

## Amendments to Final Accounts 2009/10

### Report of the Treasurer

For further information about this report please contact Keith Dixon, Treasurer, on 01743 260202.

#### 1 Purpose of Report

The report sets out the significant changes to the Annual Accounts since they were presented to the Fire Authority in June, and explains their implications.

#### 2 Recommendations

The Committee is asked to note the changes and their effect.

#### 3 Background

This year, as in previous years, information comes available only after the accounts are put together for consideration by members, which by law must be before the end of June. This report sets out the most significant, and explains their implications for future decisions by the Authority.

The Auditors set out these and other changes in their Annual Governance Report, which is the next item on the agenda

#### 4 Revaluation of Buildings

Your officers felt that the Stafford Park site and the station buildings at Shrewsbury should be revalued on an open market value basis, as it is possible that both could be rented out. This was in accordance with the new International Financial Reporting Standard (IFRS).

Amended valuations were issued at the end of June and showed a reduction of £4.389 million on previous valuations based on Depreciated Replacement Value – i.e. current use.

Although a significant reduction, this has no immediate practical implications.

## **5 Council Tax Debtors and Creditors**

2009/10 accounts are the first where the Fire Authority must show the debtors and creditors of collecting its precept, at the balance sheet date. These were previously shown as part of the billing authorities' accounts, (i.e. those of Shropshire Council and the Borough of Telford & Wrekin). This is because billing authorities are considered to be agents of precepting authorities.

The first year of this change revealed a number of teething problems and final figures were agreed in July. These show debtors of £0.458 million, and creditors of £0.369 million. The practical implications are limited, however, as the Fire Authority, has no ability to take action as a result of this information.

## **6 Pension Scheme Liabilities**

The Budget on 22 June 2010 confirmed the use of the Consumer Price Index (CPI) in place of the Retail Price Index (RPI) to index-link public sector pensions.

Because the CPI is thought to increase less than the RPI, this will reduce the Fire Authority's pension liabilities in the long-term, and a note to this effect is included in the accounts. This will have a significant impact in the longer term, and should be reflected in the current actuarial valuation which will affect Local Government Pension Scheme employers' pension contributions from April 2011 and employers' firefighter pension contributions when they are next amended.

## **7 Other Changes**

There have been a number of other changes which are set out in the Annual Governance Report.

## **8 Financial Implications**

The financial implications are as set out in the main body of the report.

## **9 Legal Comment**

There are no direct legal implications arising from this report.

## **10 Equality Impact Assessment**

Officers have considered the Service's Brigade Order on Equality Impact Assessments (Personnel 5 Part 2) and have decided that there are no discriminatory practices or differential impacts upon specific group arising specifically from this report. An Initial Equality Impact Assessment has not, therefore, been completed.

## 11 Appendices

There are no appendices attached to this report.

## 12 Background Papers

There are no background papers associated with this report.

Implications of all of the following have been considered and, where they are significant (i.e. marked with an asterisk), the implications are detailed within the report itself.

Business Continuity Planning		Member Involvement	
Capacity		National Framework	
Civil Contingencies Act		Operational Assurance	
Efficiency Savings		Public	
Environmental		Retained	
Financial	*	Risk and Insurance	
Fire Control/Fire Link		Staff	
Information Communications and Technology		Strategic Planning	
Freedom of Information / Data Protection / Environmental Information		Equality Impact Assessment	*
Legal	*		