

**Agenda Item No. 7
Appendix 2**

David Buckland
Director of Resources
tel: 01562 732100
fax: 01562 732104
email: david.buckland@wyreforestdc.gov.uk
my ref: DWB/PAH
your ref:
date: 28 September 2009

Elizabeth Cave,
The Business Centre ,
Blackpole Road,
WORCESTER.

Dear Liz,

Wyre Forest District Council - Audit for the year ended 31 March 2009.

I confirm to the best of my knowledge and belief, having made appropriate enquiries of other directors of Wyre Forest District Council, the following representations given to you in connection with your audit of the Council's financial statements for the year ended 31 March 2009. All representations cover the Council's accounts included within the financial statements.

Compliance with the statutory authorities

I acknowledge my responsibility under the relevant statutory authorities for preparing the financial statements in accordance with the Code of Practice for Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice which present fairly the financial position and financial performance of the Council and for making accurate representations to you.

Uncorrected misstatements

I confirm that I believe that the effects of the uncorrected financial statements misstatements listed in the attached schedule are not material to the financial statements, either individually or in aggregate. These misstatements have been discussed with those charged with governance within the Council and the reasons for not correcting these items are as follows :-

Single Site Fixed Asset Addition

We do not agree that this is an error; in our opinion these costs are in respect of work on the Single Site project and are legitimate capital expenditure;

David Buckland, Director of Resources

Resources Directorate
Duke House
Clensmore Street
Kidderminster
Worcestershire DY10 2JX

Revised Technical Guidance on Icelandic Investments

We agree this is a misstatement, not corrected, since it was received during September when work on the accounts was almost complete and was not material to the overall financial position.

Supporting records

All the accounting records have been made available to you for the purpose of your audit and all the transactions undertaken by the Council have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all Council meetings, have been made available to you.

Irregularities

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

There have been no:

- irregularities involving management or employees who have significant roles in the system of internal accounting control;
- irregularities involving other employees that could have a material effect on the financial statements; or
- communications from regulatory agencies concerning non-compliance with, or deficiencies on, financial reporting practices which could have a material effect on the financial statements.

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; and
- my knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.

Law, regulations, contractual arrangements and codes of practice

2 There are no instances of non-compliance with laws, regulations and codes of practice, likely to have a significant effect on the finances or operations of the Council.

- 3 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. There has been no non-compliance with requirements of regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.

Fair Values

- 4 I confirm the reasonableness of the significant assumptions within the financial statements. For Financial Instruments (including the Icelandic Investments) assumption, I confirm:
- the appropriateness of the measurement method;
 - the basis used by management to overcome the presumption under the financial reporting framework;
 - the completeness and appropriateness under the financial reporting framework; and
 - if subsequent events do not require adjustment to the fair value measurement.
- 5 Auditors should ensure that this covers all areas within the financial statements on which they seek to gain representation.

Compensating arrangements

There are no formal or informal compensating balancing arrangements with any of our cash and investment accounts.

Contingent liabilities

- 6 There are no other contingent liabilities, other than those that have been properly recorded and disclosed in the financial statements. In particular:
- there is no significant pending or threatened litigation, other than those already disclosed in the financial statements;
 - there are no material commitments or contractual issues, other than those already disclosed in the financial statements; and
 - no financial guarantees have been given to third parties.

Related party transactions

- 7 I confirm the completeness of the information disclosed regarding the identification of related parties.
- 8 The identity of, and balances and transactions with, related parties have been properly recorded and where appropriate, adequately disclosed in the financial statements.

Post balance sheet events

- 9 Since the date of approval of the financial statements by the Council, there have been two significant post balance sheet events that have occurred which require additional adjustment or disclosure in the financial statements. These relate to the receipt of two dividends on Icelandic Investments and the Retirement of the Chief Executive.
- 10 The Council has no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements. If adoption of the financial statements and the representation are on the same day this paragraph is not required.

Specific representations

- 11 There are no other material amounts relating to unfunded liabilities, curtailments or settlements of past service costs relating to pension provision other than those which have been properly recorded and disclosed in the financial statements.

Signed on behalf of Wyre Forest District Council

I confirm that the this letter has been discussed and agreed by the Audit Committee on 28 September 2009.

Signed: 

Name: David Buckland

Position: Director of Resources

Date: 28 September 2009

David Buckland, Director of Resources

Resources Directorate
Duke House
Clensmore Street
Kidderminster
Worcestershire DY10 2JX