



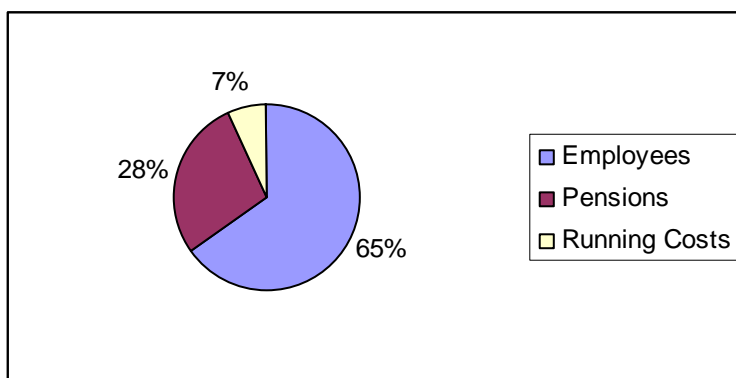
## West Midlands Fire and Rescue Authority Statement of Accounts 2005/06 Summary

### How much did the Service cost in 2005/06?

Majority of net cost of Fire Service expenditure relates to firefighting and rescue operations (£104m) and community fire safety work (£13m).

The total Net Operating expenditure for the Fire Service for 2005/06 was approximately £161m. This figure includes pension costs of £44m which need to be shown in accordance with specific accounting requirements.

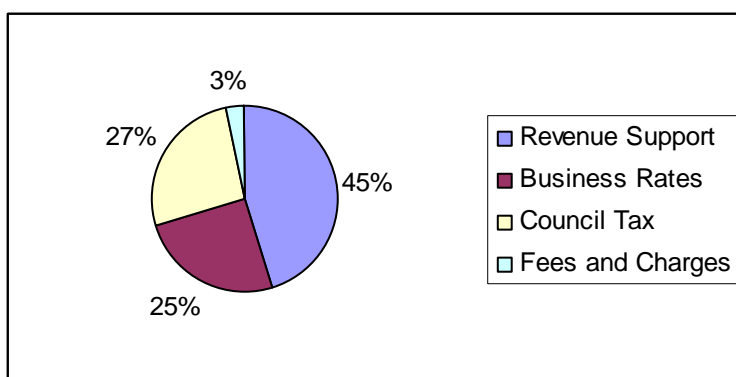
The types of costs can be broken down as follows:



### How was the Service funded in 2005/06?

The total income of the Authority in 2005/06 was £118m. The majority of funding comes from the Government in the form of grant and a share of business rates.

The various sources of funding are shown below:



## 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 2005/06 the Authority assumed no contribution from general balances. The actual level of general balances increased in the year by £41k. This left £3.555m general balances at the end of the financial year.

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 reduced by the end of the year by £601k. This brought the total level of reserves to £14.711m (full details are on page 31 of the Statement of Accounts).

## Capital Expenditure and Funding

In 2005/06, the Authority spent £4.097m on capital projects.

The expenditure was incurred on the following:

	£000s
Land & Buildings	1,685
Vehicles	1,083
Equipment	1,119
ICT Software Licences	210

The majority of this expenditure was financed by borrowing (89%). The balance was funded by grants and direct revenue funding.

In the same way that borrowing was used to help purchase assets during 2005/06, borrowing in earlier years meant that at the end of 2005/06, the Authority had total loans of £42.812m (the interest and principle on any loans needs to be met from future revenue budgets). The value of fixed assets held by the Authority as at 31<sup>st</sup> March 2006 which the loans had helped fund was £94.2m, of which approximately 92% related to land and buildings and 8% related to vehicles and equipment.

Further information can be found by contacting the Finance Officer at West Midlands Fire Service Headquarters, Lancaster Circus Queensway, Birmingham B4 7DE. Telephone No. 0121-380-6919 or e-mail: [mike.griffiths@wmfs.net](mailto:mike.griffiths@wmfs.net).

**This information can also be made available in other languages and formats including large print, Braille and audiotape.  
Please phone 0121 380 6007.**