

<b>Subject</b>	<b>Letter of Representation 2020/21</b>	<b>Status</b>	For Publication
<b>Report to</b>	Audit Committee	<b>Date</b>	29 July 2021
<b>Report of</b>	Treasurer		
<b>Equality Impact Assessment</b>	Not Required	Attached	No
<b>Contact Officer</b>	Gillian Taberner Head of Finance & Corporate Services	<b>Phone</b>	01226 772850
<b>E Mail</b>	<a href="mailto:gtaberner@sypa.org.uk">gtaberner@sypa.org.uk</a>		

## **1 Purpose of the Report**

- 1.1 To seek Members' approval of the Treasurer's formal letter to the Auditor giving representations regarding the information in the Statement of Accounts for 2020/21, as set out in the Accounts and Audit Regulations 2015.
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## **2 Recommendations**

- 2.1 Members are recommended to:
- a. Authorise the Chair of the Audit Committee to sign the Letter of Representation on behalf of the Authority.**
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## **3 Link to Corporate Objectives**

- 3.1 This report links to the delivery of the following corporate objectives:

### **Effective and Transparent Governance**

To uphold effective governance showing prudence and propriety at all times.

The Letter of Representation is a requirement of the audit process and includes a confirmation that the Authority has fulfilled its responsibilities, as set out in the Accounts and Audit Regulations 2015.

## **4 Implications for the Corporate Risk Register**

- 4.1 The actions outlined in this report address the risk identified in the Corporate Risk Register that the Authority fails to meet specific regulatory requirements.

## **5 Background and Options**

- 5.1 As part of the external audit process, the auditor, Deloitte, is required to obtain representations from the Authority as part of their audit process. The auditor requests a letter of representation that includes assurances on specific items and is signed on behalf of the Audit Committee.
- 5.2 This letter will include the following statements:
- a. We acknowledge our responsibilities for the design, implementation and maintenance of internal control to prevent and detect fraud and error.
  - b. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
  - c. We are not aware of any fraud or suspected fraud in relation to fraud or suspected fraud that we are aware of and that affects the Authority and involves:
    - i. Management;
    - ii. Employees who have significant roles in internal controls; or
    - iii. Others where the fraud could have a material effect on the financial statements.
  - d. We have disclosed to you all information in relation to allegations of fraud or suspected fraud, affecting the Authority's financial statements communicated by employees, former employees, analysts, regulators or others.
- 5.3 The Letter of Representation should be approved by the Audit Committee and signed by the Chair of the meeting as well as by the Treasurer.
- 5.4 The draft Letter of Representation is attached at Appendix A. The audit work is still in progress and therefore this is subject to change if the auditor should require any further representations to be made as a result of their work.

## **6 Implications**

- 6.1 The proposals outlined in this report have the following implications:

Financial	None
Human Resources	None
ICT	None
Legal	The Letter of Representation includes confirmation that the Authority has fulfilled its responsibilities set out in the Accounts and Audit Regulations 2015.
Procurement	None

**Neil Copley**

**Treasurer**

<b>Background Papers</b>	
<b>Document</b>	<b>Place of Inspection</b>
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