

STATEMENTS OF ACCOUNTS 2016/17

REPORT OF JOINT CHIEF FINANCE OFFICER

1. Purpose of Report

1.1 This report explains:

- How we have complied with the regulations to publish the Statements of Account and Annual Governance Statements subject to audit;
- That books of account were opened for public inspection as required; and
- The next steps for the authorisation of the Statements.

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

2.1 Under the Police Reform and Social Responsibility Act 2011 (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 Statements of Account for the Chief Constable and Police and Crime Commissioner 2016/17 have been prepared in accordance with the Accounts and Audit Regulations 2015 (The Regulations), and the Code of Practice on Local Authority Accounting in the United Kingdom 2016/17 (The Code), issued by CIPFA.

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 30 June 2017, published on the respective websites and passed to the external auditor for review.

- 2.7 The books were also open for public scrutiny between 1 July to the 11 August 2017 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 on the websites on 23 June 2017. No enquiries were received during the period.
- 2.8 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 30 September 17.
- 2.9 JIAC will review the Audit Completion Reports 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 by 30 September.
- 2.10 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 30 September 2017.
- 2.11 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. Summary of changes to the Statements of Account

- 3.1 The findings of the external auditor are provided elsewhere on the agenda within the Audit Completion Reports for both the Chief Constable and the Police and Crime Commissioner.
- 3.2 Only minor changes were made to the draft Statements of Account, primarily disclosure and narrative in nature, with only minor numeric changes to the '*Officer Remuneration*' note. None of the amendments resulted in changes to the primary statements or the level of resources available to the Police and Crime Commissioner.
- 3.3 Following the issue of a Home Office circular on 07 September 2017 the Police Pension Fund statement has been amended to breakdown the '*Contribution Receivable from Employer*' line. The contribution is now separated into '*Normal*' contributions and '*Additional funding payable by the policing body to meet the deficit for the year*'. The amended statement has been passed to the external auditor for review and an update will be provided at the Committee.

4. Financial Considerations

4.1 There are no additional financial considerations arising from this report.

5. Legal Considerations

5.1 There are no legal considerations arising from the content of this report.

6. Equal Opportunities Implications

6.1 It is considered that there are no equal opportunities implications arising from the report.

7. Risk Management Implications

7.1 Risk mitigation is contained within the above report.

8. Recommendations

8.1 The Committee is asked to note the report.