

For Publication

Bedfordshire Fire and Rescue Authority
Audit and Standards Committee
6 July 2018
Item No. 11

REPORT AUTHOR: CHIEF FIRE OFFICER AND TREASURER

SUBJECT: 2017/18 STATEMENT OF ACCOUNTS

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Background Papers: 2017/18 Statement of Accounts.

Implications (tick ✓):

LEGAL	✓	FINANCIAL	✓
HUMAN RESOURCES		EQUALITY IMPACT	
ENVIRONMENTAL		POLICY	
ORGANISATIONAL RISK		OTHER (please specify)	

Any implications affecting this report are noted at the end of the report.

PURPOSE:

To consider the 2017/18 Statement of Accounts, including the Annual Governance Statement, post audit.

RECOMMENDATION:

That:

1. Members consider and approve the current version of the 2017/18 Statement of Accounts and Annual Governance Statement that have now been externally audited.
 2. Members delegate any final amendments to the Treasurer.
 3. Members consider and approve the letter of representation.
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1. Introduction

- 1.1 The Accounts and Audit Regulations 2015, require the Treasurer to formally approve the Annual Governance Statement (AGS) and Statement of Accounts by the end of May, following the previous financial year. Following external audit, the relevant body of the Authority is required to approve them by the end of July. The relevant body for this Authority is the Audit and Standards Committee (A&SC).

1.2 The attached AGS and accounts are presented post external audit by Ernst & Young. Their report on the external audit review of the accounts is elsewhere on this meeting's agenda.

1.3 Early Closure

This is the first year of the early closure. The annual statement of accounts completion requirements, in accordance with the 2015 Accounts and Audit Regulations, have moved from the end of June (pre audit) and September (post audit), to the end of May and July for the 2017/18 accounts onwards.

These deadlines, although significantly changed, have successfully been met. This has been achieved through effective planning and resource management.

2. The 2017/18 Statement of Accounts and Annual Governance Statement

2.1 The format of the statement of accounts follows detailed guidance, as prescribed in the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2017/18. The content and order of the statement can change from year to year to reflect new requirements or changes in best practice. The accounts are in the format required by International Financial Reporting Standards (IFRS).

2.2 In accordance with the public advertisement and the statutory deposit period, the initial draft version of the accounts was put on the website on 23rd May 2018. The 30 day statutory public inspection period ended on 3rd July 2018. At the time of writing this report, there were not any requests for information on the accounts from a member of the public.

2.3 There have been no material items that have changed the bottom line of the Balance Sheet or Comprehensive Income and Expenditure Account in the 2017/18 statement of accounts as a result of the external audit. There have been only presentational updates made to the draft set of accounts.

2.4 There were no significant amendments made to the AGS.

2.5 The Statement of Accounts, including the Annual Governance Statement, is attached at Appendix 1.

2.6 The letter of representation is attached at Appendix 2, for Members to consider and approve. This annual letter summarises the Authority's responsibilities regarding the Financial Statements and Financial Records, Fraud, Compliance with Laws and Regulations, the Completeness of Information and Transactions, Liabilities and Contingencies, Subsequent Events, Accounting Estimates and Retirement Benefits.

2.7 Revenue Year End outturn

The final outturn position for the 2017/18 was a £486k underspend. The reported forecast year end outturn to Members in February 2018, based on the figures as at 31st December 2017, was an outturn of £472k. The £486k underspend has been allocated to the Transformation reserve in accordance with Members approval as part of the 2018/19 budget setting meeting on 9th February 2018.

3 General and Earmarked Reserves

3.1 The General Reserves balance as at 31 March 2018 was £2.6m. This is following work undertaken since 2010/11 to establish specific earmarked reserves, which as at 31 March 2018 totalled £12.448m. This figure includes the Transformational Earmarked Reserve of £4.876m to support future years' budget setting, the Collaboration Reserve of £1.906m and also a capital reserve £2.535m to finance on-going and future capital works. This is in line with the Medium Term Financial Strategy, which takes into account the actual and forecast Government funding reductions to Fire and Rescue Services. The earmarked reserves are reviewed annually by Members as part of the budget setting process. Further details on reserves can be found at note 24 in the Statement of Accounts.

3.2 The capital receipts reserve as at 31 March 2018 was £0.697m.

4. Summary

4.1 Members are invited to:

- Review and approve the current version of the 2017/18 Statement of Accounts, which includes the Annual Governance Statement.
- Delegate any final amendments to the Treasurer.
- Note the General and Earmarked Reserves balances.

**PAUL FULLER CBE QFSM DL
CHIEF FIRE OFFICER**

**GAVIN CHAMBERS
TREASURER**