

Wiltshire Fire & Rescue Service

Wiltshire and Swindon Fire Authority

Summary of Accounts

2010/11



Introduction by the Finance Director

The Authority's Statement of Accounts has been prepared in accordance with the Chartered Institute of Public Finance and Accountancy's Accounting Code of Practice, 2010/11. This Code is the first to be based on International Financial Reporting Standards and, as a result, there have been many changes to the presentation of the accounts since the 2009/10 Statement. The figures in this Summary are taken from the 2010/11 Statement, but changes have been made to reduce the amount of technical jargon. Owing to the changes required by the new Code, the 2009/10 comparative figures may be different from those shown in the 2009/10 published Summary.

This final version of the summary is published after the audit of the accounts. The figures have been extracted from the audited Statement, but the Summary itself is not audited.

If you have any comments on how this summary may be improved, or suggestions for any additional information which may be useful, please send these to phil.chow@wiltsfire.gov.uk.

A full copy of the Authority's 2010/11 Accounts is available to download free from the Authority's website – www.wiltsfire.gov.uk. A paper version is available on request, at a charge.

Capital Expenditure & Financing

Capital expenditure is money spent on purchasing or improving the Authority's fixed assets, such as the major refurbishment of a fire station, or the purchase of new operational and computer equipment. The table below shows this expenditure and how it was paid for.

2009/10 £000s	Capital Account	2010/11 £000s
	Expenditure	
569	Improvements to premises	794
1,090	Purchases of plant and equipment	606
1,393	Purchases of vehicles	1,595
27	Software Licences	210
3,079	Total capital spending	3,205
	How was this paid for?	
2,390	External loans	2,415
643	Capital grants	768
30	Capital receipts (proceeds from sales of assets)	0
16	Charged to the Revenue Account	22
3,079	Total financing	3,205

Revenue Expenditure and Income

Net revenue expenditure is money spent on day to day costs such as payroll costs, repairs to properties, heating and lighting, supplies and services, less income from sales, contributions and reimbursements. The next table shows the net cost of services and financing costs, and also how this was paid for by Government Grants and the Council Tax. The surplus or deficit on the provision of services is then adjusted for statutory accounting transactions and transfers with reserves to show the overall increase or reduction in the General Reserve for the year.

2009/10 £000s	Revenue Account	2010/11 £000s
	Services	
	Community Fire Safety	
1,712	Statutory Inspection & Certification	2,042
1,366	Prevention & Education	1,724
	Fire Fighting & Rescue Operations	
19,303	Responding to Emergencies	19,785
1,630	Communications & Mobilising	1,768
225	Securing Water Supplies	269
	Corporate & Democratic Core	
453	Corporate Management	519
160	Democratic Representation & Management	157
0	Non-distributed Costs	-16,876
24,849	Cost of Services	9,388
	Financing & Other Income & Expenditure	
4	Gains & losses on sale of assets	-7
309	Interest payable & similar charges	334
-11	Interest Income	-23
6,688	Pensions Interest Cost & Return on Assets	7,005
	Taxation & Non-specific Grant Income	
-15,031	Council Tax Income	-15,644
-7,677	Non-Domestic Rates Grant	-8,371
-1,772	Revenue Support Grant	-1,216
-643	Capital Grants & Contributions	-768
6,716	Surplus or Deficit on Provision of Services	- 9,302
	Statutory and Accounting Adjustments	
-310	Transactions for capital and assets	-345
323	Transactions for debt repayment	447
-6,817	Pensions adjustments	7,581
29	Other accounting adjustments	125
70	Transfers to or from earmarked reserves	-176
11	Change in General Reserve	- 1,670
-664	General Reserve at start of year	-653
- 653	General Reserve at end of year	- 2,323

Types of expenditure

The cost of services shown in the Revenue Account can also be analysed into types of expenditure. In this table the amount shown for pensions is skewed by a notional credit resulting from changes to assumptions made by the Actuary. Without this adjustment gross expenditure in 2010/11 would have been £26,885,000 and the net cost of services would have been £26,264,000.

2009/10 £000s	Subjective analysis	2010/11 £000s
17,020	Employees	15,945
2,453	Pensions	-12,207
1,137	Premises	1,285
819	Transport	738
2,648	Supplies & services	2,270
75	Democratic representation	77
799	Leasing charges	787
933	Depreciation and valuation losses	1,114
25,884	Gross expenditure	10,009
-1,035	Less - Income	-621
24,849	Net cost of Services	9,388

Balance Sheet

The Balance Sheet gives a snapshot of the Authority's financial position at the year end. It shows assets (what the Authority owns or is owed by others) and liabilities (what it owes), including an estimate of the shortfall on pensions, as calculated by an independent Actuary. The net balance of assets less liabilities is matched by reserves. Usable reserves comprise funds that are earmarked for specific items of future expenditure and the General Reserve, which was also shown in the Revenue Account. The General Reserve may be used to meet future expenditure or transferred to earmarked reserves. A minimum balance is also normally kept in this reserve as working capital. Unusable reserves are notional balances that match the pension shortfall and other accounting entries.

31 Mar 2010 £000s	Summary Balance Sheet	31 Mar 2011 £000s
	Assets	
13,152	Land, buildings, vehicles & equipment	15,222
2,235	Money owed to the Authority	1,182
1,202	Cash, bank & investments	1,964
190	Inventories (Stock)	137
16,779		18,505
	Liabilities	
-10,523	Money owed by the Authority	-10,528
-140,777	Pension Fund shortfall	-129,160
-151,300		-139,688
-134,521	Assets less liabilities	-121,183
	Reserves	
-1,869	Earmarked reserves	-1,694
-653	General Reserve	-2,323
140,777	Pension Reserve	129,160
-3,734	Unusable reserves	-3,960
134,521	Total reserves	121,183

Cash Flow Statement

This statement records the movement of cash and cash equivalents during the year. Cash equivalents are deposits in bank accounts and short-term investments. The starting point is the surplus or deficit on the provision of services, as shown in the Revenue Account. Transactions which do not involve cash are taken out, then cash transactions for capital and financing are added to arrive at the movement in the cash shown in the Balance Sheet.

2009/10 £000s	Cash Flow	2010/11 £000s
6,716	Surplus or Deficit on Provision of Services	- 9,302
	Adjust for non-cash movements	
-6,817	- on pension transactions	7,581
-1,966	- on other transactions	-2,689
675	Adjust for cash movements shown below	797
- 1,392	Net cash flows from operating activities	- 3,613
3,955	Purchases of property, vehicles & equipment	3,398
-942	Proceeds from sales and leases	-29
-675	Capital grants received	-768
2,338	Net cash flows from capital activities	2,601
-1,200	Net borrowing	171
76	Repayments of leases	79
- 1,124	Net cash flows from financing activities	250
- 178	Net increase in cash	- 762
-1,024	Cash at start of year	-1,202
- 1,202	Cash at end of year (on Balance Sheet)	- 1,964

If you require this document in large print, Braille or other languages, please contact the Finance Team on 01380 731159 or by writing to Fire & Rescue Service Headquarters, Manor House, Potterne, Devizes, Wiltshire, SN10 5PP.

