

The Joint Audit Findings for The Police and Crime Commissioner for Cumbria and The Chief Constable of Cumbria Constabulary

Year ended 31 March 2023

11 January 2024



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This Audit Findings presents the observations arising from the audit that are significant to the responsibility of those charged with governance to oversee the financial reporting process, as required by International Standard on Auditing (UK) 260. Its contents will be discussed with management, the PCC and Chief Constable as those charged with governance, and the Joint Audit Committee.

Name: Michael Green

For Grant Thornton UK LLP

Date: 11 January 2024

The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit planning process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect the PCC and Chief Constable or all weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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1. Headlines

This table summarises the key findings and other matters arising from the statutory audit of Cumbria Police and Crime Commissioner ('the PCC') and the Chief Constable of Cumbria Constabulary and the preparation of the PCC's and Chief Constable's financial statements for the year ended 31 March 2023 for those charged with governance.

Financial Statements

Under International Standards of Audit (UK) (ISAs) and the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to report whether, in our opinion the financial statements:

- give a true and fair view of the financial positions of the PCC and Chief Constable's income and expenditure for the year; and
- have been properly prepared in accordance with the CIPFA/LASAAC code of practice on local authority accounting and prepared in accordance with the Local Audit and Accountability Act 2014.

We are also required to report whether other information published together with each set of audited financial statements (including the Annual Governance Statement (AGS) and Narrative Report) is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Our audit work was completed remotely during July 2023 - January 2024. Our findings are summarised on pages 5 to 16.

Management has made a small number of amendments to the financial statements. These impact the PCC/CC and Group Balance Sheet and Comprehensive Income and Expenditure Statement, and are summarised in Appendix D. We have identified two unadjusted misstatements which management chose not to amend, and these are highlighted in Appendix D. Our follow up of recommendations from the prior year's audit is detailed in Appendix C.

Our work is complete, and our view is that the financial statements continue to be prepared to a high standard and are supported by clear and comprehensive working papers. There are no matters of which we are aware that would require modification of our audit opinion for the PCC's financial statements (including the financial statements which consolidate the financial activities of the Chief Constable) or the Chief Constable's financial statements in Appendices I and J or material changes to the financial statements, subject to the following outstanding matters:

- receipt of management representation letter; and
- receipt of signed financial statements.

We have concluded that the other information to be published with each set of financial statements is consistent with our knowledge of your organisations and the financial statements we have audited.

Our anticipated audit report opinions will be unqualified.

1. Headlines

Value for Money (VFM) arrangements

Under the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to consider whether in our opinion, both entities have put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. Auditors are now required to report in more detail on the overall arrangements, as well as key recommendations on any significant weaknesses in arrangements identified during the audit.

Auditors are required to report their commentary on the arrangements under the following specified criteria:

- Improving economy, efficiency and effectiveness;
- Financial sustainability; and
- Governance

We have not yet completed all of our VFM work and so are not in a position to issue our Auditor's Annual Report. A letter explaining the reasons for the delay was issued on 28 September 2023. We expect to issue our Auditor's Annual Report by 31st January 2024. This is in line with the National Audit Office's revised deadline, which requires the Auditor's Annual Report to be issued no more than three months after the date of the opinion on the financial statements.

As part of our work, we considered whether there were any risks of significant weakness in the PCC and Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources. We identified no risks at the planning stage and will continue to review this as we finalise our VFM work - see section 3.

Statutory duties

The Local Audit and Accountability Act 2014 ('the Act') also requires us to:

- report to you if we have applied any of the additional powers and duties ascribed to us under the Act; and
- to certify the closure of the audit.

We have not exercised any of our additional statutory powers or duties.

We expect to certify the completion of the audit upon the completion of our work on the PCC and Chief Constable's VFM arrangements, which will be reported in our Auditor's Annual report in January 2024.

Significant matters

We identified IFRIC14 and the recognition of a pension asset as a new risk during the course of our work, as detailed on page 10 of our report. In addition, review of the work of the actuary of the police pension scheme by the PSAA consulting actuary identified an issue with the approach taken to part-year inflation and resulted in the actuary recalculating the liability for the year.

National context – audit backlog

Nationally there have been significant delays in the completion of audit work and the issuing of audit opinions across the local government sector. Only 12% of local government bodies had received audit opinions in time to publish their 2021/22 accounts by the extended deadline of 30 November. There has not been a significant improvement over this last year, and the situation remains challenging. We at Grant Thornton have a strong desire and a firm commitment to complete as many audits as soon as possible and to address the backlog of unsigned opinions.

Over the course of the last year, Grant Thornton has been working constructively with DLUHC, the FRC and the other audit firms to identify ways of rectifying the challenges which have been faced by our sector, and we recognise the difficulties these backlogs have caused authorities across the country. We have also published a report setting out our consideration of the issues behind the delays and our thoughts on how these could be mitigated. Please see [About time? \(grantthornton.co.uk\)](#)

2. Financial Statements

Overview of the scope of our audit

This Joint Audit Findings Report presents the observations arising from the audits that are significant to the responsibility of those charged with governance to oversee the financial reporting process, as required by International Standard on Auditing (UK) 260 and the Code of Audit Practice ('the Code'). Its contents have been discussed with management and the Joint Audit Committee.

As auditor we are responsible for performing the audits, in accordance with International Standards on Auditing (UK) and the Code, which are directed towards forming and expressing an opinion on each set of financial statements that have been prepared by management with the oversight of those charged with governance. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities for the preparation of the financial statements.

Audit approach

Our audit approach was based on a thorough understanding of the Group's/PCC and Chief Constable's business and is risk based, and in particular included:

- An evaluation of the PCC's and Chief Constable's internal controls environment, including its IT systems and controls;
- An evaluation of materiality considering the 'PCC and Chief Constable's gross revenue expenditure; and
- Substantive testing on significant transactions and material account balances, including the procedures outlined in this report in relation to the key audit risks.

We have not had to alter our audit plan, as communicated to you in July 2023.

Conclusion

We have completed our audits of your financial statements and, subject to outstanding queries being resolved, we anticipate issuing an unqualified audit opinion on the financial statements of both the PCC and the Chief Constable, as detailed in Appendix I and J. Outstanding items are detailed on page 3.

Acknowledgements

We would like to take this opportunity to record our appreciation for the assistance provided by the finance team and other staff.

2. Financial Statements



Our approach to materiality

The concept of materiality is fundamental to the preparation of the financial statements and the audit process and applies not only to the monetary misstatements but also to disclosure requirements and adherence to acceptable accounting practice and applicable law.

Materiality levels remain the same as reported in our audit plan in July 2023.

We detail in the table opposite our determination of materiality.

	Group (£)	PCC (£)	Chief Constable (£)	Qualitative factors considered
Materiality for the financial statements	3,832,000	3,311,000	3,268,000	Financial performance, focussing on the expenditure.
Performance materiality	2,874,000	2,483,000	2,451,000	Quality of working papers in prior year and client's response to audit processes.
Trivial matters	192,000	166,000	163,000	The amount below which matters would be considered trivial to the reader of the accounts.
Materiality for senior officer remuneration	36,800	36,800	36,800	Materiality has been reduced for remuneration disclosures due to the sensitive nature and public interest.

We have determined financial statement materiality based on a proportion of the gross expenditure of the Group, the PCC and the Chief Constable for the financial year. In the prior year we used the same benchmark. For our audit testing purposes we apply the lowest of these materialities, which is £3,268,000 (PY £3,166,000), which equates to 2% of the Chief Constable's prior year gross expenditure.



2. Financial Statements: Significant risks

Significant risks are defined by ISAs (UK) as risks that, in the judgement of the auditor, require special audit consideration. In identifying risks, audit teams consider the nature of the risk, the potential magnitude of misstatement, and its likelihood. Significant risks are those risks that have a higher risk of material misstatement.

This section provides commentary on the significant audit risks communicated in the Audit Plan.

Risks identified in our Audit Plan	Relates to	Commentary
<p>Management override of controls</p> <p>Under ISA (UK) 240 there is a non-rebuttable presumed risk that the risk of management over-ride of controls is present in all entities.</p> <p>The PCC and Chief Constable face external scrutiny of its spending and this could potentially place management under undue pressure in terms of how they report performance.</p> <p>We therefore identified management override of control, in particular journals, management estimates and transactions outside the course of business as a significant risk, which was one of the most significant assessed risks of material misstatement.</p>	PCC / CC /Group	<p>We have:</p> <ul style="list-style-type: none"> evaluated the design effectiveness of managements controls over journals; analysed the journals listing and determined the criteria for selecting high risk unusual journals; tested unusual journals recorded during the year and after the draft accounts stage for appropriateness and corroboration; gained an understanding of the accounting estimates and critical judgements applied made by management and considered their reasonableness with regard to corroborative evidence; and evaluated the rationale for any changes in accounting policies, estimates or significant unusual transactions. <p>In performing the procedures above, we identified a population of journals to test using data analytic software to analyse journal entries and to split large batch journals into smaller sets of transactions that support targeted testing based on specific risk criteria assessed by the audit team. These criteria included:</p> <ul style="list-style-type: none"> Post year-end journals Material journals across the year Year-end journals Year-end income and expenditure accrual journals Journals posted by senior management Off ledger adjustments <p>Application of these routines and supplementary procedures identified a total sample of 26 journals to test.</p> <p>Our audit work has not identified any issues in respect of management override of controls.</p> <p>As part of our review of journal procedures we continue to note that only journal lines over £50k are approved by senior management, journal lines which are less than £50k, are not approved. Our sample testing of journals, including those where journal lines were less than £50k did not identify any matters for concern with all journal lines appropriate and reasonable.</p> <p>We did not identify any changes in accounting policies or estimation processes and review of key estimates has not identified any matters to bring to your attention.</p> <p>Our audit work has not identified any evidence of management over-ride of controls.</p>

2. Financial Statements: Significant risks

Risks identified in our Audit Plan	Relates to	Commentary
<p>Valuation of land and buildings</p> <p>The PCC and Group revalue their land and buildings on a rolling two-yearly basis. This valuation represents a significant estimate by management in the financial statements due to the size of the numbers involved, £66.3 million as at 31 March 2023 and the sensitivity of this estimate to changes in key assumptions. Management will need to ensure the carrying value in the PCC and Group financial statements is not materially different from the current value or the fair value (for surplus assets) at the financial statements date, where a rolling programme is used.</p> <p>We therefore identified valuation of land and buildings, particularly revaluations and impairments, as a significant risk of material misstatement.</p>	PCC / Group	<p>We have:</p> <ul style="list-style-type: none"> evaluated management's processes and assumptions for the calculation of the estimate, the instructions issued to valuation experts and the scope of their work; evaluated the competence, capabilities and objectivity of the valuation expert; written to the valuer to confirm the basis on which the valuation was carried out to ensure that the requirements of the Code are met; challenged the information and assumptions used by the valuer to assess the completeness and consistency with our understanding; evaluated the valuer's report to identify assets that have large and unusual changes and/or approaches to the valuation – these assets have been substantively tested to ensure the valuations are reasonable; tested a selection of other asset revaluations made during the year to see if they had been input correctly into the PCC and Group asset register, revaluation reserve and Comprehensive Income and Expenditure Statement; and evaluated the assumptions made by management for those assets not revalued during the year and how management had satisfied themselves that these are not materially different from current value at year end. <p>Our audit work identified that instead of using build rates based on Building Cost Information Service (BCIS) index, the valuer has used a Baker Mallet (BM) cost matrix, which relies partly on the nationally recognised BCIS index. In applying this cost matrix, the valuer used indices to February 23 due to the timing of the work. As part of our evaluation of appropriateness of the carrying value of assets at 31 March 2023, we identified that there were movements in indices of 3-7% from February to March, depending on the specific type of asset. In addition, our review of a sample of asset valuations identified some inconsistencies between the Gross Internal Area (GIA) figures used by the valuer in calculating value, when compared to the drawings held by the estates team.</p> <p>In order to quantify the effect of these differences we recalculated the asset values using the March BCIS index and the GIA figures provided by the Estates team. The overall difference was below our performance materiality threshold. The issues identified only related to Depreciated Replacement Cost (DRC) assets, and as we have included all DRC assets revalued in 22/23 within our sample, we have concluded that there is not a material difference for DRC assets and that the estimate is reasonable.</p> <p>The current annual valuation exercise covers a portion of the asset base as part of a cyclical approach, covering all assets over each cycle. As part of our procedures we consider whether the potential movement in valuation for those assets not covered by the annual valuation could be material. In considering this, we identified that the movement in assets not revalued could be significant and challenged management to provide evidence that this would not materially impact the carrying value of assets at the year-end. Management have obtained calculations from the valuer that indicate the range of potential impact on valuation is not material. We have reviewed the information provided by management and are satisfied that land and buildings valuations are not materially misstated. We have raised a recommendation that management should consider the potential impact of valuation movements on assets not re-valued in the year as part of preparing the financial statements.</p>

2. Financial Statements: Significant risks

Risks identified in our Audit Plan	Relates to	Commentary
<p>Valuation of pension fund net liability/surplus The group's pension fund net liability, as reflected in its balance sheet as the net defined benefit liability, represents a significant estimate in the financial statements.</p> <p>The pension fund net liability is considered a significant estimate due to the size of the numbers involved (£1.024 billion in the draft group's balance sheet) and the sensitivity of the estimate to changes in key assumptions.</p> <p>We therefore identified valuation of the group's pension fund net liability as a significant risk, which was one of the most significant assessed risks of material misstatement.</p>	PCC / Chief Constable / Group	<p>We have:</p> <ul style="list-style-type: none"> updated our understanding of the processes and controls put in place by management to ensure that the group's pension fund net liability is not materially misstated and evaluated the design of the associated controls; evaluated the instructions issued by management to their management expert (an actuary) for this estimate and the scope of the actuary's work; assessed the competence, capabilities and objectivity of the actuary who carried out the group's pension fund valuation; assessed the accuracy and completeness of the information provided by the group to the actuary to estimate the liability; tested the consistency of the pension fund asset and liability and disclosures in the notes to the core financial statements with the actuarial report from the actuary; undertaken procedures to confirm the reasonableness of the actuarial assumptions made by reviewing the report of the consulting actuary (as auditor's expert) and performed any additional procedures suggested within the report; and requested assurances from the auditor of Cumbria Pension Fund as to the controls surrounding the validity and accuracy of membership data; contributions data and benefits data sent to the actuary by the pension fund and the fund assets valuation in the pension fund financial statements. <p>Pages 12 provides a detailed assessment of the estimation process for the valuation of the pension fund net liability. Review of the approach identified that the actuary of the police pension scheme (Government Actuary's Department) had not included an adjustment for part-year inflation in calculating the liability as at 31 March 2023. Given the current inflationary environment, this was anticipated to have a material impact on the valuation and following discussion with management, a revised IAS 19 valuation was requested. The revised IAS 19 valuation shows a £21.38m increase in the pension liability resulting from this matter. Management processed the adjustment in the revised PCC/Group and CC financial statements. This has been included as an adjusted misstatement. See details in Appendix D.</p> <p>Other assumptions used in calculating the net pension liability/surplus of both schemes are considered to be in line with expectations and we have not identified any further issues with the estimation process.</p> <p>Review of the net defined pension liability relating to the Local Government Pension Scheme identified that IAS 19 valuation for the year moved the position from a £60.9m net liability in 2022 to a £20.7m net asset at 31 March 2023. This is consistent with many local government schemes nationally and is the first time this has occurred since IFRS based financial statements have been produced. The reporting of a net asset position has required auditors to consider the requirements of IFRIC 14 and we discuss this in more detail on page 10.</p>

2. Financial Statements: new issues and risks

This section provides commentary on new issues and risks which were identified during the course of the audit that were not previously communicated in the Audit Plan and a summary of any significant deficiencies identified during the year.

Issue	Commentary	Auditor view
<p>Valuation of LGPS pension net asset</p> <p>The methods applied in the calculation of the IAS 19 estimates are routine and commonly applied by all actuarial firms in line with the requirements set out in the Code of practice for local government accounting (the applicable financial reporting framework). However, for the first time since IFRS have been adopted the Authority has had to consider the potential impact of IFRIC 14 - IAS 19 -the limit on a defined benefit asset. Because of this we have assessed the recognition and valuation of the pension asset as a significant risk as the group's draft accounts included a £20.7m pension asset for the LGPS.</p>	<p>IFRIC 14 addresses the extent to which an IAS 19 surplus can be recognised on the balance sheet and whether any additional liabilities are required in respect of onerous funding commitments.</p> <p>IFRIC 14 limits the measurement of the defined benefit asset to the 'present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.</p> <p>We have:</p> <ul style="list-style-type: none"> • challenged management on the presentation of any pension asset; • received calculations from the actuary's assessing any asset ceiling in place potentially reducing the amount of any asset recognised and reperformed those calculations; • challenged the actuary on the assumptions used within that calculation; and • assessed the sufficiency of the financial statement disclosures provided in respect of the pension surplus. 	<p>The PCC/CC had not fully considered the potential impact of IFRIC14 before any audit challenge.</p> <p>Following discussion with management, the actuary has updated the IAS 19 valuation including consideration of the requirements of IFRIC 14.</p> <p>The revised calculations have identified that the previously calculated asset should not be recognised and that the net liability/asset should be nil.</p> <p>The financial statements have been adjusted to remove the £20.7m asset to reflect a nil balance. The adjustment does not impact overall useable reserves of the group.</p> <p>The adjustment is included in Appendix D.</p> <p>We have also included a recommendation relating to this matter in Appendix B.</p> <p>Please see Appendix B for action plan and D for adjustments made.</p>

2. Financial Statements: key judgements and estimates

This section provides commentary on key estimates and judgements in line with the enhanced requirements for auditors.

Significant judgement or estimate	Relates to	Summary of management's approach	Audit Comments	Assessment
Land and Building valuations – £66.325m	PCC / Group	<p>Land and buildings comprises £38.25m of specialised assets such as police stations, which are required to be valued at depreciated replacement cost (DRC) at year end, reflecting the cost of a modern equivalent asset necessary to deliver the same service provision. The remainder of other land and buildings (£28.07m) are not specialised in nature and are required to be valued at existing use in value (EUV) at year end.</p> <p>The PCC engaged Carigiet Cowen to complete the valuation of properties as at 31/3/2023 on a two yearly cyclical basis.</p> <p>The total year end valuation of land and buildings was £66.325m, a net increase of £6.709m from 2021/22.</p>	<p>The PCC's accounting policy on valuation of land and buildings is included in Note 9 to the financial statements.</p> <p>Key observations</p> <p>The values in the valuation report have been used to inform the measurement of property assets at valuation in the financial statements. We have:</p> <ul style="list-style-type: none"> assessed the qualifications, skills and experience of the Valuer and determined the service to be appropriate; reviewed the underlying information prepared by the PCC and supplied to the Valuer and considered it to be complete and accurate; concluded that the Valuer prepared their valuations in accordance with the RICS Valuation – Global Standards using the information that was available to them at the valuation date in deriving their estimates. <p>Our review of the calculations performed by the valuer, demonstrated that the calculations had been based on realistic and sound assumptions supported by appropriate evidence at the time the work was completed as outlined on page 8. We did note that the movement in relevant indices to the end of the year could impact the reported valuations but we have gained assurance that this would not be material.</p> <p>As noted on page 8, our work identified that management had not undertaken a detailed review of those land and building assets which had not been revalued during 2022/23, to establish whether they remained materially stated. The value of assets not revalued in 2022/23 was £32.891m and given the general increase in build costs during the past 12 months we would have expected an assessment to be undertaken to ensure that those asset values remained materially correct. When challenged management engaged the external valuer to assist them in undertaking an assessment.</p> <p>Conclusion</p> <p>Based on our audit work performed, we are satisfied that the estimate of your land and buildings valuation is not materially misstated.</p>	Light purple

Assessment

- [Dark Purple] We disagree with the estimation process or judgements that underpin the estimate and consider the estimate to be potentially materially misstated
- [Blue] We consider the estimate is unlikely to be materially misstated however management's estimation process contains assumptions we consider optimistic
- [Grey] We consider the estimate is unlikely to be materially misstated however management's estimation process contains assumptions we consider cautious
- [Light Purple] We consider management's process is appropriate and key assumptions are neither optimistic or cautious





2. Financial Statements: key judgements and estimates

Significant judgement or estimate	Relates to	Summary of management's approach	Audit Comments	Assessment																								
Police Pension Scheme net liability - £1.066bn	PCC/ Chief Constable / Group	<p>The PCC's and Chief Constable's total pension liability at 31 March 2023 is £1.066bn (PY £1.520bn comprising the Police Officers Pension Scheme (the Chief Constable operates three pension schemes for police officers, these are the 1987, 2006, 2015 Police Pension Schemes for officers)</p> <p>The PCC and Chief Constable uses GAD to provide actuarial valuations of the Group's assets and liabilities derived from these schemes. A full actuarial valuation is required every three years. The latest full actuarial valuation was completed in 2022. A roll forward approach is used in intervening periods, which utilises key assumptions such as life expectancy, discount rates, salary growth and investment returns. Given the significant value of the net pension fund liability, small changes in assumptions can result in significant valuation movements.</p>	<p>We have:</p> <ul style="list-style-type: none"> Updated our risk assessment procedures performed including understanding management's processes and controls for the determination of the estimates. This included understanding methods, assumptions and data used, as well as instructions issued to management's experts and the scope of their work; undertook procedures to confirm the reasonableness of the actuarial assumptions made by reviewing the report of the consulting actuary (as auditor's expert) <table border="1"> <thead> <tr> <th>Police Pension Scheme Assumptions</th> <th>Actuary Value</th> <th>PwC range</th> <th>Assessment</th> </tr> </thead> <tbody> <tr> <td>Discount rate</td> <td>4.8%</td> <td>4.7-4.9%</td> <td>● - Assumptions considered reasonable</td> </tr> <tr> <td>Pension increase rate</td> <td>2.7%</td> <td>2.7%</td> <td>● - Assumptions considered reasonable</td> </tr> <tr> <td>Salary growth</td> <td>4.2%</td> <td>3.95% – 4.45%</td> <td>● - Assumptions considered reasonable</td> </tr> <tr> <td>Life expectancy – Males currently aged 45/65</td> <td>21.9 Current 23.3 Future</td> <td>21.6-23.3 22.9-23.8</td> <td>● - Assumptions considered reasonable</td> </tr> <tr> <td>Life expectancy – Females currently aged 45/65</td> <td>24.2 Current 26.0 Future</td> <td>24.2-25.7 25.5-26.7</td> <td>● - Assumptions considered reasonable</td> </tr> </tbody> </table> <ul style="list-style-type: none"> identified that GAD had not considering part-year inflation when producing their IAS 19 estimate as at 31 March 2023. Consequently we challenged this and management have obtained a revised actuary report based on updated inflationary figures. See Appendix D for details of the adjustment made. <p>Based on our review of the assumptions and the pension amendments we are satisfied that the pension liability is materially correct.</p>	Police Pension Scheme Assumptions	Actuary Value	PwC range	Assessment	Discount rate	4.8%	4.7-4.9%	● - Assumptions considered reasonable	Pension increase rate	2.7%	2.7%	● - Assumptions considered reasonable	Salary growth	4.2%	3.95% – 4.45%	● - Assumptions considered reasonable	Life expectancy – Males currently aged 45/65	21.9 Current 23.3 Future	21.6-23.3 22.9-23.8	● - Assumptions considered reasonable	Life expectancy – Females currently aged 45/65	24.2 Current 26.0 Future	24.2-25.7 25.5-26.7	● - Assumptions considered reasonable	Light purple
Police Pension Scheme Assumptions	Actuary Value	PwC range	Assessment																									
Discount rate	4.8%	4.7-4.9%	● - Assumptions considered reasonable																									
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Salary growth	4.2%	3.95% – 4.45%	● - Assumptions considered reasonable																									
Life expectancy – Males currently aged 45/65	21.9 Current 23.3 Future	21.6-23.3 22.9-23.8	● - Assumptions considered reasonable																									
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2. Financial Statements: Information Technology

This section provides an overview of results from our assessment of Information Technology (IT) environment and controls which included identifying risks from the use of IT related to business process controls relevant to the financial audit. To support the financial statement audits of the Police and Crime Commissioner and the Chief Constable of Cumbria Constabulary for the year ended 31 March 2023, we completed a design and implementation review of the IT General Controls (ITGC) for applications identified as relevant to the audit.

No deficiencies were identified from this work, however a small number of improvement opportunities were recommended to prevent inappropriate access to the Oracle system and the ability to create erroneous transactions. The improvement recommendations related to self assignment of highly privileged roles in Oracle Cloud, and timeliness of access revocation. Further detail can be found in our April 2023 ITGC report.

IT application	Level of assessment performed	Overall ITGC rating	ITGC control area rating			Related significant risks/other risks
			Security management	Technology acquisition, development and maintenance	Technology infrastructure	
Oracle	ITGC assessment (design and implementation effectiveness only)					N/A

Assessment

-  Significant deficiencies identified in IT controls relevant to the audit of financial statements
-  Non-significant deficiencies identified in IT controls relevant to the audit of financial statements/significant deficiencies identified but with sufficient mitigation of relevant risk
-  IT controls relevant to the audit of financial statements judged to be effective at the level of testing in scope
-  Not in scope for testing

2. Financial Statements: other communication requirements

We set out below details of other matters which we, as auditors, are required by auditing standards and the Code to communicate to those charged with governance.

Issue	Commentary
Matters in relation to fraud	We have previously discussed the risk of fraud with the Joint Audit Committee and no issues were identified and we have not been made aware of any incidents in the period and no other issues have been identified during the course of our audit procedures.
Matters in relation to related parties	We are not aware of any related parties or related party transactions which have not been disclosed.
Matters in relation to laws and regulations	You have not made us aware of any significant incidences of non-compliance with relevant laws and regulations and we have not identified any incidences from our audit work.
Written representations	Letters of representation have been requested from both the PCC and the Chief Constable.
Confirmation requests from third parties	We requested permission from management to send confirmation requests to confirm cash and investment counterparties. This permission was granted and the requests were sent. All of these requests were returned with positive confirmations.
Accounting practices	We have evaluated the appropriateness of the PCC's and Chief Constable's accounting policies, accounting estimates and financial statement disclosures. Our review found no material omissions in the financial statements.
Audit evidence and explanations/ significant difficulties	All information and explanations requested from management were provided.

2. Financial Statements: other communication requirements



Our responsibility

As auditors, we are required to “obtain sufficient appropriate audit evidence about the appropriateness of management's use of the going concern assumption in the preparation and presentation of the financial statements and to conclude whether there is a material uncertainty about the entity's ability to continue as a going concern” (ISA (UK) 570).

Issue	Commentary
Going concern	<p>In performing our work on going concern, we have had reference to Statement of Recommended Practice – Practice Note 10: Audit of financial statements of public sector bodies in the United Kingdom (Revised 2020). The Financial Reporting Council recognises that for particular sectors, it may be necessary to clarify how auditing standards are applied to an entity in a manner that is relevant and provides useful information to the users of financial statements in that sector. Practice Note 10 provides that clarification for audits of public sector bodies.</p> <p>Practice Note 10 sets out the following key principles for the consideration of going concern for public sector entities:</p> <ul style="list-style-type: none"> the use of the going concern basis of accounting is not a matter of significant focus of the auditor's time and resources because the applicable financial reporting frameworks envisage that the going concern basis for accounting will apply where the entity's services will continue to be delivered by the public sector. In such cases, a material uncertainty related to going concern is unlikely to exist, and so a straightforward and standardised approach for the consideration of going concern will often be appropriate for public sector entities for many public sector entities, the financial sustainability of the reporting entity and the services it provides is more likely to be of significant public interest than the application of the going concern basis of accounting. Our consideration of the PCC's and Chief Constable's financial sustainability is addressed by our value for money work, which is covered elsewhere in this report. <p>Practice Note 10 states that if the financial reporting framework provides for the adoption of the going concern basis of accounting on the basis of the anticipated continuation of the provision of a service in the future, the auditor applies the continued provision of service approach set out in Practice Note 10. The financial reporting framework adopted by the PCC and Chief Constable meets this criteria, and so we have applied the continued provision of service approach. In doing so, we have considered and evaluated:</p> <ul style="list-style-type: none"> the nature of the PCC and Chief Constable and the environment in which they operate; the PCC's and Chief Constable's financial reporting framework; the PCC's and Chief Constable's system of internal control for identifying events or conditions relevant to going concern; and management's going concern assessment. <p>On the basis of this work, we have obtained sufficient appropriate audit evidence to enable us to conclude that:</p> <ul style="list-style-type: none"> a material uncertainty related to going concern has not been identified for either the PCC or the Chief Constable; and management's use of the going concern basis of accounting in the preparation of both sets of financial statements is appropriate.

2. Financial Statements: other responsibilities under the Code

Issue	Commentary
Other information	<p>We are required to give an opinion on whether the other information published together with the audited financial statements (including the Annual Governance Statement and Narrative Report and Pension Fund Financial Statements), is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.</p> <p>No inconsistencies have been identified. We plan to issue an unmodified opinion in this respect – refer to Appendix I and Appendix J.</p>
Matters on which we report by exception	<p>We are required to report on a number of matters by exception in a number of areas:</p> <ul style="list-style-type: none"> • if the Annual Governance Statement does not comply with disclosure requirements set out in CIPFA/SOLACE guidance or is misleading or inconsistent with the information of which we are aware from our audit, • if we have applied any of our statutory powers or duties. • where we are not satisfied in respect of arrangements to secure value for money and have reported [a] significant weakness/es. <p>We have nothing to report on these matters.</p>
Specified procedures for Whole of Government Accounts	<p>We are required to carry out specified procedures (on behalf of the NAO) on the Whole of Government Accounts (WGA) consolidation pack under WGA audit instructions. However, in the case of Cumbria PCC/Chief Constable of Cumbria Constabulary, no work is required as the entity is below the group reporting threshold of £2 billion determined by the NAO.</p>
Certification of the closure of the audit	<p>We intend to delay the certification of the closure of the 2022/23 audit of the Cumbria PCC and Chief Constable of Cumbria Constabulary in the audit reports, as detailed in Appendix I and J, due to further time being needed to complete our Value for Money work. The NAO has extended the timetable for completion of the Value for Money work to three months post completion of the financial statements audit.</p>

3. Value for Money arrangements (VFM)

Approach to Value for Money work for 2022/23

The National Audit Office issued its guidance for auditors in April 2020. The Code requires auditors to consider whether the body has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

When reporting on these arrangements, the Code requires auditors to structure their commentary on arrangements under the three specified reporting criteria.



Improving economy, efficiency and effectiveness

Arrangements for improving the way the body delivers its services. This includes arrangements for understanding costs and delivering efficiencies and improving outcomes for service users.



Financial Sustainability

Arrangements for ensuring the body can continue to deliver services. This includes planning resources to ensure adequate finances and maintain sustainable levels of spending over the medium term (3–5 years)



Governance

Arrangements for ensuring that the body makes appropriate decisions in the right way. This includes arrangements for budget setting and management, risk management, and ensuring the body makes decisions based on appropriate information

Potential types of recommendations

A range of different recommendations could be made following the completion of work on the body's arrangements to secure economy, efficiency and effectiveness in its use of resources, which are as follows:



Statutory recommendation

Written recommendations to the body under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014. A recommendation under schedule 7 requires the body to discuss and respond publicly to the report.



Key recommendation

The Code of Audit Practice requires that where auditors identify significant weaknesses in arrangements to secure value for money they should make recommendations setting out the actions that should be taken by the body. We have defined these recommendations as 'key recommendations'.



Improvement recommendation

These recommendations, if implemented should improve the arrangements in place at the body, but are not made as a result of identifying significant weaknesses in the body's arrangements

3. VFM: our procedures and conclusions

We have not yet completed all of our VFM work and so are not in a position to issue our Auditor's Annual Report. An audit letter explaining the reasons for the delay is attached in the Appendix K to this report. We expect to issue our Auditor's Annual Report by no later than 31 January 2024. This is in line with the National Audit Office's revised deadline, which requires the Auditor's Annual Report to be issued no more than three months after the date of the opinion on the financial statements.

As part of our work, we considered whether there were any risks of significant weakness in the PCC and Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources. To date, we have not identified any such risks or findings that would impact the audit opinion on the accounts.

4. Independence and ethics

We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention and consider that an objective reasonable and informed third party would take the same view. We have complied with the Financial Reporting Council's Ethical Standard and confirm that we, as a firm, and each covered person, are independent and are able to express an objective opinion on the financial statements

We confirm that we have implemented policies and procedures to meet the requirements of the Financial Reporting Council's Ethical Standard and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements.

Further, we have complied with the requirements of the National Audit Office's Auditor Guidance Note 01 issued in May 2020 which sets out supplementary guidance on ethical requirements for auditors of local public bodies.

Details of fees charged are in Appendix E, we confirm that there are no non-audit fees.

Transparency

Grant Thornton publishes an annual Transparency Report, which sets out details of the action we have taken over the past year to improve audit quality as well as the results of internal and external quality inspections. For more details see [Grant Thornton International Transparency report 2023](#).

4. Independence and ethics

As part of our assessment of independence we note the following matters:

Matter	Conclusion
Relationships with Grant Thornton	We are not aware of any relationships between Grant Thornton and Cumbria PCC/Chief Constable of Cumbria Constabulary that may reasonably be thought to bear on our integrity, independence and objectivity.
Relationships and Investments held by individuals	We have not identified any potential issues in respect of personal relationships with Cumbria PCC/Chief Constable of Cumbria Constabulary .
Employment of Grant Thornton staff	We are not aware of any former Grant Thornton partners or staff being employed, or holding discussions in respect of employment, by Cumbria PCC/Chief Constable of Cumbria Constabulary in a senior management role covering financial, accounting or control related areas.
Business relationships	We have not identified any business relationships between Grant Thornton and Cumbria PCC/Chief Constable of Cumbria Constabulary.
Contingent fees in relation to non-audit services	No non-audit services are provided.
Gifts and hospitality	We have not identified any gifts or hospitality provided to, or received from, a member of Cumbria PCC/Chief Constable of Cumbria Constabulary senior management or staff.

We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention and consider that an objective reasonable and informed third party would take the same view. The firm and each covered person [and network firms] have complied with the Financial Reporting Council's Ethical Standard and confirm that we are independent and are able to express an objective opinion on the financial statements

Following this consideration, we can confirm that we are independent and are able to express an objective opinion on the financial statements. In making the above judgement, we have also been mindful of the quantum of non-audit fees compared to audit fees disclosed in the financial statements and estimated for the current year.

Appendices

- A. Communication of audit matters to those charged with governance
- B. Action plan – Audit of Financial Statements
- C. Follow up of prior year recommendations
- D. Audit Adjustments
- E. Fees and non-audit services
- F. Auditing developments
- G. Management Letter of Representation – PCC
- H. Management Letter of Representation – Chief Constable
- I. Audit opinion – PCC
- J. Audit opinion - Chief Constable
- K. Audit letter in respect of delayed VFM work

A. Communication of audit matters to those charged with governance

Our communication plan	Audit Plan	Audit Findings
Respective responsibilities of auditor and management/those charged with governance	•	
Overview of the planned scope and timing of the audit, form, timing and expected general content of communications including significant risks	•	
Confirmation of independence and objectivity	•	•
A statement that we have complied with relevant ethical requirements regarding independence. Relationships and other matters which might be thought to bear on independence. Details of non-audit work performed by Grant Thornton UK LLP and network firms, together with fees charged. Details of safeguards applied to threats to independence	•	•
Matters in relation to the group audit, including: Scope of work on components, involvement of group auditors in component audits, concerns over quality of component auditors' work, limitations of scope on the group audit, fraud or suspected fraud.	•	•
Views about the qualitative aspects of the Group's accounting and financial reporting practices including accounting policies, accounting estimates and financial statement disclosures		•
Significant findings from the audit		•
Significant matters and issue arising during the audit and written representations that have been sought		•
Significant difficulties encountered during the audit		•
Significant deficiencies in internal control identified during the audit		•
Significant matters arising in connection with related parties		•
Identification or suspicion of fraud involving management and/or which results in material misstatement of the financial statements		•
Non-compliance with laws and regulations		•
Unadjusted misstatements and material disclosure omissions		•
Expected modifications to the auditor's report, or emphasis of matter		•

ISA (UK) 260, as well as other ISAs (UK), prescribe matters which we are required to communicate with those charged with governance, and which we set out in the table here.

This document, the Audit Findings, outlines those key issues, findings and other matters arising from the audit, which we consider should be communicated in writing rather than orally, together with an explanation as to how these have been resolved.

Respective responsibilities

As auditor we are responsible for performing the audit in accordance with ISAs (UK), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance.

The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

Distribution of this Audit Findings report

Whilst we seek to ensure our audit findings are distributed to those individuals charged with governance, we are also required to distribute our findings to those members of senior management with significant operational and strategic responsibilities. We are grateful for your specific consideration and onward distribution of our report to all those charged with governance.

B. Action Plan– Audit of Financial Statements

We have identified recommendations for the Group/PCC and Chief Constable as a result of issues identified during the course of our audit. We have agreed our recommendations with management and we will report on progress on these recommendations during the course of the 2023/24 audit. The matters reported here are limited to those deficiencies that we have identified during the course of our audit and that we have concluded are of sufficient importance to merit being reported to you in accordance with auditing standards.

Assessment	Issue and risk	Recommendations
High	Management had not undertaken a detailed review of land and building assets not revalued during 2022/23 as part of its arrangements for preparing the financial statements to ensure that they remained materially stated.	<p>As part of the process for preparing the financial statements management should undertake a detailed review of those assets which have not been revalued to ensure that they remain materially stated.</p> <p>Management response</p> <p>We have reviewed the process with regards to instruction to the valuers and subsequent management review and assurances. In relation to 2023/24, a revised letter of instruction is to be provided to the valuer which clearly sets out the expectation for the valuation exercise and desk top review of out of scope assets. On receipt of the valuation reports, a meeting will be held between the OPFCC CFO, Head of Estates and Valuer to discuss any matters arising and any further assurances required. The matters raised in relation to the Gross Internal Areas used in calculations will also be reviewed.</p>
Medium	From discussions with the actuarial firms, we understand that the application of IFRIC 14 is not within their normal scope. As such, unless they are instructed otherwise by the employer, they will produce IAS 19 disclosures assuming there are no IFRIC 14 adjustments to any surplus or deficit. This means there is a risk that material adjustments are not factored into the IAS19 disclosures.	<p>We recommend that Cumbria Police instruct their actuary to calculate any potential asset ceiling under IFRIC14 where pension schemes are in surplus to ensure they are reflected in their IAS19 calculations.</p> <p>Management response</p> <p>The situation with a pension fund surplus is a new occurrence in 2022/23. The additional calculations have been received and reflected in the accounts. Should the situation arise again in the future, these additional calculations will be requested from the scheme actuary upon receipt of the initial actuarial disclosures and appropriate changes made to the accounts.</p>
Medium	There had been no adjustment for the difference between fair value depreciation and historical cost depreciation between the: <ul style="list-style-type: none"> - revaluation reserve - the capital adjustment account. 	<p>There should ensure that the difference between fair value depreciation and historic cost depreciation is adjusted for.</p> <p>Management response</p> <p>As part of the year end process, the difference in the fair value depreciation and historic cost depreciation will be revisited and if material, will be reflected in the accounts. Historically the amount has not been material and previous advice from the external auditors has been to exclude on the grounds of materiality.</p>
Low	Review of the arrangements to support the related party disclosures within note 21 identified some discrepancies between the working papers provided and the individual related party declarations.	<p>There is a need to ensure that declarations made are accurately reflected in the related party disclosure note.</p> <p>Management response</p> <p>In relation to related party transactions, an additional level of quality assurance will be implemented within the financial services team to ensure that disclosures made on individual forms are correctly recorded on the working papers provided to the audit team.</p>

Controls

- High – Significant effect on financial statements
- Medium – Limited Effect on financial statements
- Low – Best practice

C. Follow up of prior year recommendations

We identified the following issues in the audit of Cumbria PCC and Chief Constable's 2021/22 financial statements, which resulted in recommendations being reported in our 2021/22 Audit Findings report. We are pleased to report that management have implemented most of our recommendations.

Issue and risk previously communicated

Assets with no remaining asset life yet still in asset register

Our review of the asset register identified a number of IT, Vehicle and Furniture, Equipment and Plant assets which had been fully depreciated and had no remaining asset life yet were potentially still in use. The impact of this is that the gross book value of these asset categories in disclosure Note 9 could be overstated. Assets are not automatically separately identified on the asset register with some grouped together making it difficult to quantify the value of assets which remain in use or have been disposed.

Where adaptations have been made to vehicle assets these are shown in total for the year rather than allocated or apportioned across the PCC's asset base. The adaptations have been allocated a one year life, rather than the asset life associated with the asset they relate to.

Update on actions taken to address the issue

In preparation for the 2022/23 closure of accounts a review of Vehicle, ICT and Intangible assets was undertaken.

Assets with a gross book value of £6.517m had been fully depreciated and had reached the end of their asset lives and have now been written out of the asset register – Appendix D provides more information. In addition, the remaining lives of vehicle and ICT assets have been re-assessed for accuracy and adjustments made where required. The remaining assets with a nil net book value at 31/3/23, which have a gross book value of £2.335m will be considered in 2023/24.

Specifically in relation to vehicles a new methodology for the allocation of adaptation costs has been developed. This allocated the total cost of adaptation in the year over the vehicles purchased in the year so that in future, when a vehicle is disposed of, an appropriate proportion of the adaptation cost is also removed. This also means that the adaptation costs are now depreciated over the life of vehicles rather than in a single year (the year following purchase).

Automatic accruals

With the introduction of the new Oracle Fusion system in October 2020 automatic accruals for any goods received not invoiced (GRNI) were adopted. The accruals are made on a monthly basis and then reversed out the following month. Additionally at year end a list of open orders is reviewed by the relevant Financial Services Officer (FSO) to ensure that there are no open orders where receipting has potentially been missed.

From our review of journals we identified that a regular monthly journal for a significant amount which was reversed out the following month, in some months this was as large as £300m. This has been happening as the automatic accrual function on the new system had not been correctly understood.

A decision was made to switch off automatic accruals as at 31/03/22 until they could be certain that they were accurate. Procedures were put in place to ensure that the accruals were correct at year end, including running a report of all invoices over £10k and FSOs individually checking to ensure that all items are posted in the correct year.

There is still an ongoing issue with regards to automatic accruals and as such these have not yet been reinstated. Financial services staff check open orders on a regular basis and advise the Commercial team where adjustments/corrections are required.

Full use is made of the regular GRNI reports and in particular at year end these are used to inform the manual accruals process to ensure the accounting ledger accurately records transactions in the correct year.

During 2023/24 it is intended that some financial training will be provided to budget holders, this will include a refresher on what their responsibilities are in relation to order and receipting of goods and services.

C. Follow up of prior year recommendations

We identified the following issues in the audit of Cumbria PCC and Chief Constable's 2021/22 financial statements, which resulted in recommendations being reported in our 2021/22 Audit Findings report. We are pleased to report that management have implemented most of our recommendations.

Issue and risk previously communicated

Lack of third party assurance report for iTrent.

The CC and PCC outsources the hosting of its payroll system, iTrent, to the vendor, Midland HR.

Our audit identified that there was no third party assurance report (ISAE 3000 or ISAE 3402) available to provide independent assurance over the controls operated by Midland HR.

Specifically, the PCC/CC and ourselves are unable to gain assurance over the appropriateness of privileged access to the iTrent database hosted by Midland HR, which if breached could lead to erroneous payroll transactions being made.

Please note that an ISO 27001 certification or an IT Health Check does not provide the required level of assurance.

Update on actions taken to address the issue

The Head of Central Services is currently negotiating with MHR to obtain a copy of the ISAE 3000 report for 2022/23. MHR are currently requesting a payment of £6,000 for this report. The Head of Central Services is challenging why we should pay for this report when it should be being provided as part of MHR demonstrating the robustness of their system.

In future contracts with MHR (or any subsequent supplier of payroll services), the requirement to provide this assurance report will be included.

IT Audit Findings

The following IT recommendations were made:

1. The PCC and CC should consider reducing the levels of access for three users with the Application Implementation Consultant role and replacing it with a less privileged role for day-to-day activities.
2. It is recommended that the PCC and CC implement audit logging for financially critical areas including, but not limited to:
 - Accounts Payable (including Suppliers);
 - Cash Management;
 - Accounts Receivable; and
 - General Ledger.

The auditing should be sufficiently detailed to capture any changes made to Oracle Cloud such as changes to workflow approval rules or system configurations.

3. It is recommended that the PCC and CC implement a process to ensure that leaver's access to Oracle Cloud is terminated within one working day of their termination date.

The Force should also consider setting up the Import User Login History Process in Oracle Cloud. This will enable the Force to identify the last login date of individual users.

1. The access to the application implementation consultant role has been restricted to one user (Financial Services Manager (Systems)). The other users have now been moved onto the lower administrator user access. This change was delivered during 2022/23.

The 2023 IT Audit raised a new issue with regards to the self-assignment of a privileged access role within DDAT to fix an issue with a user account under the guidance of oracle. The IT audit found that the role had not subsequently been removed. A process has now been added on a monthly basis to monitor and review role access.

2. The audit logging facility has been switched on and again, the recommendation has been removed from the most recent Grant Thornton IT Audit Report in April 2023.

3. This action has been raised again as part of Grant Thornton's April 2023 IT audit.

The DDAT directorate feel that it is unreasonable to expect system access to be revoked within 24 hours, particularly as we operate in a 24/7 environment. When a person leaves their access to buildings is revoked via the PAC (door control) system and ICT equipment such as laptops and handheld devices is returned. For this reason DDAT feel that the risk is low and that removing system access within a week should be sufficient.

D. Audit Adjustments - PCC

We are required to report all non trivial misstatements to those charged with governance, whether or not the accounts have been adjusted by management.

Impact of adjusted misstatements

All adjusted misstatements are set out in detail below along with the impact on the key statements and the reported net expenditure for the year ending 31 March 2023.

Detail	Comprehensive Income and Expenditure Statement £000	Statement of Financial Position £000	Impact on total net expenditure £000	Impact on general fund £000
Disposed assets with nil net book value				
A number of IT and furniture and equipment assets, with a nil net book value, were disposed of during the year but had not been removed from fixed asset register.	Nil	Disposals +6,517 Accumulated Depreciation – Disposals +6,517	Nil	Nil
Whilst there is no overall impact on the net book value of the CC and Group, disposals and accumulated depreciation are understated.				
Accounting treatment of Pension LGPS Surplus	419	(419)	Nil	Nil
Limitation of pension surplus recognised in accordance with IFRIC14				
Overall impact	419	(419)	Nil	Nil

Impact of unadjusted misstatements

Detail	Comprehensive Income and Expenditure Statement £'000	Statement of Financial Position £'000	Reason for not adjusting
Difference between fair value depreciation and historical cost depreciation	nil		
There had been no adjustment for the difference between fair value depreciation and historical cost depreciation between the:			Not material.
- revaluation reserve		457	
- the capital adjustment account.		(457)	
Overall impact	Nil	Nil	

D. Audit Adjustments - PCC

We are required to report all non trivial misstatements to those charged with governance, whether or not the accounts have been adjusted by management.

Misclassification and disclosure changes

The table below provides details of misclassification and disclosure changes identified during the audit which have been made in the final set of financial statements.

Disclosure issue	Auditor recommendations	Adjusted?
Cash and Cash equivalents The financial statements did not include disclosure regarding the Police Property Act and the Proceeds of Crime and Misuse of Drugs Act	The note has been enhanced by including further disclosure regarding the Police Property Act and the Proceeds of Crime and Misuse of Drugs Act.	✓
Typographical changes A small number of typographical and consistency changes were made to the statements.	Accounts to be updated.	✓
IFRIC 14 The financial statements did not include disclosure regarding IFRIC 14 and the restriction of the surplus.	Disclosures to be added to the accounts.	✓

D. Audit Adjustments - Chief Constable

We are required to report all non trivial misstatements to those charged with governance, whether or not the accounts have been adjusted by management.

Impact of adjusted misstatements

All adjusted misstatements are set out in detail below along with the impact on the key statements and the reported net expenditure for the year ending 31 March 2023.

Detail	Comprehensive Income and Expenditure Statement £'000	Statement of Financial Position £'000	Impact on total net expenditure £'000	Impact on general fund £'000
Accounting treatment of Pension LGPS Surplus Limitation of pension surplus recognised in accordance with IFRIC14	£20,280	£(20,280)	nil	nil
GAD part year inflation Allowance for part year inflation following challenge of GAD.	£21,380	£(21,380)	nil	nil
Overall impact	£41,660	£(41,660)	Nil	Nil

Impact of unadjusted misstatements

Detail	Comprehensive Income and Expenditure Statement £'000	Statement of Financial Position £'000	Reason for not adjusting
Pensions – actuarial IAS 19 asset valuations The PCC and CC were informed by Cumbria Pension Fund after the financial statements had been prepared that the figures provided for Local Government Pension Scheme (LGPS) asset values in the actuary report had been incorrect. The overall impact would be on the actuarial gain/loss on the pension asset/liability going through the Group Comprehensive Income and Expenditure Statement and a compensating adjustment to the Police Pensions reserve in the Statement of Financial Position.	£861	£861	Not material.
Overall impact	£861	£861	

D. Audit Adjustments - Chief Constable

We are required to report all non trivial misstatements to those charged with governance, whether or not the accounts have been adjusted by management.

Misclassification and disclosure changes

The table below provides details of misclassification and disclosure changes identified during the audit which have been made in the final set of financial statements.

Disclosure issue	Auditor recommendations	Adjusted?
Minor typographical changes	To update in the accounts	✓
IFRIC 14		
The financial statements did not include disclosure regarding IFRIC 14 and the restriction of the surplus.	Disclosures to be added to the accounts.	✓

E. Fees and non-audit services

We confirm below our final fees charged for the audit

Audit fees	PCC £	Chief Constable £
Scale fee	28,048	14,363
Additional work on Value for Money (VfM) under the new NAO Code	7,000	2,000
Increased audit requirements of revised ISA 540	1,200	600
Enhanced audit procedures on journals testing	2,000	1,000
Payroll Change of Circumstances	£-	500
Additional IT related review and Procedures for Oracle Ledger	7,000	2,500
Increased audit requirements of revised ISAs 315/240	1,250	1,250
Total proposed audit fees (excluding VAT) per audit plan	£46,498	£22,213
Additional work on pensions and IFRIC14	£2,000	£2,000
Additional work to review the revised IAS 19 valuation of the police pension scheme	£-	£1,500
Additional work regarding property, plant and equipment – assets not revalued	£1,500	-
Total audit fees (excluding VAT)	£49,998*	£25,713*

*Fee is subject to formal approval by PSAA

F. Auditing developments

Revised ISAs

There are changes to the following ISA (UK):

ISA (UK) 315 (Revised July 2020) 'Identifying and Assessing the Risks of Material Misstatement'

This impacts audits of financial statement for periods commencing on or after 15 December 2021.

ISA (UK) 220 (Revised July 2021) 'Quality Management for an Audit of Financial Statements'

ISA (UK) 240 (Revised May 2021) 'The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements'

A summary of the impact of the key changes on various aspects of the audit is included below:

These changes will impact audit for audits of financial statement for periods commencing on or after 15 December 2022.

Area of change	Impact of changes
Risk assessment	The nature, timing and extent of audit procedures performed in support of the audit opinion may change due to clarification of: <ul style="list-style-type: none"> the risk assessment process, which provides the basis for the assessment of the risks of material misstatement and the design of audit procedures the identification and extent of work effort needed for indirect and direct controls in the system of internal control the controls for which design and implementation needs to be assess and how that impacts sampling the considerations for using automated tools and techniques.
Direction, supervision and review of the engagement	Greater responsibilities, audit procedures and actions are assigned directly to the engagement partner, resulting in increased involvement in the performance and review of audit procedures.
Professional scepticism	The design, nature, timing and extent of audit procedures performed in support of the audit opinion may change due to: <ul style="list-style-type: none"> increased emphasis on the exercise of professional judgement and professional scepticism an equal focus on both corroborative and contradictory information obtained and used in generating audit evidence increased guidance on management and auditor bias additional focus on the authenticity of information used as audit evidence a focus on response to inquiries that appear implausible
Definition of engagement team	The definition of engagement team when applied in a group audit, will include both the group auditors and the component auditors. The implications of this will become clearer when the auditing standard governing special considerations for group audits is finalised. In the interim, the expectation is that this will extend a number of requirements in the standard directed at the 'engagement team' to component auditors in addition to the group auditor. <ul style="list-style-type: none"> Consideration is also being given to the potential impacts on confidentiality and independence.
Fraud	The design, nature timing and extent of audit procedures performed in support of the audit opinion may change due to: <ul style="list-style-type: none"> clarification of the requirements relating to understanding fraud risk factors additional communications with management or those charged with governance
Documentation	The amendments to these auditing standards will also result in additional documentation requirements to demonstrate how these requirements have been addressed.

G. Management Letter of Representation - PCC

Grant Thornton UK LLP
Landmark,
St Peter's Square,
1 Oxford Street,
Manchester M1 4PB

Dear Grant Thornton UK LLP

Police and Crime Commissioner for Cumbria

Financial Statements for the year ended 31 March 2023

This representation letter is provided in connection with the audit of the financial statements of the Police and Crime Commissioner (PCC) for Cumbria and its subsidiary undertaking, the Chief Constable for Cumbria for the year ended 31 March 2023 for the purpose of expressing an opinion as to whether the group and PCC financial statements give a true and fair view in accordance with International Financial Reporting Standards and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 and applicable law.

We confirm that to the best of our knowledge and belief having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

We have fulfilled our responsibilities for the preparation of the group and PCC's financial statements in accordance with International Financial Reporting Standards and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 ("the Code"); in particular the financial statements are fairly presented in accordance therewith.

We have complied with the requirements of all statutory directions affecting the group and PCC and these matters have been appropriately reflected and disclosed in the financial statements.

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

We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.

Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. Such accounting estimates include the valuation of the net pension liability and the valuation of land and buildings. We are satisfied that the material judgements used in the preparation of the financial statements are soundly based, in accordance with the Code and adequately disclosed in the financial statements. We understand our responsibilities includes identifying and considering alternative, methods, assumptions or source data that would be equally valid under the financial reporting framework, and why these alternatives were rejected in favour of the estimate used. We are satisfied that the methods, the data and the significant assumptions used by us in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in accordance with the Code and adequately disclosed in the financial statements.

We confirm that we are satisfied that the actuarial assumptions underlying the valuation of pension scheme assets and liabilities for IAS19 Employee Benefits disclosures are consistent with our knowledge. We confirm that all settlements and curtailments have been identified and properly accounted for. We also confirm that all significant post-employment benefits have been identified and properly accounted for.

G. Management Letter of Representation - PCC

Except as disclosed in the group and PCC financial statements:

- a. there are no unrecorded liabilities, actual or contingent
- b. none of the assets of the [group and] PCC has been assigned, pledged or mortgaged
- c. there are no material prior year charges or credits, nor exceptional or non-recurring items requiring separate disclosure.

Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards and the Code.

All events subsequent to the date of the financial statements and for which International Financial Reporting Standards and the Code require adjustment or disclosure have been adjusted or disclosed.

We have considered the adjusted misstatements, and misclassification and disclosures changes schedules included in your Audit Findings Report. The group and PCC financial statements have been amended for these misstatements, misclassifications and disclosure changes and are free of material misstatements, including omissions.

We have considered the unadjusted misstatements included in your Audit Findings Report. We have not adjusted the financial statements for these misstatements brought to our attention as they are immaterial to the results of the PCC and its financial position at the year end. The financial statements are free of material misstatements, including omissions.

Actual or possible litigation and claims have been accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards.

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

We have updated our going concern assessment. We continue to believe that the group and PCC's financial statements should be prepared on a going concern basis and have not Identified any material uncertainties related to going concern on the grounds that:

- a. the nature of the group and PCC means that, notwithstanding any intention to cease the group and PCC operations in their current form, it will continue to be appropriate to adopt the going concern basis of accounting because, in such an event, services it performs can be expected to continue to be delivered by related public authorities and preparing the financial statements on a going concern basis will still provide a faithful representation of the items in the financial statements
- b. the financial reporting framework permits the entry to prepare its financial statements on the basis of the presumption set out under a) above; and
- c. the group and PCC's system of internal control has not identified any events or conditions relevant to going concern.

We believe that no further disclosures relating to the group and PCC's ability to continue as a going concern need to be made in the financial statements

The group and PCC has complied with all aspects of ring-fenced grants that could have a material effect on the group and PCC's financial statements in the event of non-compliance.

Information Provided

We have provided you with:

- a. access to all information of which we are aware that is relevant to the preparation of the group and PCC's financial statements such as records, documentation and other matters;
- b. additional information that you have requested from us for the purpose of your audit; and
- c. access to persons within the PCC via remote arrangements, from whom you determined it necessary to obtain audit evidence.

We have communicated to you all deficiencies in internal control of which management is aware.

All transactions have been recorded in the accounting records and are reflected in the financial statements.

We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

G. Management Letter of Representation - PCC

We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the group and PCC, and involves:

- a. management;
- b. employees who have significant roles in internal control; or
- c. others where the fraud could have a material effect on the financial statements.

We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, analysts, regulators or others.

We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.

We have disclosed to you the identity of the group and PCC's related parties and all the related party relationships and transactions of which we are aware.

We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

Annual Governance Statement

We are satisfied that the Annual Governance Statement (AGS) fairly reflects the PCC's risk assurance and governance framework and we confirm that we are not aware of any significant risks that are not disclosed within the AGS.

Narrative Report

The disclosures within the Narrative Report fairly reflect our understanding of the group and PCC's financial and operating performance over the period covered by the financial statements.

This letter of representation was noted by the PCC's Joint Audit Committee.

Yours faithfully

Name.....

Position.....

Date.....

H. Management Letter of Representation – Chief Constable

Grant Thornton UK LLP

Landmark,
St Peter's Square,
1 Oxford Street,
Manchester M1 4PB

Dear Sirs

Chief Constable of Cumbria Constabulary

Financial Statements for the year ended 31 March 2023

This representation letter is provided in connection with the audit of the financial statements of the Chief Constable of Cumbria Constabulary for the year ended 31 March 2023 for the purpose of expressing an opinion as to whether the Constabulary financial statements give a true and fair view in accordance with International Financial Reporting Standards, and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 and applicable law.

We confirm that to the best of our knowledge and belief having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

We have fulfilled our responsibilities for the preparation of the Constabulary's financial statements in accordance with International Financial Reporting Standards and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 ("the Code"); in particular the financial statements are fairly presented in accordance therewith.

We have complied with the requirements of all statutory directions affecting the Constabulary and these matters have been appropriately reflected and disclosed in the financial statements.

The Constabulary has complied with all aspects of contractual agreements 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 any regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.

We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.

Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. Such accounting estimates include the net pension liability. We are satisfied that the material judgements used in the preparation of the financial statements are soundly based, in accordance with the Code and adequately disclosed in the financial statements. We understand our responsibilities includes identifying and considering alternative, methods, assumptions or source data that would be equally valid under the financial reporting framework, and why these alternatives were rejected in favour of the estimate used. We are satisfied that the methods, the data and the significant assumptions used by us in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in accordance with the Code and adequately disclosed in the financial statements.

We confirm that we are satisfied that the actuarial assumptions underlying the valuation of pension scheme assets and liabilities for IAS19 Employee Benefits disclosures are consistent with our knowledge. We confirm that all settlements and curtailments have been identified and properly accounted for. We also confirm that all significant post-employment benefits have been identified and properly accounted for.

H. Management Letter of Representation – Chief Constable

Except as disclosed in the financial statements:

- a. there are no unrecorded liabilities, actual or contingent
- b. none of the assets of the Constabulary has been assigned, pledged or mortgaged
- c. there are no material prior year charges or credits, nor exceptional or non-recurring items requiring separate disclosure.

Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards and the Code.

All events subsequent to the date of the financial statements and for which International Financial Reporting Standards and the Code require adjustment or disclosure have been adjusted or disclosed.

We have considered the adjusted misstatements, and misclassification and disclosures changes schedules included in your Audit Findings Report. The Constabulary's financial statements have been amended for these misstatements, misclassifications and disclosure changes and are free of material misstatements, including omissions.

Actual or possible litigation and claims have been accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards.

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

We have updated our going concern assessment. We continue to believe that the Constabulary's financial statements should be prepared on a going concern basis and have not identified any material uncertainties related to going concern on the grounds that :

- a. the nature of the Constabulary means that, notwithstanding any intention to cease its operations in their current form, it will continue to be appropriate to adopt the going concern basis of accounting because, in such an event, services it performs can be expected to continue to be delivered by related public authorities and preparing the financial statements on a going concern basis will still provide a faithful representation of the items in the financial statements
- b. the financial reporting framework permits the entry to prepare its financial statements on the basis of the presumption set out under a) above; and
- c. the Constabulary's system of internal control has not identified any events or conditions relevant to going concern.

We believe that no further disclosures relating to the Constabulary's ability to continue as a going concern need to be made in the financial statements

The Constabulary has complied with all aspects of ring-fenced grants that could have a material effect on the Constabulary's financial statements in the event of non-compliance.

Information Provided

We have provided you with:

- a. access to all information of which we are aware that is relevant to the preparation of the Constabulary's financial statements such as records, documentation and other matters;
- b. additional information that you have requested from us for the purpose of your audit; and
- c. access to persons within the Constabulary via remote arrangements from whom you determined it necessary to obtain audit evidence.

H. Management Letter of Representation – Chief Constable

We have communicated to you all deficiencies in internal control of which management is aware.

All transactions have been recorded in the accounting records and are reflected in the financial statements.

We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the Constabulary and involves:

- a. management;
- b. employees who have significant roles in internal control; or
- c. others where the fraud could have a material effect on the financial statements.

We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, analysts, regulators or others.

We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.

We have disclosed to you the identity of the Constabulary's related parties and all the related party relationships and transactions of which we are aware.

We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

Annual Governance Statement

We are satisfied that the Annual Governance Statement (AGS) fairly reflects the Constabulary's risk assurance and governance framework and we confirm that we are not aware of any significant risks that are not disclosed within the AGS.

Narrative Report

The disclosures within the Narrative Report fairly reflect our understanding of the Constabulary's financial and operating performance over the period covered by the Constabulary's financial statements.

This letter of representation was noted by the CC's Joint Audit Committee.

Yours faithfully

Name.....

Date.....

Position.....

I. Audit opinion- PCC

Our audit opinion is included below. We anticipate we will provide the PCC with an unmodified audit report.

Independent auditor's report to the Police and Crime Commissioner for Cumbria

Report on the audit of the financial statements

Opinion on financial statements

We have audited the financial statements of the Police and Crime Commissioner for Cumbria (the 'Police and Crime Commissioner') and its subsidiary the Chief Constable for Cumbria (the 'group') for the year ended 31 March 2023, which comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies, and include the police pension fund financial statements comprising the Fund Account and Net Assets Statement. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the group and of the Police and Crime Commissioner as at 31 March 2023 and of the group's expenditure and income and the Police and Crime Commissioner's expenditure and income for the year then ended;
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23; and
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law, as required by the Code of Audit Practice (2020) ("the Code of Audit Practice") approved by the Comptroller and Auditor General. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Police and Crime Commissioner and the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the Chief Finance Officer's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Police and Crime Commissioner and group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Police and Crime Commissioner and the group to cease to continue as a going concern.

In our evaluation of the Chief Finance Officer's conclusions, and in accordance with the expectation set out within the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 that the Police and Crime Commissioner and group's financial statements shall be prepared on a going concern basis, we considered the inherent risks associated with the continuation of services provided by the Police and Crime Commissioner and the group. In doing so we had regard to the guidance provided in Practice Note 10 Audit of financial statements and regularity of public sector bodies in the United Kingdom (Revised 2022) on the application of ISA (UK) 570 Going Concern to public sector entities. We assessed the reasonableness of the basis of preparation used by the Police and Crime Commissioner and group and the Police and Crime Commissioner and group's disclosures over the going concern period.

I. Audit opinion- PCC

In auditing the financial statements, we have concluded that the Chief Finance Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Police and Crime Commissioner and the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Chief Finance Officer with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Statement of Accounts, other than the financial statements and our auditor's report thereon. The Chief Finance Officer is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other information we are required to report on by exception under the Code of Audit Practice

Under the Code of Audit Practice published by the National Audit Office in April 2020 on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not comply with 'Delivering Good Governance in Local Government Framework 2016 Edition' published by CIPFA and SOLACE or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

Opinion on other matters required by the Code of Audit Practice

In our opinion, based on the work undertaken in the course of the audit of the financial statements, the other information published together with the financial statements in the Statement of Accounts for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Under the Code of Audit Practice, we are required to report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make a written recommendation to the Police and Crime Commissioner under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or;
- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or

I. Audit opinion- PCC

- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014, in the course of, or at the conclusion of the audit.

We have nothing to report in respect of the above matters.

Responsibilities of the Police and Crime Commissioner and the Chief Finance Officer

As explained more fully in the Statement of Responsibilities, the Police and Crime Commissioner is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. That officer is the Chief Finance Officer. The Chief Finance Officer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23, for being satisfied that they give a true and fair view, and for such internal control as the Chief Finance Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Finance Officer is responsible for assessing the Police and Crime Commissioner's and the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Police and Crime Commissioner and the group without the transfer of its services to another public sector entity.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Police and Crime Commissioner and the group and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23, the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015 and the Local Government Act, 2003), the Police Reform and Social Responsibility Act 2011, the Public Service Pensions Act 2013, the Police Pension Fund Regulations 2006 and the Police Pensions Regulations 2015.

We enquired of management and the Police and Crime Commissioner concerning the Police and Crime Commissioner and group's policies and procedures relating to:

- the identification, evaluation and compliance with laws and regulations;
- the detection and response to the risks of fraud; and
- the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.

We enquired of management, internal audit and the Police and Crime Commissioner whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.

We assessed the susceptibility of the Chief Constable's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of:

- management override of controls. We determined that the principal risks were in relation to journal entries that could be used to manipulate the Authority's financial performance for the year as well as potential management bias in determining accounting estimates for the valuation of land and buildings; and the net pension liability.

I. Audit opinion- PCC

Our audit procedures involved:

- evaluation of the design effectiveness of controls that management has in place to prevent and detect fraud,
- journal entry testing, with a focus on non-routine transactions, and journal entries falling within identified risk criteria including, journals posted by senior officers, material journals, large year-end journals, post year-end journals year-end accruals and journals reducing expenditure at the year-end,
- challenging assumptions and judgements made by management in its significant accounting estimates in respect of the valuation of land and buildings and the pension liability, and
- assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.

These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

We communicated relevant laws and regulations and potential fraud risks to all engagement team members. We remained alert to any indications of non-compliance with laws and regulations, including fraud, throughout the audit.

Our assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's.

- understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
- knowledge of the police sector
- understanding of the legal and regulatory requirements specific to the Police and Crime Commissioner and group including:
 - the provisions of the applicable legislation
 - guidance issued by CIPFA/LASAAC and SOLACE
 - the applicable statutory provisions.

In assessing the potential risks of material misstatement, we obtained an understanding of:

- the Police and Crime Commissioner and group's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
- the Police and Crime Commissioner and group's control environment, including the policies and procedures implemented by the Police and Crime Commissioner and group to ensure compliance with the requirements of the financial reporting framework.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

I. Audit opinion- PCC

Report on other legal and regulatory requirements – the Police and Crime Commissioner’s arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception – the Police and Crime Commissioner’s arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the Police and Crime Commissioner has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2023.

Our work on the Police and Crime Commissioner’s arrangements for securing economy, efficiency and effectiveness in its use of resources is not yet complete. The outcome of our work will be reported in our commentary on the Police and Crime Commissioner’s arrangements in our Auditor’s Annual Report. If we identify any significant weaknesses in these arrangements, these will be reported by exception in a further auditor’s report. We are satisfied that this work does not have a material effect on our opinion on the financial statements for the year ended 31 March 2023.

Responsibilities of the Police and Crime Commissioner

The Police and Crime Commissioner is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Auditor’s responsibilities for the review of the Police and Crime Commissioner’s arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to be satisfied that the Police and Crime Commissioner has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Police and Crime Commissioner’s arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We undertake our review in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in January 2023. This guidance sets out the arrangements that fall within the scope of ‘proper arrangements’. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

- Financial sustainability: how the Police and Crime Commissioner plans and manages its resources to ensure it can continue to deliver its services;
- Governance: how the Police and Crime Commissioner ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the Police and Crime Commissioner uses information about its costs and performance to improve the way it manages and delivers its services.

We document our understanding of the arrangements the Police and Crime Commissioner has in place for each of these three specified reporting criteria, gathering sufficient evidence to support our risk assessment and commentary in our Auditor’s Annual Report. In undertaking our work, we consider whether there is evidence to suggest that there are significant weaknesses in arrangements.

I. Audit opinion- PCC

Report on other legal and regulatory requirements – Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate for the Police and Crime Commissioner for Cumbria for the year ended 31 March 2023 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice until we have completed:

- our work on the Police and Crime Commissioner’s arrangements for securing economy, efficiency and effectiveness in its use of resources
- the work necessary to issue our Whole of Government Accounts (WGA) Component Assurance statement for the Police and Crime Commissioner for the year ended 31 March 2023.

We are satisfied that this work does not have a material effect on the financial statements for the year ended 31 March 2023.

Use of our report

This report is made solely to the Police and Crime Commissioner, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 44 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the Police and Crime Commissioner those matters we are required to state to the Police and Crime Commissioner in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Police and Crime Commissioner as a body, for our audit work, for this report, or for the opinions we have formed.

Signature:

Michael Green, Key Audit Partner

for and on behalf of Grant Thornton UK LLP, Local Auditor

Manchester

Date:

J. Audit opinion- Chief Constable

Our audit opinion is included below. We anticipate we will provide the Chief Constable with an unmodified audit report.

Independent auditor's report to the Chief Constable of Cumbria Constabulary

Report on the audit of the financial statements

Opinion on financial statements

We have audited the financial statements of the Chief Constable of Cumbria Constabulary (the 'Chief Constable') for the year ended 31 March 2023, which comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies, and include the police pension fund financial statements comprising the Fund Account and Net Assets Statement. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Chief Constable of Cumbria Constabulary as at 31 March 2023 and of its expenditure and income for the year then ended;
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23; and
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law, as required by the Code of Audit Practice (2020) ("the Code of Audit Practice") approved by the Comptroller and Auditor General. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Chief Constable in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the Chief Finance Officer's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Chief Constable's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Chief Constable to cease to continue as a going concern.

In our evaluation of the Chief Finance Officer's conclusions, and in accordance with the expectation set out within the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 that the Chief Constable's financial statements shall be prepared on a going concern basis, we considered the inherent risks associated with the continuation of services provided by the Chief Constable. In doing so we had regard to the guidance provided in Practice Note 10 Audit of financial statements and regularity of public sector bodies in the United Kingdom (Revised 2022) on the application of ISA (UK) 570 Going Concern to public sector entities. We assessed the reasonableness of the basis of preparation used by the Chief Constable and the Chief Constable's disclosures over the going concern period.

In auditing the financial statements, we have concluded that the Chief Finance Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

J. Audit opinion- Chief Constable

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Chief Constable of Cumbria Constabulary's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Chief Finance Officer's with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Statement of Accounts, other than the financial statements and our auditor's report thereon. The Chief Finance Officer's is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other information we are required to report on by exception under the Code of Audit Practice

Under the Code of Audit Practice published by the National Audit Office in April 2020 on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not comply with 'Delivering Good Governance in Local Government Framework 2016 Edition' published by CIPFA and SOLACE, or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

Opinion on other matters required by the Code of Audit Practice

In our opinion, based on the work undertaken in the course of the audit of the financial statements, the other information published together with the financial statements in the Statement of Accounts for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Under the Code of Audit Practice, we are required to report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make a written recommendation to the Chief Constable under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or;
- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014, in the course of, or at the conclusion of the audit.

We have nothing to report in respect of the above matters.

J. Audit opinion- Chief Constable

Responsibilities of the Chief Constable and the Chief Finance Officer's

As explained more fully in the Statement of Responsibilities, the Chief Constable is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. That officer is the Assistant Chief Officer. The Chief Finance Officer's is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23, for being satisfied that they give a true and fair view, and for such internal control as the Chief Finance Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Finance Officer is responsible for assessing the Chief Constable's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Chief Constable without the transfer of its services to another public sector entity.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Chief Constable and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23, the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015 and the Local Government Act, 2003), the Police Reform and Social Responsibility Act 2011, the Public Service Pensions Act 2013, the Police Pension Fund Regulations 2006 and the Police Pensions Regulations 2015.

We enquired of management and the Chief Constable concerning the Chief Constable's policies and procedures relating to:

- the identification, evaluation and compliance with laws and regulations;
- the detection and response to the risks of fraud; and
- the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.

We enquired of management, internal audit and the Chief Constable whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.

We assessed the susceptibility of the Chief Constable's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of:

- management override of controls. We determined that the principal risks were in relation to journal entries that could be used to manipulate the Authority's financial performance for the year as well as potential management bias in determining accounting estimates for the net pension liability.

J. Audit opinion- Chief Constable

Our audit procedures involved:

- evaluation of the design effectiveness of controls that management has in place to prevent and detect fraud,
- journal entry testing, with a focus on non-routine transactions, and journal entries falling within identified risk criteria including, journals posted by senior officers, material journals, large year-end journals, post year-end journals, year-end accruals and journals reducing expenditure at the year-end,
- challenging assumptions and judgements made by management in its significant accounting estimates in respect of the valuation of land and buildings and the pension liability, and
- assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.

These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

We communicated relevant laws and regulations and potential fraud risks to all engagement team members. We remained alert to any indications of non-compliance with laws and regulations, including fraud, throughout the audit.

Our assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's.

- understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
- knowledge of the police sector
- understanding of the legal and regulatory requirements specific to the Chief Constable including:
 - o the provisions of the applicable legislation
 - o guidance issued by CIPFA/LASAAC and SOLACE
 - o the applicable statutory provisions.

In assessing the potential risks of material misstatement, we obtained an understanding of:

- the Chief Constable's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
- the Chief Constable's control environment, including the policies and procedures implemented by the Chief Constable to ensure compliance with the requirements of the financial reporting framework.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

J. Audit opinion- Chief Constable

Report on other legal and regulatory requirements – the Chief Constable’s arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception – the Chief Constable’s arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the Chief Constable has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2023.

Our work on the Chief Constable’s arrangements for securing economy, efficiency and effectiveness in its use of resources is not yet complete. The outcome of our work will be reported in our commentary on the Chief Constable’s arrangements in our Auditor’s Annual Report. If we identify any significant weaknesses in these arrangements, these will be reported by exception in a further auditor’s report. We are satisfied that this work does not have a material effect on our opinion on the financial statements for the year ended 31 March 2023.

Responsibilities of the Chief Constable

The Chief Constable is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Auditor’s responsibilities for the review of the Chief Constable’s arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to be satisfied that the Chief Constable has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We undertake our review in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in January 2023. This guidance sets out the arrangements that fall within the scope of ‘proper arrangements’. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

- Financial sustainability: how the Chief Constable plans and manages its resources to ensure it can continue to deliver its services;
- Governance: how the Chief Constable ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the Chief Constable uses information about its costs and performance to improve the way it manages and delivers its services.

We document our understanding of the arrangements the Chief Constable has in place for each of these three specified reporting criteria, gathering sufficient evidence to support our risk assessment and commentary in our Auditor’s Annual Report. In undertaking our work, we consider whether there is evidence to suggest that there are significant weaknesses in arrangements.

Report on other legal and regulatory requirements – Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate for the Chief Constable of Cumbria Constabulary for the year ended 31 March 2023 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice until we have completed:

- our work on the Chief Constable’s arrangements for securing economy, efficiency and effectiveness in its use of resources
- the work necessary to issue our Whole of Government Accounts (WGA) Component Assurance statement for the Chief Constable for the year ended 31 March 2023.

We are satisfied that this work does not have a material effect on the financial statements for the year ended 31 March 2023.

J. Audit opinion- Chief Constable

Use of our report

This report is made solely to the Chief Constable, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 44 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the Chief Constable those matters we are required to state to the Chief Constable in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Chief Constable as a body, for our audit work, for this report, or for the opinions we have formed.

Signature:

Michael Green, Key Audit Partner

for and on behalf of Grant Thornton UK LLP, Local Auditor

Manchester

Date:

K. Audit letter in respect of delayed VFM work

The Police and Crime Commissioner for Cumbria

1-2 Carleton Hall,

Penrith,

Cumbria

CA10 2AU.

28 September 2023

Dear Mr McCall

The original expectation under the approach to VFM arrangements work set out in the 2020 Code of Audit Practice was that auditors would follow an annual cycle of work, with more timely reporting on VFM arrangements, including issuing their commentary on VFM arrangements for local government by 30 September each year at the latest. Unfortunately, due to the timing of our audit, on-going challenges impacting on the local audit market, including the need to meet regulatory and other professional requirements, we have been unable to complete our work as quickly as would normally be expected.

The National Audit Office has updated its guidance to auditors to allow us to postpone completion of our work on arrangements to secure value for money and focus our resources firstly on the delivery of our opinions on the financial statements. This is intended to help ensure as many as possible can be issued in line with national timetables and legislation. As a result, we have therefore not yet issued our Auditor's Annual Report, including our commentary on arrangements to secure value for money. We now expect to publish our report no later than 31st January 2024.

For the purposes of compliance with the 2020 Code, this letter constitutes the required audit letter explaining the reasons for delay.

Yours faithfully

Michael Green

Michael Green

Key Audit Partner and Engagement Lead

K. Audit letter in respect of delayed VFM work

The Chief Constable of Cumbria Constabulary

1-2 Carleton Hall,

Penrith,

Cumbria

CA10 2AU.

28 September 2023

Dear Mr Carden,

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Yours faithfully

Michael Green

Michael Green

Key Audit Partner and Engagement Lead

