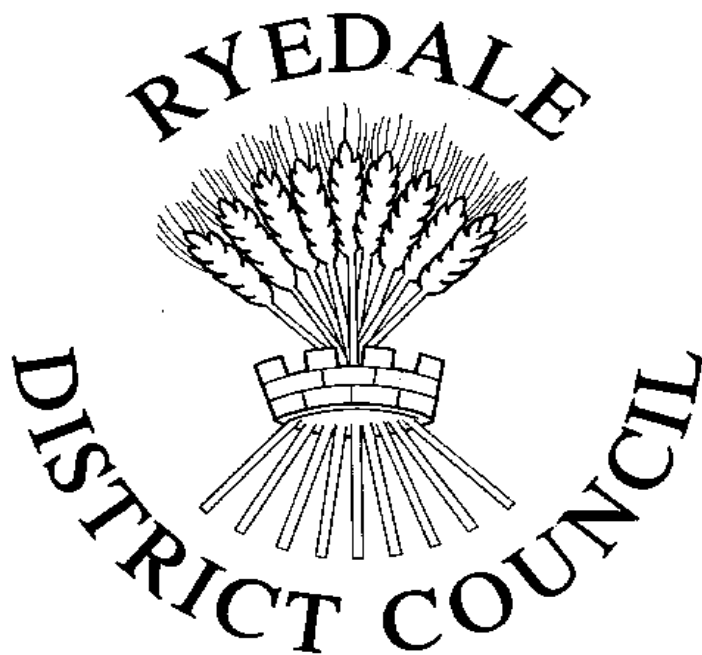

THE
**Statement
of Accounts**



2005/2006

STATEMENT OF ACCOUNTS

for the

YEAR ENDED 31 MARCH 2006

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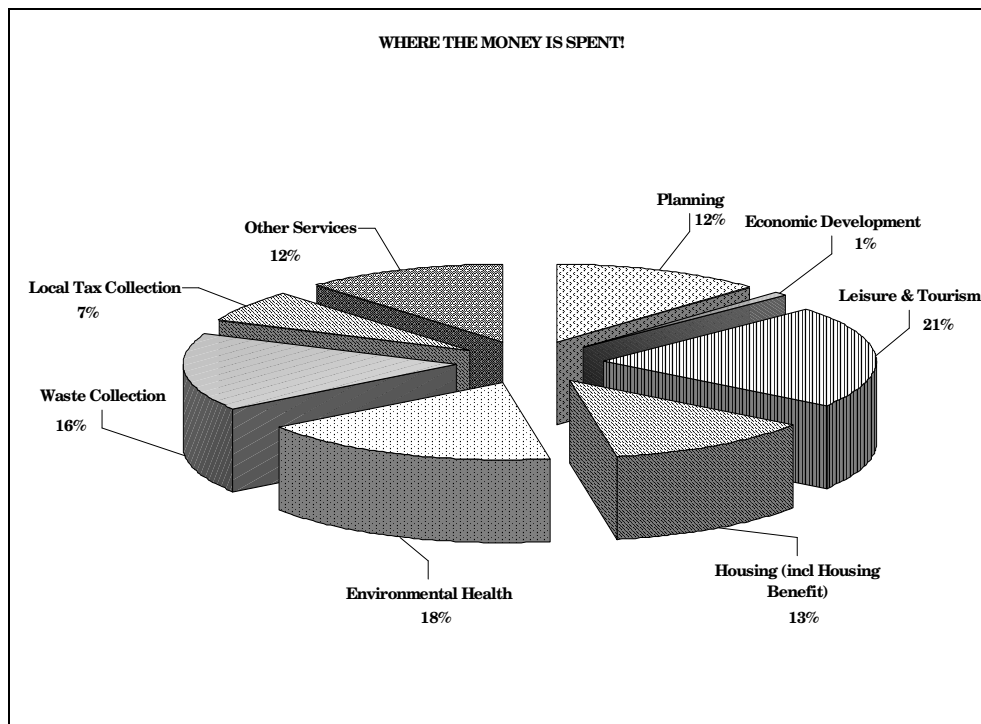
EXPLANATORY FOREWORD

1. The Council's accounts for the year 2005/06 are set out on pages 18 to 44. They consist of:
 - the *Consolidated Revenue Account* - covering income and expenditure on all the Council's services
 - the *Consolidated Balance Sheet* - which sets out the financial position of the Council on 31 March 2006
 - the *Statement of Total Movements in Reserves* - which shows all the recognised gains and losses of the Council during the period
 - the *Cash Flow Statement* - which summarises the inflows and outflows of cash arising from both revenue and capital transactions with third parties
 - the *Collection Fund Accounts* - which presents income and expenditure relating to Council Tax and National Non-Domestic Rate Collection

These accounts are supported by the Statement of Accounting Policies, which follows this Foreword and various notes to the accounts.

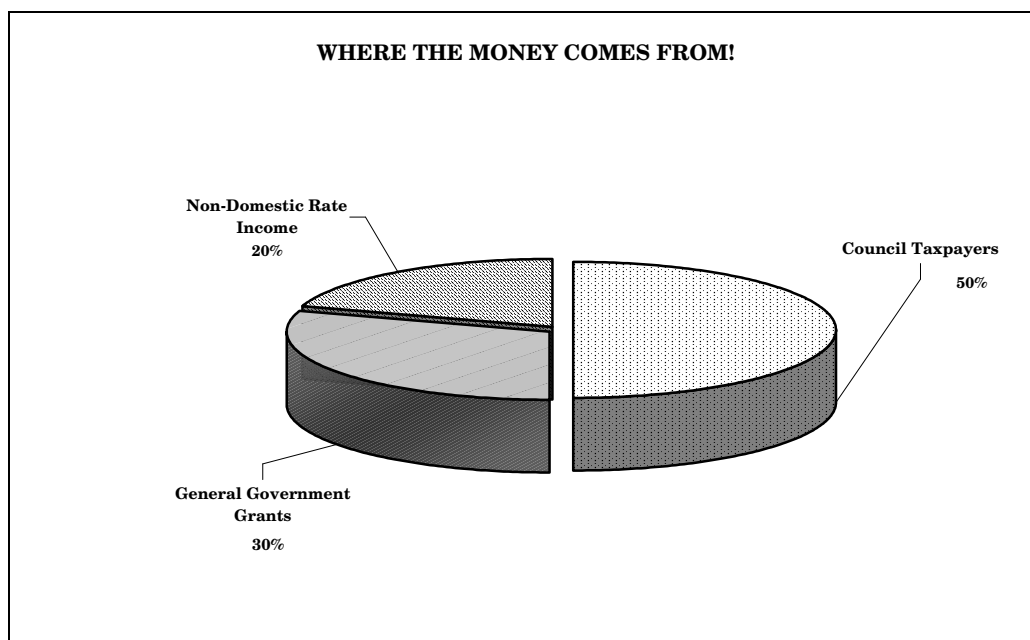
2. This Foreword provides a brief explanation of the financial aspects of the Council's activities and draws attention to the main characteristics of the Council's financial position.

The net cost of the Council's revenue activities was £7.2m (see paragraph 3 below), this being spent on services as highlighted below:



EXPLANATORY FOREWORD

After adjusting for parish precepts, surpluses, investment income and appropriations, the amount to be met from government grants and local taxpayers was £7.4m. This amount represents the net expenditure of Ryedale District Council of £6.9m plus parish precepts of £0.5m and is funded as follows:



3. Revenue Budget

The main components of the revenue budget for 2005/06 and how these compared with the actual expenditure are set out below:

	Original Budget £'000	Actual £'000	Difference £'000
Community Services & Licensing Committee	4,674	4,433	(241)
Policy & Resources Committee	3,588	2,765	(823)
Net Cost of Services	8,262	7,198	(1,064)
Add:			
Precepts paid to Parish Councils	478	478	0
Pensions interest cost & expected return on pension assets	0	586	586
Less:			
DSO Surplus	(30)	(62)	(32)
Income from Investments	(520)	(655)	(135)
Surplus on Asset Management Revenue Account	(606)	(694)	(88)
Net Operating Expenditure	7,584	6,851	(733)
Contribution to/(from) Earmarked Reserves	(374)	595	969
Contribution to/(from) Capital Accounts	73	(229)	(302)
Contribution to/(from) Pension Reserve	0	188	188
Amount to be met from Govt Grant & Taxpayers	7,283	7,405	122
Financed by:			
Council Precept	3,683	3,683	0
Collection Fund Surplus	27	27	0
Revenue Support Grant	2,095	2,095	0
Non-Domestic Rate Income	1,478	1,478	0
Other General Government Grants	0	122	122
Total	7,283	7,405	122

EXPLANATORY FOREWORD

4. Reserves and Balances

Reserves and balances increased by £595k during 2005/06.

Major contributions to reserves and balances include:

- Investment Income Reserve £592k
- Repairs and Renewals Reserve £289k
- General Reserve £198k
- Community Investment Fund £113k
- Service Investment Fund £111k

Major drawings included:

- Revenue support for the capital programme £402k
- Community investment grants £134k
- Investment income for revenue account £100k

For further details regarding the Council's reserves see pages 35 and 36.

5. Capital

In 2005/06 the Council spent £1.412m on capital projects, compared with an original estimate of £ 3.450m.

The variations can be summarised as follows:

	£'000	£'000
Savings:		
Work progressing into 2006/07	628	
Reduced cost of schemes	8	
Schemes not started	1,393	
Schemes cancelled	60	2,089
Less additional expenditure:		
Re-phasing of schemes from previous year	26	
New schemes	13	
Increased cost of schemes	2	
Re-phasing of schemes from 2006/07	10	51
Net Reduction in Capital Expenditure		2,038

Provision was made in the capital programme for two large economic development projects, these being an Advanced Engineering/High Technology Cluster Park £500k and Incubator Workspace Development £500k. No expenditure was incurred on these schemes in 2005/06.

EXPLANATORY FOREWORD

The main variations are detailed below:

Committee/Scheme	Budget £'000	Actual £'000	Difference £'000
COMMUNITY SERVICES & LICENSING			
Affordable Housing Initiatives	245	128	(117)
House Renovation Grants – Disabled Facilities	260	195	(65)
Recycling	392	392	0
Flood Defences Norton	233	12	(221)
Dry Sports Centre Central Ryedale	100	0	(100)
Other Schemes	223	117	(106)
	1,453	844	(609)
POLICY & RESOURCES			
Access to Services	624	449	(175)
Heritage Economic Regeneration	100	47	(53)
Economic Development	1,000	0	(1,000)
Other Schemes	273	72	(201)
	1,997	568	(1,429)
TOTAL CAPITAL EXPENDITURE	3,450	1,412	(2,038)

At 31 March 2006 Capital Commitments amounted to £201,000.

6. **Further Information**

Further information about the accounts is available from Financial Services, Ryedale House, Malton. In addition, interested members of the public have a statutory right to inspect the accounts before the audit is completed. The availability of the accounts for inspection is advertised in the local press and on the Council's website.

STATEMENT OF RESPONSIBILITIES

The Authority's Responsibilities

The Authority is required:

- to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Authority, that officer is the Chief Financial Officer
- to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets
- to approve the Statements of Accounts

The Chief Finance Officer's Responsibilities

The Chief Financial Officer is responsible for the preparation of the Authority's Statement of Accounts which, in terms of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom ("the Code of Practice") is required to present fairly the financial position of the Authority at the accounting date and its income and expenditure for the year (ended 31 March 2006).

In preparing this Statement of Accounts, the Chief Financial Officer has:

- selected suitable accounting policies and then applied them consistently
- made judgements and estimates that were reasonable and prudent
- complied with the Code of Practice

The Chief Financial Officer has also:

- kept proper accounting records which are up-to-date
- taken reasonable steps for the prevention and detection of fraud and other irregularities, through the use of the North Yorkshire Audit Partnership.

Certification of the Accounts

I certify that the Statement of Accounts presents fairly the financial position of Ryedale District Council as at 31 March 2006.

Signed: _____

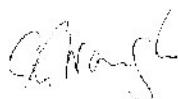
Trevor V Teasdale
Chief Financial Officer



Dated: _____ 21 June 2006

Signed: _____

Cllr. CR Wainwright
Chairman of Policy & Resources Committee



Dated: _____ 21 June 2006

STATEMENT OF INTERNAL CONTROL

1. Scope of Responsibility

The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility the Council is also responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of the Council's functions and which includes arrangements for the management of risk.

2. The Purpose of the System of Internal Control

Corporate Governance is the system by which local authorities direct and control their functions and relate to their communities. The framework for corporate governance recommended by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of local authority Chief Executives and Senior Managers (SOLACE) identifies three underlying principles of good governance, namely:

- openness and inclusivity
- integrity
- accountability

The principles of corporate governance should be embedded into the culture of each local authority. Furthermore each local authority has to be able to demonstrate that it is complying with these principles. To achieve this, the framework document recommends that all local authorities should develop a local code of corporate governance, comprising the following elements:

- Community Focus
- Service Delivery Arrangements
- Structures and Processes
- Risk Management and Internal Control
- Standards of Conduct

The Council has formally adopted a local code of corporate governance, consequently the principles and standards contained in the framework document are recognised as good working practice, and hence are supported and followed. To this end both Officers and Members have had externally provided training to ensure governance arrangements are understood and embedded. This Statement forms part of the overall process within the Council for monitoring and reporting on the adequacy and effectiveness of the corporate governance arrangements, particularly those in respect of risk management and internal control.

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

STATEMENT OF INTERNAL CONTROL

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. This has been in place within the Council for the year ended 31 March 2006 and up to the date of approval of the Statement of Accounts.

3. The Internal Control Environment

The requirement to have a sound system of internal control covers all of the Council's activities. The internal control environment within the Council consists of a number of different key elements, which taken together contribute to the overall corporate governance framework. The key elements of internal control within the Council consist of:

Policies and Guidance

Specific policies and written guidance exist to support the corporate governance arrangements and include:

- The Council's Constitution
- Codes of Conduct for Members
- The Corporate Plan
- Medium Term Financial Plan
- Financial Regulations, Procurement Regulations and Contract Standing Orders
- Member and Officer Schemes of Delegation
- Registers of interests, gifts and hospitality
- Corporate policies, for example those relating to Whistleblowing and Counter Fraud and Corruption
- Asset Management Plan/Capital Strategy Statement
- Strategic Risk Register
- Council Procurement Strategy

Political and Managerial Structures and Processes

The Council is responsible for agreeing overall policies and setting the budget. The Policy and Resources Committee and Community Services Committee are responsible for decision making within the policy and budget framework set by the Council. The Council's Senior Management Team has responsibility for implementing Council's policies and decisions, providing advice to Members and for co-ordinating the use of resources. The Senior Management Team meet each week and the Committees usually every two months. Both the Committees and the Senior Management Team monitor and review Council activity to ensure corporate compliance with governance, legal and financial requirements. In addition, the Council has scrutiny arrangements, through the Overview and Scrutiny Committee which include the review of policies, budget and service delivery to ensure that they remain appropriate. This Committee is also formally designated as the Council's Audit Committee. A forward plan detailing the main work of Committees over the next year has been devised to ensure decisions are taken in a timely manner. Urgent items will be debated as appropriate.

STATEMENT OF INTERNAL CONTROL

The Council has developed a process that is intended to reflect political and community objectives as expressed in the Community Strategy (Imagine Ryedale) and acts as a basis for corporate prioritisation. The process has identified the Council's corporate aims together with a number of associated objectives. These will be reviewed at appropriate intervals so as to ensure that they continue to meet the needs of the community. The Council has linked performance management processes across all service areas to provide an integrated performance management regime. Each service has developed a performance improvement plan as part of their Service Delivery Plan showing how that service will achieve the Council's objectives.

Financial Management

The Chief Financial Officer has the overall statutory responsibility for the proper administration of the Council's financial affairs, including making arrangements for appropriate systems of financial control. The Council operates within a system of financial regulations, comprehensive budgetary control, regular management information, administrative procedures (including the segregation of duties) and management supervision.

Compliance Arrangements

Ongoing monitoring and review of the Council's activities is undertaken by a number of Officers to ensure compliance with relevant policies, procedures, laws and regulations:

- The Chief Executive Officer
- The S151 Officer
- The Monitoring Officer
- The District Auditor and various other external inspection agencies
- The Internal Audit Manager
- Finance Officers and other relevant service managers

Best Value

Through reviews by external auditors, external agencies, Internal Audit, the Performance team and the Financial Services Manager, the District Council constantly seeks ways of ensuring the economical, effective and efficient use of resources, and securing continuous improvement in the way in which its functions are exercised, as required by the Best Value Duty.

Risk Management

The Council has adopted a formal system of Risk Management. Although responsibility for the identification and management of risks rests with service managers, corporate arrangements are co-ordinated by the Risk Management Group to ensure that:

- the Council's assets are adequately protected
- losses resulting from hazards and claims against the Council are mitigated through the effective use of risk control measures

STATEMENT OF INTERNAL CONTROL

- service managers are adequately supported in the discharge of their responsibilities in respect of Risk Management

The system of Risk Management includes risk evaluation exercises which are included in all Committee reports and the maintenance of a corporate risk register. Relevant staff within the Council have received training and guidance in Risk Management principals.

Internal Audit & Fraud

The Council operates internal audit through the North Yorkshire Audit Partnership (NYAP) and fraud investigation functions in accordance with the Accounts and Audit Regulations 2003. The NYAP undertakes an annual programme of review covering financial and operational systems and including systems, regularity, and probity audits designed to give assurance to Members and managers on the effectiveness of the control environment operating within the Council. It also is complementary to and gives support to the external auditors (the Audit Commission). In addition the NYAP provides assurance to the S151 Officer in discharging his statutory review and reporting responsibilities. The team has an advisory role and provides:

- advice and assistance to managers in the design, implementation and operation of controls
- support to managers in the prevention and detection of fraud, corruption and other irregularities

Performance Management

The Council has recognised the need to improve current performance management arrangements and has recently revised its structure. The Director of Policy has now overall responsibility for the function although Senior Management Team retains its monitoring role. Service Unit Managers are expected to deliver improvements where necessary or maintain performance standards where appropriate.

4. Review Of Effectiveness

The Council has responsibility for conducting, at least annually, a review of the effectiveness of its systems of internal control. In preparing this Statement a full review of corporate governance arrangements and the effectiveness of the Council's systems of internal control has been undertaken by Senior Management Team using an assessment model. This review has included consideration of:

- reports received from the Audit Commission and other inspection agencies
- the results of internal audit and fraud investigation work
- the views of senior managers, including the Chief Executive, the S151 Officer and the Monitoring Officer
- the work of the Risk Management team in compiling the Council's Strategic Risk Register
- outcomes of service improvement reviews and performance management processes

STATEMENT OF INTERNAL CONTROL

In addition, the Council through its Committees especially the Overview and Scrutiny Committee considers corporate governance issues as they arise throughout the year and agree recommendations for improvement as necessary.

A comprehensive review has been undertaken to support the preparation of this SIC document as required by the Accounts and Audit Regulations 2003. The Council has produced a detailed statement along with a targeted action plan to ensure that full compliance is achieved. This has followed the framework suggested by the CIPFA Finance Advisory Network and adopted by the Council. An evidence schedule has been produced to ensure compliance and a list of those Officers having responsibility is available.

A copy of the Action Plan for 2004/05 is attached with comments relating to progress made to date.

The Action Plan for 2005/06 is also appended and the Statement for 2006/07 will provide details of the work completed against this plan.

We have been advised on the implications of the result of the review of the effectiveness of the system of internal control by the Overview and Scrutiny Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

5. Significant Internal Control Issues

A review of the internal control arrangements in place within the Council has identified areas where improvements could be made. Specific actions are proposed to address the issues identified. These are detailed in the Action Plan.

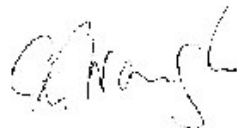
The Council will continue to seek to improve performance and take action on agreed recommendations by both internal and external agencies.

Signed: _____
Harold Mosley
Chief Executive



Date: 29 June 2006

Signed: _____
Cllr. CR Wainwright
Chairman of Policy & Resources Committee



Date: 29 June 2006

STATEMENT OF INTERNAL CONTROL

ACTION PLAN 2005/06

CONTROL ISSUE	ACTION PROPOSED	RESPONSIBILITY	DUE DATE	COMMENTS
Corporate Governance Arrangements				
The code of Corporate Governance has been adopted but the communication of this needs to be improved and it needs to be reviewed and updated.	Governance training to be given to all key Officers and Members. The staff, public and other stakeholders will be made aware of corporate governance. The code of Corporate Governance will be reviewed.	Council's Solicitor	30/09/05	External training has been provided for Members and staff. The Code which was adopted in December 2003 still needs to be reviewed.
Updating Corporate Policies				
Various policies have been adopted by the Council but there are a number requiring reviewing and possibly amending.	To review all policies which have been in existence for more than a year and amend as appropriate – e.g. Code of Corporate Governance. These will then be subject to Council approval.	Various Officers	A detailed timetable is available but all to be completed by 31/03/06	Most have now been reviewed and updated e.g. Counter Fraud Policy, Capital Strategy, Medium Term Financial Plan, Whistleblowing Policy but see code of Corporate Governance above.

Continued/...

STATEMENT OF INTERNAL CONTROL

ACTION PLAN 2005/06

CONTROL ISSUE	ACTION PROPOSED	RESPONSIBILITY	DUE DATE	COMMENTS
Risk Assessment & Management				
<p>The Council has embraced the identification and management of risk.</p> <p>However, there are still some issues relating to staff training, Member champions and the performance Management System.</p>	<p>Risk management to be introduced into Induction Training and update training to be given.</p>	<p>Human Resources Manager Director of Operations</p>	<p>31/03/06</p>	<p>Risk Management still needs to be introduced into Induction Training and job description need updating to identify risk management roles for relevant staff.</p>
	<p>Job Descriptions to be updated.</p>	<p>Director of Operations</p>	<p>30/09/05</p>	<p>Risk Champion appointed.</p>
	<p>New module for Performance Management System to be introduced and developed.</p>	<p>Performance Manager</p>	<p>30/09/05</p>	<p>The new Covalent software system has lacked functionality. Bugs etc, have now been fixed and a launch with training is being scheduled over the next few months.</p>

Continued/..

STATEMENT OF INTERNAL CONTROL

ACTION PLAN 2005/06

CONTROL ISSUE	ACTION PROPOSED	RESPONSIBILITY	DUE DATE	COMMENTS
Business/Service Continuity Planning				
Business Continuity Plan not yet installed and likewise the Service Continuity Plan.	Business Continuity Plan in preparation for all services and in particular IT. Budget allocated and included in Access to Services Programme Plan as priority action. Currently developing Corporate Business Continuity Plan and training thereon.	ICT Manager Director of Operations	11/11/05 11/11/05	80% of Business Continuity Plans prepared.
Key Risk Indicators				
Key risk indicators have not been fully drawn up to track the movement of key risks.	Covalent system to be populated and developed and then to be monitored and reviewed.	Performance Manager	31/08/05	Corporate Risk Register now on Covalent system.

Continued/...

STATEMENT OF INTERNAL CONTROL

ACTION PLAN 2005/06

CONTROL ISSUE	ACTION PROPOSED	RESPONSIBILITY	DUE DATE	COMMENTS
Gaps in Assurance Processes				
Although many assurance sources have been determined and collated there are a number of gaps which need to be filled.	Assurances from Departments need to be introduced into business planning process. The SIC process will be embedded and be subject to Member approval.	Performance Manager Chief Financial Officer	30/09//05 30/09/05	Assurance statements to be included in Service Delivery Plans. The SIC process is now embedded, produced by Senior Management Team and other senior staff and subject to Member approval through both Overview and Scrutiny Committee and Policy and Resources Committee.

STATEMENT OF INTERNAL CONTROL

ACTION PLAN 2006/07

CONTROL ISSUE	ACTION PROPOSED	RESPONSIBILITY	DUE DATE	COMMENTS
Corporate Governance Arrangements				
The Code of Corporate Governance needs to be reviewed and updated communication to the public and stakeholders needs to be improved.	The Code of Corporate Governance will be reviewed.	Council's Solicitor	30/09/06	
	Public and other stakeholders to be made aware by publishing Code on website.	IT Manager	30/09/06	
Risk Assessment Management				
The Council has embraced the identification and management of risk. However, there are still some issues relating to staff training and the Performance Management System that need to be addressed.	Risk Management to be introduced into Induction Training and update training to be given.	Human Resources Manager	31/12/06	
	Job descriptions to be updated.	Human Resources Manager	31/12/06	
	Risk Management update training to be arranged.	Director of Operations	30/09/06	
	New module for Performance System to be launched.	Performance Manager	30/11/06	

Continued/...

STATEMENT OF INTERNAL CONTROL

ACTION PLAN 2006/07

CONTROL ISSUE	ACTION PROPOSED	RESPONSIBILITY	DUE DATE	COMMENTS
Gaps in Assurance Processes				
Although many assurance sources have been determined and collated assurances from Departments need to be identified.	Assurance from Departments need to be introduced into the business Planning Process through inclusion in Service Delivery Plans.	Director of Policy	30/09/06	
Code of Conduct				
A Code of Conduct for Members has been adopted and signed by all Members as a condition of office. A Code of Conduct for Officers is required.	Code of Conduct for Officers to be introduced following national publication.	Council's Solicitor	30/09/06	
Health & Safety				
The Council has a corporate Health and Safety Policy which was adopted in 2000. This now needs reviewing.	Review Health and Safety Policy.	Human Resources Manager	31/08/06	

STATEMENT OF ACCOUNTING POLICIES

1. General

The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting, issued in 2005 by the Chartered Institute of Public Finance and Accountancy (CIPFA), and also with guidance notes issued by CIPFA on the application of accounting standards (SSAPs and FRSs).

2. Tangible Fixed Assets

Tangible fixed assets are assets that have physical substance and are held for use in the provision of services or for administrative purposes on a continuing basis.

Costs incurred when acquiring or improving tangible fixed assets are capitalised in the accounts. Expenditure is capitalised provided, that in each case, the asset is of benefit to the Authority and the services provided for more than a year. Normal repair and maintenance costs are not capitalised but charged to revenue expenditure. Details of the basis for the valuation of assets are explained on pages 28 and 29.

3. Intangible Fixed Assets

Expenditure on assets that do not have physical substance but are identifiable and controlled by the Council e.g. software licences is capitalised when it will bring benefits to the Council for more than one financial year. The balance is amortised to the relevant revenue account over the economic life of the investment to reflect the pattern of consumption of benefits.

4. Depreciation

Depreciation is provided for on all fixed assets with a finite useful life (which can be determined at the time of acquisition or revaluation) according to the following policy:

- leasehold properties are generally depreciated over a period coterminous with the length of the primary rental period
- newly acquired assets are depreciated from the mid-point of the year

Where depreciation is provided for, assets are being depreciated using the straight line method over the following periods:

Building (where appropriate)	10-60 years
Vehicles, plant and equipment	5-10 years
Computer equipment	5 years

5. Deferred Charges

Deferred charges are payments of a capital nature where no fixed asset is created. They include house renovation grants, Heritage Economic Regeneration grants made.

The Code requires deferred charges to be written-off over an appropriate period consistent with the consumption of the economic benefits controlled by the local authority. All deferred charges expenditure is written-off through the Consolidated Revenue Account as it is incurred.

6. Basis of Charges for Capital

The Council charges its Capital Expenditure Charged to Revenue centrally and the provision for the Minimum Revenue Provision (currently not applicable to this Authority).

STATEMENT OF ACCOUNTING POLICIES

General Fund service accounts, central support service and trading accounts are charged with a capital charge for all fixed assets used in the provision of services. The total charge covers the annual provision for depreciation plus a capital financing charge determined by applying a specified notional rate of interest to net asset values.

External interest payable and the provision for depreciation are charged to the asset management revenue account, which is credited with capital charged to services. Capital charges therefore have a neutral impact on the amounts required to be raised from local taxation.

7. **Capital Receipts**

Capital receipts from the disposal of assets are held in the capital receipts unapplied account until such time as they are used to finance other capital expenditure or to repay debt. Interest on capital receipts unapplied is credited to the General Fund.

8. **Government Grants**

Grants and subsidies have been credited to the appropriate revenue and capital accounts and an accrual has been made for balances known to be receivable for the period 31 March 2006. Grants to cover general expenditure e.g. Revenue Support Grant, are credited to the foot of the Consolidated Revenue Account after Net Operating Expenditure and appropriations to and from reserves.

9. **Debtors and Creditors**

The revenue accounts of the Council are maintained on an accruals basis in accordance with the Code of Accounting Practice and FRS18. That is, sums due to or from the Council during the year are included whether or not the cash has actually been received or paid in the year. An exception to this principle relates to electricity and similar quarterly payments which are charged at the date of meter reading rather than being apportioned between financial years. This policy is consistently applied each year and therefore does not have a material effect on the year's accounts.

The capital accounts of the Council are also prepared on the accruals basis and where the Council expects to receive a capital grant or capital contribution towards a capital acquisition, the accounts match the capital expenditure and the grant income in the same accounting year.

In previous years, debtors and creditors relating to the same government departments and other local authorities have been netted off. This policy was changed with effect from 2005/06 and debtors and creditors are now recorded as gross to comply with the new regulations for Whole Government Accounts (WGA).

10. **Stocks and Works in Progress**

The valuation of stocks and small items of plant and equipment are shown on the balance sheet at the lower of cost or net realisable value in accordance with the requirements of SSAP9.

Works in progress on uncompleted jobs is valued at cost.

STATEMENT OF ACCOUNTING POLICIES

11. Costs of Support Services

Most costs of management and administration have been fully allocated to services. Corporate and Democratic core costs are separately identified in accordance with the guidance included in the Best Value Accountancy Code of Practice. The basis of allocation used for the main cost of management and administration is outlined below:

<u>Cost Centre</u>	<u>Basis of Allocation</u>
Central Support Units <i>eg Financial Services, Human Resources</i>	Actual time spent by staff
Public Offices	Area Occupied
Computing	Actual Use
Telephones	Number of Extensions/Actual Use
Reprographics	Actual Use

12. Provisions

The Council sets aside provisions for specific future expenses which are likely or certain to be incurred but the amount of which cannot yet be determined accurately or dates on which these liabilities may arise.

13. Reserves

The Council maintains certain funds to meet general, rather than specific, future expenditure. The funds are explained in the notes to the Balance Sheet together with an analysis of movements and details of reserves held at 31 March 2006.

14. Investments

Investments are shown in the Consolidated Balance sheet at book value and exclude any accrued interest and unrealised capital gains.

15. Retirement Benefits

The requirements of FRS 17 'Accounting for Retirement Benefits' have been fully incorporated into the accounts since 2003/04. Previous policy was to recognise liabilities in relation to retirement benefits only when employers contributions became payable to the pension fund or payments fell due to the pensioners for which we were directly responsible. The new policies better reflect our commitment in the long-term to increase contributions to make up any shortfall in attributable net assets in the Pension Fund.

In assessing liabilities for retirement benefits at 31 March 2004 for the 2003/04 Statement of Accounts, the actuary was required by the SORP to use a discount rate of 3.5% real (6.3% actual). For the 2004/05 Statement of Accounts, a rate based on the current rate of return on a high-quality corporate bond of equivalent currency and term to scheme liabilities is to be used. The actuary has advised that a rate of 2.5% real (5.4% actual) is appropriate. Application of this rate has resulted in an increase in liabilities measured at today's prices of £3.533m, adjusted for by an increase in actuarial losses recognised for the year in the Statement of Total Movements on Reserves.

CONSOLIDATED REVENUE ACCOUNT

2004/05 Net Exp. £'000		2005/06 Expenditure £'000	2005/06 Income £'000	2005/06 Net Exp. £'000
	<u>STATEMENT OF NET EXPENDITURE</u>			
691	Central Services to the Public	3,805	2,998	807
4,770	Cultural, Environmental & Planning Services	8,025	3,075	4,950
(307)	Highways, Roads & Transport Services	508	854	(346)
989	Housing Services	8,416	7,516	900
1,141	Corporate and Democratic Core	1,190	-	1,190
209	Other Corporate Costs and Non Distributed Costs	(281)	22	(303)
7,493	NET COST OF SERVICES - (Note 1)	21,663	14,465	7,198
457	Precepts paid to Parish Councils			478
(70)	Net (Surplus)/Deficit from DSO's - (Note 2)			(62)
(618)	Investment Income			(655)
(594)	Transfer to/(from) asset management revenue account - (Note 3)			(694)
424	Pensions interest cost and expected return on pension assets (Note 10)			586
7,092	NET OPERATING EXPENDITURE			6,851
	<u>APPROPRIATIONS</u>			
(218)	Contributions to/(from) Capital Financing Account - (Note 4)			(229)
420	Contributions to/(from) Earmarked Reserves - (Note 5)			595
(268)	Contribution to/(from) the Pensions Reserve			188
7,026	AMOUNT TO BE MET FROM GOVERNMENT GRANTS AND LOCAL TAXPAYERS			7,405
	<u>SOURCES OF FINANCE</u>			
(3,581)	Council Taxpayers			(3,710)
(2,052)	General Government Grants			(2,217)
(1,393)	Non-Domestic Rates Redistribution			(1,478)
0	NET GENERAL FUND (SURPLUS)/DEFICIT FOR THE YEAR			0

NOTES ON THE CONSOLIDATED REVENUE ACCOUNT

1. Net Cost of Services

The statement of recommended practice requires local authorities to present their accounts using the service expenditure analysis set out in the Best Value Accounting Code of Practice (BVACOP). The Net Cost of Services have been prepared using total cost methodology and the analysis of services as stipulated by the BVACOP.

Due to a change in pension scheme benefits the heading for Non Distributed Costs in 2005-06 includes a Past Service Gain adjustment of £569k. Supplementary information for this statement is shown at the end of this document on pages 49 and 50.

2. Direct Service Organisations

Trading accounts have been produced to cover contracts for work previously won by the Direct Service Organisations (DSO's) to which Compulsory Competitive Tendering (CCT) legislation no longer applies. A summary of the individual contracts is shown below:

Trading Account	2005/06			2004/05
	Income £'000	Expenditure £'000	Surplus/ (Deficit) £'000	Surplus/ (Deficit) £'000
Refuse & Environmental Cleaning	1,429	1,399	30	90
Grounds Maintenance	79	37	42	(1)
Public Conveniences	85	95	(10)	(19)
Total	1,593	1,531	62	70

The General Fund budget for 2005/06 included a contribution of £30,000 from the DSO revenue accounts. Although not all the contract areas achieved the financial objective, surplus balances of £62,000 are reported for 2005/2006.

A contribution of £30,000 has been made to the General Fund. The remaining balance of £32,000 has been transferred to the DSO Reserves. A further contribution of £13,000 was made from the DSO reserves to finance capital expenditure on the purchase of second hand vehicles.

3. Asset Management Revenue Account

This account is required under the system for capital accounting. External interest payable and the provisions for depreciation and amortisation are charged to the account, which is credited with capital charges to services. Capital charges therefore have a neutral impact on the amounts required to be raised from local taxation. Details of the transactions on the account are as follows:

	2005/06 £'000	2004/05 £'000
Income:		
Capital Charges to Services	(1,079)	(912)
Amortisation to Services	(10)	-
Government Grant Written Down	(215)	(155)
Expenditure:		
External Interest	-	-
Provision for Depreciation	600	473
Provision for Amortisation	10	-
Provision for Impairment Loss	-	-
Balance to Consolidated Revenue Account	(694)	(594)

NOTES ON THE CONSOLIDATED REVENUE ACCOUNT

4. Capital Financing Account

The following contributions were made to/(from) the capital financing account:

	2005/06 £'000	2004/05 £'000
Capital expenditure financed from Revenue	402	450
Reversal of Deferred Charges	(236)	(350)
Reversal of Amortisation of Intangible Assets	(10)	-
Reversal of Depreciation	(600)	(473)
Reversal of Government Grants Deferred	215	155
Total transfer from capital financing account	(229)	(218)

5. Reserves

The following contributions were made to/(from) earmarked reserves:

	£'000
General Reserve	198
Investment Income Reserve	236
Repairs & Renewals Reserve	156
Improvement, Contingency & Emergency (ICE) Fund	(5)
Community Investment Fund	(21)
Election Reserve	12
Grants Reserve	(55)
IT Fund	(7)
Service Investment Fund	63
Total Contribution from General Fund	577
DSO Reserve	18
Total Contribution to Earmarked Reserves	595

6. Section 137, Local Government Act 1972

Under Section 137 of the Local Government Act 1972, amended by the Local Government and Housing Act 1989, the Council is empowered to incur expenditure for the benefit of people in its area on activities or projects not specifically authorised by other powers, up to a specific limit. The Council's limit on this type of expenditure for 2005/06 was £97,196, £21,120 was spent during the year (2004/05 figures are £97,148 and £24,787 respectively).

7. Publicity Expenditure

Section 5, of the Local Government Act 1986, requires a local authority to keep a separate account of its expenditure on publicity.

Expenditure includes general advertising, staff advertising and costs (including staff time) associated with informing the community of Ryedale and the media of the Council's functions and objectives.

NOTES ON THE CONSOLIDATED REVENUE ACCOUNT

The Council spent £99,059 on advertising and publicity in 2005/06 compared with £108,451 in 2004/05.

8. Members' Allowances

The Local Authorities (Members Allowances) (England) Regulations require local authorities to make public schemes for members' allowances and disclose annually amounts paid to members under such schemes. This information will be publicised by the Council through its website. The cost of Members' Allowance payments is included in the heading Corporate and Democratic Core and in 2005/06 amounted to £110,168 (£106,489 in 2004/05).

9. Officers' Emoluments

The number of employees whose remuneration was £50,000 or more in bands of £10,000 were:

Remuneration Band	2005/06 Number of Employees		2004/05 Number of Employees
	Total	Left During Year	
£50,000 - £59,999	2	0	0
£60,000 - £69,999	0	0	0
£70,000 - £79,999	0	0	1
£80,000 - £89,999	2	1	0

These payments exclude pension contributions.

10. Pensions

In accordance with the accounting requirements of FRS17 'Accounting for Retirement Benefits,' the Council is obliged to disclose information concerning the pension costs charged to its account in 2005/06.

The Pension Fund provides its members with defined benefits relating to pay and service. Although these benefits will not actually be payable until employees retire, the authority has a commitment to make the payments that needs to be disclosed at the time that employees earn their future entitlement.

The Local Government Pension Scheme administered by North Yorkshire County Council is a funded scheme, meaning that the authority and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets.

We recognise the cost of retirement benefits in the Net Cost of Services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge we are required to make against council tax is based on the cash payable in the year, so the real cost of retirement benefits is reversed out of the CRA after Net Operating Expenditure. The following transactions have been made in the CRA during the year.

NOTES ON THE CONSOLIDATED REVENUE ACCOUNT

	2005/06 £'000	2004/05 £'000
Net Cost of Services:		
current service cost	861	788
past service gain	(569)	-
curtailment costs	30	-
Net Operating Expenditure		
interest cost	1,850	1,661
expected return on assets in the scheme	(1,264)	(1,237)
Amounts to be met from Government Grants and Local Taxation		
movement on pensions reserve	188	(268)
Actual amount charged against council tax for pensions in the year		
employers' contributions payable to scheme	1,096	944

Further information can be found in the North Yorkshire Pension Fund's Annual Report which is available upon request from Financial Services, County Hall, Northallerton, DL7 8AL.

The Council also makes payments to the West Yorkshire Superannuation Fund in respect of pension increases for former authorities that amalgamated to form Ryedale. This amounted to £34,900 in 2005/06 (£33,700 2004/05).

Further details on pension liabilities are provided in note 12 to the balance sheet.

11. **Related Party Transactions**

The Council has a requirement to disclose any material transactions with related parties, which are not disclosed elsewhere in the accounts.

During the year transactions with related parties arose as follows:

		Receipts £'000	Payments £'000
Rye Internal Drainage Board	- <i>levy</i>	-	45
Thornton Internal Drainage Board	- <i>levy</i>	-	11
Community Leisure Ltd		-	248
<i>Grant payment to support the operation of leisure facilities</i>			

The Chief Financial Officer (Section 151 Officer), T V Teasdale, of Ryedale District Council has an interest in the North Yorkshire Audit Partnership as a client officer and in Scarborough & North East Yorkshire NHS Trust as a non-executive director.

NOTES ON THE CONSOLIDATED REVENUE ACCOUNT

12. Audit Costs

In 2005/06 the Council incurred the following fees relating to external audit inspection:

	2005/06 £'000	2004/05 £'000
• Fees payable to the Audit Commission with regard to external audit services carried out by the appointed auditor	61	61
• Fees payable to the Audit Commission in respect of statutory inspections	3	7
• Fees payable to the Audit Commission for the certification of grant claims	30	19
	94	87

13. North Yorkshire Audit Partnership

On 1 January 2001, Ryedale, Scarborough and Selby District Councils formally entered a seven year agreement to operate the North Yorkshire Audit Partnership.

Ryedale District Council's proportion of the Partnership's accumulated surplus is £6,659 as at 31 March 2006.

14. Building Control Trading Account

The Local Authority Building Control Regulations require the disclosure of information regarding the setting of charges for the administration of the building control function. However, certain activities performed by the Building Control Section cannot be charged for, such as providing advice and liaising with other statutory authorities. From 1 April 2001 a partnership arrangement was entered with Selby District Council to provide the Building Control service. Chargeable and non-chargeable activities have been divided on an agreed basis. Ryedale District Council's proportion of the account is included in the table below:

Building Regulations Charging Account

Total 2004/05 £		Chargeable 2005/06 £	Non- Chargeable 2005/06 £	Total Building Control 2005/06 £
291,233	Expenditure	269,088	47,059	316,147
265,546	Income	281,208	-	281,208
(25,687)	Surplus (Deficit) for year	12,120	(47,059)	(34,939)

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2006

2004/05 £'000		2005/06 £'000	Note
	Fixed Assets		
42	Intangible Fixed Assets	389	
	Tangible Fixed Assets		
	Operational Assets		
7,727	Other Land & Buildings	9,346	
1,077	Vehicles Plant & Equipment	1,319	
1	Infrastructure Assets	1	
61	Community Assets	71	
2,791	Non Operational Assets	2,563	
11,699	Total Fixed Assets	13,689	(1)
56	Long Term Debtors	46	(4)
11,755	Total Long Term Assets	13,735	
	Current Assets		
139	Stock & Work in Progress	135	(5)
13	Loans	11	(6)
2,680	Debtors	2,970	(7)
9,602	Investments	11,051	(8)
12,434		14,167	
	Current Liabilities		
-	Temporary Borrowing	-	
(1,795)	Creditors	(2,401)	(9)
(19)	Deposits and Other Balances	(9)	
(110)	Cash Overdrawn (In Hand)	(304)	
(1,924)		(2,714)	
10,510	Total Assets less Current Liabilities	11,453	
	Long-Term Liabilities		
-	Long Term Borrowing	-	(10)
(64)	Provisions	(74)	(11)
(15,115)	Liability related to defined benefit pension scheme	(15,914)	(12)
(4)	Deferred Capital Receipts	(2)	
7,082	Total Assets Less Liabilities	9,198	
	Financed by:		
240	Fixed Asset Restatement Account	1,808	(13)
10,798	Capital Financing Account	10,562	(14)
712	Government Grants - Deferred Account	1,363	(15)
4,476	Capital Receipts & Grants Unapplied	4,641	(16)
(15,115)	Pension Reserve	(15,914)	(17)
5,971	Fund Balances and Reserves	6,738	(18)
7,082	Total Net Worth	9,198	

CHIEF FINANCE OFFICER'S CERTIFICATE

I certify that the above Consolidated Balance Sheet, fairly states the financial position of the Council as at 31 March 2006



Signed:

T V Teasdale CPFA

CHIEF FINANCIAL OFFICER

21 June 2006

NOTES ON THE CONSOLIDATED BALANCE SHEET

1. Fixed Assets

Movement of Tangible Fixed Assets

	Land and Buildings £'000	Vehicles, Plant and Equipment £'000	Infrastructure Assets £'000	Community Assets £'000	Non Operational Assets £'000	Total £'000
Gross Book Value as at 1 April 2005	8,458	3,036	1	61	3,287	14,843
Movements between Categories	(68)	0	0	0	68	0
Additions	94	553	0	10	18	675
Disposals	0	(108)	0	0	(129)	(237)
Revaluations	1,402	0	0	0	(440)	962
Prior Year Adjustment	(53)	30	0	0	(239)	(262)
Gross Book Value at 31 March 2006	9,833	3,511	1	71	2,565	15,981
Depreciation as at 1 April 2005	731	1,959	0	0	496	3,186
Movements between Categories	(6)	0	0	0	6	0
Depreciation for Year	289	311	0	0	0	600
Depreciation on Assets Sold	0	(108)	0	0	0	(108)
Depreciation on Revaluation	(474)	0	0	0	(261)	(735)
Impairment Loss Adjustment	0	0	0	0	0	0
Prior Adjustment	(53)	30	0	0	(239)	(262)
Total Depreciation as at 31 March 2006	487	2,192	0	0	2	2,681
Net Book Value as at 31 March 2006	9,346	1,319	1	71	2,563	13,300

During 2005/06 the Council carried out a revaluation of a large proportion of its fixed assets and this has resulted in an increase in value of £1.69m. This increase is largely attributable to a change in the method of valuation of the Council's swimming pools at Norton (£0.71m) and Pickering (£0.91m), from net realisable value (existing use) to a depreciated replacement cost valuation.

Valuations are made on the basis recommended by CIPFA and in accordance with the Statements of Asset Valuation Principles and Guidance Notes issued by the Royal Institution of Chartered Surveyors (RICS).

The valuation process is led by the Council's Asset Management Officer, Tim Bradley, who is a Chartered Surveyor.

Asset classification is in accordance with the 2005 Code of Practice of Local Authority Accounting.

Subsequent revaluations will be made at intervals of at least five years. Any material changes occurring before normal revaluation will be reflected in the balance sheet for the year in which they occur.

Current year additions are capitalised at actual cost.

The proceeds arising from disposals are accounted for in the balance sheet as useable capital receipts.

Both acquisitions and disposals are accounted for on an accruals basis.

NOTES ON THE CONSOLIDATED BALANCE SHEET

The restatement of the fixed assets in the balance sheet is as follows:

- Land and Buildings (operational), non specialised property at existing value and specialised property at depreciated replacement cost
- Land and Buildings (non operational and surplus to requirements), at market value
- Vehicles, Plant and Equipment, generally at historical cost
- Infrastructure and Community Assets, at historical cost

Information on Assets Held

Fixed assets owned by the Council include the following:

	Number as at 31 March 2006	Number as at 31 March 2005
Operational Buildings		
District Office	1	1
Other Offices	1	1
Depots	2	2
Sports and Leisure Centres	1	1
Swimming Pools	2	2
Surface Car Parks	13	13
Public Conveniences	12	12
Tourist Information Centres	1	1
Travellers Sites	1	1

Sports and Leisure Centres includes a Leisure Centre owned by the North Yorkshire County Council in which Ryedale District Council has a financial interest arising from its contribution towards the capital cost.

Movement in Intangible Assets

	Purchased Software Licences £'000	Other Asset Costs £'000	Total £'000
Balance at 1 April 2005	14	28	42
Expenditure in year	138	219	357
Written off to revenue in year	(3)	(7)	(10)
Balance at 31 March 2006	149	240	389

All intangible assets are linked to IT projects, shown at historical cost and are written off on a straight line basis over five years.

Software licences are held for most of the Council services including Access to Services, Environmental Health, Corporate Network etc. Other asset costs relate to consultancy, advertising and administration across a number of IT projects.

NOTES ON THE CONSOLIDATED BALANCE SHEET

2. Capital Expenditure & Financing

	2005/06 £'000	2004/05 £'000
Capital Investments:		
Operational Assets	1,014	299
Non-Operational Assets	18	9
Deferred Charges	380	835
	1,412	1,143
Sources of Finance:		
Capital Receipts	-	40
Government Grants & Other Contributions	1,010	653
Revenue Contributions	402	450
	1,412	1,143

3. Leases

The Council normally acquires vehicles, plant and equipment using operating leases.

The Council also provides certain employees with lease vehicles under three year contract hire agreements.

Rentals were paid for operating lease agreements during 2005/06 amounting to £298,474. The Council is committed to making payments of £255,619 under these leases in 2006/07, comprising of the following:

Leases expiring in 2006/07	Nil
Leases expiring between 2007/08 and 2011/12	£444,474
Leases expiring after 2011/12	Nil

The capital value of leases acquired during the year (excluding employee vehicles) amounted to zero.

4. Long Term Debtors

	As at 31.03.05 £'000	Expenditure 2005/06 £'000	Amounts Written Down £'000	As at 31.03.06 £'000
Loans:				
Other Organisations	52	-	(8)	44
Housing Advances:				
Council Houses	4	-	(2)	2
	56	-	(10)	46

NOTES ON THE CONSOLIDATED BALANCE SHEET

5. Stocks & Work in Progress

	31.03.06 £'000	31.03.05 £'000
Fuel Stores	8	7
Miscellaneous Stores	18	30
Equipment & Plant	96	91
DSO Stores	13	11
	135	139

6. Loans

	31.03.06 £'000	31.03.05 £'000
Citizens Advice Bureau	-	10
Employee Car Loans	11	3
	11	13

7. Debtors

	31.03.06 £'000	31.03.05 £'000
Amounts Owed by Local Taxpayers:		
Council Tax	814	776
NNDR	167	137
Central Government:		
Government Departments	1,565	1,536
HM Revenue & Customs (VAT)	111	80
Other Local Authorities	243	4
Accrued Interest Owed by Borrowers	94	104
Sundry Debtors	757	808
	3,751	3,445
Less Provision for Bad & Doubtful Debts:		
Council Tax	(500)	(490)
NNDR	(100)	(80)
General Fund	(181)	(195)
	(781)	(765)
	2,970	2,680

The movement in the amounts owed by government departments and other local authorities is largely attributable to the change in accounting policy referred to on page 19, para. 9.

NOTES ON THE CONSOLIDATED BALANCE SHEET

8. Investments

The investment figure under current assets represents short-term holdings summarised as follows:

	British Government £'000	Banks & Financial Institutions £'000	Total £'000
Temporary Money Market	-	2,549	2,549
Certificates of Deposit	-	-	-
Fixed Deposit	-	8,500	8,500
Gilts	-	-	-
Other Small Investments	2	-	2
	2	11,049	11,051

Details of investment activities are provided to the Policy & Resources Committee which monitors performance and ensures proper practice is employed for Treasury Management.

9. Creditors & Prepayments

	31.03.06 £'000	31.03.05 £'000
Government Departments	481	125
Other Local Authorities	606	254
Council Taxpayers	292	289
Business Ratepayers	117	121
Sundry Creditors	905	1,006
	2,401	1,795

The movement in the amount owed to government departments and other local authorities is largely attributable to the change in accounting policy referred to on page 19, para. 9.

10. Long Term Borrowing

The Council has no long term borrowing.

11. Provisions

	31.03.06 £'000	31.03.05 £'000
Planning Appeals	31	39
Local Plan (a)	43	25
	74	64

(a) A provision has been made to cover accrued and future costs associated with the Ryedale Local Development Framework.

12. Net Pensions Asset/Liability

The purpose of this disclosure, required by FRS 17, is to provide clear information about the impact on the Council's financial position and performance, arising from the employing authority's obligation to fund the retirement benefits of its staff.

NOTES ON THE CONSOLIDATED BALANCE SHEET

As part of the terms and conditions of employment of its employees, the Council offers retirement benefits. Although these will not actually be payable until employees retire, the Council has a commitment to make payments that needs to be disclosed at the time that employees earn their future entitlement.

Note 10 to the Consolidated Revenue Account contains details of the Council's participation in the North Yorkshire Pension Fund which is a Local Government Pension Scheme, administered by North Yorkshire County Council.

The underlying assets and liabilities for retirement benefits attributable to the Council at 31 March are as follows:

	31.03.06 £'000	31.03.05 £'000
Estimated Value of Liabilities in Scheme	(40,262)	(34,263)
Estimated Value of Assets in Scheme	24,348	19,148
Net asset/(liability)	(15,914)	(15,115)

The liabilities show the underlying commitments that the authority has in the long-run to pay retirement benefits. The total liability of £15.9m has a substantial impact on the net worth of the authority as recorded in the balance sheet. However, statutory arrangements for funding the deficit mean that the financial position of the authority remains healthy.

The deficit on the scheme will be made good by increased contributions over the remaining working life of employees, as assessed by the scheme actuary.

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels etc.

The liabilities have been assessed by Wm Mercer, an independent firm of actuaries, estimates for the fund being based on the full valuation of the scheme as at 31 March 2004. The main assumptions used in their calculation are:

	31.03.06	31.03.05
Rate of Inflation	2.9%	2.9%
Rate of Increase in Salaries	4.65%	4.65%
Rate of Increase in Pensions	2.9%	2.9%
Proportion of employees opting to take a commuted lump sum	50%	N/A
Discount Rate	4.9%	5.4%

Changes to the Local Government Pension Scheme permit employees retiring on or after 6 April 2006 to take an increase in their lump sum payment on retirement in exchange for a reduction in their future annual pension. On the advice of our actuaries we have assumed that 50% of employees retiring after 6 April 2006 will take advantage of this change to the pension scheme. Our actuaries have advised that this will reduce the value of the Council's pension liabilities by £569k and this has been included within Non-Distributed Costs on the face of the Consolidated Revenue Account.

NOTES ON THE CONSOLIDATED BALANCE SHEET

Assets in the Pension Fund are valued at fair value, principally market value for investments and consist of the following categories, by proportion:

	Long Term Return	31.03.06	31.03.05
Equity Investments	7.0%	75.0%	77.0%
Government Bonds	4.3%	7.6%	11.6%
Other Bonds	4.9%	14.0%	6.2%
Other	4.5%	3.4%	5.2%

13. **Fixed Asset Restatement Account**

This reserve is credited or debited with the revaluation of assets and is also adjusted to show the writing out of the net book value of assets disposed of during the year. For details of movement on this reserve see page 38.

14. **Capital Financing Account**

The capital financing account contains the amounts which are required by statute to be set aside from capital receipts for the repayment of external loans (currently not applicable to this Authority), and the amount of capital expenditure financed from revenue and usable capital receipts. It also reflects the adjustments provided for depreciation charges to revenue. For details of movement on this reserve, see page 39.

15. **Government Grants - Deferred Account**

Grants received from government departments as a contribution to the financing of fixed assets are credits to this account. A write-down of the grant is applied and transferred to the Asset Management Revenue Account to match the depreciation of the asset to which it relates. For details of movement on this reserve see page 39.

16. **Capital Receipts & Grants Unapplied**

These are capital receipts which have not yet been used to finance capital expenditure or repay loan debt.

		£'000	£'000
	Balance b/f 1 April 2005		4,476
<u>Add</u>	New receipts from sale of land and property	174	
	Other receipts	9	
	Grants & Contributions	992	1,175
			5,651
<u>Less</u>	Used to finance 2005/06 Capital Expenditure		1,010
	Balance c/f 31 March 2006		4,641

17. **Pensions Reserve**

The full adoption of FRS17 requires inclusion of the Net Pensions Asset/Liability and Pensions Reserve in the Balance Sheet. This reserve is not to finance expenditure. An appropriation to the reserve is made in order to keep in balance with the pensions asset/liability (see Note 12).

NOTES ON THE CONSOLIDATED BALANCE SHEET

18. Funds Balances and Reserves

This balance covers the position of the Council's revenue reserves.

Earmarked Reserves

	Balance at 31/03/05 £'000	Movement During Year £'000	Balance at 31/03/06 £'000
General Reserve	799	198	997
Investment Income Reserve	2,471	236	2,707
Repairs & Renewals Reserve	876	156	1,032
Community Investment Fund	370	(21)	349
Grant Reserve	138	(55)	83
Election Reserve	19	12	31
Superannuation Reserve	126	-	126
IT Fund	205	(7)	198
Service Investment Fund	393	63	456
Improvement, Contingency & Emergency (ICE) Fund	161	(5)	156
	5,558	577	6,135

- (a) A General Reserve was created to be used for meeting any expenditure of the Council in connection with both its capital and revenue functions and to cover any unforeseen liabilities.
- (b) The Council provides grants and loans to voluntary bodies and other organisations e.g. village hall communities to help establish and improve a variety of facilities throughout the District. Grants are also issued to support rural community transport initiatives. If funds made available are not fully utilised during a particular year, the remaining budget provision is transferred into this reserve to help off-set expenditure in future years.
- (c) An Election Reserve is used to equalise the effect of the four yearly District Election costs.
- (d) The Investment Income Reserve was created to accommodate the interest earned on the investment of the monies received from the bulk sale of the housing stock. It is intended that the majority of this Fund will be utilised to meet capital expenditure.
- (e) A Superannuation Reserve was arranged to defray the increased expenditure the Council has to meet toward contributions made to the North Yorkshire Pension Fund as a result of revised government guidelines.
- (f) An Information Technology Fund is used to finance the purchase and renewal of items of computer equipment such as personal computers, printers and associated software.
- (g) The Repairs and Renewals Reserve is used to meet the cost of replacing or making repairs to buildings, vehicles, plant, furniture and equipment.
- (h) The Community Investment Fund is available for capital and revenue projects that will contribute to the achievement of the Community Plan priorities.
- (i) The Service Investment Fund allows Service Units to set aside a proportion of any savings in their budgets to be used in later years.

NOTES ON THE CONSOLIDATED BALANCE SHEET

- (j) The Improvement, Contingency & Emergency (ICE) Fund is available for a number of purposes that include the funding of emergency expenditure e.g. following flooding and initial financial support to achieve efficiency savings.

Specific Reserves

	Balance at 31/03/05 £'000	Movement £'000	Balance at 31/03/06 £'000
DSO Reserves	119	18	137
Collection Fund	294	172	466
	413	190	603

The Collection Fund is a statutory fund in which the Council records transactions for Council Tax and Business Rates. The balance on the fund is available for funding the precept requirement of the District Council, the County Council, the Police Authority and the Fire and Rescue Authority will be paid over in future years to the value of £57k, £323k, £66k and £20k respectively.

19. The Council has adopted the 2005 SORP guidance for Group Accounts into the 2005/06 Financial Statements, that Authorities comply with the requirements of Financial Reporting Standard (FRS) 2 – Accounting for Subsidiary Undertakings and FRS9 – Associates and Joint Ventures.

Authorities must consider all their interests and prepare a full set of Group Financial Statements where they have a material interest or control over Subsidiaries, Associates, or Joint Ventures. Group Accounts reflect the assets and liabilities of the body that the Authority is deemed to control. This provides users of the financial statements with a full understanding of the full economic implications of the Authority's involvement in such entities, including its exposure to risk.

The Council does not have any material interest that requires reporting under the guidance of the 2005 SORP.

STATEMENT OF TOTAL MOVEMENTS IN RESERVES

The statement of total movements in reserves brings together all the recognised gains and losses of the authority during the period and identifies those which have and have not been recognised in the consolidated revenue account. The statement separates the movements between revenue and capital reserves.

2004/05 £'000		2005/06 £'000	
	Surplus/(deficit) for the year		
0	General Fund	0	
68	Collection Fund	172	
(268)	Deduct appropriation from pensions reserve	188	
(6,098)	Actuarial gains and losses relating to pensions (note 6)	(987)	
420	Add back Movements on specific revenue reserves (note 1)	595	
(5,878)	Total increase/(decrease) in revenue resources		(32)
143	Increase/(decrease) in useable capital receipts	183	
307	Increase/(decrease) in unapplied capital grants & contributions	(18)	
450	Total increase/(decrease) in realised capital resources (note 2)		165
1,276	Gains/(losses) on revaluation of fixed assets	1,697	
0	Impairment losses on fixed assets due to general changes in prices	0	
1,276	Total increase/(decrease) in unrealised value of fixed assets (note 3)		1,697
(171)	Value of assets sold, disposed of or decommissioned (note 4)		(129)
32	Capital receipts set aside	(7)	
(218)	Revenue resources set aside	(229)	
12	Movement on Government Grants Deferred	651	
(174)	Total increase/(decrease) in amounts set aside to finance capital investment (note 5)		415
(4,497)	Total recognised gains and losses		2,116

NOTES TO THE STATEMENT OF TOTAL MOVEMENTS IN RESERVES

1. <u>Movements in revenue resources</u>	Earmarked Revenue Reserves £'000	Pensions Reserve £'000
Surplus/(deficit) for 2005/06	0	0
Appropriations to/from revenue	595	188
Actuarial gains and losses relating to pensions	0	(987)
	595	(799)
Balance brought forward at 1 April 2005	5,677	(15,115)
Balance carried forward at 31 March 2006	6,272	(15,914)

2. <u>Movements in realised capital resources</u>	Useable Capital Receipts £'000	Unapplied Capital Grants & Contribs £'000
Amounts Receivable in 2005/06	183	992
Amounts applied to finance new capital investment in 2005/06	0	(1,010)
Total increase/(decrease) in realised capital resources in 2005/06	183	(18)
Balance brought forward at 1 April 2005	4,038	438
Balance carried forward at 31 March 2006	4,221	420

3. <u>Movements in unrealised value of fixed assets</u>	Fixed asset restatement account £'000
Gains/(losses) on revaluation of fixed assets in 2005/06	1,697
Impairment losses on fixed assets due to general changes in prices in 2005/06	0
Total increase/(decrease) in unrealised capital resources in 2005/06	1,697
4. <u>Value of assets sold, disposed of or decommissioned</u>	
Amounts written off fixed asset balances for disposals in 2005/06	(129)
Total movement on reserve in 2005/06	1,568
Balance brought forward at 1 April 2005	240
Balance carried forward at 31 March 2006	1,808

NOTES TO THE STATEMENT OF TOTAL MOVEMENTS IN RESERVES

5. <u>Movements in amounts set aside to finance capital investment</u>	Capital financing account	Govt grants deferred	Total
	£'000	£'000	£'000
Capital receipts set aside in 2005/06:			
reserved receipts	0	0	0
useable receipts applied	0	0	0
long-term debtors adjustment	(7)	0	(7)
Total capital receipts set aside in 2005/06	(7)	0	(7)
Revenue resources set aside in 2005/06:			
capital expenditure financed from revenue	402	0	402
depreciation & amortisation	(610)	0	(610)
deferred charges adjustment	(236)	0	(236)
Write-down government grants deferred	215	0	215
Total revenue resources set aside in 2005/06	(229)	0	(229)
Grants applied to capital investment 2005/06	0	1,010	1,010
Amounts credited to the asset management revenue account in 2005/06	0	(215)	(215)
Write-down of grants re-deferred charges	0	(144)	(144)
Movement on Government Grants Deferred	0	651	651
Total increase/(decrease) in amounts set aside to finance capital investment			415
Total movement on reserve in 2005/06	(236)	651	
Balance brought forward at 1 April 2005	10,798	712	
Balance carried forward at 31 March 2006	10,562	1,363	

6. Actuarial gains & losses

The actuarial gains identified as movements on the Pensions Reserve in 2005/2006 can be analysed into the following categories, measured as absolute amounts and as a percentage of assets or liabilities at 31 March 2006:

	2005/06		2004/05		2003/04		2002/03	
	£'000	%	£'000	%	£'000	%	£'000	%
Differences between the expected and actual return on assets	3,717	15.3	634	3.3	2,758	15.3	(5,711)	(39.9)
Differences between actuarial assumptions about liabilities and actual experience	(1,676)	(4.2)	(1,139)	(3.3)				
Changes in the demographic and financial assumptions used to estimate liabilities	(3,028)	(7.5)	(5,593)	(16.3)				

CASH FLOW STATEMENT

	2005/06 £'000	£'000	2004/05 £'000	£'000
REVENUE ACTIVITIES				
Cash Outflows				
Cash paid to and on behalf of employees	5,031		5,449	
Other operating cash payments	7,597		8,876	
Housing Benefit paid out	6,838		6,630	
Non-domestic rate payments to National Pool	11,390		9,773	
Precepts paid	22,837	53,693	21,769	52,497
Cash Inflows				
Council Tax receipts	(23,726)		(22,591)	
Non-domestic rate receipts from National Pool	(1,373)		(1,288)	
Non-domestic rate receipts	(11,499)		(9,885)	
Revenue Support Grant	(2,095)		(2,052)	
DWP grants for benefits	(9,390)		(8,932)	
Other Government Grants (Note 3)	(1,268)		(937)	
Goods & services and other operating cash receipts	(5,221)	(54,572)	(5,557)	(51,242)
REVENUE ACTIVITIES NET CASH FLOW (Note 1)		(879)		1,255
SERVICING OF FINANCE				
Cash Outflows				
Interest paid	0		0	
Cash Inflows				
Interest received	(655)	(655)	(618)	(618)
CAPITAL ACTIVITIES				
Cash Outflows				
Purchase of fixed assets	1,053		281	
Other capital cash payments	365		880	
	1,418		1,161	
Cash Inflows				
Sale of fixed assets	(183)		(183)	
Capital grants received and other capital income	(956)		(1,252)	
	(1,139)		(1,435)	
		279		(274)
NET CASH INFLOW/OUTFLOW BEFORE FINANCING		(1,255)		363
MANAGEMENT OF LIQUID RESOURCES				
Net (increase)/decrease in short-term deposits (Note 4)		1,449		(274)
FINANCING				
Cash Outflows				
Repayments of amounts borrowed	0		0	
Cash Inflows				
Short-term loans raised	0	0	0	0
NET (INCREASE)/DECREASE IN CASH		194		89

NOTES ON CASH FLOW STATEMENT

1. Reconciliation of net surplus on collection fund to cash inflow revenue activities

	2005/06	
	£'000	£'000
(Surplus)/deficit for year		(172)
Non-cash Transactions		
add <u>other</u> non-cash transactions	(166)	
add provision set aside in the year	(10)	
add/less contributions to/from earmarked reserves	(595)	(771)
Items on an Accruals Basis		
decrease in stocks and work progress	(4)	
increase in revenue debtors	288	
increase in revenue creditors and deposits	(596)	(312)
Items Classified in another Classification in the Cash Flow Statement		
investment income	655	
less interest paid	-	
capital activities	(279)	376
Revenue activities net cash flow		(879)

2. Movement in net funds

	As at 31.03.06 £'000	As at 31.03.05 £'000	Movement £'000
Cash overdrawn	(304)	(110)	(194)
Net (increase)/decrease in cash	(304)	(110)	(194)

3. Analysis of government grants

	£'000		£'000
Revenue:		Capital:	
DWP - Housing & CT Benefit Admin	335	ODPM - Disabled Facility Grts	117
ODPM - Discretionary Rate Relief	79	ODPM - E-Government	250
ODPM - NNDR Collection Costs	105	DWP - Performance Standards	56
ODPM - Homelessness	32	DEFRA - Recycling	374
ODPM - Planning Delivery	170		
ODPM - Bellwin	69		
ODPM - LA Business Growth Incentive	118		
DEFRA - Recycling	189		
Home Office - Community Safety	130		
Others	41		
	1,268		797

4. Management of Liquid Resources

The movement shows the increase in short term investments in the Council's Investment Fund managed by an external cash manager and in-house. All deposits are in accordance with the Council's Treasury Management Policy.

COLLECTION FUND INCOME & EXPENDITURE ACCOUNT

2004/05 £'000		£'000	2005/06 £'000	NOTE
	INCOME			
(22,739)	Council Tax		(23,740)	(2)
(2,313)	Transfers from General Fund - Council Tax Benefits		(2,510)	
(9,848)	Income Collectable from business ratepayers		(11,495)	
(34,900)	Total Income		(37,745)	
	EXPENDITURE			
	Precepts and Demands:			
16,745	North Yorkshire County Council	17,628		
3,514	North Yorkshire Police Authority	3,619		
1,029	North Yorkshire Fire & Rescue	1,078		
3,581	Ryedale District Council	3,710		
25	Street Lighting Expenses	33	26,068	(3)
	Non-Domestic Rates:			
9,773	Payment to National Pool	11,370		(4)
105	Costs of Collection Allowance	105		
(30)	Allowance for Losses	20	11,495	(5)
90	Provision for non-payment of Council Tax		10	(5)
34,832	Total Expenditure		37,573	
(68)	Surplus/deficit for the year		(172)	
(226)	Surplus at 1 April		(294)	
(294)	Surplus at 31 March		(466)	

NOTES TO COLLECTION FUND ACCOUNT

1. General

This statement represents the transactions of the Collection Fund, a statutory fund separate from the General Fund of the Council. The Collection Fund accounts independently for income relating to Council Tax and Non-Domestic rates on behalf of those bodies (including the Council's own General Fund) for whom the income has been raised.

The Collection Fund accounts are consolidated with the other accounts of the Council. Transactions are prescribed by legislation and are prepared on the accruals basis. The costs of administering collection are accounted for in the General Fund.

The surplus or deficit on the Collection Fund at the end of the year is required to be distributed to or made good by contributions from the Council, North Yorkshire County Council, North Yorkshire Police Authority and North Yorkshire Fire and Rescue Authority in a subsequent financial year.

2. Council Tax

The Council Tax is a tax levied on all domestic properties, in a proportion which is determined by the valuation band allocated to a property. The Council Tax base is the number of chargeable dwellings in each valuation band converted to an equivalent number of Band D dwellings, was calculated as follows:

Band	No of Properties	Ratio	Band D Equivalent Dwellings
A	1,734	6/9	1,156
B	5,001	7/9	3,889
C	4,750	8/9	4,222
D	3,519	1	3,519
E	2,811	11/9	3,436
F	1,698	13/9	2,453
G	1,025	15/9	1,708
H	82	18/9	164
TOTAL	20,620		20,547
Less adjustment for Collection Rate			137
Council Tax Base			20,410

NOTES TO COLLECTION FUND ACCOUNT

3. Precepts

Precepts and demands for 2005/06 are analysed as follows:

	Ryedale DC £'000	NYCC £'000	NYPA £'000	NYFRA £'000
2005/06 Precept/Demand	3,683	17,501	3,592	1,073
Payment in respect of 2004/05 surplus	27	127	27	5
	3,710	17,628	3,619	1,078

4. Income from Business Rates

The Council collects business rates for its area which are based on local rateable values multiplied by a uniform rate. The total amount, less certain reliefs and other deductions, is paid to a central pool (the NNDR pool) managed by central government, which in turn pays back to authorities their share of the pool based on a standard amount per head of the local adult population. Under these arrangements the amounts included in these accounts can be analysed as follows:

	£'000
Non-Domestic Rateable Value multiplied by the uniform business rate (net of rateable value adjustments)	12,923
Less net adjust. for Transitional Relief, Part Occupancy, Write-offs and Transitional Premium	(830)
	12,093
Less Charitable Relief	(579)
	11,514
Other adjustments including making provision for bad debts and interest payments made	(144)
	11,370

Redistribution from the NNDR Pool is credited to the General Fund Summary.

5. Bad and Doubtful Debts

The figures show any movement on the provision for bad and doubtful debts. Provision has been made for Council Tax payers of £500,000 and Business Ratepayers of £100,000 and is included within the Debtors figure in the Council's Balance Sheet.

6. Statistics

Additional information is as follows:

Total National Non Domestic Rateable Value at 31.03.06	32,762,510
NDR Rate in £ for 2005/06	42.2p
Small Business Rate in £ for 2005/06	41.5p
Number of Business Premises (Hereditament) at 31.03.06	2,589
Number of Council Tax Benefit claimants at 31.03.06	3,235

Independent auditor's report to the members of Ryedale District Council

Opinion on the financial statements

I have audited the financial statements of Ryedale District Council for the year ended 31 March 2006 under the Audit Commission Act 1998, which comprise the Consolidated Revenue Account, the Collection Fund, the Consolidated Balance Sheet, the Statement of Total Movements in Reserves, the Cash Flow Statement, and the related notes. These financial statements have been prepared under the accounting policies set out within them.

This report is made solely to Ryedale District Council in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 36 of the Statement of Responsibilities of Auditors and of Audited Bodies prepared by the Audit Commission.

Respective responsibilities of the Chief Finance Officer and auditors

The Chief Finance Officer's responsibilities for preparing the financial statements in accordance with applicable laws and regulations and the Statement of Recommended Practice on Local Authority Accounting in the United Kingdom 2005 are set out in the Statement of Responsibilities.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements presents fairly the financial position of the Council in accordance with applicable laws and regulations and the Statement of Recommended Practice on Local Authority Accounting in the United Kingdom 2005.

I review whether the statement on internal control reflects compliance with CIPFA's guidance. I report if it does not comply with proper practices specified by CIPFA or if the statement is misleading or inconsistent with other information I am aware of from my audit of the financial statements. I am not required to consider, nor have I considered, whether the statement on internal control covers all risks and controls. I am also not required to form an opinion on the effectiveness of the Council's corporate governance procedures or its risk and control procedures.

I read other information published with the financial statements, and consider whether it is consistent with the audited financial statements. This other information comprises only the Explanatory Foreword. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

Basis of audit opinion

I conducted my audit in accordance with the Audit Commission Act 1998, the Code of Audit Practice issued by the Audit Commission and International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Council in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Council's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion the financial statements present fairly, in accordance with applicable laws and regulations and the Statement of Recommended Practice on Local Authority Accounting in the United Kingdom 2005, the financial position of the Council as at 31 March 2006 and its income and expenditure for the year then ended.



Mark Kirkham
Audit Commission
Kernel House
Killingbeck Drive
Killingbeck
Leeds LS14 6UF

29 September 2006

Conclusion on arrangements for securing economy, efficiency and effectiveness in the use of resources

Council's Responsibilities

The Council is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to regularly review the adequacy and effectiveness of these arrangements.

Under the Local Government Act 1999, the Council is required to prepare and publish a best value performance plan summarising the Council's assessment of its performance and position in relation to its statutory duty to make arrangements to ensure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

Auditor's Responsibilities

I am required by the Audit Commission Act 1998 to be satisfied that proper arrangements have been made by the Council for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Audit Commission requires me to report to you my conclusion in relation to proper arrangements, having regard to relevant criteria specified by the Audit Commission for principal local authorities. I report if significant matters have come to my attention which prevent me from concluding that the Council has made such proper arrangements. I am not required to consider, nor have I considered, whether all aspects of the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

I am required by section 7 of the Local Government Act 1999 to carry out an audit of the Council's best value performance plan and issue a report:

- certifying that I have done so;
- stating whether I believe that the plan has been prepared and published in accordance with statutory requirements set out in section 6 of the Local Government Act 1999 and statutory guidance; and
- where relevant, making any recommendations under section 7 of the Local Government Act 1999.

Conclusion

I have undertaken my audit in accordance with the Code of Audit Practice and I am satisfied that, having regard to the criteria for principal local authorities specified by the Audit Commission and published in July 2005, in all significant respects, Ryedale District Council made proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2006.

Best Value Performance Plan

I issued my statutory report on the audit of the Council's best value performance plan for the financial year 2005/06 in November 2005. I did not identify any matters to be reported to the Council and did not make any recommendations on procedures in relation to the plan.

Certificate

I certify that I have completed the audit of the accounts in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission.



Mark Kirkham
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Leeds LS14 6UF

29 September 2006

CONSOLIDATED REVENUE ACCOUNT (DETAIL BY SERVICE)

This analysis supplements the Consolidated Revenue Account Statement shown on page 21 and provides details of the expenditure and income for each individual service.

2004/05 Net Exp. £'000	Service	2005/06 Expenditure £'000	2005/06 Income £'000	2005/06 Net Exp. £'000
	Central Services to the Public			
34	Emergency Relief Work	63	-	63
104	Grants	89	-	89
277	Cost of Rate/Council Tax Collection	544	170	374
(29)	Council Tax Benefits Payments	2,510	2,511	(1)
146	Council Tax Benefits Administration	241	131	110
41	Conducting Elections	31	-	31
64	Registration of Electors	81	2	79
(7)	Land Charges	108	105	3
61	Rate Relief	138	79	59
691	Net Expenditure Central Services to the Public	3,805	2,998	807
	Cultural, Environmental & Planning Services			
	Cultural & Related Services			
184	Culture & Heritage	226	3	223
613	Recreation & Sport	841	31	810
136	Parks & Open Spaces	141	(3)	144
142	Tourism	311	149	162
183	Tourist Information Centres	256	52	204
1,258		1,775	232	1,543
	Environmental Services			
129	Pollution Reduction	148	28	120
52	Pest Control	123	66	57
42	Dog Control	45	1	44
124	Food Safety	134	1	133
113	Public Health	126	2	124
238	Public Conveniences	246	-	246
3	Cesspool Emptying	19	23	(4)
13	Hackney Carriage & Private Hire Vehicles Licensing	39	23	16
47	Licences	95	100	(5)
97	Community Safety	277	174	103
79	Flood Defence & Land Drainage	162	69	93
56	Drainage Boards	59	-	59
309	Street Cleansing	319	1	318
770	Refuse Collection	1,044	418	626
266	Recycling	1,173	657	516
2,338		4,009	1,563	2,446

2004/05 Net Exp. £'000	Service	2005/06 Expenditure £'000	2005/06 Income £'000	2005/06 Net Exp. £'000
	Planning & Development Services			
21	Street Naming	21	-	21
170	Environmental Initiatives	198	27	171
191	Economic Development Support	190	67	123
(1)	Economic Development - Properties	151	202	(51)
(50)	Markets	46	100	(54)
13	Building Control	332	281	51
416	Development Control	757	432	325
173	Planning Policy	303	76	227
32	Non-Industrial Premises & Land	98	61	37
209	Community Development	145	34	111
1,174		2,241	1,280	961
4,770	Net Expenditure Cultural, Environmental & Planning	8,025	3,075	4,950
	Highways, Roads & Transport Services			
(465)	Car Parks	331	854	(523)
158	Transport Support	177	-	177
(307)	Net Expenditure Highways, Roads & Transport Services	508	854	(346)
	Housing Services			
77	Housing Strategy	104	-	104
18	Registered Social Landlords	22	-	22
41	Housing Advice	50	-	50
0	Housing Advances	-	1	(1)
291	Private Sector Housing Renewal	430	117	313
124	Homelessness	248	128	120
11	Travellers Site, Malton	9	-	9
67	Ryecare Services	235	188	47
15	Housing Benefits Payments	6,840	6,838	2
345	Housing Benefits Administration	478	244	234
989	Net Expenditure Housing Services	8,416	7,516	900
	Corporate & Democratic Core			
583	Democratic Representation & Management	586	-	586
558	Corporate Management	604	-	604
1,141	Net Expenditure Corporate & Democratic Core	1,190	-	1,190
	Other Corporate & Non Distributed Costs			
29	Pensions	(504)	-	(504)
26	Unused Shares of Assets	56	-	56
32	General Financial Provisions	2	1	1
45	Other Employee Related Costs	110	2	108
44	Customer Liaison & Marketing	46	4	42
35	Health & Safety	-	-	-
(2)	Finance Adjustment on Central Expenses	9	15	(6)
209	Net Expenditure Other Corporate & Non Distributed Costs	(281)	22	(303)
7,493	NET COST OF SERVICES	21,663	14,465	7,198