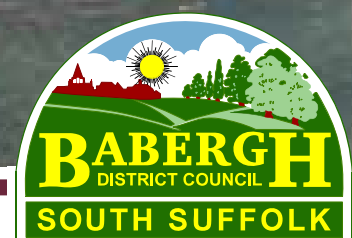


Babergh

Basics

SUMMARY FINANCIAL INFORMATION 2008/09



SUMMARY OF FINANCIAL INFORMATION

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ABOUT BABERGH

Why produce Accounts?

Welcome to the Council's Summary Financial Information for 2008/09 financial year.

We have to produce written records of our income and expenditure and publish them each year. Councils must tell taxpayers in their area where their money came from, what they did with it, what they own and what they owe.

Our Accounts have to comply with strict accounting rules and standards and the Accounts and Audit Regulations.

Our Statement of Accounts for 2008/09 was completed and approved by the Council in June 2009 and audited in September 2009.

This short document has been prepared to give you a brief insight into the finances of the Council for the year. It shows where we have spent and invested money, and what our financial position was at the end of March 2009.

The full and detailed version of our Statement of Accounts is available on our website and a link to it is provided at the bottom of page 6 of this summary financial information.

Barry Hunter
Director of Finance
Babergh District Council

OUR VISION & PRIORITIES

A district where strong and inclusive communities are built on active citizenship and where all citizens have the opportunity to develop to their full potential.

- Greener & Cleaner Babergh
- Quality & Affordable homes for local People
- Safer & Healthier Babergh
- Strong & Sustainable Babergh Economy
- Vibrant Places & Communities

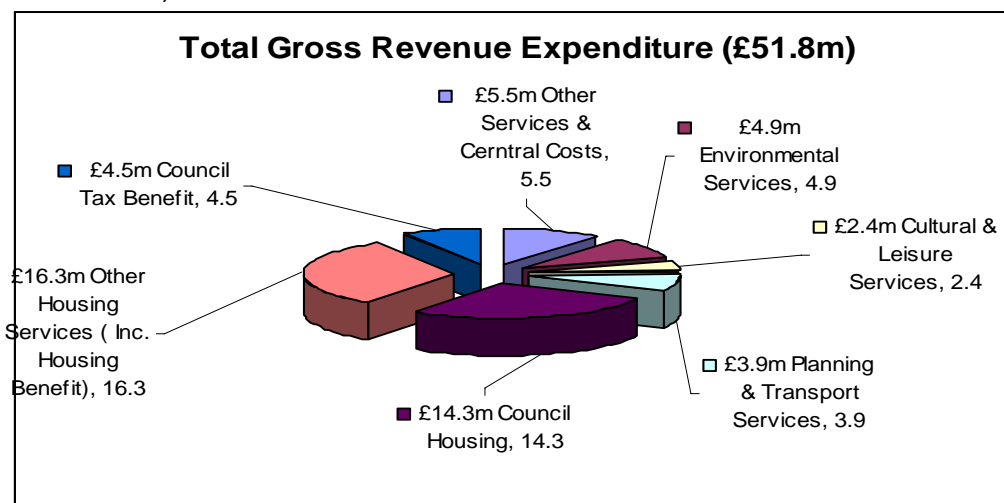
THE COUNCIL'S FINANCIAL STRATEGY

The Council's general Financial Strategy is "to do our best to achieve Council tax increases that do not exceed the rate of inflation, whilst at the same time having a phased reduction in the use of reserves".

BABERGH'S DAY TO DAY SPENDING

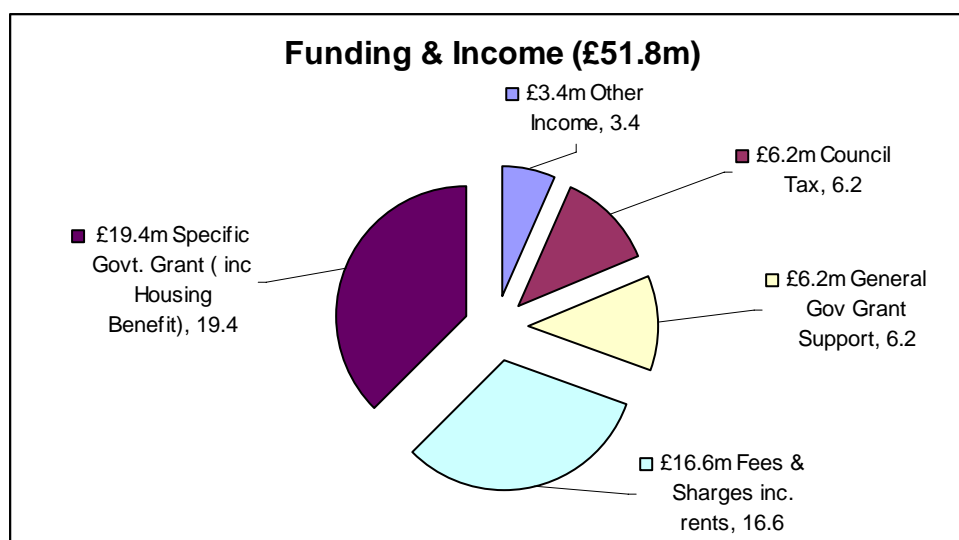
What did Babergh spend the money on?

In 2008/09 Babergh spent just under £52m on providing services and on projects that benefit communities and council tenants. The following chart shows how much was spent on providing services to council taxpayers and on council housing (council housing is not funded through Council tax).



Where the money came from?

This shows how the costs of providing Babergh's services are funded in our Income and Expenditure Account. The Government provides some of our income in the form of grants. It also determines the amount of business rates we receive. Our council tax income only grew by 2.9% during the year in line with our financial strategy.



Summary of Financial Information

COUNCIL HOUSING

Income and expenditure in 2008/09 on Council Housing is summarised here.



Income & Expenditure

£000

Income & Expenditure		£000
Income		
Dwelling Rents		12,231
Non Dwelling Rents		218
Charges for services & facilities		945
Contribution towards expenditure/other		151
Expenditure		13,545
Repairs & Maintenance		1,994
Management		3,419
Contribution to Government		4,590
Depreciation & Impairment of fixed assets		35,719
Other Expenditures		101
Income less Expenditure		45,823
		32,278
Other items		1,627
Amount required by Statute to be adjusted		(33,805)
Reduction in Reserves		92

COUNCIL TAX

The average total cost for a Band D property in Babergh is **£1,391** per annum. You may be interested to know **that only £135** of this is for **Babergh Services**.

This is how your Council tax is made out:

	£
• Suffolk County Council	1,100
• Suffolk Police	156
• Babergh District Council	<u>135</u>
	£ 1,391

WHAT ABOUT OUR CARBON FOOTPRINT?

Although not part of the statutory accounts, it is important to acknowledge the Councils' environmental stewardship responsibilities as well as its financial one. The Council takes this responsibility seriously and is committed to reducing carbon levels and playing a key role in delivering carbon reduction initiatives.

Our Targets:

- To work with relevant partners to reduce CO₂ emissions across the Babergh district by 12% by 2012;
- To reduce CO₂ emissions from Babergh's operations (including buildings and transport) by a minimum of 12% by 2012; and
- To achieve level 3 (of 4) by 2012 of the Local and Regional Partnership Board's NI188 self-assessment tool on preparedness of a changing climate.

BABERGH'S CAPITAL SPENDING

PROVIDING NEW & IMPROVED FACILITIES

Babergh also spends money on purchasing, making improvements to and repairing our land and property. We also give grants to individuals and organisations.

What we spent	Net Expenditure 2008/09 £000	Net Expenditure 2008/09 %
Council Housing	3,378	64
Social Housing	22	1
Housing - Private Sector Renewal Grants/Loans	389	8
OD, ICT & E-Government	582	11
Community Development	487	9
Contract & Asset Management	382	7
Total Capital Investment	5,240	100

This was Financed by

Capital Receipts	398	8
Council Housing Major Repairs Grant	2,329	45
Government Grants	357	7
Revenue Contributions & others	650	12
Borrowing	1,331	25
Earmarked Reserves	174	3
Total	5,240	100



WHAT IS BABERGH WORTH?

BALANCE SHEET

NET ASSETS	2008/09 £000
Intangible Assets	1,626
Operational Assets (Buildings & Land owned by Council)	188,603
Non-Operational Assets	6,146
Long Term Debtors	386
Total Long Term Assets	196,761
Net Current Assets (Debtors less Creditors)	1,595
Total Assets less Current Liabilities	198,356
Long-term borrowing	(1,100)
Deferred Liability	(543)
Government Grants deferred	(918)
Capital Contributions deferred	(1,431)
Pensions Liability	(14,573)
Total Assets less Liabilities	179,745

This shows the financial position of Babergh, i.e. its net assets and liabilities at the end of the financial year, 31 March 2009



CASH FLOW STATEMENT

This summarises the inflows and outflows of cash arising from transactions with third parties of revenue, capital expenditure and income.



Revenue Activities	
Cash Inflows	(95,217)
Cash outflows	93,001
Net Inflow	(2,216)
Servicing of Finance	
Cash Inflows	(637)
Cash Outflows	105
Net Inflow	(532)
Capital Activities	
Cash Inflow	(1,246)
Cash Outflow	4,976
Net Outflow	3,730
Net Cash (Inflow)/Outflow before Financing	982
Management of Liquid Resources	
Net (Increase)/decrease in short-term deposits	(376)
Financing Outflows	
Capital element of Finance Lease & Rental Properties	184
(Increase)/decrease in cash and cash equivalents	790

WHAT IS BABERGH WORTH?

RESERVES

Level of general revenue reserves and balances changed during the year

Revenue Reserves	31st March 2009 £000	31st March 2008 £000
General Reserves/balances	2,359	2,838
Earmarked Reserves	1,229	1,214
Collection Fund deficit	(128)	(120)
	3,460	3,932
Housing Revenue Account		
Major Repairs Reserve	1,060	1,161
	520	688
Total	5,040	5,781

Savings and efficiencies

Achieving our savings and efficiencies Targets

The Council is committed to delivering Value for Money services for its residents. In 2008/09 we achieved just under £900k of cashable efficiencies. This included about £520k of ongoing cashable savings, which were carried forward from previous years.

We, however, have to achieve higher savings in future years, with our annual target increasing from about £420k to £560k per annum.

In addition increasing demand for more and better services and significant impacts of recession on our income levels means growing pressures on the Council's already stretched resources.

The Council is committed to providing value for money services to its taxpayers and achieving savings and efficiencies by continuously improving on its costs and redirecting resources to its priorities.

For full and detailed version of the Council's full Statement of Accounts please use the following link:

www.babergh.gov.uk/Babergh/Home/Council+Democracy/Statement+of+Accounts

Summary of Financial Information

Your views

We are keen for the Summary Financial Information to offer information that is useful to the people of Babergh District. Copies of this and other Council publications can be found on our website: www.babergh.gov.uk

Please let us have your thoughts on this summary and how it could be improved, anything that needs further explanation or any information that you would like to see included in the future.

1. Are the Summary Financial Information understandable? Yes No

2. Were the facts and figures useful? Yes No

3. Was the level of detail appropriate to your requirements? Yes No

4. Are there any other items of information you would like to see in the Summary Financial Information, or comments you would like to make?

.....
.....

Please send your comments to:
enquires.finance@babergh.gov.uk

Or write to:

Homira Javadi, Corporate Finance Manager, Babergh District Council, Corks Lane, Hadleigh, Suffolk, IP7 6SJ

Summary of Financial Information



**If you have any comments on the format or the content of this report,
please contact the Corporate Finance Team,
Tel: 01473 825841**

or

Email: enquires.finance@babergh.gov.uk

**If you need help to understand this information in another
language, or would like it in another format (audio version or large
print) please call 01473 826622.**