

The Audit Commission

Unit 5

ISIS Business Centre

Horspath Road

Cowley

OXFORD OX4 2D

South Oxfordshire District Council - Audit for the year ended 31 March 2007

I confirm to the best of my knowledge and belief, having made appropriate enquiries of other directors, officials, officers of South Oxfordshire District Council, the following representations given to you in connection with your audit of the Authority'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 acknowledge my responsibilities under the relevant statutory authorities to prepare the Authority's accounts in accordance with proper practices as defined in relevant legislation or guidance.

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 Authority have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all Authority 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.

In particular I confirm that in completing the disclosures within the financial statements, consideration has been given to any potential related party transactions with CAPITA, with whom the Council has a contract for the provision of various financial services.

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, contractual arrangements 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 Authority (and, where applicable, the financial statements disclose the actual or contingent consequences arising as a result).

In all material respects, the expenditure and income disclosed in the financial statements has been applied in line with statutory powers.

The Authority has complied with all aspects of contractual arrangements 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 regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.

Assets

The following have been properly recorded and when appropriate adequately disclosed in the financial statements:

- losses arising from sale & purchase commitments;
- agreements & options to buy back assets previously sold; and
- assets pledged as collateral.

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; or
- 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 the Authority, no additional significant post balance sheet events have occurred which would require additional adjustment or disclosure in the financial statements.

Compensating arrangements

There are no formal or informal compensating balancing arrangements with any of our cash and investment accounts. We have no other lines of credit arrangements.

Specific representations

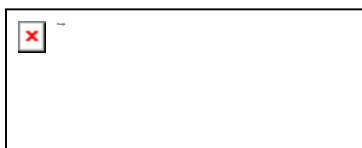
The following action has been taken to prevent a recurrence of the difficulties caused by the resourcing pressures within the finance section:

- A restructuring of the accountancy team to allow joint working with Vale of White Horse District Council resulting in a larger and therefore more robust and resilient structure.
- The 2006/07 closedown timetable will be presented to the Audit and Corporate Governance Committee for scrutiny.

Our intention in holding long-term investments is to generate income to be invested in capital schemes and to support revenue expenditure in accordance with our Medium Term Financial Strategy.

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

Signed on behalf of South Oxfordshire District Council



William Jacobs

Head of Finance