

AMENDMENTS TO THE 2007/08 STATEMENT OF ACCOUNTS**1 SUMMARY OF THE COUNCIL'S FINANCIAL RESULTS (pages 14 - 15)****REVENUE OUTTURN**

As the table below shows, the Authority underspent its budget, as revised in July 2007, by **£0.714m**. This is largely accounted for by planned underspends and carry-forwards in accordance with the Council Policy and for Schools through statute.

At 31st March 2008 the borough's schools had accumulated a total underspending against their budget of **£8.397m**, including £0.771m central spend of the Dedicated Schools Grant. Under the terms of the Local Management of Schools scheme of delegation operated by the Authority, this overall underspending will be carried forward, in total, into the 2008/2009 financial year for the schools to use at their discretion.

In the case of the Authority's other Departments, the "Cash Ceiling" scheme of financial delegation operated by the Authority means that they may be able to carry forward into 2008/2009 their underspendings up to a limit that is the greater of 1% of their net budget or £50,000. However, the **total** value of any overspendings must be carried forward. The directorate carry-forwards requests are included in the revenue outturn report which will be considered by the Executive on 3 September, 2008.

Detailed outturn and variation reports will be submitted to the Resource & Performance Scrutiny Commission on 21 July, 2008 for all services. These reports are available to members of the public and they may be obtained from the Head of Financial Management at Bury Town Hall or by telephoning 0161-253 5034.

Revenue expenditure during 2007/2008 was: -

	<u>Revised Estimate £000's</u>	<u>Actual £000's</u>	<u>Difference £000's</u>
Net cost of Bury services	125,252	124,538	(714)
Precepts :- Police	6,851	6,851	0
Fire	2,830	2,830	0
TOTAL NET EXPENDITURE	134,933	134,219	(714)
Financed from:-			
Revenue Support Grant	(8,324)	(8,324)	0
Business Rates Pool	(49,602)	(49,602)	0
Council Tax	(75,982)	(75,982)	0
Collection Fund	(143)	(143)	0
(SURPLUS) / DEFICIT	882	168	(714)

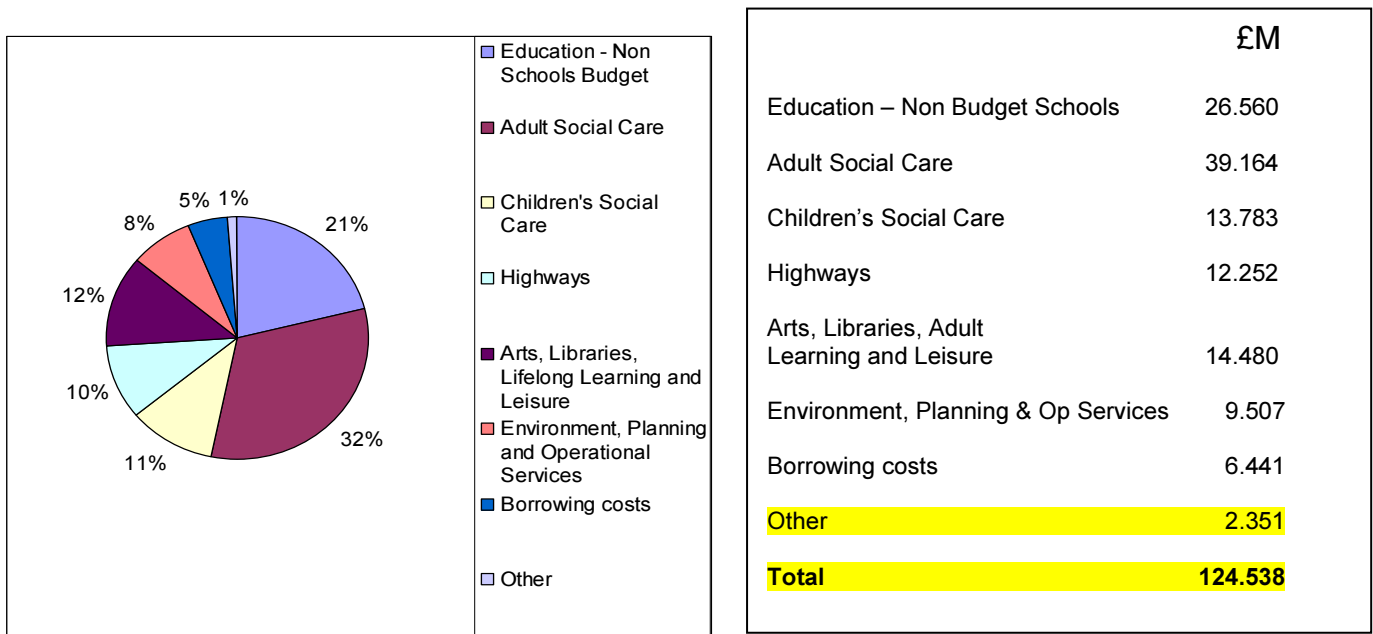
The **£0.882million** deficit shown at Revised Estimate relates to contributions from general fund balances.

The Corporate Revenue Outturn Report which will be considered by the Executive on 3 September, 2008 details the overall performance of the Council in 2007/2008.

Major Variances, details of which can be found in the Revenue Outturn report, included:

<u>Service Area</u>	<u>£000's</u>
Environment and Development Services	(584)
Adult Care Services	1,497
Cost of Borrowing	(1,858)
Housing	(355)
Education – Non Schools Budget	44
Children's Social Care	(23)
Chief Executive's	(156)
Other Variances	(83)
Planned Contribution To Reserves	804
Total	(714)

The Council spent **£124.538m** (excluding precepts) in 2007/08 as follows



2 INCOME AND EXPENDITURE ACCOUNT (page 46)

<u>2006/2007</u>	<u>2007/2008</u>			<u>Notes</u>
<u>Net Expenditure</u> <u>£000's</u>	<u>Gross Expenditure</u> <u>£000's</u>	<u>Income</u> <u>£000's</u>	<u>Net Expenditure</u> <u>£000's</u>	
Continuing Services				
3,353 Central Services to the Public	31,103	(26,759)	4,344	
242 Court Services	281	(23)	258	
28,754 Cultural, Environmental & Planning Services	57,577	(23,697)	33,880	
11,765 Children's & Education Services	198,374	(158,454)	39,920	
19,779 Highways, Roads & Transport Services	31,615	(8,504)	23,111	
(582) Local Authority Housing (HRA)	35,992	(24,806)	11,186	

4,145	Other Housing Services	44,695	(39,695)	5,001	
51,669	Adult Social Care Services	73,341	(33,779)	39,562	
4,763	Corporate & Democratic Core	4,889	(112)	4,777	
3,833	Non-Distributed Costs	9,560	(35)	9,525	
428	Other Operating Inc & Exp.	904	0	904	
128,149	Net Cost Of Services	488,331	(315,863)	172,468	
0	(Gain)/Loss on Disposal of Fixed Assets			26	
(1,387)	(Surplus)/Deficits on Trading Operations			(1,561)	4
5,349	Interest Payable & other Similar Charges			5,934	
3,051	Contribution of Housing Capital Receipts to Government Pool			1,797	
(3,306)	Interest and Investment Income			(4,519)	5
(100)	Pensions Interest Cost and Expected Return on Pensions Assets (FRS17)			(1,000)	8
0	(Gains) / Losses on early settlement of borrowing			0	
131,756	Net Operating Expenditure			173,145	
(63,424)	Demand On Collection Fund: Collection Fund Surplus Council Tax			(66,444)	
(11,654)	Government Grants (not attributable to specific services)			(10,932)	
(47,489)	Non-Domestic Rate distribution			(49,602)	
9,189	Net (Surplus) or Deficit For The Year			46,167	

3 STATEMENT OF MOVEMENT ON GENERAL FUND BALANCE (page 47)

2006/07		2007/08
9,189	Deficit for the year on the Income and Expenditure Account	46,167
(17,077)	Net additional amount to be debited or credited to the General Fund balance for the Year (see table below)	(47,844)
(7,888)	Decrease / (Increase) In General Fund Balance for the Year	(1,677)
(5,271)	Balance on General Fund B/Fwd	(13,546)
(157)	In Year Contribution	229
(13,316)	Balance on General Fund C/Fwd	(14,994)
(7,368)	General Fund balance attributed to school Budgets	(8,397)
(5,948)	Amount of General Fund balance generally available for new expenditure	(6,597)
(13,316)		(14,994)

4 NOTE OF RECONCILING ITEMS FOR THE STATEMENT OF MOVEMENT ON THE GENERAL FUND BALANCE (pages 47 to 48)

2006/07	2007/08	Note
(415) Amortisation of intangible fixed assets (reversal)	(551)	21
(6,665) Depreciation and impairment of fixed assets (reversal)	(44,489)	
118 Government grants deferred amortisation	212	35
(3,612) Deferred charges (w/d financed by capital resources (reversal)	(4,218)	23
Differences between amounts debited / credited to the I&E a/c and amounts payable / receivable to be recognised under statutory provisions relating to soft loans and premiums & discounts on the early		
0 repayment of debt	2	
(17,100) Net changes made for retirement benefits (FRS17 entry) (reversal)	(14,000)	8
(27,674) Amounts included in the Income and Expenditure Account required by statute to be excluded when determining the Movement on the General Fund Balance for the year	(63,044)	
3,762 Minimum revenue provision for capital financing	4,494	7
3 Capital expenditure financed from revenue	106	
(3,051) Transfer from Usable Capital Receipts equal to Housing Pooled Capital Receipts	(1,797)	
9,721 Pension Fund - Employer's contributions payable to PF and retirement benefits payable direct to pensioners (FRS17 entry)	10,724	8
10,435 Amounts not included in the Income and Expenditure Account but required to be included by statute when determining the Movement on the General Fund Balance for the year	13,527	
150 Transfer to/(from) other earmarked reserves -	1,489	3
(227) Transfer to/(from) HRA Balances	(139)	
239 Voluntary Revenue provision for capital financing	323	7
162 Transfers to and from the General Fund Balance that are required to be taken into account when determining the Movement on the General Fund Balance for the year	1,673	
(17,077) Net additional amount required to be credited to the General Fund Balance for the year	(47,844)	

5 STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES (page 48)

2006/07 £000's	2007/08 £000's
9,189 Deficit for the year on the Income and Expenditure Account	46,167
(7,838) (Surplus) / Deficit Arising on revaluation of fixed assets	(187,948)
0 (Surplus) / Deficit Arising on Revaluation of Available for Sale Financial Assets	(52)
(32,679) Actuarial (gains) / losses on pension fund assets and liabilities	(36,076)
(7,518) Other (Gains) / Losses for the year	(9,929)
(38,846) Total Recognised (Gains) / Losses for the Year	(187,838)

BALANCE SHEET AT 31ST MARCH 2008

<u>2007</u>			<u>2008</u>			
<u>£'000</u>	<u>£'000</u>		<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>Note</u>
		FIXED ASSETS				
4,897	4,897	Intangible Fixed Assets		5,457		21
		Tangible Fixed Assets				
		Operational Assets:				
288,809		Council Dwellings	295,059			
202,381		Other Land & Buildings	347,170			
26,248		Infrastructure Assets	27,895			
1,352		Vehicles & Plant	2,130			
608		Community Assets	639			
		Non-Operational Assets:				
45,471		Investment Properties	54,171			
570		Assets under construction	6,191			
644		Surplus assets held for disposal	296			
566,083	570,980	TOTAL FIXED ASSETS	733,551	739,008		20
		LONG TERM INVESTMENTS				
10,214	10,214	Manchester Airport PLC	10,214	10,214		26
		LONG TERM DEBTORS				
9,707		Loan Accounts	9,323			27
26		Debt Managed for Probation Services	25			22
	9,733			9,348		
		CURRENT ASSETS				
1,269		Stocks & Work in Progress	1,146			
36,601		Sundry Debtors & Advance Payments	39,563			27
35,350		Short Term Investments	37,238			
2,084		Cash in Hand	2,837			
	75,304			80,784		
		LESS : CURRENT LIABILITIES				
(287)		Short Term Loans Outstanding	(1,361)			28
(158)		Deposits & Clients' Funds	(126)			
(39,352)		Sundry Creditors & Advance Receipts	(43,031)			
(5,627)		Capital Grants Unapplied	(10,751)			37
(4,728)		Bank Accounts	(1,026)			
	(50,152)			(56,295)		
	25,152	NET CURRENT LIABILITIES		24,489		
	616,079	TOTAL ASSETS LESS CURRENT LIABILITIES		783,059		
		LESS: LONG TERM LIABILITIES				
(112,854)		External Loans Outstanding	(113,206)			28
(9,141)		Deferred Liabilities	(8,622)			29
(92,400)		Pension Liability	(59,600)			8
(7,137)		Government Grants	(14,905)			
(17,699)		Deferred Account Provisions	(22,040)			35 31
	(239,231)			(218,373)		
	376,848	TOTAL NET ASSETS		564,686		

BALANCE SHEET AT 31ST MARCH 2008

<u>2007</u>			<u>2008</u>			
<u>£'000</u>	<u>£'000</u>		<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>Note</u>
		FINANCED BY :				
		RESERVES AND OTHER BALANCES				
(7,559)		Earmarked Reserves		(9,199)		32
0		Revaluation Reserve		(187,948)		33
(431,785)		Capital Adjustment Account		(394,804)		34
0		Financial Instruments Adj Res		(52)		
0		Capital Receipts Unapplied		0		36
(189)		Deferred Capital Receipts		(155)		30
92,400		Pension Reserve		59,600		8
		Balances				
(13,546)		General Fund		(14,994)		14
(1,678)		Housing Revenue Account		(1,539)		
(3,522)		Major Repairs Reserve		(4,331)		32
(444)		Competitive Services /		(837)		32
		Commutated Sums				
(167)		Collection Fund Balance		(65)		
(10,358)		Other Balances		(10,362)		
	<u>376,848</u>	TOTAL RESERVES AND BALANCES		<u>564,686</u>		

7 CASH FLOW STATEMENT (pages 51 and 52)

The Cash Flow Statement summarises the inflows and outflows of cash arising from transactions with third parties for revenue and capital purposes.

<u>2006/2007</u>			<u>2007/2008</u>		
<u>£000's</u>			<u>£000's</u>	<u>£000's</u>	<u>£000's</u>
	REVENUE ACTIVITIES				
183,469	Cash Outflows: Cash Paid to and on behalf of Employees		190,751		
189,731	Other Operating Cash Payments		190,186		
17,415	Housing Benefit paid out		20,346		
38,067	NNDR payments to National Pool		37,180		
9,260	Precepts paid		9,681		
			<u>448,144</u>		
437,942					
(22,234)	Cash Inflows: Rents (after Rebates)		(23,128)		
(62,575)	Council Tax Receipts		(65,828)		
(47,489)	NNDR Receipts from National Pool		(49,602)		
(38,300)	Non-Domestic Rate Receipts		(37,413)		
(9,167)	Revenue Support Grant		(8,324)		
(27,733)	DWP Grants for Benefits		(31,164)		
(138,077)	Other Government Grants		(144,139)		
(100,561)	Cash Received for Goods and Services		(92,825)		
(446,136)				<u>(452,423)</u>	
(8,194)	NET CASH INFLOW FROM REVENUE ACTIVITIES				(4,279)
	RETURNS ON INVESTMENTS AND SERVICING OF FINANCE				
5,568	Cash Outflows: Interest Paid			5,225	
(2,056)	Cash Inflows: Interest Received			(4,519)	
3,512					706
(4,682)					(3,573)
	ACQUISITIONS AND DISPOSALS				
0	Sales of investments in associates or joint ventures			0	0

<u>DIVIDENDS FROM JOINT VENTURES AND ASSOCIATES</u>				
(1,250)	Airport Dividend Received		(1,250)	(1,250)
(1,250)				
<u>CAPITAL ACTIVITIES</u>				
20,920	Cash Outflows: Purchase of Fixed Assets	22,385		
0	Purchase of Long Term Investments	0		
3,051	Payments to Housing Capital Receipts Pool	1,797		
23,971			24,182	
(7,878)	Cash Inflows: Proceeds of Sale of Fixed Assets	(5,870)		
(12,927)	Capital Grants received	(18,021)		
(20,805)			(23,891)	
3,166				291
(2,766)				(4,532)
<u>MANAGEMENT OF LIQUID RESOURCES</u>				
28,750	Net Increase / (Decrease) in Short Term Deposits			1,888
25,984	NET CASH OUTFLOW BEFORE FINANCING			(2,644)
<u>2006/2007</u>			<u>2007/2008</u>	
<u>£000's</u>		<u>£000's</u>	<u>£000's</u>	<u>£000's</u>
<u>FINANCING</u>				
	Cash Outflows: Repayments of amounts borrowed			
11,261	Long Term loans repaid	4,000		
26,150	Short Term loans repaid	4,287		
37,411			8,287	
(536)	Cash Inflows: Net Receipts from Long Term Debtors	(385)		
(39,000)	New Long Term Loans	(5,669)		
(26,150)	New Short Term Loans	(4,044)	(10,098)	
(65,686)				
(28,275)				(1,811)
(2,291)	NET INCREASE IN CASH			(4,455)

8 INTEREST and INVESTMENT INCOME (page 55)

The figure shown within the Income and Expenditure Account includes interest on car loans paid by employees and interest earned by investing temporary cash surpluses.

	<u>2006/2007</u>	<u>2007/2008</u>
	<u>£000's</u>	<u>£000's</u>
Interest on Car Loans	83	72
Mortgage Interest repayment – Housing Revenue Account	14	18
Mortgage Interest repayment – Housing Loan Account	36	41
Discount-early repayment of Debt	9	137
Investment Interest	1,928	2,989
Interest on Other Balances	(14)	12
Unpaid Account Interest	0	0
Airport Dividend	1,250	1,250

TOTAL	3,306	4,519
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9 GENERAL FUND MOVEMENTS (page 61)

The 2007/2008 surplus on the General Fund (excluding the use of balances and reserves) of **£1.677m** is split as follows: -

	<u>Standards Fund</u> £000's	<u>DSG Schools Budget</u> £000's	<u>General</u> £000's	<u>Total</u> £000's
Balance at 31st March 2007	(1,437)	(5,931)	(6,178)	(13,546)
(Surplus)/Deficit for the Year	1,437	(2,466)	(648)	(1,677)
In Year Contribution	-	-	229	229
Balance at 31st March 2008	0	(8,397)	(6,597)	(14,994)

10 DEBTORS & LOAN ACCOUNTS (pages 69 to 70)

Long term debtors:	<u>2006/07</u> £000's	<u>2007/08</u> £000's
Car loans (employees)	799	739
Airport Terminal 1	8,138	7,869
Bury Metro Arts Association Ltd	32	32
Bury Music Centre	2	2
PWLB Premiums	107	0
Housing Loans	736	681
TOTAL	9,814	9,323
Short term debtors:		
General Fund:	29,917	30,591
Less provision for uncollectable sums	(652)	(577)
Advance payments	3,485	3,005
Housing Revenue Account:	1,997	2,064
Less provision for uncollectable sums	(2,072)	(1,997)
	32,675	33,086
Collection Fund:		
Council tax	4,528	5,702
Community charges	435	430
Business rates	2,142	4,081
Less provision for uncollectable sums	(3,179)	(3,736)
	3,926	6,477
TOTAL	36,601	39,563

11 SUMMARY INTRODUCTION TO DETAIL ON MOVEMENT ON RESERVES (page 79)

The Council keeps a number of reserves in the Balance Sheet. Some are required to be held for statutory reasons, some are needed to comply with proper accounting practice, and others have been set up voluntarily to earmark resources for future spending plans.

Reserve	Balance 01-Apr-07	Net Movement In Year	Balance 31-Mar-08	Purpose of Reserve	Further Detail of Movements
	£000	£000	£000		
Revaluation Reserve	0	187,948	187,948	Store of gains on revaluation of fixed assets	See Note 33 to Core Financial Statement, p. 73
Capital Adjustment Account	431,785	(36,981)	394,804	Store of capital resources set aside to meet past expenditure	See Note 34 to Core Financial Statement, p. 74
Financial Instruments Adjustment Account	0	52	52	Balancing account to allow for differences in statutory requirements and proper accounting practices for borrowings and investments	See Note 38 to Core Financial Statement, p. 76
Pensions Reserve	-92,400	32,800	-59,600	Balancing account to allow inclusion of Pensions Liability in the Balance Sheet	See Note 8 to Core Financial Statement, p. 56
Housing Revenue Account	1,678	(139)	1,539	Resources available to meet future running costs for council houses	See HRA Statement and Notes, p. 89 – 95
Major Repairs Reserve	3,522	809	4,331	Resources available to meet capital investment in council housing	See HRA Statement and Notes, p. 89 - 95
General Fund	13,546	1,448	14,994	Resources available to meet future running costs for non-housing services	See Statement of Movement on General Fund Balance, p. 46
Earmarked Reserves	7,559	1,640	9,199	Resources set aside for a particular purpose	See Note 32 to Core Financial Statement,

Other Reserves	11,158	261	11,419
Total	376,848	187,838	564,686

12 RECONCILIATION OF CASHFLOW TO INCOME AND EXPENDITURE ACCOUNT (page 86)

The net cash flow from revenue activities can be reconciled to the Income & Expenditure Account as follows:

<u>2006/2007</u> <u>£000's</u>		<u>2007/2008</u> <u>£000's</u>	<u>£000's</u>
9,189	DEFICIT FOR THE YEAR ON I & E ACCOUNT		46,167
	Non Cash Movements in I & E Account:		
(6,665)	Provision for Depreciation & Impairment of Fixed Assets	(44,488)	
4,548	Other Provisions	4,341	
(3,762)	Minimum Revenue Provision	(4,494)	
(9,301)	Contributions from / (to) Revenue Reserves	(4,049)	
(2,956)	Other General Fund Reconciling Items	(1,619)	
(962)	Other non-cash Movements	1,460	
(19,098)			(48,849)
	Movements in Current Assets and Liabilities:		
161	Increase / (Decrease) in Stock	(123)	
6,765	Increase / (Decrease) in Revenue Debtors	466	
(2,949)	(Increase) / Decrease in Revenue Creditors & Advance Receipts	(2,484)	
3,977			(2,141)
	Items shown elsewhere in the Cash Flow Statement:		
(5,568)	Interest Paid	(5,225)	
2,056	Interest Received	4,519	
1,250	Dividend Income	1,250	
0	Investment Income	0	
(2,262)			544
(8,194)	NET CASH INFLOW FROM REVENUE ACTIVITIES		(4,279)

13 ANALYSIS OF NET DEBT (page 87)

The following table details movement on cash, loans and investments in the year.

	<u>31st March</u> <u>2007</u> <u>£000's</u>	<u>Receipts</u> <u>£000's</u>	<u>Payments</u> <u>£000's</u>	<u>Other</u> <u>Movements</u> <u>£000's</u>	<u>31st March</u> <u>2008</u> <u>£000's</u>
Cash Overdrawn	(4,728)	170,045	(166,343)	0	(1,026)
Cash in Hand	2,084	753	0	0	2,837
Debt Due Beyond One Year	(112,854)	(5,713)	4,287	1,074	(113,206)
Debt Due Within One Year	(287)	0	0	(1,074)	(1,361)

Year					
Long Term Debtors	9,733	(385)	0	0	9,348
Current Asset Investments	35,350	1,888	0	0	37,238
TOTALS	(70,702)	166,588	(162,056)	0	(66,170)

14 RECONCILIATION OF NET DEBT (page 87)

The table below reflects the movement in the net debt of the Council during the year.

<u>2006/2007</u> <u>£000's</u>		<u>2007/2008</u> <u>£000's</u>
2,291	(Increase)/ Decrease in Cash Overdrawn in the Year to 31 st March	4,455
(28,275)	(Increase)/Decrease in Debt	(1,811)
28,750	Increase/(Decrease) in Investments	1,888
2,766	Change in Net Debt	4,532
(73,361)	Net Debt at 1 st April	(70,702)
(70,595)	Net Debt at 31 st March	(66,170)
2,766	Movement in Net Debt	4,532

15 MOVEMENT IN CASH (page 88)

The table below shows the movement in cash to the related items in the opening and closing balance sheets for the period.

	<u>31st March</u> <u>2007</u> <u>£000's</u>	<u>31st March</u> <u>2008</u> <u>£000's</u>	<u>Movement</u> <u>£000's</u>
Bank Overdraft	(4,728)	(1,026)	(3,702)
Cash in Hand and at Bank	2,084	2,837	(753)
TOTALS	(2,644)	1,811	(4,455)

16 HOUSING REVENUE ACCOUNT - INCOME AND EXPENDITURE ACCOUNT (page 90)

This account relates to the provision, supervision and management of council houses, flats and sheltered accommodation. The requirement to keep a Housing Revenue Account separate from the General Fund Revenue Account and the format of it are specified by the Local Government and Housing Act 1989 ('1989 Act').

Since April 2005 the Council's housing stock has been managed by an Arms Length Management Organisation, Six Town Housing.

<u>2006/2007</u> <u>£000's</u>		<u>2007/2008</u> <u>£000's</u>	Note
	Income		
22,443	Dwelling Rents (gross)	23,342	1,2,9

209	Non-Dwelling Rents	214	
856	Charges for Services and Facilities	914	
193	Contributions towards expenditure	153	
23,701	Total Income	24,623	
	Expenditure		
6,773	Repairs and Maintenance	6,745	
8,146	Supervision and Management	8,364	
47	Rents, Rates, taxes & other charges	26	
3,115	Negative Housing Revenue Account subsidy payable	3,561	8
4,789	Depreciation and Impairment of fixed assets	16,940	3,5
17	Debt management costs	18	
233	Increased Provision for Bad & Doubtful Debts	156	10
23,120	Total Expenditure	35,810	
(581)	Net Cost of HRA Services as included in the whole authority Income and Expenditure Account	11,187	
11	HRA services share of Corporate and Democratic Core	11	
(570)	Net Cost of HRA Services	11,198	
1,046	Interest payable and other similar charges	1,445	
4	Amortisation of premiums and discounts	3	
(215)	Interest and investment income	(338)	
265	(Surplus) or Deficit for the year on HRA Services	12,308	

17 Statement of Movement on the HRA Balance (page 91)

<u>2006/2007</u> <u>£000's</u>		<u>2007/2008</u> <u>£000's</u>	Note
265	(Surplus) or Deficit for the year on the HRA Income and Expenditure Account	12,308	
(88)	Net additional amount required by statute to be debited or (credited) to the HRA Balance for the year	(12,169)	
177	(Increase) or decrease in the Housing Revenue Account Balance	139	
(1,855)	Housing Revenue Account surplus brought forward	(1,678)	
(1,678)	Housing Revenue Account surplus carried forward	(1,539)	

18 GROUP INCOME AND EXPENDITURE ACCOUNT 2007/08 (page 101)

This statement sets out the income and expenditure relating to the authority and its subsidiaries as a whole, together with any appropriations to reserves.

<u>2006/2007</u>		<u>2007/2008</u>			
<u>Net Expenditure</u>		<u>Gross Expenditure</u>	<u>Income</u>	<u>Net Expenditure</u>	<u>Notes</u>
<u>£000's</u>		<u>£000's</u>	<u>£000's</u>	<u>£000's</u>	
3,365	Central Services to the Public	31,105	(26,759)	4,346	
3,833	Non-Distributed Costs	9,559	(35)	9,524	
242	Court Services	281	(23)	258	
28,871	Cultural Environmental & Planning Services	57,577	(23,697)	33,880	
11,767	Children's and Education Services	198,374	(158,454)	39,920	
19,776	Highways Roads & Transport Services	31,615	(8,504)	23,111	
(13,593)	Local Authority Housing (HRA)	9,289	(11,143)	(1,854)	
3,149	Other Housing Services	44,695	(39,704)	4,991	
51,628	Adult Social Care	73,305	(33,774)	39,531	
8,885	Corporate & Democratic	4,885	3,997	8,882	
428	Other Operating Income & Exp.	904	0	904	
118,351	NET COST OF SERVICES	461,589	(298,096)	163,493	
-	Gain or loss on disposal of fixed assets			26	
7,414	Surplus or deficit of trading undertakings			7,405	
3,051	Amounts payable into the Housing Capital Receipts Pool			1,797	
5,349	Interest payable			5,934	
(3,521)	Interest and Investment Income			(4,805)	
(126)	Pensions interest cost and expected return on pensions assets			(1,045)	
42	Taxation of group entities			57	
0	Extraordinary items			0	
130,560	NET EXPENDITURE			172,862	
(63,424)	Demands or precepts on the Collection Fund			(66,444)	
	Transfer to/from the Collection Fund in respect of previous year's deficit/surplus				
(11,654)	Government grants			(10,932)	
(47,489)	Distribution from non-domestic rate pool			(49,602)	
7,993	NET (SURPLUS)/DEFICIT FOR THE YEAR			45,884	

19 RECONCILIATION OF THE SINGLE ENTITY SURPLUS OR DEFICIT FOR THE YEAR TO THE GROUP SURPLUS OR DEFICIT (page102)

<u>2006/07</u>		<u>2007/08</u>
<u>£000's</u>		<u>£000's</u>
9,189	(Surplus) / deficit for the year on the Authority Income and Expenditure Account	46,167
0	Adjustments for transactions with other group entities	0

9,189	Surplus / Deficit in the Group Income and Expenditure Account attributable to the Authority (Surplus) / deficit in the Group Income and Expenditure Account attributable to group entities (adjusted for intra-group transactions):	46,167
(1,196)	Subsidiaries	(283)
	Associates	
	Joint Venture	
7,993	Surplus / Deficit for the year on Group Income and Expenditure Account	45,884

20 GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES (page 102)

2006/07 £000's		2007/08 £000's
7,993	Net (surplus) or deficit for the year on the Income and Expenditure Account	45,884
(7,838)	(Surplus) / deficit arising on revaluation of fixed assets	(187,948)
(33,184)	Actuarial (gains) / losses on pension fund assets and liabilities	(36,650)
(7,287)	Any other (gains)/losses for the year	(9,983)
(40,316)	Total Recognised Gains for the Year	(188,697)

21 GROUP BALANCE SHEET AS AT 31 MARCH 2008 (page 103)

The Group Balance Sheet summarises the financial position of the authority and its subsidiaries as a whole. It shows the value of the group assets and liabilities at the end of the financial year.

GROUP BALANCE SHEET						
31 MARCH 2007			31 MARCH 2008			
£'000	£'000		£'000	£'000		Note
		FIXED ASSETS				
		Intangible Assets				
		Goodwill				
4,897	4,897	Other Intangible assets	5,457	5,457		
		Operational Assets				
288,809		Council Dwellings	295,059			
202,381		Other Land & Buildings	347,170			
1,362		Vehicles & Plant	2,138			
26,248		Infrastructure Assets	27,895			
608		Community Assets	639			
46,685	566,093	Other Non-Operational Assets	60,658	733,559		
	570,990	TOTAL FIXED ASSETS		739,016		
		LONG TERM INVESTMENTS				
10,214	10,214	Manchester Airport PLC	10,214	10,214		
		LONG TERM DEBTORS				
9,707		Loan Accounts	9,323			

26	9,733	Debt Managed on Behalf of Other Local Authorities	25	9,348	
CURRENT ASSETS					
1,267		Stocks & Work in Progress	1,146		
35,350		Short Term Investments	37,238		
33,866		Sundry Debtors & Advance Payments	36,520		
6,824	77,307	Cash in Hand	8,455	83,359	
LESS: CURRENT LIABILITIES					
(287)		Short Term Loans Outstanding	(1,361)		
(156)		Deposits & Clients' Funds	(126)		
(39,353)		Sundry Creditors & Advance Receipts	(43,246)		
(5,627)		Capital Grants Unapplied	(10,751)		
(4,728)	(50,151)	Cash Overdrawn	(1,026)	(56,510)	
618,093		TOTAL ASSETS LESS CURRENT LIABILITIES	785,427		
LESS: LONG TERM LIABILITIES					
Loans Outstanding:					
(112,854)		External	(113,206)		
(9,141)		Deferred Liabilities	(8,622)		
(7,137)		Government Grants – Deferred	(14,905)		
(93,067)		Pension Liability	(59,762)		
(17,699)	(239,898)	Provisions	(22,040)	(218,535)	
378,195		TOTAL NET ASSETS		566,892	
31 MARCH 2007					
<u>£'000</u>	<u>£'000</u>	GROUP BALANCE SHEET	<u>£'000</u>	<u>£'000</u>	<u>Note</u>
FINANCED BY :					
RESERVES AND OTHER BALANCES					
431,785		Capital Adjustment Account	394,804		
0		Financial Instruments Adjustment Account	52		
0		Revaluation Reserve	187,948		
(92,400)		Pensions Reserve	(59,600)		
3,522		Major Repairs Reserve	4,331		
35,288		Fund Balances and Reserves	39,357		
378,195		TOTAL GROUP BALANCES AND RESERVES		566,892	

22 GROUP CASH FLOW STATEMENT 2007/08 (page 104)

The Group Cash Flow Statement summarises the cash flows of the authority and its subsidiaries during the year.

<u>2006/2007</u>	Group Cash Flow Statement		<u>2007/08</u>	
<u>£000's</u>		<u>£000's</u>	<u>£000's</u>	
(9,129)	Net Cash Inflow from Revenue Activities		(4,912)	
	Net Cash (Inflow) / Outflow			

(1,250)	Dividends from Joint Ventures and Associates		(1,250)
	Returns on Investments and Servicing of Finance		
	Cash Outflows		
5,568	Interest paid	5,225	
0	Finance lease interest paid	0	5,225
5,568			
	Cash Inflows		
(2,272)	Interest received	(4,805)	
0	Dividends received from investments	0	(4,805)
(2,272)			
27	Taxation		41
	Capital Expenditure and Financial Investment		
	Cash Outflows		
20,920	Purchase of fixed assets	22,385	
0	Purchase of long-term investments	0	
3,051	Other capital cash payments	1,797	24,182
23,971			
	Cash Inflows		
(7,878)	Sale of fixed assets	(5,870)	
(12,927)	Capital grants received	(18,021)	
0	Other capital cash receipts	0	(23,891)
(20,805)			
0	Acquisitions and Disposals	0	0
	Management of Liquid Resources		
	Net increase/decrease in short term deposits		1,888
28,750			
(3,890)	Net Cash Inflow before Financing		(3,522)
	Financing		
	Cash Outflows		
37,411	Repayment of amounts borrowed	8,287	
0	Capital element of finance lease rental payments	0	8,287
37,411			
	Cash Inflows		
(536)	Net Receipts from Long Term Debtors	(385)	
(65,150)	Long term loans raised	(9,713)	(10,098)
(65,686)			
(3,415)	Net Increase in Cash		(5,333)

23 Reconciliation of the deficit in the group Income and Expenditure Account to the revenue activities net cash flow (page 106)

2006/2007	GROUP RECONCILIATION OF REVENUE CASH FLOW	2007/2008	
£000's		£000's	£000's
9,189	DEFICIT FOR THE YEAR ON REVENUE ACCOUNT		46,167
(996)	Six Town Housing Surplus		(9)

Non Cash Movements in Revenue Account:		
(6,667)	Provision for Depreciation	(44,490)
4,548	Other Provisions	4,341
(3,762)	Minimum Revenue Provision	(4,494)
(9,301)	Contributions from / (to) Revenue Reserves	(3,903)
(4,128)	Other non-cash Movements	(1,992)
(19,310)		(50,538)
Movements in Current Assets and Liabilities:		
161	Increase / (Decrease) in Stock	(123)
6,569	Increase / (Decrease) in Revenue Debtors	2,653
(2,480)	(Increase) / Decrease in Revenue Creditors & Advance Receipts	(3,892)
4,250		(1,362)
Items shown elsewhere in the Cash Flow Statement:		
(5,568)	Interest Paid	(5,225)
2,056	Interest Received	4,805
1,250	Dividend Income	1,250
0	Investment Income	0
		830
(2,262)		
	NET CASH INFLOW FROM REVENUE ACTIVITIES	
(9,129)		(4,912)