

Summary of Accounts

2004/05

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/2004-2005/](http://www.wakefield.gov.uk/CouncilAndDemocracy/Finance/StatementAccounts/2004-2005/)**

These accounts cover the year ended 31 March 2005 and are referred to as "2004/05 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 31/3/05;
- 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

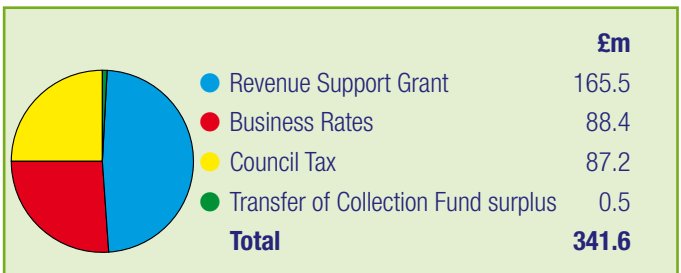
Spending on day-to-day things such as staff and running costs. It is paid for from income from Government grants, non-domestic (business) rates and council tax payers.

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	183.4
Social Services	82.9
Housing	62.1
Cultural, Environmental and Planning Services	47.3
Highways, Roads & Transport	27.8
Parish Council Precepts	1.5
Trading Operations	1.0
Interest & Investment Income	-4.5
Movements in Reserves	-12.7
Other Corporate Costs	-19.2
Internal Asset Charges	-32.4
Net Cost of Services	337.2

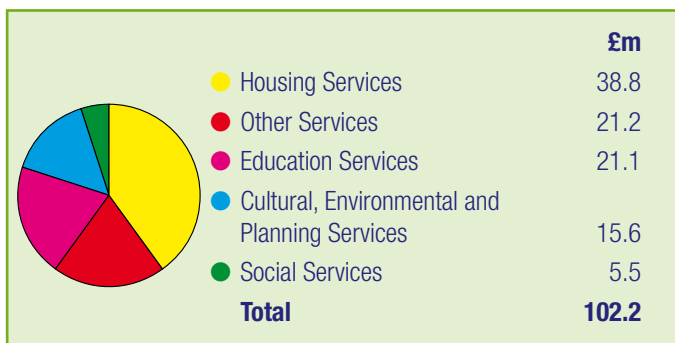
How we financed our revenue spending

We spent £337.2m and received income of £341.6m, leaving a surplus to carry forward of £4.4m.



Capital spending

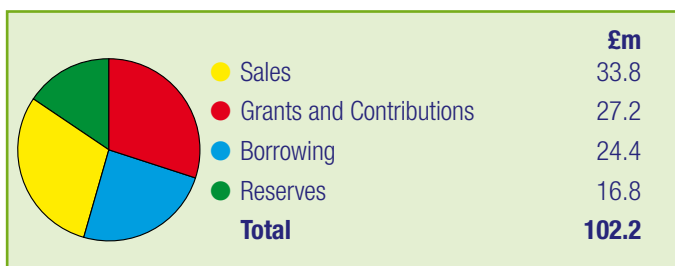
Capital spending is money that is spent in either improving or building new assets such as schools, highways or other public buildings, which has benefits for more than one year. The funding for these investments mainly comes from grants, sales of assets, private sector contributions, and borrowing.



Some major schemes this funded were

Wakefield City Regeneration – Land Assembly	£4.5m
Outwood Grange College	£2.3m
Highways Structural Maintenance – Roads	£2.1m
Acquisition and Demolition of Unfit Dwellings	£2.1m
Fieldhead Resettlement	£2.1m

How we funded our capital expenditure



- The Council used £27.2m of grants and contributions from the Government and other bodies to fund capital spending in year.

- A further £33.8m came from income received from sale of assets, which has been reinvested by the Council.
- £16.8m of major repairs reserves contributed to spend on Housing properties.
- The remaining £24.4m was financed by borrowing – there are ongoing annual costs relating to this which are shown within the revenue spending analysis. The Council receives a grant from the Government to pay for most of the costs of borrowing.

Balance Sheet

The Council's balance sheet shows its assets (what it owns) and its liabilities (what it owes) at 31 March 2005.

	£m
Assets:	
Buildings, land & equipment	574.1
Other long term assets	42.1
Money owed to the Council	53.9
Cash, investments and stocks	77.5
	747.6
Liabilities:	
Borrowing	- 193.1
*Pension Fund	- 282.8
Amounts owed by the Council	- 86.0
Total Assets Less Liabilities	185.7
Financed by:	
Non-distributable Reserves	136.7
Distributable Reserves	23.3
Other non-committed reserves	25.7
Total Financing	185.7

*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 occur when expenditure is met or borrowing repaid etc.

	£m
Cash at 1.4.04	11.7 dr
Cash Inflows during 2004/05	882.6 cr
Cash Outflows during 2004/05	881.8 dr
Cash at 31.3.05	10.9 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 2004/05.

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: fit@wakefield.gov.uk