

SUMMARY OF ACCOUNTS



2017-2018

INTRODUCTION

This document is a summary of the Authority's Statement of Accounts for 2017/18.

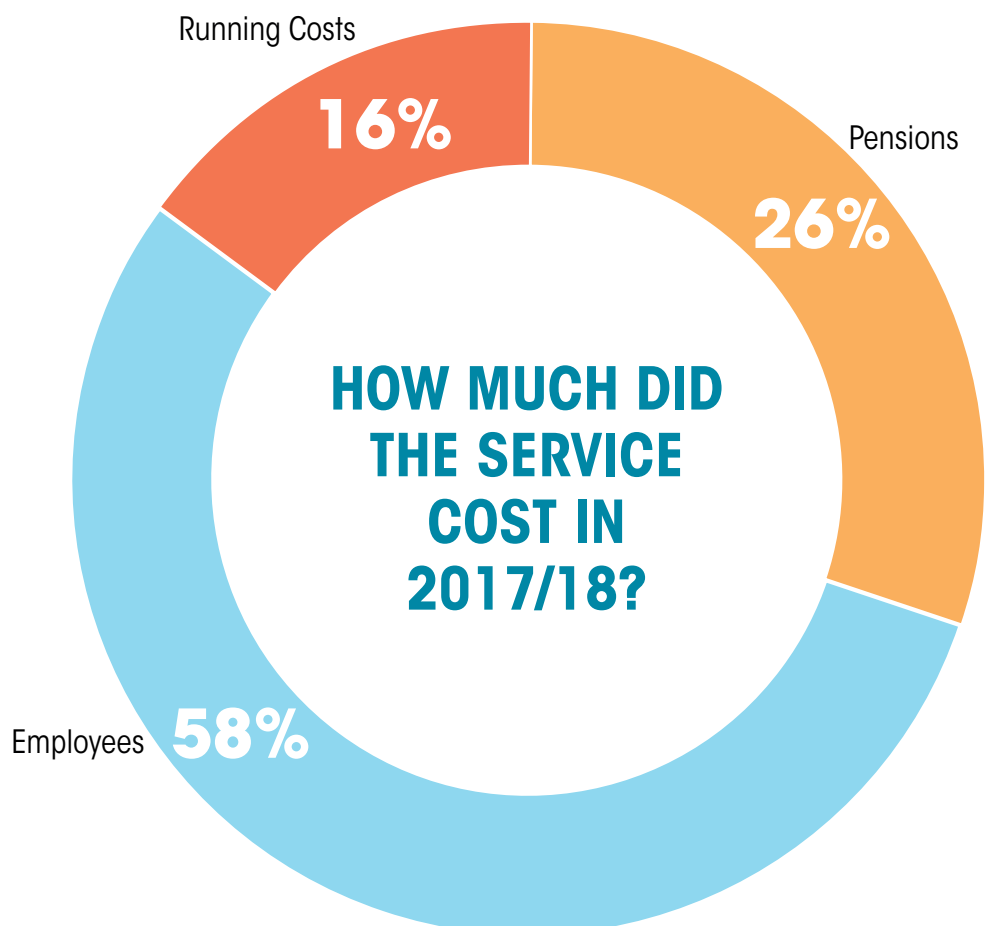
The Authority is responsible for the stewardship of public money and the production of summary accounts allows it to enhance its accountability to the residents of the West Midlands.

The Authority's 2017/18 Statement of Accounts is prepared in accordance with CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom, under International Financial Reporting Standards (IFRS).

These summary accounts have no legal standing and are not subject to external audit.

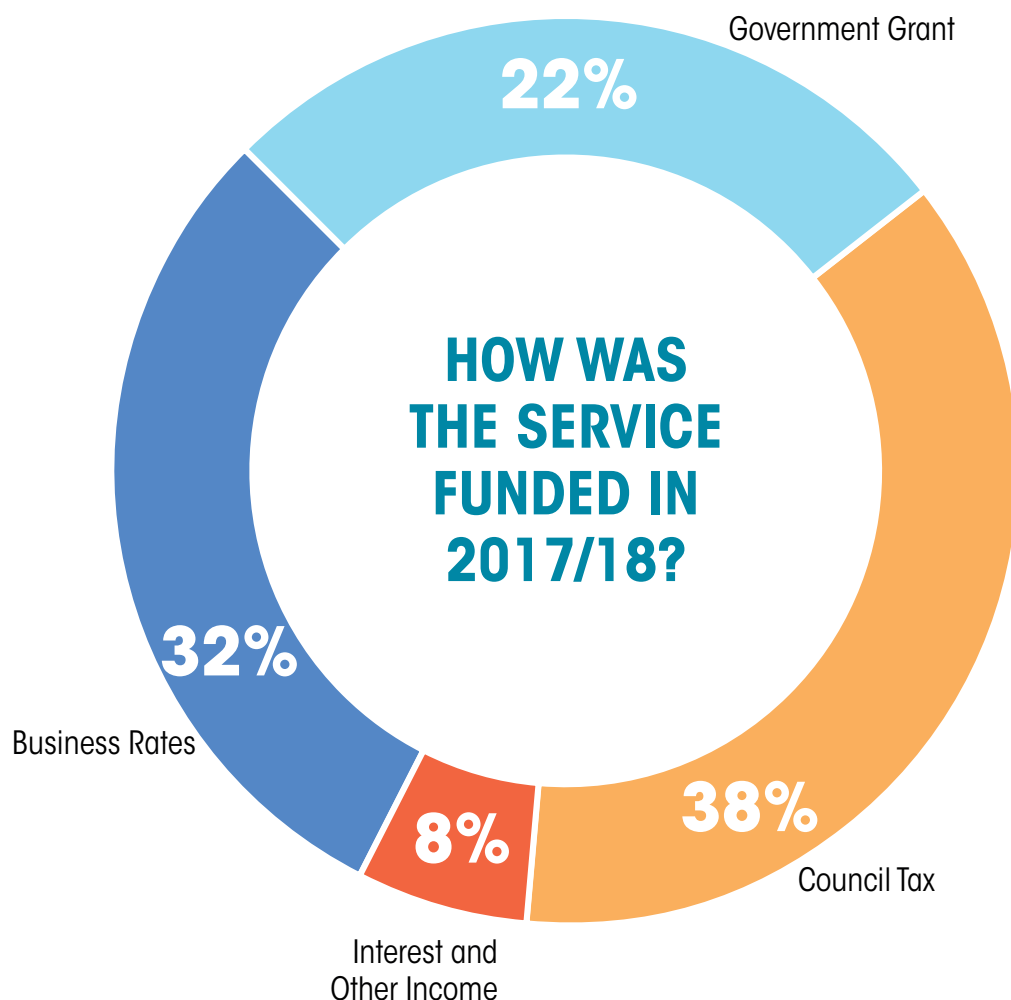
The majority of the net cost of Fire Service expenditure relates to service delivery (£82m) and service support (£22m).

The total Provision of Services in 2017/18 shows a deficit of £67.439m. Within this deficit is the expenditure of the authority which for 2017/18 was £172.122m. The type of costs can be broken down as shown opposite:



The total income of the Authority in 2017/18 was £104.683m. The majority of funding came from the government in the form of grant and a share of business rates.

The main sources of funding are shown opposite.



BALANCES AND RESERVES

The Fire Authority must consider the level of general balances it wishes to maintain before it can decide the level of Council Tax to charge in any year.

In order to set a balanced budget in 2017/18 the Authority estimated using general balances of £0.850m. The actual level of general balances decreased in the year by £0.846m, leaving £8.390m general balances at the end of the financial year. The Authority holds general balances as funding to meet any unforeseen events which it may need to respond to. Interest is earned on any unused balances.

In addition, as part of the closedown of accounts process, consideration needs to be given to the level of earmarked reserves required. These are amounts set aside to meet specific anticipated future demands. The level of earmarked reserves decreased by £4.750m, this brought the total level of these reserves to £38.984m. Interest is earned on any balances until expenditure is committed against the demands identified.

CAPITAL EXPENDITURE AND FUNDING

In 2017/18, the Authority spent £4.527 million on capital projects.

The expenditure was incurred on the following:

	£m
Land and buildings	3.328
Vehicles	0.805
ICT & Equipment	0.394

The total expenditure was financed directly by the application of direct revenue contributions (£4.354m) and capital grants (£0.173m)

No borrowing was undertaken to assist with purchase of assets during 2017/18. Borrowing in earlier years meant that at the end of 2017/18 the Authority had total loans of £37.4m (the interest and principal on any loans needs to be met from future revenue budgets). The value of long-term assets held by the Authority as at 31 March 2018 which the loans had helped fund was £144.1m, of which approximately 94% related to land and buildings and 6% related to vehicles and equipment.

Further information can be found by contacting the Finance Manager at
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The Authority's full 2017/18 audited Statement of Accounts can be found on our website www.wmfs.net/