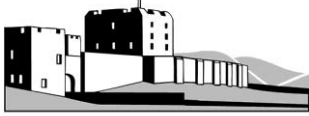


**CARLISLE**  
CITY COUNCIL



[www.carlisle.gov.uk](http://www.carlisle.gov.uk)

## **AUDIT COMMITTEE**

### ***Committee Report***

**Public**

**Date of Meeting:** 26<sup>th</sup> September 2012

**Title:** LETTER OF REPRESENTATION 2011/12

**Report of:** Director of Resources

**Report reference:** RD38/12

**Summary:**

The Audit of the Statement of Accounts for 2011/12 is substantially complete with the Auditors Annual Governance Report being considered elsewhere on the agenda. Following approval of that report, the Auditors will issue their formal opinion and the audit process for 2011/12 will be complete.

However, in accordance with Auditing Standards, a Letter of Representation must also be considered and approved by the Audit Committee before the audit opinion is provided. The Letter of Representation is attached to this report, and once approved, will be signed by the Director of Resources on behalf of the Council.

**Recommendations:**

The Committee is asked to approve the Letter of Representation for 2011/12, noting the unadjusted misstatement.

**Contact Officer:** Steven Tickner

**Ext:** 7280

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None

## Resources Directorate

### Financial Services

Director of Resources: Peter Mason CPFA

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**Please ask for:** Peter Mason  
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**Your ref:**  
**Our ref:** AT

26 September 2012

Dear Jackie

### **CARLISLE CITY COUNCIL – AUDIT FOR THE YEAR ENDED 31 MARCH 2012**

I confirm to the best of my knowledge and belief, having made appropriate enquiries of Directors and other officers of Carlisle City Council, the following representations given to you in connection with your audit of the Council's financial statements for the year ended 31 March 2012.

#### **Compliance with the statutory authorities**

I have fulfilled my responsibility under the relevant statutory authorities for preparing the financial statements in accordance with the Accounts and Audit (England) Regulations 2011 and the Code of Practice for Local Authority Accounting in the United Kingdom which give a true and fair view of the financial position and financial performance of the Council, for the completeness of the information provided to you, and for making accurate representations to you.

## **Uncorrected misstatement**

The effect of the uncorrected financial statements misstatement is not material to the financial statements. The misstatement has been discussed with those charged with governance within the Council. The reasons for not correcting this item are that it is not material, has no impact on Council Tax or General Fund Balance, the value and accounting treatment at 31 March 2012 is correct and the amount of work involved to make the correction would outweigh the benefit to the reader of the accounts.

## **Supporting records**

I have made available all relevant information and access to persons within the Council for the purpose of your audit. I have properly reflected and recorded in the financial statements all the transactions undertaken by the Council.

## **Internal Control**

I have communicated to you all deficiencies in internal control of which I am aware.

## **Irregularities**

I acknowledge my responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud or error.

I also confirm that I have disclosed:

- my knowledge of fraud, or suspected fraud, involving either management, employees who have significant roles in internal control or others where fraud could have a material effect on the financial statements;
- my knowledge of any allegations of fraud, or suspected fraud, affecting the Council's financial statements communicated by employees, former employees, analysts, regulators or others; and
- the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

## **Law, regulations, contractual arrangements and codes of practice**

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

Transactions and events have been carried out in accordance with law, regulation or other authority. The Council has complied with all aspects of contractual arrangements that could have a material effect on the financial statements in the event of non-compliance.

All known actual or possible litigation and claims, whose effects should be considered when preparing the financial statements, have been disclosed to the auditor and

accounted for and disclosed in accordance with the applicable financial reporting framework.

### **Accounting estimates including fair values**

I confirm the reasonableness of the significant assumptions used in making the accounting estimates, including those measured at fair value. For all accounting estimate, I confirm:

- the appropriateness of the measurement method, including related assumptions and models, and the consistency in application of the method;
- the assumptions appropriately reflect management's intent and ability to carry out specific courses of action on behalf of the Council, where relevant to the accounting estimates and disclosures;
- the disclosures relating to the accounting estimate are complete and appropriate under the Code; and
- that no subsequent event requires the Council to adjust the accounting estimate and related disclosures included in the financial statements.

### **Related party transactions**

I confirm that I have disclosed the identity of Carlisle City Council related parties and all the related party relationships and transactions of which I am aware. I have appropriately accounted for and disclosed such relationships and transactions in accordance with the requirements of the Code.

### **Subsequent events**

I have adjusted for or disclosed in the financial statements all relevant events subsequent to the date of the financial statements.

### **Signed on behalf of Carlisle City Council**

I confirm that this letter has been discussed and agreed by the Council's Audit Committee on 26 September 2012.

Yours sincerely

**P Mason**

Director of Resources

