

The background of the page features a large, light blue watermark of the coat of arms of South Northamptonshire Council. The coat of arms consists of a shield with a central lion passant guardant, surrounded by six oak trees. Above the shield is a crest depicting a rooster with its wings raised, perched on a crown. The shield is supported by two lions passant guardant. The text is centered over this watermark.

**SOUTH
NORTHAMPTONSHIRE
COUNCIL**

**SUMMARY
STATEMENT OF ACCOUNTS**

2005-06

Introduction

It is a requirement for the Council to have closed their accounts and produced a statement of accounts by the end of June.

The statement of accounts, by its nature, is a very technical document that has its format, content and detail prescribed. It is not a very easy document to read and understand, particularly for non-financial minded people.

However, the Statement of Accounts, does include important information that can be used to assess the Council's financial standing and financial health.

The purpose of this summary Statement of Accounts is to interpret the technical and complicated information contained within the Statement of Accounts into a more reader friendly, plain English, summarised document that picks out the key financial information contained within the full version and translates it into a more meaningful and, hopefully, understandable document.

Martin Henry
Head of Finance
26 June 2006

Financial Summary 2005-06

The financial performance of the Council is summarised in the table below:

	Currently approved budget £000	Actual net expenditure £000	Variance before slippage £000	Variance before slippage %	Agreed slippage £000	Actual net expenditure including approved slippage £000	Variance to currently approved budget (after slippage) £000	Variance to currently approved budget (after slippage) %
General Fund services	9,245	8,952	-293	3.17%	290	9,243	-3	0.03%
Housing Revenue Account	-39	44	83	213%	0	44	83	213%
Capital Programme	5,976	4,131	-1,845	30.9%	1,588	5,719	-257	0.04%

The table details the budgets that were set for 2005-06 for:

- **General Fund Services** - These budgets are funded through Government Grants, Fees and Charges and Council Tax
- **Housing Revenue Account** - funded through housing rents
- **Capital Programme** - funded through the income generated from the sale of assets and government grants.

The table also illustrates the actual amount of money spent in the financial year on each of these services and compares this to the budget.

The difference between these two figures are the variances. A minus figure shows that we spent less than the budget that was allocated.

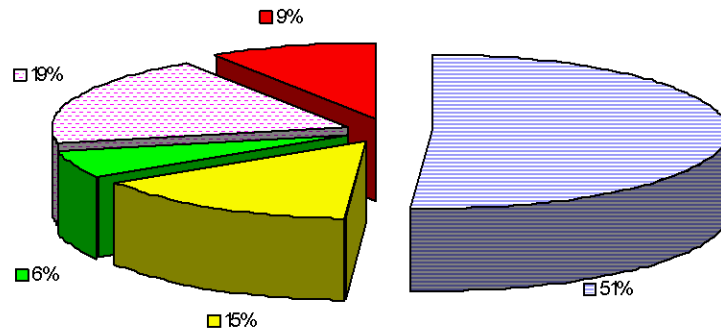
Some unspent budgets are carried forward to future years – this is known as slippage.






Consolidated Revenue Account

This details all revenue expenditure that was incurred by the Council in 2005-06. Revenue expenditure are the costs associated with running all of the Council's services in the year.

The graphs on the following page detail the services that we spent our money on and how we funded those costs.

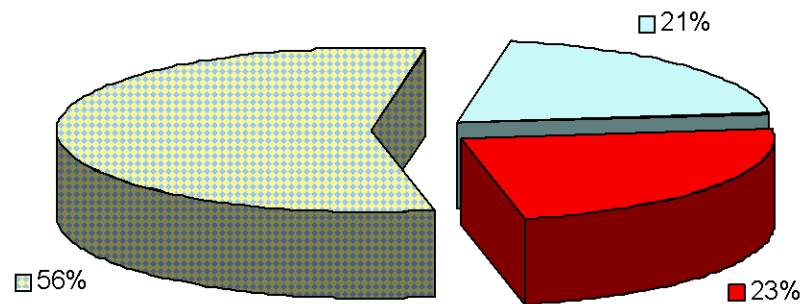
The Services We Provided






 Housing Services (£10.329m)	 Central Services (£3.010m)
 Cultural Services (£1.159m)	 Environmental Services (£3.858m)
 Planning Services (£1.843m)	

How These Costs Were Funded

After making a deduction for the internal accounting arrangements that have to be employed the total costs that need to be funded from Government Grants and local taxpayers is as follows.



 Revenue Support Grant (£2.122m) 21%
 Non Domestic Rates (£2.387m) 23%
 Council Tax (£5.766m) 56%

Capital Expenditure

Capital expenditure generally represents money spent by the Council on purchasing and upgrading assets such as buildings.

The following table outlines the main areas of expenditure:

2004-05 £'000		2005-06 £'000
912	Council Dwellings - Construction and Improvements	2,525
181	Other - Land Acquisition	19
1,020	- Public Offices/Land Strategy	642
133	- Leisure and Amenities	0
965	- Renovation Grants	589
59	- Refuse Collection	57
87	- Town and Country Planning	52
85	- Vehicles	52
48	- Other Expenditure	298
3,490		4,234

The capital expenditure was funded by:

2004-05 £'000		2005-06 £'000
2,881	Capital Receipts	1,290
358	Other Grants and Contributions	670
252	Direct Financing from Revenue	2,274
3,490		4,234

Balance Sheet

The balance sheet represents what the Council owns and is owed on 31st March 2006.

2004-05 £000		2005-06 £000
284,362	Buildings and Land owned by the Council	240,394
217	Stock	203
7	Cash in Bank	2
29,838	Money owed to the Council	32,239
(6,116)	Money owed by the Council	(8,595)
(16,054)	Pension net liability	(15,601)
292,254		248,642
	Financed by:	
290,977	Capital reserves	246,482
16,239	Reserves and Balances	16,603
(16,054)	Pension Reserve	(15,601)
1,092	Collection Fund	1,158
292,254		248,642

Revenue reserves are amounts of money that are set aside for either a specific reason or as a contingency to guard against costs associated with the occurrence of any unexpected events. The revenue reserves can be broken down as follows:

2004-05 £000		2005-06 £000	Movement £000
5,234	General Fund Balances	1,231	(4,003)
1,088	Housing Revenue Account	1,043	(45)
495	Direct Services Reserve	457	(38)
9,422	Earmarked Reserves	13,872	4,450
16,239		16,603	364