



castlepoint

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Summary Accounts 2007 - 2008



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Director's Statement

The Council's full Statement of Accounts has been prepared in accordance with proper accounting guidelines. The figures in this Summary are based on the figures set out in the full Statement of Accounts, but some modifications have been made to provide more focused information.

The Audit Commission's independently appointed external auditor, PKF (UK) LLP, has undertaken an audit of the accounts in July 2008 and subsequently issued an unqualified opinion.

Devinia Board, FCCA MAAT, Corporate Director (Resources)

Your Opinion

We would be very interested in your views and comments on the content and presentation of the information contained in this leaflet so that we may improve future versions. Please tell us your views by emailing Finance@castlepoint.gov.uk or writing to us as follows:

Chris Mills, Head of Resources, Council Offices, Kiln Road, Thundersley, Benfleet, Essex SS7 1TF.

Definition of Terms

A section that provides a definition of technical terms and phrases is provided at the end of this leaflet.

Summary Financial Review

The following is a summary of some of the key points from the accounts on the Council's use of public funds.

Financial Performance

The net expenditure on General Fund services during the year was £12,850k compared to the revised budget of £13,435k. This resulted in an increase in reserves for the year of £24k which was £585k more than budgeted. £426k of this has been carried forward to be spent on works delayed from 2007/08 to 2008/09.

Council Housing

At the year end the balance on the Housing Revenue Account Reserve was £499k.

Capital Expenditure

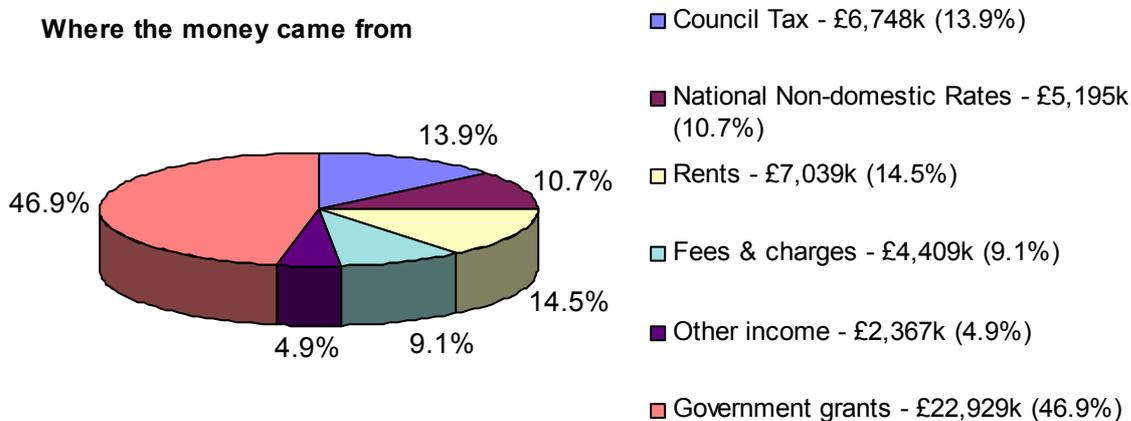
The Council has a limited capital programme, which is allocated across both General Fund and Housing Revenue Account activities. Overall, capital expenditure for the year was £3.048m.

Cost of Council Services

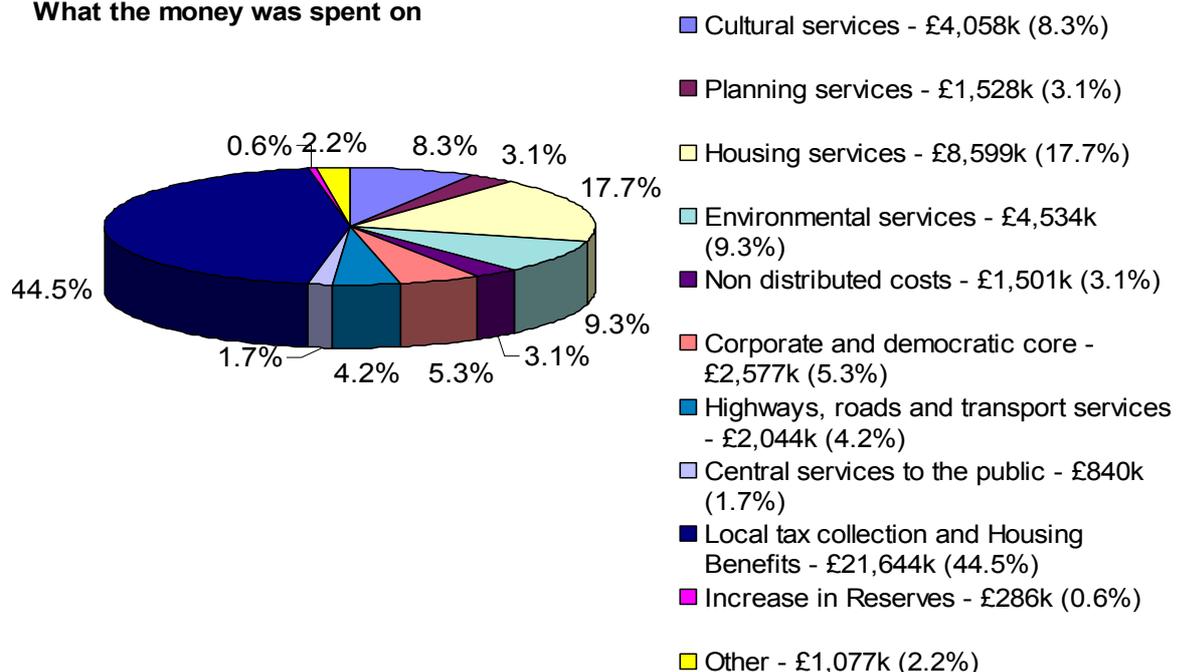
The charts below show in broad terms what the Council's money was spent on (the services provided) and how spending was funded.

Castle Point Borough Council raised Council Tax bills to the value of £45 million in 2007/08. Excluding funds collected on behalf of Canvey Island Town Council, only 15% (£6.7m) of this was retained by the Council for the provision of its own services, the rest was paid over to the Canvey Island Town Council, Essex County Council and the Police and Fire Authorities.

Where the money came from



What the money was spent on



Balance Sheet

The Balance Sheet summarises the assets and liabilities held by the Council at 31 March 2008. It shows information such as the value of the Assets in the Council's ownership, the money owed to, and by the Council and the level of reserves.

	£'000
Buildings and land owned by the Council	139,335
Stocks	15
Cash in bank and investments	9,530
Money owed to the Council	3,552
Money owed by the Council	(6,659)
Grants to be released in future years	(817)
Long term borrowing	(7,973)
Liability related to defined benefit pension scheme	<u>(21,198)</u>
Total Assets less liabilities	<u>115,785</u>
General Fund (General) Reserve	3,267
General Fund (Earmarked) Reserves	345
Pensions Reserve	(21,198)
Housing Revenue Account Reserve	499
Collection Fund	90
Capital Accounts (useable)	1,489
Capital Accounts (unusable)	<u>131,293</u>
Total Reserves & Balances	<u>115,785</u>



Reserves & Balances

General Fund and Housing Revenue Account Reserves represent those sums set aside to cushion the Council against future possible events based on the strategic, operational and financial risks facing the Council. Any reserves in excess of the minimum recommended by the Corporate Director (Resources) can be allocated to priority based projects.

The General Fund is the main fund of the Council and includes the majority of the Council's activities. These are primarily financed through Council Tax, contribution from National Non-domestic Rates and Government Grants.

The Collection Fund is a ring-fenced account, the balance being redistributed to Council Tax Payers.

Capital Accounts (useable) - consists of those accounts relating to receipts from the sale of assets and the major repairs reserve. These accounts represent useable resources which may be used at the Council's discretion.

Capital Accounts (unusable) - consists of those accounts which provide balancing or matching entries in respect of the Fixed Asset Accounts. These accounts do not represent a resource available to the Council.

The accounts show total General Fund reserves are currently standing at £3.613m. During 2008/09 the Council has planned to utilise General Fund reserves as follows:

	£'000
Reserves Brought Forward 1.4.08	3,613
Works delayed from 2007/08 to 2008/09	(426)
Priorities identified during the financial year	(88)
Specific backlog maintenance works	(1,660)
Regeneration initiatives	(59)
VAT contingency	(100)
Reserves unallocated	1,280

The Council's objective is to maintain General Fund reserves at a minimum level of £1.2m.

Housing Revenue Account

The Housing Revenue Account (HRA) is a ring-fenced account that relates to the provision of housing dwellings. The Account shows the major elements of housing revenue expenditure and how these are financed.

- The average weekly dwelling rent was £67.86.
- The Council housing stock at 31 March 2008 was 1,542 dwellings.
- Rent arrears for 2007/08 had reduced to £187,089 from £192,597 in 2006/07. The Council continues to pursue these arrears.

	£'000
Income	
Council house rents	5,510
Other income	824
	6,334
Expenditure	
Repair and maintenance	903
Supervision and management	1,931
Depreciation and impairment of fixed assets	1,514
Other costs	1,724
	6,072
Increase in HRA reserves	262
HRA Reserves brought forward	237
HRA Reserves carried forward	499

The recommended level of reserves for 2007/08 is £381k. At the end of the year, HRA reserves exceeded this level, at £499k against a budget of £302k. This was an improvement of £197k to the budget.

Council Tax and Business Rates

Castle Point Borough Council collected 98.8% of Council Tax owed in 2007/08 compared to 98.7% in 2006/07. It also collected 99.7% in respect of Business Rates owed for 2007/08 and 99.3% for 2006/07.

Facts	2005/06	2006/07	2007/08
Population of Castle Point Borough (estimated)	86,000	86,600	86,600
Band D equivalents	31,202	31,457	32,213
Number of Direct Debits	22,126	22,133	22,388
Value of Direct Debits (full year)	£26.2m	£27.2m	£28.7m
% of Direct Debits over total collection (full year)	72.58%	72.82%	72.75%

Capital Expenditure

Capital Expenditure generally represents money spent by the Council on purchasing, upgrading and improving assets such as buildings in its ownership. The Council receives benefit from capital expenditure over a long period of time. The following table outlines the capital investment made during the financial year 2007/08.

	£'000
Environmental	
Recycling initiatives	73
Contaminated land	70
Housing Services	
Disabled facilities grants	296
Warm Front top-up scheme	72
Direct Service Organisation	
Vehicle replacement programme	215
Central Services	
Debt repayment	826
Computer related projects	28
Cultural Services	
Playground equipment	143
Canvey Island seafront regeneration	281
HRA Annual programmes	
Central heating	137
Kitchen improvements	321
Electrical	200
Disabled adaptations	71
Replacement doors	22
Bathroom improvements	140
Structural repairs	35
Water supply and tank replacement	29
Other	89
	<u>3,048</u>



Definition of Technical Terms and Phrases

General Fund	Term used to describe those services provided to residents funded through Council Tax, Government Grant and contribution from National Non-Domestic Rates.
Government Grants	Sums paid by Central Government towards either specific services or in aid of services generally.
National Non-Domestic Rates (Business Rates)	A levy on businesses, based on a national rate set by the government.
Council Tax	The tax levied on domestic dwellings.
Capital Expenditure	Capital expenditure is expenditure that results in the provision or enhancement of assets such as land, buildings, plant and vehicles.
k	The use of the letter k immediately after a number is intended to represent the word "thousands".
Assets	As shown on the balance sheet means the value of items owned by the Council including vehicles, buildings and land as at 31 st March 2008.
Liability	As shown on the balance sheet a financial amount owed by the Council as at the 31 st March 2008.
Ring-fenced account	Meaning only available for a specific purpose.
Band D Equivalent	Intended to represent the average property/dwelling within the Borough.

Further Information

The full Statement of Accounts will be available for download from the Council's website at www.castlepoint.gov.uk from September 2008. Copies will also be available at local libraries. If you would like a copy of this document, or require it in another format, please email Finance@castlepoint.gov.uk or alternatively write to:

Chris Mills, Head of Resources. Castle Point Borough Council,
Council Offices, Kiln Road, Thundersley, Benfleet, Essex SS7 1TF.

The full Statement of Accounts was approved at a meeting of Special Council on 23rd June 2008. The reports which accompanied the accounts to committee include detailed explanatory narrative of figures shown in the accounts. A copy of these reports may be viewed on our web-site or obtained at the Council Offices.