

LONDON BOROUGH OF HOUNSLOW

SUMMARY OF ACCOUNTS 2005-2006



This document summarises the Council's financial performance during 2005-06 and gives details of the Council's spending on running its day-to-day operations and its assets and liabilities at the end of the year.

This information is based on the full 2005-06 Statement of Accounts on which the Council's external auditors KPMG, issued an unqualified report. A copy of the Statement of Accounts can be obtained from www.hounslow.gov.uk

Hounslow Council would welcome comments on whether you find these accounts useful and on the presentation.

Please send your comments to Finance.Accounting@hounslow.gov.uk or contact the Corporate Accounting Team: 020 8583 2435.

FINANCIAL POSITION 2005-06

Each year, service departments have an agreed cash-limited budget within which they are required to achieve aims and objectives set out in their business plan. This year departments have spent less than planned enabling us to place an additional £1.2m into reserves to support services in future years.

The reasons we underspent were:

- Interest costs on outstanding debt were £0.2m lower than anticipated.
- A saving of £0.6m was achieved in administering council tax and benefits following re-tendering the contract.
- An additional sum of £0.7m was received from the government in respect of benefits.
- An additional £0.5m was spent on flytipping and leisure.

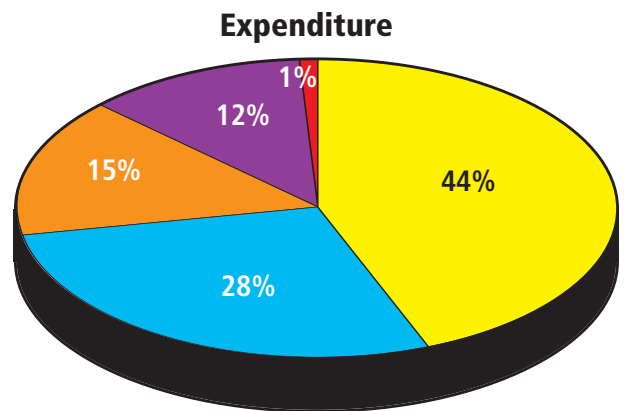


Feltham Town Centre

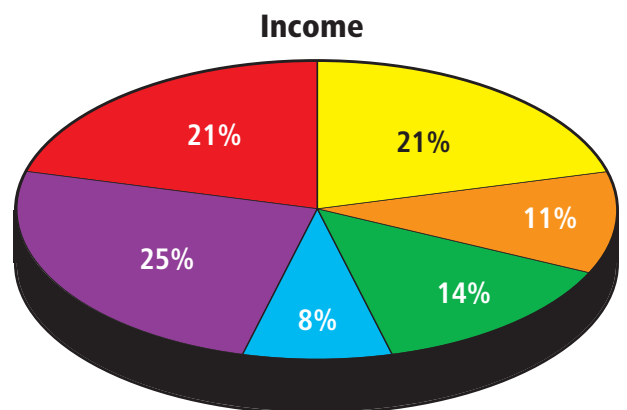
Cost of Council Services in 2005 - 06	£m Gross Expenditure	£m Gross Income	£m Net Expenditure
Central Services to the Public	32.3	27.4	4.9
Cultural, Environmental and Planning Services	45.9	13.3	32.6
Education Services	211.7	47.4	164.3
Highways, Roads and Transport Services	24.8	9.4	15.4
Housing Services	190.4	182.2	8.2
Social Services	120.9	42.4	78.5
Corporate and Democratic Core	8.4	0.0	8.4
Non-distributed costs	0.8	(0.6)	0.2
Net Cost of Services	635.2	322.7	312.5
Internal charges for the use of Council assets			(23.8)
Interest and Investment Income			(3.1)
Contribution to Reserves			4.6
Total Spending in Year			290.2
Revenue Support Grant			(131.6)
Non-Domestic Rates Redistributed			(70.9)
Council Tax			(88.9)
Total Funding			(291.4)
Surplus transferred to reserves			(1.2)

The charts show how the money was spent and where the money came from including grants for specific projects for example, recycling and income raised by service departments from for example, fees for planning and legal services.

Employees	£276.4m
Running Expenses	£179.6m
Benefits	£97.7m
Capital Financing Costs	£76.9m
Contributions to Balances	£4.6m
Total Expenditure	£635.2m



Council Tax	£88.8m
Business Rates	£70.9m
Housing Rents	£49.1m
General Government Grants	£131.7m
Specific Grants	£162.4m
Fees, Charges etc	£133.5m
Total Income	£636.4m



Balance Sheet

The Balance Sheet shows the Council's financial position at the end of the year: what the Council owns and is owed

Balances at 31 March 2006 £m

Capital assets	1,622.6
Investment and Cash in the bank	12.2
Money owed to LB Hounslow	97.8
Money owed by LB Hounslow	(102.2)
Temporary and Long Term borrowing	(252.0)
Pensions and other liabilities	(362.9)
	1,015.5
Capital reserves	1,186.8
Pensions reserve	(242.1)
Reserves for specific purposes	61.8
General Balances	9.0
	1,015.5

Notes to Balance Sheet

Capital Reserves

Capital reserves show technical accounts which includes changes in the valuation of properties. This is not money available to the Council to spend.

Pensions Reserves

Pension reserves show the current commitment to pay retirement benefits to existing and future pensioners. It is based on valuations by the Council's Actuaries and is being funded over a 15 year period.

Reserves for specific purposes

Includes sums held on behalf of schools of £10m and for repairs to council housing of £14m.

General Fund Balance

The general fund balance is the total of the Council's unused reserves to date, which can be used to fund future day-to-day operations and unforeseen circumstances.

Grenham House Gardens



The Housing Revenue Account (HRA) £m

Dwelling & non dwelling rents	49.1
Other charges and contributions	6.8
Government subsidy	7.7
Total Income	63.6

Repairs and maintenance	14.9
General management	10.3
Special services including district heating and warden services	11.4
Rents, Rates, Taxes and Other Charges	1.1
Capital and financing costs	24.6
Contributions to reserves	0.1
Total expenditure	62.4

Surplus for the year 1.2

The Housing Revenue Account (HRA) summarises the transactions relating to the management and maintenance of the Council's houses and flats.

It is paid for by rents and charges for services; it cannot be subsidised in any way by Council Tax.

The management of the Council's housing is carried out by Hounslow Homes, an arms length management company, wholly owned by the Authority.

The Council retains ownership of the housing stock and has statutory responsibility for the Housing Revenue account.

On average 13,720 dwellings were managed during 2005/06. The stock numbers at the year-end were:

● Houses and Bungalows	4,270
● Flats and Maisonettes	9,450



Springwell Junior School

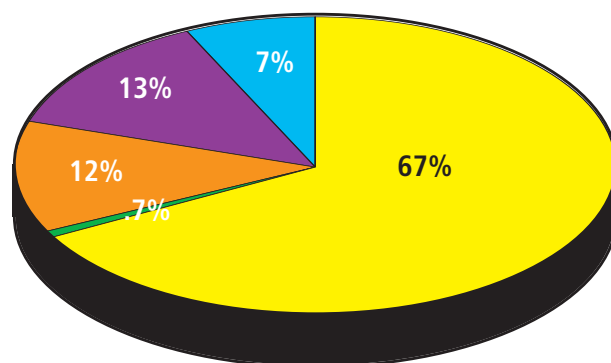
Spending on Capital Projects in 2005-06

Capital expenditure represents money spent on either buying new assets or improving existing assets. Hounslow has been investing in assets that will benefit the community over many years.

	£m
Schools	10.1
Housing improvements and modernisation	53.9
Maintenance and improvement of Highways, Roads and Transport	12.8
Vehicles, plant and equipment	5.4
Other	4.5
Total Capital Spend	86.7

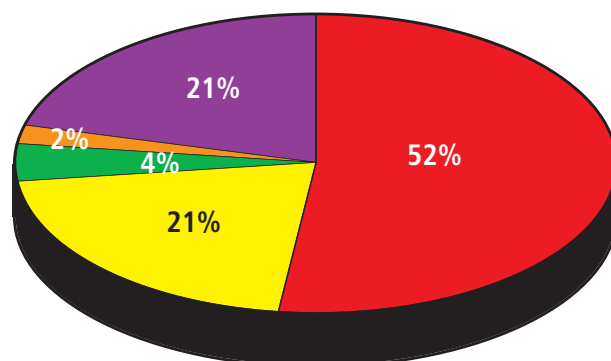
Capital Expenditure by Service

Housing	£58.5m
Social Services	£0.7m
Life Long Learning & Cultural Services	£10.6m
Street Management & Public Protection	£10.8m
Other	£6.1m



How Capital Spending was Paid for

Loans	£45.3m
Capital Grants & Other Contributions	£17.7m
Capital Receipts	£3.5m
Revenue Finance	£1.8m
Reserves	£18.4m



The Blenheim Centre

Cash held at 1 April 2005 (£m) (2)

CASH IN

Net income from government	220
Council tax and NNDR	203
Income from sale of goods/services	227
Income from sale of assets	24

CASH OUT

Payments for goods and services	317
Payments to/on behalf of employees	278
Housing Benefits	79
Loans and interest paid	6

Cash held at 31 March 2006 (8)

The Council holds sufficient funds to meet short term commitments. Surplus funds are invested in both the long and the short term to generate additional income from the interest.

કાઉન્સિલે 2005 થી - 2006 ના વર્ષ દરમિયાન કેવી કામગીરી કરી એ વિષે નાણાંકીય બાબતનું સારાંશ આ દસ્તાવેમાં આપેલ છે અને વર્ષની આખરમાં કાઉન્સિલે કેટલાં પૈસા વાપર્યાં અને મૂડી (એસેટ) બાકી રહી એ વિષેની વિગતો તેમાં આપી છે. જો તમને આ માહિતી ગુજરાતીમાં જાણવી હોય તો મહેરબાની કરી ટ્રાન્સલેશન સર્વિસને આ નંબર પર ટેલિફોન કરો: 020 8583 2299

यह प्रलेख काउंसिल की 2005-2006 में आर्थिक कार्यों की संक्षिप्त रिपोर्ट है और इसमें काउंसिल के खर्च और वर्ष के अंत में काउंसिल की संपत्ति के बारे में बताया गया है। यदि आपको यह जानकारी हिन्दी में चाहिए, तो कृपया ट्रांसलेशन सर्विस को 020 8583 2299 पर फोन करें।

ਇਹ ਪਰਚਾ ਸੰਨ 2005 -2006 ਦੇ ਸਾਲ ਦੌਰਾਨ ਕੌਂਸਲ ਦੇ ਮਾਲੀ ਕੰਮਾਂ ਦਾ ਸੰਖੇਪ ਵੇਰਵਾ ਹੈ ਅਤੇ ਸਾਲ ਦੇ ਆਖੀਰ ਵਿੱਚ ਇਹ ਕੌਂਸਲ ਦੇ ਖਰਚਿਆਂ ਅਤੇ ਮਾਲੀ ਹਾਲਤ ਦੀ ਜਾਣਕਾਰੀ ਦਿੰਦਾ ਹੈ। ਜੇਕਰ ਤੁਹਾਨੂੰ ਇਹ ਜਾਣਕਾਰੀ ਪੰਜਾਬੀ ਵਿੱਚ ਚਾਹੀਦੀ ਤਾਂ ਕ੍ਰਿਪਾ ਕਰਕੇ ਟ੍ਰਾਂਸਲੇਸ਼ਨ ਸਰਵਿਸ ਨੂੰ ਇਸ ਨੰਬਰ 'ਤੇ ਫੋਨ ਕਰੋ: 020 8583 2297

Dokumentigani waxa uu ku saabsan yahay maamulka dhaqaalaha Kawnsalka ee sannadka 2005 -2006 Wuxuna qaadaa-dhigayaa kharashka ka baxa iyo raasamaalka Kawnsalka sannadkaas.Haddii aad doonaysid in warbixintan laguugu turjumo af Soomaali, fadlan wac Waaxda Turjumaadaha 020 8583 2299.

یہ دستاویز کونسل کی مالیاتی کارکردگی برائے 2005 - 2006 کا خلاصہ ہے اور یہ آپ کو سال کے آخر میں کونسل کے اخراجات اور اثاثوں کی تفصیلات مہیا کرتا ہے۔ اگر آپ کو یہ معلومات اردو زبان میں درکار ہیں، تو براہ کرم ٹرانسلیشن سروس کو اس فون نمبر 020 8583 2299 پر رابطہ کریں



This document is a summary of Hounslow's accounts for the year 2005-2006
The information can be provided in other formats on request,
from the Translation Unit: 020 8583 2299.

The Translation Unit provides a comprehensive interpreting and translation service
to users of the Council Services, Council Departments and other external
Service Providers such as the Health Sector and Law Courts.

The Unit provides its services in around 140 languages and dialects, as well as
British Sign Language interpreters, a Braille service and voice over facilities.

Central Accountancy
London Borough of Hounslow
Civic Centre, Lampton Road
Hounslow TW3 4DN

Phone: 020 8583 2435
e-mail: Finance.Accounting@hounslow.gov.uk
www.hounslow.gov.uk

 **Hounslow**



Designed and Produced by
Corporate Communications
and The Print Unit.
November 2006