

## **Independent Auditor's report to the members of Greater Manchester Combined Authority in respect of Greater Manchester Fire and Rescue Authority**

We have audited the financial statements of Greater Manchester Fire and Rescue Authority (the "Authority") for the period ended 7 May 2017 under the Local Audit and Accountability Act 2014 (the "Act"). The financial statements comprise the Comprehensive Income and Expenditure Statement, the Movement in Reserves Statement, the Balance Sheet, the Cash Flow Statement and the related notes and include the firefighters' pension fund financial statements comprising the Fund Account, the Net Assets Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2016/17.

This report is made solely to the members of the Greater Manchester Combined Authority in respect of Greater Manchester Fire and Rescue Authority, as a body, in accordance with Part 5 of the Act and as set out in paragraph 43 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the members of Greater Manchester Combined Authority those matters we are required to state to them in an auditor's report in respect of Greater Manchester Fire and Rescue Authority and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Greater Manchester Fire and Rescue Authority and the members of Greater Manchester Combined Authority, as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of the Treasurer and auditor**

As explained more fully in the Statement of Responsibilities, the Treasurer of Greater Manchester Combined Authority is responsible for the preparation of the Statement of Accounts of Greater Manchester Fire and Rescue Authority, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2016/17, which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements of Greater Manchester Fire and Rescue Authority in accordance with applicable law, the Code of Audit Practice published by the National Audit Office on behalf of the Comptroller and Auditor General (the "Code of Audit Practice") and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to Greater Manchester Fire and Rescue Authority's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Treasurer of Greater Manchester Combined Authority; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Narrative Report and the Annual Governance Statement to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion:

- the financial statements present a true and fair view of the financial position of the Authority as at 7 May 2017 and of its expenditure and income for the period then ended; and
- the financial statements have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2016/17 and applicable law.

### **Emphasis of matter – Basis of preparation – Going concern**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in notes 2 and 38 to the financial statements concerning the basis of preparation of the financial statements. As explained in note 2 the Authority ceased to exist on 7 May 2017 and the Authority's staff, properties, rights and liabilities transferred to the Greater Manchester Combined Authority on 8 May 2017, under The Greater Manchester Combined Authority (GMCA)(Fire and Rescue Functions) Order 2017. In accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2016/17, the Authority has prepared the financial statements on a going concern basis.

### **Opinion on other matters**

In our opinion, the other information published together with the audited financial statements in the Narrative Report and the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the audited financial statements.

### **Matters on which we are required to report by exception**

We are required to report to you if:

- in our opinion the Annual Governance Statement does not comply with the guidance included in 'Delivering Good Governance in Local Government: Framework (2016)' published by CIPFA and SOLACE; or
- we have reported a matter in the public interest under section 24 of the Act on Greater Manchester Fire and Rescue Authority in the course of, or at the conclusion of the audit; or
- we have made a written recommendation to the Greater Manchester Fire and Rescue Authority under section 24 of the Act in the course of, or at the conclusion of the audit; or
- we have exercised any other special powers of the auditor under the Act.

We have nothing to report in respect of the above matters.

**Conclusion on the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources**

**Respective responsibilities of the Authority and auditor**

Greater Manchester Fire and Rescue Authority was responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and for reviewing regularly the adequacy and effectiveness of these arrangements.

We are required under Section 20(1)(c) of the Act to be satisfied that Greater Manchester Fire and Rescue Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of Greater Manchester Fire and Rescue Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

**Scope of the review of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources**

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criteria issued by the Comptroller and Auditor General in November 2016, as to whether the Authority had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined this criteria as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether Greater Manchester Fire and Rescue Authority put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the period ended 7 May 2017.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether in all significant respects Greater Manchester Fire and Rescue Authority put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

**Conclusion**

On the basis of our work, having regard to the guidance on the specified criteria issued by the Comptroller and Auditor General in November 2016, we are satisfied that in all significant respects Greater Manchester Fire and Rescue Authority put in place proper arrangements for securing economy, efficiency and effectiveness in its use of its resources for the period ended 7 May 2017.

**Certificate**

We certify that we have completed the audit of the financial statements of Greater Manchester Fire and Rescue Authority in accordance with the requirements of the Act and the Code of Audit Practice.

*Robin Baker*

Robin Baker  
for and on behalf of Grant Thornton UK LLP, Appointed Auditor  
Royal Liver Building, Liverpool, L3 1PS

29 September 2017

