

West Yorkshire Passenger Transport Authority
Wellington House
40/50 Wellington Street
Leeds
LS1 2DE

Mr P Lundy
District Auditor
Audit Commission
Kernel House
Killingbeck Drive
Leeds
LS14 6UR

28 September 2007

Dear Mr Lundy,

**West Yorkshire Passenger Transport Authority – 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 West Yorkshire Passenger Transport Authority, 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 the financial statements of the Authority and for making accurate representations to you.

I confirm that I believe that the effects of the uncorrected financial statements/misstatements listed in the attached schedule are not material to the financial statements, either individually or in aggregate. These misstatements have been discussed with those charged with governance within the Authority and the reasons for not correcting these items are as follows;

- The £2.5m grant to Leeds City Council comes from the amount set aside to fund the capital costs of Leeds Supertram and will effectively be used to fund the replacement scheme which is likely to be some form of rapid transit option. In our view it is properly treated as a capital grant as it comes from capital cash which is now surplus on the original scheme and reinstates an amount of capital resources previously forgone by Leeds City Council when the earlier Supertram arrangements were agreed. The payment to Leeds was agreed by Members at their budget meeting on 9 February 2007 and although the mechanism for doing so was not referred to in the report the intention was to repay it as a capital grant.

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

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 Passenger Transport 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

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

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

Signed on behalf of the West Yorkshire Passenger Transport Authority

.....

Councillor R Downes

Chair

.....

Mr D J Page

Chief Financial Officer

West Yorkshire Passenger Transport Authority

28 September 2007