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# Annual Audit Letter 2013/14

**Police and Crime Commissioner for West Yorkshire and the Chief Constable of West Yorkshire**

20 October 2014



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in connection with this  
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This report is addressed to the Police and Crime Commissioner and the Chief Constable and has been prepared for their sole use. We take no responsibility to any member of staff acting in their individual capacities, or to third parties. The Audit Commission has issued a document entitled Statement of Responsibilities of Auditors and Audited Bodies. This summarises where the responsibilities of auditors begin and end and what is expected from the audited body. We draw your attention to this document which is available on the Audit Commission's website at [www.auditcommission.gov.uk](http://www.auditcommission.gov.uk).

External auditors do not act as a substitute for the audited body's own responsibility for putting in place proper arrangements to ensure that public business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

If you have any concerns or are dissatisfied with any part of KPMG's work, in the first instance you should contact Trevor Rees on 0161 246 4000, or by email to [trevor.rees@kpmg.co.uk](mailto:trevor.rees@kpmg.co.uk), the appointed engagement lead to the Authority, who will try to resolve your complaint. Trevor is also the national contact partner for all of

KPMG's work with the Audit Commission. If you are dissatisfied with how your complaint has been handled you can access the Audit Commission's complaints procedure. Put your complaint in writing to the Complaints Unit Manager, Audit Commission, 1<sup>st</sup> Floor, Fry Building, 2 Marsham Street, London, SW1P 4DF or by email to [complaints@audit-commission.gsi.gov.uk](mailto:complaints@audit-commission.gsi.gov.uk). Their telephone number is 03034448330.

## Section one Headlines

**This report summarises the key findings from our 2013/14 audit of the Police and Crime Commissioner for West Yorkshire ('the PCC') and the Chief Constable of West Yorkshire ('the CC').**

**Although this letter is addressed to the PCC and the CC, as corporations sole, it is also intended to communicate these issues to key external stakeholders, including members of the public.**

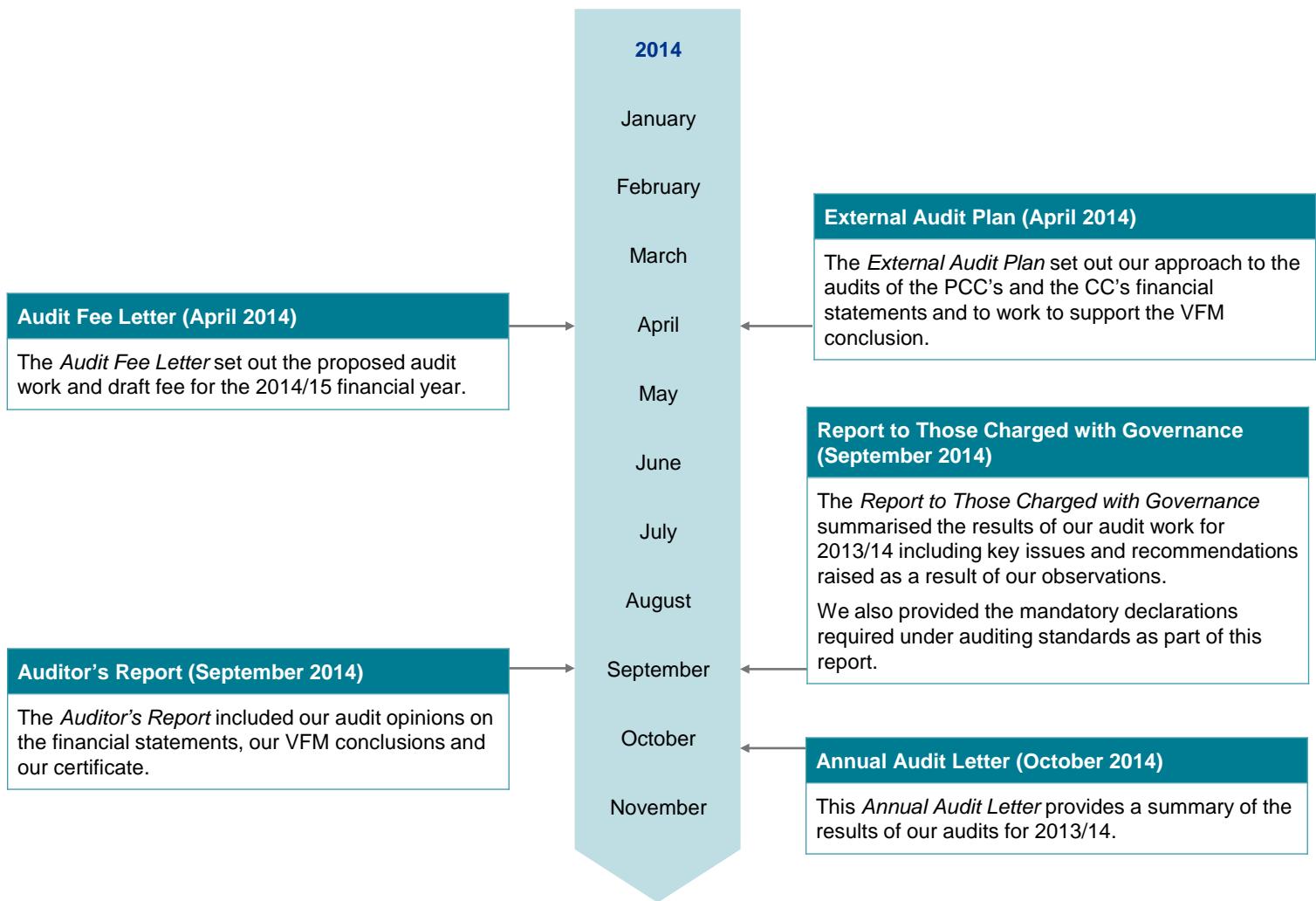
**Our audit covers the audit of the 2013/14 financial statements and the 2013/14 VFM arrangements conclusion for the PCC and the CC.**

**All the issues in this letter have been previously reported. The detailed findings are contained in the reports we have listed in Appendix 1.**

<b>Audit opinion</b>	We issued an unqualified opinion on your financial statements on 30 September 2014. This means that we believe the financial statements give a true and fair view of the financial position of the PCC and the CC and of their expenditure and income for the year.
<b>Financial statements audit</b>	We have noted the good quality of the accounts and the supporting working papers. Officers dealt efficiently with audit queries and the audit process has been completed within the planned timescales.  We have not made any recommendations relating to the financial statements.
<b>VFM conclusion</b>	We issued unqualified conclusions on the PCC's and the CC's arrangements to secure value for money (the VFM arrangements conclusion) for 2013/14 on 30 September 2014. This means we are satisfied that you have proper arrangements for securing financial resilience and challenging how you secure economy, efficiency and effectiveness.  To arrive at our conclusion we looked at your financial governance, financial planning and financial control processes, as well as how you are prioritising resources and improving efficiency and productivity.
<b>VFM risk areas</b>	During our planning work we identified a significant risk to our VFM conclusions, in respect of the force's savings plans, and considered the arrangements you have put in place to mitigate this. We were satisfied that the force had taken appropriate actions to mitigate the potential risks.
<b>Annual Governance Statement</b>	We reviewed your <i>Annual Governance Statement</i> and concluded that it was consistent with our understanding.
<b>Whole of Government Accounts</b>	We reviewed the consolidation pack prepared by the PCC to support the production of Whole of Government Accounts (WGA) by HM Treasury. We reported that the PCC's pack was consistent with the audited financial statements.
<b>High priority recommendations</b>	We did not raise any high priority recommendations as a result of our 2013/14 audit work. One medium priority recommendation was raised supporting the force's decision to purchase a specialised fixed asset accounting module to replace the current process which is spreadsheet based.
<b>Certificate</b>	We issued our certificate on 3 October 2014 after completing our review of the WGA reporting pack.  The certificate confirms that we have concluded the audit for 2013/14 in accordance with the requirements of the <i>Audit Commission Act 1998</i> and the Audit Commission's <i>Code of Audit Practice</i> .
<b>Audit fee</b>	Our fee for 2013/14 was £85,560, excluding VAT. This is a reduction of seven percent compared to the 2012/13 fees; the fee for 2012/13 had been increased because it was the first year of the new police governance arrangements. Further detail is contained in Appendix 2.

## Appendix 1: Summary of reports issued

This appendix summarises the reports we issued since our last *Annual Audit Letter*.



## Appendix 2: Audit fees

This appendix provides information on our final fees for 2013/14.

To ensure openness between KPMG, the PCC and the CC about the extent of our fee relationship with you, we have summarised the outturn against the 2013/14 planned audit fee.

### External audit

Our final fee for the 2013/14 audits of the PCC and the CC was £85,560. This is in line with the planned fee, and was split as follows:

Element of the audit	2013/14 Fee
Police and Crime Commissioner	£55,560
Chief Constable	£30,000
<b>Total</b>	<b>£85,560</b>

KPMG did not provide any other services to the PCC or the CC.



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