

Huntingdonshire District Council

Report to those charged with governance

Report to the Corporate Governance Panel of the authority on the
audit for the year ended 31 March 2014 (*ISA (UK&I) 260*)

Government and
Public Sector

September 2014

DRAFT REPORT

Contents

Code of Audit Practice and Statement of Responsibilities of Auditors and of Audited Bodies

In April 2010 the Audit Commission issued a revised version of the 'Statement of responsibilities of auditors and of audited bodies'. It is available from the Chief Executive of each audited body. The purpose of the statement is to assist auditors and audited bodies by explaining where the responsibilities of auditors begin and end and what is to be expected of the audited body in certain areas. Our reports and management letters are prepared in the context of this Statement. Reports and letters prepared by appointed auditors and addressed to members or officers are prepared for the sole use of the audited body and no responsibility is taken by auditors to any Member or officer in their individual capacity or to any third party.

Executive summary	2
Audit approach	4
Significant audit and accounting matters	8
Internal controls	17
Risk of fraud	18
Fees update	20
Appendices	22
Appendix 1: Summary of uncorrected misstatements	23
Appendix 2: Letter of representation	24

An audit of the Statement of Accounts is not designed to identify all matters that may be relevant to those charged with governance. Accordingly, the audit does not ordinarily identify all such matters. We have issued a number of reports during the audit year, detailing the findings from our work and making recommendations for improvement, where appropriate.

Executive summary

Background

This report tells you about the significant findings from our audit. We presented our plan to you in March 2014; during the course of our final audit work we have reviewed this initial plan and reassessed the level of audit risk in relation to the non-domestic (NDR) appeals provision to “elevated”. We have assessed this as an elevated risk as the provision is material to the collection fund and there is inherent uncertainty regarding the balance given the lack of historic data in relation to appeals. Our initial understanding at the planning stage was that the potential exposure to the authority from movements in the NDR appeals provision was immaterial due to “safety net” arrangements with government below a certain level. Whilst the safety net arrangements do limit the authority’s net exposure, movements in this provision do potentially impact on individual lines within the accounts. The movement in the provision is also reflected in full in the disclosed Collection Fund.

In the light of recent revised guidance on our responsibilities in respect of use of resources, we have also reconsidered our risk assessment in relation to our Use of Resources Conclusion, specifically the arrangements in place at the Authority for securing financial resilience. The gap in the Authority’s Medium Term Financial Strategy, that is, the level of unidentified savings, is material. On that basis, we have included a new **significant** risk in our audit plan in relation to identification of the required savings, and have performed appropriate procedures to address this new significant risk. Note that this is a significant risk in respect of Use of Resources work only, not in our audit opinion on the Statement of Accounts.

Audit Summary

- We have completed the majority of our audit work and expect to be able to issue an unqualified audit opinion on the Statement of Accounts on 26 September 2014.
- The key outstanding matters as at 15 September 2014, where our work has commenced but is not yet finalised, are:
 - conclusion of our certification work over grant claims and returns;
 - review of the detailed disclosures in the final draft of the Statement of Accounts;
 - completion of our testing on Members allowances and Officers Emoluments;
 - review of the final Annual Governance Statement;
 - approval of the Statement of Accounts and letters of representation;
 - completion of our quality review procedures in relation to our Use of Resources conclusion;
 - completion of our review of the Whole of Government Accounts schedules; and
 - completion procedures including subsequent events review.
- There are four key judgments which require the Corporate Governance Panel’s attention – further details are set out commencing on pages 8-11.

Please note that this report will be sent to the Audit Commission in accordance with the requirements of its standing guidance. We look forward to discussing our report with you on 25 September 2014. Attending the meeting from PwC will be Clive Everest and Jacqui Dudley.

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Audit approach

Our audit approach was set in our audit plan which we presented to you in March 2014. This risk assessment has been updated as set out on page 2 above.

We have summarised below the significant risks we identified in our audit plan, the audit approach we took to address each risk and the outcome of our work. In our audit plan we also identified elevated risks in relation to the valuation of Leisure Centres and Council Tax Benefit reform. We have set out our findings in relation to these within the *Significant audit and accounting matters* section below.

Risk	Categorisation	Audit approach	Results of work performed
<p>Management override of controls</p> <p><i>ISA (UK&I) 240 requires that we plan our audit work to consider the risk of fraud, which is presumed to be a significant risk in any audit. In every organisation, management may be in a position to override the routine day to day financial controls. Accordingly, for all of our audits, we consider this risk and adapt our audit procedures accordingly.</i></p>	<p>Significant</p>	<p>We have performed procedures to:</p> <ul style="list-style-type: none"> • test the appropriateness of journal entries; • review accounting estimates for bias and evaluate whether circumstances producing any bias represent a risk of material misstatement due to fraud; • evaluate the business rationale underlying significant or unusual transactions; and • introduce an element of 'unpredictability' into the audit which varies year to year. 	<p>We found no significant matters to report to you in this context.</p>

Risk	Categorisation	Audit approach	Results of work performed
<p>Risk of fraud in revenue and expenditure recognition</p> <p><i>Under ISA (UK&I) 240 there is a presumption that there are risks of fraud in revenue recognition. We extend this presumption to the recognition of expenditure in local government.</i></p>	<p>Significant</p>	<p>We have performed procedures to:</p> <ul style="list-style-type: none"> • obtain an understanding of key revenue and expenditure controls related to recognition; • evaluate and test the accounting policy for income and expenditure recognition to ensure that it was consistent with the requirements of the Code of Practice on Local Authority Accounting; • considered the work we performed on management override in respect of journals that could affect revenue or expenditure recognition; and • test revenue and expenditure transactions, focussing on the areas we considered to be of greatest risk 	<p>We noted a cut-off error, where revenue which should have been recognised in 2013/14 had been omitted. This was for an immaterial amount however, although it was above our SUM level.</p> <p>We proposed an adjustment to management (detailed within appendix 1 of this report), which has not been corrected within the financial statements of the Council.</p> <p>We did not note any other issues in this area.</p>

Risk	Categorisation	Audit approach	Results of work performed
<p>Financial Resilience <i>Savings requirements as a result of increasing demand for services as well as a decrease in budget allocations from central government mean that the council has to find new and innovative ways to balance its budget through a number of measures including efficiencies, reductions in service provision, increased charging, alternative service delivery models and more.</i></p> <p><i>There is an increased risk that the Council finds it increasingly challenging to secure economy, efficiency and effectiveness in its use of resources and demonstrate that it is a financially resilient council.</i></p>	<p>Significant (for Use of resources opinion only, not Statement of Accounts opinion)</p>	<p>We will review your savings plan.</p> <p>We will consider how you manage the plan, and will investigate the reasons behind any significant variations from the plan.</p> <p>We will specifically consider:</p> <ul style="list-style-type: none"> • your record in delivering savings; • the governance structure in place to deliver the targets (including extent of Member involvement); • the level and extent of accountability; • project management arrangements; • monitoring and reporting; and • progress on delivering the plan. <p>We will consider the accounting implications of your savings plans and we will consider the impact of the efficiency challenge on the recognition of both income and expenditure.</p>	<p>We have obtained and reviewed the Medium Term Plan (MTP), including the assumptions utilised in identifying any funding gaps arising.</p> <p>The recurring funding gap identified each year of the MTP as presented to Cabinet in February 2014 is as follows:</p> <ul style="list-style-type: none"> - 2014/15: £1.0m - 2015/16: £1.8m - 2016/17: £1.7m - 2017/18: £2.4m - 2018/19: £2.9m <p>The total savings required over the first five years of the MTP are therefore £9.8m.</p> <p>We have considered and discussed the emerging savings options with officers, in order to understand the current plans to address the funding gap. We note that the plans are at various stages of development.</p> <p>The Council has £15.1m of usable reserves and maintains these at a prudent level determined by the Council (there is no minimum level set by policy).</p> <p>We have considered the Council's historic record in delivering savings; the monitoring and reporting arrangements in the place and the governance structure in place.</p> <p>In undertaking this work, we did not identify any matters in relation to the arrangements in place at the Council to secure financial resilience that would cause us to modify our Use of Resources conclusion. Clearly, however, the ongoing achievement of savings, together with the impact of future financial settlements should remain a key focus for the Council, notably to reach a point where the Council achieves a balanced budget and there is no further year-on-year reliance on historic reserves.</p>

Intelligent scoping

In our audit plan presented to you in March 2014, we reported our planned overall materiality which we used in planning the overall audit strategy, based upon total expenditure for 2012/13. Our materiality varied because we updated it for actual total expenditure for 2013/14; however our testing strategy remained unchanged.

Our revised materiality levels are as follows:

	£
Overall materiality	1,852,000
Clearly trivial reporting de minimis	91,000

Overall materiality has been set at 2% of actual expenditure for the year ended 31 March 2014.

ISA (UK&I) 450 (revised) requires that we record all misstatements identified except those which are “clearly trivial” i.e. those which we do expect not to have a material effect on the financial statements even if accumulated. We agreed the de minimis threshold with the Corporate Governance Panel at its meeting in March 2014.

Significant audit and accounting matters

Auditing Standards require us to tell you about relevant matters relating to the audit of the Statement of Accounts sufficiently promptly to enable you to take appropriate action.

Accounts

We have completed our audit, subject to the following outstanding matters:

- conclusion of certification work over grant claims and returns;
- review of the detailed disclosures in the final draft of the Statement of Accounts;
- completion of our testing on Members allowances and Officers Emoluments;
- review of the final Annual Governance Statement;
- approval of the Statement of Accounts and letters of representation;
- completion of our quality review procedures in relation to our Use of Resources conclusion;
- completion of our review of the Whole of Government Accounts schedules; and
- completion procedures including subsequent events review.

Subject to the satisfactory resolution of these matters, the finalisation of the Statement of Accounts and their approval of them we expect to issue an unqualified audit opinion.

As part of our work on the Statement of Accounts we have also examined the Whole of Government Accounts schedules submitted to the Department for Communities and Local Government and anticipate issuing an opinion stating in our

view they are consistent with the Statement of Accounts. This work remains ongoing at the time of writing and we will provide an oral update at the meeting on 25 September 2014.

Accounting issues

There are four matters that we wish to draw to your attention:

1. Valuation of property;
2. Estimation of the pension liability for the Local Government Pension Scheme;
3. Council tax benefit reform; and
4. Provision against non-domestic (NDR) appeals.

As set out in our audit plan presented to you in March 2014, we identified elevated risks regarding the accounting for property, plant and equipment, and in relation to the council tax benefit reform. Furthermore, as stated above, we have reassessed the risk in relation to the NDR appeals provision as elevated. As such, we report the results of our work in these three areas below.

This section also sets out our findings regarding the estimation of the pension liability for the Local Government Pension Scheme. This is a significant estimate within the financial statements, and there has been a change in accounting policy due to a revision of the accounting standard IAS 19.

1. Valuation of property

The Authority holds a significant property, plant and equipment (PP&E) portfolio and, in common with other authorities, each year a number of significant judgements are required in order to generate the figures in the financial statements.

The draft accounts include total PP&E with a net book value of £66.8m, largely made up of land and buildings (net book value of £49.3m). The Authority has utilised the expertise of an external valuation expert, Barker Storey Matthews (BSM), to value the Authority's PP&E and investment properties. Leisure Centres represent the largest element of the Council's estate, and these have been valued during 2013/14.

We have obtained the valuation report from BSM and as part of our audit procedures our valuation expert has considered the following items when reviewing the valuation:

- The valuer's qualifications, credentials and objectivity;
- The suitability of the methodology adopted in valuing the assets; and
- The key inputs in the valuations, where visible.

The audit team have validated the inputs into the valuation report including the site areas, with a particular focus on the Leisure Centres valued in the year. Based on our analysis, the key valuation inputs appear to fall within an acceptable range for land and buildings.

Where assets have not been re-valued in year, we have reviewed the Authority's impairment assessment, and evaluated whether the assets are held at an appropriate value in the accounts at the year-end. We have also reviewed the work performed by management to evidence that there have been no material upward changes to the carrying values. We have tested the accounting entries made in relation to revaluations and impairments.

We found no significant issues to report to you in this regard.

2. Estimation of the pension liability

The most significant estimate in the Statement of Accounts is in the valuation of net pension liabilities for employees in the Cambridgeshire County Council Pension Fund, of which Huntingdonshire District Council is an admitted body. We reviewed the reasonableness of the assumptions underlying the pension liability and we undertook audit work on the data supplied to the actuary on which to base their calculations. We have no matters to draw your attention to in this regard.

As part of our audit procedures we receive information under a protocol from the external auditors of the Cambridgeshire County Council Local Government Pension Scheme, which provides assurance over the existence and valuation of scheme assets in particular. Consistent with our *Report to the Corporate Governance Panel 2012/13*, we have again identified a difference between the estimated scheme assets used within the actuarial calculation and the actual scheme assets held by the pension fund as at 31 March 2014. In comparing the asset value per the actuary's report to the admitted body's share of the audited pension fund assets, we are comparing two estimates. In effect we are using the estimated percentage share of the audited assets figure to assess the reasonableness of the actuary's estimate. In our view as a firm, and consistent with the prior year, a reasonable threshold would be +/- 5% of the asset value. As the difference between the actuary's estimate of the total value of the fund and the audited total value of the fund falls within the +/- 5% threshold (actual difference is c.1.7%) it is deemed to be reasonable.

Changes to IAS 19: Employee Benefits

From 2013/14 there have been changes to the accounting for defined benefit schemes and termination benefits. These changes have been reflected in the Authority's financial statements as a prior period adjustment as required by accounting standards, and we have no issues to note in this regard.

3. Council tax benefit reform

From 1 April 2013, Council Tax Benefit (CTB) was replaced by local authorities' own council tax support and reduction schemes. Prior to the CTB reforms, national rules were set by the Government and therefore standard calculations and system parameters would have applied to the assessment and processing of all claims. Following the abolition of CTB, the Authority has introduced a Council Tax Support (CTS) scheme having set their own rules (subject to a number of restrictions imposed by the Government). Changes have therefore been made to claimants' entitlement and processes for assessment, and then to the underlying calculations and parameters within the Northgate system (which the Authority uses to process claims). Previously such system amendments have been part of a national system upgrade, but this year have been undertaken by the Authority reflecting their local rules.

We included this as an elevated risk within our Audit Plan, as there is a risk that the new scheme rules have not been appropriately implemented within the Authority's controls for assessing entitlement, or have not been effectively applied within Northgate, which would impact the accuracy of the CTS calculation.

As a new scheme has been introduced we have performed additional audit procedures this year to:

- Understand the criteria the Authority has set and the initial modelling performed to estimate the cost of the scheme;
- Review the accuracy of budget monitoring and reporting of CTS;
- Understand and evaluate the change processes and access to the Northgate system; and
- Review the parameters now used within the Northgate system.

We have also undertaken focused testing on a sample of transactions under the new arrangements. Council Tax

Benefit was previously subsidised by the Department for Work and Pensions (DWP) and we undertook certification work on behalf of the Audit Commission as part of the Housing and Council Tax Benefit Return (BEN01). This work was also leveraged to support our work on the audit opinion. However, due to the localisation of schemes the Audit Commission has revised its certification instructions (as DWP involvement ceased with the new CTS schemes) and we have therefore needed to perform additional detailed testing procedures as part of the financial statements' audit to gain assurance over the accuracy, completeness, cut-off and existence of a sample of Council Tax Support claims.

We have no issues to report regarding our additional work performed on the Northgate system or on the Council Tax Support claims balance included within the financial statements.

4. Provision against non-domestic rates appeals

As noted within our audit plan presented in March 2014, there have been changes to the collection of non-domestic rates (NDR) and that the Council would be required to recognise a provision for appeals against the rateable value upon which NDR is paid. We have since reassessed the provision as an elevated risk, as the balance is material to the collection fund and there is an inherent uncertainty in this balance due to the limited historical information on which to base the provision. The net exposure from this provision to the overall outturn for the Authority is limited to an immaterial level by a "safety net" arrangement with central government, and hence we have concluded that this provision, will materially uncertain, does not represent a significant audit risk.

NDR income is collected by the Council from every business based in the Huntingdonshire jurisdiction. From 1 April 2013, the amount collected is split between the Government (50%), Cambridgeshire County Council (9%), Cambridgeshire Fire and Rescue Authority (1%), with 40% retained by the Council.

Businesses can appeal against the rateable value set on their properties and due to the split set out above 40% of the risk in relation to these appeals sits with the Council. Appeals can result in the Council having to repay an element of the NDR income they have collected to the local business in question. Furthermore, appeals can be backdated meaning that the council will have to issue a refund for more than one year's income. We understand there is also a considerable backlog in government processing appeals.

As this is a new estimate which has not been recorded in previous years, the Council were given the option within the CIPFA Code to recognise appeals in respect of previous years spread over a 5 year period. The Council chose not to take this approach and have recognised the full provision in 2013/14 for appeals relating to current and previous years.

Government has put in place a "safety net" level for all Councils; in the event that the Council's share of the NDR income falls below this threshold, Government will make a payment to reimburse the Council. As a result of the appeals provision, the Council has recognised a significant cost in 2013/14 and has invoked the safety net. The payment calculated based on the current provision is £1.0m.

The total provision stated in the Collection Fund of the Council's draft financial statements is £5.1m. £1.6m of this balance is in relation to appeals from 2013/14, and £3.5m is in relation to appeals from previous years.

The Council recognises in its financial statements only 40% of this provision (as it collects only 40% of income as previously stated), and therefore the provision in the financial statements at year end for the council is £2.1m.

In light of the income protection scheme outlined above, this leaves the council with a net cost of £1.1m (£2.1m less £1.0m) in the current year.

The Council engaged a firm of experts to assist in calculating the value of the provision, since there was no provision in previous years to base the figure on.

We have assessed the Council's assumptions and basis of the calculation of the provision, and deem these to be reasonable. We have also benchmarked the Council's provision as a proportion of total NDR collected against other local Councils and the provision falls within the average range. We have run sensitivity analyses on the level of the provision and, due to the safety net arrangement, any increase or decrease in the provision in the council's accounts would be offset by a payment or levy from government and therefore has no net impact on the general fund.

We highlight that the provision figure in the Collection Fund and the proportion recognised by HDC is uncertain, as is the actual level of government safety net debtor, however, the net of these two amounts is not material to the Councils' accounts. This is disclosed as an estimate with sensitivities in the accounts.

The Council have not included a provision in respect of any amounts for claimants who have not come forward and lodged an appeal. We are aware that some other Councils have recognised an additional provision, and there is disagreement nationally over the appropriateness of this treatment. However, as noted above any increase in provision would be offset by a safety net payment and therefore would have nil net effect on the Councils reserves.

Our work performed over this area has not identified any issues, other than that the provision was initially recognised within "Short Term Liabilities" not "Provisions" within the draft financial statements. We proposed an adjustment in respect of this – which management agreed to apply to the final set of financial statements. Further details are outlined in Appendix 1.

Misstatements and significant audit adjustments

We have to tell you about all uncorrected misstatements we found during the audit, other than those which are trivial. See Appendix 1.

We also bring to your attention the misstatements set out in Appendix 1 to this report which have been corrected by management but which we consider you should be aware of in fulfilling your governance responsibilities.

Significant accounting principles and policies

Significant accounting principles and policies are disclosed in the notes to the Statement of Accounts. We will ask management to represent to us that the selection of, or changes in, significant accounting policies and practices that have, or could have, a material effect on the Statement of Accounts have been considered.

Management representations

The final draft of the representation letter that we ask management to sign is attached in Appendix 2.

In addition to the standard representations we have, as in 2012/13, requested specific representations on use of valuation experts.

Judgments and accounting estimates

The Authority is required to prepare its financial statements in accordance with the CIPFA Code. Nevertheless, there are still many areas where management need to apply judgement to the recognition and measurement of items in the financial statements.

We have reviewed the Authority's accounting policies and estimates, and significant matters arising which we wish to

draw to the attention of the Corporate Governance Panel are described in detail above.

Related parties

In forming an opinion on the financial statements, we are required to evaluate:

- whether identified related party relationships and transactions have been appropriately accounted for and disclosed; and
- whether the effects of the related party relationships and transactions cause the financial statements to be misleading.

We have performed additional procedures including review of declarations of interests, internet searches for Directorships and review of expenditure listings as part of our work to consider the completeness of material related party disclosures.

Our external searches did reveal some parties related to the Council which management did not identify in their working papers. This arose where the Council has representative members on the Boards/Governing Bodies of local organisations and in accordance with the CIPFA Code have significant influence over the entity. Significant influence is defined as "the power to participate in the financial and operating policy decisions of an authority, but not control those policies", and therefore we deem that these roles meet the related party definition. Our testing did not identify any material undisclosed related party transactions. However, as these are all nominee positions we do not consider this to be significant weakness, but given reputational and fraud risks associated with related parties, we have recommended that these transactions be more closely controlled and disclosed.

Included in the letter of representation, is a representation that the list of related parties disclosed in the financial statements is complete and accurate.

Audit independence

We are required to follow both the International Standard on Auditing (UK and Ireland) 260 (Revised) “Communication with those charged with governance”, UK Ethical Standard 1 (Revised) “Integrity, objectivity and independence” and UK Ethical Standard 5 (Revised) “Non-audit services provided to audited entities” issued by the UK Auditing Practices Board.

Together these require that we tell you at least annually about all relationships between PricewaterhouseCoopers LLP in the UK and other PricewaterhouseCoopers’ firms and associated entities (“PwC”) and the Authority that, in our professional judgement, may reasonably be thought to bear on our independence and objectivity.

Relationships between PwC and the Authority

We are not aware of any relationships that, in our professional judgement, may reasonably be thought to bear on our independence and objectivity and which represent matters that have occurred during the financial year on which we are to report or up to the date of this document.

Relationships and Investments

We have not identified any potential issues in respect of personal relationships with the Authority or investments in the Authority held by individuals.

Employment of PricewaterhouseCoopers staff by the Authority

We are not aware of any former PwC partners or staff being employed, or holding discussions in respect of employment, by the Authority as a director or in a senior management position covering financial, accounting or control related areas.

Business relationships

We have not identified any business relationships between PwC and the Authority.

Services provided to the Authority

The audit of the Statement of Accounts is undertaken in accordance with the UK Firm’s internal policies. The audit is also subject to other internal PwC quality control procedures such as peer reviews by other offices.

In addition to the audit of the Statement of Accounts, we have also undertaken work to form our value for money conclusion and have undertaken certification of claims and returns, as required by the Audit Commission.

Fees

The analysis of our audit and non-audit fees for the year ended 31 March 2014 is included on page 17. In relation to the non-audit services provided, none included contingent fee arrangements.

Services to Directors and Senior Management

PwC does not provide any services e.g. personal tax services, directly to directors, senior management.

Rotation

It is the Audit Commission's policy that engagement leaders at an audited body at which a full Code audit is required to be carried out should act for an initial period of five years. The Commission’s view is that generally the range of regulatory safeguards it applies within its audit regime is sufficient to reduce any threats to independence that may otherwise arise at the end of this period to an acceptable level. Therefore, to safeguard audit quality, and in accordance with APB Ethical Standard 3, it will subsequently approve engagement leaders for an additional period of up to no more than two years, provided that there are no considerations that compromise, or could be perceived to compromise, the auditor’s independence or objectivity.

Gifts and hospitality

We have not identified any significant gifts or hospitality provided to, or received from, a member of Authority's Cabinet, senior management or staff.

Conclusion

We hereby confirm that in our professional judgement, as at the date of this document:

- we comply with UK regulatory and professional requirements, including the Ethical Standards issued by the Auditing Practices Board; and
- our objectivity is not compromised.

We would ask the Corporate Governance Panel to consider the matters in this document and to confirm that they agree with our conclusion on our independence and objectivity.

Annual Governance Statement

Local Authorities are required to produce an Annual Governance Statement (AGS), which is consistent with guidance issued by CIPFA / SOLACE: "Delivering Good Governance in Local Government". The AGS was included in the Statement of Accounts.

We reviewed the AGS to consider whether it complied with the CIPFA / SOLACE "Delivering Good Governance in Local Government" framework and whether it is misleading or inconsistent with other information known to us from our audit work. We found no major areas of concern to report in this context, but have fed back some comments for the final draft. We are awaiting receipt of the final draft to perform our final checks.

Economy, efficiency and effectiveness

Our value for money code responsibility requires us to carry out sufficient and relevant work in order to conclude on whether the Authority has put in place proper arrangements to secure economy, efficiency and effectiveness in the use of resources.

The Audit Commission guidance includes two criteria:

- The organisation has proper arrangements in place for securing financial resilience; and
- The organisation has proper arrangements for challenging how it secures economy, efficiency and effectiveness.

We determine a local programme of audit work based on our audit risk assessment, informed by these criteria and our statutory responsibilities.

In our Audit Plan presented to you in March 2014, we assessed that the Authority's financial resilience regarding savings plans was an **elevated** risk. Following recent guidance from the Commission, we have reassessed our approach nationally to reconsider the risk of financial resilience at local authorities over a longer time frame, given the financial outlook in the sector and the Audit Commission's guidance. As a result we have subsequently, reassessed this as a **significant** risk for the Council, due to the material budget gaps identified in the Authority's medium term financial strategy.

We have completed our work, subject to the following outstanding matters:

- completion of our quality review procedures in relation to our Use of Resources conclusion.

Subject to the satisfactory resolution of these matters we expect to issue an unqualified value for money conclusion.

As set out on page 4 above, we have obtained and reviewed the Medium Term Plan (MTP), including the assumptions utilised in identifying any funding gaps arising.

The recurring funding gap identified each year of the MTP as presented to Cabinet in February 2014 is as follows:

- 2014/15: £1.0m
- 2015/16: £1.8m
- 2016/17: £1.7m
- 2017/18: £2.4m
- 2018/19: £2.9m

The total savings required over the first five years of the MTP are therefore £9.8m.

We have considered and discussed the emerging savings options with officers, in order to understand the current plans to address the funding gap. We note that the plans are at various stages of development.

The Council has £15.1m of usable reserves and maintains these at what they believe is a prudent level determined by the Council (there is no minimum level set by policy).

We have considered the Council's historic record in delivering savings; the monitoring and reporting arrangements in the place and the governance structure in place.

In undertaking this work, we did not identify any matters, in relation to the arrangements in place at the Council to secure financial resilience that would cause us to modify our Use of Resources conclusion. Clearly, however, the ongoing achievement of savings, together with the impact of future financial settlements should remain a key focus for the Council, not least as the Council cannot continue to reach financial balance through the use of historic reserves.

In our *Report to the Corporate Governance Panel 2012/13*, we outlined four matters we wished to raise to your attention:

1. Financial position;
2. Project management;
3. Procurement and contracting; and
4. Culture of control and compliance.

We have assessed the Council's progress against these findings and note that actions have been taken in all four areas, and that these are in varying degrees of development.

We have set out our findings regarding the financial position within the MTP above. As regards the Council's budgeting and financial management, we also note that the Council will be performing a zero-based budgeting exercise for 2015/16. Whilst this was not in place in 2014/15, we welcome the introduction of this approach for 2015/16 and the additional rigour this will bring to the Council's budgeting and cost control.

From the work we have performed, we have not identified any new areas of concern within project management or procurement and contracting. The Council has implemented further controls in relation to the application of the procurement framework, as well as further reporting mechanisms being put in place. We note however that there have been no major outsourcing or shared services introduced in the year, and that the implementation of the Council's new arrangements has yet to be tested in practice. We will therefore continue to review these matters as part of our ongoing responsibilities in line with the Code.

A new management structure has also been put into place by the Managing Director, and we understand all the roles have now been appointed to, after a period of considerable change, with a number of senior vacant posts. We have discussed with the Managing director her plans and actions to date to drive a stronger culture of compliance and control. The

Council has made progress, but we note that change of this nature takes time, and that work continues with the introduction of the new management team. We have nothing new however to raise this year regarding the culture of control and compliance, but note that this is a period of change for the Council whilst new structures, processes and procedures are embedded across the Council.

Progress is therefore being made against each of our findings, however these will continue to be areas of focus for the Council in the medium term.

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Internal controls

Accounting systems and systems of internal control

Management are responsible for developing and implementing systems of internal financial control and to put in place proper arrangements to monitor their adequacy and effectiveness in practice. As auditors, we review these arrangements for the purposes of our audit of the Statement of Accounts and our review of the annual governance statement.

Reporting requirements

We have to report to you any deficiencies in internal control that we found during the audit which we believe should be brought to your attention. We have not identified any significant control deficiencies. As detailed above, we have identified a significant deficiency regarding identification of related parties. This is set out in the table below.

We will report less significant internal control issues separately to management, agree an action plan where relevant and follow up the matters as part of our audit procedures in 2014/15.

Summary of internal control deficiencies

Deficiency	Recommendation	Management's response
<p>Related parties</p> <p>The Council has not identified all related parties as they have excluded any appointed/nominated positions of members to other local organisations. However, we deem that these meet the definition of related parties given in the Code.</p> <p>There is a risk that if management does not identify all related parties that they could therefore not adequately control these or identify the associated related party transactions that need to be disclosed, exposing the Council to reputational risks</p>	<p>The Council should extend their related party identification procedures to include all nominated/appointed roles and then consider whether any material transactions have occurred which would need to be disclosed.</p>	<p>Agreed/Not Agreed</p> <p>Action:</p> <p>Owner:</p> <p>Timescale:</p>

Risk of fraud

International Standards on Auditing (UK&I) state that we, as auditors, are responsible for obtaining reasonable assurance that the financial statements taken as a whole are free from material misstatement, whether caused by fraud or error. The respective responsibilities of auditors, management and those charged with governance are summarised below:

Auditors' responsibility

Our objectives are:

- to identify and assess the risks of material misstatement of the financial statements due to fraud;
- to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and
- to respond appropriately to fraud or suspected fraud identified during the audit.

Management's responsibility

Management's responsibilities in relation to fraud are:

- to design and implement programmes and controls to prevent, deter and detect fraud;
- to ensure that the entity's culture and environment promote ethical behaviour; and
- to perform a risk assessment that specifically includes the risk of fraud addressing incentives and pressures, opportunities, and attitudes and rationalisation.

Responsibility of the Corporate Governance Panel

Your responsibility as part of your governance role is:

- to evaluate management's identification of fraud risk, implementation of anti-fraud measures and creation of appropriate "tone at the top"; and
- to investigate any alleged or suspected instances of fraud brought to your attention.

Your views on fraud

In our audit plan presented to the Corporate Governance Panel in March 2014 we enquired:

- Whether you have knowledge of fraud, either actual, suspected or alleged, including those involving management?
- What fraud detection or prevention measures (e.g. whistle-blower lines) are in place in the entity?
- What role you have in relation to fraud?
- What protocols / procedures have been established between those charged with governance and management to keep you informed of instances of fraud, either actual, suspected or alleged?

In presenting this report to you we ask for your confirmation that there have been no changes to your view of fraud risk and that no additional matters have arisen that should be brought to our attention. A specific confirmation from management in relation to fraud is included in the letter of representation.

The Fraud Triangle

Conditions under which fraud may occur

Management or other employees have an incentive or are under pressure

Incentive / pressure

**Why
commit
fraud?**

Opportunity

Circumstances exist that provide opportunity – ineffective or absent control, or management ability to override controls

Rationalisation/attitude

Culture or environment enables management to rationalise committing fraud – attitude or values of those involved, or pressure that enables them to rationalise committing a dishonest act

Fees update

Fees update for 2013/14

We reported our fee proposals in our plan.

We noted in our audit plan that we anticipated the Audit Commission reducing the certification fee for the Housing and Council Tax Benefit return to reflect the fact that arrangements for Council tax benefits have been localised in 2013/14. We also anticipated that the LAO1 (National Non Domestic rates) claim would no longer require certification given the localisation of Business Rates.

Both of these reductions in certification fees came to fruition after we issued our audit plan to you.

We also expected that we would need to obtain audit comfort over Council Tax Benefit expenditure and Business Rates income in the statement of accounts from additional audit procedures over these items. We have undertaken additional work in this regard which included:

- Testing a sample of council tax support claims to the underlying documentation and policy as set out by the Council;
- Testing the Business Rates appeals provision contained in the financial statements for reasonableness; and
- Testing Business Rates income back to Valuation Office Agency information, supporting documentation and bank records.

We are working with the Audit Commission to quantify the effect on fee levels for this Council in the context of the national picture and will update the Corporate Governance Panel regarding the impact on this Council's audit fee in due course.

In addition, due to the introduction of council tax support scheme as a new scheme in year we have also performed additional work to:

- Understand the criteria the Authority has set and the initial modelling performed to estimate the cost of the scheme;
- Review the accuracy of budget monitoring and reporting of CTS;
- Understand and evaluate the change processes and access to the Northgate system; and
- Review the parameters now used within the Northgate system.

In addition to the matters flagged in the audit plan, we will also vary our fee due to additional testing performed in the following areas:

- Testing the appeals provision for non-domestic rates as an elevated risk;
- Additional revenue testing due to cut off error (as reported within the accounting issues section); and
- Additional work required due to changes in the national financial resilience criteria, and the resultant change from an elevated to significant risk for our Use of resources work..

In our capacity as appointed auditors, we are also required to consider questions and objections raised by local electors. We have been required to work to consider certain matters brought to our attention. We believe these have been resolved and there are no points we need to bring to your attention. These matters and the additional work performed during the audit of the financial statements have been

discussed with management and we will be proposing an additional fee and agreeing this with you and the Audit Commission in due course.

Our fee for certification of grants and claims is yet to be finalised for 2013/14 and will be reported to those charged with governance in February 2015 within the Certification Report to Management in relation to 2013/14 grants. Within this fee we anticipate that we will need to seek a variation to perform '40+' testing for the certification of the Housing Benefit return. This work is ongoing at the time of writing this report and we will therefore update the Corporate Governance Panel in due course.

At the time of issuing our Audit Plan, we were in the process of agreeing the final fee for the certification of grants and claims for 2012/13 with the Audit Commission. This has since been agreed and the final fee was £20,884. This compares to our estimated fee for 2012/13 of £23,378, and our actual fee for 2011/12 of £35,000.

Appendices

Appendix 1: Summary of uncorrected misstatements

We found the following misstatements during the audit that have not been adjusted by management. You are requested to consider these formally and determine whether you would wish the accounts to be amended. If the misstatements are not adjusted we will need a written representation from you explaining your reasons for not making the adjustments. Our reporting level was set at £91,000.

No	Description of misstatement (factual, judgemental, projected)		Income statement		Balance sheet	
			Dr	Cr	Dr	Cr
Uncorrected misstatements			Dr	Cr	Dr	Cr
1	Dr Accounts Receivable Cr Revenue Being an adjustment to correct errors discovered as a result of cut-off testing	F	-	96,012	96,012	-
Total uncorrected misstatements			-	96,012	96,012	-
Corrected misstatements			Dr	Cr	Dr	Cr
2	Dr Short Term Creditors Cr Provisions Being the reclassification of the NDR appeals provision from accruals to provisions	F	-	-	2,054,000	2,054,000
Total Corrected misstatements			-	-	2,054,000	2,054,000

Disclosure adjustment – removal of the contingent asset within Note 40 relating to the refund of VAT relating to off-street parking as the inflow of future economic benefits is no longer deemed probable.

Appendix 2: Letter of representation

[Entity letterhead]

PricewaterhouseCoopers LLP

10 Bricket Road,
St Albans,
Hertfordshire
AL1 3JX

Dear Sirs

Representation letter – audit of Huntingdonshire District Council’s (the Authority) Statement of Accounts for the year ended 31 March 2014

Your audit is conducted for the purpose of expressing an opinion as to whether the Statement of Accounts of the Authority give a true and fair view of the affairs of the Authority as at 31 March 2014 and of its surplus and cash flows for the year then ended and have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2013/14 supported by the Service Reporting Code of Practice 2013/14.

I acknowledge my responsibilities as Chief Financial Officer for preparing the Statement of Accounts as set out in the Statement of Responsibilities for the Statement of Accounts. I also acknowledge my responsibility for the administration of the financial affairs of the authority and that I am responsible for making accurate representations to you.

I confirm that the following representations are made on the basis of enquiries of other chief officers and members of the Authority with relevant knowledge and experience and, where appropriate, of inspection of supporting documentation sufficient to satisfy myself that I can properly make each of the following representations to you.

I confirm, to the best of my knowledge and belief, and having made the appropriate enquiries, the following representations:

Statement of Accounts

- I have fulfilled my responsibilities for the preparation of the Statement of Accounts in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2013/14 supported by the Service Reporting Code of Practice 2013/14; in particular the Statement of Accounts give a true and fair view in accordance therewith.
- All transactions have been recorded in the accounting records and are reflected in the Statement of Accounts.
- Significant assumptions used by the Authority in making accounting estimates, including those surrounding measurement at fair value, are reasonable.

- All events subsequent to the date of the Statement of Accounts for which the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2013/14 requires adjustment or disclosure have been adjusted or disclosed.
- The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the Statement of Accounts as a whole. A list of the uncorrected misstatements is attached to this letter as Appendix 2.

Information Provided

- I have taken all the steps that I ought to have taken in order to make myself aware of any relevant audit information and to establish that you, the authority's auditors, are aware of that information.
- I have provided you with:
 - access to all information of which I am aware that is relevant to the preparation of the Statement of Accounts such as records, documentation and other matters, including minutes of the Authority and its committees, and relevant management meetings;
 - additional information that you have requested from us for the purpose of the audit; and
 - unrestricted access to persons within the Authority from whom you determined it necessary to obtain audit evidence.
- So far as I am aware, there is no relevant audit information of which you are unaware.

Accounting policies

I confirm that I have reviewed the Authority's accounting policies and estimation techniques and, having regard to the possible alternative policies and techniques, the accounting policies and estimation techniques selected for use in the preparation of Statement of Accounts are appropriate to give a true and fair view for the authority's particular circumstances.

Fraud and non-compliance with laws and regulations

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

I have disclosed to you:

- the results of our assessment of the risk that the Statement of Accounts may be materially misstated as a result of fraud.
- all information in relation to fraud or suspected fraud that we are aware of and that affects the Authority and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the Statement of Accounts.
- all information in relation to allegations of fraud, or suspected fraud, affecting the Authority's Statement of Accounts communicated by employees, former employees, analysts, regulators or others.
- all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing Statement of Accounts.

I am not aware of any instances of actual or potential breaches of or non-compliance with laws and regulations which provide a legal framework within which the Authority conducts its business and which are central to the authority's ability to conduct its business or that could have a material effect on the Statement of Accounts.

I am not aware of any irregularities, or allegations of irregularities including fraud, involving members, management or employees who have a significant role in the accounting and internal control systems, or that could have a material effect on the Statement of Accounts.

Related party transactions

I confirm that the attached appendix to this letter is a complete list of the Authority's related parties. All transfer of resources, services or obligations between the Authority and these parties have been disclosed to you, regardless of whether a price is charged. We are unaware of any other related parties, or transactions between disclosed related parties.

Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Section 3.9 of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2013/14.

We confirm that we have identified to you all senior officers, as defined by the Accounts and Audit Regulations 2011, and included their remuneration in the disclosures of senior officer remuneration.

Employee Benefits

I confirm that we have made you aware of all employee benefit schemes in which employees of the authority participate.

Contractual arrangements/agreements

All contractual arrangements (including side-letters to agreements) entered into by the Authority have been properly reflected in the accounting records or, where material (or potentially material) to the statement of accounts, have been disclosed to you.

Litigation and claims

I have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the statement of accounts and such matters have been appropriately accounted for and disclosed in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2013/14.

Taxation

I have complied with UK taxation requirements and have brought to account all liabilities for taxation due to the relevant tax authorities whether in respect of any direct tax or any indirect taxes. I am not aware of any non-compliance that would give rise to additional liabilities by way of penalty or interest and I have made full disclosure regarding any Revenue Authority queries or investigations that we are aware of or that are ongoing.

In particular:

- In connection with any tax accounting requirements, I am satisfied that our systems are capable of identifying all material tax liabilities and transactions subject to tax and have maintained all documents and records required to be kept by the relevant tax authorities in accordance with UK law or in accordance with any agreement reached with such authorities.
- I have submitted all returns and made all payments that were required to be made (within the relevant time limits) to the relevant tax authorities including any return requiring us to disclose any tax planning transactions that have been undertaken for the authority's benefit or any other party's benefit.
- I am not aware of any taxation, penalties or interest that are yet to be assessed relating to either the authority or any associated company for whose taxation liabilities the authority may be responsible.

Bank accounts

I confirm that I have disclosed all bank accounts to you including those that are maintained in respect of the pension fund.

Subsequent events

There have been no circumstances or events subsequent to the period end which require adjustment of or disclosure in the statement of accounts or in the notes thereto.

Assets and liabilities

- The Authority has no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the Statement of Accounts.
- In my opinion, on realisation in the ordinary course of the business the current assets in the balance sheet are expected to produce no less than the net book amounts at which they are stated.
- The Authority has no plans or intentions that will result in any excess or obsolete inventory, and no inventory is stated at an amount in excess of net realisable value.
- The Authority has satisfactory title to all assets and there are no liens or encumbrances on the Authority's assets, except for those that are disclosed in the Statement of Accounts.
- I confirm that we have carried out impairment reviews appropriately, including an assessment of when such reviews are required, where they are not mandatory. I confirm that we have used the appropriate assumptions with those reviews.
- Details of all financial instruments, including derivatives, entered into during the year have been made available to you. Any such instruments open at the year-end have been properly valued and that valuation incorporated into the statement of accounts. When appropriate, open positions in off-balance sheet financial instruments have also been properly disclosed in the Statement of Accounts.

Financial Instruments

- All embedded derivatives have been identified and appropriately accounted for under the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2013/14.
- Where hedging relationships have been designated as either firm commitments or highly probable forecast transactions, I confirm that our plans and intentions are such that these relationships qualify as genuine hedge arrangements.
- Where fair values have been assigned to financial instruments, I confirm that the valuation techniques, the inputs to those techniques and assumptions that have been made are appropriate and reflect market conditions at the balance sheet date, and are in line with the business environment in which we operate.

Retirement benefits

- All retirement benefits that the Authority is committed to providing, including any arrangements that are statutory, contractual or implicit in the authority's actions, wherever they arise, whether funded or unfunded, approved or unapproved, have been identified and properly accounted for and/or disclosed.
- All settlements and curtailments in respect of retirement benefit schemes have been identified and properly accounted for.
- The following actuarial assumptions underlying the valuation of retirement benefit scheme liabilities are consistent with my knowledge of the business and in my view would lead to the best estimate of the future cash flows that will arise under the scheme liabilities:

Rate of inflation	2.8%
Rate of Increase in Salaries	4.6%
Rate of Increase of Pensions	2.8%
Discount Rate	4.3%
Longevity at 65 for current pensioners	
Men	22.5
Women	24.5
Longevity at 65 for future pensioners	
Men	24.4
Women	26.9

- The authority participates in the Teachers' Pension Scheme that is a defined benefit scheme. I confirm that the authority's share of the underlying assets and liabilities of this scheme cannot be identified and as a consequence the scheme has been accounted for as a defined contribution scheme.

Using the work of experts

I agree with the findings of Baker Storey Matthews, experts in evaluating the valuation of property and have adequately considered the competence and capabilities of the experts in determining the amounts and disclosures used in the preparation of the Statement of Accounts and underlying accounting records. The Authority did not give or cause any instructions to be given to experts with respect to the values or amounts derived in an attempt to bias their work, and I am not otherwise aware of any matters that have had an impact on the objectivity of the experts.

I also agree with the work performed by Inform CPI - Analyse Local over the Non Domestic Rates appeals provision and have adequately considered the competence and capabilities of the experts in determining the amounts and disclosures used in the preparation of the Statement of Accounts

and underlying accounting records. The Authority did not give or cause any instructions to be given to experts with respect to the values or amounts derived in an attempt to bias their work, and I am not otherwise aware of any matters that have had an impact on the objectivity of the experts. The figure stated in the Chart of Accounts and in the Collection Fund is a best estimate based on the work performed by Inform CPI – Analyse Local.

Other matters

I have taken appropriate legal advice to satisfy myself that the accounting treatment adopted for the Local Authority Mortgage Scheme does not contravene the requirements of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003.

As minuted by the Corporate Governance panel at its meeting on 25 September 2014

.....

Chief Financial Officer – Head of Resources

For and on behalf of

Date

Appendix 1 - Related parties and related party transactions

Access 2 Ltd
 Action For Market Towns
 Alan Smith (St.Neots) Limited
 Alconbury Church of England Primary
 School
 Anglia Circuits, St Ives
 Anglian Water
 Bakeaway Ltd, Corby (Pastry Company)
 Barclays Bank Whittlesea
 Bid Huntingdon Ltd
 Blackfyne Ltd
 Boldfield Ltd
 Boston Borough Council
 Brampton Parish
 Buckden Surgery Patients Association
 Cambridgeshire Chambers of Commerce -
 Huntingdonshire Area
 Cambridgeshire Community Safety Strategic
 Board
 Cambridgeshire Consultative Group for the
 Fletton Brickworks Industry
 Cambridgeshire County Council
 Cambridgeshire Health and Well-Being
 Board
 Cambridgeshire Horizons Limited
 Cambridgeshire Older People's Partnership
 Board
 CGI
 Churchill House
 Civil Service Department
 CML Asian services
 Community Solutions (Cambs) Limited
 Conservative Association
 Conservative Party
 Co-Part Ltd
 David Campbell Bannerman MEP
 Derbyshire Dales District Council
 Development Management Panel
 Doctors Surgery, Church Street, Somersham
 Domestic Homicide Review Panel
 Duke of Edinburgh Award
 Eaton Ford and Priory Park
 Ellington Parish Council
 Employee Liaison Advisory Group
 Employment Panel - Chairman
 Environmental Advisory Group Inc
 Er & Ja Butler (Farming) Limited
 Farming, Stud and Livery Stable Business
 Fengrain Ltd
 Fenland Stoneworks Ltd
 Fenstanton Glebe Allotments

Fire Solutions (Fast 2 host)
 Francis scientific instruments ltd
 GL Profiles Dock Road Industrial Estate
 Godmanchester Town Council
 Great Fen Project Steering Group
 Great Paxton School
 Greater Cambridge And Greater
 Peterborough Enterprise Partnership
 Limited
 Greater London Authority
 Gulls Design Best Ltd
 H.C.Moss(Builders)Limited
 Hartford School
 Highways Agency
 Hinchingsbrooke School Association
 Huntingdon Association of Community
 Transport
 Huntingdon Business Against Crime
 Huntingdon Constituency Conservative
 Association
 Huntingdon Gym Club
 Huntingdon Regional College
 Huntingdon Volunteer Bureaux
 Huntingdonshire Community Safety
 Partnership
 Huntingdonshire Federation of Volunteer
 Bureaux
 Huntingdonshire Flood Forum
 Huntingdonshire Local Strategic
 Partnership
 Huntingdonshire Volunteer Centre
 Huntsman Leisure Ltd
 Internal Drainage Board
 Ite Builder
 Jag Express Ltd
 Jigsaw Coaching
 JM Housing Network (Housing
 Consultancy)
 John Lewis Plc
 Kimbolton School
 Kimbolton School Foundation
 King Borthers Lady Lodge Ltd
 Labour Party
 Laine Design
 LGA Rural Commission
 LGA Rural Policy Review Group
 Liberal Democrats Group
 Little Barford Power Station Liaison
 Committee
 Little Gransden Aerodrome Consultative
 Committee

Local Water Forum
Locking & Security Solutions Limited
London Borough of Camden
Lord Kalms
Luminus Homes Limited
Management Group - North Huntingdon
Meldire Limited
Metasphere Limited
Middle Level Commissioners
MOD, RAF Whiton
My Card Limited
Natural High Experience Limited
Neighbourhood Management Group -
Eynesbury
Neighbourhood Management Group - North
Huntingdon
Nene & Ouse Community Transport
Nick Guyatt (or Nicholas Guyatt)
Consultancy on Financial & Other Matters
Nottingham City Council
Novae Group PLC
Oak Foundation
Overview and Scrutiny Social Well-being
Panel
Oxmoor Community Action Group (OCAG)
Padgek Ltd
PE9 Solutions Ltd
Peter Reeve Associates Limited
Peterborough And District Funeral Services
Ltd.
Planning Officers Society
Pos Enterprises Ltd
POSE
Prima Vista Somersham Road
Prince's Youth Business Trust
Pro-Spray Automotive Finishes Ltd
Public Sector Consultants
Puma Distribution Limited
Ramsey Neighbourhood Trust Ltd
Red Tile Wind Farm Trust Fund Ltd.
Responsible Equity Release
Retrac Solutions Ltd
Retract Solutions
Rotary Club
Royal Town Planning Institute
Safety Advisory Group
Sawtry Community College
Separa Ltd
Sharp Planning Plus Limited
Shopmobility Trust
Smith Farrer Holdings Limited
Somersham & Earith Division
South Cambridgeshire District Council

South Holland District Council
Spinfloor
Spinflow Limited
St Andrews Nurseries
St Ives Town Council
St Ives Town Initiative
St Neots Development and Growth
Committee
St Peter's School Huntingdon
St. Ives Quadrilateral St. John's Ambulance
St. Ivo Leisure Centre Management
Committee
St. Neots Museum Limited
Standards Committee
Steve Criswell Garden Design
Stilton Children and Yong People's Facilities
Assn
The Association of Conservative Clubs
Limited
The Chapman Property Partnership
The Civic Trust
The Consultation on Treasury Matters
The Dales Trust
The National Retail Planning Forum
Towergate Insurance
Town Centre Management Initiatives
TPO Sub-Group
UK Independence Party
University of Cambridge
Vislark PLC
Vislink Plc
Wolverhampton City Council
Yaxley Festival Funding Limited

Appendix 2 – Summary of uncorrected misstatements

No	Description of misstatement (factual, judgemental, projected)	Income statement		Balance sheet	
		Dr	Cr	Dr	Cr
1	Dr Accounts Receivable Cr Revenue Being an adjustment to correct errors discovered as a result of cut-off testing	F -	- 96,012	96,012	-
Total uncorrected misstatements		-	96,012	96,012	-



In the event that, pursuant to a request which Huntingdonshire District Council has received under the Freedom of Information Act 2000, it is required to disclose any information contained in this report, it will notify PwC promptly and consult with PwC prior to disclosing such report. Huntingdonshire District Council agrees to pay due regard to any representations which PwC may make in connection with such disclosure and Huntingdonshire District Council shall apply any relevant exemptions which may exist under the Act to such report. If, following consultation with PwC, Huntingdonshire District Council discloses this report or any part thereof, it shall ensure that any disclaimer which PwC has included or may subsequently wish to include in the information is reproduced in full in any copies disclosed.

This document has been prepared only for Huntingdonshire District Council and solely for the purpose and on the terms agreed through our contract with the Audit Commission. We accept no liability (including for negligence) to anyone else in connection with this document, and it may not be provided to anyone else.

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