

ABOUT THE ACCOUNTS

The Statement of Accounts presents the overall financial position of the Authority for the year ended 31st March 2008. The Accounts are produced in the format stipulated by the Chartered Institute of Public Finance and Accountancy (CIPFA) in accordance with best accounting practice. The 2007 Statement of Recommended Practice introduced a number of changes to the accounts. The Fixed Asset Restatement Account and Capital Financing Account have been replaced by a Revaluation Reserve and Capital Adjustment Account. New reserves are required in the balance sheet to deal with financial instruments.

Review of the Year

This section provides a summary review of performance during the year and of key areas which impact on the Council's financial position.

Statement of Accounting Policies

The accounting policies and procedures adopted by the County Council are described in this section.

The County Council's Accounts

This section is the detailed review of the County Council's financial position and follows the format prescribed by CIPFA. The accounts include five core statements (Income & Expenditure Account, Statement of Movement on the General Fund Balance, Statement of Total Recognised Gains and Losses, Balance Sheet and Cash Flow Statement). These statements are supported by a detailed set of notes.

The Group Accounts

This section combines the County Council's financial performance and that of its subsidiaries and associate companies. The accounts include the same five core statements as within the County Council's accounts together with any additional supporting notes required to facilitate an understanding of financial performance. The statements have been amended to reflect group performance. As these accounts do not form the basis for setting Council Tax, they have been prepared in accordance with UKGAAP (UK Generally Accepted Accounting Principles) as is required by the SORP (Statement of Recommended Practice).

Pension Fund Accounts

Where pension schemes have been established independently of Government, the Council has an obligation to provide a financial review. The County Council has two such schemes: the Local Government Pension Scheme for Cumbria and the Cumbria Firefighters Scheme. In this section, accounts are provided for both these schemes. The Local Government

Pension Scheme also includes contributions and the related assets due to members who are not present or past employees of the County Council as the Scheme is open to a number of non-related external and public service bodies.

Statement of Responsibilities and Council Approval

This section details the financial responsibilities of the County Council and confirms the date when the Council approved these Statements of Account.

Annual Governance Statement

This statement covers all aspects of the conduct of an authority's business including internal control processes and their effectiveness.

Auditor's Report

This is the External Auditor's report and their opinion on the accounts.

Glossary

This is a glossary of financial terms provided to assist the reader.