

Item 4

County Durham and Darlington
Fire and Rescue Authority



Safest People, Safest Places

Audit and Risk Committee

28 October 2020

Statement of Accounts for the Year Ended 31 March 2020

Report of Treasurer

Purpose of the Report

1. The purpose of this report is to seek Members' approval of the attached Statement of Accounts for County Durham and Darlington Fire and Rescue Authority, for the financial year ended 31 March 2020.

Background

2. At the meeting of the Committee held on 28 July 2020, members considered and approved the Statement of Accounts for the year ended 31 March 2020. At that time, members were informed that audit sign off would be delayed until information was received in relation to the pension fund and Whole of Government Accounts.
3. In recognition of the difficulties presented by the coronavirus pandemic, the government published the '*Accounts and Audit (Coronavirus) (Amendment) Regulations 2020*' which extended the statutory deadline for the publication of final audited financial statements from 31 July to 30 November.

Statement of Accounts

4. The auditor has now completed the audit of the Statement of Accounts. During the audit, working in collaboration with the auditor, a number of improvements and amendments have been identified which have been included in the final version of the Statement of Accounts presented today.
5. A summary of the main amendments made to the accounts is set out below:

- The valuation of land and buildings has been reduced by £508k. This was due to the Valuer double counting the valuation of an asset within the Asset Management System.
 - £105,000 has been reallocated between short-term debtors and short-term creditors in relation to the analysis of monies due to and from the Collection Fund for Council Tax and Non-Domestic Rates.
 - Government grant in respect of the COVID-19 pandemic of £125,000, which was received in 2019/20 was originally accounted for as a receipt in advance as the related expenditure would not be incurred until the following financial year. This has been amended to be recognised as income in 2019/20 and then transferred to an Earmarked Reserve to be utilised in 2020/21.
 - Following further guidance issued in relation to the Firefighters Pension Scheme McCloud/Sergeant remedies, an amended valuation report has been obtained from the Scheme Actuary in order to assess the estimated impact. The amended valuation has reduced the IAS19 Pension Liability by £2M which has a corresponding £2M impact upon the IAS19 pension reserve.
 - An additional disclosure has been included in the revised Statement in relation to the valuation of the Authority's share of the Local Government Pension Scheme assets. Approximately 7% of the fund's assets are not publicly listed and therefore there is a degree of estimation in their valuation. As a result of COVID-19, the Pension Scheme manager has identified that there is a material valuation uncertainty around these assets.
6. It should be noted that none of the amendments made to the accounts have had an impact on either the revenue or capital outturn position for the year.

Recommendation

7. Members are recommended to **approve** the Statement of Accounts for County Durham and Darlington Fire and Rescue Authority for the financial year ended 31 March 2020.