

**TYNE AND WEAR FIRE AND RESCUE AUTHORITY**

**MEETING: GOVERNANCE COMMITTEE – 28<sup>TH</sup> SEPTEMBER 2009**

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**SUBJECT: AUDITED STATEMENT OF ACCOUNTS 2008/2009**

**REPORT OF THE FINANCE OFFICER**

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**1 Introduction**

- 1.1 Members will be aware that the Audit Commission, as the Authority's external auditors, are required to report on the final accounts, and report certain matters to Members prior to an opinion being provided on the Authority's accounts.
- 1.2 The Audit Commission has audited the financial statements of the Authority under the Audit Commission Act 1998, the Code of Audit Practice issued by the Audit Commission and International Standards on Auditing (ISA) issued by the Auditing Practices Board.
- 1.3 Once the Governance Committee has noted the contents of this communication, the Audit Commission can formally provide an opinion on the Statement of Accounts for the year ended 31<sup>st</sup> March 2009.

**2. Statement of Accounts 2008/2009**

- 2.1 In line with ISA 260, the Audit Commission produces an Annual Governance Report, in which the auditor's opinion is that the financial statements present fairly the financial position of the Authority as at 31<sup>st</sup> March 2009 and its income and expenditure for the year then ended. The Annual Governance Report 2008/2009 is attached elsewhere on the Agenda.
- 2.2 The Statement of Accounts approved by the Authority on 30<sup>th</sup> June 2009 did not contain any misstatements and the Audit Commission will formally provide an opinion on the attached Statement of Accounts before the end of September 2009.
- 2.3 Following the audit, the Statement of Accounts has been amended for a number of presentational issues, which are detailed at Appendix A for information.

**3. Recommendations**

- 3.1 Members are requested to:
  - a) Note the Letter of Representation;
  - b) Note the contents of the Audit Commission Communication concerning Financial Statements;

***PREVENTING PROTECTING RESPONDING***

- c) Approve the Audited Statement of Accounts for the Financial Year ended 31<sup>st</sup> March 2009.

**Appendix A**

**TYNE AND WEAR FIRE AND RESCUE AUTHORITY**

**STATEMENT OF ACCOUNTS 2008/2009 – PRESENTATIONAL ADJUSTMENTS**

The following presentational adjustments have been reflected in the 2008/2009 Statement of Accounts, included with this Agenda:-

Accounting Policy 21 – Related Companies and Group Accounts (page 29);  
Balance Sheet (page 43)  
Note 10 – Related Party Transactions (page 52);  
Note 11 – North East Fire and Rescue Regional Management Board (page 53);

- Additional narrative is provided to reflect the relationship between the Authority and the North East Fire Control Company Limited (NEFCC), which has been established to deliver the operation of a fire control centre for the North East region.
- A Long Term Investment has been established in the Authority's Balance Sheet, which has a nil value at this stage reflecting that the NEFCC has no specific assets, pending the planned transfer of operation from the partner authorities some time during 2011/2012.

**Minor Presentational Issues**

- A small number of very minor presentation adjustments have been made in the Statement of Accounts, including Note 1 - Prior Period Adjustment (page 47), where additional information is provided to reflect the impact of the change in estimation method in relation to the apportionment of costs for Community Safety.

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**BACKGROUND PAPERS**