

# *AVON FIRE AUTHORITY SUMMARY OF ACCOUNTS*



*PREVENTING PROTECTING RESPONDING*



# Summary of Accounts 2008/09

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

The Fire Authority has published a statement of accounts for 2008/09 in accordance with proper accounting practices as set out in the CIPFA (Chartered Institute of Public Finance & Accountancy) Statement of Recommended Practice (SORP) for Local Authority Accounting. A copy of the statement of accounts 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 a wider audience.

The document is in four sections:

- a summary of financial performance
- the Consolidated Revenue Account,
- the Cash Flow Statement and
- the Consolidated Balance Sheet.

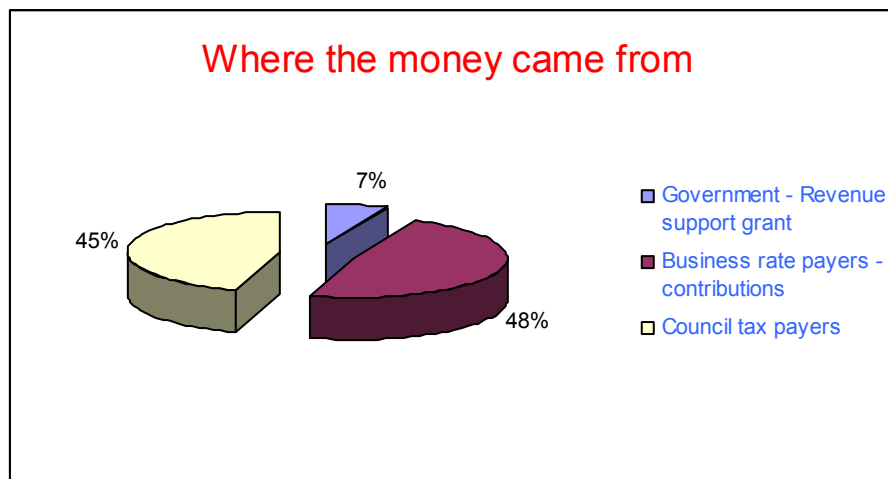
Each section provides a brief explanation of the purpose of the statement and a summary of the financial position.

## Financial Performance

The revenue budget for 2008/09, which was set in February 2008, was £44.913 million. When contributions from/to balances and reserves are excluded, the level of total net expenditure planned for the year was £45.621 million.

The actual level of net expenditure in 2008/09, before transfers to and from reserves, totalled £45.35 million which is £0.271 million less than the revised budget. The majority of this under-spend was as a result of the non-utilisation of specific ear-marked reserves as originally planned. Excluding the effect of this the actual under-spend for the year was £0.019 million and this was transferred to the Pensions and Budget Pressures reserve, the utilisation of which is detailed in the Authority's medium term financial plan.

	Budget 2008/2009 £'000s	Actual Expenditure 2008/09 £'000s	Difference £'000s
<b>Expenditure on Services</b>			
Employees (net)	37,689	37,530	-159
Premises	1,928	2,002	74
Transport	1,751	1,820	69
Supplies & Services	4,316	4,308	-8
Support Services	439	441	2
Capital Financing	2,013	1,982	-31
	<u>48,136</u>	<u>48,083</u>	<u>-53</u>
Income	-2,515	-2,733	-218
<b>Net Expenditure on Services</b>	<u>45,621</u>	<u>45,350</u>	<u>-271</u>
<b>Transfers to \ from revenue reserves</b>			
Pensions & Budget Pressures reserve	-539	-471	68
Other reserves	-169	34	203
<b>Net Expenditure to be funded</b>	<u>44,913</u>	<u>44,913</u>	<u>0</u>



# Cost of the fire and rescue service

## Income and expenditure account

The Income and Expenditure Account is a summary of the resources consumed in providing services and managing the Authority during the last year. 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 2008/09 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.

Services	2008-09 £'000's
Community fire safety	13,087
Firefighting and operations	49,858
Emergency Planning & Civil Defence	311
Authority Management Costs	883
Non Distributed Costs	0
<b>Net cost of services</b>	<b>64,139</b>
Net interest payable\ (receivable)	389
Net interest charges on net pensions liability	20,255
<b>Net operating expenditure</b>	<b>84,783</b>
<b>Less</b>	
Items included in net operating expenditure not charged to taxpayers (*)	(39,433)
<b>Total</b>	<b>45,350</b>
<b>Funded by</b>	
Government - revenue support grant	(3,010)
Business rate payers - contributions	(21,622)
Council Tax payers	(20,281)
<b>Total</b>	<b>(44,913)</b>
<b>Net transfer from working reserves</b>	<b>(437)</b>

Overheads not chargeable to services, such as:  
 - unused IT equipment and other assets  
 - past service pension fund contributions

(*) Details of items not charged to taxpayers	£'000's
Net notional pension costs	(17,299)
Depreciation and impairment of assets	(23,416)
Revenue funding for fixed assets	1,282
<b>Total</b>	<b>(39,433)</b>

# Financial position at 31 March 2009

## Consolidated balance sheet

The purpose of this statement 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 approximately £281m relating to the underlying commitments that the authority has in the long run to pay retirement benefits to its employees. However statutory arrangements for funding these commitments mean that the financial position of the authority remains healthy.

<b>31 March 2009</b>	
<b>Assets</b>	<b>£'000's</b>
Intangible Assets	479
Land and buildings	41,496
Vehicles Plant and Equipment	8,932
Debtors (money owed to us)	3,356
Investments, stock and cash	1,010
<b>Total Assets</b>	<b>55,273</b>
<b>Liabilities</b>	
Borrowing	-13,115
Creditors (money we owe)	-3,688
Government Grants Deferred	-800
Deferred Liabilities	-510
Provisions	-77
Pension liability	-280,638
<b>Total Liabilities</b>	<b>-298,828</b>
<b>Total Assets Less Total Liabilities</b>	<b>-243,555</b>
<b>Reserves</b>	
Revaluation Reserve	1,734
Capital Adjustment Account	30,433
Capital Receipts Reserve	-
Pensions Reserve	-280,638
Earmarked Reserves	3,416
Fund Balance	1,500
<b>Total net worth</b>	<b>-243,555</b>

This item refers to computer software licences which hold future economic benefits to the Authority.

Government grants received towards capital expenditure being credited to revenue over the life of the relevant assets to offset depreciation charges.

Assets acquired under finance leases are recognised as tangible assets with the capital element of future rental payments recorded as a deferred liability. This liability is then written down over the life of the asset.

This reserve reflects the accumulated gains in the value of fixed assets that have not been consumed by subsequent downward

This account provides a balancing mechanism between the different rates at which assets are depreciated and the amounts required by statute to be charged to revenue for them.

## Movement of cash (cash flow)

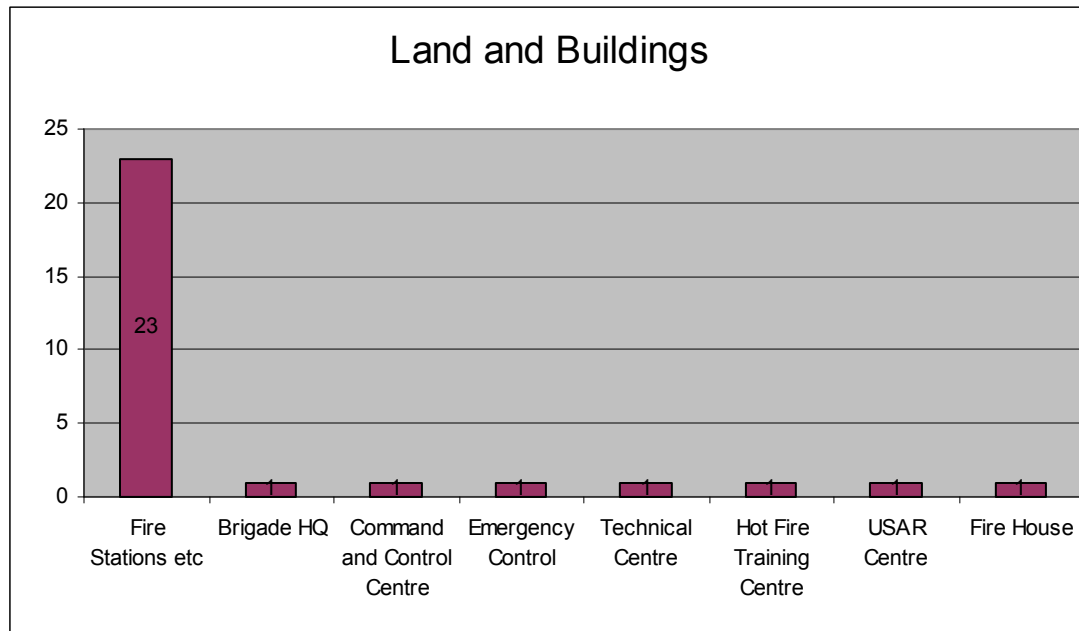
The Authority is also required to prepare a cash flow statement which provides details of the cash movement for the year on the four types of financial activities which are undertaken. These are revenue activities, returns on investment and servicing of finance activities, capital activities and financing activities.

During the year the total cash paid out exceeded the amounts received by £1,603k, decreasing the cash and bank balance shown in the balance sheet.

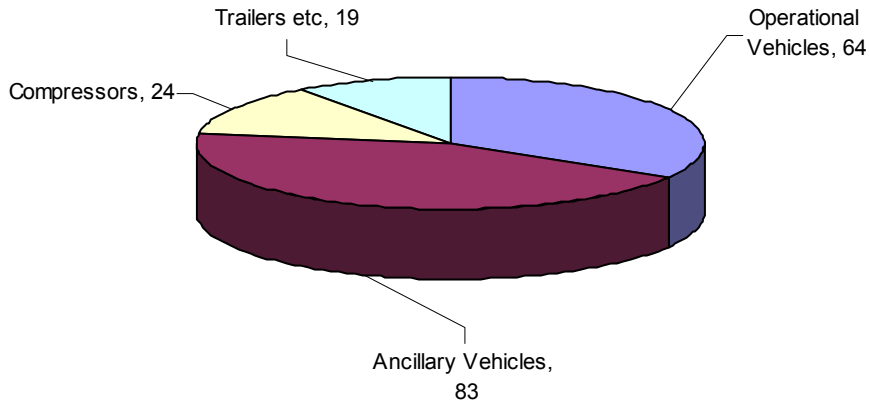
	<b>2008-09 £'000's</b>
<b>Net cash received \ (paid)</b>	
Revenue activities	114
Returns on investments and servicing of finance activities	(165)
Capital activities	(6,006)
Financing activities	4,454
<b>Net cash paid</b>	<b>(1,603)</b>

## Tangible assets

The main tangible assets owned by the Authority at 31 March 2009 are as follows:



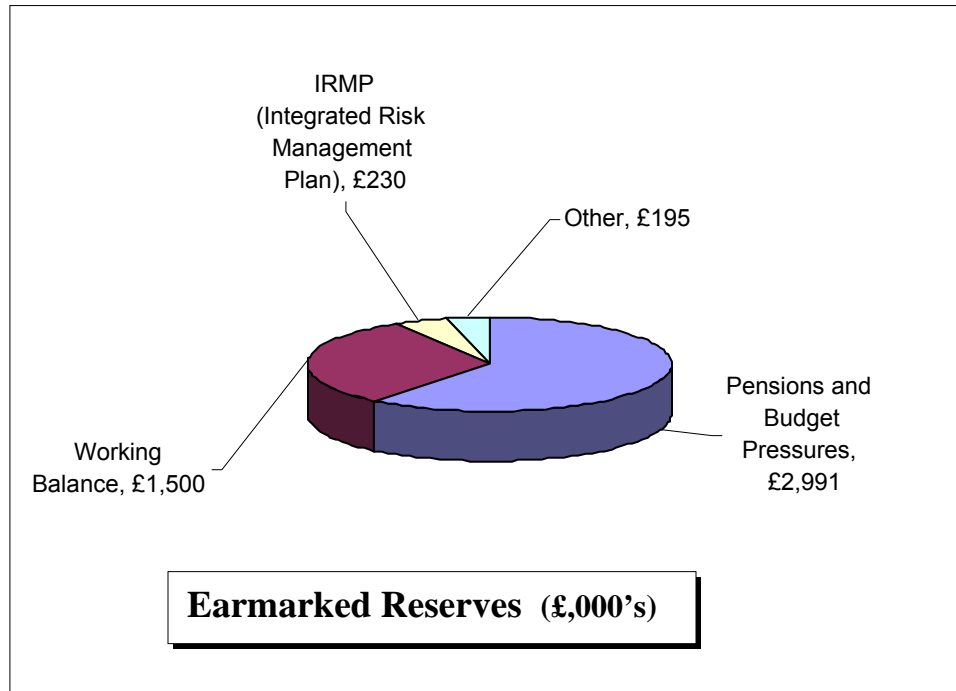
## Vehicles and Equipment



## Reserves

Reserves include earmarked reserves set aside for particular purposes and a working balance which the Authority considers necessary to mitigate financial risks.

**31 March 2009**



## 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:

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For more information regarding the Authority visit our website [www.avonfire.gov.uk](http://www.avonfire.gov.uk)