

## County Borough Supplies

Waterton  
Bridgend  
CF31 3YR

Tel: (01656) 766511

Fax: (01656) 766401



## Cyflenwi'r Fwrdeistref Sirol

Waterton  
Pen-y-bont ar Ogwr  
CF31 3YR

Ffon: (01656) 766511

Ffacs: (01656) 766401

Our Ref: CBS/

Date: 23<sup>rd</sup> September 2010

Please ask for:  
Direct Line:  
KPMG LLP  
3 Assembly Square  
Britannia Quay  
Cardiff  
CF10 4AX

Dear Sirs

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 Committee, the following representations given to you in connection with your audit of the financial statements for Catalogue Supplies Service Joint Committee for the year ended 31 March 2010.

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 Catalogue Supplies Service Joint Committee have 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.

There are no pooled budget projects arising from any partnership agreements entered into under section 31 of the Health Act 1999, associates, joint ventures or joint arrangements other than those disclosed in the accounting statements and associated notes.

The Catalogue Supplies Service Joint Committee has complied with all conditions imposed by relevant grant paying organisations and can reasonably expect to receive the amounts of grant included within the accounts. The Catalogue Supplies Service Joint Committee has complied with all aspects of contractual agreements that would require adjustment to, or disclosure in, the accounting statements and related notes.

We confirm that we have disclosed all material related party transactions relevant to the County Borough Supplies 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 Catalogue Supplies Service Joint Committee 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 2010.

We acknowledge that we are responsible for the true and 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.

### **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;

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### **Joint Supplies Service**

Bridgend County Borough Council  
Caerphilly County Borough Council  
Merthyr Tydfil County Borough Council  
Rhondda Cynon Taff County Borough Council

### **Gwasanaethau Cyflenwi Cyfunol**

Cyngor Bwrdeistref Sirol Pen-y-bont ar Ogwr  
Cyngor Bwrdeistref Sirol Caerffili  
Cyngor Bwrdeistref Sirol Merthyr Tudful  
Cyngor Bwrdeistref Sirol Rhondda Cynon Taff

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- 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 Catalogue Supplies Service Joint Committee 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 Catalogue Supplies Service Joint Committee's financial statements communicated by employees, former employees, analysts, regulators or others; and
- 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.

We confirm that the presentation and disclosure of the fair value measurements of material assets and liabilities 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 Catalogue Supplies Service Joint Committee where relevant to the fair value measurements or disclosures.

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.

We believe the effects of uncorrected financial statement misstatements summarised in the accompanying schedule are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

We confirm that the financial statements disclose all of the key risk factors, assumptions made and uncertainties surrounding the Catalogue Supplies Service Joint Committee's ability to continue as a going concern as required to provide a true and fair view.

Any uncertainties disclosed are not considered to be material and therefore do not cast significant doubt on the ability of the the Catalogue Supplies Service Joint Committee to continue as a going concern.

Finally, no additional significant post balance sheet events have occurred that would require additional adjustment or disclosure in the financial statements, over and above those events already disclosed.

This letter was tabled at the meeting of the Joint Committee on 23 September 2010.

Yours faithfully

Allan Phillips  
Section 151 Officer

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