

COLLECTION FUND INCOME AND EXPENDITURE ACCOUNT 2004/05

2003/04 £'000		Notes	2004/05 £'000	2004/05 £'000
	Income			
	Council Tax			
85,218	Net Council Tax Receivable	1	88,336	
	Add : Transfers from General Fund			
-2	Transitional Relief Grant		-1	
16,782	Council Tax Benefit		17,805	
<u>101,998</u>				<u>106,140</u>
	Community Charge			
4	Adjustment of Previous Years Community Charges	2		9
	National Non Domestic Rates			
54,871	Income from Business Ratepayers	3		58,810
<u>156,873</u>				<u>164,959</u>
	Expenditure			
88,827	Wigan Council General Fund		92,134	
3,671	GM Fire Precept		3,951	
8,421	GM Police Precept		9,125	105,210
402	NNDR Cost of Collection Allowance			399
54,469	NNDR Contribution to National Pool	3		58,411
513	Increase in Bad Debts Provision	4		766
<u>156,303</u>				<u>164,786</u>
<u>570</u>	Change in Fund Balance for Year			<u>173</u>
<u>-292</u>	Balance B/fwd			<u>278</u>
<u>278</u>	Balance C/fwd			<u>451</u>

NOTES TO THE COLLECTION FUND ACCOUNT

Introduction

The Collection Fund is a statutory account introduced under the Local Government Finance Act 1988 (as amended by the Local Government Finance Act 1992). The fund records the collection and distribution of amounts due in respect of Council Tax and National Non-Domestic Rates (NNDR). A separate balance sheet is not required as collection fund balances are consolidated into the Council's Balance Sheet.

The year-end surplus or deficit, on the Collection Fund is distributed between billing and precepting authorities in a future financial year.

NOTES TO THE COLLECTION FUND ACCOUNT

1. Council Tax

The average (Band D, 2 adult equivalent) Council Tax for the area of the billing authority was £1,135.32. This was based on a Band D equivalent tax base of 92,621 properties, set by the Council in December 2003 in accordance with regulation 3 of the Local Authorities (Calculation of Tax Base) Regulations 1992. The calculation of the tax base contains a provision of 1% losses on collection arising from bad debts and appeals against valuation etc.

Tax Base (Band D equivalents):

A	B	C	D	E	F	G	H	TOTAL
36,586	19,921	17,646	9,725	5,754	2,131	828	30	92,621

2. Community Charge

Adjustments of previous years' Community Charges include: -

2003/04 £'000		2004/05 £'000	
27	Gross Charge	0	
26	Less : Write-offs	0	
<u>1</u>		<u>0</u>	
3	Provision for Bad Debts Reduction	9	
<u>4</u>	Total Adjustment for Previous Years	<u>9</u>	

3. National Non-Domestic Rates

Under the arrangements for uniform business rates, the Council collects non-domestic rates for its area based on local rateable values multiplied by a uniform rate. The total amount, less certain relief and other deductions, is paid back to a central pool (the NNDR pool) managed by Central Government. This pool in turn pays back to Authorities their share based on a standard amount per head of the local adult population (i.e. NNDR Contribution from Pool).

The Income from Business Ratepayers includes:

2003/04 £'000	2003/04 £'000		2004/05 £'000	2004/05 £'000
	62,216	Gross Debit for the year		67,471
6,712		Less: Allowances and reliefs	8,037	
633	7,345	Less: Provision for Bad Debts	624	8,661
	<u>54,871</u>	Income from Business Ratepayers		<u>58,810</u>
	402	Less: Costs of Collection		399
	<u>54,469</u>	Contribution to NNDR Pool		<u>58,411</u>

The total non-domestic rateable value at the year-end was £153,123,000.

The national non-domestic rate multiplier for the year was 45.6p.

4. Bad Debts Provision

Changes in the provision for bad debts reflect movements in the rate of collection and outstanding arrears.