

Paul King  
District Auditor  
The Audit Commission  
Sheffield House  
Lytton Way  
Stevenage SG1 3HG

Dear Paul,

**Audit for the year ended 31 March 2007**

I confirm to the best of my knowledge and belief, having made appropriate enquiries of other officers of the Council, the following representations given to you in connection with your audit of the Council's financial statements for the year ended 31 March 2007.

I acknowledge my responsibility under the relevant statutory authorities for preparing the financial statements, which present fairly and for making accurate representations to you.

I confirm that I believe that the effects of the uncorrected financial statements misstatement detailed in the Annual Governance Report is not material to the financial statements. The misstatement has been discussed with those charged with governance within the Council and the reasons for not correcting the item are as follows:

- the amount involved is not material; and
- the Council considers the VAT on the Wickfields transaction was properly reclaimable.

The Council has no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

**Specific representations**

The accounts reflect the transfer of Wickfields to a Housing Association for nil consideration, which was always the intention of the Council and is therefore the substance of the transaction, despite the legal paperwork stating the consideration payable was £1.493 million.

**Supporting records**

All the accounting records have been made available to you for the purpose of your audit and all the transactions undertaken by the Council have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all Member meetings, have been made available to you.

**Related party transactions**

I confirm the completeness of the information provided regarding the identification of related parties.

The identity of, and balances and transactions with, related parties have been properly recorded and where appropriate, adequately disclosed in the financial statements.

**Contingent liabilities**

There are no other contingent liabilities, other than those that have been properly recorded and disclosed in the financial statements. In particular:

- there is no significant pending or threatened litigation, other than those already disclosed in the financial statements;
- there are no material commitments or contractual issues, other than those already disclosed in the financial statements; and
- no financial guarantees have been given to third parties.

**Law, regulations and codes of practice**

There are no instances of non-compliance with laws, regulations and codes of practice, likely to have a significant effect on the finances or operations of the Council.

**Irregularities**

I acknowledge my responsibility for the design and implementation of internal control systems to prevent and detect error.

There have been no:

- irregularities involving management or employees who have significant roles in the system of internal accounting control;
- irregularities involving other employees that could have a material effect on the financial statements;
- communications from regulatory agencies concerning non-compliance with, or deficiencies on, financial reporting practices which could have a material effect on the financial statements.

**Post balance sheet events**

Since the date of approval of the financial statements by Members of the Council, no additional significant post balance sheet events have occurred which would require additional adjustment or disclosure in the financial statements.

Signed on behalf of Epping Forest District Council

Robert Palmer  
Head of Finance

Date XX September 2007