



2007/08 Summary of Accounts

**Details of East Devon District Council's spending
and funding during 2007/08.**

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Summary of Accounts for 2007/08

The Council's Statement of Accounts has been prepared in accordance with the Accounting Code of Practice. The figures in this summary are taken from those Statements, although there are some changes to presentation to make them more understandable.

The Council's auditor Grant Thornton UK has Audited the 2007/08 accounts and has issued an unqualified opinion.

Both the 2007/08 Accounts and this leaflet can be downloaded free from the Council's Website at www.eastdevon.gov.uk in Your Council/About East Devon/Financial Information.

Please contact Simon Davey, Head of Finance (01395) 517490 for further details.

Financial Review of 2007/08

General Fund

The Council set an original budget for 2007/08 using only £0.325m of reserves (to fund three specific one-off items: the district elections, an expansion of the Concessionary Fares Scheme and a provision for additional costs associated with the Job Evaluation process. During the year the Council under spent the overall revenue budget by £1.445m. In the main this was due to additional Housing Benefit Subsidy (£0.495m), additional car parking income (£0.180m), a delay in the "roll out" of the new Recycling & Refuse Scheme (£0.557m) and a number of vacant posts across a range of Council Services (£0.395m). This was partially offset by a one-off contribution from revenue towards the capital costs of purchasing rigid containers for the new Recycling & Refuse Scheme (£0.202m).

After the above variations the Council's General Fund Balance increased to £3.712m as at the 31 March 2008.

Council Housing

During 2007/08, income from Council tenants exceeded expenditure on managing and maintaining the housing stock by £0.521m. This balance is transferred to our housing reserves, giving an increased working balance of £2.204m

Capital Expenditure

This represents the total money spent by the Council on purchasing, upgrading and improving assets such as buildings, vehicles and machinery. During 2007/08 a total of £6.392m was spent on capital expenditure.

Council Tax and Council Spending

Council Taxpayers paid for 45% (£6.347m) of the Council's net spending in 2007/08 after allowing for income from various fees and charges, with the other 55% (£7.659m) financed by grants from Central Government.

East Devon District Council has prided itself by setting one of the lowest levels of Council Tax in the country. In 2007/08 it set a Council Tax level of £113.16 making it the 21st lowest of all the 239 English District Councils. This was a 3.39% increase on the figure of £109.45 set for 2006/07.

For information purposes, every 1% increase in East Devon District Councils precept generates approximately £61,000 of additional revenue.

General Fund Services

The Council's net expenditure for 2007/08 was £12.561m (this included a £0.325m transfer from reserves to fund some one-off items) before taking account of Central Government income (Formula Grant) and the amount required from council tax payers. This level of expenditure generated an overall saving of £1.445m in 2007/08. Where this money was spent is shown below.

Revenue Account For the Year Ended 31 March 2008	2007/08
SERVICE	Net Expenditure £000's
Housing Services	836
Environmental Services	6,603
Cultural Services	275
Recreation & Sport	4,765
Planning & Development Services	1,645
Highways, Roads & Transport Services	(656)
Central Services to the Public	1,530
Corporate & Democratic Core	1,996
Non Distributed Costs	682
Net Cost of Services	17,676
Less Investment Interest and Depreciation	(3,274)
Amounts used from Reserves	
Other Items	(1,842)
Net expenditure on Revenue Activities	
EDDC Council Tax	(6,347)
Central Govt. "Formula Grant"	(7,658)
Deficit/(Surplus) on Revenue Activities	(1,445)

Housing Revenue Account

In addition to the above expenditure/services met in part by the council tax payer the Council spends money on council housing which is met by the council house rent payer and not through the council tax. The table below provides an analysis of how this expenditure is broken down and the sum received from rents to cover it.

Housing Revenue Account For the Year Ended 31 March 2008	2007/08
SERVICE	Net Expenditure £000's
Repairs and Maintenance	2,434
Supervision and Management (incl. other)	4,102
Housing Subsidy – payment	4,708
Depreciation (dwellings and other assets)	3,577
Revenue contribution to Capital	250
Other costs/adjustments	(1,157)
Cost of Services	13,914
Income from dwelling and garage rents	(13,081)
Other income	(1,354)
Deficit / (Surplus) for the year	(521)

Housing Revenue Account (cont'd.)

The council owned 4,302 properties as at 31 March 2007. 4 properties were sold to tenants during the year, leaving a total stock of 4,298 at the 31 March 2008.

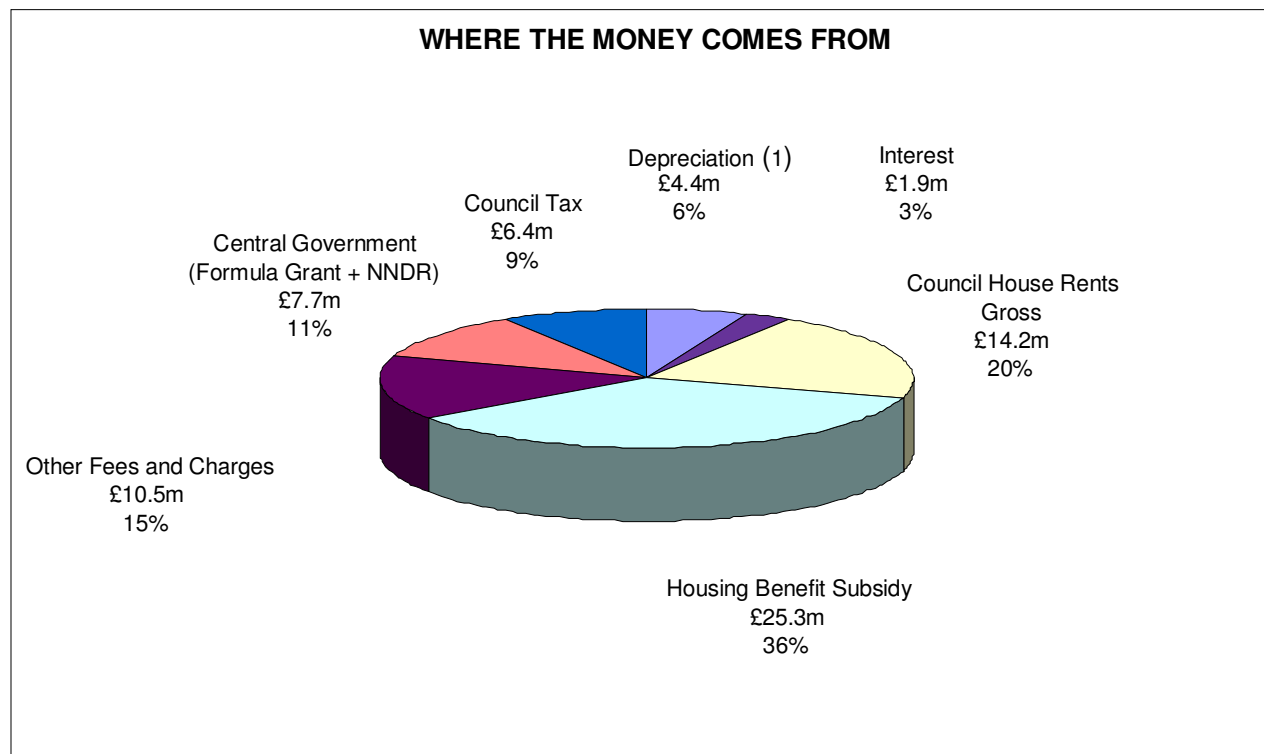
This Account relates to the housing stock the Council provides directly and shows a surplus for the year of £0.521m. This leaves a Housing Revenue Account Balance at 31 March 2008 of £2.204m.

The average weekly rent for Council dwellings in 2007/08 was £56.49, compared with £53.01 in 2006/07. The average weekly rent for garages was increased by 10.6% to £7.30.

During 2007/08 empty properties accounted for 1.28% of the gross rent collectable (in the main this is due to repairs and maintenance carried out in between tenancies).

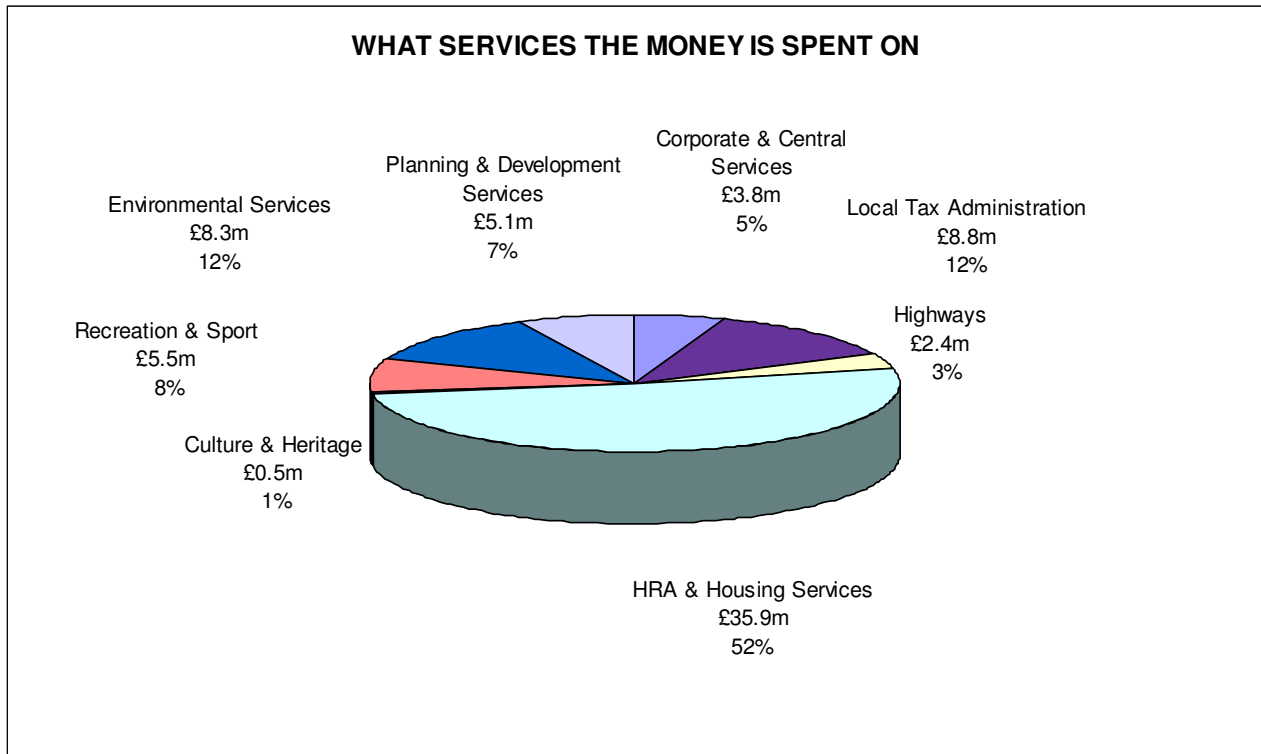
Illustrative example of how the Council General Fund Revenue expenditure and income is made up

The two pie charts shown below give an illustrative example of where the money comes from and what services it is spent on for the Council's general fund:



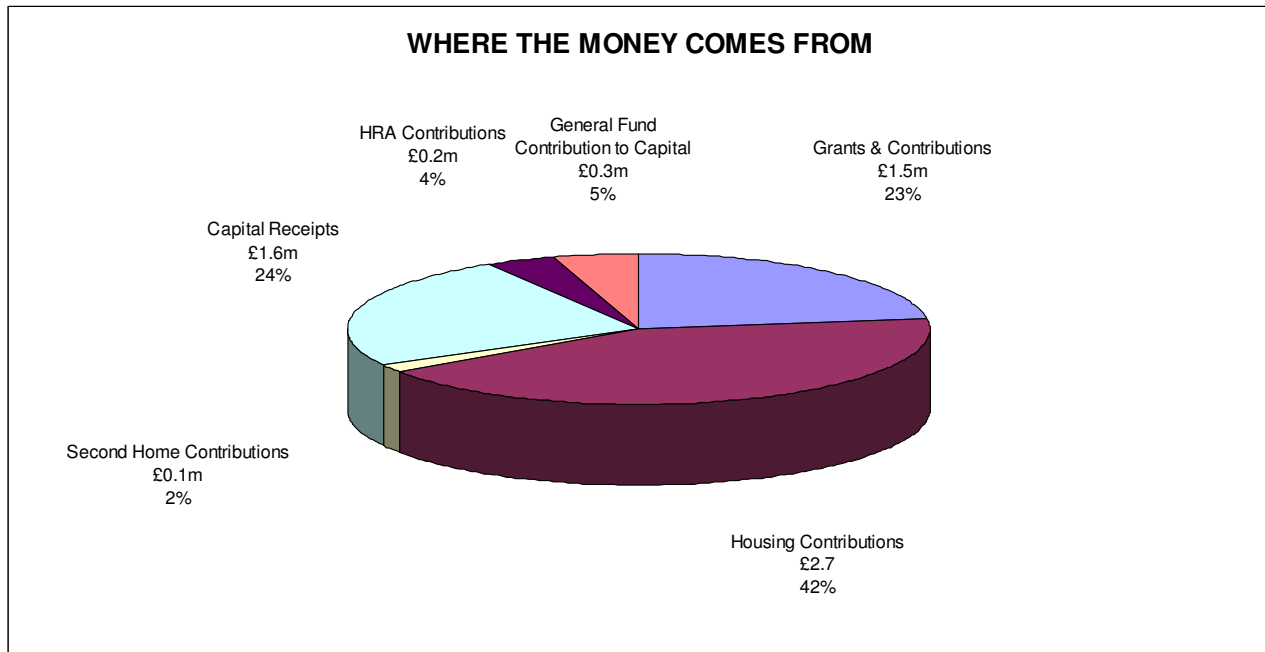
Note 1 – The figure shown above for depreciation of £4.4m equates to the reversal of the same figure which is charged to all services in the table showing where the money is spent. This is an accounting entry and is reversed out prior to reaching the amount of Council Tax to be levied.

General Fund Revenue Income and Expenditure Contd.:

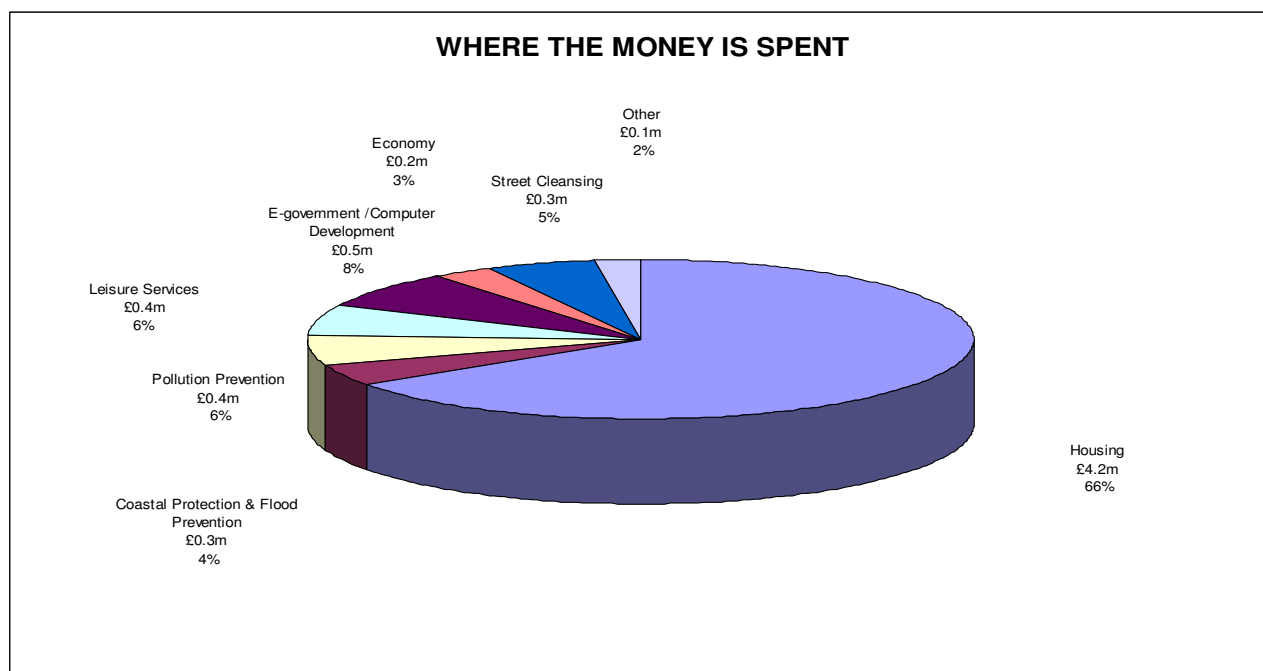


Capital Expenditure

This is money spent on purchasing, updating and improving assets such as buildings, vehicles and equipment. The council receives the benefit of this over a number of years, so it is shown in the accounts over those years. The pie charts show where the funding for capital projects comes from, and how it was spent during 2007/08.



Capital Expenditure Cont'd.:



The table below shows a summarized version of the Council's balance sheet at the 31 March 2008. This shows all the assets held by the Council and how they are financed.

Balance Sheet as at 31 March 2008 (What the Council owes and is owed)	2007/08 £000's
Buildings, Land and Vehicles Owned	377,690
Cash and Investments	30,358
Money Owed to the Council	6,832
Less: Money Owed by the Council	(32,912)
Total	381,968
Financed by:	
Non-distributable Reserves	360,925
Distributable Reserves	21,043
Total Reserves	381,968

The table below shows the Council's cash position at the 31 March 2008 and the inflows/outflows of cash during 2007/08.

Cash Flow during 2007/08	2007/08 £000's
= Cash held on 31 March 2007	240
+ Cash in	(244,132)
- Cash out	243,973
= Cash held on 31 March 2008	81

A full version of the 2007/08 statement of accounts can be found on the Council's website at www.eastdevon.gov.uk.

We would like to hear your views about this summary document. Please telephone us on 01395 517490 or email us at sdavey@eastdevon.gov.uk. Alternatively, you can write to Mr S Davey, East Devon District Council, The Knowle, Station Road, Sidmouth, Devon. EX10 8HL