

Date: 18 September 2013  
Your reference: DBC/LoR/MH  
Contact: Sally Marshall  
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Dear Mr Hodgson

## **AUDIT OF ACCOUNTS 2012-13 LETTER OF REPRESENTATION**

In response to your letter dated 12 September 2013, we set out below details of the Council's letter of representation in relation to the audit of accounts 2012/13 as requested. The signatories to this letter, being those charged with governance at the Council, can confirm the following:

### **Financial Statements and Financial Records**

1. We have fulfilled our responsibilities, under the relevant statutory authorities, for the preparation of the financial statements in accordance with the CIPFA Code of Practice on Local Authority Accounting (CIPFA Code).
2. We acknowledge our responsibility for the fair presentation of the financial statements. We believe the financial statements referred to above give a true and fair view of the financial position, financial performance and cash flows of the Council in accordance with the CIPFA Code and are free of material misstatements, including omissions. We have approved the financial statements.
3. We confirm that the Responsible Finance Officer has:
  - Reviewed the accounts
  - Reviewed all relevant written assurances relating to the accounts
  - Made other enquiries as appropriate



4. That the significant accounting policies adopted in the preparation of the financial statements are appropriately described in the financial statements.
5. That we believe that the Council has a system of internal controls adequate to enable the preparation of accurate financial statements in accordance with the CIPFA Code that are free from material misstatement, whether due to fraud or error.

## **Fraud**

1. We acknowledge that we are responsible for the design, implementation and maintenance of internal controls to prevent and detect fraud.
2. We 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.
3. We have no knowledge of any fraud or suspected fraud involving management or other employees who have a significant role in the Council internal controls over financial reporting. In addition, we have no knowledge of any fraud or suspected fraud involving other employees in which the fraud could have a material effect on the financial statements. We have no knowledge of any allegations of financial improprieties, including fraud or suspected fraud, (regardless of the source or form and including without limitation, and allegations by 'whistleblowers') which could result in a misstatement of the financial statements or otherwise affect the financial reporting of the Council.

## **Compliance with Laws and Regulations**

1. We have disclosed to you all known actual or suspected noncompliance with laws and regulations whose effects should be considered when preparing with the financial statements.

## **Information Provided and Completeness of Information and Transactions**

1. We have provided you with:
  - Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters as agreed in the terms of the audit engagement.
  - Additional information that you have requested from us for the purpose of the audit.
  - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
2. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
3. We have made available to you all minutes of the meetings of the Council and its relevant committees (or summaries of actions of recent meetings for which the minutes have not yet been prepared) held through the year to the most recent meeting on the following date: 18 September 2013.

4. We confirm the completeness of the information provided regarding the identification of related parties. We have disclosed to you the identity of the Council related parties and all related party relationships and transaction of which we are aware, including sales, purchases, loans, transfers of assets, liabilities and services, leasing arrangements, guarantees, non-monetary transactions for no consideration for the period ended, as well as related balances due to or from such parties at the year end. These transactions have been appropriately accounted for and disclosed in the financial statements.
5. We have disclosed to you, and the Council has complied with, all aspects of contractual arrangements that could have a material effect on the financial statements in the event of noncompliance, including all covenants, conditions or other requirements of all outstanding debt.

### **Liabilities and Contingencies**

1. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.
2. We have informed you of all outstanding and possible litigation claims, whether or not they have been discussed with the legal counsel.
3. We have recorded and disclosed, as appropriate, all liabilities related litigation and claims, both actual and contingent, and have disclosed in the financial statements all guarantees that we have given to third parties.

### **Subsequent Events**

1. Other than described in the financial statements, there have been no events subsequent to the period end which require adjustment of, or disclosure in the financial statements or notes thereto.

### **Accounting Estimates**

1. We believe that the significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
2. In respect of accounting estimates recognised or disclosed in the financial statements:
  - We believe the measurement process, including related assumptions and models, we used in determining accounting estimates is appropriate and the application of these processes is consistent.
  - The disclosures relating to accounting estimates are complete and appropriate in accordance with the applicable financial reporting framework.
  - The assumptions we used in making accounting estimates appropriately reflects our intent and ability to carry out specific courses of action on behalf of the entity, where relevant to the accounting estimates and disclosures.

- No subsequent event requires an adjustment to the accounting estimates and disclosures included in the financial statements.

## **Going Concern**

1. We have made you aware of any issues that are relevant to the Council's ability to continue as a going concern, including any significant conditions and events, our plans for future action, and the feasibility of those plans.

Yours sincerely

Sally Marshall  
Corporate Director (Finance & Governance)  
Section 151 Officer

Steve Baker  
Assistant Director (Chief Executive's Unit)  
Monitoring Officer

Roger Taylor  
Councillor  
Chair of Audit Committee