

**CYFARWYDDIAETH ADNODDAU**

Cyngor Bwrdeistref Sirol Pen-y-bont ar Ogwr  
Swyddfeydd Dinesig  
Stryd yr Angel  
PEN-Y-BONT AR OGWR  
CF31 4WB

Ffôn: 01656 **643301**

Gwefan: [www.bridgend.gov.uk](http://www.bridgend.gov.uk)

**RESOURCES DIRECTORATE**

Bridgend County Borough Council  
Civic Offices  
Angel Street  
BRIDGEND  
CF31 4WB

Telephone: 01656 **643301**

Website: [www.bridgend.gov.uk](http://www.bridgend.gov.uk)

---

Direct line / *Deialu Uniongyrchol*: (01656)

643301

Ask for / *Gofynnwch am* : Gareth Moss

Our Ref / *Ein cyf*:

Your Ref / *Eich cyf*:

Date / *Dyddiad*: 18 September 2007

KPMG LLP  
Marlborough House  
Fitzalan Court  
Fitzalan Road  
Cardiff  
CF24 0TE

Dear KPMG LLP,

We understand that auditing standards require you to obtain representations from management on certain matters material to your opinion. Accordingly we confirm to the best of our knowledge and belief, having made appropriate enquiries of other members of the Council, the following representations given to you in connection with your audit of the financial statements for name of Council for the year ended 31 March 2007.

All the accounting records have been made available to you for the purpose of your audit and the full effect of all the transactions undertaken by name of Council has been properly reflected and recorded in the accounting records in accordance with agreements, including side agreements, amendments and oral agreements. All other records and related information, including minutes of all management and Board meetings, have been made available to you.

We confirm that we have disclosed all material related party transactions relevant to the Council and that we are not aware of any other such matters required to be disclosed in the financial statements, whether under FRS 8 or other requirements.

We confirm that we are not aware of any actual or potential non-compliance with laws and regulations that would have had a material effect on the ability of the Council to conduct its business and therefore on the results and financial position to be disclosed in the financial statements for the year ended 31 March 2007.

We acknowledge that we are responsible for the fair presentation of the financial statements in accordance with the Local Government Statement of Recommended Practice ("SORP") and wider UK accounting standards. We have considered and approved the financial statements.

## **Internal Control**

We acknowledge that we are responsible for the design and implementation of internal controls to prevent and detect error and we have disclosed to you the results of my assessment of the risk that the financial statements could be materially misstated.

We confirm that we have reviewed the effectiveness of the system of internal control and that the disclosures we have made are in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for and used effectively.

## **Fraud**

We confirm that we:

understand that the term "fraud" includes misstatements resulting from fraudulent financial reporting and misstatements resulting from misappropriation of assets. Misstatements resulting from fraudulent financial reporting involve intentional misstatements or omissions of amount or disclosures in financial statements to deceive financial statement users. Misstatements resulting from misappropriation of assets involve the theft of an entity's assets, often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorisation; are responsible for the design and implementation of internal control to prevent and detect fraud and error; have disclosed to you our knowledge of fraud or suspected fraud affecting the Council involving:

- management;
- employees who have significant roles in internal control; or
- others where the fraud could have a material effect on the financial statements.

have disclosed to you our knowledge of any allegations of fraud, or suspected fraud, affecting the Council's financial statements communicated by employees, former employees, analysts, regulators or others;

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.

## **General**

We confirm that the presentation and disclosure of the fair value measurements of material assets, liabilities and components of equity are in accordance with applicable reporting standards. The amounts disclosed represent our best estimate of fair value of assets and liabilities required to be disclosed by these standards. The measurement methods and significant assumptions used in determining fair value have been applied on a consistent basis, are reasonable and they appropriately reflect our intent and ability to carry out specific

courses of action on behalf of the Council where relevant to the fair value measurements or disclosures.

## **Assets**

All assets included in the balance sheet were in existence at the balance sheet date and owned by Bridgend County Borough Council, and free from any lien, encumbrance or charge, except as disclosed in the accounts. The balance sheet includes all tangible assets owned by the Bridgend County Borough Council.

## **Other Current Assets**

On realisation in the ordinary course of the Bridgend County Borough Council's operations the other current assets in the balance sheet are expected to produce at least the amounts at which they are stated. Adequate provision has been made against all amounts owing to Bridgend County Borough Council which are known, or may be expected, to be irrecoverable.

## **Liabilities**

### **General**

All liabilities have been recorded in the balance sheet. There were no significant losses in the year and no provisions for losses were required at the year-end.

### **Provisions**

Provision is made in the financial statements for:

- Interest Actulisation
- Job evaluation/Equal pay
- Insurance claims

### **Contingent Liabilities**

We confirm that 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 that already disclosed in the financial statements; and
- there are no material commitments or contractual issues, other than those already disclosed in the financial statements.

### **Unadjusted errors**

There are no unadjusted errors to be considered.

## **Post Balance Sheet Events**

Except as disclosed in the accounts, there have been no material changes since the date of the balance sheet affecting liabilities and commitments, and no events or transactions have occurred which, though properly excluded from the accounts, are of such importance that they should have been brought to notice.

Yours sincerely

**Gareth Moss**  
**Executive Director – Resources.**