

Details of the Council's spending during 2013/14



Director's Statement

The Council's Statement of Accounts has been prepared in accordance with International Financial Reporting Standards. The figures on which this summary is based were put together with regards to proper accounting practice. Some changes have been made to provide more meaningful information.

The Council's 2013/14 accounts have been audited by Ernst & Young LLP.

A full copy of the Council's accounts is available for examination on request. If you wish to obtain a copy, please contact Caroline Hancock on 01329 236100 for further details. Alternatively a copy can be downloaded from the Council's website at www.fareham.gov.uk.

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Financial Review

The following statement by the Director of Finance and Resources describes some of the key points on the Council's responsibilities of public money.

Financial Performance Actual gross revenue expenditure totalled £48.2 million for 2013/14.

General Reserves and Balances were £38 million as at 31 March 2014, reflecting a prudent level of reserves for the Council, as required by the Council's External Auditors. Most of this money is earmarked for specific purposes.

Council Housing The Council owns 2,350 properties for which it charges rent. It is a legal requirement that all expenditure on these houses is funded from rental income. Any surplus or deficit at the end of the year is transferred either into or out of housing reserves. During the year, income exceeded expenditure by £1.9 million. This balance was transferred to the housing reserves. At the end of the year, the housing reserve balances amounted to £13.4 million.

Capital Expenditure

Capital expenditure for the year of £10.8 million represents money spent by the Council to purchase, upgrade or improve assets. The distinction from revenue expenditure is that the Council receives the benefit of capital expenditure over a longer period of time.

The cost of Council Services

Revenue Account for the year ended 31 March 2014

The Revenue Account below shows the cost of running Council Services between 1 April 2013 and 31 March 2014 and where the money came from to finance these net costs.

Local Authority Housing (HRA)	5,782	(11,521)	(5,739)
Other Housing Services	21,722	(20,096)	1,626
Corporate & Democratic Core	3,029	(243)	2,786
Non-distributed costs	11	(1)	10
Cost of Services	48,241	(39,113)	9,128
Less:			
Other Operating Expenditure			1,448
Financing & Investment Income and Expenditure			2,804
Other Income and Expenditure			(17,974)
Movement in Reserves			17,325
Amount to be met by Government Grant and Council Tax			12,731
Financed by:			
Council Tax			5,733
Government Grants			5,353
Business Rates			1,645
TOTAL			12,731

Balance Sheet

What the Council owns and what is owed

31 March 2013

£000s

Assets owned by the Council	159,375
Cash and Investments	40,474
Money owed to the Council	3,988
Money owed by the Council in the short term	(10,559)
Other amounts owed in the future	(87,447)
Grants received in advance	(4,972)
TOTAL	100,859

Financed by	£000s
Usable Reserves	37,960
Unusable Reserves	108,118
Pensions Reserve	(45,219)
TOTAL	100,859



Balance Sheet continued

Usable Reserves include:	£000s
Usable Capital Receipts	6,951
Capital Grants Unapplied	267
General Fund Surplus	6,200
Earmarked Revenue Reserves	17,376
Housing Reserves	7,166
TOTAL	37,960

Unusable Reserves include the Revaluation Reserve and Capital Adjustment Account.


Usable reserves are set-aside for future revenue and capital purposes.

The Council has a duty under legislation to maintain a prudent level of general reserves and £3.3 million has been set aside to provide a working balance and as a reserve against unexpected variations in expenditure or income.



Housing Revenue Account

It is a legal requirement that all expenditure is funded from rental income.

	2013/14	
	£000s	
Service Income		
Council Rents	10,593	
Other Income	1,683	
	12,276	
		
Service Expenditure		
Repairs and Maintenance		2,640
Supervision and Management		2,797
Capital Financing Costs		2,384
Other Costs		2,515
		10,366
Transfer to Balances		1,940

The Council owned the following types and numbers of homes as at 31 March 2013

Houses	809.75
Flats	1,374.00
Bungalows	166.00
TOTAL	2,349.75

Capital expenditure

Capital expenditure represents money spent by the Council on purchasing and improving the Council's assets. The Council receives the benefit from capital expenditure over a long period of time. The following table outlines the capital programme investment made during 2013/14:

	£000s
Commercial Property Acquisitions	3,890
Council Housing	3,229
Other Housing	1,430
Vehicles	704
Daedalus Development	469
Leisure Services	455
Car park improvements	205
Information, Communication & Technology	166
Council Buildings	120
Environmental Improvements	93
Other Services	35
OVERALL TOTAL	<hr/> <u>10,796</u>

Council Tax

Description	2013/14
Amount payable per Band D property	£
For Fareham Borough Council	140.22
For Hampshire County Council	1,037.88
For Hampshire Police Authority	151.25
For Hampshire Fire and Rescue	61.38
TOTAL	1,390.73

Total Amount due	£000s
For Fareham Borough Council	5,643
For Hampshire County Council	41,768
For Hampshire Police Authority	6,087
For Hampshire Fire and Rescue	2,470
TOTAL	55,968

Council Tax continued

Fareham Borough Council collected 98.7% of Council Tax owed in 2013/14 compared to 98.4% in 2012/13.

The national average collection rate for 2013/14 was 97.0%.

Fareham Borough Council was also responsible for the collection of business rates of £40 million.

In 2013/14, 99.3% of business rates were collected compared to 98.1% in 2012/13.

The national average collection rate for 2013/14 was 97.9%.

Contact us

To find out more information about accounts please contact Caroline Hancock on 01329 236100.

You can view the full statement of accounts at:

www.fareham.gov.uk/PDF/about_the_council/statoa1314.pdf

