



CC CFO Letter

31 July 2019

Mr Mark Hodgson
Associate Partner
Ernst & Young LLP
One Cambridge Business Park
Cambridge
CB4 0WZ

Dear Mark

The Chief Constable of Surrey – Letter of Representation for the financial year 2018/19

This letter of representations is provided in connection with your audit of the financial statements of the Chief Constable of Surrey (CC) for the year ended 31 March 2019.

I recognise that obtaining representations from me concerning the information contained in this letter is a significant procedure in enabling you to form an opinion as to whether the financial statements give a true and fair view of the Council financial position of the Chief Constable for Surrey as of 31 March 2019 and of its income and expenditure for the year then ended in accordance with CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2018/19.

I confirm I understand that the purpose of your audit of my financial statements is to express an opinion thereon and that your audit was conducted in accordance with International Standards on Auditing (UK and Ireland), which involves an examination of the accounting system, internal control and related data to the extent you considered necessary in the circumstances, and is not designed to identify - nor necessarily be expected to disclose - all fraud, shortages, errors and other irregularities, should any exist.

Accordingly, I make the following representations, which are true to the best of my knowledge and belief, having made such inquiries as I consider necessary for the purpose of appropriately informing you:

A. Financial Statements and Financial Records

1. I have fulfilled my responsibilities, under the relevant statutory authorities, for the preparation of the financial statements in accordance with, for the CC, the Accounts and Audit Regulations 2015 and CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2018/19.
2. I acknowledge as a member of management of the CC, my responsibility for the fair presentation of CC's financial statements. I believe the CC financial statements referred to above give a true and fair view of the financial position, financial performance (or results of operations) and cash flows of the CC in accordance with the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 and are free of material misstatements, including omissions. I have approved the CC financial statements.
3. I confirm the significant accounting policies adopted in the preparation of the financial statements are appropriately described in the financial statements.
4. As a member of management of the CC, I believe that the CC has a system of internal controls adequate to enable the preparation of accurate financial statements in accordance with the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2018/19, that are free from material misstatement, whether due to fraud or error.
5. I can confirm there are no unadjusted differences identified during the current audit and pertaining to the latest period presented for the CC accounts.

B. Non-compliance with law and regulations, including fraud

1. I acknowledge that I am responsible to determine that the CC's activities are conducted in accordance with laws and regulations and that we are responsible to identify and address any non-compliance with applicable laws and regulations, including fraud.
2. I acknowledge that I am responsible for the design, implementation and maintenance of internal controls to prevent and detect fraud.
3. I have disclosed to you the results of my assessment of the risk that the consolidated and CC financial statements may be materially misstated as a result of fraud.
4. I have no knowledge of any identified or suspected non-compliance with laws and regulations, including fraud that may have affected the CC (regardless of the source or form and including without limitation, any allegations by

"whistleblowers") including non-compliance matters:

- involving financial statements;
- related to laws and regulations that have a direct effect on the determination of material amounts and disclosures in the consolidated or CC's financial statements;
- related to laws and regulations that have an indirect effect on amounts and disclosures in the financial statements, but compliance with which may be fundamental to the operations of the CC's activities, its ability to continue to operate, or to avoid material penalties;
- involving management, or employees who have significant roles in internal controls, or others; or
- in relation to any allegations of fraud, suspected fraud or other non-compliance with laws and regulations communicated by employees, former employees, analysts, regulators or others.

C. Information Provided and Completeness of Information and Transactions

1. I have provided you with:

- Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters as agreed in terms of the audit engagement.
- Additional information that you have requested from us for the purpose of the audit; and
- Unrestricted access to persons within the entity from whom we determined it necessary to obtain audit evidence.

2. I confirm that all material transactions have been recorded in the accounting records and are reflected in the financial statements.

3. I confirm that I have made available to you all minutes of the meetings of the CC and its relevant committees including the Joint Audit Committee (or summaries of actions of recent meetings for which minutes have not yet been prepared) held through the year to the most recent meeting on the following date: 23 July 2019.

4. I confirm the completeness of information provided regarding the identification of related parties. I have disclosed to you the identity of the CC related parties and all related party relationships and transactions of which I am aware, including sales, purchases, loans, transfers of assets, liabilities and services,

leasing arrangements, guarantees, non-monetary transactions and transactions for no consideration for the period ended, as well as related balances due to or from such parties at the year end. These transactions have been appropriately accounted for and disclosed in the financial statements.

5. I confirm I believe that the significant assumptions used in making accounting estimates, including those measured at fair value, are reasonable.
6. I confirm that I have disclosed to us, and the CC has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.

D. Liabilities and Contingencies

1. I confirm that all liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.
2. I confirm that I have informed you of all outstanding and possible litigation and claims, whether or not they have been discussed with legal counsel.
3. I confirm that I have recorded and/or disclosed, as appropriate, all liabilities related litigation and claims, both actual and contingent, and have disclosed in the financial statements all guarantees that you have given to third parties.

E. Subsequent Events

1. I confirm that other than described in the relevant note to the CC's financial statements, there have been no events subsequent to period end which require adjustment of or disclosure in the financial statements or notes thereto.

F. Accounting Estimates

1. I confirm that I believe the significant assumptions used in making accounting estimates, including those measured at fair value, are reasonable.
2. I confirm in respect of accounting estimates recognised or disclosed in the financial statements:
 - That I believe the measurement processes, including related assumptions and models, you used in determining accounting estimates is appropriate and the application of these processes is consistent.
 - That the disclosures relating to accounting estimates are complete and

appropriate in accordance with the applicable financial reporting framework.

- That the assumptions used in making accounting estimates appropriately reflects the intent and ability to carry out specific courses of action on behalf of the entity, where relevant to the accounting estimates and disclosures.
- That no subsequent event requires an adjustment to the accounting estimates and disclosures included in the financial statements.

G. Expenditure Funding Analysis

1. I confirm that the financial statements reflect the operating segments reported internally to the CC.

H. Going Concern

1. I confirm that I have made you aware of any issues that are relevant to the CC's ability to continue as a going concern, including significant conditions and events, our plans for future action, and the feasibility of those plans.

I. Ownership of Assets

1. I confirm that except for assets capitalised under finance leases, the CC has satisfactory title to all assets appearing in the CC balance sheet, and there are no liens or encumbrances on the CC's assets, nor has any asset been pledged as collateral. All assets to which the CC has satisfactory title appear in the balance sheet.

J. Reserves

1. I have properly recorded or disclosed in the consolidated and CC financial statements the useable and unusable reserves.

L. Retirement benefits

1. On the basis of the process established and having made appropriate enquiries, I am satisfied that the actuarial assumptions underlying the scheme liabilities are consistent with my knowledge of the business. All significant retirement benefits and all settlements and curtailments have been identified and properly accounted for.
2. I agree with the findings of the specialists engaged to evaluate the Valuation of Pension Liabilities and have adequately considered the qualifications of the

specialists in determining the amounts and disclosures included in the CC financial statements and the underlying accounting records. I did not give or cause any instructions to be given to the specialists with respect to the values or amounts derived in an attempt to bias their work, and I am not otherwise aware of any matters that have had an effect on the independence or objectivity of the specialists.

M. Other information

1. I acknowledge my responsibility for the preparation of the other information. The other information comprises the Narrative Report included in the Statement of Accounts 2018-2019.
2. I confirm that the content contained within the other information is consistent with the financial statements.

N. Specific Representations

I have no further specific representations in addition to those above.

Yours Sincerely



Gavin Stevens *Stevens*
Chief Constable of Surrey

Date: 31/7/19



Peter Gillet
Executive Director of Commercial & Finance Services
Chief Financial Officer to the Chief Constable of Surrey

Date: 31/7/19