

Letter of Representation

Tyne and Wear Fire and Rescue Authority

Audit 2010/2011

Letter of Representation

Tyne and Wear Fire and Rescue Authority - Audit for the year ended 31 March 2011

I confirm to the best of my knowledge and belief, having made appropriate enquiries of other officers of Tyne and Wear Fire and Rescue Authority, the following representations given to you in connection with your audit of the Authority's financial statements for the year ended 31 March 2011. All of the following representations cover both the Authority's accounts and, where relevant, the Firefighters' Pensions Fund Accounts which are included within the financial statements.

Compliance with the statutory authorities

I have fulfilled my responsibility under the relevant statutory authorities for preparing financial statements in accordance with the Code of Practice for Local Authority Accounting in the United Kingdom which give a true and fair view of the financial position and financial performance of the Authority, for the completeness of the information provided to you, and for making accurate representations to you.

Uncorrected misstatements

The following misstatements have been identified during the course of the audit:

- £12,000 receipt in advance incorrectly analysed between long and short term creditors
- £10,000 understatement of external audit fees in note 29
- £10,000 lease payments not identified as prepayments relating to 2011/12 (a similar error was made in last year's accounts).

I am not proposing to adjust the financial statements in respect of these items as I am satisfied that they are not material to the Authority's financial position either individually or in aggregate.

Supporting records

All relevant information and access to persons within the Authority has been made available to you for the purpose of your audit, and all the transactions undertaken by the Authority have been properly reflected and recorded in the financial statements.

Irregularities

I acknowledge my responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud or error.

I also confirm that I have disclosed:

- my knowledge of fraud, or suspected fraud, involving either management, employees who have significant roles in internal control or others where fraud could have a material effect on the financial statements;
- my knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others; and
- the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

Law, regulations, contractual arrangements and codes of practice

I have disclosed to you all known instances of non-compliance, or suspected non-compliance with laws, regulations and codes of practice, whose effects should be considered when preparing financial statements.

Transactions and events have been carried out in accordance with law, regulation or other authority. The Authority has complied with all aspects of contractual arrangements that could have a material effect on the financial statements in the event of non-compliance.

All known actual or possible litigation, claims and contingencies, whose effects should be considered when preparing the financial statements, have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

Accounting estimates including fair values

I confirm the reasonableness of the significant assumptions used in making the accounting estimates, including those measured at fair value.

Specific representations

I am satisfied that:

- loans, cash and investment balances managed by Sunderland City Council on the Authority's behalf have been correctly identified and allocated between the two sets of financial statements
- the cost of services provided to the Authority by Sunderland City Council has been properly identified and accurately included in the accounts

Related party transactions

I confirm that I have disclosed the identity of Tyne and Wear Fire and Rescue Authority's related parties and all the related party relationships and transactions of which I am aware. I have appropriately accounted for and disclosed such relationships and transactions in accordance with the

requirement of the framework, and I am satisfied that group accounts are not required.

The Authority has an interest in North East Fire Control Company Limited, there is no financial impact arising from this interest so in my opinion group accounts are not required.

Subsequent events

All events subsequent to the date of the financial statements, which would require additional adjustment or disclosure in the financial statements, have been adjusted or disclosed.

Signed on behalf of Tyne and Wear Fire and Rescue Authority

I confirm that this letter has been discussed and agreed by those charged with governance on 26 September 2011.

Iain Bathgate, Chief Fire Officer

Malcolm Page, Finance Officer

Dave Smith, Clerk to the Authority

Mr G N Cook, Chairman of Governance Committee (on behalf of those charged with governance)

26th September 2011