

REPORT OF: FINANCIAL SERVICES MANAGER
TO: ACCOUNTS AND AUDIT COMMITTEE
DATES: 31st July 2017

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LETTER OF REPRESENTATION 2016/17

PURPOSE OF REPORT

1. The purpose of this report is to inform the Accounts and Audit Committee of the requirement for the Financial Services Manager (as the Council's Section 151 Officer) to provide the External Auditors with a Letter of Representation in relation to the Council's Statement of Accounts for 2016/17.

RECOMMENDATIONS

It is recommended that:

- a) the Accounts and Audit Committee formally acknowledges the requirement for the Financial Services Manager to provide the External Auditors with a Letter of Representation in relation to the Statement of Accounts for 2016/17, and that
- b) the Chairman of the Committee countersigns the letter accordingly.

REASONS FOR RECOMMENDATION

2. To comply with the requirement to provide a Letter of Representation.

ISSUE

Background

3. To comply with relevant Auditing Standards, the Council's External Auditors require a 'Letter of Representation' from the person with specific responsibility for the financial statements which, in this Council, is the Financial Services Manager (as the officer designated under Section 151 of the Local Government Act 1972). The purpose of the letter is to obtain written representations on matters where the Auditors are relying on the judgement of management rather than corroborative evidence.

4. It is also a requirement that the letter is formally acknowledged by the appropriate Committee of the Council in relation to our Statement of Accounts (i.e. this Committee as the committee charged with governance). Given its remit, the Committee is requested to formally acknowledge the Letter of Representation in relation to the Statement of Accounts for 2016/17 and agree that the Chairman of the Committee signs the letter accordingly.
5. The draft Letter of Representation for 2016/17 is provided at [Appendix A](#).
6. Councillors should note that at the time of writing this report the audit by Grant Thornton had not concluded. The letter reflects the position as at the time of writing this report. Should this position change in the period up to the Committee the draft letter may need to be amended.
7. The letter does refer in paragraph xiii to unadjusted misstatements. This relates to the accounts reflecting the disposal of two property assets which were in fact still retained by the Council as at the 31st March 2017. The net book value of the assets total £349k. The accounts have not been adjusted for this as it is not considered material to the results of the Council and its financial position at the year-end. More information will be provided at the meeting.

IMPLICATIONS

Policy

8. There are no policy implications arising directly from the contents of this report.

Financial

9. There are no financial implications arising directly from the contents of this report.

Legal

10. There are no legal implications arising directly from the contents of this report.

Risk Management

11. There are no risk management implications arising from this report.

Health and Safety:

12. There are no health and safety issues arising from this report.

Sustainability:

13. There are no sustainability issues arising from this report.

Community Safety:

14. There are no community safety issues arising from this report.

Equality and Diversity:

15. There are no equality and diversity issues arising from this report.

APPENDICES

[Appendix A](#) – Letter of Representation 2016/17