

Manchester City Council

Summary of Accounts 2010/11

Introduction

In line with the Council's commitment to transparency and accountability to its stakeholders, we have produced a summary of the Council's Annual Statement of Accounts for 2010/11. This summary has been produced in a simpler format than the full Annual Statement of Accounts which is required to comply with proper accounting practice. The Summary Accounts attempt to provide more meaningful information and highlight key financial information relating to the Council to non-technical users.

A copy of the Council's 2010/11 Annual Statement of Accounts is available on the Council's website at:

http://www.manchester.gov.uk/info/200110/council_budgets_and_spending

Cost of Council Services

The Income and Expenditure Account below shows the cost of running Council services between 1 April 2010 and 31 March 2011 and how this has been funded.

General Fund Services	Gross Expenditure	Gross Income	Net Expenditure
	£000's	£000's	£000's
Adult Social Care	196,607	(48,529)	148,078
Central Services to the Public (cost of elections, registration of births, deaths and marriages and council tax collection)	13,670	(8,494)	5,176
Children's and Education Services	634,894	(464,718)	170,176
Cultural, Environmental and Planning Services	179,300	(51,483)	127,817
Highways, Road and Transport Services	38,558	(17,267)	21,291
Housing Services including Benefits	439,601	(416,043)	23,558
Net Cost of Services	1,502,630	(1,006,534)	496,096
Other Operating Expenditure Including Levies	39,700	258	39,958
Financing and Investment Income and Expenditure	126,367	(47,351)	79,016
Contributions to/(from) Reserves	65,303	(95,007)	(29,704)
Amount to be met from Government Grants and Local Taxation	1,734,000	1,148,634	585,366
Financed By:			
Council Tax	0	(140,872)	(140,872)
Council Share of Non-Domestic Rates	0	(299,018)	(299,018)
General Government Grants and Other Income	0	(145,476)	(145,476)
Total General Income	0	(585,366)	(585,366)
Total Income and Expenditure for the Year	1,734,000	(1,734,000)	0

Financial Position

The Balance Sheet below shows the Council's financial position at the 31 March 2011, the last day of the financial year. It shows what the Council owns (its assets) and its debts (its liabilities) as well as the net worth of the Council (assets less liabilities).

Assets	£000's	Liabilities	£000's
Council Dwellings	405,950	Borrowing	775,427
Other Land and Buildings	1,001,528	Provisions for Future Liabilities	29,911
Investment Properties	384,346	Liability for Pension Scheme	367,900
Other Assets	737,660	Capital Grants Received in Advance	801
Investments	132,274	Money Owed by the Council	388,132
Money Owed to the Council	322,187		
Total	2,983,945	Total	1,562,171
		Net Worth of the Council	1,421,774

Cost of Council Housing Services

The Housing Revenue Account (HRA) below shows the income and expenditure relating to the 17,291 council houses owned by the Council between 1 April 2010 and 31 March 2011. Whilst these figures are included in the overall cost of services, the Council is also required to disclose this income and expenditure relating to the HRA separately.

Housing Revenue Account	£000's
Income	
Rents	(53,673)
Charges for Services and Facilities	(3,455)
HRA Subsidy	(11,781)
Contributions towards expenditure on services provided by the Council on behalf of others.	(7,367)
Other Income	(210)
	(76,486)
Expenditure	
Repair and Maintenance	30,301
Supervision and Management	24,151
Net Interest Paid	19,250
	73,702
Total Surplus for the Year	(2,784)
Housing Revenue Account Surplus at 31 March 2010	(48,989)
Housing Revenue Account Surplus at 31 March 2011	(51,773)

The Housing Revenue Account surpluses are held in a reserve on the balance sheet to meet future liabilities in relation to public housing private finance initiative (PFI) schemes and to support future investment in the Council's housing stock.

The Council owned the following properties at 31 March 2011.

Property type	
Houses and Bungalows	9,856
Flats	7,330
Others	105
Total	17,291

Capital Expenditure

Capital expenditure is spent on the purchase or improvement of assets that have a long-term value to the Council, like land and buildings. This is different to revenue expenditure in that the Council and its residents receive the benefit from the capital expenditure over a longer period (over one year).

Capital Expenditure	£000's
Council Dwellings	36,781
Other Land and Buildings	147,957
Vehicles, Plant and Equipment	7,262
Infrastructure (e.g. Roads, Street Furniture)	20,497
Capital Expenditure not Relating to Council Assets	79,685
Intangible Assets	15
Long Term Loans	479
	292,676

This has been spent within the following services areas:

Capital Expenditure	£000's
Leisure	3,585
Libraries and Theatres	1,211
Hospitality and Trading	1,315
Environment and Operations	1,603
Adult Social Care	10,558
Children's and Education Services	112,935
Corporate Services	29,704
Housing Services	68,675
Chief Executives including Regeneration and Transport	63,090
	292,676

We aim to be responsive and accountable to the residents of Manchester. Please contact Financial Accountancy if you wish to make any comments on this summary of accounts.

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