

Police and Crime Commissioner for North Yorkshire and Chief Constable for North Yorkshire

Progress report and briefing – 12 June 2014

2013/14



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Our reports are prepared in the context of the Audit Commission’s ‘Statement of responsibilities of auditors and audited bodies’. Reports and letters prepared by appointed auditors and addressed to Members or employees of Cleveland Fire Authority are prepared for the sole use of the Authority. We take no responsibility to any Member or employee in their individual capacity or to any third party.

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01

Purpose of this document

The purpose of this paper is to provide the Joint Independent Audit Committee (the Committee) with a report on progress in delivering our responsibilities as external auditor of the Police and Crime Commissioner for North Yorkshire (the Commissioner) and the Chief Constable for North Yorkshire (the Chief Constable).

This paper also seeks to highlight key emerging national issues and developments which may be of interest to members of the Committee.

If you require any additional information regarding the issues included within this briefing, please contact any member of your engagement team.

Finally, please note our website address (www.mazars.co.uk) which sets out the range of work Mazars carries out, both within the UK and abroad. It also details the existing work Mazars does in the public sector – including Academies, Universities, Sixth Form Colleges and Housing Associations (both Internal and External Audit).

02

Progress on the audit

Financial statements audit and value for money conclusion

Members will recall that we presented our External audit / Internal audit protocol to the January 2014 meeting, and separate 2013/14 Audit Strategy Memorandum for the Commissioner and the Chief Constable to the March 2014 meeting.

Since the committee last met in March, we have:

- Held a briefing session in April with key members of the finance team to discuss the Cipfa Police Accounts Bulletin issued in March 2014. We have also then held further discussions about guidance issued in April 2014 by the Audit Commission to its appointed auditors in respect of Police bodies' accounts for the 2013/14 year.
- Undertaken early work on our value for money conclusions, in line with our Audit Strategy Memorandum for the Commissioner and Chief Constable;
- Continued our planning for the financial statements audits, including liaising with finance to agree a mutually agreeable timetable for our on site work in June (early testing on the financial statements) and July/August (final post statements audit visit); and
- We have appointed 1 September 2014 as the date on or after which local government electors for the area may exercise their rights under sections 15 and 16 of the Audit Commission Act 1998, to question the auditor about or make objections to the accounts for the year ended 31 March 2014.

There are no changes to our planned audit approach from that set out in our Audit Strategy Memorandum for the Commissioner and the Chief Constable presented to the Committee's March 2014 meeting. From our work to date, there are no matters at this stage that we need to bring to the attention of the Committee.

03

National publications and updates

Final accounts workshops, Mazars

As noted in section 2, we have run a series of 1/1 final accounts workshops for key finance staff at our police clients. These are designed to help aid the smooth production of the financial statements, including early discussion of any key changes.

LAAP Bulletin 98A, Closure of the 2013/14 Accounts in the Single Entity Financial Statements of the Police and Crime Commissioner and Chief Constable, Cipfa

Cipfa published its guidance to the preparers of police accounts in March 2014. Since the previous guidance was issued, the status of chief constables changed under the Police Reform and Social Responsibility Act 2011 (Transitional Provision) Order 2013. This permits them to apply Sections 21 and 22 of the Local Government Act 2003 (accounts) to their transactions as they would apply in relation to a local authority. We have discussed the Bulletin with finance staff.

Can local government's £2.5 billion 'surplus' assets be put to better use? Audit Commission

Although the value of the local government estate has shrunk by nearly a third since 2004/05, the Audit Commission is highlighting that within it are around £2.5 billion of 'surplus' assets. The Commission is calling on councils to ensure they have a strategic approach to managing these assets, in order to get the best value for money they can from this portion of the local government estate.

The NAO'S role in local audit, National Audit Office

The National Audit Office (NAO) is taking on new responsibilities in the new framework for the audit of local bodies. This leaflet provides information on their new role, examples of their recent value for money work focused on local services, and contact details for you to provide views and suggestions or to ask questions about their work.

Appendix 1 – Position statement of 2013/14 audit

Planned output	Expected completion date	Draft report issued to management	Final report issued to management	Final report presented to Audit Committee	Comments
Audit Fee Letters (individual letters for Commissioner and Chief Constable).	October 2013	~	4 October 2013	~	~
Audit Committee Progress Report and Briefing (joint for both Commissioner and Chief Constable).	~	~	~	~	To each and every meeting.
External/Internal Audit protocol for 2013/14 (joint for both Commissioner and Chief Constable).	December 2013	9 December 2013	16 December 2013	January 2014	~
Audit Strategy Memorandum (individual plans for Commissioner and Chief Constable).	March 2014	6 March 2014	March 2014	March 2014	~
Annual governance reports, incorporating opinion on the financial statements and VfM Conclusion (individual for Commissioner and Chief Constable).	September 2014				
Annual Audit Letter (individual for Commissioner and Chief Constable).	October 2014				