

**Enquiries to:**  
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Neil Harris  
Ernst & Young LLP  
One Cambridge Business Park  
Cowley Road  
Cambridge  
CB4 0WZ

14 September 2016

Dear Mr Harris

## **Cambridge City Council - Audit for the 2015/16 year ended 31 March 2016**

I confirm to the best of my knowledge and belief, having made appropriate enquiries of other officers and members of Cambridge City Council, the following representations given to you in connection with your audit of Cambridge City Council's financial statements for the 2015/16 year ended 31 March 2016. All representations cover the Authority's accounts included within the financial statements.

### **Financial Statements and Financial Records**

I have fulfilled my responsibilities, under the relevant statutory authorities, for preparation of the financial statements in accordance with the CIPFA Code of Practice on Local Authority Accounting (CIPFA Code).

I acknowledge my responsibility for the fair presentation of the financial statements. I believe that the financial statements referred to above give a true and fair view of the financial position, financial performance and cash flows of the Council in accordance with the CIPFA Code and are free of material misstatements, including omissions. I have approved the financial statements.

I have reviewed the accounts, reviewed all relevant written assurances relating to the accounts and made other enquiries as appropriate.

The significant accounting policies adopted in the preparation of the financial statements are appropriately described within them.

I believe that the Council has a system of internal controls adequate to enable the preparation of accurate financial statements in accordance with the CIPFA Code that are free from material misstatement, whether due to fraud or error.

## **Fraud**

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

I confirm that I have disclosed the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

I have no knowledge of any fraud or suspected fraud involving management or other employees who have a significant role in the Council's internal controls over financial reporting. In addition, I have no knowledge of any fraud or suspected fraud involving other employees in which the fraud could have a material effect on the financial statements. I have no knowledge of any allegations of financial improprieties, including fraud or suspected fraud, (regardless of the source or form and including without limitation, any allegations by "whistleblowers") which could result in a misstatement of the financial statements or otherwise affect the financial reporting of the Council.

## **Compliance with Laws and Regulations**

I have disclosed to you all known actual or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

## **Information Provided and Completeness of Information and Transactions**

The Council has provided:

- Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters as agreed in terms of the audit engagement;
- Additional information as requested for the purpose of the audit; and
- Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

All material transactions have been recorded in the accounting records and are reflected in the financial statements.

All minutes of the meetings of the Council and its relevant committees (or summaries of actions of recent meetings for which minutes have not yet been prepared) held through the year to the most recent meeting held on 14 September 2016.

I confirm the completeness of information provided regarding the identification of related parties. We have disclosed to you the identity of the Council's related parties and all related party relationships and transactions of which we are aware, including

sales, purchases, loans, transfers of assets, liabilities and services, leasing arrangements, guarantees, non-monetary transactions and transactions for no consideration for the period ended, as well as related balances due to or from such parties at the year end. These transactions have been appropriately accounted for and disclosed in the financial statements.

I have disclosed to you, and the Council has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of outstanding debt.

### **Liabilities and Contingencies**

All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.

I have informed you of all outstanding and possible litigation and claims, whether or not they have been discussed with legal counsel.

I have recorded and/or disclosed, as appropriate, all liabilities related to litigation and claims, both actual and contingent, and have disclosed in the financial statements all guarantees given to third parties.

### **Subsequent events**

Other than described in the financial statements, there have been no events subsequent to the period end which require adjustment or disclosure in the financial statements or notes thereto.

### **Accounting Estimates**

I believe that the significant assumptions used in making accounting estimates, including those measured at fair value, are reasonable.

In respect of accounting estimates recognised or disclosed in the financial statements:

- The measurement processes, including related assumptions and models, used in determining accounting estimates are appropriate and the application of these processes is consistent.
- The disclosures relating to accounting estimates are complete and appropriate in accordance with the applicable financial reporting framework.
- The assumptions used in making accounting estimates appropriately reflects the intent and ability to carry out specific courses of action on behalf of the entity, where relevant to the accounting estimates and disclosures.

- No subsequent event requires an adjustment to the accounting estimates and disclosures included in the financial statements.

### **Segmental Reporting**

I have reviewed the operating segments reported internally to management and I am satisfied that it is appropriate to aggregate these as, in accordance with IFRS 8 Operating Segments, they are similar in each of the following respects:

- The nature of the products and services.
- The nature of the production processes.
- The type or class of customer for their products and services.
- The methods used to distribute their products.

### **Going Concern**

I am not aware of any issues that are relevant to the Council's ability to continue as a going concern, including significant conditions and events, our plans for future action, and the feasibility of those plans.

### **Retirement Benefits**

On the basis of the process established by the Council, and having made appropriate enquiries, I am satisfied that the actuarial assumptions underlying the scheme liabilities are consistent with my knowledge of the Council. All significant retirement benefits and settlements and curtailments have been identified and properly accounted for.

### **Use of Management Experts**

I agree with the findings of the experts engaged to evaluate the values of the Council's land and buildings and have adequately considered the qualifications of the experts in determining the amounts and disclosures included within the Council's financial statements and the underlying accounting records. I did not give or cause any instructions to be given to the 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 effect on the independence or objectivity of the experts.

**Signed on behalf of Cambridge City Council**

I confirm that this letter has been discussed and agreed by the Civic Affairs Committee of Cambridge City Council on 14 September 2016.

Signed :

Signed :

**Caroline Ryba**

**Head of Finance**

**Councillor R McPherson**

**Chair of Civic Affairs Committee**

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