

Financial Performance

General Fund

We budgeted to make a deficit in 2008/09 of £137,000. The year-end position was a deficit of £96,000.

The Council's general fund balance at 31 March 2009 was reduced by the in year deficit to £1.015 million. This is equal to 14% of the Council's 2009/10 net budget.

However, following formal consent from the Secretary of State the Council has closed its Housing Revenue Account (HRA) with effect from 31 March 2009 and transferred the HRA balances to General Fund balances resulting in a total General Fund balance at 31 March 2009 of £2.022m

Housing Revenue Account

The Council transferred its Council houses to Ribble Valley Homes Ltd on 31 March 2008. During 2008/09 there have been a small number of transactions which related to the transferred housing stock, but for which the Council were liable, amounting to just over £6,000, reducing the HRA balances to £1.007m before they were transferred to General Fund balances as mentioned above.

Cash Flow	£000's
Cash 1 April 2008	(6,051)
Net movement in year	5,918
Cash 31 March 2009	(133)



Director's Statement

The Council's Statement of Accounts has been prepared in accordance with the Best Value Accounting Code of Practice. 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 our 2008/09 accounts and has issued an unqualified opinion of the Council's full accounts for 2008/09.

A full copy of the Council's 2008/09 audited accounts are available to view or download on the Council's website - www.ribblevalley.gov.uk and can 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 Financial Services Manager 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



What did we spend money on?

The summary of our income and expenditure account below shows the cost of running Council services between April 2008 and March 2009 and the amount left to be financed from the Council Tax and Government grants.

What we spent	Net Expenditure 2008/09
Cultural Environmental & Planning.....	£4.7m
Central Services.....	£0.8m
Housing.....	£0.2m
Highways.....	£0.4m
Corporate & Democratic Core.....	£1.8m
Non distributed costs.....	(£0.2m)
Net Cost of Services.....	£7.7m
Parish Precepts.....	£0.4m
Interest Received.....	(£0.3m)
Appropriations and other Internal Accounting.....	(£0.4m)
Amount to be met from Government grants and local taxation.....	£7.4m

How did we pay?

We spent £7.4m running services between April 2008 and March 2009. After allowing for income, shown below is how we financed these costs and where the money came from:

How we paid for services:	2008/09
General Government Grant.....	£0.6m
Redistributed Business Rates.....	£3.4m
Council Tax.....	£3.3m
Total.....	£7.3m
Net deficit for year.....	£0.1m

- Council Tax
- Government Grant
- Business Rates



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.

	£m
Buildings, Land & Assets Owned by the Council	14.5
Stock	0.1
Cash overdrawn	(0.1)
Money Owed to the Council	1.4
Money Owed by the Council	(2.6)
Investments	1.6
Total	£14.9m
Financed by:	
Reserves	3.1
Capital Finance & Revaluation of Assets	11.2
Long-Term Debt	0.6
Total	£14.9m



Capital Expenditure

Capital expenditure represents money spent by the Council for the purchase, upgrading or improvement of assets such as buildings and vehicles. The Council spent £3.8 million on its capital programme in 2008/09, primarily on council buildings, three stream waste collection, housing grants, and refurbishment of the Clitheroe Castle Museum. A summary is shown below.

	£000's
Council Buildings	367
Vehicle & Plant Replacements	207
Housing Grants.....	465
Car Parks.....	55
Clitheroe Castle Museum	1,944
Three Stream Waste	367
Parks and Open Spaces.....	359
Other Schemes.....	63
Total	£3.827m



Below is an explanation of some of the accounting terms used in the summary

Accounting 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 purchase of land and buildings. Other examples include improvements to our council houses and car parks.

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 enable the Council to meet any cash flow requirements.

Income and Expenditure Account

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.

Housing Revenue Account (HRA)

The Council is required by law to keep all income and expenditure relating to the maintenance of its Council housing stock ring fenced. This is known as the HRA and with its balances kept entirely separate from the Council's General Fund.

If there are any other terms you don't understand please contact us.