

Annual Governance Report

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Annual Governance Report

Surrey Police Authority

Audit 2006/07

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Contents

Purpose of this document	4
Key messages	5
Accounts and Statement on Internal Control	7
Use of resources	10
Audit fee update	11
Appendix 1 – Action plan	12
Appendix 2 – The Audit Commission’s requirements in respect of independence and objectivity	14
Appendix 3 – Audit reports issued	15
Appendix 4 – Proposed auditor’s report	16
Appendix 5 – Management representation letter	21
Appendix 6 – Summary of adjusted misstatements	24
Appendix 7 – Value for money conclusion	25

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Purpose of this document

- 1 In accordance with the Audit Commission's Code of Audit Practice (the Code), this report provides a summary of the work we have carried out during our 2006/07 audit of accounts, the conclusions we have reached and the recommendations we have made to discharge our statutory audit responsibilities to those charged with governance (in this case the Audit Committee) at the time they are considering the financial statements.
- 2 In preparing our report, the Code requires us to comply with the requirements of International Standards on Auditing (United Kingdom & Ireland) – ISA (UK&I) - 260 'Communication of Audit Matters to Those Charged With Governance', by reporting to you matters relating to the audit of the financial statements. Other auditing standards require us to communicate with you in other specific circumstances including:
 - where we suspect or detect fraud;
 - where there is an inconsistency between the financial statements and other information in documents containing the financial statements; and
 - non-compliance with legislative or regulatory requirements and related authorities.
- 3 We are also required to communicate to you the Audit Commission's requirements in respect of independence and objectivity, and these are set out at Appendix 2.
- 4 This report has been prepared for presentation to the audit committee on 21 September 2007. Members are invited to:
 - consider the matters raised in the report before the financial statements are approved; and
 - approve the representation letter on behalf of the Authority and those charged with governance before we issue our opinion.
- 5 Our work during the year was performed in line with the plan that we presented to you on 17 May 2006. We have issued separate reports during the year having completed specific aspects of our programme, which are listed in Appendix 3.

Key messages

- 6 Surrey Police Authority and Force performed well in 2006/07 and the overall message of this report is a positive one. This year's statements of accounts and supporting working papers were particularly well put together. This year's crime data quality review showed a marked improvement on the year before. The Authority has continued to build on its good arrangements to provide good value for money in its use of resources.

Financial Statements

- 7 The financial statements were produced on a timely basis and to a very high standard. They were free from any material mis-statement and were supported by excellent working papers. Surrey Police Authority has taken a positive and constructive approach to our accounts audit and we should like to take this opportunity to express our appreciation for the assistance and co-operation we have received.
- 8 Our work on the financial statements is complete. Should any further matters arise that need to be reported, we will raise them with the Treasurer and the Chair of the Audit Committee. We propose issuing an unqualified audit opinion by 30 September 2007 (a draft report is attached at Appendix 4).
- 9 In our view, the Statement on Internal Control (SIC) has been prepared in accordance with proper practice specified by CIPFA and is consistent with the findings from our audit.
- 10 To assist you in fulfilling your governance responsibilities, we are required to highlight any significant mis-statements corrected by management. There were two amendments which technically fell within this definition because of the amounts involved. However it should be emphasised that both were issues of how the amounts had been disclosed in the accounts rather than errors *per se*. Neither of these issues affected the 'bottom-line' income and expenditure position or the overall reported value of assets and liabilities. A schedule is included at Appendix 6.

Value for Money Conclusion

- 11 Our work on the Authority's arrangements to secure economy, efficiency and effectiveness in its use of resources is now complete. We propose issuing an unqualified conclusion on the use of resources by 30 September 2007 (a draft report is attached at Appendix 4).

Police Pension Fund

- 12 In our view, the financial statements of the police pension fund present fairly the financial transactions of the fund.

Whole of Government Accounts Return

- 13 We are responsible for issuing a report on the consistency of the Authority's consolidation pack with the statutory financial statements. This work is scheduled for completion in September.

Police Data Quality

- 14 Our review of crime data quality considered arrangements in place for recording and reporting the data and the accuracy of the data recorded. We assessed both the management arrangements for crime recording and the quality of data as "good". For both management arrangements and data quality this represents a improvement in performance compared to last year.

Police Use of Resources (PURE)

- 15 The PURE assessment enables us to form judgements on the police authority and force arrangements to secure effective use of resources across the five themes of financial reporting, financial management, financial standing, internal control and value for money.
- 16 We are currently finalising our use of resources report. Our work to date has shown that Surrey Police Authority has made good progress from an already strong performance last year, and is aspiring towards best practice in all areas. Some key improvements include:
 - the publication of the medium term financial strategy in a single document;
 - development of the asset management strategy;
 - establishing an Audit Committee;
 - addressing weaknesses in Activity Based Costing systems; and
 - developing and publicising improved arrangements for declarations of gifts and hospitality by police staff.
- 17 Surrey Police Authority has sound arrangements for promoting good value for money. Delivery of value for money is a core principle of the organisation which is necessitated by Surrey's high aspirations and tight resources. The performance led budget setting process encourages the alignment of resources against priorities. Surrey Police Authority is high achieving but with lower than average comparative costs.
- 18 At the end of the period under review (April 2006 to March 2007) some improvements and innovations were either very recent, were still in draft or were still being developed. Surrey Police Authority should ensure that the improvements it is making become fully "embedded", that is to say they operate consistently with clear outputs and make a positive impact throughout the organisation.

Accounts and Statement on Internal Control

Management representation

- 19 Auditors are required to obtain written confirmation of certain representations from management and those charged with governance before an audit report is issued, such as acknowledgement of responsibility for the fair presentation of the financial statements in accordance with the applicable financial reporting framework and responsibility for the design and implementation of internal control to prevent and detect error.
- 20 The auditor should also obtain written representations from management on matters material to the financial statements when other sufficient appropriate audit evidence cannot reasonably be expected to exist.
- 21 The final draft of the letter of representation has been attached as Appendix 5.

Unadjusted misstatements

- 22 We are required to report to you all unadjusted misstatements that we have identified during the course of our audit, other than those that are clearly trivial. There are no such items to bring to the attention of members.

Adjustments to the financial statements

- 23 We are also required to bring to your attention misstatements that have already been corrected by management where we consider them relevant to your wider governance responsibilities. There were only two such amendments which technically fall within this definition, because of the amounts involved. We emphasise that these are simply matters of how those amounts have been disclosed. These are recorded at Appendix 6.

Accounting practices

- 24 We are also required to report to you our view on the qualitative aspects of the Authority's accounting practices and financial reporting. The accounts and supporting working papers presented for audit were timely and were prepared to a high standard. There are no matters of concern to bring to the attention of members.

Systems of internal control

- 25 As part of our audit, we consider the systems of accounting and financial control and report to you any material weaknesses identified.
- 26 Reconciliations between pensions paid and the payroll system were not made during 2006/07. We understand this was largely due to problems with inaccurate data from the pensions system, provided externally by Paymaster. If this reconciliation is not undertaken on a regular basis there is a risk that under or overpayments may occur.
- 27 In addition, other key reconciliations (creditors, HR to payroll and overtime) had not been undertaken on a monthly basis. If these reconciliations are not undertaken regularly then there is a risk that any incorrect payments would not be identified on a timely basis.

Recommendations

R1 Carry out pensions payroll reconciliations on a monthly basis.

R2 Carry out the following reconciliations on a regular and timely basis:

- Creditors (monthly);
- Human Resources system to Payroll system (quarterly); and
- Overtime (monthly).

- 28 There are currently no independent controls over the posting of journals to the ledger. This applies to a small number of staff in the Corporate Finance Team who can create and post journals. The absence of such a control is a potential risk that incorrect amounts could be input to the accounts.

Recommendations

R3 Consider whether a risk-based control would be appropriate, to authorise journals prior to posting to the ledger.

- 29 As part of our ownership testing of fixed assets, we vouched a sample of the Authority's land and buildings back to the title deeds, which are held by Surrey County Council. We experienced difficulties in undertaking this testing as some of the deeds could not be located. Whilst we have now been able to review the deeds for the sample selected the Authority should consider undertaking a complete deeds check to provide assurance that it holds the title to all the fixed assets on its balance sheet.

Recommendations

R4 The Authority should undertake a full check of all property held in the asset register against the title deeds to ensure that these are complete and held securely

- 30** We have not provided a comprehensive statement of all weaknesses which may exist in internal control or of all improvements which may be made, but have addressed only those matters which have come to our attention as a result of the audit procedures we have performed.
- 31** We have also reviewed whether the SIC has been prepared in accordance with proper practice specified by CIPFA and is consistent with the findings from our audit. There are no matters arising.

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Use of resources

Work performed

- 32 The Code requires us to reach a conclusion on whether we are satisfied that the Authority has proper arrangements in place for securing economy, efficiency and effectiveness in its use of resources – the value for money conclusion. In meeting this responsibility, we review evidence that is relevant to the Authority's corporate performance management and financial management arrangements across a range of criteria specified by the Audit Commission. Our work to support our conclusion comprised the following elements:
- use of resources assessment;
 - data quality work; and
 - the best value performance plan.
- 33 Details of our conclusion for each of the criteria specified by the Audit Commission are set out in Appendix 8.

Police use of resources assessment (PURE)

- 34 We are currently finalising our report arising from our use of resources assessment. Our final feedback report will be issued in October 2007 following the audit of the financial statements and completion of the financial reporting theme. The scores and key messages will also be included in your 2006/07 Annual Audit Letter.

Data quality work

- 35 We issued our Data Quality report in May 2007 and presented the report to those charged with governance at the Audit Committee in June 2007.
- 36 In summary, our report concluded that arrangements for data quality in the Force and the Authority are good, and that this was an improvement on our assessment for 2005/06. Strong leadership and a clear focus on improvement are delivering better arrangements. By improving corporate arrangements, the Force has also improved the quality of data. Based on our data testing, statutory performance indicators are complete, accurate and fairly stated.

Best value performance plan

- 37 Our work in respect of the Authority's 2006/07 Best Value Performance Plan (BVPP) was reported in the 2006 annual audit and inspection letter. No recommendations were made to the Audit Commission or the Secretary of State.

Audit fee update

- 38 We reported our fee proposals as part of the Audit Plan for 2006/07. The table below reports the outturn fee against that plan:

	Plan 2006/07	Actual 2006/07
Financial statements and Statement on Internal Control	£48,000	£50,150
Use of Resources	£24,500	£30,800
Total Audit Fees	£71,500	£80,950
Other work	£0	£0

- 39 The increase of £2,150 in respect of financial statements is for the audit of Whole of Government Accounts. The fee was notified to the Authority by letter on 5th June, following a national consultation. The same fee range applies to all Police Authorities.
- 40 The increase of £6,300 in respect of Use of Resources was similarly subject to a national consultation and was notified to the Police Authority on 20th June.
- 41 Our planned fee was calculated in March 2006. At that time the financial impact of Police Use of Resources was still under consultation and the impact of Whole of Government Accounts was not known.
- 42 The Commission waived the fees for these pieces of work in 2005/06. The 2005/06 actual fee and the 2006/07 planned fee therefore do not reflect the full cost of the work we are required to carry out to discharge our statutory responsibilities.

Appendix 1 – Action plan

Page	Recommendation	Priority 1 = Low 2 = Medium 3 = High	Responsibility	Agreed	Comments	Anticipated Implementation Date
7	<i>R5 R1 - Carry out pensions payroll reconciliations on a monthly basis.</i>	3	Head of Corporate Accountancy	Yes	The supplier, Paymaster, has confirmed their commitment to meet our needs.	September 2007
7	<i>R6 R2 - Carry out the following reconciliations on a regular and timely basis:</i> <ul style="list-style-type: none"> • Creditors (monthly); • Human Resources system to Payroll system (quarterly); and • Overtime (monthly). • 	2	Head of Transaction Services	Yes		September 2007
9	<i>R7 R3 Consider whether a risk-based control would be appropriate, to authorise journals</i>	2	Head of Corporate Accountancy	Yes	For each journal with a gross value of £250k plus – counter signed by HoCA	September 2007

Page	Recommendation	Priority 1 = Low 2 = Medium 3 = High	Responsibility	Agreed	Comments	Anticipated Implementation Date
	<i>prior to posting to the ledger.</i>					
10	<i>R8 R4 The Authority should undertake a full check of all property held in the asset register against the title deeds to ensure that these are complete and held securely</i>	2				

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Appendix 2 – The Audit Commission’s requirements in respect of independence and objectivity

- 43 We are required to communicate the following matters to those charged with governance:
- the principal threats, if any, to objectivity and independence identified by the auditor, including consideration of all relationships between the Authority, directors and the auditor;
 - any safeguards adopted and the reasons why they are considered to be effective;
 - any independent partner review;
 - the overall assessment of threats and safeguards; and
 - information about the general policies and processes for maintaining objectivity and independence.
- 44 We are not aware of any relationships that may affect the independence and objectivity of the audit team and which are required to be disclosed under auditing and ethical standards.

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Appendix 3 – Audit reports issued

Planned output	Planned date of issue	Actual date of issue	Addressee
Audit plan	May 2006	17 May 2006	Authority
Interim audit memorandum	June 2007	25 June 2007	Force and Authority
Annual governance report	September 2007	September 2007	Audit Committee
Opinion on financial statements	30 September 2007	To be confirmed	Audit Committee
Use of resources conclusion	30 September 2007	To be confirmed	Audit Committee
BVPP report	December 2006	18 December 2006	Officers
Data quality report	June 2007	May 2007	Audit Committee
Annual audit letter	November 2007	To be confirmed	Audit Committee
Police Use of Resources Evaluation (PURE)	November 2007	To be confirmed	Audit Committee

Appendix 4 – Proposed auditor’s report

Independent auditor’s report to the Members of Surrey Police Authority

Opinion on the financial statements

I have audited the financial statements and the police pension fund accounting statements of Surrey Police Authority for the year ended 31 March 2007 under the Audit Commission Act 1998. The financial statements comprise the Explanatory Foreword, Income and Expenditure Account, Balance Sheet, Statement of Total Recognised Gains and Losses, Cash Flow Statement and the related notes. The police pension fund accounting statements comprise the Fund Account, the Net Assets Statement and the related notes. The financial statements and police pension fund accounting statements have been prepared under the accounting policies set out within them.

This report is made solely to Surrey Police Authority in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 36 of the Statement of Responsibilities of Auditors and of Audited Bodies prepared by the Audit Commission.

Respective responsibilities of the Treasurer and auditor

The Treasurer’s responsibilities for preparing the financial statements, including the police pension fund accounting statements, in accordance with applicable laws and regulations and the Statement of Recommended Practice on Local Authority Accounting in the United Kingdom 2007 are set out in the Statement of Responsibilities.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements and the police pension fund accounting statements present fairly, in accordance with applicable laws and regulations and the Statement of Recommended Practice on Local Authority Accounting in the United Kingdom 2007:

the financial position of the Authority and its income and expenditure for the year; and

the financial transactions of its police pension fund during the year and the amount and disposition of the fund’s assets and liabilities, other than liabilities to pay pensions and other benefits after the end of the scheme year.

I review whether the statement on internal control reflects compliance with CIPFA's guidance 'The statement on internal control in local government: meeting the requirements of the Accounts and Audit Regulations 2003' issued in April 2004. I report if it does not comply with proper practices specified by CIPFA or if the statement is misleading or inconsistent with other information I am aware of from my audit of the financial statements. I am not required to consider, nor have I considered, whether the statement on internal control covers all risks and controls. I am also not required to form an opinion on the effectiveness of the Authority's corporate governance procedures or its risk and control procedures

I read other information published with the financial statements, and consider whether it is consistent with the audited financial statements. This other information comprises only the explanatory foreword. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

Basis of audit opinion

I conducted my audit in accordance with the Audit Commission Act 1998, the Code of Audit Practice issued by the Audit Commission and International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Authority in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Authority's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion:

The financial statements present fairly, in accordance with applicable laws and regulations and the Statement of Recommended Practice on Local Authority Accounting in the United Kingdom 2007, the financial position of the Authority as at 31 March 2007 and its income and expenditure for the year then ended; and

The police pension fund accounting statements present fairly, in accordance with the Statement of Recommended Practice on Local Authority Accounting in the United Kingdom 2007, the financial transactions of the police pension fund during the year ended 31 March 2007, and the amount and disposition of the fund's assets and liabilities as at 31 March 2007, other than liabilities to pay pensions and other benefits after the end of the scheme year.

Nick Ward
1st Floor, MLS Business Centre
Crossweys, 28-30 High Street
Guildford
Surrey GU1 3HY
September 2007

Conclusion on arrangements for securing economy, efficiency and effectiveness in the use of resources

Authority's Responsibilities

The authority 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 regularly review the adequacy and effectiveness of these arrangements.

Under the Local Government Act 1999, the authority is required to prepare and publish a best value performance plan summarising the authority's assessment of its performance and position in relation to its statutory duty to make arrangements to ensure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

Auditor's Responsibilities

I am required by the Audit Commission Act 1998 to be satisfied that proper arrangements have been made by the authority for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Audit Commission requires me to report to you my conclusion in relation to proper arrangements, having regard to relevant criteria specified by the Audit Commission for principal local authorities. I report if significant matters have come to my attention which prevent me from concluding that the authority has made such proper arrangements. I am not required to consider, nor have I considered, whether all aspects of the authority's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

I am required by section 7 of the Local Government Act 1999 to carry out an audit of the authority's best value performance plan and issue a report:

- certifying that I have done so;
- stating whether I believe that the plan has been prepared and published in accordance with statutory requirements set out in section 6 of the Local Government Act 1999 and statutory guidance; and
- where relevant, making any recommendations under section 7 of the Local Government Act 1999.

Conclusion

I have undertaken my audit in accordance with the Code of Audit Practice and having regard to the criteria for police authorities specified by the Audit Commission and published in December 2006, I am satisfied that, in all significant respects, Surrey Police Authority made proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2007.

Best Value Performance Plan

I issued my statutory report on the audit of the authority's best value performance plan for the financial year 2006/07 on 18 December 2007. I did not identify any matters to be reported to the authority and did not make any recommendations on procedures in relation to the plan.

Certificate

I certify that I have completed the audit of the accounts in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission.

Nick Ward
1st Floor, MLS Business Centre
Crossweys, 28-30 High Street
Guildford
Surrey GU1 3HY
September 2007



Appendix 5 – Management representation letter

To: Nick Ward

The Audit Commission

1st floor, MLS Business Centre

Crossweys, 28-30 High Street

Guildford

Surrey GU1 3EL

Surrey Police Authority - Audit for the year ended 31st March 2007

I confirm to the best of my knowledge and belief, having made appropriate enquiries of other officers and members of Surrey Police Authority, the following representations given to you in connection with your audit of the authority's financial statements for the year ended 31 March 2007.

I acknowledge my responsibility under the relevant statutory authorities for preparing the financial statements which give a true and fair view and for making accurate representations to you.

The Authority has no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

Supporting records

All the accounting records have been made available to you for the purpose of your audit and all the transactions undertaken by the Authority have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all Board and Committee meetings, have been made available to you.

Related party transactions

I confirm the completeness of the information provided regarding the identification of related parties.

The identity of, and balances and transactions with, related parties have been properly recorded and where appropriate, adequately disclosed in the financial statements

Contingent liabilities

There are no other contingent liabilities, other than those that have been properly recorded and disclosed in the financial statements. In particular:

there is no significant pending or threatened litigation, other than those already disclosed in the financial statements;

there are no material commitments or contractual issues, other than those already disclosed in the financial statements; and

no financial guarantees have been given to third parties.

Statement on Internal Control

I confirm that members and officers have an adequate understanding of the effectiveness of the review of the system of internal control and the evidence provided in support of it.

Law, regulations, contractual arrangements and codes of practice

There are no instances of non-compliance with laws, regulations and codes of practice, likely to have a significant effect on the finances or operations of the Police Authority.

The body has complied with all aspects of contractual arrangements that could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.

Litigation and claims

There is no significant pending or threatened litigation, other than those already disclosed in the financial statements.

Assets

The following have been properly recorded and when appropriate adequately disclosed in the financial statements:

losses arising from sale & purchase commitments;

agreements & options to buy back assets previously sold; and

assets pledged as collateral.

Irregularities

I acknowledge my responsibility for the design and implementation of internal control systems to prevent and detect error.

There have been no:

- irregularities involving management or employees who have significant roles in the system of internal accounting control;

- irregularities involving other employees that could have a material effect on the financial statements; or
- communications from regulatory agencies concerning non-compliance with, or deficiencies on, financial reporting practices which could have a material effect on the financial statements.

Post balance sheet events

Since the date of approval of the financial statements by members of the Authority, no additional significant post balance sheet events that have occurred which would require additional adjustment or disclosure in the financial statements.

We have no plans to abandon lines of product or other plans or intentions that will result in any excess or obsolete stock and no stock is stated at an amount in excess of net realisable value.

Compensating arrangements

There are no formal or informal compensating balancing arrangements with any of our cash and investment accounts. We have no lines of credit arrangements.

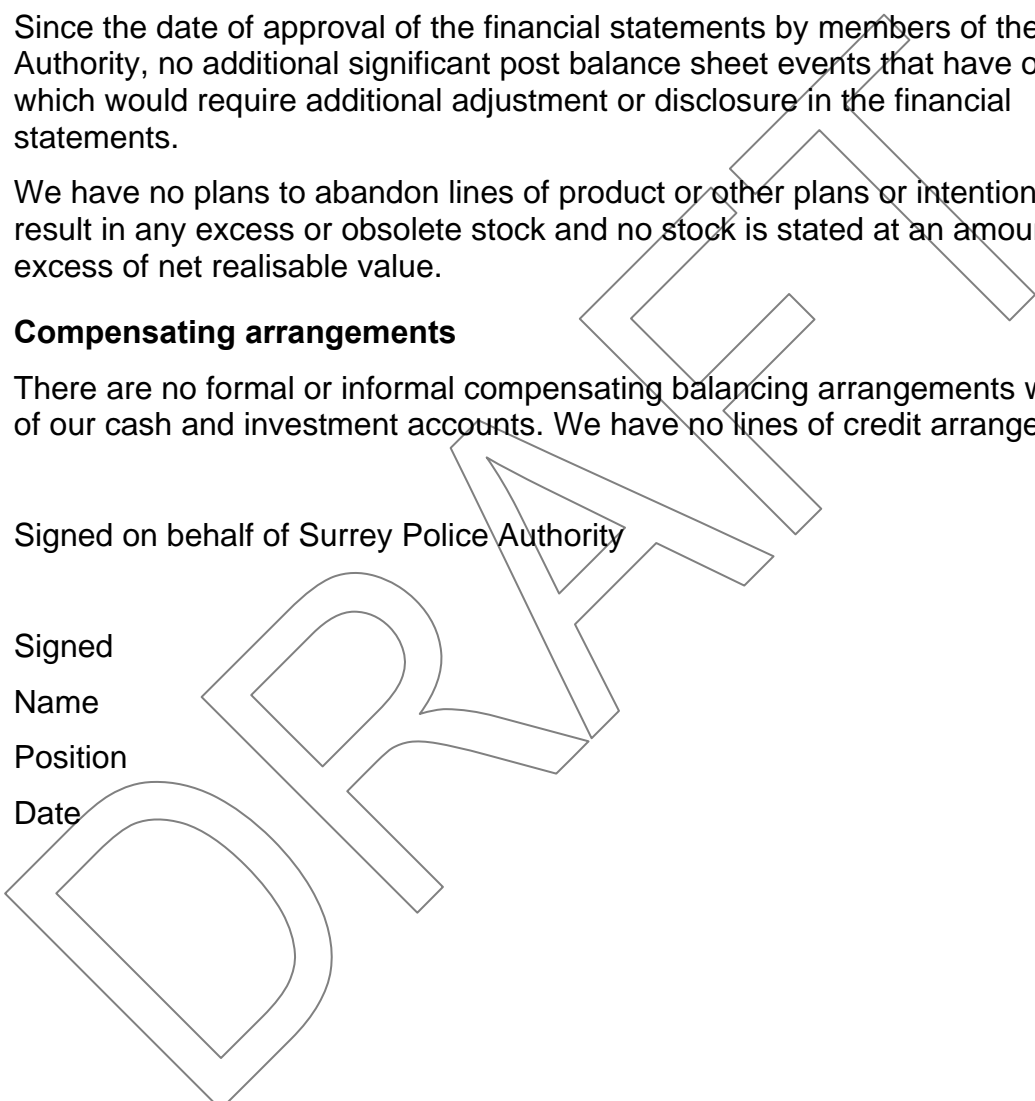
Signed on behalf of Surrey Police Authority

Signed

Name

Position

Date



Appendix 6 – Summary of adjusted misstatements

- 1 The following misstatements were identified during the course of our audit and the financial statements have been adjusted by management. We bring them to your attention to assist you in fulfilling your governance responsibilities.

Adjusted misstatements	Nature of Adjustment	Income and Expenditure Account		Balance Sheet	
		Dr £000s	Cr £000s	Dr £000s	Cr £000s
<p>Fixed Assets</p> <p>The opening balance for 'Surplus Assets held for Disposal' was shown in the draft statements as £0.8m but was incorrectly stated. It was amended to reflect the correct opening balance of £1.4m.</p>	Prior year balance incorrectly stated			Surplus Assets held for disposal £0.6m	Land and Buildings £0.6m
Net Effect				Nil	Nil
<p>Amortisation of Government Grants</p> <p>Government grants amortisation of £0.3m in the Statement of Movement on the General Fund note is currently being offset against depreciation. The SORP shows that this should be disclosed on a separate line.</p>	This is a disclosure adjustment	Depreciation and impairment of fixed assets £0.3m	Government grants amortisation £0.3m		
Net Effect	£0				

Appendix 7 – Value for money conclusion

- 2 The Audit Commission has published, in accordance with the Code of Audit Practice, 12 criteria on which auditors are required to reach a conclusion on the adequacy of an audited body's arrangements for economy, efficiency and effectiveness in its use of resources.
- 3 The Code criteria are linked to the police use of resources assessment (PURE) key lines of enquiry (KLoEs). A score of Level 2 or higher under the KLoEs will result in an assessment that the Authority has adequate arrangements in place for the purposes of the Code criteria. The Code criteria and the linked KLoEs are show in the table below.

Code Criteria	Description	Associated UoR KLoE	VFM Conclusion (adequate / inadequate)
1	The body has put in place arrangements for setting, reviewing and implementing its strategic and operational objectives.	N/A	Adequate
2	The body has put in place channels of communication with service users and other stakeholders including partners, and there are monitoring arrangements to ensure that key messages about services are taken into account.	N/A	Adequate
3	The body has put in place arrangements for monitoring and scrutiny of performance, to identify potential variances against strategic objectives, standards and targets, for taking action where necessary, and reporting to members.	N/A	Adequate
4	The body has put in place arrangements to monitor the quality of its published performance information, and to report the results to members.	Police DQ KLoEs	Adequate

26 Annual Governance Report | Appendix 7 – Value for money conclusion

5	The body has put in place arrangements to maintain a sound system of internal control.	4.2	Adequate
6	The body has put in place arrangements to manage its significant business risks.	4.1	Adequate
7	The body has put in place arrangements to manage and improve value for money.	5.2	Adequate
8	The body has put in place a medium-term financial strategy, budgets and a capital programme that are soundly based and designed to deliver its strategic priorities.	2.1	Adequate
9	The body has put in place arrangements to ensure that its spending matches its available resources.	3.1	Adequate
10	The body has put in place arrangements for managing performance against budgets.	2.2	Adequate
11	The body has put in place arrangements for the management of its asset base.	2.3	Adequate
12	The body has put in place arrangements that are designed to promote and ensure probity and propriety in the conduct of its business.	4.3	Adequate