

For Publication

Bedfordshire Fire and Rescue Authority  
Audit and Standards Committee  
2 July 2020

---

**REPORT AUTHOR:** CHIEF FIRE OFFICER AND TREASURER

**SUBJECT:** 2019/20 STATEMENT OF ACCOUNTS AND ANNUAL GOVERNANCE STATEMENT

---

For further information  
on this Report contact: Gavin Chambers, Assistant Chief Officer/Treasurer

---

Background Papers: 2018/19 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 2019/20 Statement of Accounts, including the Annual Governance Statement, at the current audit stage.

**RECOMMENDATION:**

That:

1. Members consider and approve the current version of the 2019/20 Statement of Accounts and Annual Governance Statement, which are in the final stages of being externally audited.
2. Members delegate any final amendments to the Treasurer, in conjunction with the Chair of the Audit and Standards Committee where material.

3. Members consider and approve the draft Letter of Representation, prior to the Treasurer and Chair approving and signing the final version.

---

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 ordinarily approve them by the end of July. The relevant body for this Authority is the Audit and Standards Committee (A&SC).
- 1.2 Due to Covid-19 and the impact this has had on local authorities, the Government gave an extension to the 31<sup>st</sup> July deadline to 30 November 2020. This extension has not been required and the original timetable has been adhered to. Keeping to the original timetable is a great achievement of the Chief Accountant/Finance Team due to the unprecedented period of Covid-19/lockdown.
- 1.3 There is a section on Covid-19 and the Service's response in the introductory section at the beginning of the accounts. The pandemic is also referred to in a new Going Concern Statement in the accounts.
- 1.4 The AGS and accounts are presented via the web link in the report below and are presented in a near final stage of external audit. As identified in our external auditor's Audit Results Report, there are two key items still outstanding. These are:
- (i) the agreement on land and property valuations between NPS, the Authority's appointed valuers, and Ernst & Young's Real Estate Team and;
  - (ii) the finalisation of the Bedford Borough Council Pension Fund audit by E&Y also, that for LGPS/Green Book pensions could have an impact on the Authority's accounts.

The report on the external audit review of the accounts is elsewhere on this meeting's agenda.

1.5 Early Closure

This is the third year of the early closure. The annual statement of accounts completion requirements, in accordance with the 2015 Accounts and Audit Regulations, has 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. As noted above, there was a one off extension this year due to Covid-19, however, the Authority has not taken advantage of this.

These deadlines, although significantly changed, have successfully been met by the Authority. The draft accounts were on the Authority's website in May 2019. This has been achieved through effective planning and resource management.

## 2. The 2019/20 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 2019/20. 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 21 May 2020. The 30 day statutory public inspection period ended on 1 July 2020. There were not any requests for information on the accounts from a member of the public.
- 2.3 At the time of writing, there have not been any material updates to the draft 2019/20 statement of accounts, other than only minor presentational updates. As noted above, the Going Concern Statement is a new addition.
- 2.4 There were no amendments made to the AGS at the time of writing this report.
- 2.5 The Statement of Accounts, including the Annual Governance Statement, can be found on the Authority's website via the following address. Please click on the 2019/20 Statement of Accounts link:

<https://www.bedsfire.gov.uk/About/Finance-and-budget/Statement-of-accounts.aspx>

## 2.6 Letter of Representation

- 2.7 The draft letter of representation is attached at Appendix 1, 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.

As noted above, this will however need to be finalised after the two key outstanding matters of land and property valuations and the Bedford Borough Council LPGS Pensions audit. The committee is requested to delegate the completion of the final letter and approval to the Treasurer and the Chair of Audit and Standards Committee.

## 2.8 Revenue Year End outturn

On the 11 Feb 2020, the Authority received a budget monitoring report forecasting the year end outturn, based on the actuals as at 31 December 2019, as an underspend with a year-end contribution to reserves of £116k. The comparable year-end contribution to reserves was £17k, with the variance between these figures explained in the Expenditure, Income and Government Grant sections of the accounts.

## 3 General and Earmarked Reserves

3.1 The General Reserve balance as at 31 March 2020 was £2.6m. This is following work undertaken over the last few years to establish specific earmarked reserves, which as at 31 March 2020 totalled £5.570m. The year-end revenue budget underspend of £17k has been allocated to the Transformation Earmarked Reserve. This is in line with the Medium Term Financial Strategy.

3.2 The Capital Receipts Reserve as at 31 March 2020 was £564k.

## 4. Summary

4.1 Members are invited to:

- Review and approve the current version of the 2019/20 Statement of Accounts, which includes the Annual Governance Statement.
- Delegate any final amendments to the Statement of Accounts and the Letter of Representation, to the Treasurer in consultation with the Chair of the Audit and Standards Committee.
- Note the General and Earmarked Reserves balances.

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

**GAVIN CHAMBERS**  
**TREASURER**