



Summary Statement of Accounts

2011/2012

Ribble Valley Borough Council

Summary Statement of Accounts 2011/12

Introduction

This summary of the accounts has been prepared to provide a more accessible and easier to understand version of the full Statement of Accounts which is a technically complex document.

According to the 2011 census, the population of the district is 57,100, living in 24,929 households, of which approximately 27% are in the town of Clitheroe.

Ribble Valley has the largest geographical area within Lancashire, covering 226 square miles (583 square kilometres), but the smallest population. Sparsity of population is therefore a key feature, with on average 99 people per square kilometre compared with an average of 401 nationally.

Any comments which you may have on this document would be welcomed.



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Summary Statement of Accounts 2011/12

Director's Statement

The Council's Statement of Accounts has been prepared in accordance with the Code of Practice on Local Authority accounting, based on International Financial Reporting Standards. For the purposes of this summary some modifications have been made to provide more meaningful information.

The Council's auditor (The Audit Commission) has audited the 2011/12 accounts and has issued an unqualified opinion of the Council's full accounts for 2011/12.

A full copy of the Council's 2011/12 audited accounts are available to view or download on the Council's website at www.ribblevalley.gov.uk/soa and can also be inspected at the Council offices in Clitheroe.

This document can be made available in alternative formats or languages. Anyone wishing to request this document in an alternative format or language should contact the Head of Financial Services on 01200 425111 or by email at lawson.oddie@ribblevalley.gov.uk

Jane Pearson, CPFA, Director of Resources

**Ribble Valley Borough Council, Council Offices, Church Walk,
Clitheroe BB7 2RA**

Financial Performance

It is obviously very important to maintain a healthy level of balances to cover for unforeseen events and also provide a stable level of resources for future planning. This however has to be balanced against meeting the council's spending priorities and also very importantly setting a low council tax.

We had originally planned to take £186,000 from general fund balances to help finance the 2011/12 spending plans. However, this was revised later in the year to taking £26,000 from general fund balances. The final position shows that the council has added £168,000 to general fund balances.

The table below shows a summary of the movement on the council's General Fund.

	£'000
General Fund Balances: Brought forward at 1 April 2011	1,449
Surplus in 2011/12 added to General fund Balances	168
General Fund Balances: Carried forward at 31 March 2012	1,617

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What did we spend?

The summary of our comprehensive income and expenditure statement below shows the cost of running the council's services between April 2011 and March 2012.

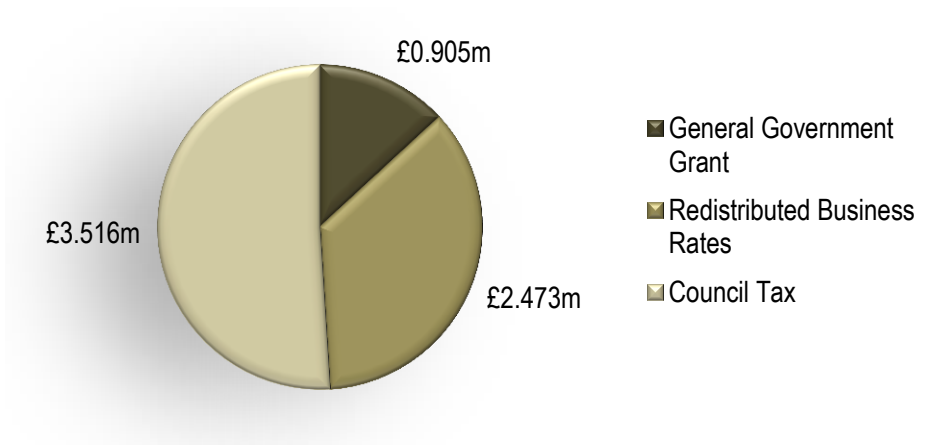
The table also shows the amount that was to be financed from the Council Tax and Government Grants.

	Net Expenditure 2011/12 £m
Central Services to the Public	0.746
Cultural and Related Services	1.386
Environmental and Regulatory Services	2.397
Planning Services	0.641
Highways and Transport Services	-0.014
Other Housing Services	0.172
Adult Social Care	0.019
Corporate and Democratic Core	0.834
Non Distributed Costs	0.166
Net Cost of Services	6.347
Parish Precepts	0.372
Interest Payable	0.023
Interest Received	-0.022
Appropriations and other Internal Accounting	0.174
Amount met from Council Tax and Non-Specific Grant Income	6.894

How did we pay?

We spent £6.894m running services between April 2011 and March 2012, after allowing for service income and service specific grants. Shown below is how we financed these costs, and where the money came from.

	Net Expenditure 2011/12 £m
General Government Grant	0.905
Redistributed Business Rates	2.473
Council Tax	3.516
Total	6.894



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What are we worth?

The balance sheet records the Council's financial position at a point in time, in our case 31 March each year. It shows what is owned by us (assets), who we owe money to (creditors) and who owes us money (debtors), amongst other things.

	Net Expenditure 2011/12 £m
Buildings, Land & Assets Owned by the Council	16.124
Stock	0.079
Cash	0.167
Money Owed to the Council	1.772
Money Owed by the Council	-15.220
Investments	1.900
Total	4.822
Financed by:	
Usable Reserves	6.042
Unusable Reserves	-1.220
Total	4.822

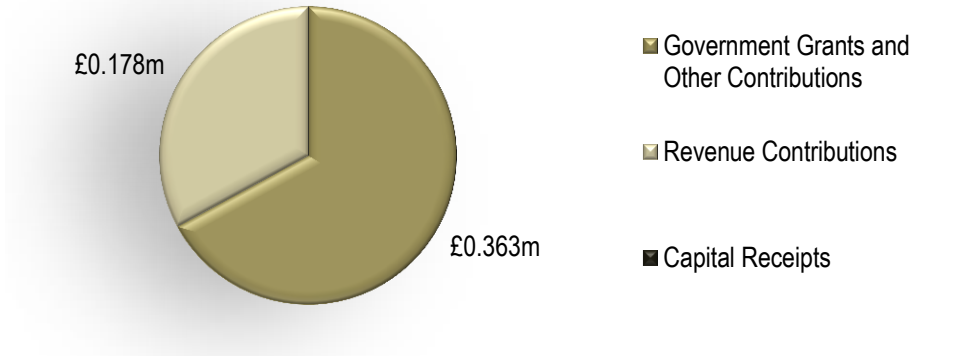
The usable reserves figure shown above is made up of:

- **General Fund Balance** which is not earmarked or set aside for any purpose
 - **Earmarked General Fund Reserves** which have been set aside for a specific purpose
 - **Capital Grants Unapplied** which is grant income where the relevant expenditure has not yet been incurred
 - **Usable Capital Receipts Reserve** which is income from the sale of capital assets such as land or buildings
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Capital expenditure

Capital expenditure represents money spent by the Council for the purchase, upgrade or improvement of assets such as buildings and vehicles. The Council spent £0.541m on its capital programme in 2011/12, primarily on children’s play areas, housing grants and the replacement of both the customer relationship management and local land charges systems. The lower table shows how this was funded.

	£m
Longridge Adventure Play Facility	0.076
Replacement for the Local Land Charges System	0.027
Improvements to Children's Play Areas	0.013
Council Premises	0.013
Housing Grants	0.264
Replacement of the CRM System	0.024
Other	0.124
Total	0.541



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Glossary

Code of Practice: *This is based on approved standards and sets out procedures to be followed when preparing our statement of accounts such as the treatment of creditors and debtors.*

Capital Expenditure: *This type of expenditure is on items which have lasting benefits such as purchases of land and buildings.*

General Fund Balance: *This is the total of the Council's unused reserves to date. It is therefore considered when preparing our budgets for future years. Decisions are taken on the sensible level of the general fund balance to keep in hand to fund unforeseen circumstances and also enable the Council to meet any cash flow requirements.*

Comprehensive Income and Expenditure Statement: *This is the record of the Council's annual spending on day to day items such as wages, repairs and maintenance.*

Balance Sheet: *This records the Council's financial position at a point in time, in our case the 31st March each year. It shows what is owned by the council (assets), who we owe money to (creditors) and who owes us money (debtors) amongst other things.*

If there are any other terms used within this document which you don't understand, please don't hesitate to contact us.
