



East Cambridgeshire District Council

The cost of Council services Revenue Account for the year ended 31 March 2006

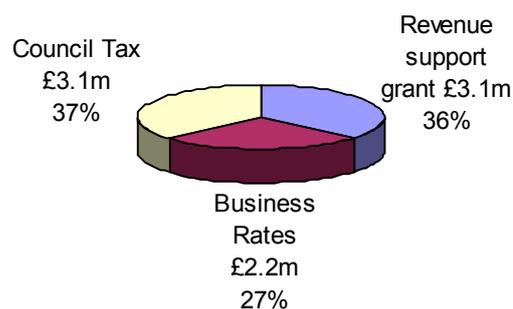
The Revenue Account presents the costs of running Council services between April 2005 and March 2006 and where the money came from to finance these costs along with the impact on the Council's reserves.

	Gross Exp £'000s	Gross Inc £'000s	Net Exp £'000s
Central services to the public	4,634	3,869	765
Cultural and related services	1,858	452	1,406
Environmental Services	4,936	563	4,373
Planning & Econ Development	3,851	2,172	1,679
Transport	473	32	441
Housing	12,180	11,119	1,061
Corporate & Democratic Core	2,305	814	1,491
Net Cost of services	30,237	19,021	11,216
Less: Internal charge for use of Council assets			(414)
			10,802
Less: Interest receivable			(590)
Less: Appropriations and other internal accounting			(1,195)
Amount to be met from Government grants and local taxpayers			9,017
Financed by:			
Revenue support grant			(3,070)
Business Rates			(2,251)
Council Tax			(3,118)
Total Income			(8,439)
Net General Fund Deficit for the year			578
General Fund at the end of March 2005			(2,086)
General Fund at the end of March 2006			(1,508)

Summary of Accounts 2005/06

Details of the Council's spending during 2005/06 including Planning, Economic Development, Recreation and Tourism, Environmental Health, Refuse Collection and Recycling and Housing.

Income



East Cambridgeshire had a total income in 2005/06 of £8.4 million. As the chart above shows just over a third of this comes from central government. Last year the Council had a deficit of £578,000.

About a quarter of the Council's income comes from rates levied on businesses.

Total council tax income for East Cambridgeshire accounts for just over a third of total expenditure.



Summary of Accounts 2005/06

Balance Sheet

What the Council owned and was owed on 31 March 2006

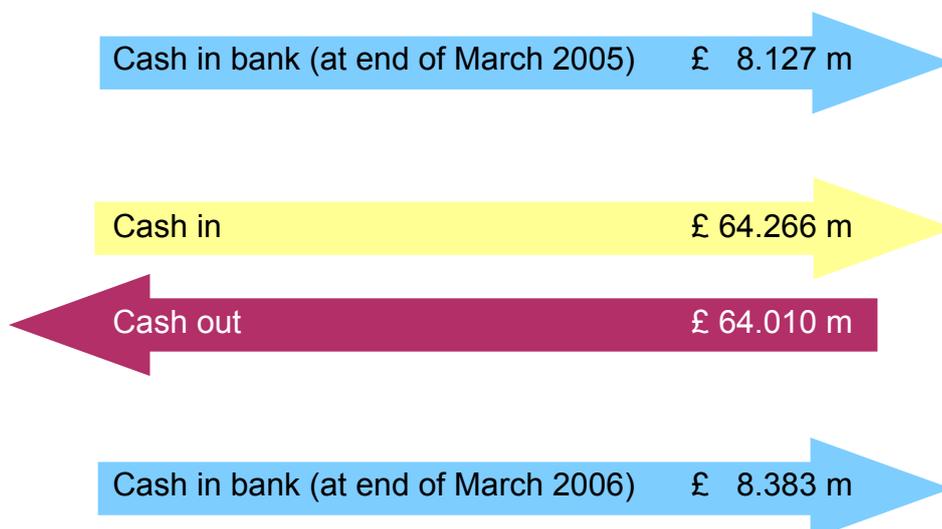
	£'000
Buildings and Land	13,807
Stock	37
Cash in bank and Investments	8,383
Money owed to the Council	2,167
Money owed by the Council	(12,760)
	11,634
Financed by	
Non distributable reserves	6,013
Distributable reserves (*)	5,621
	11,634

(*) Distributable reserves comprise the following balances:

General Fund Balance:	
Deficit for the year	(578)
Balance at March 2005	2,086
Useable capital receipts	3,893
Other reserves	220
	5,621

The Council has a duty under legislation to maintain a prudent level of general reserves. The Council has targeted this level to be around £1.7 million. The balance of £1.5 million is, therefore, slightly lower than this objective. The Council's Medium Term Financial Strategy provides for reserves to be brought up to the target level over the next three years.

Cash Flow



Summary of Accounts 2005/06



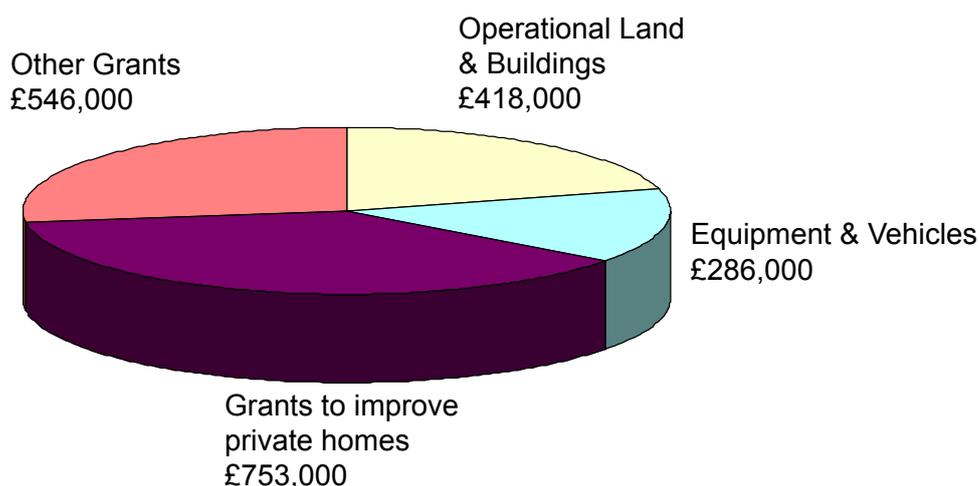
How has the finance service performed?

		2003/04	2004/05	2005/06
Population of the District (Mid year ONS Estimate)		74,419	77,963	n/a
Households liable to pay council tax		31,697	32,224	32,871
Band D equivalents		25,900	26,300	27,000
Council Tax	Collected in Year	97.64%	98.31%	98.53%
	Collected in Year (English District Council Average)	97.76%	97.83%	97.90%
Business rates	Collected in Year	98.79%	99.04%	99.19%
	Collected in Year (English District Council Average)	98.62%	98.69%	98.79%
Creditors	% of invoices paid within 30 days	94.30%	91.92%	97.44%
	% of invoices paid within 30 days (English Average)	90.70%	90.96%	n/a
Employee Numbers		204	203	213
Investments	Average rate generated on investments	3.78%	4.70%	4.64%
	Average benchmark rate for investments	3.69%	4.70%	4.67%
Financial Management				
	Annual Accounts prepared on time	Yes	Yes	Yes
	Number of Audit Qualifications (*)	0	0	0

(*) The Council's external auditors are required to give an opinion on the financial statements and this opinion should be "unqualified". Where the opinion is qualified each qualification identifies an area where the financial statements are unreliable. The Council's audit has now been completed and an unqualified opinion has been given. Some statistics for 2005/06 were not available at the date of production of this summarised statement (marked "n/a").

Capital Expenditure in 2005/06

Capital expenditure generally represents money spent by the Council on purchasing, upgrading and improving assets such as vehicles and buildings, or giving grants to third parties for these purposes. The distinction from revenue expenditure is that the Council or the grant recipient receives the benefit from capital expenditure over a longer period of time. The Council spent just over £2.0 million during the year financed from Central Government grants and receipts from the sale of assets.





Summary of Accounts 2005/06

Statement from the Executive Director, Finance

The following statement by the Executive Director, Finance describes some of the key points from the Council's stewardship of public funds.

The Council originally budgeted to break even in 2005/06 with no allocation required from General Reserves in line with its medium term financial strategy. The budget was revised to give a requirement to use £706,000 of the reserves. The year end position required the use of £578,000 of reserves.

The revenue reserve balance was £1.5 million at 31 March 2006 in line with prudent financial management guidelines. The Council is currently debt-free and has no external borrowings.

The Council's Statement of Accounts has been prepared in accordance with the Accounting Code of Practice. The figures in this summary were originally compiled having regard to proper accounting practice. For the purposes of this statement some modifications were made to provide more meaningful information.

The Council's 2005/06 accounts have been audited by an auditor appointed by the Audit Commission. The auditor published his unqualified opinion on the accounts at the end of September 2006.

A full copy of the Council's 2005/06 audited accounts is available on request. Please telephone Tony Grzybek (Principal Accountant) on 01353 616269 for more details or to obtain a copy. Alternatively, visit www.eastcambs.gov.uk where the full document can be found online.

Alex Colyer FCCA

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East Cambridgeshire District Council is committed to openness and transparency in its dealings with customers subject to the need to preserve confidentiality as required by relevant legislation.