

Auditor General for Wales
Wales Audit Office
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Eich Cyf/Your Ref:
Ein Cyf/Our Ref: SF/M27
Dyddiad/Date: 19 September 2016
Gofynner am/Ask for: S Forrest
Rhif Union/Direct Dial: 01492 576179

Dear Sirs

Representations regarding the 2015/16 Financial Statements

This letter is provided in connection with your audit of the financial statements of North Wales Fire Authority and the Fire Fighters' Pension Fund for the year ended 31 March 2016 for the purpose of expressing an opinion on their truth and fairness and their proper preparation.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

Management representations

Responsibilities

We have fulfilled our responsibilities for:

- the preparation of the financial statements in accordance with legislative requirements and Code of Practice on Local Authority Accounting in the United Kingdom 2015/16; in particular the financial statements give a true and fair view in accordance therewith.
- The design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

Information provided

We have provided you with:

- full access to:
 - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
 - additional information that you have requested from us for the purpose of the audit; and
 - unrestricted access to staff from whom you determined it necessary to obtain audit evidence.
- the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- our knowledge of fraud or suspected fraud that we are aware of and that affects North Wales Fire Authority and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements.
- our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others.

- our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
- the identity of all related parties and all the related party relationships and transactions of which we are aware.

Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

Significant assumptions used in making accounting estimates, including those measured at fair value, are reasonable.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims 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.

The financial statements are free of material misstatements, including omissions. The effects of uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The decision not to correct for the misstatements in the accounts for 2015/16 is as follows:-

The net book value of IT Assets in the balance sheet is overstated – a full and comprehensive review of the asset register and the procedures around recording the assets on the register will be undertaken in 2016/17, any overstatements will be corrected during this process. It is considered that the amounts involved are not material and it is still the position that the accounts provide a true and fair view of the financial position of the Authority.

Expenditure has been accounted for in the wrong accounting period – the amounts are not material and would not have affected the overall financial position as the money would have been set aside in to an earmarked reserve from the 2015/16 accounts to cover the expenditure in 2016/17.

A refund of expenditure has been incorrectly classified as income – the amount is not material and there is no expenditure in year to net off.

Representations by North Wales Fire Authority

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the North Wales Fire Authority on 19 September 2016.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Signed by:

Signed by:

Chair of the Authority

Date: 19 September 2016

Acting Treasurer to the Authority

Date: 19 September 2016