

THE COMPACT ACCOUNTS 2008/09

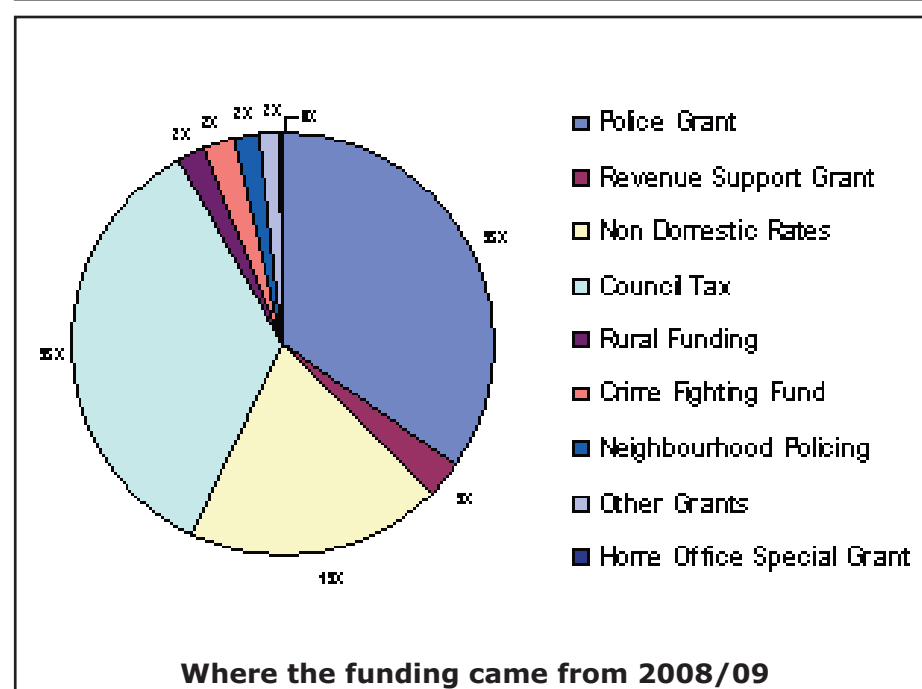
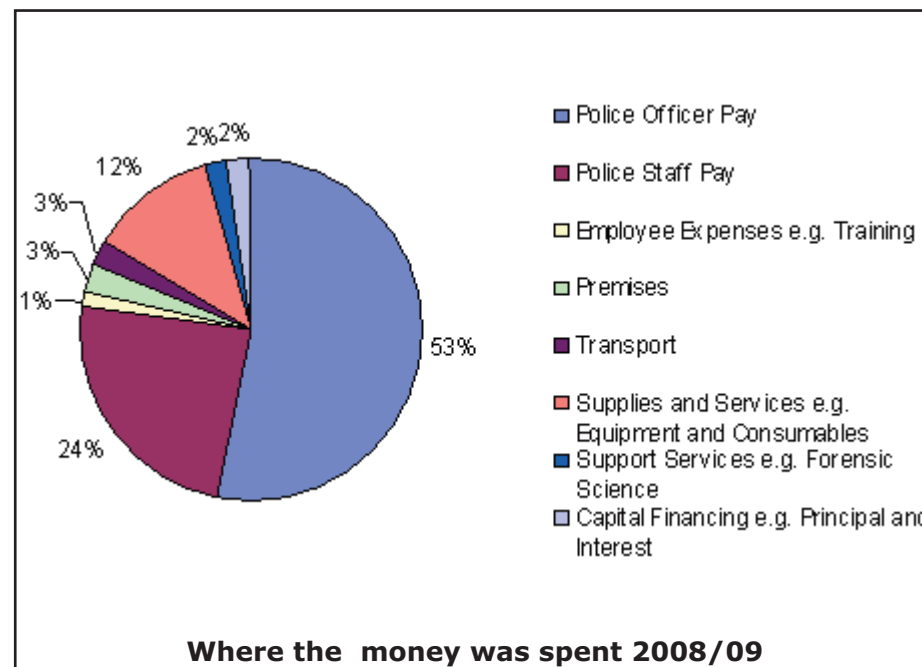


Lincolnshire Police Authority

This document summarises the Authority's full 2008/09 Statement of Accounts and gives a view of the financial position at 31st March 2009. In order to present this information in a more concise and user-friendly way, some modifications to the full Statement of Accounts have been made. These accounts therefore have no legal standing due to these modification

The **Revenue Account** summarises the costs of the police activity during the year and the sources of funding that support it.

2007/08 Net Spending	Revenue Account	2008/09 Net Spending
60,348	Police Officer Pay	61,198
24,747	Police Staff Pay	27,555
1,936	Employee Expenses e.g. Training	1,443
2,852	Premises	3,222
2,441	Transport	2,919
13,014	Supplies and Services e.g. Equipment and Consumables	14,167
2,218	Support Services e.g. Forensic Science	2,270
1,694	Capital Financing e.g. Principal and Interest	2,400
(8,234)	Income e.g. Recharges and Recoveries	(8,329)
101,016	Net Cost of Services	106,845
551	Contribution to/(from) General Reserve	1,143
(903)	Contribution from Earmarked Reserves	(748)
1,342	Transfer to Earmarked Reserves	2,618
(393)	Contribution from Provisions	(1,293)
1,293	Contribution to Provisions	872
102,906	Total to be Financed	109,437
(36,693)	Police Grant	(38,077)
(3,415)	Revenue Support Grant	(2,961)
(20,348)	Non Domestic Rates	(21,270)
(29,950)	Council Tax	(38,329)
(2,058)	Rural Funding	(2,058)
(2,522)	Crime Fighting Fund	(2,719)
(2,146)	Neighbourhood Policing	(2,189)
(2,374)	Other Grants	(1,834)
(3,400)	Home Office Special Grant	0
(102,906)	Total Financing	(109,437)



The **Balance Sheet** gives a snapshot of the Authority's financial situation at the end of the year.

31 March 2008 £'000	Balance Sheet	31 March 2009 £'000	
	Assets and Liabilities		
	Assets		
	Long Term		
29,033	Land and Buildings	25,284	
8,190	Vehicles, Plant and Equipment	9,269	
137	Intangible Assets	86	
2,888	Non-Operational Assets	2,004	
	Short Term		
294	Stock	379	
-	Cash	360	
12,250	Short Term Investment	18,681	
6,119	Debtors and Payments in Advance	5,766	
58,911			61,829
	Liabilities		
(13,960)	Creditors	(14,397)	
(973)	Cash	-	
(1,293)	Provisions	(872)	
(12,330)	Long Term Borrowing	(17,898)	
(28,556)			(33,167)
30,355	Total Net Assets		28,662
	Financed By		
25,229	Accounting Reserves	20,522	
5,126	Other Reserves	8,140	
30,355			28,662
30,355	Total Reserves and Balances		28,662

The **Balance Sheet** shows the financial standing of Lincolnshire Police at a point in time. So at 31 March 2009 the balance sheet shows that we had fixed assets (such as land, buildings and vehicles) valued at £36.6m. Current assets (such as money due to us, short term investments, stocks of consumable items) were worth £25.2m. Importantly, this is more than enough to meet the £14.4m that we owe to other organisations in the short term. Our longer term borrowing (grants, borrowing and loans) amounts to about £17.8m, which is much less than the value of the fixed assets it has been used to finance. It also shows the cash reserves held by the Authority both for Earmarked Reserves £5.2 million and General Reserves £2.9 million.

The Cost of the Police Authority in 2008/09 was £854,000.

It should be noted that the accounting entries relating to the Financial Reporting standard for Pensions have been excluded from this Statement. Please see the Notes Page.

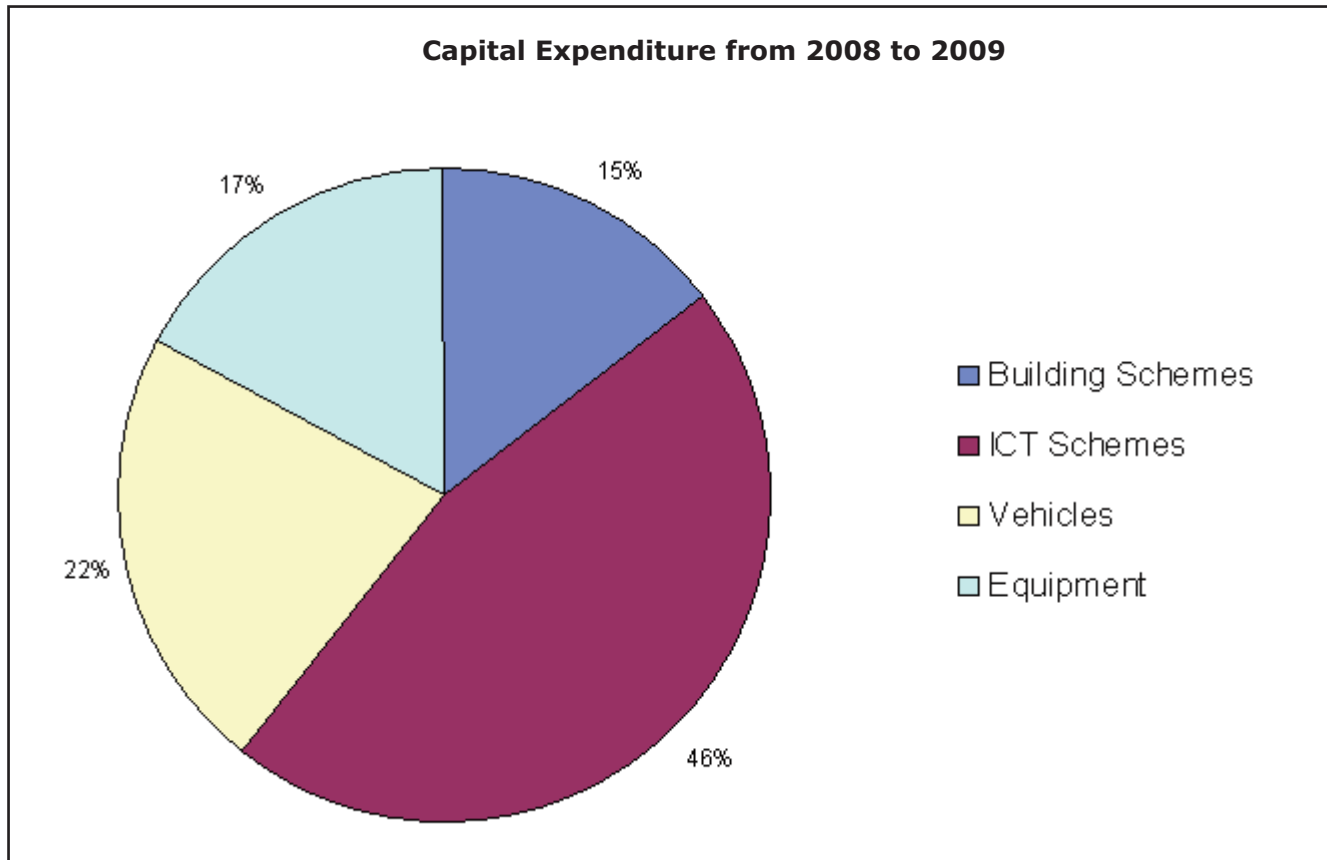
The **Cash Flow Statement** summarises the money which actually moved into and out of our accounts during the year.

2007/08 £'000	Cash Flow	2008/09 £'000	
	Revenue		
106,258.0	Cash Payments for Employess, Supplies and Services etc	115,749.0	
(112,442.0)	Receipts from Precepts, Government Grants etc	(118,027.0)	
(6,284.0)			(2,278.0)
	Capital		
6,450.0	Payments for land, buildings, vehicles etc	5,646.0	
(1,209.0)	Receipts from capital grants, sale of assets etc	(8,938.0)	
5,241.0			3,292.0
1,043.0	Net cash outflow / (inflow) for services		(5,570.0)
	Financing		
631.0	Loans Repaid	532.0	
(4,300.0)	Loans Raised	(2,250.0)	
(3,669.0)	Net decrease / (increase) in Loans		(1,718.0)
5,230.0	Net decrease / (increase) in Investments		6,336.0
1,561.0	Total Financing		4,618.0
518.0	Decrease / (Increase) in Cash		(952.0)

The **Cash-Flow Statement** records the effect of the year's transactions on our bank balance. Like any other business, it is crucial for us to manage our cash so that we can pay salaries and bills. In 2008/09 we increased our total cash by £952k during the year

The **Capital Summary** gives an overview of investments made during the year and how we paid for it.

2007/08 £'000	Capital Summary	2008/09 £'000
	Capital Spending	
6,106	Operational Assets	5,497
6,106		5,497
	Financed by	
3,722	Borrowing	2,250
1,368	Capital Grants	2,438
1,016	Revenue Contribution	809
6,106		5,497



NOTES TO THE COMPACT ACCOUNTS

These compact accounts simplify our position considerably and omit a lot of supporting information: notes on this page explain significant areas that are omitted from the main financial statements.

Accounting for Pensions

The Accounting Regulations require the Authority to recognise the financial consequences of retirement benefits when they are earned by employees rather than when the benefits are eventually paid as pensions. As a result on this basis the Authority has a total liability of £603.4 million. However the arrangements for funding this liability are in place with the Local Governments Pension Scheme latest valuation showing a sub-fund solvency of 90%. The Police Pensions Scheme costs being met by a specific grant from the Home Office.

Accounting for Capital

The statutory accounts are charged with a capital charge for all fixed assets used in the provision on services. The total charge covers the annual provision for depreciation, these summarised accounts only include the capital charges incurred by the Authority during the year.

Joint Arrangements

The Authority works with other Police Authorities in the East Midlands Region on a joint operational policing initiative, the Income, expenditure, assets and liabilities relating to this arrangement are consolidated into the Statutory Accounts, the compact account do not include these figures.

Anyone who would like to see the Full Financial Statements can do so by looking at the Police Authority website at www.lincolnshire-pa.gov.uk