



Audit Completion Report

Office of the Police, Fire and Crime Commissioner for North Yorkshire and the Chief Constable for North Yorkshire – period ended 6 May 2024

February 2025

David Skaith, Mayor for York and North Yorkshire Combined Authority
Jo Coles, Deputy Mayor for Policing, Fire and Crime (DMPFC)
Tim Forber, Chief Constable for North Yorkshire (CC)
Members of the Joint Independent Audit Committee (JIAC)
North Yorkshire Police -Police Headquarters
Alverton Court
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February 2025
Dear Committee Members,

Forvis Mazars
Bank Chambers
26 Mosley Street
Newcastle Upon Tyne
NE1 1DF

Audit Completion Report – Period ended 06 May 2024.

We are pleased to present our Audit Completion Report for the period ended 06 May 2024. The purpose of this document is to summarise our audit conclusions. The scope of our work, including identified significant audit risks, and other key judgement areas, was outlined in our Audit Strategy Memorandum, which we presented to you on 4 September 2024.

We have reviewed the significant audit risks and other key judgement areas set out in our Audit Strategy Memorandum and, during the course of the audit, we subsequently identified the following significant risk:

- Estimation used in extended year-end financial reporting

As a result of the legislative backstop arrangements introduced by the amendments to the Accounts and Audit Regulations 2015, we are unable to complete the audit as originally planned, in advance of the backstop date of 28 February 2025. We provide more information on the legislative backstop arrangements and its implications for the audit and our audit report, in section 1.

We will continue to work closely with you and management to take the necessary steps to rebuild assurance over future accounting periods. We have already provided an overview of our approach to rebuilding and will provide further updates to future meetings of this Committee. In line with the guidance issued by the National Audit Office, as endorsed by the Financial Reporting Council, we hope to return to a standard audit cycle where we are able to obtain sufficient, appropriate evidence in order to issue an unmodified audit opinion in as short a period as practicable.

We would like to express our thanks for the assistance of your team during our audit.

If you would like to discuss any matters in more detail then please do not hesitate to contact me on 07781 283527.

Yours faithfully



James Collins (Feb 21, 2025 09:01 GMT)

James Collins

Forvis Mazars LLP

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Our reports are prepared in the context of the 'Statement of Responsibilities of auditors and audited bodies' and the 'Appointing Person Terms of Appointment' issued by Public Sector Audit Appointments Limited. Reports and letters prepared by appointed auditors and addressed to the York and North Yorkshire Deputy Mayor for Policing, Fire and Crime and the Chief Constable for North Yorkshire are prepared for the sole use of the Joint Independent Audit Committee, York and North Yorkshire Deputy Mayor for Policing, Fire and Crime and the Chief Constable for North Yorkshire as those charged with governance and we take no responsibility to any member or officer in their individual capacity or to any third party.

01

Executive Summary

Executive summary

The scope of our audit and implications of the backstop arrangements

Our audit of the financial statements

The detailed scope of our work as your appointed auditor for 2023/24 is set out in the National Audit Office's (NAO) Code of Audit Practice ('the Code'). Our responsibilities and powers are derived from the Local Audit and Accountability Act 2014 ("the 2014 Act") and, as outlined in our Audit Strategy Memorandum, our audit has been conducted in accordance with International Standards on Auditing (UK) ("auditing standards") and means we focus on audit risks that we have assessed as resulting in a higher risk of material misstatement.

The scope of our work, including identified significant audit risks, and other key judgement areas, was outlined in our Audit Strategy Memorandum, which we presented to you on 4 September 2024. We subsequently identified another significant audit risk due to estimation used in extended year-end financial reporting.

The government has introduced measures intended to resolve the local government financial reporting backlog. Amendments to the Accounts and Audit Regulations require the Police, Fire and Crime Commissioner (PFCC) and Chief Constable (CC) to publish their audited 2023/24 financial statements and accompanying information on or before 28 February 2025. In accordance with the Code, we are required to provide our audit report in sufficient time to enable the PFCC and CC to meet these responsibilities, whether the audit is completed or not.

Auditing standards require auditors to consider whether they have obtained sufficient appropriate assurance that the financial statements present a true and fair view and have been prepared, in all material respects, in line with the Code of Practice on Local Authority Accounting. Where the auditor determines they have been unable to obtain sufficient appropriate assurance, they must consider the implications of this on their audit report.

As a result of the backstop arrangements, we have determined that there is insufficient time to complete our audit procedures as to obtain sufficient appropriate evidence, and, in our view, the effects of the resulting lack of assurance is both pervasive and material to the financial statements as a whole. As a result, we intend to issue a disclaimer of opinion on the PFCC (including Group) and CC's financial statements. We have included our proposed audit report in Appendix B.

When an opinion is disclaimed the auditor does not express an opinion on the financial statements and, consequently, no assurance is provided on the financial statements. Members will note that the form and content of this report differs substantially from the report which they will have seen in previous years. We provide more details on this in section 3.

Internal control recommendations and misstatements

Despite our intention to issue a disclaimer of opinion, where matters come to our attention through the course of our audit, we may be required to report these to you. Section 3 sets out any internal control recommendations we have made and any misstatements identified in the draft financial statements and how these have been addressed by management.

Value for Money arrangements

The amendments to the Accounts and Audit Regulations do not affect our responsibilities in relation to the PFCC and CC's Value for Money arrangements. We anticipate having no significant weaknesses in arrangements to report in relation to the arrangements that the PFCC and CC have in place to secure economy, efficiency and effectiveness in its use of resources. Further detail on our Value for Money work is provided in section 4 of this report.

Whole of Government Accounts

As a result of the backstop arrangements and our intention to issue a disclaimer of opinion on the PFCC (including Group) and CC's financial statements, we anticipate reporting to the NAO that we are unable to complete the mandatory audit procedures specified in their Group Audit Instructions. We are awaiting confirmation of when and how this should be reported to the NAO.

Wider powers

The 2014 Act requires us to give an elector, or any representative of the elector, the opportunity to question us about the accounting records of the PFCC and CC and to consider any objection made to the accounts. We have no matters to report.

02

Audit Approach

Audit Approach

Outcome of Audit Work

This section outlines the work we have completed on the audit. It is important however to emphasise that our opinion is disclaimed consequently, no assurance is provided on the financial statements, or any area outlined in the table below.

Area	Status	Area	Status
Financial statement level work	●	Creditors	●
Movement in Reserves Statement	●	Pensions	●
Income	●	Financial instruments	●
Expenditure	●	Provisions	●
Cash flow statement	●	Closure procedures	●
Investment properties	●	Group consolidation	●
Property, plant and equipment	●		
Investments	●		
Debtors	●		
Cash and cash equivalents	●		
Loans and borrowings	●		

Status key

- Not started
- Started not completed
- Completed

Audit Approach

Changes since we issued our Audit Strategy Memorandum

Section 1 of this report explains the implications of the backstop arrangements introduced by the recent amendments to the Accounts and Audit Regulations and confirms that we intend to issue a disclaimer of opinion on the PFCC (including Group) and CC's financial statements. As a result, we have not completed our planned procedures to respond to all the significant risks which we previously reported to you.

Materiality

We are required to determine materiality and report this to you, irrespective of whether we are disclaiming our opinion.

Our provisional materiality at the planning stage of the audit was set at £5.8m for Group, £4.2m for PFCC and 5.2 million for CC using a benchmark of 2% gross revenue expenditure.

Based on the final financial statement figures and other qualitative factors the final overall materiality we applied was £6.5m for Group, £4.7m for PFCC and £5.0m for CC. These are based on the same benchmark of 2% gross revenue expenditure.

Summary of Risks

Our risk assessment has been updated since we issued our Audit Strategy Memorandum on 4 September 2024. We identified a further significant risk relating to estimation used in extended period-end financial reporting

Whilst we planned our audit to address the risks of material misstatement we identified at the planning stage, we will not have completed our work in advance of the backstop date and as such do not provide any assurance over individual areas of the financial statements or the financial statements as a whole, nor do we provide assurance over any of the identified risks. These risks are summarised in the table following.

Significant risks

Management override of controls (PFCC and CC)

Description of the risk

This is a mandatory significant risk on all audits due to the unpredictable way in which such override could occur.

Management at various levels within an organisation are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such override could occur there is a risk of material misstatement due to fraud on all audits.

How we addressed this risk

We intended to address this risk through:

- accounting estimates impacting amounts included in the financial statements;
- consideration of identified significant transactions outside the normal course of business; and
- journal entries recorded in the general ledger and other adjustments made in preparation of the financial statements

Audit conclusion

Based on our completed audit procedures we have no matters to bring to your attention.

Audit Approach

Significant risks (continued)

IAS19 Net defined benefit valuation (PFCC and CC)

Description of the risk

The financial statements contain material pension entries in respect of retirement benefits. The calculation of these pension figures, both assets and liabilities, can be subject to significant volatility and includes estimates based upon a complex interaction of actuarial assumptions. This results in an increased risk of material misstatement.

How we addressed this risk

We intended to address this risk through:

- Discussing with key contacts any significant changes to the pension estimates.
- Evaluating management controls in place to assess the reasonableness of the figures provided by the Actuary and consider the reasonableness of the Actuary's output.
- Reviewing the appropriateness of the key assumptions included within the valuations, comparing them to expected ranges and reviewing the methodology applied in the valuation.
- Considering the adequacy of disclosures in the financial statement
- Liaising with the auditors of North Yorkshire Pension Fund to gain assurance that the controls in place at the Pension Fund have been designed and implemented appropriately. This included the processes and controls in place to ensure data provided to the Actuary by the Pension Fund for the purposes of the IAS 19 valuation is complete and accurate.

Audit conclusion

Based on our completed audit procedures we have no matters to bring to your attention.

Audit Approach

Significant risks (continued)

Valuation of Property, Plant and Equipment (PFCC and Group Only)

Description of the risk

The financial statements contain material entries on the Balance Sheet as well as material disclosure notes in relation to the PFCC and Group's holding of land and buildings. Although the PFCC and Group uses a valuation expert to provide information on valuations, there remains a high degree of estimation uncertainty associated with the revaluation of land and buildings due to the significant judgements and number of variables involved in providing revaluations. We have therefore identified the valuation of land and buildings to be an area of significant risk.

How we addressed this risk

We intended to address this risk through:

- Considering the PFCC's arrangements for ensuring that land and building values are reasonable and considered corroborative evidence to enable us to assess the reasonableness of the valuations provided
- For assets revalued during 2023/24 review the valuation methodology used, including testing the underlying data and assumptions. Compare the valuation output with market intelligence, to obtain assurance that the valuations are in line with market expectations.
- Reviewing the approach that the PFCC adopted to address the risk that assets not subject to valuation in 2023/24 are materially misstated and consider the robustness of that approach in light of valuation information reported by external valuers.
- Considering the movement in market indices between revaluation date and the year end in order to determine whether these indicate that fair values have moved materially over that time.

Audit conclusion

Based on our completed audit procedures we have no matters to bring to your attention.

Audit Approach

Significant risks (continued)

Estimation used in extended year-end financial reporting (PFCC and CC)

Description of the risk

Management have made estimates and judgements in calculating balances and transactions up to the 6 May 2024 year end, relating to all items in the core financial statements, therefore we have classified this as a significant risk.

The significant risk is that the estimated income and expenditure for the extended year-end, based on the 2024/2025 budget, may not accurately reflect the actual financial performance. This could lead to material misstatements in the financial statements including the period end Balance Sheet position.

How we addressed this risk

We intended to address this risk through:

- Performing a detailed review of the budgeting process and the assumptions used to prepare the estimates.
- Comparing the estimated figures with historical financial data and actual results for the period.
- Discussing with management the basis for their estimates and any significant variances from actual results.

Audit conclusion

We reviewed the extended trial balance (ETB) prepared by management to support the PFCC and CC financial position up to the period end 6 May 2024. Our testing highlighted some matters which required further work or responses from management. However, despite best efforts management were unable to provide sufficient appropriate evidence to support the PFCC and CC financial position at 6 May 2024 in time for us to meet the 28 February 2024 backstop date. The main areas outstanding were associated with the period end debtors, creditors and cash position. As a result we were unable to conclude our audit procedures in this area and are intending to issue a disclaimer of opinion.

Although we are unable to provide any assurance over the areas of risks we have identified, where matters have come to our attention during the course of the audit that we consider to be important to bring to your attention, we have included these in section 3 of this report.

03

Significant findings

Significant findings

Background and modification of the audit opinion

As we outlined earlier in this report, as a result of the backstop arrangements, we have not been able to complete sufficient audit procedures to enable us to provide an unmodified opinion on the PFCC and CC's financial statements. As we have determined that the pervasive effects, or potential pervasive effects on the financial statements of the lack of sufficient appropriate assurance are both pervasive and material, we will be issuing a disclaimer of opinion. This means we are expressing no opinion on the financial statements.

Appendix B sets out our draft audit report which explains the basis of our disclaimer of opinion being the introduction of the backstop arrangements which require the PFCC and CC to publish their audited 2023/24 financial statements by 28 February 2025.

Members will note that the draft audit report does not report on other matters that would usually appear in an unmodified audit report. These include:

- the use of the going concern assumption in the preparation of the financial statements; and
- the consistency of the other information presented with the financial statements.

Although we are disclaiming our audit opinion, auditing standards require us to report matters to you that have come to our attention during the course of our audit, which we include in this section of this report.

Wider responsibilities

Our powers and responsibilities under the 2014 Act are broad and include the ability to:

- issue a report in the public interest;
- make statutory recommendations that must be considered and responded to publicly;
- apply to the court for a declaration that an item of account is contrary to law; and
- issue an advisory notice under schedule 8 of the 2014 Act.

We have not exercised any of these powers as part of our 2023/24 audit.

The 2014 Act also gives rights to local electors and other parties, such as the right to ask questions of the auditor and the right to make an objection to an item of account. While we did receive correspondence from members of the public after consideration of the matters identified we did not exercise any of the legislative powers and responsibilities.

Significant matters discussed with management

During our audit we communicated the following significant matters to management:

Managements approach to the extended year end – this included the preparation of an extended trial balance (ETB). Management used the ETB to estimate income and expenditure in the year. This then fed into the estimated financial position as at 6 May 2024. While we had the full cooperation of management during the audit we were unable to resolve queries associated with the debtors, creditors and cash balances at 6 May 2024. Given the material nature of these items this lack of assurance means we intend to issue a disclaimer of opinion.

Prior period adjustment (PPA) – management have adjusted the opening debtors and creditor position for the PFCC and Chief Constable.

As part of our audit, we sought and obtained information from management in relation to actual or suspected non-compliance with laws and regulations, and any actual or suspected fraud which could materially impact upon the financial statements.

Based on our review of the information received, we have no matters to report in relation to fraud and the PFCC or CC's compliance with laws and regulations. We have not undertaken any further work in these areas and do not provide any assurance that the financial statements are free from material error .

Significant difficulties during the audit

Other than some difficulties associated with the ETB during the course of the audit we did not encounter any significant difficulties and we have had the full co-operation of management.

Our observations on internal control

As part of our planning procedures, we obtained an understanding of the PFCC and CC's internal control environment and control activities relevant to the preparation of the financial statements, which was sufficient to plan our audit and to determine the nature, timing and extent of our audit procedures. Although our audit was not designed to express an opinion on the effectiveness of the PFCC and CC internal controls, we are required to evaluate any deficiencies in internal control that come to our attention, even though we intend to issue a disclaimer of opinion.

A deficiency in internal control exists if:

- a control is designed, implemented, or operated in such a way that it is unable to prevent, detect, and/or correct potential misstatements in the financial statements; or
- a necessary control to prevent, detect, and/or correct misstatements in the financial statements on a timely basis is missing.

The purpose of our audit, as originally planned before the backstop arrangements came into force, was to express an opinion on the financial statements. The matters reported in this section of our report are limited to those deficiencies and other control recommendations that we have identified through the audit procedures we were able to complete before the backstop date. If we had performed more extensive procedures on internal control, we might have identified more deficiencies to report or concluded that some of the reported deficiencies need not in fact have been reported. Our comments in this section should not be regarded as a comprehensive record of all deficiencies that may exist or improvements that could be made.

Significant deficiencies in internal control

A significant deficiency in internal control is one which, in our professional judgement, has the potential for financial loss, damage to reputation, or a loss of information which may have implications on the achievement of business strategic objectives. Our view is that observations categorised as a significant deficiency are of sufficient importance to merit the attention of Those Charged with Governance.

We have not identified any significant deficiencies in the PFCC and CC's internal controls as at the date of this report.

Other observations on internal control

We also report to you, our observations on the PFCC and CC's internal controls where, in our professional judgement, there is a need to strengthen internal control or enhance business efficiency that do not constitute significant deficiencies in internal control but which we view as being important for consideration by management.

Our other internal control observations, as at the date of this report, are set out in this section. These have been reported to management directly and have been included in this report for your information.

Whether internal control observations merit attention by Those Charged With Governance and/or management is a matter of professional judgment, taking into account the risk of misstatement that may arise in the financial statements as a result of those observations.

Our observations on internal control

Other deficiencies in internal control

In our view, there is a need to address the deficiencies in internal control set out in this section (which are not deemed to be significant deficiencies) to strengthen internal control or enhance business efficiency. Our recommendations should be actioned by management in the near future.

Description of deficiency

Our review of property valuations considered managements review of inflation's impact on the valuation movements of Property, Plant, and Equipment from the valuation date (31 January 2024) to the period-end date. While a review was completed it was not documented in a working paper and required reperformance.

Potential effects

The lack of documentation of inflation's impact on PPE valuation could lead to financial reporting inaccuracies being missed in managements review procedures.

Recommendation

Ensure that the review of inflation's impact on PPE valuation is fully documented. This should include detailed working papers that outline the methodology, assumptions, and conclusions reached during the review.

Management response

Management have accepted this recommendation and have advised this will be picked up as part of the 2024/25 year-end valuations and working papers.

Description of deficiency

Journal reports produced from the general ledger do not include the user who posted the journal entries. To mitigate this, the finance team has been instructed to include their initials in the journal name description. However, upon review, we noted journal entries where the initials of the poster had not been included.

Potential effects

Without identifying the user who posted the journal, it is difficult to trace the origin of the entries.

Recommendation

Ideally management should look to enhance the system reporting so that user who posted the journal is automatically captured. However while this is not possible management should remind staff of the requirement to include initials in the journal description. Management should consider a monitoring process to review journal entries and ensure compliance with the requirement to include user identification.

Management response

The system is being reviewed during 2025/26 to incorporate YNYCA, NYFRS along with NYP and this journal identification requirement will be taken into account. In the short term, Finance will discuss with ICT an additional report - Journal listing report - being produced monthly to check that users are including their initials when entering journals directly on the system. All users will be reminded on a weekly basis, at the Finance Team Meeting, that initials on journals are a requirement.

Our observations on internal control

Other deficiencies in internal control

In our view, there is a need to address the deficiencies in internal control set out in this section (which are not deemed to be significant deficiencies) to strengthen internal control or enhance business efficiency. Our recommendations should be actioned by management in the near future.

Description of deficiency

During the extended year-end period, budgeted transactions rather than actual transactions were utilised. This resulted in an estimated period end position for debtors, creditors and cash. Management did not perform a reconciliation of the cash and bank figure at 6 May 2024. This meant it was difficult to confirm the material accuracy of the cash balances as well as the debtors and creditor position. Note management had completed a bank reconciliation at 31 March 2024.

Potential effects

There are material errors in the balance sheet which are not detected.

Recommendation

Management should perform a bank reconciliation as at 6 May 2024. to ensure that cash balances are accurately reported. This will also help support the figures presented elsewhere on the Balance Sheet.

Management response

Management have accepted this recommendation stating that cash and bank reconciliation are regularly undertaken. It is just very unusual to have a year-end date of the 6th May and a bank reconciliation at this date should have been given the same prominence as one that would have taken place on the 31st March.

Summary of amendments to the financial statements

The PFCC' Assistant Director of Resources and the CC's Chief Finance Officer authorised the Council's draft financial statements for issue on 28 June 2024.

Although we intend to issue a disclaimer of opinion, we still report any amendments which management have made to the draft financial statements, identified either through the audit procedures that we have undertaken, or separately by management.

This information is provided to the Joint Independent Audit Committee for information and to support it to discharge its responsibilities. It is important for members to note that, given we are issuing a disclaimer of opinion, we provide no assurance over the material accuracy of the amendments that have been made to the draft financial statements which are summarised in this section.

Unadjusted misstatements

When we issue a disclaimer of opinion as a result of the backstop arrangements, auditing standards require us to consider whether we are aware of any matter that would have otherwise required a modification to our opinion. Such matters may include, for example, material misstatements that have been identified which have not been amended by management in the final financial statements. We confirm that no such matters have come to our attention.

Details of adjustment	Comprehensive Income and Expenditure Statement		Balance Sheet	
	Dr (£'000)	Cr (£'000)	Dr (£'000)	Cr (£'000)
Dr: PPE (PFCC)			159	
Cr: Creditors (PFCC)				-575
Cr: Financial Costs (PFCC)	416			
In the period from the 1 April 2024 to 6 May 2024 there was capital additions of £0.575m and depreciation charges of £0.416m. Neither of these entries have been recorded in the financial statements. The overall impact is that the value of PPE is understated by £0.159m, the value of creditors is understated by £0.575m and the value of financial costs in the PFCC CIES are understated by £0.416m. There is a similar undercharge to the Chief Constable for capital costs.				
Dr LGPS pension asset			844	
Cr Pension reserve				844
The Pension Fund auditor in their letter to us reported some misstatement in asset values. The net impact of these was that asset values at Fund level are understated by £12.8m. The CC's share of the Fund's assets is 6.5%, this equates to an asset understatement of £0.832m. The impact on the Group as a whole is that assets are understated by £0.844m.				
Aggregate effect of amendments	416	0	159	575

Our testing of the extended trial balance (ETB) identified several potential non material misstatements. However, given we have not been able to conclude our testing of debtors, creditors and cash we have not been able to conclude if these were misstatements or the potential value of them. The backstop dates has restricted our ability to conclude our work and as such we have no unadjusted misstatements to report.

Summary of amendments to the financial statements

Amendments to the financial statements

Management has processed the amendments set out in the table below which exceed the trivial threshold for adjustment of £0.144m.

Details of amendment	Comprehensive Income and Expenditure Statement		Balance Sheet	
	Dr (£ '000)	Cr (£ '000)	Dr (£ '000)	Cr (£ '000)
Dr: Movement in reserves statement - CC	50,497	-50,497		
Cr: (Surplus) or deficit on remeasurement of defined benefit liability				
The surplus on remeasurement of the defined benefit liability had not been recorded in the CIES Other Comprehensive (Income) and Expenditure for the Chief Constable, this adjustment recognises the surplus.				
Aggregate effect of amendments	50,497	-50,497		

Disclosure amendments

Management has processed the following disclosure amendments:

Accounting policies (PCC and CC): various amendments made

Note 4a, Pensions reserves (CC): remeasurement on pension assets and liabilities updated

Note 5c, Pension Reserve (PCC and Group) : note updated to ensure consistency.

Note 13e Officers and Staff: Updated for some presentational errors and to include figures up to 6 May 202

Note 34 Related Parties : note updated to reflect position at 6 May 2024.

The PCC and CC accounts were also updated for some presentational and consistency errors.

Value for Money arrangements

Value for Money

Approach to Value for Money

We are required to consider whether the Police, Fire and Crime Commissioner (PFCC) and Chief Constable (CC) has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The NAO issues guidance to auditors that underpins the work we are required to carry out and sets out the reporting criteria that we are required to consider. The reporting criteria are:

- **Financial sustainability** - How the PFCC and CC plans and manages its resources to ensure it can continue to deliver its services;
- **Governance** - How the PFCC and CC ensures that it makes informed decisions and properly manages its risks; and
- **Improving economy, efficiency and effectiveness** - How the PFCC and CC uses information about its costs and performance to improve the way it manages and delivers its services.

At the planning stage of the audit, we undertake work to understand the arrangements that the PFCC and CC has in place under each of the reporting criteria and we identify risks of significant weaknesses in those arrangements. Although we describe this work as planning work, we keep our understanding of arrangements under review and update our risk assessment throughout the audit to reflect emerging issues that may suggest significant weaknesses in arrangements exist.

The table overleaf outlines the risks of significant weaknesses in arrangements that we have identified, the risk-based procedures we have undertaken, and the results of our work.

Where our risk-based procedures identify actual significant weaknesses in arrangements we are required to report these and make recommendations for improvement. Where such significant weaknesses are identified, we report these in the audit report.

The primary output of our work on the PFCC and CC arrangements is the commentary on those arrangements that forms part of the Auditor's Annual Report. We intend to issue the Auditor's Annual Report alongside this report.

Status of our work

We have completed our work in respect of the PFCC and CC's arrangements for the period ended 6 May 2024 and we have not identified any significant weaknesses in arrangements that have required us to make a recommendation. We have followed up on prior year significant weaknesses in arrangements and concluded that these have been appropriately addressed. Our draft audit report at Appendix B confirms that we have no matters to report in respect of significant weaknesses. As noted above, our commentary on the PFCC and CC arrangements will be provided in the Auditor's Annual Report which will be presented alongside this report.

Value for Money

Follow up of previously-reported significant weaknesses in arrangements – for the Chief Constable

In 2022/23 we reported 2 significant weaknesses to the PFFC and CC. As part of our work in 2023/24, we followed up the progress made by the PFCC and CC against the recommendations made, and determined whether the significant weakness remained during the period.

Significant weakness in arrangements	Financial Sustainability	Governance	Improving the 3Es	Work Undertaken and Conclusions Reached
<p>2021/22 HMICFRS PEEL Inspection Report</p> <p>Improving economy, efficiency and effectiveness</p> <p>The 2021/22 HMICFRS inspection report on the Chief Constable and the Force was published in March 2023.</p> <p>HMICFRS raised a specific cause for concern that the Chief Constable had failed to provide sufficient oversight of enabling services and did not have an effective workforce plan or performance management in place.</p> <p>HMICFRS recommended that the Chief Constable should:</p> <ul style="list-style-type: none"> • make sure that senior leaders have effective oversight of the force’s enabling services and the current challenges associated with capability; • develop an effective workforce plan so it can provide a service that meets the policing needs of the community, now and in the future; and • develop and align departmental operational and strategic plans that are informed by accurate information and a detailed performance framework. <p>In our view, HMICFRS’s concerns about oversight of enabling services, the lack of effective workforce planning and the need to improve the performance framework represent a significant weakness in arrangements in relation to how the Chief Constable evaluates the services provided to assess performance and identify areas for improvement under the Economy, Efficiency and Effectiveness criterion in respect of the 2021/22 financial year.</p>			<p>●</p>	<p>Progress against the recommendation</p> <p>Following the inspection an Improvement Plan was put in place to address the recommendations raised.</p> <p>HMICFRS completed a cause of concern revisit in July 2023, the outcome of which was published in December 2023. In the visit letter the inspector noted the improvements that had been made in respect of the recommendations raised. The inspector concluded that following the considerable work that has been carried out to support these improvements, the cause of concern had been discharged.</p> <p>In our view, the discharging of the cause of concern by HMICFRS is evidence of the recommendations that were raised by the 2021/22 Inspection having been addressed.</p> <p>Conclusions</p> <p>The revisit was completed in July 2023, it is likely that the improvements seen during the revisit were in place prior to the revisit. Therefore, our judgement is the significant weakness in arrangements has been addressed in 2023/24.</p>

Value for Money

Follow up of previously-reported significant weaknesses in arrangements – for the Police, Fire and Crime Commissioner

In 2022/23 we reported a significant weakness to the Police, Fire and Crime Commissioner. As part of our work in 2023/24, we followed up the progress made by the Police, Fire and Crime Commissioner against the recommendations made, and determined whether the significant weakness remained during the year.

Significant weakness in arrangements	Financial Sustainability	Governance	Improving the 3Es	Work Undertaken and Conclusions Reached
<p>2021/22 HMICFRS PEEL Inspection Report</p> <p>Improving economy, efficiency and effectiveness</p> <p>The 2021/22 HMICFRS inspection report on the Chief Constable and the Force was published in March 2023.</p> <p>HMICFRS raised a specific cause for concern that the Chief Constable had failed to provide sufficient oversight of enabling services and did not have an effective workforce plan or performance management in place.</p> <p>HMICFRS recommended that the Chief Constable should:</p> <ul style="list-style-type: none"> • make sure that senior leaders have effective oversight of the force’s enabling services and the current challenges associated with capability; • develop an effective workforce plan so it can provide a service that meets the policing needs of the community, now and in the future; and • develop and align departmental operational and strategic plans that are informed by accurate information and a detailed performance framework. <p>HMICFRS’ concerns around the Chief Constable’s progress also represent an issue for the Police, Fire and Crime Commissioner (PFCC) who is elected by the public to hold the Chief Constable and the Force to account, as the PFCC’s oversight of the Chief Constable did not identify or address these weaknesses prior to HMICFRS’s inspection.</p> <p>In our view, HMICFRS’s concerns about oversight of enabling services, the lack of effective workforce planning and the need to improve the performance framework represent a significant weakness in arrangements in relation to how the PFCC evaluates the services provided to assess performance and identify areas for improvement under the Economy, Efficiency and Effectiveness criterion in respect of the 2021/22 financial year.</p>			<p>●</p>	<p>Progress against the recommendation</p> <p>Following the inspection an Improvement Plan was put in place to address the recommendations raised. HMICFRS completed a cause of concern revisit in July 2023, the outcome of which was published in December 2023. In the visit letter the inspector noted the improvements that had been made in respect of the recommendations raised. The inspector concluded that following the considerable work that has been carried out to support these improvements, the cause of concern had been discharged.</p> <p>In our view, the discharging of the cause of concern by HMICFRS is evidence of the recommendations that were raised by the 2021/22 Inspection having been addressed.</p> <p>Conclusions</p> <p>The revisit was completed in July 2023, it is likely that the improvements seen during the revisit were in place prior to the revisit. Therefore, our judgement is the significant weakness in arrangements has been addressed in 2023/24.</p>

Appendices

A: Draft management representation letter

B: Draft audit report

C: Confirmation of our independence

Appendix A: Draft management representation letter - PFCC

Forvis Mazars LLP
The Corner
Bank Chambers
26 Mosley Street
Newcastle Upon Tyne
NE1 1DF

XX February 2025

Dear James,

Office of the Police, Fire and Crime Commissioner for North Yorkshire - Audit for period ended 6 May 2024

This representation letter is provided in connection with your audit of the financial statements of the Office of the Police, Fire and Crime Commissioner and Group for the period ended 6 May 2024. I note that you intend to intend to issue a disclaimer of opinion in respect of your audit. I understand I am still required to provide the representations set out in this letter so you can complete your audit in accordance with relevant auditing standards.

I confirm that the following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, inspection of supporting documentation) sufficient to satisfy ourselves that I can properly make each of the following representations to you.

My responsibility for the financial statements and accounting information

I believe that I have fulfilled my responsibilities for the true and fair presentation and preparation of the financial statements in accordance with the Code, as amended by the Code Update and applicable law.

My responsibility to provide and disclose relevant information

I have provided you with:

- access to all information of which I am aware that is relevant to the preparation of the financial statements such as records, documentation and other material;
- additional information that you have requested from us for the purpose of the audit; and
- unrestricted access to individuals within the PFCC and Group you determined it was necessary to contact in order to obtain audit evidence.

I confirm as Assistant Director of Resources that I have taken all the necessary steps to make me aware of any relevant audit information and to establish that you, as auditors, are aware of this information.

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

Accounting records

I confirm that all transactions that have a material effect on the financial statements have been recorded in the accounting records and are reflected in the financial statements. All other records and related information, including minutes of all PFCC and committee meetings, have been made available to you.

Accounting policies

I confirm that I have reviewed the accounting policies applied during the period in accordance with International Accounting Standard 8 and consider these policies to faithfully represent the effects of transactions, other events or conditions on the PFCC and Group's financial position, financial performance and cash flows.

Accounting estimates, including those measured at fair value

I confirm that the methods, significant assumptions and the data used by the PFCC and Group in making the accounting estimates, including those measured at fair value are appropriate to achieve recognition, measurement or disclosure that is in accordance with the applicable financial reporting framework.

Contingencies

There are no material contingent losses including pending or potential litigation that should be accrued where:

- information presently available indicates that it is probable that an asset has been impaired or a liability had been incurred at the balance sheet date; and
- the amount of the loss can be reasonably estimated.

There are no material contingent losses that should be disclosed where, although either or both the conditions specified above are not met, there is a reasonable possibility that a loss, or a loss greater than that accrued, may have been incurred at the balance sheet date.

There are no contingent gains which should be disclosed.

All material matters, including unasserted claims, that may result in litigation against the PFCC and Group have been brought to your attention. All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with the Code, as amended by the Code Update and applicable law.

Appendix A: Draft management representation letter

Laws and regulations

I confirm that I have disclosed to you all those events of which I am aware which involve known or suspected non-compliance with laws and regulations, together with the actual or contingent consequences which may arise therefrom.

The PFCC and group has complied with all aspects of contractual agreements that would have a material effect on the accounts in the event of non-compliance.

Fraud and error

I acknowledge my responsibility as Assistant Director of Resources for the design, implementation and maintenance of internal control to prevent and detect fraud and error and I believe I have appropriately fulfilled those responsibilities.

I have disclosed to you:

- all the results of my assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- all knowledge of fraud or suspected fraud affecting the PFCC and Group involving:
 - management and those charged with governance;
 - employees who have significant roles in internal control; and
 - others where fraud could have a material effect on the financial statements.

I have disclosed to you all information in relation to any allegations of fraud, or suspected fraud, affecting the PFCC and Group's financial statements communicated by employees, former employees, analysts, regulators or others.

Related party transactions

I confirm that all related party relationships, transactions and balances, have been appropriately accounted for and disclosed in accordance with the requirements of the Code, as amended by the Code Update and applicable law.

I have disclosed to you the identity of the PFCC and Group's related parties and all related party relationships and transactions of which I am aware.

Impairment review

To the best of my knowledge, there is nothing to indicate that there is a permanent reduction in the recoverable amount of the property, plant and equipment and intangible assets below their carrying value at the balance sheet date. An impairment review is therefore not considered necessary.

Charges on assets

All the PFCC and Group's assets are free from any charges exercisable by third parties except as disclosed within the financial statements.

Future commitments

The PFCC and Group has no plans, intentions or commitments that may materially affect the carrying value or classification of assets and liabilities or give rise to additional liabilities.

Subsequent events

I confirm all events subsequent to the date of the financial statements and for which the Code, as amended by the Code Update and applicable law, require adjustment or disclosure have been adjusted or disclosed.

Should further material events occur after the date of this letter which may necessitate revision of the figures included in the financial statements or inclusion of a note thereto, I will advise you accordingly.

Impacts of Russian Forces entering Ukraine

I confirm that I have carried out an assessment of the potential impact of Russian Forces entering Ukraine on the PFCC and Group including the impact of mitigation measures and uncertainties, and are satisfied that the financial statements and supporting notes fairly reflect that assessment.

Covid-19

I confirm that I have carried out an assessment of the potential impact of the Covid-19 Virus pandemic on the business, including the impact of mitigation measures and uncertainties, and are satisfied that the financial statements and supporting notes fairly reflect that assessment.

Appendix A: Draft management representation letter

Brexit

I confirm that I have carried out an assessment of the impact of the United Kingdom leaving the European Union, including the impact of the Trade and Cooperation Agreement, and are satisfied that the financial statements and supporting notes fairly reflect that assessment.

Going concern

To the best of my knowledge there is nothing to indicate that the PFCC and Group will not continue as a going concern in the foreseeable future. The period to which I have paid particular attention in assessing the appropriateness of the going concern basis is not less than twelve months from the date of approval of the accounts.

Annual Governance Statement

I am satisfied that the Annual Governance Statement (AGS) fairly reflects the PFCC and Group's risk assurance and governance framework and I confirm that I am not aware of any significant risks that are not disclosed within the AGS.

Narrative Report

The disclosures within the Narrative Report fairly reflect my understanding of the PFCC and Group's financial and operating performance over the period covered by the financial statements.

Arrangements to achieve economy, effectiveness and efficiency in Use of Resources (Value for Money arrangements)

I confirm that I have disclosed to you all findings and correspondence from regulators for previous and ongoing inspections of which I am aware. In addition, I have disclosed to you any other information that would be considered relevant to your work on value for money arrangements.

Yours faithfully,

Assistant Director of Resources

Appendix A: Draft management representation letter - CC

Forvis Mazars LLP
The Corner
Bank Chambers
26 Mosley Street
Newcastle Upon Tyne
NE1 1DF

XX February 2025

Dear James,

Chief Constable for North Yorkshire - Audit for Period Ended 6 May 2024

This representation letter is provided in connection with your audit of the financial statements of the Chief Constable for North Yorkshire for the period ended 6 May 2024. I note that you intend to issue a disclaimer of opinion in respect of your audit. I understand I am still required to provide the representations set out in this letter so you can complete your audit in accordance with relevant auditing standards.

I confirm that the following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, inspection of supporting documentation) sufficient to satisfy ourselves that I can properly make each of the following representations to you.

My responsibility for the financial statements and accounting information

I believe that I have fulfilled my responsibilities for the true and fair presentation and preparation of the financial statements in accordance with the Code, as amended by the Code Update and applicable law.

My responsibility to provide and disclose relevant information

I have provided you with:

- access to all information of which I am aware that is relevant to the preparation of the financial statements such as records, documentation and other material;
- additional information that you have requested from us for the purpose of the audit; and
- unrestricted access to individuals within the Chief Constable you determined it was necessary to contact in order to obtain audit evidence.

I confirm as Chief Finance Officer I have taken all the necessary steps to make me aware of any relevant audit information and to establish that you, as auditors, are aware of this information.

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

Accounting records

I confirm that all transactions that have a material effect on the financial statements have been recorded in the accounting records and are reflected in the financial statements. All other records and related information, including minutes of all committee meetings, have been made available to you.

Accounting policies

I confirm that I have reviewed the accounting policies applied during the accounting period in accordance with International Accounting Standard 8 and consider these policies to faithfully represent the effects of transactions, other events or conditions on the Chief Constable's financial position, financial performance and cash flows.

Accounting estimates, including those measured at fair value

I confirm that the methods, significant assumptions and the data used by the Chief Constable in making the accounting estimates, including those measured at fair value, are appropriate to achieve recognition, measurement or disclosure that is in accordance with the applicable financial reporting framework.

Contingencies

The following information is available to us as at the balance sheet date and, if it is probable that a liability or loss has been incurred at the balance sheet date, and the amount of the loss can be reasonably estimated:

- the amount of the loss can be reasonably estimated.

There are no material contingent losses that should be disclosed where, although either or both the conditions specified above are not met, there is a reasonable possibility that a loss, or a loss greater than that accrued, may have been incurred at the balance sheet date.

There are no contingent gains which should be disclosed.

All material matters, including unasserted claims, that may result in litigation against the Chief Constable been brought to your attention. All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with the Code, as amended by the Code Update and applicable law.

Appendix A: Draft management representation letter

Laws and regulations

I confirm that I have disclosed to you all those events of which I am aware which involve known or suspected non-compliance with laws and regulations, together with the actual or contingent consequences which may arise therefrom.

The Chief Constable has complied with all aspects of contractual agreements that would have a material effect on the accounts in the event of non-compliance.

Fraud and error

I acknowledge my responsibility as Chief Finance Officer for the design, implementation and maintenance of internal control to prevent and detect fraud and error and I believe I have appropriately fulfilled those responsibilities.

I have disclosed to you:

- all the results of my assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- all knowledge of fraud or suspected fraud affecting the Chief Constable involving:
 - management and those charged with governance;
 - employees who have significant roles in internal control; and
 - others where fraud could have a material effect on the financial statements.

I have disclosed to you all information in relation to any allegations of fraud, or suspected fraud, affecting the Chief Constable's financial statements communicated by employees, former employees, analysts, regulators or others.

Related party transactions

I confirm that all related party relationships, transactions and balances, have been appropriately accounted for and disclosed in accordance with the requirements of the Code, as amended by the Code Update and applicable law.

I have disclosed to you the identity of the Chief Constable's related parties and all related party relationships and transactions of which I am aware.

Impairment review

To the best of my knowledge, there is nothing to indicate that there is a permanent reduction in the recoverable amount of the property, plant and equipment and intangible assets below their carrying value at the balance sheet date. An impairment review is therefore not considered necessary.

Charges on assets

All the Chief Constable's assets are free from any charges exercisable by third parties except as disclosed within the financial statements.

Future commitments

The Chief Constable no plans, intentions or commitments that may materially affect the carrying value or classification of assets and liabilities or give rise to additional liabilities.

Subsequent events

I confirm all events subsequent to the date of the financial statements and for which the Code, as amended by the Code Update and applicable law, require adjustment or disclosure have been adjusted or disclosed.

Should further material events occur after the date of this letter which may necessitate revision of the figures included in the financial statements or inclusion of a note thereto, I will advise you accordingly.

Impacts of Russian Forces entering Ukraine

I confirm that I have carried out an assessment of the potential impact of Russian Forces entering Ukraine on the Chief Constable, including the impact of mitigation measures and uncertainties, and are satisfied that the financial statements and supporting notes fairly reflect that assessment.

Covid-19

I confirm that I have carried out an assessment of the potential impact of the Covid-19 Virus pandemic on the business, including the impact of mitigation measures and uncertainties, and are satisfied that the financial statements and supporting notes fairly reflect that assessment.

Appendix A: Draft management representation letter

Brexit

I confirm that I have carried out an assessment of the impact of the United Kingdom leaving the European Union, including the impact of the Trade and Cooperation Agreement, and are satisfied that the financial statements and supporting notes fairly reflect that assessment.

Going concern

To the best of my knowledge there is nothing to indicate that the Chief Constable not continue as a going concern in the foreseeable future. The period to which I have paid particular attention in assessing the appropriateness of the going concern basis is not less than twelve months from the date of approval of the accounts.

Annual Governance Statement

I am satisfied that the Annual Governance Statement (AGS) fairly reflects the Chief Constable's risk assurance and governance framework and I confirm that I am not aware of any significant risks that are not disclosed within the AGS.

Narrative Report

The disclosures within the Narrative Report fairly reflect my understanding of the Chief Constable's financial and operating performance over the period covered by the financial statements.

Arrangements to achieve economy, effectiveness and efficiency in Use of Resources (Value for Money arrangements)

I confirm that I have disclosed to you all findings and correspondence from regulators for previous and ongoing inspections of which I am aware. In addition, I have disclosed to you any other information that would be considered relevant to your work on value for money arrangements.

Yours faithfully,

Chief Finance Officer
Assistant Director of Resources

Appendix B: Draft audit report

Independent auditor's report to the Mayor for York and North Yorkshire Combined Authority as successor to the Office of the Police, Fire and Crime Commissioner for North Yorkshire and the Group

Report on the audit of the financial statements

Disclaimer of opinion on the financial statements

We were appointed to audit the financial statements of the Office of the Police, Fire and Crime Commissioner for North Yorkshire (PFCC) and the Group ('the Group') for the period ended 6 May 2024, which comprise the PFCC and Group Movement in Reserves Statement, the PFCC and Group Comprehensive Income and Expenditure Statement, the PFCC and Group Balance Sheet, the PFCC and Group Cash Flow Statement, the Police Pension Fund Account, the Police Pension Fund Net Asset Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24.

We do not express an opinion on the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for disclaimer of opinion

On 30 September 2024, the Accounts and Audit (Amendment) Regulations 2024 ('The Amendment Regulations') came into force. The Amendment Regulations require the PFCC to publish its Accountability Statements, which include the financial statements and auditor's opinion for the period ended 6 May 2024, by 28 February 2025 ('the backstop date').

The backstop date introduced by the Amendment Regulations has impeded our ability to obtain sufficient appropriate evidence upon which to form an opinion on the financial statements as there has been insufficient time to perform all necessary audit procedures.

Responsibilities of the Assistant Director of Resources for the financial statements

As explained more fully in the Statement of the Assistant Director of Resources Responsibilities, the Assistant Director of Resources is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24, and for being satisfied that they give a true and fair view. The Assistant Director of Resources is also responsible for such internal control as the Assistant Director of Resources determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Assistant Director of Resources is required to comply with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24 and prepare the financial statements on a going concern basis on the assumption that the functions of the PFCC will continue in operational existence for the foreseeable future. The Assistant Director of Resources is responsible for assessing each year whether or not it is appropriate for the PFCC and Group to prepare its accounts on the going concern basis and disclosing, as applicable, matters related to going concern.

Auditor's responsibilities for the audit of the financial statements

Our responsibility is to conduct an audit of the PFCC's and Group's financial statements in accordance with International Standards on Auditing (UK) and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements. In reaching this judgement we have complied with the requirements of the Code of Audit Practice and have had regard to the Local Audit Reset and Recovery Implementation Guidance published by the National Audit Office and endorsed by the Financial Reporting Council.

We are independent of the PFCC and Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Appendix B: Draft audit report

Report on the PFCC's arrangements for securing economy, efficiency, and effectiveness in its use of resources

Matter on which we are required to report by exception

We are required to report to you if, in our view we are not satisfied that the PFCC has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the period ended 6 May 2024.

We have nothing to report in this respect.

Responsibilities of the PFCC

The PFCC is responsible for putting in place proper arrangements to secure economy, efficiency, and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor's responsibilities for the review of arrangements for securing economy, efficiency, and effectiveness in the use of resources

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the PFCC has made proper arrangements for securing economy, efficiency, and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the PFCC's arrangements for securing economy, efficiency, and effectiveness in its use of resources are operating effectively.

We have undertaken our work in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in November 2024.

Matters on which we are required to report by exception under the Code of Audit Practice

We are required by the Code of Audit Practice to report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014;
- we make a recommendation under section 24 of the Local Audit and Accountability Act 2014; or
- we exercise any other special powers of the auditor under sections 28, 29 or 31 of the Local Audit and Accountability Act 2014.

We have nothing to report in these respects.

We are also required by the Code of Audit Practice, to give an opinion on whether other information published together with the audited financial statements, is consistent with the financial statements. Because of the matter described in the Basis for Disclaimer of Opinion section we do not express an opinion on the financial statements. We also do not express an opinion on whether other information published together with the audited financial statements is consistent with the financial statements.

Appendix B: Draft audit report

Use of the audit report

This report is made solely to the Mayor for York and North Yorkshire Combined Authority as successor to the Office of the Police, Fire and Crime Commissioner for North Yorkshire and the Group, in accordance with part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 44 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the Mayor for York and North Yorkshire Combined Authority, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the, for our audit work, for this report, or for the opinions we have formed.

Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate until the National Audit Office has communicated the work we are required to undertake as component auditors for the Whole of Government Accounts

[Signature]

James Collins, Key Audit Partner

For and on behalf of Forvis Mazars LLP

The Corner

Bank Chamber

26 Mosley Street

Newcastle Upon Tyne

NE1 1DF

[Date]

Appendix B: Draft audit report

Independent auditor's report to the Chief Constable of North Yorkshire Report on the audit of the financial statements

Disclaimer of opinion on the financial statements

We were appointed to audit the financial statements of the Chief Constable of North Yorkshire (the "Chief Constable") for the period ended 6 May 2024, which comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement, the Police Pension Fund Account, the Police Pension Fund Net Asset Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24.

We do not express an opinion on the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for disclaimer of opinion

On 30 September 2024, the Accounts and Audit (Amendment) Regulations 2024 ('The Amendment Regulations') came into force. The Amendment Regulations require the Chief Constable to publish its Accountability Statements, which include the financial statements and auditor's opinion for the period ended 6 May 2024, by 28 February 2025 ('the backstop date').

The backstop date introduced by the Amendment Regulations has impeded our ability to obtain sufficient appropriate evidence upon which to form an opinion on the financial statements as there has been insufficient time to perform all necessary audit procedures.

Responsibilities of the Chief Finance Officer for the financial statements

As explained more fully in the Statement of the Chief Finance Officer's Responsibilities, the Chief Finance Officer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24, and for being satisfied that they give a true and fair view. The Chief Finance Officer is also responsible for such internal control as the Chief Finance Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Chief Financial Officer is required to comply with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24 and prepare the financial statements on a going concern basis on the assumption that the functions of the Chief Constable will continue in operational existence for the foreseeable future. The Chief Finance Officer is responsible for assessing each year whether or not it is appropriate for the Chief Constable to prepare its accounts on the going concern basis and disclosing, as applicable, matters related to going concern.

Auditor's responsibilities for the audit of the financial statements

Our responsibility is to conduct an audit of the Chief Constable's financial statements in accordance with International Standards on Auditing (UK) and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements. In reaching this judgement we have complied with the requirements of the Code of Audit Practice and have had regard to the Local Audit Reset and Recovery Implementation Guidance published by the National Audit Office and endorsed by the Financial Reporting Council.

We are independent of the Chief Constable in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Appendix B: Draft audit report

Report on the Chief Constable's arrangements for securing economy, efficiency, and effectiveness in its use of resources

Matter on which we are required to report by exception

We are required to report to you if, in our view we are not satisfied that the Chief Constable has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the period ended 6 May 2024.

We have nothing to report in this respect.

Responsibilities of the Chief Constable

The Chief Constable is responsible for putting in place proper arrangements to secure economy, efficiency, and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor's responsibilities for the review of arrangements for securing economy, efficiency, and effectiveness in the use of resources

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Chief Constable has made proper arrangements for securing economy, efficiency, and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Chief Constable's arrangements for securing economy, efficiency, and effectiveness in its use of resources are operating effectively.

We have undertaken our work in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in November 2024.

Matters on which we are required to report by exception under the Code of Audit Practice

We are required by the Code of Audit Practice to report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014;
- we make a recommendation under section 24 of the Local Audit and Accountability Act 2014; or
- we exercise any other special powers of the auditor under sections 28, 29 or 31 of the Local Audit and Accountability Act 2014.

We have nothing to report in these respects.

We are also required by the Code of Audit Practice, to give an opinion on whether other information published together with the audited financial statements, is consistent with the financial statements. Because of the matter described in the Basis for Disclaimer of Opinion section we do not express an opinion on the financial statements. We also do not express an opinion on whether other information published together with the audited financial statements is consistent with the financial statements.

Appendix B: Draft audit report

Use of the audit report

This report is made solely to the Chief Constable of North Yorkshire in accordance with part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 44 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the Chief Constable of North Yorkshire those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Chief Constable of North Yorkshire for our audit work, for this report, or for the opinions we have formed.

Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate until the National Audit Office has communicated the work we are required to undertake as component auditors for the Whole of Government Accounts

[Signature]

James Collins, Key Audit Partner

For and on behalf of Forvis Mazars LLP

The Corner

Bank Chamber

26 Mosley Street

Newcastle Upon Tyne

NE1 1DF

[Date]

Appendix C: Confirmation of our independence

As part of our ongoing risk assessment we monitor our relationships with you to identify any new actual or perceived threats to our independence within the regulatory or professional requirements governing us as your auditors.

We can confirm that no new threats to independence have been identified since issuing the Audit Strategy Memorandum and therefore we remain independent.

Contact

Forvis Mazars

James Collins

Director

Tel: +44 (0) 7781 283527

James.Collins@mazars.co.uk

Forvis Mazars LLP is the UK firm of Forvis Mazars Global, a leading global professional services network. Forvis Mazars LLP is a limited liability partnership registered in England and Wales with registered number OC308299 and with its registered office at 30 Old Bailey, London, EC4M 7AU. Registered to carry on audit work in the UK by the Institute of Chartered Accountants in England and Wales. Details about our audit registration can be viewed at www.auditregister.org.uk under reference number C001139861. VAT number: GB 839 8356 73

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