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Enquiries to: Peter Williams
Direct Line: 0151 255 2542
Your Ref: Our Ref:
Date:
E-mail: peter.williams@merseysidewda.gov.uk

Mr. M. Thomas,
District Auditor,
Audit Commission,
The Heath Business Park,
Runcorn,
Cheshire,
WA7 4QF

Dear Mike,

Letter of Management representations

I confirm to the best of my knowledge and belief, having made appropriate enquiries of other Officers of Merseyside Waste Disposal Authority, the following representations given to you in connection with your audit of the Authority's financial statements for the year ended 31 March 2009. All representations cover the Authority's accounts and group accounts included within the financial statements.

Compliance with the Statutory Authorities

I acknowledge my responsibility under the relevant statutory authorities for preparing the financial statements in accordance with the Code of Practice for Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice which present fairly the financial position and financial performance of the Authority and for making accurate representations to you.

Uncorrected misstatements

I confirm that I believe the effect of the uncorrected financial statements misstatements listed in the appendix to the Auditors' governance report are not material to the financial statements. These have not been discussed with those charged with governance at the Authority, but the reason for not correcting them is that they are not material to the financial statements.

Supporting Records

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

Irregularities

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

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There have been no:

- irregularities involving management or employees who have significant roles in the system of internal accounting control;
- irregularities involving other employees that could have a material effect on the financial statements; or
- communications from regulatory agencies concerning non-compliance with, or deficiencies on, financial reporting practices which could have a material effect on the financial statements.

I also confirm that I have disclosed:

- my knowledge of fraud, or suspected fraud, involving either management, employees who have significant roles in internal control or others where fraud could have a material effect on the financial statement; and
- my knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.

Law, Regulations, Contractual Arrangements and Codes of Practice

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

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

Fair Values

I confirm that the presentation and disclosure of the fair value measurements of material assets, liabilities and components of equity are in accordance with the financial reporting framework.

The measurement methods and significant assumptions used in determining fair value have been applied on a consistent basis, are reasonable and appropriately reflect the best estimate of fair value of assets and liabilities required to be disclosed by these standards.

Assets

The following have been properly recorded and, where appropriate, adequately disclosed in the financial statements:-

- losses arising from sale and purchase commitments;
- agreements and options to buy back assets previously sold; and
- assets pledged as collateral.

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Compensating Arrangements

There are no formal or informal compensating balancing arrangements with any of our cash or investment accounts.

Contingent Liabilities

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

- there is no significant pending or threatened litigation, other than those already disclosed in the financial statements;
- there are no material commitments or contractual issues, other than those already disclosed in the financial statements; and
- no financial guarantees have been given to third parties.

Related Party Transactions

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

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

Procurement Costs

I confirm that the capitalisation of procurement costs is in line with the SORP and other accounting standards.

Group Entities

I confirm the completeness of the information disclosed regarding Mersey Waste Holdings Ltd. I have considered the audited accounts for the company for the year ended 30 September 2008 and the management accounts to 31 March 2009 to ensure no additional disclosure is required in the financial statement of the Authority or Group.

Signed on behalf of Merseyside Waste Disposal Authority

I confirm that this letter has been discussed and agreed by the Authority on 25 September 2009.

Signed.....

Name: Peter Williams

Position: Treasurer to the Authority

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Date.....