

Mr M Hodgson  
Executive Director  
Ernst & Young LLP  
One Cambridge Business Park  
CAMBRIDGE  
CB4 0WZ

20 September 2018

Dear Mark

**Office of the Police and Crime Commissioner for Suffolk – 2017/18 financial year – Request for a Letter of Representation**

This letter of representation is provided in connection with your audit of the financial statements of the Office of the Police and Crime Commissioner for Suffolk (“the Group and PCC”) for the year ended 31 March 2018.

We recognise that obtaining representations from us concerning the information contained in this letter is a significant procedure in enabling you to form an opinion as to whether the financial statements give a true and fair view of the financial position of the Office of the Police and Crime Commissioner for Suffolk as of 31 March 2018 and of its income and expenditure for the year then ended in accordance with CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2017/18.

We understand that the purpose of your audit of our financial statements is to express an opinion thereon and that your audit is conducted in accordance with International Standards on Auditing (UK and Ireland), which involves an examination of the accounting system, internal control and related data to the extent you considered necessary in the circumstances, and is not designed to identify - nor necessarily be expected to disclose - all fraud, shortages, errors and other irregularities, should any exist.

Accordingly, we make the following representations, which are true to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing yourselves:

**A. Financial Statements and Financial Records**

1. We have fulfilled our responsibilities, under the relevant statutory authorities, for the preparation of the financial statements for the Group and PCC, in accordance with the Accounts and Audit Regulations 2015 and CIPFA LASAAC Code of Practice on Local Authority Accounting in the United

Kingdom 2017/18.

2. We acknowledge, as members of management of the Group and PCC, our responsibility for the fair presentation of the consolidated and PCC financial statements. We believe the consolidated and PCC financial statements referred to above give a true and fair view of the financial position, financial performance (or results of operations) and cash flows of the Group and PCC in accordance with the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2017/18 and are free of material misstatements, including omissions. We have approved the consolidated and PCC financial statements.
3. We confirm that the Responsible Officer has:
  - Reviewed the accounts
  - Reviewed all relevant written assurances relating to the accounts, and
  - Made other enquiries as appropriate.
4. The significant accounting policies adopted in the preparation of the financial statements are appropriately described in the financial statements.
5. As members of the management of the PCC, we believe that the PCC has a system of internal controls adequate to enable the preparation of accurate financial statements in accordance with the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2017/18, that are free from material misstatement, whether due to fraud or error.
6. There are no unadjusted audit differences identified during the current audit and pertaining to the latest period presented.

## **B. Fraud**

1. We acknowledge that we are responsible for the design, implementation and maintenance of internal controls to prevent and detect fraud.
2. We 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.
3. We have no knowledge of any fraud or suspected fraud involving management or other employees who have a significant role in the Group or PCC's internal controls over financial reporting. In addition, we have no knowledge of any fraud or suspected fraud involving other employees in which the fraud could have a material effect on the financial statements.
4. We have no knowledge of any allegations of financial improprieties, including fraud or suspected fraud, (regardless of the source or form and including without limitation, any allegations by "whistle-blowers") which could result in a misstatement of the financial statements or otherwise affect the financial reporting of the Group or PCC.

## **C. Compliance with Laws and Regulations**

1. We have disclosed to you all known actual or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

## **D. Information Provided and Completeness of Information and Transactions**

1. We have provided you with:
  - Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters as agreed in terms of the audit engagement.
  - Additional information that you have requested from us for the purpose of the audit; and
  - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
2. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
3. We have made available to you all minutes of the meetings of the PCC and its relevant committees (or summaries of actions of recent meetings for which minutes have not yet been prepared) held through the year to the most recent meeting on the following date: 7 September 2018.
4. We confirm the completeness of information provided regarding the identification of related parties. We have disclosed to you the identity of the PCC related parties and all related party relationships and transactions of which we are aware, including sales, purchases, loans, transfers of assets, liabilities and services, leasing arrangements, guarantees, non-monetary transactions and transactions for no consideration for the period ended, as well as related balances due to or from such parties at the year end. These transactions have been appropriately accounted for and disclosed in the financial statements.
5. We believe that the significant assumptions we have used in making accounting estimates, including those measured at fair value, are reasonable.
6. We have disclosed to you, and the Group and PCC has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.

## **E. Liabilities and Contingencies**

1. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.
2. We have informed you of all outstanding and possible litigation and claims, whether or not they have been discussed with legal counsel.
3. We have recorded and/or disclosed, as appropriate, all liabilities related litigation and claims, both actual and contingent, and have disclosed in the financial statements all guarantees that we have given to third parties.

## **F. Subsequent Events**

1. Other than described in the relevant note to the Group and PCC's financial statements, there have been no events subsequent to period end which

require adjustment of or disclosure in the financial statements or notes thereto.

## **G. Accounting Estimates**

1. We believe that the significant assumptions we have used in making accounting estimates, including those measured at fair value, are reasonable.
2. In respect of accounting estimates recognised or disclosed in the financial statements:
  - We believe the measurement processes, including the related assumptions and models used in determining accounting estimates, is appropriate and the application of these processes is consistent.
  - The disclosures relating to accounting estimates are complete and appropriate in accordance with the applicable financial reporting framework.
  - The assumptions we have used in making accounting estimates appropriately reflects our intent and ability to carry out specific courses of action on behalf of the entity, where relevant to the accounting estimates and disclosures.
  - No subsequent event requires an adjustment to the accounting estimates and disclosures included in the financial statements.

## **H. Group audits**

1. There are no significant restrictions on our ability to distribute the retained profits of the Group because of statutory, contractual, exchange control or other restrictions other than those indicated in the Group financial statements.
2. The necessary adjustments have been made to eliminate all material intra-group unrealised profits on transactions amongst PCC, subsidiary undertakings and associated undertakings.
3. We confirm that entities excluded from the consolidated financial statements are immaterial on a quantitative and qualitative basis.

## **I. Expenditure Funding Analysis**

1. We confirm that the financial statements reflect the operating segments reported internally to the PCC.

## **J. Going Concern**

1. We have made you aware of any issues that are relevant to the Group and PCC's ability to continue as a going concern, including significant conditions and events, our plans for future action, and the feasibility of those plans.

## **K. Ownership of Assets**

1. Except for assets capitalised under finance leases, the Group and PCC have satisfactory title to all assets appearing in the balance sheet(s), and there are no liens or encumbrances on the PCC's assets, nor has any asset

been pledged as collateral. All assets to which the PCC has satisfactory title appear in the balance sheet(s).

#### **L. Reserves**

1. We have properly recorded or disclosed in the consolidated and PCC financial statements the useable and unusable reserves.

#### **M. Valuation of Property, Plant and Equipment Assets**

1. We believe that the measurement processes, including related assumptions and models, used to determine the accounting estimate(s) have been consistently applied and are appropriate in the context of the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2017/18.
2. We confirm that the significant assumptions used in making the valuation of assets appropriately reflect our intent and ability to carry out specific courses of action on behalf of the entity.
3. We confirm that the disclosures made in the consolidated and PCC financial statements with respect to the accounting estimate(s) are complete and made in accordance with the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2017/18.
4. We confirm that no adjustments are required to the accounting estimates and disclosures in the consolidated and PCC financial statements due to subsequent events.
5. We confirm that we have performed a desktop review of all assets not subject to revaluation as part of the 5 year rolling programme for valuations and that each asset category is not materially misstated.
6. We confirm that for assets carried at historic cost, no impairment is required.

#### **N. Retirement benefits**

1. On the basis of the process established by us and having made appropriate enquiries, we are satisfied that the actuarial assumptions underlying the scheme liabilities are consistent with our knowledge of the business. All significant retirement benefits and all settlements and curtailments have been identified and properly accounted for.

#### **O. Other information**

1. We acknowledge our responsibility for the preparation of the other information. The other information comprises the Narrative Report included in the Statement of Accounts 2017-18.
2. We confirm that the content contained within the other information is consistent with the financial statements.

#### **P. Specific Representations**

1. No further specific representations in addition to those above have been requested.

Yours sincerely,

Tim Passmore  
Police and Crime Commissioner

Chris Bland  
Chief Finance Officer

David Rowe  
Chair of the Audit Committee