



Exeter
City Council

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Please ask for: Dave Hodgson
Direct Dial: 01392 265292
Email: david.hodgson@exeter.gov.uk
Our ref: DH20140924
Your ref:
Date: 24 September 2014

Dear Sirs

Exeter City Council
Financial Statements for the year ended 31 March 2014

This representation letter is provided in connection with the audit of the group financial statements of Exeter City Council and its subsidiary undertakings as shown in appendix I to this letter for the year ended 31 March 2014 for the purpose of expressing an opinion as to whether the group financial statements give a true and fair view in accordance with International Financial Reporting Standards.

We confirm that to the best of our knowledge and belief having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Group Financial Statements

- i We have fulfilled our responsibilities for the preparation of the group financial statements in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in Great Britain ("the Code") as adapted for International Financial Reporting Standards; in particular the financial statements give a true and fair view in accordance therewith.
- ii We have complied with the requirements of all statutory directions and these matters have been appropriately reflected and disclosed in the group financial statements.
- iii The Council has complied with all aspects of contractual agreements that could have a material effect on the group financial statements in the event of non-compliance.
- iv We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
- v Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. In particular, we have made sufficient enquiries to satisfy ourselves that Property, Plant and Equipment not formally revalued in the year is fairly stated.

- vi We are satisfied that the material judgements used by us in the preparation of the group financial statements are soundly based, in accordance with the Code, and adequately disclosed in the group financial statements. There are no further material judgements that need to be disclosed.
- vii Except as stated in the group financial statements:
 - a there are no unrecorded liabilities, actual or contingent
 - b none of the assets of the Council has been assigned, pledged or mortgaged
 - c there are no material prior year charges or credits, nor exceptional or non-recurring items requiring separate disclosure.
- viii We confirm that we are satisfied that the actuarial assumptions underlying the valuation of pension scheme liabilities for IAS19 disclosures are consistent with our knowledge. We confirm that all settlements and curtailments have been identified and properly accounted for. We also confirm that all significant retirement benefits have been identified and properly accounted for.
- ix Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards and the Code.
- x All events subsequent to the date of the group financial statements and for which International Financial Reporting Standards and the Code require adjustment or disclosure have been adjusted or disclosed.
- xi Actual or possible litigation and claims have been accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards.
- xii We have adjusted the misstatements brought to our attention in the Audit Findings Report, as they are considered to be material to the results of the Council and its financial position at the year-end. The group financial statements are free of material misstatements, including omissions.
- xiii We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the group financial statements.
- xiv We believe that the group financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the group's needs. We believe that no further disclosures relating to the group's ability to continue as a going concern need to be made in the group financial statements.

Information Provided

- xv We have provided you with:
 - a access to all information of which we are aware that is relevant to the preparation of the group financial statements such as records, documentation and other matters;
 - b additional information that you have requested from us for the purpose of your audit; and
 - c unrestricted access to persons within the Council from whom you determined it necessary to obtain audit evidence.
- xvi We have communicated to you all deficiencies in internal control of which management is aware.
- xvii All transactions have been recorded in the accounting records and are reflected in the group financial statements.
- xviii We have disclosed to you the results of our assessment of the risk that the group financial statements may be materially misstated as a result of fraud.

- xix We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the Council and involves:
 - a management;
 - b employees who have significant roles in internal control; or
 - c others where the fraud could have a material effect on the financial statements.
- xx We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the Council's group financial statements communicated by employees, former employees, regulators or others.
- xxi We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing group financial statements.
- xxii We have disclosed to you the identity of the Council's related parties and all the related party relationships and transactions of which we are aware.
- xxiii We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the group financial statements.

Annual Governance Statement

- xxiv We are satisfied that the Annual Governance Statement (AGS) fairly reflects the Council's risk assurance and governance framework and we confirm that we are not aware of any significant risks that are not disclosed within the AGS.

Approval

The approval of this letter of representation was minuted by the Council's Audit and Governance Committee at its meeting on 24 September 2014.

Signed on behalf of the Council

Name.....

Position.....

Date.....

Name.....

Position.....

Date.....

List Of Exeter City Council Owned Companies

- Exeter Canal & Quay Trust
- Exeter Business Centre

List of Associates

- Exeter Science Park