

The Auditor General for Wales  
Wales Audit Office  
24 Cathedral Road  
CARDIFF  
CF11 9LJ

Eich Cyf/Your Ref:  
Ein Cyf/Our Ref: SF/M27  
Dyddiad/Date: 21 September 2009  
Gofynner am/Ask for: S Forrest  
Rhif Union/Direct Dial: 01492 576179

Dear Sir

## **2008/2009 Statement of Accounts of North Wales Fire Authority**

This representation letter is provided in connection with your audit of the accounting statements and related notes of the North Wales Fire Authority (the Authority) for the year ended 31 March 2009 for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position of the North Wales Fire Authority as at 31 March 2009 and of the result of its operations and its cash flows for the year then ended in accordance with the Accounts and Audit (Wales) Regulations 2005 and the Code of Practice on Local Authority Accounting in the United Kingdom – a Statement of Recommended Practice 2008 (the SORP).

### **Representations made by Management**

#### **Overall Representations**

1. All the transactions undertaken by the Authority have been properly reflected and recorded in the accounting records.
2. There are no pooled budget projects arising from any partnership agreements, joint ventures or joint arrangements other than those disclosed in the accounting statements and associated notes.
3. The Authority has complied with all conditions imposed by relevant grant paying organisations and has received the amounts of grant included within the accounts.
4. The Authority has complied with all aspects of contractual agreements that would require adjustment to, or disclosure in, the accounting statements and related notes.
5. The accounting statements and related notes are free of material misstatements, including omissions except those detailed in paragraph 9 below.
6. All accounting records and supporting documentation and all minutes of meetings of the Authority have been made available to you.
7. The Authority has no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the accounting statements and related notes.

8. The measurement methods, including the related assumptions, used in determining fair values are appropriate and have been applied consistently. Disclosures relating to fair values are complete and appropriate.
9. The effects of uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the accounting statements taken as a whole.

## **ASSETS**

10. All assets included in the balance sheet were in existence at the balance sheet date and owned by the Authority, and free from any lien, encumbrance or charge, except as disclosed in the accounts. The balance sheet includes all tangible assets owned by the Authority.
11. Appropriate assets over £100 are capitalised. Buildings are revalued every five years using 'open market value' for office accommodation and 'depreciated replacement cost' for fire stations. All the Authority's buildings are depreciated over their estimated useful life and a charge made for depreciation. Other assets are recognised at historic cost and depreciated over their useful lives. In light of the current economic climate asset values have also been reviewed for impairment.
12. On realisation in the ordinary course of the Authority's operations the other current assets in the balance sheet are expected to produce at least the amounts at which they are stated. Adequate provision has been made against all amounts owing to the Authority which are known, or may be expected, to be irrecoverable.
13. There are no formal or informal compensating balance arrangements with any of our cash and investment accounts.

## **LIABILITIES**

14. All liabilities, both actual and contingent, have been recorded and disclosed as appropriate as well as all guarantees that we have given to third parties.
15. There is no pending litigation which may result in significant loss to the Authority, and which have not been disclosed in the accounting statements and related notes, either as current or contingent liabilities.
16. All obligations under finance leases or hire purchase contracts have been disclosed in the accounts.
17. All unfunded benefits (such as discretionary added years) have been considered in the compilation of the FRS17 figures included in the accounting statements and related notes.

## **Results**

18. The results for the year were not materially affected by transactions of a sort not usually undertaken by the Authority, or circumstances of an exceptional or non-recurring nature.

## **Internal Control**

19. I acknowledge my responsibility for the design and implementation of internal control to prevent and detect error.

There have been no:

- irregularities involving management who have significant roles in the system of internal accounting control;
- irregularities involving other employees that could have a material effect on the financial statements; and
- communications from regulatory agencies concerning non-compliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statements.

### **Post Balance Sheet Events**

20. There have been no material changes since the date of the balance sheet affecting liabilities and commitments, and no events or transactions have occurred which, though properly excluded from the accounting statements and related notes, are of such importance that they should have been brought to the notice of the auditor.

### **Representations by those charged with governance**

21. We acknowledge that the representations made by management, above, have been discussed with us.
22. We acknowledge our responsibility for the fair presentation of the accounting statements and related notes in accordance with the applicable financial reporting framework.
23. We acknowledge our collective responsibility for the preparation of the Statement of Accounts, which has been approved by the Authority.
24. We have disclosed to you all known or possible non-compliance with laws and regulations whose effects should have been considered when preparing the accounting statements and related notes.
25. There are no other material transactions with related parties (as defined by FRS 8 and the LG SORP), other than those recorded and disclosed in the accounting statements and related notes.
26. We acknowledge our responsibility for the design and implementation of internal control to prevent and detect fraud and have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
27. We confirm, to the best of our knowledge and belief, that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

Signed by

**Treasurer**  
**Date** 21 September 2009

**Chairman**  
**Date** 21 September 2009