



**POLICE & CRIME  
COMMISSIONER**  
for Leicestershire

Your voice in Leicester,  
Leicestershire & Rutland

**PricewaterhouseCoopers LLP**

Cornwall Court,  
19 Cornwall Street,  
Birmingham,  
B3 2DT.  
Dear Sirs

**Representation letter – audit of Police and Crime Commissioner for Leicestershire (the “PCC”) and Group Statement of Accounts for the year ended 31 March 2014**

Your audit is conducted for the purpose of expressing an opinion as to whether the Statement of Accounts of the PCC and Group give a true and fair view of the affairs of the PCC and Group as at 31 March 2014 and of its income and expenditure and cashflows for the year then ended and have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority accounting in the United Kingdom 2013/14 supported by the Service Reporting Code of Practice 2014/15.

I acknowledge my responsibilities as Chief Financial Officer for preparing the Statement of Accounts as set out in the Statement of Responsibilities for the Statement of Accounts. I also acknowledge my responsibility for the administration of the financial affairs of the PCC and Group and that I am responsible for making accurate representations to you.

I confirm that the following representations are made on the basis of enquiries of other chief officers and members of the PCC and Group with relevant knowledge and experience and, where appropriate, of inspection of supporting documentation sufficient to satisfy myself that I can properly make each of the following representations to you.

I confirm, to the best of my knowledge and belief, and having made the appropriate enquiries, the following representations:

***Statement of Accounts***

- I have fulfilled my responsibilities for the preparation of the Statement of Accounts in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2013/14 supported by the Service Reporting Code of Practice 2014/15; in particular the Statement of Accounts give a true and fair view in accordance therewith.
- All transactions have been recorded in the accounting records and are reflected in the Statement of Accounts.
- Significant assumptions used by the PCC and Group in making accounting estimates, including those surrounding measurement at fair value, are reasonable.
- All events subsequent to the date of the Statement of Accounts for which the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2013/14 requires adjustment or disclosure have been adjusted or disclosed.

**Office of the Police and Crime Commissioner for Leicestershire**

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### ***Information Provided***

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, the PCC and Group's auditors, are aware of that information.

I have provided you with:

- Access to all information of which I am aware that is relevant to the preparation of the Statement of Accounts such as records, documentation and other matters, including minutes of the PCC and Group and its committees, and relevant management meetings;
- Additional information that you have requested from us for the purpose of the audit; and
- Unrestricted access to persons within the PCC and Group from whom you determined it necessary to obtain audit evidence.

So far as I am aware, there is no relevant audit information of which you are unaware.

### ***Accounting policies***

I confirm that I have reviewed the PCC and Group's accounting policies and estimation techniques and, having regard to the possible alternative policies and techniques, the accounting policies and estimation techniques selected for use in the preparation of Statement of Accounts are appropriate to give a true and fair view for the PCC and Group's particular circumstances.

### ***Fraud and non-compliance with laws and regulations***

I acknowledge responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.

I have disclosed to you:

- The results of our assessment of the risk that the Statement of Accounts may be materially misstated as a result of fraud.
- All information in relation to fraud or suspected fraud that we are aware of and that affects the PCC and Group and involves:
  - Management;
  - Employees who have significant roles in internal control; or
  - Others where the fraud could have a material effect on the Statement of Accounts.
- All information in relation to allegations of fraud, or suspected fraud, affecting the PCC and Group's Statement of Accounts communicated by employees, former employees, analysts, regulators or others.
- All known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing Statement of Accounts.

I am not aware of any instances of actual or potential breaches of or non-compliance with laws and regulations which provide a legal framework within which the PCC and Group conducts its business and which are central to the PCC and Group's ability to conduct its business or that could have a material effect on the Statement of Accounts.



I am not aware of any irregularities, or allegations of irregularities including fraud, involving members, management or employees who have a significant role in the accounting and internal control systems, or that could have a material effect on the Statement of Accounts.

### ***Related party transactions***

I confirm that the attached appendix to this letter is a complete list of the PCC and Group's related parties. All transfer of resources, services or obligations between the PCC and Group and these parties have been disclosed to you, regardless of whether a price is charged. We are unaware of any other related parties, or transactions between disclosed related parties.

Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Section 3.9 of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2013/14.

We confirm that we have identified to you all senior officers, as defined by the Accounts and Audit Regulations 2011, and included their remuneration in the disclosures of senior officer remuneration.

### ***Employee Benefits***

I confirm that we have made you aware of all employee benefit schemes in which employees of the PCC and Group participate.

### ***Contractual arrangements/agreements***

All contractual arrangements (including side-letters to agreements) entered into by the PCC and Group have been properly reflected in the accounting records or, where material (or potentially material) to the statement of accounts, have been disclosed to you.

### ***Litigation and claims***

I have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the statement of accounts and such matters have been appropriately accounted for and disclosed in accordance with the CIPFA/LASAAC Code of Practice on Local Authority accounting in the United Kingdom 2013/14.

### ***Taxation***

I have complied with UK taxation requirements and have brought to account all liabilities for taxation due to the relevant tax authorities whether in respect of any direct tax or any indirect taxes. I am not aware of any non-compliance that would give rise to additional liabilities by way of penalty or interest and I have made full disclosure regarding any HMRC PCC and Group queries or investigations that we are aware of or that are ongoing.

In particular:

- In connection with any tax accounting requirements, I am satisfied that our systems are capable of identifying all material tax liabilities and transactions subject to tax and have maintained all documents and records required to be kept by the relevant tax authorities in accordance with UK law or in accordance with any agreement reached with such authorities.
- I have submitted all returns and made all payments that were required to be made (within the relevant time limits) to the relevant tax authorities including any return requiring us to disclose



any tax planning transactions that have been undertaken for the PCC and Group's benefit or any other party's benefit.

- I am not aware of any taxation, penalties or interest that are yet to be assessed relating to either the PCC and Group or any associated company for whose taxation liabilities the PCC and Group may be responsible.

### ***Retirement benefits***

All significant retirement benefits that the PCC is committed to providing, including any arrangements that are statutory, contractual or implicit in the PCC and Group's actions, wherever they arise, whether funded or unfunded, approved or unapproved, have been identified and properly accounted for and/or disclosed.

All settlements and curtailments in respect of retirement benefit schemes have been identified and properly accounted for.

The actuarial assumptions underlying the valuation of retirement benefit scheme liabilities are consistent with my knowledge of the business and in my view would lead to the best estimate of the future cash flows that will arise under the scheme liabilities.

### ***Pension fund registered status***

I confirm that the Local Government Pension Scheme for Police Staff (LGPS), administered by Leicestershire County Council and the Police Pension Scheme for Police Officers (PPS) are Registered Pension Schemes. We are not aware of any reason why the tax status of the schemes should change.

### ***Bank accounts***

I confirm that I have disclosed all bank accounts to you including those that are maintained in respect of the pension fund.

### ***Subsequent events***

There have been no circumstances or events subsequent to the period end which require adjustment of or disclosure in the statement of accounts or in the notes thereto.

### ***Using the work of experts***

I agree with the findings of Leicestershire County Council Valuers, Hymans Robertson and Mercer Limited, who are experts in evaluating the valuation of our asset base and pension liability and have adequately considered the competence and capabilities of the experts in determining the amounts and disclosures used in the preparation of the financial statements and underlying accounting records. The PCC did not give or cause any instructions to be given to experts with respect to the values or amounts derived in an attempt to bias their work, and I am not otherwise aware of any matters that have had an impact on the objectivity of the experts.



**Judicial Review**

I confirm that recognition and disclosure relating to the Judicial Review remain appropriate.

**Deficiencies in internal control**

I have communicated to you all deficiencies in internal control of which I am aware.

A handwritten signature in blue ink, appearing to read "Helen Vigney".

Chief Financial Officer

For and on behalf of Police and Crime Commissioner Leicestershire and Group

Date 5th September 2014,



## **Appendix 1 - Related parties and related party transactions**

- Blaby District Council
- Charnwood Borough Council
- Harborough District Council
- Hinckley & Bosworth Borough Council
- Leicester City Council
- Melton Borough Council
- North-West Leicestershire District Council
- Oadby & Wigston Borough Council
- Rutland County Council
- Central Government
- East Midlands Air Support Unit
- Northamptonshire Police
- Warwickshire Police
- East Midlands Special Operations Unit
- Derbyshire Police
- Lincolnshire Police
- Nottinghamshire Police
- East Midlands Special Operations Unit – Major Crime
- East Midlands Collaborative Human Resources Services – Learning & Development Unit
- East Midlands Collaborative Human Resources Services – Occupational Health Unit
- East Midlands Technical Surveillance Unit
- East Midlands Legal Services Unit
- National Police Air Service
- West Yorkshire Police