



# NORTHAMPTON BOROUGH COUNCIL

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Isabell Procter

8757 / 838757

20 September 2012

[iprocter@northampton.gov.uk](mailto:iprocter@northampton.gov.uk)

Mr Neil Bellamy,  
District Auditor,  
Audit Commission,  
Rivermead House,  
7 Lewis Court,  
Grove Park,  
Enderby,  
Leicestershire,  
LE19 1SU

Dear Mr Bellamy

## Northampton 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 other officers of Northampton Borough Council, the following representations given to you in connection with your audit of the Council'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 Code of Practice for Local Authority Accounting in the United Kingdom which give a true and fair view of the financial position and financial performance of the Council, for the completeness of the information provided to you, and for making accurate representations to you.

### Uncorrected Misstatements

The effect of the uncorrected misstatement is not material to the financial statements, either individually or in aggregate.

This misstatement has been discussed with those charged with governance within the Council (Audit Committee) and the reasons for not correcting this item is as follows:

- The guidance of the Royal Institute of Chartered Surveyors (RICS) was followed in arriving at the valuations in question.
- The time required to undertake the work to process a correction to the misstatement was disproportionate to the value of the misstatement, which is not material.
- In order to assist readers of the Accounts, a paragraph has been included with note 12 to the Statement of Accounts explaining the nature of the misstatement and the value involved.



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### **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.

### **Irregularities**

I acknowledge my responsibility for the design, implementation and maintenance of internal control systems 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 that the financial statements may be materially misstated as a result of fraud.

### **Law, regulations, contractual arrangement 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.

### **Related party transactions**

I confirm that I have disclosed the identity of Northampton Borough Council'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 requirement 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

Restatements have been made to correct material errors in the prior period financial statements. This affects comparative information in the balance sheet (Other Long Term Liabilities and Long Term Creditors), the Comprehensive Income & Expenditure Statement (Other Operating Income & Expenditure and Financing & Investment Income & Expenditure), and the Movement in Reserves Statement. Written representations made in respect of the prior period remain appropriate.

### Other representations

- The Council provided accurate information to the actuary for the purpose of calculating the required pension disclosures in accordance with the Code of Practice for Local Authority Accounting and IAS19. All unfunded liabilities (e.g. discretionary added years awarded to staff) are included in the IAS 19 figures.
- There are no known bad debts other than those already provided for in the financial statements.

I confirm that this letter was discussed and agreed by the Audit Committee on 24<sup>th</sup> September 2012.

Yours sincerely,



Isabell Procter FCCA  
Director of Resources  
Signed on behalf of Northampton Borough Council

