

Safest People, Safest Places

County Durham and Darlington
Fire and Rescue Authority



AUDIT AND RISK COMMITTEE

27 JULY 2018

STATEMENT OF ACCOUNTS YEAR ENDED 31st MARCH 2018

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 2018.

Background

2. The '*Accounts and Audit Regulations 2003*', as amended, set out the requirements for the production and publication of the annual Statement of Accounts. To comply with the Regulations, the Statement of Accounts must be approved by the Treasurer on or before 31 May 2018. The audited Statement must then be approved by members of the Audit Committee on or before 31 July 2018.
3. The auditor has now completed his 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 Statement of Accounts presented today.

Statement of Accounts

4. The Statement of Accounts has been prepared in accordance with the requirements of the '*Code of Practice on Local Authority Accounting in the United Kingdom 2017/18*' issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the '*Accounts and Audit Regulations 2003*', as amended. CIPFA's Code of Practice is based upon International Financial Reporting Standards (IFRS).
5. The Statement of Accounts contains a great deal of detailed financial information. To assist in reading and interpreting the contents, Appendix 1 briefly explains the purpose of each section of the document.
6. There are four core statements which provide fundamental information on the financial activities and position of the Fire and Rescue Authority, namely the Movement in Reserves Statement, Comprehensive Income and Expenditure

Statement, Balance Sheet and Cash Flow Statement. These financial statements are grouped together followed by notes to the core statements and the Pension Fund Account.

Revenue Outturn Position

7. The total net revenue expenditure for 2017/18 was £27.826M which was £21,000 in excess of the original budget of £27.805M. When the original budget was set the actual amount of grant due in relation to the business rates retention scheme was not known. The actual sum received was £21,000 greater than the amount included in the original budget which offset the £21,000 increase in net expenditure.
8. During 2017/18 an additional revenue contribution of £0.821M was made to finance capital expenditure which will reduce the need to borrow in future years. The total underspend on ordinary activities (excluding transfers to/from reserves) was £0.589M.

Recommendation

9. 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 2018.

STATEMENT OF ACCOUNTS – EXPLANATION

Item	Pages	Explanation of Purpose and Content
Narrative Report	2-12	Summary of the most significant matters reported in the accounts and the overall financial position of the Fire Authority.
Independent Auditors' Report and Opinion	13-15	On completion of the audit this sets out the auditor's opinion
Statement of Responsibilities for the Statement of Accounts	16	Sets out the responsibilities of the Authority and the Treasurer, and includes the Treasurer's certificate
Movement in Reserves Statement	17-18	Summarises the movement on different reserves held by the Authority in the year
Comprehensive Income and Expenditure Statement	19	Discloses the income receivable and expenditure incurred in operating the Authority for the year
Balance Sheet	20	Sets out the financial position of the Authority as at 31st March 2017
Cash Flow Statement	21	Summarises the inflows and outflow of cash and cash equivalents arising from transactions with other parties for revenue and capital purposes
Notes to the Core Financial Statements	22-84	Provides further information on significant items in the Core Financial Statements as required by the Code
Pension Fund Account	85-86	Sets out the financial position of the Fire Pension Fund