

14. Audit Committee Report

Purpose of report

1. To inform the Authority of the proceedings of the Committee Meeting held on 30 June 2010.
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Recommendation

The Audit Committee recommends that the Authority note:

- a. the proceedings of the Committee Meeting held on 30 June 2010*
- b. that the Committee approved the Annual Governance Statement 2009 -10 for publication and*
- c. that the Committee approved Approval of Statement of Accounts 2009 -10.*

Code of Corporate Governance and Annual Governance Statement

2. The Fire and Rescue Authority (FRA) is required to review its arrangements for Governance on an annual basis and to publish an Annual Governance Statement by 30 June 2010 - the Authority has delegated this function to the Audit Committee.
3. The purpose of the Statement is to inform how the Authority:
 - i. Identifies its obligations and objectives
 - ii. Identifies tasks to achieve those objectives
 - iii. Establishes controls to manage risks
 - iv. Ensures the controls are working effectively
4. The Committee heard that there were ongoing issues regarding the outgoing CFO and that following investigation of this matter the governance arrangements may need to be amended/reviewed. The Clerk told the Committee that this was an isolated incident and that otherwise the Authority's governance arrangements gave no reasons for significant concern.
5. The Audit Committee approved the Code of Corporate Governance, Annual Governance Statement (as amended) (Appendix 1) and Supporting Evidence.

Approval of the Statement of Accounts 2009/10

6. The Treasurer presented the Statement of Accounts 2009/10 to the Committee and recommended them for approval - the Authority has delegated this function to the Audit Committee.
7. The Committee noted the following points:
 - the Balance Sheet showed fixed assets of £37.888m and net current assets of 2.606m;
 - the Authority's expenditure on publicity was £42,880 (paragraph 2, page 19);
 - the total expenditure on Members' allowances was (£59,225.24) as detailed on page 20;
 - new disclosures now required for payments to Senior Officers were shown on page 21;
 - Council Tax debtors and creditors was given on page 28 (paragraphs 18 and 19);
 - accounting details on retirement benefits and pension funds was provided on pages 31 and 32 and the income and expenditure account for the Firefighters' Pension Fund was detailed on page 40; and
 - the accounts showed £1.194m for earmarked reserves, listed on page 36, which the Treasurer considered an appropriate amount.
8. The Committee approved the Statement of Accounts 2009/10 as presented by the Treasurer.

The Audit Commission's Annual Governance Report to the Hereford & Worcester Fire and Rescue Authority

9. Mr Grant Patterson presented the Audit Commission's Annual Governance Report to the Hereford & Worcester Fire and Rescue Authority (separate attachment).
10. He told the Committee that the accounts had been received earlier than last year and there was a significant improvement from last year; he thanked the Treasurer and his team.
11. Mr Patterson said that the Audit for 2009/10 had not been completed because the period for public comment had not expired and because the investigation into the retirement of the previous Chief Fire Officer had not been completed.
12. The matters of governance interest listed in the Report were:
 - The contingent asset in respect of the potential liabilities of the constituent authorities in the matter of the outgoing Chief Fire Officer;
 - The Firefighters' Pension Funds statements; and
 - The new accounting requirements for council tax debtors and creditors.

13. The Committee thanked the Audit Commission and the Authority's finance team for the completion of the accounts and the Governance Report as presented was noted.

Supporting Information:

- Appendix 1: Annual Governance Statement 2009/10 (as amended)
Appendix 2: The Audit Commission's Annual Governance Report to the Hereford & Worcester Fire and Rescue Authority

- Background Papers:**
- i) Agenda and papers for Audit Committee Meeting held on 30 June 2010
 - ii) The Statement of Accounts 2009/10
 - iii) The Code of Corporate Governance

(All of the background papers can be viewed on the Service website: www.hwfire.org.uk)

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