

Report to	Fire and Rescue Authority
Report no	FRA/2017/09/10
Date	18 September 2017
Lead Officer	Ken Finch, Treasurer to the Authority
Contact Officer	Sandra Forrest
Subject	Statement of Accounts 2016-17



PURPOSE OF REPORT

- 1 This report is to present to Members the audited statement of accounts for 2016-17.

EXECUTIVE SUMMARY

- 2 In compliance with the Accounts and Audit Regulations (Amendment Wales) 2010 it is a requirement that the audited accounts are approved by Members by 30 September.

RECOMMENDATIONS

- 3 Members are asked to:
 - (i) approve the audited statement of accounts for 2016-17 at appendix 1;
 - (ii) note the audit of financial statements report at appendix 2.

OBSERVATIONS BY AUDIT COMMITTEE

- 4 This report was presented to the Audit Committee on the 11 September 2017 in order for its members to review the contents before submission to the Fire and Rescue Authority. The Audit Committee had no major observations nor could find any major risks in the report and would recommend it be approved by the Authority. The Committee requested that the covering report include the recommendation that the findings from the auditors' report be fully implemented and that the procedural changes be reported back to the Audit Committee.

INFORMATION

- 5 Members were presented with a financial performance report for 2016-17 at the FRA meeting on 19 June 2017; it detailed the actual spend for the year against budget. The budget set for the year included a contribution from reserves in order to set a balanced budget. Members were informed that £655k of the General Reserve would be utilised. However, following the audit the net contribution has reduced due to the transfer of money from the Grant Reserve to the General Reserve reducing the required contribution to £519k.

Reserves

- 6 Usable reserves consist of the general reserve, earmarked reserves and grant income brought forward from the previous year. These reserves can be used by the Authority to finance expenditure in future years. Unusable reserves are non-cashable and consist of money already set aside to finance expenditure; revaluations to reflect increase in asset values; and the pension reserve which is a deficit reserve.

Audited Changes

- 7 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.
- 8 A number of misstatements were corrected during the audit including a number of presentational and numerical changes to the financial statements, none of which had an impact on the actual expenditure incurred for the year.

Audit Recommendations

- 9 The recommendations from the auditors will be discussed at the meeting as at the time of writing the report the complete list of recommendations was not available.

IMPLICATIONS

Wellbeing Objectives	This report links to NWFRA's long-term well-being objectives. It reports on the financial viability of the service and future risks which may impact on service delivery.
Budget	The audited accounting statements detail the actual income and expenditure against budget and enable the auditors to give an opinion as to whether they give a true and fair view of the financial position of the Authority.
Legal	The regulatory framework is detailed in paragraph 2(a) on page 1 of the Statement of Accounts
Staffing	None
Equalities/Human Rights/ Welsh Language	None
Risks	If the accounts are not prepared in accordance with the code of practice there is a possibility that the accounts will be qualified.