

Statement of Accounts 2008/09

- A1 The general fund unearmarked reserves figure in the balance sheet totals £7,544k, which is below the £8 million minimum approved by Council.

2008/09 Provisional Outturn and General Fund Balances

- A2 The directorates' outturn positions are being reported to Cabinet on the 23rd June 2009. The outturns are summarised in Table 1 below.

Table 1. Directorates Outturn Summary

| Directorate Outturn positions year ending March '08: | £'000 |
|---|---------------|
| Learning and Development (non DSG) | 3,887 |
| Learning, Leisure and Culture | 1,089 |
| Environment | 21 |
| Neighbourhood Services | (986) |
| Strategy, Governance and Performance | (586) |
| Housing Benefits and Council Tax | (999) |
| Debt Financing | (2,045) |
| Architecture MK | 1,812 |
| Directorates Provisional Outturn (Surplus)/Deficit | 2,193 |
| Total Use of Reserves | 9,020 |
| Net in year movements out of General Fund | 11,213 |

- A3 Details of the make up of this figure are included in the Foreword to the statement of accounts.
- A4 Significant issues which have impacted upon the outturn for the year are highlighted at paragraph 3.4 of the main report.

- A5 Including the above provisional outturn surplus, the General Fund reserves total £7,544k in the Balance Sheet within the statement of accounts. However, certain amounts from this balance have been directly earmarked for use in 2009/10 and 2010/11 as detailed in Table 2 below.

Table 2. Use of reserves.

| Adjusted General Fund Balances | £'000 |
|--|----------------|
| Estimated General Fund Balance at 31st March 2009 | 7,544 |
| <u>Estimated use of reserves in 2009/10</u> | |
| Budgeted use of reserves (approved 26Feb09) | (1,811) |
| Earmarked for VFM fund if sufficient funds available | (1,560) |
| Council priorities deferred from 2008/09 | (1,350) |
| Estimated General Fund balance at 31st March 2010 | 2,823 |
| Budgeted use of reserves (approved 26Feb09) | (1,000) |
| Estimated General Fund balance at 31st March 2011 | (1,823) |
| Budgeted use of reserves (approved 26Feb09) | 0 |
| Adjusted General Fund Balance as at 31st March 2012 (minimum level is £8m) | 1,823 |

- A6 The budgetary provisions carried forward are for items which have been delayed and were not spent in 2008/09. These are:

| | £'000 | £'000 |
|--|--------------|--------------|
| Children and Young People's Service | | |
| Radcliffe IEB | 46 | |
| Children's Social Care Training | 70 | |
| SEN Review | 62 | |
| | | 178 |
| Environment | | |
| Waste Project | 1,384 | |
| | | 1,384 |
| Neighbourhood Services | | |
| Adult Social Care IT Systems | 160 | |
| Adult Social Care Integration with PCT | 140 | |
| Joint Venture Project | 50 | |
| | | 350 |
| Strategy, Governance and Performance | | |
| HR - Job Evaluation Project | 30 | |
| HR - Corporate Training | 138 | |
| Members Training Development | 15 | |
| | | 183 |
| TOTAL | | 2,095 |

- A7 The Accounts and Audit Regulations require the accounts prior to audit to be approved by Council before the 30th June and post audit by the 30th September. Adherence to these dates will contribute to higher scores within the Comprehensive Performance Assessment (CPA), Use of Resources section.

Housing Revenue Account

- A8 The outturn position for the HRA shows a deficit of £780k as at 31st March 2009. The original budget was a deficit of £183k. This in-year deficit results in the HRA reserve balance moving to a surplus of £5,936k. Details of the variances are included in the provisional outturn report and the Foreword to the statement of accounts.

The Collection Fund

- A9 The Collection Fund had an in year surplus of £410k resulting in an overall fund surplus of £177k. It was estimated in January 2009 that the overall deficit would be £500k and this was apportioned between precepting authorities and included when setting the budgets for 2009/10.

The large movement arose from a combination of a significantly-lower level of Arrears than had been anticipated in the forecast (through improved collections), coupled with a revision of the Bad Debt Provision to a statistically-based calculation model which yielded a lower BDP percentage to be applied to closing arrears. Neither position had been finalised at the time of the January calculation, which was based on the best data available at that time.

The Annual Governance Statement

- A10 The Annual Governance Statement (AGS) is included within the Statement of Accounts and also needs approving. This document represents the council's formal opinion on the adequacy of control systems. The Annual Governance Statement is considered later on this agenda and will be added to the Statement of Accounts when these are presented to the Council.