

Azets Audit Services

Bank House

Cherry Street

Birmingham

B2 5AL

13th November 2024

Dear Laura

Tamworth Borough Council

Financial Statements for the year ended 31 March 2024

This representation letter is provided for the purpose of expressing an opinion as to whether Tamworth Borough Council's (the "Council") financial statements present a true and fair view, in all material respects, in accordance with applicable law and UK adopted international accounting standards, as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2023/24 (the 2023/24 Code).

I confirm that to the best of my knowledge and belief having made such inquiries as I considered necessary for the purpose of appropriately informing myself:

Financial Statements

- i. I have fulfilled my responsibilities as Section 151 Officer for the preparation of the Council's financial statements in accordance with applicable law and UK adopted international accounting standards, as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2023/24 (the 2023/24 Code), for being satisfied that they give a true and fair view and for making accurate representations to you.
- ii. I have complied with the requirements of all statutory directions affecting the Council and these matters have been appropriately reflected and disclosed in the financial statements.
- iii. The financial statements are free of material misstatements, including omissions.
- iv. I have reviewed and approved all audit adjustments made in the financial statements. (See appendix I for details).

- v. I have reviewed and approved all disclosures made in the financial statements and I am not aware of any other matters which require disclosure in order to comply with the requirements of UK adopted international accounting standards, as interpreted and adapted by the 2023/24 Code.
- vi. One uncorrected misstatement was identified during the audit. I confirm I have considered the impact on financial position of this as well as unadjusted misstatements brought forward from prior years. I am satisfied that those prior year unadjusted misstatements were resolved in 2023/24 and do not impact on the current year. (See appendix I for details).
- vii. The Council has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of any regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.
- viii. I acknowledge my responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error, and I believe that I have appropriately fulfilled these responsibilities.
- ix. The methods, data and significant assumptions used by us in making accounting estimates, including those measured at fair value, are appropriate to achieve recognition, measurement and disclosure that is reasonable in the context of the applicable financial reporting framework. I am satisfied that the material judgements used in the preparation of the financial statements are soundly based, in accordance with the Code and adequately disclosed in the financial statements.
- x. The Council has satisfactory title to all assets. The Council has no plans or intentions that may materially alter the carrying value and, where relevant, the fair value measurements or classification of assets and liabilities as at 31 March 2024 reflected in the financial statements.
- xi. Except as disclosed in the financial statements:
 - a. there are no unrecorded liabilities, actual or contingent
 - b. none of the assets of the Council has been assigned, pledged or mortgaged
 - c. there are no material prior year charges or credits, nor exceptional or non-recurring items requiring separate disclosure.
- xii. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of applicable law and accounting standards.
- xiii. All events subsequent to the date of the financial statements and which require adjustment or disclosure have been adjusted or disclosed.

- xiv. Actual or possible litigation and claims have been accounted for and disclosed in accordance with the requirements of UK adopted international accounting standards, and as interpreted and adapted by the Code.
- xv. I believe that the Council's financial statements should be prepared on a going concern basis. I do not expect the Council to demise in its current organisational form; however, my basis for going concern acknowledges that if that situation arose the services would be transferred to another body. I believe that no further disclosures relating to the Council's ability to continue as a going concern need to be made in the financial statements.

Information Provided

- xvi. I have provided you with:
 - a. access to all information of which I am aware that is relevant to the preparation of the Council's financial statements such as accounting records, and all other records requested;
 - b. additional information that you have requested from us for the purpose of your audit; and
 - c. unrestricted access to persons within the Council (via remote arrangements where necessary), from whom you determined it necessary to obtain audit evidence.
- xvii. I have communicated to you all deficiencies in internal control of which management is aware.
- xviii. All transactions undertaken by the Council have been recorded in the accounting records and are properly reflected in the financial statements.
- xix. I have disclosed to you the results of my assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- xx. I have disclosed to you all information in relation to known fraud or suspected fraud that I am aware of and that affects the Council 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.
- xxi. I have disclosed to you all information in relation to instances of, or allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, analysts, regulators or others.
- xxii. I 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.

- xxiii. I have disclosed to you the identity of the Council's related parties and all the related party relationships and transactions of which I am aware.
- xxiv. I have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.
- xxv. I acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as I am aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware. I have taken all the steps that I ought to have taken in order to make myself aware of any relevant audit information and to establish that you are aware of that information.

Management Commentary

- xxvi. The disclosures within the Narrative Report fairly reflect my understanding of the Council's financial and operating performance over the period covered by the financial statements.

Corporate Governance Statement

- xxvii. I am satisfied that the Corporate Governance Statement fairly reflects the Council's risk assurance and governance framework and I confirm that I am not aware of any significant risks or weaknesses in governance or internal control that are not disclosed within the Statement.

Yours faithfully

Signature:.....

Name: Joanne Goodfellow

Position: Interim Executive Director Finance

Date...13th November 2024.....

Appendix I

Audit adjustments

We are required to report all non-trivial misstatements to those charged with governance, whether or not the accounts have been adjusted by management.

Impact of adjusted misstatements

Details of items corrected following discussions with management are as below.

Detail	Comprehensive Income and Expenditure statement (£000)	Balance Sheet £000	Impact on general fund £000
DR PPE additions	Nil	123	nil
CR intangibles		(123)	
<i>To correct the incorrect classification of additions which were incorrectly accounted for as intangible assets and should have been accounts for as PPE additions.</i>			
Overall impact	Nil	Nil	Nil

Impact of unadjusted misstatements

The table below provides details of adjustments identified during the audit which have not been made in the final set of financial statements.

The Audit Committee is required to approve management's proposed treatment of all items in the table below.

Detail	Comprehensive Income and Expenditure statement (£000)	Balance Sheet £000	Impact on general fund £000
DR section 106 grant income	242		(242)
CR deferred income		(242)	
<i>To correct section 106 grant income which could not be substantiated with any evidence and therefore we have reported this as an unadjusted error.</i>			
Overall impact	242	(242)	(242)

Impact of prior year unadjusted misstatements

The table below sets out the adjustments identified during the prior year audit that have not been adjusted in the final set of financial statements for 2023/24.

Detail	Comprehensive Income and Expenditure statement (£000)	Balance Sheet £000	Impact on total net cost of services £000
Dr Revaluation Reserve		64	
Cr Capital Adjustment Account		(64)	
<i>Being incorrect treatment of Housing revaluations in the Other Land and Buildings category.</i>			
Dr VPFE – Accumulated Depreciation		250	
Cr VPFE - Cost		(250)	
<i>Being assets held with a nil net book value that should have been disposed of by the Council.</i>			
Dr Debtors		168	
Cr Creditors		(168)	
<i>Being creditors understated for amounts received in advance for invoices raised prior to year-end.</i>			
Dr Investment Property Income	68		(68)
Cr General Fund Housing Income	(68)		
<i>Being rental income from OLB housing incorrectly treated as Investment Property income.</i>			
Dr Revaluation Entries		565	
Cr Other Land and Buildings		(565)	
<i>Being overstatement of the valuation of garage land as this was double counted by the valuer.</i>			
Dr Other Expenditure	110		110
Cr Creditors		(110)	
<i>Being the under-accrual of expenditure. This has been identified through our completeness testing.</i>			
Overall impact	110	(675)	42

This page is intentionally left blank