

Grant Thornton UK LLP  
Colmore Plaza  
20 Colmore Circus  
Birmingham B4 6AT

23 September 2013

Dear Sirs

## West Mercia Supplies Joint Committee

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

This representation letter is provided in connection with the audit of the financial statements of West Mercia Supplies Joint Committee 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 fulfilled our responsibilities for the preparation of the financial statements in accordance with proper practices as set out in the CIPFA / LA SAAC Code of Practice on Local Joint Committee Accounting in Great Britain ("the Code") as adapted for International Financial Reporting Standards; in particular the financial statements give a true and fair view in accordance therewith.
- ii We have complied with the requirements of all statutory directions and these matters have been appropriately reflected and disclosed in the financial statements.
- iii We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
- iv Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- v 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.
- vi We confirm that we are satisfied that the actuarial assumptions underlying the valuation of pension scheme liabilities for IA S19 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).

- vii. 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.
- viii. 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.
- ix. The financial statements are free of material misstatements, including omissions.
- x. We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
- xi. We believe that the Joint Committee's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the Joint Committee's needs. We believe that no further disclosures relating to the Joint Committee's ability to continue as a going concern need to be made in the financial statements.

#### Information Provided

- xii. 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 your audit; and
  - c. unrestricted access to persons within the Joint Committee from whom you determined it necessary to obtain audit evidence.
- xiii. We have communicated to you all deficiencies in internal control of which management is aware.
- xiv. All transactions have been recorded in the accounting records and are reflected in the financial statements.
- xv. 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.
- xvi. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the Joint Committee and involves:
  - a. management;
  - b. employees who have significant roles in internal control; or



c. others where the fraud could have a material effect on the financial statements.

xvii We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the Joint Committee's financial statements communicated by employees, former employees, regulators or others.

xviii We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.

xix We have disclosed to you the entity of the Joint Committee's related parties and all the related party relationships and transactions of which we are aware.

xx We have reviewed the operating segments reported internally to the Joint Committee and we are satisfied that it is appropriate to aggregate these as, in accordance with IFRS8:0 Operating Segments, they are similar in each of the following respects:

- the nature of the products and services;
- the nature of the production processes;
- the type or class of customer for their products and services;
- the methods used to distribute their products or provide their services; and
- the nature of the regulatory environment.

The segmentation is shown as trading, photocopiers and utilities, this complies with the IFRS requirement and corresponds to the reporting requirement of the Joint Committee.

xxi All documents relating to your audit regarding the sale of the stationery division have been made available to you. There are no unconcluded matters in respect of the sale of the stationery division. There has been no change in accounting policies from the 1 April 2012 to the date of this letter, in particular those for the valuation of debtors and inventories and the recognition of creditors.

#### Annual Governance Statement

xxii We are satisfied that the Annual Governance Statement (AGS) fairly reflects the Joint Committee'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 minutes by the Joint Committee's meeting on 23 September 2013.

Signed on behalf of the Joint Committee

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James Walton

Section 151 Officer

Shropshire Council

23 September 2013

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Cllr Phillip Price

Chair of the Joint Committee

23 September 2013