



SOUTH YORKSHIRE
FIRE & RESCUE
AUTHORITY

DRAFT SUMMARY ACCOUNTS

2015/16

SOUTH YORKSHIRE FIRE & RESCUE AUTHORITY 2015/16 DRAFT SUMMARY ACCOUNTS

Introduction

This summary provides details of the Authority's spending during 2015/16. In addition, this summary identifies the funding of the Authority's spending as well as summarising the financial position as at the end of March 2016.

Executive Director's Statement

The figures in this summary were originally compiled having regard to proper accounting practice. For the purpose of this statement, some modifications have been made to provide more meaningful information to non-technical users.

A full copy of the Authority's 2015/16 detailed accounts is available for examination on the Authority's website.

Financial Performance

Actual net expenditure for the year was £54.2M compared to total resources consumed of £57.4M, giving a total increase in general fund balances of £3.2M.

The overall increase in balances is comprised of the in-year deficit of £2.6M, net of reserves utilised in the year totaling £5.8M.

It should be noted that a large proportion of this operational 'deficit' does not represent ongoing pressures as the majority of the deficit is a consequence of one-off events during the year, specifically funded from. Therefore, it has been necessary to utilise £6.3M of earmarked reserves to fund schemes during 2015/16. A further £0.5M has been earmarked for schemes set for completion in the 2016/17 financial year.

The remaining balance of £3.2M has been transferred to the Authority's Strategic Reserves, pending further consideration of the Authority's Medium Term Financial Strategy.

The table below shows the financial performance of the Authority, displayed against the subjective income / expenditure headings.

<u>Management Accounts</u>	<u>Actual Income / Expenditure</u>	<u>Corporate Funding</u>	<u>Operational (Surplus) / Deficit</u>	<u>Use of Earmarked Reserves</u>	<u>Earmarked Reserves in 2015/16</u>	<u>(Increase) / Decrease in General Fund Reserves</u>
	£000s	£000s	£000s	£000s	£000s	£000s
Employee Costs	38,142					
Premises Costs	2,854					
Transport Costs	837					
Supplies & Services Costs	4,076					
Capital Financing Costs	8,826					
Other Costs	756					
Gross Expenditure	55,491					
Income	(1,279)					
Gross Income	(1,279)					
Net Expenditure	54,212	(51,593)	2,619	(6,318)	477	(3,222)

The table below shows the movement on the General Fund Reserves in the 2015/16 financial year:

	£000s
Balance Brought Forward as at 1st April 2015	5,867
2015/16 Actual Net Revenue Expenditure	(54,212)
2015/16 Corporate Funding	51,593
2015/16 Net Use of Reserves	5,841
Balance Carried Forward as at 31st March 2016	9,089

The table below shows the movement on the Earmarked Reserves in the 2015/16 financial year:

	£000s
Balance Brought Forward as at 1st April 2015	19,198
2015/16 Use of Earmarked Reserves	(6,318)
2015/16 New Earmarked Reserves	477
Balance Carried Forward as at 31st March 2016	13,357

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The Cost of the Authority's Services

To aid comparison of Local Authorities, the financial accounts are prepared in accordance with the Service Reporting Code of Practice which takes the management accounts of an Authority and converts these to the standard headings shown in The Comprehensive Income and Expenditure Account. This statement presents the accounting cost of running council services between April 2015 and March 2016 and identifies where the money came from to finance this cost.

Gross Income
Specific Grants & Contributions, Fees & Charges and Rents

The Comprehensive Income and Expenditure Account	Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s
Fire Fighting & Rescue Operations	52,840	(682)	52,158
Community Fire Safety	4,360	(100)	4,260
Central / Corporate Services	1,167	-	1,167
Net Cost of Services	58,367	(782)	57,585
Other Operating Income & Expenditure	25,294	(99)	25,195
General Grants	-	(46,168)	(46,168)
Business Rates	-	(4,164)	(4,164)
Council Tax (Inc. Surplus on Collection Fund)	-	(22,691)	(22,691)
Corporate Funding	-	(73,023)	(73,023)
(Surplus) / Deficit on Provision of Services	83,661	(73,904)	9,757
Statutory Reversals *			(7,138)
Total Decrease / (Increase) in Reserves			2,619

Council Tax
Money paid by residents as a local tax

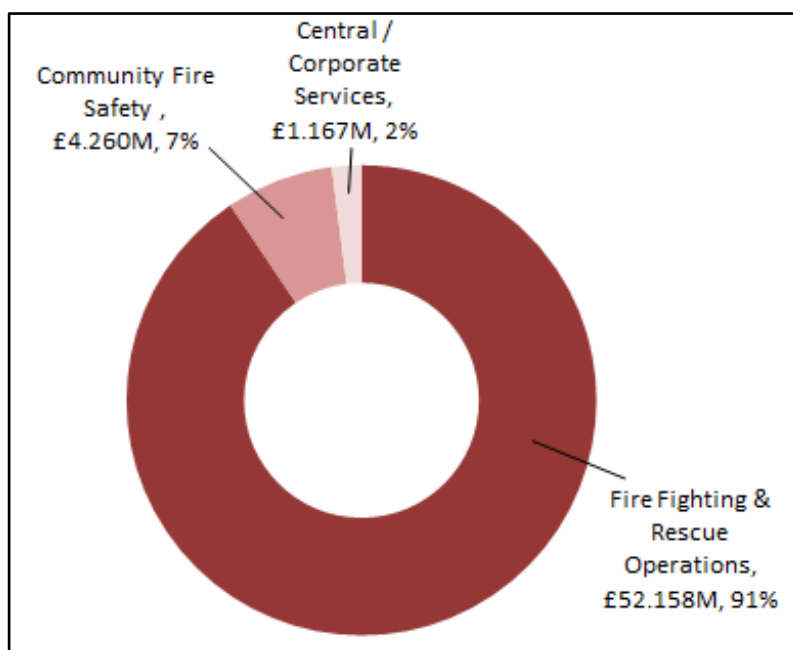
Business Rates
Business rates collected by the Authority, of which 50% is retained. Central Government tops up the funding by way of a grant

Revenue Support Grant
A Government grant paid to Local Authorities from national taxation to provide funding to operate local services

* From the accounting cost of providing Authority services, certain Statutory Regulations dictate that a number of reversals are applied to ensure that certain transactions are not charged to the Council Tax Payer.

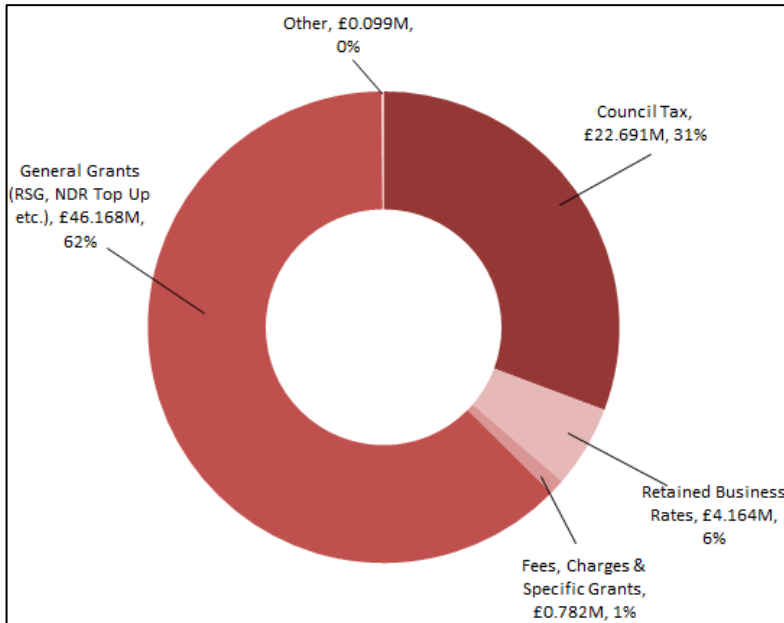
Resources Used in Delivering Our Services

The chart below shows the resources consumed (not cash spent) in delivering services and includes depreciation and impairment of non current assets.



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Where Did The Money Come From?



The South Yorkshire Fire & Rescue Authority received income through its Comprehensive Income & Expenditure Statement of £73.9 Million in 2015/16.

The largest share of this was made up of general grants which include Revenue Support Grant and the NDR Top-Up Grants, totalling 62% of total income.

Council Tax accounts for 31% of the total income with specific grants, fees and charges totalling 1%.

The retained element of business rates that the Authority received during 2015/16 equates to 6% with the remaining amount, less than 1%, relating to other types of income including investment income.

Cash Flow

Cash Flow Statement

Cash 1st April 2015	£19.388M
Net Cash Received / (Paid) from Operational Activities	£2.359M
Net Cash Received / (Paid) from Investing Activities	(£9.008M)
Net Cash Received / (Paid) from Financing Activities	(£6.400M)
Cash 31st March 2016	£6.339M

** Represents the Authority's cash balance had all issued items cleared the Authority's bank account and the Authority's Short Term Deposits With Financial Institutions*

Balance Sheet

What the Authority owns, is owed and owes is shown below:

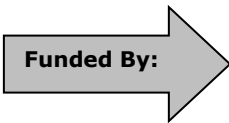
Balance Sheet		31st March 2016	
		£000s	
Non Current Assets Includes Land & Buildings, Council Dwellings and Vehicles, Plant & Equipment	Non Current Assets	55,137	
	Stock	593	
	Amounts Owed to The Authority	11,182	
	Amounts Owed by The Authority	(676,611)	Amounts Owed by the Authority include Long Term Borrowing and Pension Fund Liabilities
	Money in the Bank	6,339	
Authority Net Worth		(603,360)	
Financed By:			
Amounts Owed to the Authority include Investments and Monies in Relation to Council Tax / Business Rates	Useable Reserves	22,845	Usable Reserves include the General Fund Balances which are available to fund future expenditure
	Unusable Reserves	(626,205)	
			(603,360)

Unusable Reserves are not available to fund future expenditure and include, for example, unrealised gains following the revaluation of the Authority's Non Current Assets

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Capital Expenditure

Capital expenditure represents money spent by the Authority for the purposes of purchasing, upgrading or improving assets such as buildings and vehicles. The distinction from revenue expenditure is that the Authority and its residents receive the benefit from capital expenditure over a longer period of time. The Authority spent £5.6M on capital investment during the year.

	£000s			£000s
Premises Related	604		Capital Receipts	86
Transport Related	2,221		Capital Grants	231
Information & Communications	390		Revenue Contributions	91
Operational Equipment & Hydrants	107		Reserves	4,958
Fire Stations	2,044			
Total	5,366		Total	5,366

Major capital expenditure during 2015/16 related to expenditure on the two new fire stations at Birley and Parkway and expenditure on new appliances, ladder pumps and vehicles.