

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

AUDIT AND RISK COMMITTEE

27 JULY 2020

1. STATEMENT OF ACCOUNTS 2019/2020

Report of the Treasurer.

RECOMMENDED

- 1.1 THAT the draft Statement of Accounts for 2019/2020 (unaudited) as set out in Appendix A be approved.
- 1.2 THAT the draft Statement of Accounts summary for 2019/2020 set out in Appendix B be noted.

2. PURPOSE OF REPORT

This report is submitted for Members of the Audit and Risk Committee to approve the Authority's draft Statement of Accounts (unaudited) for the financial year ended 31 March 2020.

3. BACKGROUND

- 3.1 The Accounts & Audit Regulations 2015 require that the accounts be submitted to Members for approval by the end of July. However, for 2019/20 only the Regulations have been amended by the Accounts & Audit (Coronavirus) (Amendment) Regulations 2020. The amendments to the Regulations were made in response to the unprecedented situation across the UK relating to COVID-19 and the need to reduce the pressure on all Authorities to comply with legal deadlines. As such, these Regulations provide the Authority with additional time to complete the 2019/20 audit, given the likely impact of the COVID-19 virus on the availability of staff and auditors to complete the audit process within current deadlines due to sickness or redeployment.
- 3.2 The deadline to publish the Authority's unaudited 2019/20 Statement of Accounts has been changed from 31 May 2020 to 31 August 2020 with the deadline to publish the audited accounts being pushed back from 31 July 2020 to 30 November 2020.

- 3.3 It is a further requirement of the Regulations that Members are informed of any material changes required by the external auditors. Audit work on the draft Statement of Accounts by Grant Thornton is nearing completion and a verbal update will be provided at the meeting.
- 3.4 The draft Accounts show net cost of services in 2019/2020 of £130.218 million which includes the use of £4.334 million General Fund Balances. Earmarked Reserves have decreased by £3.243 million to £30.137 million and General Reserves have decreased by £1.091 million to £5.823 million.
- 3.5 The total Provision of Services in 2019/2020 shows a deficit of £77.808 million, after allowing for the required accounting treatment of pensions governed by International Accounting Standard – Nineteen (IAS19). Capital expenditure totalled £5.283 million.
- 3.6 The draft Statement of Accounts (unaudited) is attached as Appendix A and a draft Summary of Accounts is attached as Appendix B, both are also available on the Fire Service Internet and can be viewed at <https://www.wmfs.net/your-fire-service/openness/documents>.
- 3.7 A hard copy of the full draft Statement of Accounts can be supplied to individual Members on request.

4. **EQUALITY IMPACT ASSESSMENT**

In preparing this report an initial Equality Impact Assessment is not required and has not been carried out because the matters contained in this report do not relate to a policy change.

5. **LEGAL IMPLICATIONS**

The course of action recommended in this report will enable the Authority to meet its statutory obligations under the Accounts & Audit Regulations 2015 and Accounts & Audit (Coronavirus) (Amendment) Regulations 2020.

6. **FINANCIAL IMPLICATIONS**

There are contained in the report and the draft Statement of Accounts.

BACKGROUND PAPERS

Accounts & Audit Regulations 2015
Accounts & Audit (Coronavirus) (Amendment) Regulations 2020
Code of Practice on Local Authority Accounting 2019/2020
Final Accounts Files – Finance Office

The contact officer for this report is Deputy Chief Fire Officer, Wayne Brown, telephone number 0121 380 6907.

MIKE GRIFFITHS
TREASURER