

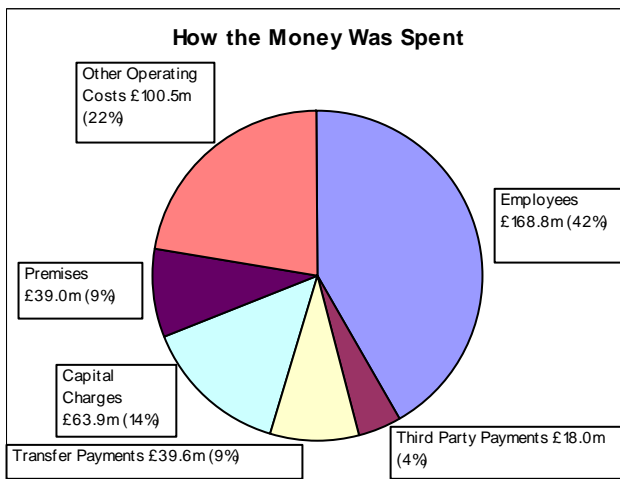
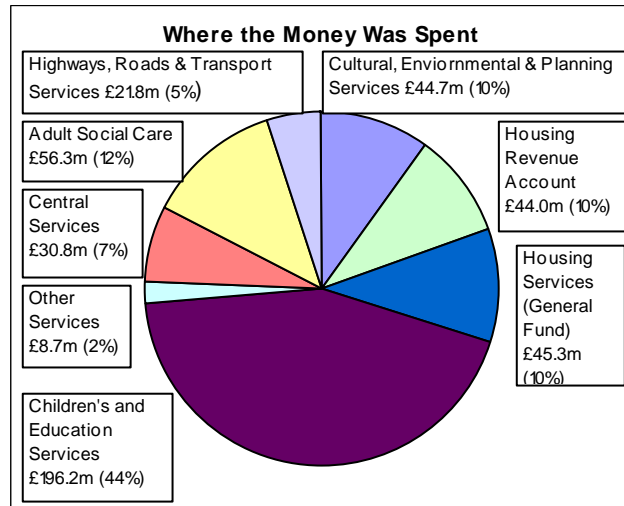
Summary of Accounts 2008/09

INTRODUCTION

The full Statement of Accounts is available on the Council's website. It's format and content is set by Financial Reporting Standards and the Accounting Code of Practice, therefore this summary report aims to provide a simplified version of the accounts.

REVENUE TRANSACTIONS

The Council set a budget of £110.5m which included growth of £5.3m and savings of £6.3m. In the year it spent £447.8m on providing day-to-day services to the public and has managed a number of pressures during the year. There was an underspending during the year, compared to the budget, although £0.5m of this was for projects that could not be fully provided in 2008/09, and the resources will be used in 2009/10. The remainder of the underspend has arisen due to one-off events that are unlikely to arise in future years. The adjacent graph shows this expenditure on a service basis.



These costs can also be shown by category of expenditure.

Employees costs include the full cost of employing all staff, including teachers

Third party payments include levies from internal drainage boards

Transfer payments relate principally to benefit payments and rent rebates

Premises costs are the cost of running all council premises

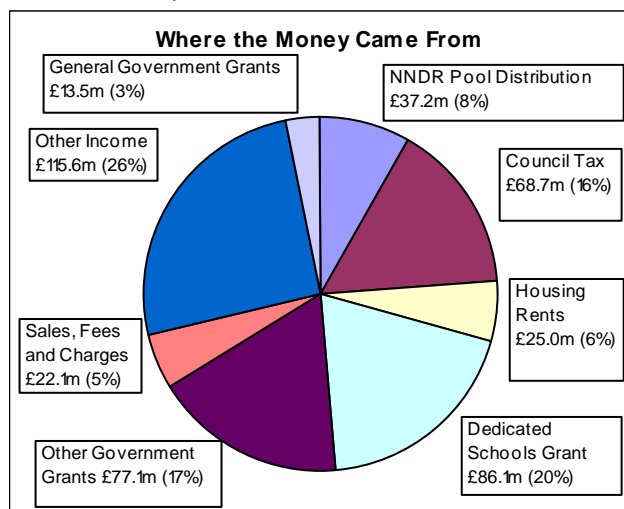
Other operating costs includes such diverse items as social services costs for supporting residents

Capital Charges are depreciation and impairment for fixed assets.

The revised budget assumed that £5.7m would need to be withdrawn from balances to fund the expenditure but the underspend in the year meant that only £2.5m was needed, this led to a general fund balance of £15.7m (including £5.7m reserved for use by schools). The funding used in the year is shown in the attached chart.

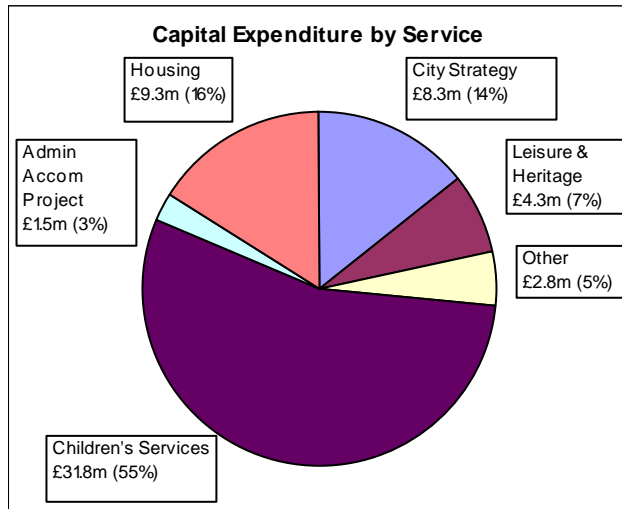
NNDR Distribution and General Government Grants are paid by the government to support general expenditure, other government grants are to fund specific service provision.

While Council Tax may seem very visible to those who pay it, it only represents 16% of the Council's total funding.



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CAPITAL TRANSACTIONS



The expenditure on building and improving the Council's fixed assets was £58.0m compared to an original budget of £60.2m. The change has arisen due to re-programming of some of the work.

The Council maintains a wide-ranging capital programme containing initiatives such as:

- York High School (£10.9m)
- Local Transport Plan (£6.4m)
- Joseph Rowntree School (£9.1m)
- Modernisation and repairs to Council Properties (£2.1)
- NDS Modernisation works on a variety of schools (£4.1m).
- York Pools strategy (£3.6m)

SUMMARY BALANCE SHEET AS AT 31 MARCH 2009

The balance sheet shows the end of year financial position for the Council as a whole. It presents the financial value of the land, buildings and other assets owned by the Council and the value of borrowings and other debts owed by the Council.

After adjustments for revaluations, depreciation and disposals, the value of **fixed assets** reduced by £36.0m in the year, including an impairment reduction reflecting the current market conditions.

The **pension liability** represents the Council's net financial commitment to existing pensioners, future pensioners and current employees. The **pension reserve** is the offsetting amount the Council would need to make available over a period of time to fund these benefits. This results in a net nil cost to the taxpayer.

Capital accounting represents the proportion of the Council's fixed assets that have been funded to date.

Earmarked reserves are funds of money held by the Council for specific purposes. These include money for future capital investment and other projects. The value increased by £0.2m during the year.

General reserves need to be maintained at an adequate level to provide a sound financial basis and meet any unforeseen calls on the Council's resources. They include £5.7m unspent allocations held by schools. As a result of the overall net spending in 2008/09 compared to the budget, the balance on general reserves has decreased by £2.5m, of which Members have agreed additional expenditure of £0.5m in 2009/10. This will leave the reserves at a level considered to be adequate.

	£m	£m
Fixed Assets:		
Intangible assets	3.3	
Land and buildings	240.8	
Council housing	367.5	
Vehicles, plant, etc.	5.5	
Roads, bridges, etc.	76.1	
Investment Properties	65.9	
Assets under construction	12.9	
Surplus Assets	<u>13.5</u>	785.5
Other Assets and Liabilities:		
Stocks	0.6	
Cash-in-bank	8.6	
Investment, debtors and other assets	82.9	
Liabilities	(198.5)	
Pension liability	<u>(150.9)</u>	<u>(257.3)</u>
NET ASSETS		<u>528.2</u>
Financed by:		
Capital accounting		637.9
Pension reserve		(150.9)
Earmarked reserves		25.5
General reserves		<u>15.7</u>
TOTAL EQUITY		<u>528.2</u>

FURTHER INFORMATION

The full Statement of Accounts is available on the council's website.