

Analysis of accounts

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Summary of accounts in nominal and real terms

	NOMINAL	REAL TERMS
	£'000s	£'000s
INCOME		
Grant-in-aid	1,958,595	3,059,317
Other	612,431	952,914
Total	2,571,026	4,012,231
EXPENDITURE		
Administration	436,081	645,223
Programme - Non Public Assets	880,522	1,296,353
Programme - Public Assets	1,250,653	1,975,596
Sub-Total	2,567,256	3,917,173
Tax	3,754	21,875
Inflationary Loss		73,183
Total	2,571,010	4,012,231
END POSITION		
General reserve	16	19
Grant in aid reserve	494,953	598,615

Analysis of graph

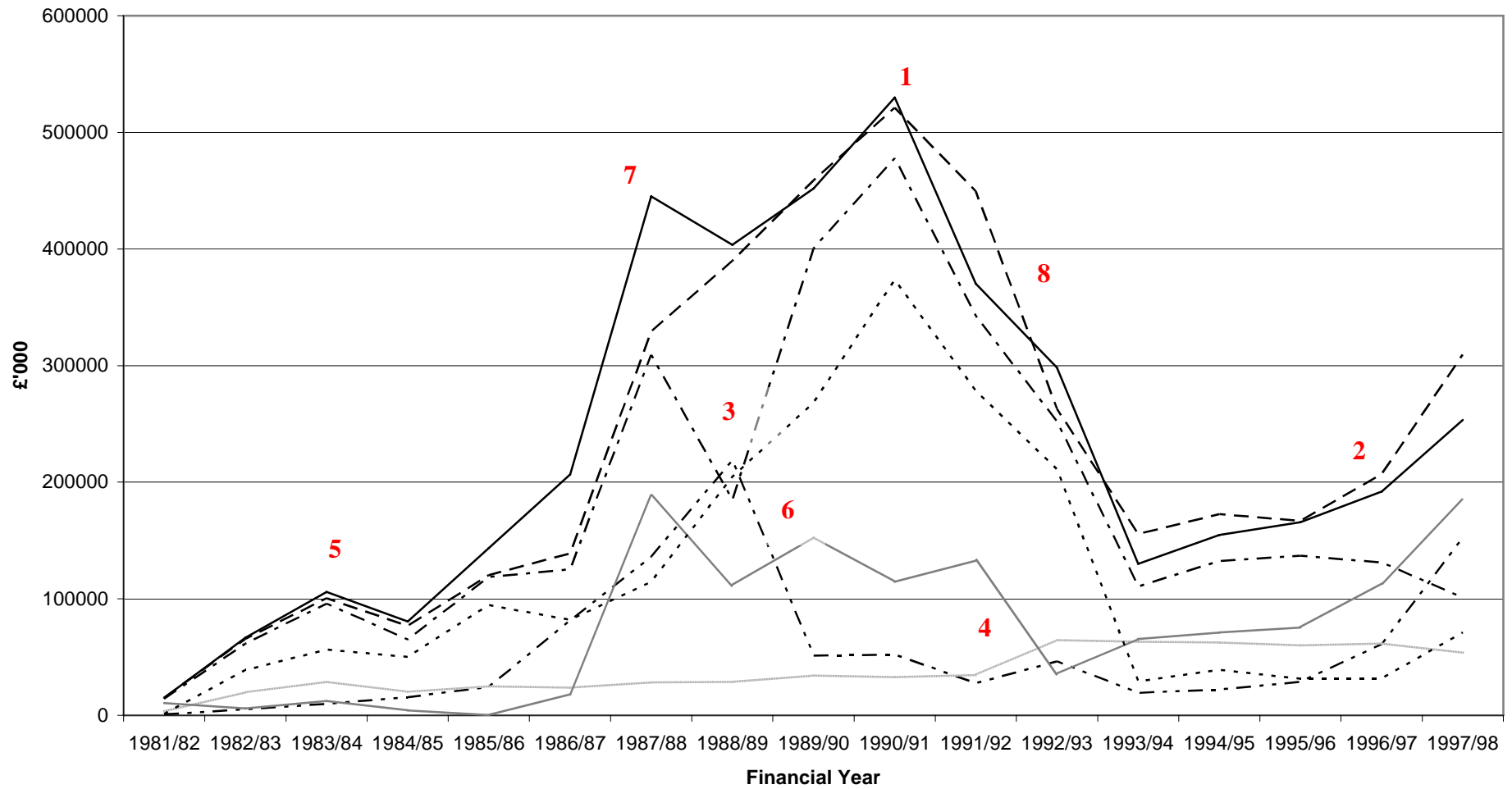
- 1 Peak activity 1988-1991. Income and expenditure reach maximum due to construction of Limehouse Link which is the most expensive road built in Europe. At the same time the upgrade of the DLR to Bank and Canary Wharf was happening and there was huge amounts of re-housing and funding given to local authorities from the LDDC to build new and modernise existing homes. There was a massive increase in support for community organisations including housing, health, education and training.
- 2 'Wind down' actually involved a great deal of work to ensure work was completed before 1998. This involved Boroughs taking over facilities in return for land and/or cash. This was known as a Balancing Package e.g. Newham received £2.7m. In addition the LDDC gave organisations such as Royal Docks Trust London £8m to finish the work they had not had time to complete. Also at this time a great deal of money was being pumped into refurbishing housing in the area. This explains the unexpected increase in expenditure in the wind down years from 1994-1998.
- 3 The Government reduced the size of the grant in 1988-1989 when it was apparent the LDDC would receive a large amount of income from land sales. Perhaps the LDDC predicted they would receive more than they actually did which would explain the dip in total income.
- 4 Rise in admin costs possibly caused by the inclusion of 'Group' staff costs into the accounts causing the figure to increase.
- 5 Small peak in total income and expenditure due to the beginning of the construction of the DLR.
- 6 Rapid decline in other income, which mainly consisted of proceeds from property disposals, due to the start of the recession in 1989-1990 which saw the property market and market for private housing collapse.
- 7 In 1987 the DLR was completed and the LDDC began to receive income from ticket sales. (?) Also construction started at Canary Wharf.
- 8 Community expenditure reined in.

Total Income

Overall picture: Increasing steadily to 1991 and decreasing thereafter until 1994 when a slight increase is experienced. Income is higher than expenditure until 1994.

Total Expenditure

As with total income increasing until 1991 and decreasing thereafter until 1994 when a slight increase is experienced. Total expenditure exceeds income from 1991 onwards.



- - - Total Expenditure — Total Income - - - Grant-in-aid - · - Other income ····· Admin costs — Non Public Assets ····· Public assets

Quarterly mixed adjusted house price index for London 1981-1998

