

Audit of Accounts Report – Police and Crime Commissioner for Gwent and Chief Constable of Gwent Police

Audit year: 2025-26

Date issued: September 2026

This document is a draft version pending further discussions with the audited body. Information may not yet have been fully verified and should not be widely distributed.



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Introduction



Catherine Mealing-Jones

Auditor General for
Wales

As the newly appointed Auditor General for Wales, I am pleased to share my Audit of Accounts Report. The Report summarises the main findings from my audit of your 2025-26 Statement of Accounts for the Police and Crime Commissioner and the Chief Constable. My team have already discussed these findings with Chief Finance Officer for the Police and Crime Commissioner and the Chief Financial Officer for the Chief Constable.

My team has now completed the audit work as set out in my Audit Plan dated May 2026.

Since my Audit Plan, I have updated materiality to reflect the 2025-26 accounts. I

have not identified any new audit risks, classified as high or significant risk. My response to previously identified risks is set out in **Appendix 1**.

I am required to provide an opinion on whether the accounts have been properly prepared and give a true and fair view in all material respects. My proposed audit opinions and the basis for them are outlined in **Appendix 3**.

It is the responsibility of the Police and Crime Commissioner for Gwent and the Chief Constable of Gwent Police to address any matters raised in my report and provide me with the respective Letters of Representation.

I would like to extend my gratitude to the officers and staff of Gwent Police for their cooperation throughout the audit process which has been invaluable in completing this audit by the September deadline.

Your audit at a glance



We intend to issue **unqualified opinions** on the accounts.

See [Appendix 3](#)



There are **two significant matters** to report.

See [Audit findings](#)



There are **two uncorrected misstatements** in the accounts which we wish to draw to your attention.

See [Audit findings](#)



We have raised **two recommendations** as a result of our work. Other recommendations arising from our work will be set out in an Accounts Memorandum, which will be communicated to officers in due course.

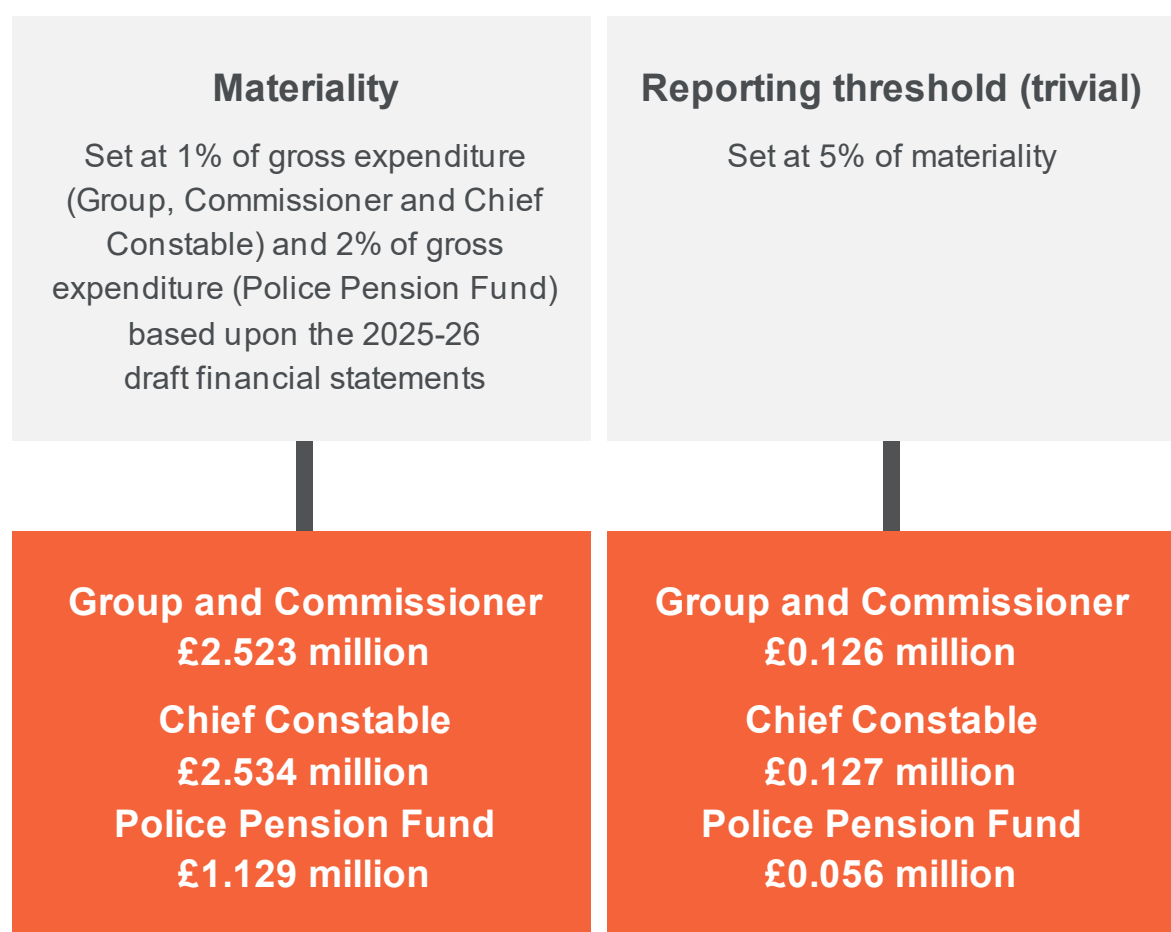
See [Appendix 5](#)



We are aiming to certify your accounts on **29 September 2026**, which is ahead of the deadline of **30 September 2026**.

Materiality

I use professional judgement to set a materiality threshold to identify and correct misstatements that could affect users' decisions, considering both financial errors and disclosure requirements according to the applicable accounting framework and laws. My team updates materiality throughout the audit and I include in this report matters that exceed my reporting threshold, as set out below:



There are some areas of the accounts that may be of more importance to the user of the accounts. We confirm lower materiality levels for these:

Remuneration Tables

£1,000

Related party disclosures

£10,000 (related to
individuals)

Audit of Groups

The group accounts contain the results of the Police and Crime Commissioner for Gwent, the Chief Constable of Gwent Police and the Gwent Police Pension Fund.

My team completed the audit of all components of the group. Any issues identified from my audit of the group are included here.

Audit Findings

Misstatements

A misstatement arises where information in the accounts is not in accordance with accounting standards.

Uncorrected misstatements

We set out below the misstatements we identified in the accounts, which have been discussed with management but remain uncorrected. We request that these misstatements be corrected.

Our Letter of Representation from the Police and Crime Commissioner in **Appendix 4** includes references to the misstatements and requires management to confirm that the effect of the misstatement is immaterial to the Statement of Accounts.

There are two uncorrected misstatements above our trivial level but lower than materiality:

- Right of Use (ROU) assets are understated by £0.195 million in the Balance sheet and Note 13.
- Lease liabilities relating to ROU assets are understated by £0.256 million in the balance sheet and Note 21. This misstatement also impacts the calculation of the maturity analysis of obligations under finance leases in Note 34.

Our audit work identified recurring issues in the application of IFRS 16, including errors in lease terms, payment periods, discounting methodology and rent uplifts. These issues resulted in an understatement of right-of-use assets by £0.195 million and lease liabilities by £0.256 million. A further depreciation understatement was also identified in relation to one peppercorn lease.

The calculation errors included the use of a flat incremental borrowing rate of 5.25% across all leases, incorrect discount factors, and the omission or unsupported inclusion of rental uplifts. In one case, an unsupported rental increase was incorrectly applied, while in another the increase evidenced by quarterly invoices had not been correctly reflected in the calculations.

Resolution of this account area was delayed by difficulties in obtaining complete lease documentation, invoices and supporting evidence for key management judgements. Evidence from Estates to support lease end dates and rent uplift assumptions was not provided in full despite repeated requests. These delays affected the timeliness of the audit response and contributed to the late resolution of IFRS 16 queries.

We also noted that some errors identified in the prior year had not been corrected in the 2025-26. Management should strengthen arrangements to ensure lease calculations are accurate, supported by timely evidence, and subject to effective review before being provided for audit.

There is also a need for improved communication between Finance, Legal and Estates to ensure the completeness of the lease population and the accuracy of lease assumptions. Where rent changes arise from review mechanisms or landlord-led uplifts, management should retain appropriate supporting documentation, such as rent review agreements or correspondence confirming the basis and timing of the increase.

In relation to Vantage Point, lease agreements for Part of the Basement, North Annex, First Floor, West Suite First Floor, East Suite Second Floor and West Suite Second Floor were formally executed on 19 May 2026. Although occupation of some areas before formal execution was confirmed by Legal Services, we were not provided with sufficient evidence to demonstrate that legally enforceable rights and obligations existed at 31 March 2026.

A further issue was identified in respect of Vantage Point rental charges. Legal Services confirmed that the West Suite, Second Floor had previously been vacated, but that rent continued to be payable under the new lease. Quarterly invoices of £41,000 exceeded the expected charge for the occupied East Suite of approximately £27,000 per quarter, indicating a potential overpayment relating to the West Suite, Second Floor.

On the evidence available, these arrangements have therefore been treated as matters for 2026-27 rather than included in the 2025-26 IFRS 16 calculations.

We are satisfied from the additional work undertaken that we have quantified the error and the value is not material.

The decision has been taken by management not to correct these misstatements.

Corrected misstatements

During our audit, we identified misstatements that have been corrected by management, but which we consider should be drawn to your attention.

These are set out in **Appendix 2**.

Other significant issues

International Standard on Auditing 260 requires us to communicate with those charged with governance. We must tell you significant findings from the audit and other matters if they are significant to your oversight of the Police and Crime Commissioners or the Chief Constable's financial reporting processes.

As well as the two uncorrected misstatements above our trivial level but lower than materiality, the following significant issues were also identified during the audit.

Quality and timeliness of the Statement of Accounts and supporting audit evidence

During the audit, we identified recurring issues in the quality, consistency and timeliness of the financial statements and supporting working papers. The most significant matters related to unresolved casting and balancing issues in the accounts, incomplete or inconsistent audit evidence, delays in resolving IFRS 16 lease accounting queries, errors in cross-referencing and disclosure notes, and unreconciled opening balances or ledger differences.

The accounts submitted for audit included primary statement issues, including a Balance Sheet that did not balance and a cash flow statement that did not cast. The cash flow statement still includes an unresolved balancing figure. There were also repeated casting and cross-referencing issues, indicating that further review and investigation should have been completed before submission.

Further improvement is also required in the quality and timeliness of working papers provided for audit, which was also raised in the 2024-25 Audit of Accounts report. Examples included the need for clearer asset reconciliations, several attempts to provide a fully reconciling pension cash reconciliation, and multiple versions of senior officer remuneration notes that differed from the accounts. These issues point to the need for stronger version control and review arrangements.

IFRS 16 lease accounting queries took several weeks to conclude because of delays in receiving appropriate lease evidence and invoices. In addition, a flat incremental borrowing rate had been incorrectly applied and the cash flow statement initially omitted £518,000 of lease liability payments. Although amendments were subsequently made, the initial presentation of these amounts within operating rather than financing activities was inconsistent with the Code.

We also identified issues with opening balances, ledger reconciliations and disclosure completeness. These included differences between the ledger and Note 23 for capital receipts, incorrect IAS 19 pension liability and reserve balances, omitted prior-year comparatives in Note 34, and amendments required to the PCC remuneration table to align with revised working papers.

Although a number of amendments have been made or agreed, the volume and nature of issues indicate that management's closedown, quality assurance and review arrangements require strengthening before the accounts are submitted for audit. Management should ensure that the primary statements cast and agree, disclosures reconcile to supporting records, prior-year adjustments are correctly reflected in opening balances, and complex accounting areas are supported by complete and accurate evidence.

Proposed audit opinion

Audit opinion

We intend to issue unqualified audit opinions on this year's accounts once you have provided us with a Letter of Representation (see below).

Our proposed audit reports are set out in **Appendix 3**.

Letter of representation

A Letter of Representation is a formal letter in which you confirm to us the accuracy and completeness of information provided to us during the audit. Some of this information is required by auditing standards; other information may relate specifically to your audit.

The letters we are requesting you to sign are included in **Appendix 4**, the contents of which includes additional representations in respect of the following uncorrected misstatements:

- Right of Use (ROU) assets are understated by £0.195 million in the Balance sheet and Note 13.
- Lease liabilities relating to ROU assets are understated by £0.256 million in the balance sheet and Note 21.

Recommendations

We have made two recommendations during the audit, which are set out in **Appendix 5**, along with management's response to the recommendation.

We will monitor progress against the recommendations during next year's audit.

Audit team and ethical compliance

The main members of my team who carried out the audit work, together with their contact details, are summarised in **Exhibit 1**.

Exhibit 1: My local audit team

Engagement Lead	Richard Harries richard.harries@audit.wales
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Audit Manager	David Williams david.williams@audit.wales
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Audit Lead	Carys Bates carys.bates@audit.wales
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Compliance with ethical standards

We confirm that:

- we have complied with the ethical standards we are required to follow in carrying out our work;
- we have remained independent of yourselves;
- our objectivity has not been compromised; and
- we have no relationships that could undermine our independence or objectivity.

Appendix 1 – Audit risks and outcomes

My Audit Plan set out the risks of material misstatement for the audit of the Police and Crime Commissioner for Gwent and the Chief Constable of Gwent Police's accounts. **Exhibit 2** lists these audit risks and sets out how they were addressed as part of the audit. No additional audit risks have been identified since that need to be brought to your attention.

Exhibit 2: Audit risks reported previously, work done and outcome

Audit risk	Work done	Outcome
Risk of management override The risk of management override of controls is present in all entities. Due to the unpredictable way in which such override could occur, it is viewed as a significant risk [ISA 240.32-33].	The audit team: • tested the appropriateness of journal entries and other adjustments made in preparing the financial statements; • reviewed accounting estimates for bias; and • evaluated the rationale for any significant transactions outside the normal course of business.	My audit work did not identify any instances of management override of controls.

Valuation of pension scheme net liability / surplus

The Local Government Pension Scheme (LGPS) and Police Pension Scheme liabilities as reflected in the financial statements are material estimates.

The nature of these estimates means that they are subject to a high degree of estimation uncertainty, as they are sensitive to small adjustments in the assumptions used in their calculation.

The impact of economic conditions, particularly interest rate levels, also has a significant impact on the liability. Additionally at 31 March 2025, the LGPS liability was in fact a surplus primarily due to higher interest rates.

A triennial valuation of the LGPS scheme has been undertaken as at 31 March 2025, which will impact upon disclosures in the Commissioner's and Chief Constable's financial statements for the first time in the 2025-26 financial year. There are

The audit team:

- evaluated the instructions issued by management to their management experts (actuaries) for these estimates and the scope of the actuaries' work;
- assessed the competence, capabilities and objectivity of the actuaries who carried out the valuations;
- assessed the accuracy and completeness of the information provided to the actuaries to estimate the liabilities;
- tested the accuracy of the pension fund net liability / surplus and disclosures in the financial statements against the actuarial reports from the actuaries;
- assessed the reasonableness of the assumptions made by the actuaries by reviewing the report of the consulting actuary (auditor's expert) and undertaking any

My audit work did not identify any misstatements in respect of the estimate or the work completed by the actuaries as management experts.

also several legal cases potentially impacting on the valuation of the net liability / surplus.

There is a risk therefore that the liability / surplus could be materially misstated.

- additional procedures required;
 - undertook a programme of work to provide assurance over the data used by the LGPS actuary to undertake the triennial valuation; and
 - assessed whether any legal cases could have a material impact on the net liability / surplus and if so, confirmed that this had been appropriately recognised and disclosed within the financial statements.
-

Valuation of land and buildings

The value of land and buildings in the balance sheet and notes to the accounts are material estimates.

Land and buildings are required to be held on a valuation basis which is dependent on the nature and use of the assets. This estimate is subject to a high degree of subjectivity depending on the specialist and management assumptions and changes in these can result in material changes to valuations.

Assets are required to be revalued every five years and for the 2025-26 financial year CIPFA have introduced new requirements for the subsequent measurement of assets including the application of indexation. This will introduce additional judgements and calculations for finance teams to undertake.

The audit team:

- reviewed the information provided to the valuer to assess for completeness;
- evaluated the competence, capabilities and objectivity of the professional valuer;
- tested a sample of assets revalued in the year to ensure the valuation basis, key data and assumptions used in the valuation process are reasonable and the revaluations have been correctly reflected in the financial statements; and
- tested the reconciliation between the financial ledger and the asset register.

My audit work did not identify any misstatements in respect of the valuation of land and buildings.

We note that no adjustment was made to the financial statements in respect of indexation as the calculated values fell below the trivial level for the audit.

From our planning work we understand that a quinquennial valuation of the full estate will be undertaken as at 31 March 2027, with indexation being applied from the 2027-28 financial year.

IFRS 16 Leases

Local Government bodies were required to adopt IFRS 16 Leases from 1 April 2024. This significantly changed the accounting treatment and disclosures required for leased assets.

In 2024-25 we identified several issues in the accounting treatment, calculation and disclosure of Right-of-Use (ROU) assets and in the classification of lease liabilities.

There is a risk that the requirements of the IFRS are not appropriately adopted again this year and as a result the financial statements are materially misstated.

The audit team:

- reviewed the working papers to ensure that all leases falling within the scope of the standard have been included in calculations;
- tested a sample of asset and liability calculations to ensure that the assumptions are reasonable and the calculation had been correctly prepared; and
- confirmed that asset and liability values have been correctly accounted for and disclosed in the financial statements.

My audit work again identified several significant issues with the application of IFRS 16. Details of the unadjusted misstatements are included within the Audit Findings section of this report. Details of the corrections made are set out in **Appendix 2**.

Senior Officer remuneration

Even though there are no significant changes in senior officers for 2025-26, remuneration paid to senior officers continues to be of high interest and is material by nature. Therefore, there is a risk that even low value errors in the disclosure could result in a material misstatement.

The audit team:

- understood the movements in the Commissioner's and Chief Constable's teams during 2025-26;
- ensured that all elements of remuneration disclosed are consistent with supporting evidence;
- ensured that amounts paid are consistent with approved pay scales and contracts where applicable; and
- ensured that disclosures are complete based on the team's knowledge and are prepared in accordance with requirements.

My audit work did identify several misstatements in the disclosure of senior officer remuneration which have been corrected by management. These are reported in **Appendix 2**.

Related party disclosures

The financial statements must disclose any related party relationships along with the transactions and balances between the Commissioner or Chief Constable and the other body.

The Commissioner and Chief Constable has many relationships that could be considered a related party. Many are well known for example, the Home Office as a funder.

However, where related party relationships arise via individual officer relationships, there is likely to be less transparency regarding these relationships. These transactions are of high interest and are considered to be material by their nature.

There is a risk of material misstatement due to incomplete or inaccurate disclosures, even where these are of relatively low value.

The audit team:

- reviewed the process for identifying related party relationships and associated transactions and balances;
- undertook procedures to confirm the completeness of related party relationships; and
- ensured disclosures are complete, accurate, consistent with evidence and are in accordance with the Local Government Code.

My audit work did identify several misstatements in the disclosure of related party information which have been corrected by management. These are reported in **Appendix 2**.

Reforms to policing

In November 2025, the UK Government announced that the role of Police and Crime Commissioner's will be abolished by May 2028. Additionally in January 2026 a white paper was published setting out a review of the number of police forces in England and Wales.

At present, it is unclear what arrangements will be put in place and the timescales for any changes to financial, governance and accountability structures.

The audit team:

- undertook discussions with management to establish what processes are being undertaken in preparation for the changes;
- ensured that any narrative disclosures in the financial statements reflect the current situation and provide useful information to users of the financial statements; and
- continue to engage with any updates and guidance issued to consider its relevance.

My audit work did not identify any material issues arising from reforms to policing.

Collaboration arrangements

Gwent Police engage in a number of collaboration arrangements with other Welsh police forces.

In recent years, the value of expenditure through these arrangements and the complexity of them has increased.

In 2024-25 there was revenue expenditure of £16.9 million attributable to Gwent Police incurred through collaborative arrangements as well as capital expenditure of £6.3 million incurred on the construction of the joint firearms training unit at Pencoed.

The audit team:

- reviewed the process for compiling collaborative spending and income and redistributing costs between partners;
- confirmed that the basis on which costs have been shared is appropriate; and
- substantively tested the expenditure incurred on the new joint firearms training unit during the year.

My audit work did not identify any above trivial misstatements in respect of collaboration arrangements.

We did note a difference of £0.120 million between the value of JFU additions advised by South Wales Police and the value detailed within the Gwent Police ledger.

Police pensions and change of pensions system

In 2024-25 pension benefits of £45.1 million were paid in addition to lump sum benefits of £6.5 million. These amounts are highly material to the Police Pension Fund. The day-to-day administration of police pensions is undertaken by a service organisation.

Additionally, we are aware of a change to the pensions system used by the service organisation in early 2026. This may lead to delays in the provision of the information required from the system and the assurance required on the controls in operation.

The audit team:

- undertook sample testing on police pension payments and in-year lump sums awarded;
- documented the controls in place at Gwent Police and at the service organisation over the processing and payment of pension benefits; and
- reviewed controls assurance reports over the migration of data into the new pensions administration system.

My audit work identified issues arising from the change of pensions system.

Appendix 2 – Summary of corrections made

During our audit, we identified the following misstatements that have been corrected by management, but which we consider should be drawn to your attention.

Exhibit 3: Summary of corrections made – Group Financial Statements

Value of correction	Accounts area	Explanation
£0.11 million This correction affected the Expenditure and Funding Analysis, and Movement in Reserves Statement	Comprehensive Income and Expenditure Statement To correct the understatement of transport costs due to an incorrect posting of a disposal of non-current assets. This increased the net cost of services.	To ensure the primary statements accurately reflect the value of the underlying transactions.
£1.205 million	Expenditure and Funding Analysis To correct the total adjustments figure for 2024-25.	To ensure the primary statements accurately reflect the value of the underlying transactions.
Various	Cash Flow Statement To correct the omission of payments for lease liabilities under IFRS 16; £0.518 million. To remove ROU asset additions; £0.578 million. To correct the creditor figure; £0.167 million for a prior year manual adjustment.	To ensure the primary statements accurately reflect the value of the underlying transactions.

	Despite this amendment the cash flow statement still contains a balancing figure of £0.034 million. These corrections also impacted Note 25 – Cash flow from Operating Activities and Note 26 – Cash flow from Investing Activities.	
Narrative	Note 3 – Critical judgements in applying accounting policies To include judgements in respect of Right-of-use-Assets.	To ensure the disclosure accurately reflects the requirements of the CIPFA Code.
Various corrections These corrections also impacted the Expenditure and Funding Analysis	Note 7 – Note to the Expenditure and Funding Analysis To correct entries in Transport Costs; £0.110 million and Other approved Revenue Requirements; £6.480 million lines within the note, increasing the net cost of services by £6.369 million.	To ensure the disclosure note accurately reflects the value of the underlying transactions.
£0.786 million (Disclosure note amendment only – no impact on the primary statements)	Note 13 – Property, Plant and Equipment Capital Commitments To correct the remaining capital commitment for the collaborative firearms range.	To ensure the disclosure note accurately reflects the value of capital commitments at the year end.
£1.368 million (Disclosure note amendment only –	Note 21 – Creditors	To ensure the disclosure note accurately reflects the

no impact on the primary statements)	To correct the classification of ROU liabilities between short term and long-term creditors. To separately disclose the value of long-term ROU liabilities.	value of the underlying transactions.
£1.517 million (Net impact on the capital financing figure applied in the year is nil)	Note 24 – Unusable Reserves To correct entries in the Capital Adjustment Account. This correction also impacted the capital receipts reserve in Note 8 – Adjustments between Accounting Basis and Funding Basis under Regulations.	To ensure the disclosure note accurately reflects the value of the underlying transactions.
Narrative (Disclosure note amendment only – no impact on the primary statements)	Note 28 – Police Officer and Police Staff Remuneration Remuneration Bandings To correct the remuneration banding note for the exclusion of the Police and Crime Commissioner.	To ensure that the disclosure note accurately reflects the requirements of the CIPFA Code.
Narrative (Disclosure note amendment only – no impact on the primary statements)	Note 28 – Police Officer and Police Staff Remuneration Relevant Senior Officers and Staff Remuneration An updated working paper was provided in August to correct the disclosure of salary, post related pay figures and Benefits in Kind for senior officers. The employers pension contributions in respect of four	To ensure that the disclosure note accurately reflects the value of the underlying transactions.

	senior officers was also corrected.	
Narrative (Disclosure note amendment only – no impact on the primary statements)	Note 28 – Police Officer and Police Staff Remuneration Relevant Senior Officers and Staff Remuneration To include the names of Senior Officers with total remuneration exceeding £150,000.	To ensure that the disclosure note accurately reflects the requirements of the CIPFA Code.
£0.121 million (Disclosure note amendment only – no impact on the primary statements)	Note 31 – Grant Income To correct the value of the Revenue Support Grant figure disclosed in the note.	To ensure that the disclosure note accurately reflects the value of the underlying transactions.
Narrative (Disclosure note amendment only – no impact on the primary statements)	Note 32 – Related Parties To include reference to transactions with the College of Policing. The Police and Crime Commissioner is a non-executive director of the College.	To ensure the disclosure note is complete and accurate.
Narrative (Disclosure note amendment only – no impact on the primary statements)	Note 32 – Related Parties To correct inconsistencies in the creditor balances disclosed for Cardiff Council and ABUHB between the Group and Chief Constable's accounts.	To ensure the disclosure note is complete and accurate.
£0.297 million (Disclosure note amendment only – no impact on the primary statements)	Note 34 – Leases PCC To correct the maturity analysis of obligations under finance leases.	To ensure the disclosure note accurately reflects the value of the underlying transactions.

Narrative (Disclosure note amendment only – no impact on the primary statements)	Note 34 – Leases PCC This note has been updated to include the prior year comparative figures as at 31 March 2025 and details of rental income received during the year.	To ensure that the disclosure accurately reflects the requirements of the CIPFA code.
Narrative (Disclosure note amendment only – no impact on the primary statements)	Note 36 – Defined Benefit Pension Scheme To remove reference to the Aarons and Ors cases as the Government Legal Department (GLD) have settled on behalf of forces. To update the narrative in respect of Virgin Media.	To ensure that the disclosure accurately reflects the requirements of the CIPFA Code.
£0.111 million (Disclosure note amendment only – no impact on the primary statements)	Note 39 – Intra Group Adjustments To correct the intra-group adjustments for the Chief Constable and PCC Group.	To ensure the disclosure note accurately reflects the value of the underlying transactions.
Various (Disclosure only – no impact on the primary statements)	A number of minor amendments were made to the financial statements and Joint Annual Governance Statement relating to either revisions to disclosures of information or narrative changes.	To ensure the accuracy of the financial statements.

Exhibit 4: Summary of corrections made – Chief Constable's Financial Statements

Value of correction	Accounts area	Explanation
£0.111 million This correction also impacted Note 8 – Intra Group Adjustments.	Comprehensive Income and Expenditure Statement To correct the understatement of transport costs due to an incorrect posting of a disposal of non-current assets. This increased the net cost of services.	To ensure the primary statements accurately reflect the value of the underlying transactions.
Narrative (Disclosure note amendment only – no impact on the primary statements)	Note 13 – Police Officer and Police Staff Remuneration Relevant Senior Officers and Staff Remuneration An updated working paper was provided in August to correct the disclosure of salary, post related pay figures and Benefits in Kind for senior officers. The employers pension contributions in respect of four senior officers was also corrected.	To ensure that the disclosure note accurately reflects the value of the underlying transactions.
Narrative (Disclosure note amendment only – no impact on the primary statements)	Note 13 – Police Officer and Police Staff Remuneration Relevant Senior Officers and Staff Remuneration To disclose the names of senior officers with remuneration of more than £150,000.	To ensure that the disclosure note accurately reflects the requirements of the CIPFA Code.

Narrative (Disclosure note amendment only – no impact on the primary statements)	Note 16 – Related Parties To include reference to transactions with the College of Policing. The Police and Crime Commissioner is a non-executive director of the College.	To ensure the disclosure note is complete and accurate.
Narrative (Disclosure note amendment only – no impact on the primary statements)	Note 16 – Related Parties To correct inconsistencies in the creditor balances disclosed for Cardiff Council and ABUHB between the Group and Chief Constable's accounts.	To ensure the disclosure note is complete and accurate.
Narrative (Disclosure note amendment only – no impact on the primary statements)	Note 17 – Defined Benefit Pension Scheme To remove reference to the Aarons and Ors cases as the Government Legal Department (GLD) have settled on behalf of forces. To update the narrative in respect of Virgin Media.	To ensure that the disclosure accurately reflects the requirements of the CIPFA Code.
Various (Disclosure only – no impact on the primary statements)	A number of minor amendments were made to the financial statements and Joint Annual Governance Statement relating to either revisions to disclosures of information or narrative changes.	To ensure the accuracy of the financial statements.

Appendix 3 – Proposed audit report

The report of the Auditor General for Wales to the Police and Crime Commissioner for Gwent

Opinion on financial statements

I have audited the financial statements of:

- Police and Crime Commissioner for Gwent;
- Police and Crime Commissioner for Gwent Group which comprises the Police and Crime Commissioner and the Chief Constable of Gwent Police; and
- Gwent Police Pension Fund

for the year ended 31 March 2026 under the Public Audit (Wales) Act 2004.

Police and Crime Commissioner for Gwent's financial statements comprise the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Movement in Reserves Statement, the Cash Flow Statement and the related notes, including the material accounting policies.

The Police and Crime Commissioner for Gwent's Group financial statements comprise the Group Expenditure and Funding Analysis, the Group Movement in Reserves Statement, the Group Comprehensive Income and Expenditure Statement, the Group Balance Sheet, the Group Cash Flow Statement and the related notes, including the material accounting policies.

The Gwent Police Pension Fund comprises the Fund Account and Net Assets Statement and related notes, including the material accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26.

In my opinion, in all material respects, the financial statements:

- give a true and fair view of the financial position of the Police and Crime Commissioner for Gwent, the Police and Crime Commissioner for Gwent Group and the Gwent Police Pension Fund as at 31 March 2026 and of their income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of financial statements and regularity of public sector bodies in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report.

My staff and I are independent of the Police and Crime Commissioner for Gwent, the Police and Crime Commissioner for Gwent Group and the Gwent Police Pension Fund in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I 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 for Gwent, the Police and Crime Commissioner for Gwent Group and the Gwent Police Pension Fund's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the responsible financial 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 annual report other than the financial statements and my auditor's report thereon. The Responsible Financial Officer is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

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

I have nothing to report in this regard.

Opinion on other matters

In my opinion, based on the work undertaken in the course of my audit:

- the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26;
- the information given in the joint Annual Governance Statement of the Police and Crime Commissioner for Gwent and the Chief Constable of Gwent Police for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of the Police and Crime Commissioner for Gwent, the Police and Crime Commissioner for Gwent Group and the Gwent Police Pension Fund and their environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the joint Annual Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- I have not received all the information and explanations I require for my audit;
- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team;
- the financial statements are not in agreement with the accounting records and returns.

Responsibilities of the responsible financial officer for the financial statements

As explained more fully in the Statement of Responsibilities for the Statement of Accounts set out on page 13, the responsible financial officer is responsible for:

- the preparation of the statement of accounts, including the Police and Crime Commissioner for Gwent Group's financial statements and the Gwent Police Pension Fund, which give a true and fair view and comply with proper practices;
- maintain proper accounting records;
- internal controls as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error;
- assessing the Police and Crime Commissioner for Gwent, the Police and Crime Commissioner for Gwent Group and the Gwent Police Pension Fund'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 the responsible financial officer anticipates that the services provided by the Police and Crime Commissioner for Gwent, the Police and Crime Commissioner for Gwent Group and the Gwent Police Pension Fund will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit the financial statements in accordance with the Public Audit (Wales) Act 2004.

My 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 my 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. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- Enquiring of management, the Police and Crime Commissioner for Gwent and the group's head of internal audit, including obtaining and reviewing supporting documentation relating to the Police and Crime Commissioner for Gwent, the Police and Crime Commissioner for Gwent Group's and the Gwent Police Pension Fund policies and procedures concerned with:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: posting of unusual journals, bias in accounting estimates and significant transactions outside the normal course of business;
- Obtaining an understanding of the Police and Crime Commissioner for Gwent, the Police and Crime Commissioner for Gwent Group and the Gwent Police Pension Fund's framework of authority as well as other legal and regulatory frameworks that the Police and Crime Commissioner for Gwent and the Police and Crime Commissioner for Gwent Group operate in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of Police and Crime Commissioner for Gwent, the Police and Crime Commissioner for Gwent Group and the Gwent Police Pension Fund.
- Obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Joint Audit Committee and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Police and Crime Commissioner for Gwent, the Police and Crime Commissioner for Gwent Group and the Gwent Police Pension Fund's controls, and the nature, timing and extent of the audit procedures performed.

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

Other auditor's responsibilities

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Certificate of completion of audit

I certify that I have completed the audit of the accounts of the Police and Crime Commissioner for Gwent, the Police and Crime Commissioner for Gwent Group and the Gwent Police Pension Fund in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales' Code of Audit Practice.

Catherine Mealing-Jones
Auditor General for Wales
29 September 2026

1 Capital Quarter
Tyndall Street
Cardiff, CF10 4BZ

The report of the Auditor General for Wales to the Chief Constable of Gwent Police

Opinion on financial statements

I have audited the financial statements of:

- Chief Constable of Gwent Police; and
- Gwent Police Pension Fund

for the year ended 31 March 2026 under the Public Audit (Wales) Act 2004.

The Chief Constable of Gwent Police's financial statements comprise the Comprehensive Income and Expenditure Statement, the Balance Sheet and the related notes, including the material accounting policies.

The Gwent Police Pension Fund comprises the Fund Account and Net Assets Statement and related notes, including the material accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26.

In my opinion, in all material respects, the financial statements:

- give a true and fair view of the financial position of the Chief Constable of Gwent Police and the Gwent Police Pension Fund as at 31 March 2026 and of their income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of financial statements and regularity of public sector bodies in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report.

My staff and I are independent of the Chief Constable of Gwent Police and the Gwent Police Pension Fund in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Chief Constable of Gwent Police and the Gwent Police Pension Fund's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the responsible financial 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 annual report other than the financial statements and my auditor's report thereon. The Responsible Financial Officer is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

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

I have nothing to report in this regard.

Opinion on other matters

In my opinion, based on the work undertaken in the course of my audit:

- the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26;
- the information given in the joint Annual Governance Statement of the Police and Crime Commissioner for Gwent and the Chief Constable of Gwent Police for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of the Chief Constable of Gwent Police and the Gwent Police Pension Fund and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the joint Annual Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- I have not received all the information and explanations I require for my audit;
- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team;
- the financial statements are not in agreement with the accounting records and returns.

Responsibilities of the responsible financial officer for the financial statements

As explained more fully in the Statement of Responsibilities for the Statement of Accounts set out on page 14, the responsible financial officer is responsible for:

- the preparation of the statement of accounts, including the Gwent Police Pension Fund, which give a true and fair view and comply with proper practices;
- maintain proper accounting records;
- internal controls as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error;
- assessing the Chief Constable of Gwent Police's and the Gwent Police Pension Fund'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 the responsible financial officer anticipates that the services provided by the Chief Constable of Gwent Police and the Gwent Police Pension Fund will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit the financial statements in accordance with the Public Audit (Wales) Act 2004.

My 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 my 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. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- Enquiring of management, the Chief Constable of Gwent Police and the head of internal audit, including obtaining and reviewing supporting documentation relating to the Chief Constable of Gwent Police's and the Gwent Police Pension Fund's policies and procedures concerned with:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: posting of unusual journals, bias in accounting estimates and significant transactions outside the normal course of business;
- Obtaining an understanding of the Chief Constable of Gwent Police's and the Gwent Police Pension Fund's framework of authority, as well as other legal and regulatory frameworks that the Chief Constable of Gwent Police operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a

fundamental effect on the operations of the Chief Constable of Gwent Police and the Gwent Police Pension Fund.

- Obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Joint Audit Committee and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Chief Constable of Gwent Police and the Gwent Police Pension Fund's controls, and the nature, timing and extent of the audit procedures performed.

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

Other auditor's responsibilities

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Certificate of completion of audit

I certify that I have completed the audit of the accounts of the Chief Constable of Gwent Police and the Gwent Police Pension Fund in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales' Code of Audit Practice.

Catherine Mealing-Jones
Auditor General for Wales
29 September 2026

1 Capital Quarter
Tyndall Street
Cardiff, CF10 4BZ

Appendix 4 – Letters of representation

Final Letter of Representation – Police and Crime Commissioner for Gwent

[Audited body's letterhead]

Auditor General for Wales
Wales Audit Office
1 Capital Quarter
Cardiff
CF10 4BZ

29 September 2026

Representations regarding the 2025-26 financial statements

This letter is provided in connection with your audit of the financial statements (including that part of the Remuneration Report that is subject to audit) of the Police and Crime Commissioner for the year ended 31 March 2026 for the purpose of expressing an opinion on their truth and fairness and their proper preparation.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

Management representations

Responsibilities

We have fulfilled our responsibilities for:

- the preparation of the financial statements in accordance with legislative requirements and the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2025-26; in particular the financial statements give a true and fair view in accordance therewith; and
- the design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

Information provided

We have provided you with:

- full access to:
 - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
 - additional information that you have requested from us for the purpose of the audit; and
 - unrestricted access to staff from whom you determined it necessary to obtain audit evidence;
- the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- our knowledge of fraud or suspected fraud that we are aware of and that affects the Police and Crime Commissioner for Gwent and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements;
- our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others;
- our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements;
- the identity of all related parties and all the related party relationships and transactions of which we are aware.

Financial statement representations

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

The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. The effects of uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

We confirm the following specific representations made to you during the course of the audit relating to the two uncorrected misstatements:

- Right of Use (ROU) assets are understated by £0.195 million in the Balance sheet and Note 13.
- Lease liabilities relating to ROU assets are understated by £0.256 million in the balance sheet and Note 21.

Representations by the Police and Crime Commissioner for Gwent

I acknowledge that the representations made by management, above, have been discussed with me.

I acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. I approved the financial statements on 29 September 2026.

I confirm that I have taken all the steps that I ought to have taken in order to make myself aware of any relevant audit information and to establish that it has been communicated to you. I confirm that, as far as I am aware, there is no relevant audit information of which you are unaware.

Signed by:

Signed by:

Chief Finance Officer to the Police and
Crime Commissioner

Police and Crime Commissioner for
Gwent

Date: 29 September 2026

Date: 29 September 2026

Final Letter of Representation – Chief Constable of Gwent Police

[Audited body's letterhead]

Auditor General for Wales
Wales Audit Office
1 Capital Quarter
Cardiff
CF10 4BZ

29 September 2026

Representations regarding the 2025-26 financial statements

This letter is provided in connection with your audit of the financial statements (including that part of the Remuneration Report that is subject to audit) of the Chief Constable of Gwent Police for the year ended 31 March 2026 for the purpose of expressing an opinion on their truth and fairness and their proper preparation.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

Management representations

Responsibilities

We have fulfilled our responsibilities for:

- the preparation of the financial statements in accordance with legislative requirements and the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2025-26; in particular the financial statements give a true and fair view in accordance therewith; and
- the design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

Information provided

We have provided you with:

- full access to:
 - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;

- additional information that you have requested from us for the purpose of the audit; and
- unrestricted access to staff from whom you determined it necessary to obtain audit evidence;
- the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- our knowledge of fraud or suspected fraud that we are aware of and that affects the Chief Constable of Gwent Police and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements;
- our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others;
- our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements;
- the identity of all related parties and all the related party relationships and transactions of which we are aware.

Financial statement representations

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

The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. The effects of uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

We confirm the following specific representations made to you during the course of the audit relating to the two uncorrected misstatements:

- Right of Use (ROU) assets are understated by £0.195 million in the Balance sheet and Note 13.
- Lease liabilities relating to ROU assets are understated by £0.256 million in the balance sheet and Note 21.

Representations by the Chief Constable of Gwent Police

I acknowledge that the representations made by management, above, have been discussed with me.

I acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. I approved the financial statements on 29 September 2026.

I confirm that I have taken all the steps that I ought to have taken in order to make myself aware of any relevant audit information and to establish that it has been communicated to you. I confirm that, as far as I am aware, there is no relevant audit information of which you are unaware.

Signed by:

Signed by:

Chief Financial Officer to the Chief
Constable of Gwent Police

Chief Constable of Gwent Police

Date: 29 September 2026

Date: 29 September 2026

Appendix 5 – Recommendation

We set out below recommendations from our audit along with your management's response to them.

Improvements required to IFRS 16 Lease accounting

Management should ensure that IFRS 16 lease accounting is supported by a complete lease register, appropriate evidence for key judgements and assumptions, and effective review of calculations before the accounts are prepared. Management should also ensure that identified errors are corrected promptly, and that Finance, Legal and Estates work together to identify lease changes and update the accounting records on a timely basis.

Priority:

High

Accepted in full by management:

Yes

Management response:

Management accepts the recommendation. IFRS 16 implementation is only in its second year, and, despite resource pressures, significant progress has been made in record-keeping and accounting. Work will continue to improve record-keeping and ensure accurate and timely lease accounting through collaborative working between the Legal, Estates and Finance teams.

Implementation date:

31.03.2027

Quality and timeliness of audit evidence

Management should strengthen the closedown and quality assurance process for the Statement of Accounts by introducing a formal pre-submission review checklist covering casting, internal consistency, cross-referencing, disclosure completeness, reconciliation to the ledger and supporting working papers, and review of complex accounting areas such as IFRS 16. This review should be completed and evidenced before the accounts are submitted for audit, with clear ownership assigned for resolving differences and confirming that amendments have been fully reflected in the accounts, notes and supporting records.

Priority:

High

Accepted in full by management:

Accepted in part

Management response:

Management does not fully accept the recommendation. A comprehensive closedown and quality assurance process is in place, including reconciliations, disclosure and consistency checks, review of key judgements and estimates, clear individual responsibilities, and tracking of audit amendments to completion.

Management does not consider the audit findings to indicate a fundamental weakness in the existing closedown arrangements. Rather, the findings primarily relate to a small number of presentation, disclosure and consistency issues identified during the audit. Some shortcomings arose due to resource pressures. In addition, some queries were ad hoc, could not reasonably have been foreseen, and will remain an inherent part of the audit process. Nevertheless, opportunities to strengthen the documentation and evidence of review activities will be incorporated into future year-end procedures.

Implementation date:

31.03.2027

Audit quality

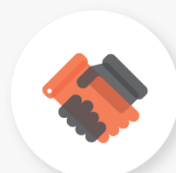
Our commitment to audit quality in Audit Wales is absolute. We believe that audit quality is about getting things right first time.

We use a three lines of assurance model to demonstrate how we achieve this. We have established an Audit Quality Committee to co-ordinate and oversee those arrangements. We subject our work to independent scrutiny by the Institute of Chartered Accountants in England and Wales and our Chair of the Board acts as a link to our Board on audit quality. For more information see our latest [audit quality report](#).



Our People

- Selection of right team
- Use of specialists
- Supervisions and review



Arrangements for achieving audit quality

Selection of right team

- Audit platform
- Ethics
- Guidance
- Culture
- Learning and development
- Leadership
- Technical support



Independent assurance

- EQRs
- Themed reviews
- Cold reviews
- Root cause analysis
- Peer review
- Audit Quality Committee
- External monitoring

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Audit Wales

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Website: www.audit.wales

We welcome correspondence and
telephone calls in Welsh and English.

Rydym yn croesawu gohebiaeth a
galwadau ffôn yn Gymraeg a Saesneg.

