fund	- 267.5
Amounts owed by the Council	- 82.2
Total Assets Less Liabilities	254.4
Financed by:	
Non-distributable Reserves	205.1
Reserves available for specific purposes	43.0
Reserves available for general purposes	6.3
Total Financing	254.4

*The cost of retirement benefits have to be recognised in the accounts when they are earned by employees but they are paid over many years to pensioners.

Cash Flow

Cash flows into the Council when, for example, services are paid for or grants/council tax monies are received. Cash flows out of the Council when expenditure is incurred or borrowing repaid etc.

	£m
Cash at 1.4.05	10.9 dr
Cash Inflows during 2005/06	810.3 cr
Cash Outflows during 2005/05	809.1 dr
Cash at 31.3.06	9.6 dr

Audit

The Council is required by law to have its annual accounts audited by an independent Auditor. The Council's Auditor is the Audit Commission and their opinion was that the financial statements present fairly the position of the Council and its income and expenditure for 2005/06.

Contact Us

We are keen for the Summary Accounts to offer information that is useful to the people of the Wakefield District. Please let us have your thoughts on this summary and how it could be improved, anything that needs further explanation or any information that you would like to see included in the future.

Judith Badger
Director of Finance
County Hall
Wakefield
WF1 2QW
(01924) 305388
email: finrep@wakefield.gov.uk