

STATEMENT OF ACCOUNTS 2014/15**REPORT OF CHIEF FINANCE OFFICER**

1. Purpose of Report

1.1 This report explains:

- How we complied with the regulations to publish the statements of accounts and annual governance statements subject to audit;
- That we opened the books for public inspection as required;
- The next steps for the authorisation of the Statements of Accounts and Annual Governance Statements 2014/15.

2. Preparation, Publication, Audit and Authorisation of the Statements

- 2.1 The Police Reform and Social Responsibility Act 2011 (the Act) changed the way policing in England and Wales was governed and held accountable. Under the provisions of the Act, the Commissioner and Chief Constable are created as two separate corporations sole.
- 2.2 For financial reporting purposes, the Chief Constable is a subsidiary of the Commissioner by virtue of the powers the Commissioner has to govern the financial and operating policies of the Chief Constable.
- 2.3 Two sets of accounts are therefore prepared and published. One set for the Chief Constable and another of the consolidated group position of the Commissioner and her subsidiary.
- 2.4 The Statement of Accounts for the Police and Crime Commissioner and Chief Constable 2014/15 have been prepared in accordance with the Accounts and Audit Regulations 2011 (The Regulations) and proper accounting practices.
- 2.5 The Statements also include the Annual Governance Statement (AGS) for each body; an annual assessment of governance arrangements and their effectiveness.
- 2.6 In accordance with the regulations the draft statements were approved by the joint Chief Finance Officer on 30th June, published on their respective websites and passed to external audit for their review.
- 2.7 The external audit of the Statements started on 6th July 2015.

- 2.8 The books were also open for public scrutiny between 6th to 31st July 2015 when interested persons could ask questions, review and take copies of many types of financial records that support the statements. In accordance with The Regulations an advert for the 'open book' period was published in 'The Chronicle' newspaper and on the website of the Police and Crime Commissioner and Chief Constable on 15 June 2015 (Website link – <http://goo.gl/xMVtfN>). No enquiries were received.
- 2.9 The external audit will be substantially completed before the JIAC and the draft audit opinion including the draft Value for Money opinion will be presented to enable the Committee to bring any issues to the attention of the Police and Crime Commissioner and/or the Chief Constable prior to their authorisation by 30th September.
- 2.10 The JIAC will review the draft audit report elsewhere on the agenda and that will enable them to bring any issues to the attention of the Police and Crime Commissioner and/or the Chief Constable prior to their authorisation of the statements by 30th September.
- 2.11 The audited statements including the external auditors report will then be re-certified by the Chief Finance Officer and authorised by the Police and Crime Commissioner and Chief Constable on or before 30th September 2015.
- 2.12 The signed Statements will then be published on the websites together with any certificate, opinion, or report issued, given or made by the auditor. A report will also be brought to the next Police and Crime Panel reporting on the conclusion of the audit and the opinion issued.

3. Recommendations

- 3.1 To note the report.