

Karen Murray  
 Director  
 Grant Thornton UK LLP  
 4 Hardman Square  
 Spinningfields  
 MANCHESTER, M3 3EB

Phone: 01772 534701  
 E-mail: gill.kilpatrick@lancashire.gov.uk

Your ref:  
 Our ref: CT/GK/AJH  
 Date: 30 September 2013

Dear Karen

## **Lancashire County Council**

### **Financial Statements for the year ended 31 March 2013**

This representation letter is provided in connection with the audit of the financial statements of **Lancashire County Council** for the year ended 31 March 2013 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view in accordance with International Financial Reporting.

We confirm that to the best of our knowledge and belief having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

#### **Financial Statements**

- i We have complied with the requirements of all statutory directions and these matters have been appropriately reflected and disclosed in the financial statements.
- ii Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- iii We are satisfied that the material judgements used by us in the preparation of the financial statements are soundly based, in accordance with the Code, and adequately disclosed in the financial statements. There are no further material judgements that need to be disclosed.
- iv We confirm that we are satisfied that the actuarial assumptions underlying the valuation of pension scheme liabilities for IAS19 disclosures are consistent with our knowledge. We confirm that all settlements and curtailments have been identified and properly accounted for. We also confirm that all significant retirement benefits have been identified and properly accounted for (including any arrangements that are statutory, contractual or implicit in the employer's actions, that arise in the UK or overseas, that are funded or unfunded).
- v Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards and the code.
- vi All events subsequent to the date of the financial statements and for which International Financial Reporting Standards and the code requires adjustment or disclosure have been adjusted or disclosed.

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- vii We have not adjusted the misstatements brought to our attention in the Audit Findings report, which are considered to be immaterial to the results of the Council and its financial position at the year-end. The financial statements are free of material misstatements, including omissions.
- viii We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

#### Information Provided

- ix We have communicated to you all deficiencies in internal control of which management is aware, including all items raised within the annual counter fraud report and specific issues in relation to the County Council's relationship with One Connect Limited.
- x All transactions have been recorded in the accounting records and are reflected in the financial statements.
- xi We have disclosed to you the entity of the Council's related parties and all the related party relationships and transactions of which we are aware.

#### Annual Governance Statement

- xii We are satisfied that the Annual Governance Statement (AGS) fairly reflects the Council's risk assurance and governance framework and we confirm that we are not aware of any significant risks that are not disclosed within the AGS

#### Approval

The approval of this letter of representation was minuted by the Council's Audit & Governance Committee at its meeting on 30 September 2013.

#### Signed on behalf of the Council

Name G. Kelpack

Position.....

Date.....

Name.....

Position.....

Date.....