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Date: 3 December 2024

Mark Hodgson
Ernst & Young LLP
United Kingdom

By Email: MHodgson@uk.ey.com

Dear Mark

The Chief Constable of Lincolnshire - Letter of Representation for the Financial Year 2022/23

This letter of representations is provided in connection with your audit of the financial statements for The Chief Constable of Lincolnshire (CC) for the year ended 31 March 2023.

We recognised that obtaining representations from us concerning the information contained in this letter is a significant procedure in enabling you to form an opinion as to whether the financial statements give a true and fair view (or 'present fairly, in all material respects,') of the CC financial position as of 31 March 2023 and of their financial performance (or operations) and their cash flows for the year then ended, for the CC, in accordance with CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets November 2022).

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

Accordingly, we make the following representations, which are true to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

A. Financial Statements and Financial Records

1. We have fulfilled our responsibilities, under the relevant statutory authorities, for the preparation of the financial statements in accordance with the Accounts & Audit Regulations 2015 and CIPFA LASAAC Code of Practice on Local Authority Accounting in the United

Kingdom 2022/23 (as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets November 2022).

2. We acknowledge as members of management of the CC, our responsibility for the fair presentation of the CC financial statements. We believe the CC financial statements referred to above give a true and fair view of the financial position, financial performance (or results of operations) and cash flows of the CC in accordance with the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets November 2022) and are free of material misstatements, including omissions. We have approved the CC financial statements.
3. The significant accounting policies adopted in the preparation of the CC financial statements are appropriately described in the CC financial statements.
4. As members of management of the CC, we believe that the CC have a system of internal controls adequate to enable the preparation of accurate financial statements in accordance with the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets November 2022) for the CC that are free from material misstatement, whether due to fraud or error.
5. We believe that the effects of any unadjusted audit differences, summarised in the accompanying schedule, accumulated by you during the current audit and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the CC financial statements taken as a whole.

We have corrected the 1 necessary adjustment identified by our finance team following receipt of the latest pension valuation reports and to ensure audit adjustments put through the prior year are properly reflected in the 2022/23 accounts.

The 1 adjusted transactions impacting the CC accounts is summarised below:

- Intra-group funding adjustment between PCC and CC accounts (£15k) to correct commissioning charges from Fleet to Capital posted via the PCC accounts instead of the CC accounts.

6. There have been no significant errors or misstatements, or changes in accounting policies, other than the matters described above, that would require a restatement of the comparative amounts in the current year's CC accounts.
7. We confirm the CC does not have securities (debt or equity) listed on a recognised exchange.
8. We have confirmed to you any changes in service organisations within the CC since the last audited financial year.

B. Non-compliance with Law and Regulations, Including Fraud

1. We acknowledge that we are responsible for determining that the CC's activities are conducted in accordance with laws and regulations and that we are responsible for identifying and addressing any non-compliance with applicable laws and regulations, including fraud.
2. We acknowledge that we are responsible for the design, implementation and maintenance of a system of internal control to prevent and detect fraud and that we believe we have appropriately fulfilled those responsibilities.

3. We have disclosed to you the results of our assessment of the risk that the CC financial statements may be materially misstated as a result of fraud.
4. We have no knowledge of any identified or suspected non-compliance with laws or regulations, including fraud that may have affected the CC (regardless of the source or form and including without limitation, any allegations by “whistleblowers”) including non-compliance matters:
 - involving financial improprieties;
 - related to laws and regulations that have a direct effect on the determination of material amounts and disclosures in the CC financial statements;
 - related to laws and regulations that have an indirect effect on amounts and disclosures in the CC financial statements, but compliance with which may be fundamental to the operations of the CC activities, its ability to continue to operate, or to avoid material penalties;
 - involving management, or employees who have significant roles in internal controls, or others; or
 - in relation to any allegations of fraud, suspected fraud or other non-compliance with laws and regulations communicated by employees, former employees, analysts, regulators or others.

C. Information Provided and Completeness of Information and Transactions

1. We have provided you with:
 - Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters.
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
2. All material transactions have been recorded in the accounting records and are reflected in the CC financial statements.
3. We have made available to you all minutes of the meetings of the CC and their relevant Joint Independent Audit Committee (or summaries of actions of recent meetings for which minutes have not yet been prepared) held through the year to the most recent meeting on the following date: 20 November 2024.
4. We confirm the completeness of information provided regarding the identification of related parties. We have disclosed to you the identity of the CC related parties and all related party relationships and transactions of which we are aware, including sales, purchases, loans, transfers of assets, liabilities and services, leasing arrangements, guarantees, non-monetary transactions and transactions for no consideration for the year ended, as well as related balances due to or from such parties at the year end. These transactions have been appropriately accounted for and disclosed in the CC financial statements.
5. We believe that the methods, significant assumptions and the data we used in making accounting estimates and related disclosures are appropriate and consistently applied to achieve recognition, measurement and disclosure that is in accordance with the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets November 2022).
6. We have disclosed to you, and the CC has complied with, all aspects of contractual agreements that could have a material effect on the CC financial statements in the event of

non-compliance, including all covenants, conditions or other requirements of all outstanding debt.

From the date of our last management representation letter to you, through to the date of this letter, we have disclosed to you any (1) unauthorised access to our information technology systems that either occurred or to the best of our knowledge is reasonably likely to have occurred based on our investigation, including of reports submitted to us by third parties (including regulatory agencies, law enforcement agencies and security consultants), to the extent that such unauthorised access to our information technology systems is reasonably likely to have a material impact to the financial statements, in each case or in the aggregate, and (2) ransomware attacks when we paid or are contemplating paying a ransom, regardless of the amount.

D. Liabilities and Contingencies

1. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the CC financial statements.
2. We have informed you of all outstanding and possible litigation and claims, whether or not they have been discussed with legal counsel.
3. We have recorded and/or disclosed, as appropriate, all liabilities and related litigation and claims, both actual and contingent, and have disclosed in the CC financial statements (Note 25) all guarantees that we have given to third parties.
4. A total of 16 claims were settled in the year with a total sum of £221,415 which has been properly accrued in the financial statements. No other claims in connection with litigation have been or are expected to be received.

E. Ownership of Assets

1. The CC has satisfactory title to all assets appearing in the balance sheet, and there are no liens or encumbrances on the CC's assets, nor has any asset been pledged as collateral. All assets to which the CC has satisfactory title appear in the balance sheets.
2. There were no instances of buying back assets previously sold, requiring agreements and options to be properly recorded and adequately disclosed in the financial statements.
3. The CC holds no inventories. Inventory assets including materials or supplies to be consumed or distributed in the rendering of services are held by the PCC and Group. This includes fuel, uniforms and general stores.

There are no formal or informal compensating balance arrangements with any of our cash and investment accounts. Except as disclosed in Note 13 to the financial statements, we have no other line of credit arrangements.

F. Use of the Work of a Specialist

1. We agree with the findings of the specialists that we engaged to evaluate the IAS19 disclosures and have adequately considered the qualifications of the specialists in determining the amounts and disclosures included in the financial statements and the underlying accounting records. We did not give or cause any instructions to be given to the specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an effect on the independence or objectivity of the specialists.

G. Estimates

Estimates – IAS19 disclosures for the Local Government Pension Scheme (LGPS) and the Police Pension Fund

1. We confirm that the significant judgments used in making the valuation of IAS19 disclosure estimates for the LGPS and Police Pension Fund have taken into account all relevant information and the effects of the COVID-19 pandemic on valuations of which we are aware.
2. We believe that the selection or application of the methods, assumptions and data used by us have been consistently and appropriately applied or used in making the valuation of IAS19 disclosure estimates for the LGPS and Police Pension Fund.
3. We confirm that the significant assumptions used in making the valuation of IAS19 disclosure estimates for the LGPS and Police Pension Fund appropriately reflect our intent and ability to carry out appropriate valuations of the LGPS and Police Pension Fund on behalf of the entity.
4. We confirm that the disclosures made in the financial statements with respect to the accounting estimate(s), including those describing estimation uncertainty and including the effects of the COVID-19 pandemic on valuations, are complete and are reasonable in the context of CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets November 2022).
5. We confirm that appropriate specialized skills or expertise has been applied in making the valuation of IAS19 disclosure estimates for the LGPS and Police Pension Fund.
6. We confirm that no adjustments are required to the accounting estimate(s) and disclosures in the financial statements, including due to the COVID-19 pandemic.

H. Retirement Benefits

1. On the basis of the process established by us and having made appropriate enquiries, we are satisfied that the actuarial assumptions underlying the scheme liabilities are consistent with our knowledge of the business. All significant retirement benefits and all settlements and curtailments have been identified and properly accounted for.

I. Reserves

1. We have properly recorded or disclosed in the financial statements the useable and unusable reserves.

J. Contingent Liabilities

We are unaware of any violations or possible violations of laws or regulations the effects of which should be considered for disclosure in the financial statements or as the basis of recording a contingent loss (other than those disclosed or accrued in the financial statements).

We are unaware of any known or probable instances of non-compliance with the requirements of regulatory or governmental authorities, including their financial reporting requirements, and there have been no communications from regulatory agencies or government representatives concerning investigations or allegations of non-compliance.

K. Going Concern

1. Note 4 to the CC financial statements discloses all the matters of which we are aware that are relevant to the CC's ability to continue as a going concern, including significant conditions and events, our plan for future action, and the feasibility of those plans.

L. Subsequent Events

1. Other than the disclosure described in the Notes to the CC Accounts for 'Non-adjustment events after reporting period', Note 27, there have been no events subsequent to year end which require adjustment of or disclosure in the financial statements or notes thereto.

M. Other Information

1. We acknowledge our responsibility for the preparation of the other information. The other information comprises the Narrative Report and also the Annual Governance Statement included in the Statement of Accounts for 2022/23.
2. We confirm that the content contained within the other information is consistent with the financial statements.
3. We confirm that the Annual Governance Statement for 2022/23 is a true reflection, in all material respects, of the governance arrangements and the effectiveness of those arrangements in 2022/23 and includes disclosure of all significant governance issues and findings relating to that financial year, through to the date of this letter.

N. Climate-related Matters

1. We confirm that to the best of our knowledge all information that is relevant to the recognition, measurement, presentation and disclosure of climate-related matters has been considered and the CC have reflected these in the CC financial statements.

Yours sincerely

Paul Gibson
The Chief Constable of Lincolnshire

Sharon Clark
Director of Finance and Corporate Services (S151)
on behalf of The Chief Constable of Lincolnshire