

Summary of Accounts

Details of Avon
Fire Authority's
Spending during the
past financial year

2005/06

<http://www.avonfire.gov.uk/>

SUMMARY OF ACCOUNTS 2005/06

The Fire Authority has published a statement of accounts for 2005/06 in accordance with proper accounting practices as set out in the CIPFA LASAAC code of practice for Local Government Accounting, a copy of which is available on the Authority's website on <http://www.avonfire.gov.uk/>.

The purpose of this document is to pick out the key elements from the statement to make the accounts more accessible to wider groups of stakeholders. The document is in four sections, the first looking at the financial performance followed by the three key financial statements in summary form; the Consolidated Revenue Account, the Cash Flow Statement and the Consolidated Balance Sheet. Each section provides a brief explanation of the purpose of the statement and a summary of the financial position.

Financial Performance

The revenue budget for 2005/06 which was set in February 2005 was £42.3m. When contributions from/to balances and reserves are excluded, the level of total expenditure planned for the year was £41.8 million. The actual level of expenditure in 2005-2006 before transfers to and from reserves totaled £41.2 million which is £0.6 million less than the revised budget.

This under spend was transferred to a (i) a reserve for future budget pressures £0.370m identified in the Authority's medium term financial plan and (ii) contribution to the Authority's working balance (£0.25m) to provide a prudent level of general reserve

COST OF THE FIRE SERVICE

(CONSOLIDATED REVENUE ACCOUNT)

The consolidated revenue account is a summary of the expenditure and income of the Authority. The statement identifies the cost of the individual elements of the service along with details of how the money has been raised to pay for it.

As you would expect, a large proportion of the expenditure goes on the emergency response role, which in addition to direct firefighting, responding to road traffic accidents and other emergencies includes the cost of answering emergency calls. Once again in 2005/06 there was a positive shift in resources into community fire safety work as part of the Authority's Integrated Risk Management Plan. The Authority aims to reduce the terrible impacts of fire and other emergencies by preventing them happening in the first place.

To get a Home Fire Risk Assessment ring Fire Service Direct on 0800 1693 999 or visit our website <http://www.avonfire.gov.uk/> or call your Community Fire Station.

Area	£'000
Community fire safety	5,922
Firefighting and operations	38,061
Authority Management Costs	369
Other costs	(273)
Net cost of services	44,079
Investment Income	(202)
Internal asset and pension charges	(681)
Net Total	43,196
Transfer to earmarked reserves	373
Loans and credit arrangements	(1,503)
Amount to be met from taxation	42,066
Revenue support grant	(14,198)
Business rates	(11,562)
Precept	(17,056)
Total raised through taxation	(42,816)
Net surplus for the year	(750)

MOVEMENT OF CASH (CASH FLOW)

The Authority is also required to prepare a cash flow statement which provides details of cash movements throughout the year. Whilst the principal sources of cash are those raised through taxation, which are shown in the revenue account, there are other transactions which do not appear in the account. These transactions relate to the purchase and disposal of major capital assets and include the use of borrowing to finance them. The statement shows that although the net cost of the service is just over £43.2m, the total value of transactions for the financial year was only £41.9m. At the end of the financial year total amounts received in the year had exceeded cash paid in the 12 months by £1.278, increasing cash & the equivalent balance shown in the balance sheet.

Area	£'000
Cash in	
Revenue Support Grant	(14,198)
Non Domestic Rate Income	(11,562)
Council Tax Income	(17,056)
Other Government Grants	(269)
Cash received for Goods and Services	(489)
Interest Received	(199)
Capital Grant	(153)
Sale of Fixed Assets	(211)
New Loans Raised	(1,853)
Total cash in	(45,990)
Cash out	
Cash paid to and on behalf of employees	35,940
Other Operating Costs	6,045
Interest Paid	212
Purchase of Fixed Assets	1,580
Repayments of amounts borrowed	165
Other	770
Total cash out	44,712
Net movement in cash	(1,278)

FINANCIAL POSITION AT 31ST MARCH 2006

(CONSOLIDATED BALANCE SHEET)

The purpose of this document is to provide a summary of the assets and liabilities of the Authority at the end of the financial year and provide details of what reserves and balances the Authority has available. By far the largest items in the balance sheet are two self balancing items valued at over £277m relating to the firefighters pension scheme.

These are not short term liabilities but represent the whole life cost of the firefighters pension scheme, which the Authority can expect to pay out over the next 30 years. Because the scale of this item tends to distort both the assets and liabilities of the Authority, it has been identified separately in the summary statement to make it easier to identify the value of the core assets and liabilities.

Assets	£'000
Land and buildings	35,585
Vehicles Plant and Equipment	4,534
Debtors (money owed to us)	1,826
Investments, stock and cash	5,002
Total Assets	46,947
Liabilities	
Borrowing	(6,655)
Creditors (money we owe)	(2,491)
Deferred Liabilities	(689)
Provisions	(179)
Pension liability	(279,528)
Total Liabilities	(289,542)
Total Assets Less Total Liabilities	(242,595)
Reserves	
Fixed Asset Restatement Account	44,949
Capital Financing Account	(12,426)
Earmarked Reserve	1106
Revenue Account Balance	1,250
Government Grants Deferred	6
Pensions Account	(277,480)
Total net worth	(242,595)

CONTACT US

The Authority values the opinions of the people it serves. If you wish to comment about the services of the Fire Authority, contact Fire Service Headquarters 0117 9262061.

If you would like further information with about the Authority's accounts and finances please contact:

James Dack
Business Services Manager (Finance and Asset Management)
Avon Fire and Rescue Service
Service Headquarters,
Templeback
Bristol
BS1 6TR
0117 9262061 x235
E-Mail: james.dack@avonfire.gov.uk

For more information regarding the Authority visit our website www.avonfire.gov.uk