



**PRIVATE & CONFIDENTIAL**

Those Charged with Governance  
Dorset & Wiltshire Fire and Rescue Authority  
Five Rivers Health & Wellbeing Centre,  
Hulse Road,  
Salisbury,  
SP1 3NR

Dear Sirs and Madams

**Dorset & Wiltshire Fire and Rescue Authority – Audit Completion Report**

We are pleased to attach our Audit Completion Report. This report summarises our audit conclusions, highlights the key findings arising from our work and details a number of points that we would like to discuss further with you.

We have initially discussed the contents of our report with management and have incorporated their comments where relevant.

This report is intended to be solely for the information and use of management and those charged with governance of the Authority and should not be shared with anyone beyond the Authority without our prior approval.

We would like to take this opportunity to thank the finance team for the co-operation and assistance afforded to us during the course of the audit.

Kind regards

Yours faithfully

A handwritten signature in black ink that reads "Bishop Fleming LLP". The signature is written in a cursive, flowing style.

**BISHOP FLEMING LLP**

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# 1. Executive summary

## Status of audit

The scope of our work is set in accordance with the National Audit Office's Code of Audit Practice (the Code) and the International Standards on Auditing (ISAs) (UK). Our work is planned to provide a focused and robust audit. We are required to provide an independent opinion as to whether the financial statements:

- give a true and fair view of the financial position of the Authority at the year end and of its expenditure and income for the year then ended;
- have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24; and
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

Our audit is now complete, subject to the usual completion procedures as outlined in section 2.

***As we have previously informed the Finance and Audit Committee, we will be issuing a qualified audit report as a result of the prior year audit qualification in relation to the LGPS pension scheme. This is discussed further in section 5.***

***We are not proposing any other modification of our audit opinion.***

## Addressing the local government audit backlog

On 30 July 2024 the Ministry for Housing, Communities and Local Government (MHCLG) published a statement indicating the intent to lay before parliament updated legislation for a series of 'backstop' dates for audits of local authorities in England, over the next five years. Under this proposal the audits of the Fire Authority accounts for the years ending 31 March 2023 and 31 March 2024 would be required to be completed by the 13 December 2024 and 28 February 2025 respectively. This effectively removes the September reporting deadline over the next five years.

If the backstop date is reached and the audit has not been completed, then the auditors would not have been able to gain sufficient assurance by these dates and they will have to issue a modified opinion.

MHCLG expect there to be a significant number of disclaimed audit opinions, as part of this reset of the audit system for local authorities. It is expected that it will take several years for affected Fire Authorities to return to the unqualified opinions.

By the December 2024 backstop date, less than half of 2022/23 local audits had been signed off without a disclaimer, with a similar position expected for the February 2025 deadline.

## Key audit issues

Within our Audit Plan which was presented to the Finance & Audit Committee in March 2024, we outlined a number of risks that we considered to be of particular significance to the audit. Our plan also detailed our planned approach for addressing each of these risks.

The specific risks highlighted were as follows:

- Management override of controls;
- Fraud in revenue recognition;
- Fraud in expenditure recognition;
- Valuation of land and buildings; and
- Valuation of the pension fund net liability.

Our audit work is complete on each of the above areas and is further detailed in section 2 of this report.

## **Audit Adjustments**

During the course of our work, minor adjustments were identified and, on agreement of management, were adjusted in the financial statements.

Further adjustments were proposed but not made, as those charged with governance do not consider them to be material to the financial statements. We accept this explanation.

Full details of the adjustments identified are included in section 6 to this report.

## **Management Letter Points and Internal Control Matters**

A number of control points were identified during the course of our work and these are further detailed in section 7 to this report. Of the matters noted, none are considered to have an important effect on your system of internal control.

## **Value for Money**

We are also required to satisfy ourselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2024. The National Audit Office's Code of Audit Practice requires us to report on the Authority's arrangements under three specified reporting criteria:

- Financial sustainability – how the Authority plans and manages its resources to ensure it can continue to deliver its services;
- Governance – how the Authority ensures it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness – how the Authority uses information about its costs and performance to improve the way it manages and delivers its services.

Our work has not identified any significant weaknesses; see section 8 for more details. The results of the Value for Money work are reported separately in our Auditor's Annual Report.

## **Independence**

The FRC Ethical Standard and ISA 260 requires us to communicate with you on a timely basis on all significant facts and matters that bear upon our independence and objectivity. The aim of these communications is to ensure full and fair disclosure by us to those charged with governance on matters in which you have an interest.

We are not aware of any relationships that, in our professional judgment, may reasonably be thought to bear on our independence or the objectivity of the audit engagement team.

We confirm that in our professional judgment, Bishop Fleming is independent within the meaning of regulatory and professional requirements and the objectivity of the audit engagement partner and audit staff has not been compromised.

We consider that our independence in this context is a matter that should be reviewed by both you and ourselves. It is therefore important that you consider the facts of which you are aware and come to a view. Should you have any specific matters that you wish to discuss, please contact us.

## 2. Introduction

### Responsibilities of the audited body

The audited body is responsible for the preparation of the financial statements and for making available to us all the information and explanations we consider necessary. Therefore, it is essential that it confirms that our understanding of all matters referred to in this report are appropriate, having regard to its knowledge of the particular circumstances.

We would point out that the matters dealt with in this report came to our attention during the conduct of our normal audit procedures which are designed primarily for the purpose of expressing our opinion on the financial statements of Dorset & Wiltshire Fire and Rescue Authority.

In consequence, our work did not encompass a detailed review of all aspects of the system and controls and cannot be relied upon necessarily to disclose possible frauds or other irregularities, or to include all possible improvements in internal control that a more extensive special examination might reveal.

### Materiality

In carrying out our audit work we have considered whether the financial statements are free from 'material misstatement'. Materiality is an expression of the relative significance of a particular matter in context of the financial statements as a whole.

In general, misstatements, including omissions, are considered to be material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

The assessment of whether a misstatement is material in the context of the financial statements is a matter of professional judgement and will have regard to both the size and the nature of the misstatement, or a combination of both. It is also affected by our perception of the financial information needs of users of the financial statements.

	Basis of materiality	Amount (£000s)
Dorset & Wiltshire Fire and Rescue Authority	2% of gross expenditure	£1,370

We have updated our materiality calculation based on the 2023/24 draft accounts.

### Representation Letter

The representation letter is attached at Appendix 1.

## **Update on our planned approach**

Our audit work was carried out in accordance with our Audit Plan in response to the perceived audit risks. No matters were identified which required us to change our approach and no additional risks were identified.

Our audit is complete subject to the usual final completion procedures including:

- Consider post balance sheet events prior to signing
- Approval of the financial statements; and
- Receipt of the signed management representation letter

## **Confidentiality**

This document is strictly confidential and although it has been made available to those charged with governance to facilitate discussions, it may not be taken as altering our responsibilities to the Authority arising under the Local Audit and Accountability Act 2014 (the Act) and from the Code of Audit Practice. The contents of this report should not be disclosed to third parties without our prior written consent.

### 3. Audit and accounts process

The preparation of the financial statements is a vital process for the management of the Authority and one which should be performed on a timely basis. We met with senior officers as part of our planning work to discuss how we would work together to make the audit process effective.

We discussed key accounting issues early, so they could be considered before the audit commenced.

<b>Readiness for audit</b>	
<b>Quality of financial statements</b>	
<b>Accuracy of financial records</b>	
<b>Quality of working papers</b>	
<b>Availability of Staff</b>	

**Key (Impact on audit approach)**

- None or limited 
- Some 
- Significant impact 

We invested significant time into the audit running as smoothly as possible. We attended all Finance & Audit Committee meetings to ensure we were kept up to date with prior year audit progress. We held several planning meetings with the finance team prior to the audit starting and had regular calls with the finance team during the audit fieldwork.

As a result of the investment made by both parties, the audit has generally proceeded very smoothly. It has taken longer to conclude our work on the PFI scheme the Authority has, but this is a result of auditing an established scheme for the first time, the complexity of the scheme and additional procedures being required.

We are keen to continually improve our service and the effectiveness of the process and, therefore, will hold a debrief discussion with management to identify areas where this might be possible.

**Readiness for audit**

We were provided with a copy of the draft financial statements in line with the timetable agreed before the start of the audit and as outlined in our audit plan.

Information requested during the onsite fieldwork was provided promptly to our staff. This made the core audit work progress relatively smoothly and we did not see any significant delays.

**Quality of financial statements**

We have not identified any significant omissions from the draft financial statements and we have not identified any material misstatements.

### **Accuracy of financial records**

The majority of the underlying financial records were accurate, agreed to the information provided in the audit file and were easy to understand.

### **Quality of working papers**

The quality of the working papers and supporting evidence provided was generally good. There were some areas where audit evidence provided had to be supplemented with further information and evidence after an audit query. This is typical of a first-year audit where both auditor and audited body are learning what is available and what is required. We will work with management to tighten up our deliverables requests in future audits to ensure expectations are clear on both sides.

### **Availability of Staff**

Key members of the finance team made themselves available to us throughout the audit where possible. We were kept informed of any instances when staff were not available.

## 4. Audit risks

### Management override of controls

#### Significant Risk

We are required by auditing standards (ISA 240) to consider fraud and management override of controls to be a significant risk for all audits as no matter how strong a control environment, there is the potential for controls to be overridden or bypassed.

#### Work done and conclusion

To address this risk, we have:

- reviewed the reasonableness of accounting estimates and critical judgements made by management;
- tested journals with a material impact on the results for the year; and
- considered a sample of other journals with key risk attributes.

In testing journals, we used data analytics tools to interrogate the whole population of journals posted in the year and focus on those with key risk factors.

We have not identified any material errors from our work carried out.

### Fraud in revenue recognition

#### Significant Risk

There is also a presumption under auditing standards that the risk of fraud in revenue recognition is considered to be a significant risk area.

#### Work done and conclusion

Having considered the risk factors set out in ISA240 and the nature of the revenue streams of the Authority, we have concluded that the risk of fraud arising from revenue recognition can be rebutted because:

- There is little incentive to manipulate revenue recognition;
- Opportunities to manipulate revenue recognition are very limited; and
- The culture and ethical framework of Dorset & Wiltshire Fire and Rescue Authority, mean that all forms of fraud are seen as unacceptable.

We have not identified anything in our audit work that suggests our assessment needed to be updated.

## Fraud in expenditure recognition

### Significant Risk

Practice Note 10: Audit of Financial Statements and regularity of public sector bodies in the United Kingdom sets out that the risk of fraud related to expenditure is also relevant.

### Work done and conclusion

At the planning stage, we considered whether we have any significant concerns about fraudulent financial reporting of expenditure which would need to be treated as a significant risk for the audit.

We concluded that this was not a significant risk for Dorset & Wiltshire Fire and Rescue Authority because:

- expenditure is well controlled, and the Authority has a strong control environment; and
- the Authority has clear and transparent reporting of its financial plans and financial position.

We have not identified anything in our audit work that suggests our assessment needed to be updated.

## Valuation of land and buildings

### Significant Risk

There is a risk over the valuation of land and buildings due to the high degree of estimation uncertainty, and judgements involved in build valuations.

### Work done and conclusion

To address this risk, we have:

- documented our understanding of the processes and controls put in place by management, and evaluate the design of the controls;
- reviewed the instructions provided to the valuer and the valuer's skills and expertise, in order to determine if we can rely on the management expert;
- written to the valuer to confirm the basis on which the valuation was carried out;
- confirmed that the basis of valuation for assets valued in year is appropriate based on their usage;
- reviewed the appropriateness of assumptions used in the valuation of land and buildings. For assets not formally revalued in the year we assessed how management has satisfied itself that these assets are not materially different from the current value at the year-end;
- reviewed accuracy and completeness of information provided to the valuer, such as floor areas;
- tested a sample of revaluations made during the year to ensure that they have been input correctly into the Authority's asset register; and
- form our own expectations regarding the movement in property values and comparing this to the valuations reflected in the Authority's financial statements, following up valuation movements that appear unusual.

We have not identified any errors from our work in this area.

The Authority has revalued a range of properties in different locations. The percentage movements in the valuations of those properties that were reassessed were then applied across the rest of the property portfolio.

## Valuation of the pension fund net liability

### Significant Risk

There is a risk over the valuation of the pension fund net liability due to the values involved and the high degree of estimation uncertainty, due to the sensitivity of the estimate to changes in key assumptions.

### Work done and conclusion

To address this risk, we have:

- documented our understanding of the processes and controls put in place by management, and evaluate the design of the controls;
- reviewed the instructions provided to the actuary and the actuary's skills and expertise, in order to determine if we can rely on the management expert;
- considered the accuracy and completeness of the information provided to the actuary;
- ensured that the disclosures in the financial statements in respect of the pension fund liability are consistent with the actuarial report from the actuary;
- carried out procedures to confirm the reasonableness of the actuarial assumptions made by reviewing the report of the consulting actuary (as auditor's expert) and performing any additional procedures suggested within the report; and
- obtained assurances from the auditor of Wiltshire Pension Fund in respect of the controls around the validity and accuracy of membership data, contributions data and benefits data sent to the actuary by the pension fund and the fund assets valuation in the pension fund financial statements.

We have not identified any material errors in our current year audit work as a result of our testing.

The auditors of the Wiltshire Pension Fund have reported some differences from their testing of the pension scheme assets. Approximately 2% of the scheme assets are allocated to the Authority. This has resulted in an immaterial difference that relates to the Authority which we have reported in the schedule of unadjusted differences in Section 6.

## 5. Other audit and financial reporting matters

### Audit/Financial Reporting Matters

#### Modified audit opinion in relation to pensions

As set out in section 1 above, the Accounts and Audit (amendment) Regulations 2024 required the Authority to publish its statement of accounts, together with an accompanying auditor's report for the year ended 31 March 2023 by 13 December 2024. As a result of the audit of the Wiltshire Pension Fund for the year ended 31 March 2023 not being concluded, the Authority's previous auditor was unable to satisfy itself that areas of the Authority's accounts that reported its share of the Wiltshire Pension Fund were materially correct.

The audit opinion issued by the Authority's previous auditor over the financial statements for the year ended 31 March 2023 was therefore modified with an 'except for' qualified opinion being issued in respect of the valuation of Authority's share of the Local Government Pension Scheme (LGPS).

As a result of the modification to the opinion over the 2022-23 financial statements we are unable to conclude that the opening balances in relation to the net pension fund liability are materially correct and intend to issue a modified audit opinion over the 2023-24 financial statements in this respect. The lack of assurance over the 31 March 2023 pension valuation and pension movements in 2022/23 mean that we are unable to provide assurance over the comparative balance sheet and Comprehensive Income and Expenditure Statement ('CIES') figures or the pension movements during 2023/24.

We are satisfied with the valuation of scheme assets and liabilities as at 31 March 2024, but our audit opinion for the year ending 31 March 2025 will also need to include a modified opinion in relation to the lack of assurance of the comparative figures in the CIES (relating to 2023/24) that will be included in these accounts.

If there are no further issues, we will be able to provide a fully unmodified opinion again over the statement of accounts for the year ending 31 March 2026.

## 6. Audit Adjustments

In accordance with the requirements of International Standards on Auditing, we must communicate all adjusted and unadjusted items identified during our audit work, other than those which we believe to be clearly insignificant.

### Adjusted items

There were no adjusted items other than disclosure and reclassification adjustments listed below that have been made as a result of our audit.

### Misclassifications and adjustments to disclosures

The table below provides details of any misclassification and disclosure changes identified during the audit.

Misclassification/ Disclosure change	Audit comment	Adjusted?
Note 15c- Revision of the banding reported in the table of Exit Packages	This brings the disclosure table in line with the CIPFA Code of Practice	✓
Minor disclosure changes	We identified a small number of minor presentational and typographical errors that management have corrected. These also ensure consistency through the document and provide greater clarity to the users.	✓

### Unadjusted items

The table below provides details of adjustments identified during the 2023/24 audit which have not been made within the final set of financial statements. The Audit and Finance Committee is required to approve management's proposed treatment of all items recorded within the table below. (These are also set out in the Letter of Representation.)

Detail	Comprehensive Income and Expenditure Statement (£'000)	Balance sheet (£'000)	Reason for not adjusting
Understatement of pension fund assets Dr Pension fund assets Cr Actuarial gains / losses on assets	(121)	121	Not material

### Impact of prior year unadjusted misstatements

The table below provides details of adjustments identified during the prior year which had not been made within the final set of 2022/23 financial statements.

Detail	Comprehensive Income and Expenditure Statement (£'000)	Balance sheet (£'000)	Reason for not adjusting
Capital additions	(100)	100	Not material in prior year and no material impact on current year

## 7. Management letter points and internal control systems

The Authority's management is responsible for the identification, assessment and monitoring of risk, for developing, operating and monitoring the systems of internal control and for providing assurance to the Those Charged with Governance that it has done so.

In accordance with the terms of our engagement we have not provided a comprehensive statement of all issues which may exist in the accounting and internal control systems or of all improvements which may be made, but outline below our observations arising from the audit; none of which are considered significant.

### KEY:



Observations refer to issues that are so fundamental to the system of internal control that management should address immediately to minimise the risk of a material misstatement within the financial statements.



Observations refer mainly to issues that have an important effect on the system of internal control and, if left uncorrected could potentially lead to a material misstatement within the financial statements.



Observations refer to issues that would, if corrected, improve internal control in general and engender good practice, but is unlikely to have a material impact on the financial statements.

### Current Year Issues

Missing identification documents	
<p>During our testing of employee existence, we found that out of 5 employees tested, there were 4 where it did not appear that valid identification documents had been provided.</p> <p>Instead, DBS checks were used to place reliance that the employees do exist and have right-to-work.</p> <p>However, DBS checks do not confirm right-to-work, so inappropriate individuals could be employed.</p>	<p><u>Recommendation</u></p> <p>We recommend that appropriate identification documents are verified and recorded for all employees to evidence their right to work.</p> <p><u>Management comment</u></p> <p>Provision of identification documents and right-to-work status is extremely important to the Service and supporting processes are in place. This forms part of 'Safer Recruitment' and is monitored closely to ensure there is appropriate documentation for all employees.</p>
Capitalisation of revenue items	
<p>From our testing of fixed assets it was noted that a number of low value items, such as for medical equipment, had been capitalised in previous years and were being held on the fixed asset register.</p> <p>In addition, some items on the asset register were recorded as bundles of assets or equipment that had been purchased where it would be impossible to track whether assets had been disposed of.</p>	<p><u>Recommendation</u></p> <p>We recommend that only items capital in nature are put on the balance sheet and that assets are recorded in a manner that enables them to be tracked so that disposals can be identified.</p> <p><u>Management comment</u></p> <p>As part of our year-end processes, expenditure identified as capital during the financial year is reviewed and assessed to ensure its treatment is correct. This process will be completed again in 2024/25. Assets subsequently recorded in the Fixed Asset Register will be done on an individual basis, or with a clear quantity captured so disposed assets can easily be tracked and identified.</p>

## Prior Year Issues – Resolved

<p><b>Unknown bank account</b></p>	
<p>It was identified that the Authority held an open bank account that they were not aware of. Although the balance in the bank was extremely trivial, there is a risk that the account could be misused.</p>	<p><b><u>2022-23 recommendation</u></b></p> <p>It is recommended that the Fire &amp; Rescue Service performs a review of all open bank accounts to ensure that all bank accounts that are surplus to requirements are closed in a timely manner.</p> <p><b><u>2023-24 update</u></b></p> <p>We have not identified any issues with bank accounts during the 2023-24 audit.</p>
<p><b>Capital &amp; revenue expenditure allocation</b></p>	
<p>It was identified during PPE additions testing and repairs and maintenance testing that five samples were in relation to refurbishment work completed at multiple locations throughout the financial year. However, it was noted that the allocation between capital expenditure and revenue expenditure was not analysed and apportioned on a line-by line basis</p>	<p><b><u>2022-23 recommendation</u></b></p> <p>It is recommended that the Fire &amp; Rescue Service prepare a schedule detailing the work performed to enable the correct allocation of costs between capital and revenue expenditure.</p> <p><b><u>2023-24 update</u></b></p> <p>Our audit work has not identified issues of this nature in 2023-24.</p>
<p><b>Capitalisation of intangible assets</b></p>	
<p>It was identified during intangible additions testing that a 21- month licence was acquired in the financial period. Per the intangibles capitalisation policy, this should have been capitalised</p>	<p><b><u>2022-23 recommendation</u></b></p> <p>It is recommended that licence contracts with a period greater than one year are assessed against the intangible capitalisation criteria.</p> <p><b><u>2023-24 update</u></b></p> <p>Our audit work has not identified issues of this nature in 2023-24.</p>
<p><b>Reconciliation of items on the fixed asset register</b></p>	
<p>As part of the reconciliation between the additions listing and Fixed Asset Register (FAR), it was noted that whilst the numerical value of the additions listing reconciled to the FAR, it was not possible to reconcile individual items between the two reports.</p>	<p><b><u>2022-23 recommendation</u></b></p> <p>It is recommended that a reconciliation exercise is implemented between the additions listing and the FAR and that appropriate asset identification numbers are included in both listings.</p> <p><b><u>2023-24 update</u></b></p> <p>Our audit work has not identified issues of this nature in 2023-24.</p>

## 8. Other matters

### Other information

We are required to give an opinion on whether the other information published with the audited financial statements (for example, the Narrative Statement and Annual Governance Statement) is materially inconsistent with the financial statement or our knowledge as obtained during the audit.

We have nothing to report in this respect.

### Reporting by exception

We are required to report to you by exception the following matters, if:

- the Annual Governance Statement does not comply with "Delivering Good Governance in Local Government: Framework 2016 Edition" published by CIPFA/SOLACE; or
- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014; or
- we make a written recommendation to the Authority under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014, in the course of, or at the conclusion of the audit.

We have nothing to report on these matters.

The 2014 Act also gives rights to local electors and other parties, such as the right to ask questions of the auditor and the right to make an objection to an item of account. No such objections have been raised.

### Going concern

Our work has not identified a material uncertainty related to going concern. We are satisfied that management's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

### Value for money arrangements

We are required to satisfy ourselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2024. The Code of Audit Practice requires us to report on the Authority's arrangements under three specified reporting criteria:

- Financial sustainability – how the Authority plans and manages its resources to ensure it can continue to deliver its services;
- Governance – how the Authority ensures it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness – how the Authority uses information about its costs and performance to improve the way it manages and delivers its services.

We asked management to complete an evidenced self-assessment of the Authority's arrangements. We then reviewed the evidence provided and carried out follow-up work as appropriate to consider whether there are any significant weaknesses in the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources.

We have not identified any significant weaknesses and the results of the Value for Money work are reported separately in our Auditor's Annual Report.

### Whole of Government accounts work

Alongside our work on the financial statements, we also review and report to the National Audit Office on the Authority's Whole of Government Accounts (WGA) return. The extent of our review, and the nature of our report, is specified by the National Audit Office.

We have received group instructions from the National Audit Office in respect of our work on the WGA submission. This work is currently being undertaken.

### Audit certificate

At the end of the audit, as auditors, we are required to certify the completion of the audit. The effect of this certificate is to close the audit and marks the point when the auditor's responsibilities in respect of the audit of the period covered by the certificate have been discharged.

We will be unable to issue our audit certificate alongside the auditor's opinion on the accounts until we have received confirmation from the NAO that no additional work (beyond submission of the Assurance Statement) will be required in respect of the Whole of Government Accounts exercise.

### Audit fees

Our final fee for the 2023/24 audit is set out below:

	Fee proposed at planning stage (£)	Final fee (subject to approval by PSAA) (£)
PSAA scale fee 2023/24	120,357	120,357
Fee variation in relation to additional procedures in relation to revisions to ISA 315	TBC	8,500
Fee variation in relation to additional audit procedures carried out in a first-year engagement on the Authority's PFI arrangement	TBC	4,000
Fee variation in relation to additional audit and risk management procedures resulting from the modified opinion issues on the 2022-23 financial statements	-	1,500
<b>Total (excluding VAT)</b>	<b>TBC</b>	<b>134,357</b>

We can confirm that we have not undertaken any non-audit work at the Authority during the year.



# 1. Letter of representation

Bishop Fleming LLP  
Salt Quay House  
4 North East Quay  
Sutton Harbour  
Plymouth  
Devon  
PL4 0BN

[Date]

Dear Sirs

## **Dorset & Wiltshire Fire and Rescue Authority**

### **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024**

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the Dorset & Wiltshire Fire and rescue Authority (the Authority) financial statements for the year ended 31 March 2024. These enquiries have included inspection of supporting documentation where appropriate, and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

#### **1. General**

We have fulfilled our responsibilities for the preparation of the Authority's financial statements in accordance with International Financial Reporting Standards and the CIPFA/ LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24 (the Code) and applicable law and for being satisfied that they give a true and fair view and for making accurate representations to you.

All the transactions undertaken by the Authority have been properly reflected and recorded in the accounting records.

All the accounting records have been made available to you for the purpose of your audit of the Authority. We have provided you with unrestricted access to all appropriate persons within the Authority, and with all other records and related information requested, including minutes of all Authority and Committee meetings.

The financial statements are free of material misstatements, including omissions.

The effects of uncorrected misstatements (as set out in the appendix to this letter) are immaterial both individually and in total.

#### **2. Internal control and fraud**

We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error, and we believe that we have appropriately fulfilled these responsibilities. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.

We have disclosed to you all instances of known or suspected fraud affecting the Authority involving management, employees who have a significant role in internal control or others where fraud could have a material effect on the financial statements.

We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the Authority's financial statements communicated by current or former employees, analysts, regulators or others.

### **3. Assets and liabilities**

The Authority has satisfactory title to all assets and there are no liens or encumbrances on the Authority's assets, except for those that are disclosed in the notes to the financial statements.

Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. Such accounting estimates include PPE and valuation of the net pension liability.

All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.

We have no plans or intentions that may materially alter the carrying value and, where relevant, the fair value measurements or classification of assets and liabilities reflected in the financial statements.

### **4. Accounting estimates**

The methods, data and significant assumptions used by us in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement and disclosure that is reasonable in the context of the applicable financial reporting framework.

### **5. Legal claims**

We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for and disclosed in the financial statements.

### **6. Laws and regulations**

We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

We confirm that all correspondence with our Regulators has been made available to you.

### **7. Related parties**

Related party relationships and transactions comply with the Authority's financial regulations, relevant requirements of the Code and have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with regulatory, legislative and accounting standards requirements.

### **8. Subsequent events**

All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

### **9. Going concern**

We believe that the Authority's financial statements should be prepared on a going concern basis on the grounds that the financial reporting framework applicable to local government bodies means that the anticipated continued provision of entity's services in the public sector is normally sufficient evidence of going concern. We have not identified any material uncertainties related to going concern.

### **10. Annual Governance Statement**

We are satisfied that the Annual Governance Statement (AGS) fairly reflects the Authority's risk assurance and governance framework and we confirm that we are not aware of any significant risks that are not disclosed within the AGS.

### **11. Narrative Report**

The disclosures within the Narrative Report fairly reflect our understanding of the Authority's financial and operating performance over the period covered by the Authority's financial statements.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

We have taken all the appropriate steps in order to make ourselves aware of any relevant audit/ other information and to establish that you are aware of that information.

Yours faithfully

.....  
Signed on behalf of the Finance & Audit Committee of Dorset & Wiltshire Fire and Rescue Authority

[Date]

## APPENDIX

### Unadjusted items

The table below provides details of adjustments identified during the 2023/24 audit which have not been made within the final set of financial statements. The Audit and Finance Committee is required to approve management's proposed treatment of all items recorded within the table below. (These are also set out in the Letter of Representation.)

Detail	Comprehensive Income and Expenditure Statement (£'000)	Balance sheet (£'000)	Reason for not adjusting
Understatement of pension fund assets			
Dr Pension fund assets		121	Not material
Cr Actuarial gains / losses on assets	(121)		

## 2. Required communications with the Finance & Audit Committee

Under the auditing standards, there are certain communications that we must provide to the Finance & Audit Committee as those charged with governance. These include:

Required communication	Where addressed
Our responsibilities in relation to the financial statement audit and those of management and those charged with governance.	Audit Plan
The planned scope and timing of the audit including any limitations, specifically including with respect to significant risks.	Audit Plan
With respect to misstatements: <ul style="list-style-type: none"> <li>• uncorrected misstatements and their effect on our audit opinion;</li> <li>• the effect of uncorrected misstatements related to prior periods;</li> <li>• a request that any uncorrected misstatement is corrected; and</li> <li>• in writing, corrected misstatements that are significant.</li> </ul>	Audit Completion Report
With respect to fraud communications: <ul style="list-style-type: none"> <li>• enquiries of those charged with governance to determine whether they have a knowledge of any actual, suspected or alleged fraud affecting the entity;</li> <li>• any fraud that we have identified or information we have obtained that indicates that fraud may exist; and</li> <li>• a discussion of any other matters related to fraud.</li> </ul>	Audit Completion Report Discussions at Finance & Audit Committees
Significant matters arising during the audit in connection with the entity's related parties.	Audit Completion Report
Significant findings from the audit including: <ul style="list-style-type: none"> <li>• our view about the significant qualitative aspects of accounting practices including accounting policies, accounting estimates and financial statement disclosures;</li> <li>• significant difficulties, if any, encountered during the audit;</li> <li>• significant matters, if any, arising from the audit that were discussed with management;</li> <li>• written representations that we are seeking;</li> <li>• expected modifications to the audit report; and</li> <li>• other matters significant to the oversight of the financial reporting process or otherwise identified during the audit that we believe will be relevant to the Committee when fulfilling their responsibilities.</li> </ul>	Audit Completion Report
Significant deficiencies in internal controls identified during the audit.	Audit Completion Report
Where relevant, any issues identified with respect to authority to obtain external confirmations or inability to obtain relevant and reliable audit evidence from other procedures.	Audit Completion Report
Audit findings regarding non-compliance with laws and regulations	Audit Completion Report Discussions at Finance & Audit Committees
Significant matters in relation to going concern.	Audit Completion Report
Indication of whether all requested explanations and documents were provided by the entity.	Audit Completion Report
Confirmation of independence and objectivity of the firm and engagement team members.	Audit Plan Audit Completion Report



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