

Buckinghamshire & Milton Keynes Fire Authority



MEETING	Fire Authority
DATE OF MEETING	22 October 2014
OFFICER	David Skinner, Director of Finance and Assets
LEAD MEMBER	Councillor Andy Dransfield
SUBJECT OF THE REPORT	Adoption of the Audited Statement of Accounts
EXECUTIVE SUMMARY	<p>A report on the adoption of the Audited Statement of Accounts for 2013/2014 was considered by the Overview and Audit (O&A) Committee at its meeting of 24 September 2014.</p> <p>However, due to a unique set of circumstances, the Fire Authority has found itself in the position this year of having to consider the adoption of the Audited Statement of Accounts for 2013/2014 after the normal deadline of 30 September.</p> <p>The Authority was in any event going to be in an unusual position in that a provision of £1.38m for a possible claim by DCLG for amounts charged to the pension fund for injury pensions since April 2006, may have to be repaid to them.</p> <p>The Audit Director has taken a view that he cannot sign off the accounts until he has an assurance that there is statutory authority enabling the Authority to make such a payment to DCLG.</p> <p>The CFO/CE is currently seeking legal advice on that matter and members of the Overview and Audit Committee requested that they be given the opportunity to consider the matter further at their meeting of 3 December 2014, by which time the position ought to have been clarified adequately to enable the Audit Director to sign off on the accounts.</p> <p>That issue alone was dealt with such that the accounts would have satisfied the 30 September deadline for Audit reporting purposes.</p> <p>Subsequent to the Overview and Audit Committee meeting, and after the statutory deadline the Audit Director informed the Finance team of a set of accounting adjustments in respect of accounting for non-domestic rates appeals had not in fact been carried out in a manner that was considered satisfactory for Audit purposes.</p>

	<p>Whilst all parties are agreed this particular matter received scant attention at the O&A meeting because of the injury pension provision issue, there has clearly been a misunderstanding along the way as to the required actions within the Accounts. The minutes of the O&A meeting (Appendix 4) do not indicate that further action was required on this particular issue.</p> <p>Nevertheless, the Audit Director is of the view that further amendments are required in order for him to be satisfied. There is no impact on the 'bottom-line' of the Authority's accounts.</p> <p>The practical consequences of bringing the Statement of Accounts to this meeting of the Fire Authority i.e. a late Auditors report, is that the Audit Commission reports publically on late opinions. It reserves the right to name late audited bodies but does consult with them prior to publishing.</p> <p>Given that there were other normal, but minor, errors the opportunity has been taken to tidy up those issues in presenting the Statement of Accounts to this meeting of the Fire Authority (included as Annex A).</p> <p>A minor amendment to the Letter of Representation was agreed at the O&A meeting and the adjusted version is appended to this report for approval to consider events since 24 September 2014 (See Appendix 1).</p> <p>A summary of amendments to the Statement of Accounts 2013/2014 arising since the O&A meeting on 24 September 2014 is included as Appendix 2.</p> <p>Members also need to be cognisant of the contents of the Annual Governance Statement which was approved at 24 September 2014 O&A meeting (Appendix 3).</p>
ACTION	Decision.
RECOMMENDATIONS	<p>It is recommended that:</p> <ol style="list-style-type: none"> 1. The Letter of Representation be approved. 2. The adoption of the Statement of Accounts 2013/14 be approved.
RISK MANAGEMENT	<p>The Authority is already in a position where it is likely to be cited as having presented its completed Statement of Accounts after the statutory deadline for doing so. The risk is reputational as opposed to fiscal; however, by enabling the Statement of Accounts to be signed following this meeting such reputational risk as may exist will be greatly mitigated by the prompt actions being undertaken. The Authority should in any event make representations to the Audit Commission</p>

	(AC) as part of AC consultation with late audited bodies.
FINANCIAL IMPLICATIONS	No direct impact.
LEGAL IMPLICATIONS	The Accounts and Audit (England) Regulations 2011 provide that by 30 September in the year immediately following the end of the year to which the statement relates the Authority must consider either by way of a committee or by the members meeting as a whole the statement of accounts; following that consideration, approve the statement of accounts by a resolution of that committee or meeting; following approval, ensure that the statement of accounts is signed and dated by the person presiding at the committee or meeting at which that approval was given; and publish (which must include publication on the Authority's website), the statement of accounts together with any certificate, opinion, or report issued, given or made by the auditor. Failure to comply with any aspect of the Regulations is, since 2011, no longer a criminal offence.
HEALTH AND SAFETY	No direct impact.
EQUALITY AND DIVERSITY	No direct impact.
USE OF RESOURCES	No direct impact.
PROVENANCE SECTION & BACKGROUND PAPERS	Report to Overview and Audit Committee - 24 September 2014 – Adoption of the Audited Statement of Accounts
APPENDICES	Annex A: Statement of Accounts 2013/14 Appendix 1: Letter of Representation Appendix 2: Summary of amendments to the Statement of Accounts 2013/2014 Appendix 3: Annual Governance Statement Appendix 4: Draft unapproved Minutes of the Overview & Audit Committee 24 September 2014
TIME REQUIRED	30 minutes.
REPORT ORIGINATOR AND CONTACT	David Skinner – Director of Finance and Assets & Treasurer dskinner@bucksfire.gov.uk 01296 744671

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