



Deloitte LLP  
2 Hardman Street  
Manchester  
M3 3HF

Our Ref:

Your Ref: PH/EG/2021

Please Ask For: Paul O'Donoghue

Telephone: 01253 658566

Email: paul.o'donoghue@fylde.gov.uk

Date: 30 September 2021

Dear Engagement Lead

This representation letter is provided in connection with your audit of the financial statements of Fylde Borough Council for the year ended 31 March 2021 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 2021 and of the results of its operations, other recognised gains and losses and its cash flows for the year then ended in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2020/21 ("the Code").

We confirm, to the best of our knowledge and belief, the following representations.

*Financial statements*

1. We understand and have fulfilled our responsibilities for the preparation of the financial statements in accordance with the Accounts and Audit Regulations 2015 and CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2020/21 ("the Code").
2. The methods, the data, and the significant assumptions used by us in making accounting estimates and their related disclosures, including those assessing the impact of Covid-19 on the Council, are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.
3. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of IAS24 "Related party disclosures".
4. 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.
5. 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.

6. We confirm that the financial statements have been prepared on the going concern basis and disclose in accordance with IAS 1 all matters of which we are aware that are relevant to the Council's ability to continue as a going concern, including principal conditions or events and our plans. In making our going concern assessment we have adopted the 'continuing provision of service' approach and accordingly 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. There are no circumstances that we are aware of that would affect the appropriateness of the 'continuing provision of service' approach. 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.
7. All grants or donations, the receipt of which is subject to specific restrictions, terms or conditions, have been notified to you. We have evaluated whether the restrictions, terms or conditions on grants or donations have been fulfilled and deferred income to the extent that they have not.
8. We acknowledge our responsibility for the preparation of the other information included in the Statement of Accounts. The other information comprises the Narrative Report and the Annual Governance Statement.
9. We confirm that the content contained within the Narrative Report and the Annual Governance Statement is consistent with the information presented in the financial statements, and has been prepared in accordance with relevant legislation.
10. 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 Council where relevant to the accounting estimates and disclosures;
  - c. we confirm that the effects of the Covid-19 pandemic have been fully considered by our valuation experts and are reflected in the property valuations disclosed in the financial statements;
  - d. the disclosures are complete and appropriate; and
  - e. there have been no subsequent events that require adjustment to the valuations and disclosures included in the financial statements.
11. We have considered the valuation of the Council's Property, Plant and Equipment that have not been subject to revaluation in year, and are not aware of any circumstances indicating volatility in asset values that would suggest the carrying value is materially misstated as a result of it not being revalued.
12. With respect to pensions we confirm that:
  - a. all retirement benefits and schemes, including 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*

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13. We have provided you with:
    - a. 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;
    - b. additional information that you have requested from us for the purpose of the audit; and
    - c. unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
  14. All transactions have been recorded and are reflected in the financial statements and the underlying accounting records.
  15. We acknowledge our responsibilities for the design, implementation and maintenance of internal control to prevent and detect fraud and error.
  16. 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.
  17. We are not aware of any fraud or suspected fraud that affects the Council 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.
  18. 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.
  19. 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
  20. 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.
  21. 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.
  22. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.
  23. We confirm that:
    - (i) we consider that the Council 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.

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24. We acknowledge our responsibility for ensuring the Council has put in place arrangements for securing economy, efficiency and effectiveness in its use of resources.
25. We are not aware of any deficiencies in the Council's arrangements to secure economy, efficiency and effectiveness in its use of resources

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 Eleanor Gaunt**

Chair of the Audit and Standards Committee

Date .....

**Paul O'Donoghue**

Chief Financial Officer

Date .....

Schedule of Uncorrected Misstatements

Description	Surplus on provision	Assets	Liabilities	OCI/ Reserves
	of services	DR / (CR)	DR / (CR)	DR / (CR)
	DR / (CR) £k	DR / (CR) £k	DR / (CR) £k	DR / (CR) £k
To be confirmed				

Disclosure deficiencies:

#	Disclosure title	Description of the deficiency and explanation of why not adjusted	Amount (if applicable)
	To be confirmed		