



AGENDA ITEM: 9

NORTH WALES FIRE AND RESCUE AUTHORITY EXECUTIVE PANEL

24th September 2007

STATEMENT OF ACCOUNTS 2006-07 AND THE LETTER OF REPRESENTATION

**Report by Ken Finch,
Treasurer to the Authority**

Purpose of Report

- 1.** The Statement of Accounts for 2006-2007 was presented to the Fire Authority for approval on 18 June 2007. The accounts have now been audited by the Auditor appointed by the Wales Audit Office and have been amended in line with the findings from the audit and subsequent discussions over the finer points of accounting treatment, definitions and presentation of specific items within the accounts.
- 2.** Attached to this report, as appendix 2, is a copy of correspondence between the External Auditor and myself in respect of the above. The letter explains the reason for a letter of representation.

Information

- 3.** The amendments to the accounts are primarily presentational but Members' attention is drawn to the following points:
 - a) The contents page now includes reference to the Auditor's Report.



Information *(continued)*

- b) On page 4, first paragraph, the pension liability has been amended to reflect the amounts contained in the notification from the actuaries.
 - c) The Income & Expenditure Account for 2005/2006 has been amended to include the Government Grant Deferred entry under Income rather than netted off Expenditure.
 - d) The Debtors figure on the Balance Sheet, page 16, has been decreased by £179k; this has been offset by a corresponding decrease in Receipts in Advance.
 - e) Subsequent changes in the details of the Statement Account and various notes have been made to reflect the comments in a) to d) above.
 - f) Note 7 on page 19 has been amended to reflect the amounts due as per the audit plan.
 - g) Contribution from provisions included in the Cash Flow Statement, page 32, has been reduced by £30k and a corresponding entry for Government Grants Deferred has been included.
- 4.** The Statement of Accounts 2006/2007 was approved by the Fire Authority on June 18 2007 in accordance with the Accounts and Audit (Wales) Regulations 2005 and as there are no material changes to the statements Members are only required to note the amendments. However, the Authority is required to formally acknowledge the Letter of Representation sent to the External Auditor.



Recommendation

5. Members:

- 5.1** note the amended Statement of Accounts for 2006-07 (appendix 1); and
- 5.2** acknowledge the Letter of Representation sent to the External Auditor (appendix 2).