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PricewaterhouseCoopers LLP
10 Bricket Road,
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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 1.

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 Appendix 2 attached 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 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

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

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Clive Mason CPFA

Responsible Financial Officer – Head of Resources

For and on behalf of Huntingdonshire District Council

Date

Appendix 1

Summary of uncorrected misstatements

The following misstatement identified during the audit has not been adjusted by management.

This misstatement was due to Section 106 income not being accrued to 2013/14. The total adjustment was £96,012, which is only marginally above the “trivial” threshold set by the auditors of £91,000.

Following discussions with the auditors, as this was “almost” trivial, this has not been adjusted as the impact of this change would have had a disproportionate impact across many of the Main Statements and Disclosure Notes.

		Income Statement		Balance Sheet	
		Dr	Cr	Dr	Cr
Dr	Accounts Receivable			£96,012	
Cr	Revenue		£96,012		

Being an adjustment to correct errors discovered as a result of cut-off testing in respect of Section 106 grant.

Appendix 2

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
Anlian 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
Hinchingbrooke 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 TileWind 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