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Our Ref:

Your Ref: PH/JS/2020

Please Ask For: Paul O'Donoghue

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Date: 30 November 2020

Dear Sirs

This representation letter is provided in connection with your audit of the financial statements of Fylde Borough Council for the year ended 31 March 2020 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position of Fylde Borough Council as of 31 March 2020 and of the results of its operations, other comprehensive income and expenditure, and its cash flows for the year then ended in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom.

We confirm, to the best of our knowledge and beliefs, the following representations:

Financial statements

1. We understand and have fulfilled our responsibilities for the preparation of the financial statements in accordance with proper practices as set out in the Code of Practice on Local Authority Accounting in the UK (the Code) and which give a true and fair view.
2. We have provided you with all relevant information and access in line with the Code of Audit Practice. We acknowledge our responsibilities for the design, implementation and operation of internal control to prevent and detect fraud and error.
3. Significant assumptions used by us in making accounting estimates, including those measured at fair value and assessing the impact of Covid-19 on the Council, are reasonable.
4. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of IAS24 "Related party disclosures".
5. All events subsequent to the date of the financial statements and for which the applicable financial reporting framework requires adjustment of or disclosure have been adjusted or disclosed.
6. The effects of uncorrected misstatements and disclosure deficiencies are immaterial, both individually and in aggregate, to the financial statements as a whole. A list of the uncorrected misstatements and disclosure deficiencies is detailed in the appendix to this letter.
7. We confirm that the financial statements have been prepared on the going concern basis. We are not

aware of any material uncertainties related to events or conditions that may cast significant doubt upon the Council's ability to continue as a going concern. We confirm the completeness of the information provided regarding events and conditions relating to going concern at the date of approval of the financial statements, including our plans for future actions.

8. We have considered the valuation of the Council's Property, Plant and Equipment, and are not aware of any circumstances indicating volatility in asset values requiring a revaluation of the entire estate in the current year.
9. With respect to the revaluation of properties in accordance with the Code:
 - a) the measurement processes used are appropriate and have been applied consistently, including related assumptions and models;
 - b) the assumptions appropriately reflect our intent and ability to carry out specific courses of action on behalf of the entity where relevant to the accounting estimates and disclosures;
 - c) the disclosures are complete and appropriate.
 - d) there have been no subsequent events that require adjustment to the valuations and disclosures included in the financial statements.
10. To the best of our knowledge and belief the Council holds title to all Property, Plant and Equipment included in its balance sheet at 31 March 2020.
11. We confirm that:
 - a) all retirement benefits and schemes, including UK, foreign, funded or unfunded, approved or unapproved, contractual or implicit have been identified and properly accounted for;
 - b) all settlements and curtailments have been identified and properly accounted for;
 - c) all events which relate to the determination of pension liabilities have been brought to the actuary's attention;
 - d) the actuarial assumptions underlying the valuation of the scheme liabilities (including the discount rate used) accord with the Council's best estimates of the future events that will affect the cost of retirement benefits and are consistent with our knowledge of the business;
 - e) the actuary's calculations have been based on complete and up to date member data as far as appropriate regarding the adopted methodology; and
 - f) the amounts included in the financial statements derived from the work of the actuary are appropriate.

Information provided

12. We have provided you with all relevant information and access.
13. All transactions have been recorded and are reflected in the financial statements and the underlying accounting records.
14. We acknowledge our responsibilities for the design, implementation and maintenance of internal control

to prevent and detect fraud and error.

15. 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.
16. We are not aware of any fraud or suspected fraud that affects the entity and involves:
 - (i) management;
 - (ii) employees who have significant roles in internal control; or
 - (iii) others where the fraud could have a material effect on the financial statements.
17. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.
18. We are not aware of any instances of non-compliance, or suspected non-compliance, with laws, regulations, and contractual agreements whose effects should be considered when preparing financial statements.
19. We have disclosed to you the identity of the Council's related parties and all the related party relationships and transactions of which we are aware.
20. All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with the applicable financial reporting framework. No other claims in connection with litigation have been or are expected to be received.
21. We acknowledge that the CIPFA code requires us to revalue all investment properties annually unless we are satisfied the carrying value is not materially different from the fair value at the reporting date. We have considered the carrying value of investment properties not revalued in the year and are satisfied this is the case.
22. We confirm that:
 - (i) we consider that the entity has appropriate processes to prevent and identify any cyber breaches other than those that are clearly inconsequential; and
 - (ii) we have disclosed to you all cyber breaches of which we are aware that have resulted in more than inconsequential unauthorised access of data, applications, services, networks and/or devices.

We confirm that the above representations are made on the basis of adequate enquiries of management and staff (and where appropriate, inspection of evidence) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

Yours faithfully

Cllr John Singleton JP

Chair of the Audit and Standards Committee

Date

Paul O'Donoghue

Chief Financial Officer

Date

Appendix 1

Schedule of Uncorrected Misstatements

Description	Surplus on provision	Assets	Liabilities	OCI/ Reserves
	of services	DR / (CR)	DR / (CR)	DR / (CR)
	DR / (CR) £k	£k	£k	£k
Asset double counted on revaluation (£73k factual error extrapolated to £115k)		(115)		115
“Goodwin” impact on pension liability			(249)	249