

**LANCASHIRE COMBINED FIRE AUTHORITY
AUDIT COMMITTEE**

Meeting to be held on 24 July 2018

**REVISIONS TO THE STATEMENT OF ACCOUNTS 2017/18
(Appendices 1 and 2 refer)**

Contact for further information:

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Executive Summary

This report presents the changes made during the audit of the Statement of Accounts of the Combined Fire Authority for the financial year ended 31 March 2018.

Recommendation

The Committee is asked to re-approve the revised Statement of Accounts.

Information

The core Financial Statements for the financial year ended 31 March 2018 were presented to Resources Committee in May (see report attached as appendix 1). The report confirmed that:-

- the unaudited Statement of Accounts would be signed by the Treasurer to certify that it presents a true and fair view of the financial position of the Authority as at 31 March 2018;
- this would be subject to review by the Authority's external auditors, Grant Thornton;
- that a further report would be presented to the Audit Committee in July, following completion of the external audit;
- at that meeting the Chair of the Audit Committee would be asked to sign the final statement of accounts, as well as the Treasurer;
- Following this a final audited set of accounts will be presented to the Resources Committee for information.

In light of this the Committee noted and endorsed the report and accounts, based on the various outturn reports presented on the same agenda.

Subsequent to that the full set of accounts were produced and signed by the Treasurer and submitted for audit to Grant Thornton.

The Statement of Accounts has now been updated to reflect the following changes identified during the audit (as reported in the Audit Findings Report – elsewhere on the agenda) and a revised statement of accounts is attached as appendix 2.

Adjusted Misstatements

The accounts have been adjusted to reflect our share of North West Fire Control. This impacts throughout the accounts changing the core financial statements as well as the detailed notes supporting these (see page 14-15 of the External Audit Findings). However it is worth noting that excluding this adjustment the only changes to the core financial statements are as follows:-

Comprehensive Income and Expenditure Account	
• Service Delivery (reclassification of PFI recharges, Cadets and ISAR)	-9
• Strategy and Planning (reclassification of Cadets and ISAR)	-17
• Overheads (reclassification of PFI recharges)	26
Balance Sheet	
• LT loans (accrued interest moved to creditors, 16/17 figures were also restated for this)	-22
• Creditors (accrued interest moved from long term loans, 16/17 figures were also restated for this)	22

Misclassifications and disclosure changes

Going Concern Note	We have added an accounting policy to confirm this
EFA –Income and Expenditure analysis by nature	We have added an accounting note for this
Movement the property, plant and equipment valuations	We have expanded the note to include movement in the property, plant and equipment valuations for the past 4 years.
Capital Commitments	We have updated this to exclude commitments which don't create a fixed asset, but which re treated as being funded through capital due to their overall value,

Approval and Signing of the Accounts

As all changes requested by Grant Thornton have been made to the accounts the Treasurer to the Fire Authority and the Chair of the Audit Committee are therefore required to approve the revised accounts by signing off the Balance Sheet (Page 22) and the Statement of Responsibilities (page 18).

Financial Implications

As outlined in the report.

Business Risk Implications

The Statement of Accounts sets out how the Authority has performed financially in the year, and as such is a key means of stakeholders monitoring the Authority and assessing how it is performing.

Environmental Impact

None

Equality and Diversity Implications

None

Human Resource Implications

None

**Local Government (Access to Information) Act 1985
List of Background Papers**

Paper	<i>Date</i>	Contact
Code and Guidance	February 2018	Keith Mattinson, Director of Corporate Services
Final Account Working Papers	April - July 2018	Keith Mattinson, Director of Corporate Services
Reason for inclusion in Part II, if appropriate:		