



*Proud of our past. Energised for our future.*

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Jackie Bellard  
District Auditor  
Audit Commission  
Aspinall Close  
Middlebrook  
Horwich  
Bolton  
BL6 6QQ

Dear Mrs Bellard

#### **Copeland Borough Council - Audit for the year ended 31 March 2012**

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

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

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

#### **Uncorrected misstatements**

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

- One termination benefit of £16,000 was not included within the 2011/12 accounts. The value is not material and the extent of work required to make the amendment would be disproportionate to the value involved. This amount will be included within the 2012/13 accounts;
- Depreciation of £260,000 not charged on sub-structures for the Civic Hall and the Beacon Centre. The value is not material and it has no impact on Council Tax or General Fund

balance. We have already agreed to review componentised asset lives in 2012/13 and related depreciation charges so limited value in making this amendment in 2011/12.

### **Supporting records**

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

### **Optional - Internal control**

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

### **Irregularities**

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

I also confirm that I have disclosed:

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

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

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

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

All known actual or possible litigation and claims, whose effects should be considered when preparing the financial statements, have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

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

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

For the accounting estimate, I confirm:

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

#### **Related party transactions**

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

#### **Subsequent events**

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

#### **Comparative financial statements**

A restatement of £1.359 million was made to correct a material misstatement in the prior period financial statements relating to the incorrect accounting treatment of accumulated depreciation on some assets re-valued in 2010/11. This affects the comparative information of all four primary statements as shown in Note 1 to the accounts. Written representations previously made in respect of the prior period remain appropriate.

Signed on behalf of Copeland Borough Council.

I confirm that this letter has been discussed and agreed by the Audit and Governance Committee on 20 September 2012.

Signed

Name	Darienne Law
Position	Head of Corporate Resources
Date	September 2012