

Highland Council

Summary of Accounts

2004/05

Foreword by the Director of Finance

The Council prepares a "Statement of Accounts" in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom. The figures in this summary have been extracted from that "Statement of Accounts" but have been modified in an attempt to provide a more concise and useable document.

During financial year 2004/05 the intention on the General Fund was to utilise reserves of £0.160m to balance the budget. However increased Council Tax collection rates, slippage in planned Capital Expenditure, low interest rates and a reduction in the fire requisition actually saw reserves increase by £5.5m.

On the Housing Revenue Account (Council Houses) it was agreed to use balances of £2.5m to fund expenditure in 2004/05 but only £0.4m was actually required. This reduction is largely due to an under spend on capital funded from current revenue of £2.1m; a saving of £0.1m on loans charges and increased rental income of £0.8m.

The reserves position at March 2005 is shown at the foot of the Income and Expenditure Account. Of the £24.4m available for the General Fund the Council has earmarked £4.6m for specific purposes leaving £19.8m to deal with unexpected events. In addition Capital and Renewal reserves stand at £7.1m.

Capital expenditure did not reach targeted levels. However these resources are still available and will be used in future years to deliver the projects seen as priorities by the Council.

The Council's 2004/05 Accounts were audited by an auditor appointed by Audit Scotland. The auditor has issued an unqualified opinion on the full 2004/05 accounts.

A copy of the Council's 2004/05 audited Accounts is available on the council's website (www.highland.gov.uk) or on request to the Director of Finance, Highland Council Glenurquhart Road, Inverness IV3 5NX. (TEL: 01463 702302).

Income and Expenditure Account

for the year ended 31st March 2005

	2004/05	2003/04
	£m	£m
Expenditure on Council Services		
Council Houses	41.5	41.8
Other Housing Services	2.2	3.6
Education, Culture and Sport	179.7	169.3
Planning, Development and Tourism	6.0	5.4
Transport, Environment and Community	50.6	47.8
Social Work	70.6	66.7
Chief Executive	14.3	11.1
Corporate Services	5.6	5.6
Finance Services	5.4	5.3
Property and Architectural Services	5.1	4.7
Police	20.3	18.9
Fire	13.6	12.4
Valuation Services	2.1	1.7
Miscellaneous	0.0	0.6
Financing costs	36.6	37.3
Net Cost of Services	453.6	432.2
Income:		
Government Grants	254.4	238.2
Business Rates	78.1	74.1
Council Tax	85.4	81.0
House Rents	41.2	40.1
Total Income	459.1	433.4
Net Surplus for the Year	5.5	1.2
Revenue reserves at April 2004	29.2	28.0
Revenue reserves at March 2005	34.7	29.2
General Fund	24.4	18.6
Housing Revenue Account	10.3	10.6
Total Revenue Reserves	34.7	29.2

Capital Expenditure in 2004/05

	2004/05	2003/04
	£m	£m
Council Houses	13.5	15.1
Other Housing Services	5.3	5.1
Education, Culture and Sport	10.6	8.6
Planning, Development and Tourism	1.4	1.3
Transport, Environment and Community	30.9	18.0
Social Work	0.6	0.6
Property and Architects	2.8	1.8
Corporate Projects	0.8	1.9
Total Gross Expenditure	65.9	52.4

Balance Sheet as at 31st March 2005

	2004/05	2003/04
	£m	£m
Fixed and Long Term Assets	1,080.2	905.1
Stock	3.1	3.1
Cash at the Bank	(18.9)	(13.9)
Money owed to the Council	52.0	39.1
Money owed by the Council	(82.5)	(88.9)
NET ASSETS	1,033.9	844.5
Financed by:		
Long Term Borrowing	550.9	545.8
Operational reserves	41.8	34.4
Non operational reserves	441.2	264.3
TOTAL FUNDING	1,033.9	844.5

Cash Flow for the Year Ended 31st March 2005

	2004/05	2003/04
	£m	£m
Cash in the bank at 1 st April 2004	(13.9)	(15.5)
Cash in during the year	1,127.5	1,173.1
Cash out during the year	(1,132.5)	(1,171.5)
Cash in the bank at 31 st March 2005	(18.9)	(13.9)

Statistics

	2004/05	2003/04
Population	208,140	208,140
Council Employees (FTE)	9,613	9,170
Council Tax level at Band D	£1,039	£989
Council Tax Band D equivalents	79,961	79,332
Council Tax collection rate (in year)	94.1%	93.5%
Business Properties	16,029	16,224
Business Rate collection rate (in year)	96.0%	96.9%
Council Houses	14,447	15,045
Average Council House Weekly Rent	£47.43	£45.82