



MERSEYSIDE RECYCLING & WASTE AUTHORITY

**MERSEYSIDE... A PLACE
WHERE NOTHING IS WASTED**

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Appendix 2

Grant Thornton UK LLP
Royal Liver Building
Pier Head
Liverpool
L3 1PS

September 2017

Dear Sirs

**Merseyside Waste Disposal Authority and its group companies
Financial Statements for the year ended 31 March 2017**

This representation letter is provided in connection with the audit of the financial statements of Merseyside Waste Disposal Authority and its subsidiary group, for the year ended 31 March 2017 for the purpose of expressing an opinion as to whether give a true and fair view in accordance with International Financial Reporting Standards and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2016/17 and applicable law.

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

Financial Statements

- i We have fulfilled our responsibilities for the preparation of the Authority financial statements, including the group accounts, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2016/17 ("the Code"); which give a true and fair view in accordance therewith.
- ii We have complied with the requirements of all statutory directions affecting the Authority and the group and these matters have been appropriately reflected and disclosed in the Authority and group financial statements.
- iii The Authority has complied with all aspects of contractual agreements that could have a material effect on the Authority and group 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 Authority and group financial statements in the event of non-compliance.
- iv We confirm the bank general ledger balances that are provided by St Helens MBC are accurate, complete and have been correctly accounted for by MWDA.
- v We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.

- vi Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- vii We are satisfied that the material judgements used in the preparation of the Authority and group financial statements are soundly based, in accordance with the Code and adequately disclosed in the financial statements. There are no other material judgements that need to be disclosed.
- viii Except as disclosed in the financial statements:
 - a there are no unrecorded liabilities, actual or contingent
 - b none of the assets of the Authority and group has been assigned, pledged or mortgaged
 - c there are no material prior year charges or credits, nor exceptional or non-recurring items requiring separate disclosure.
- ix We confirm that we are satisfied that the actuarial assumptions underlying the valuation of pension scheme assets and liabilities for IAS19 Employee Benefits disclosures are consistent with our knowledge. We confirm that all settlements and curtailments have been identified and properly accounted for. We also confirm that all significant post-employment benefits have been identified and properly accounted for.
- x Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of the Code.
- xi All events subsequent to the date of the Authority and group financial statements and for which the Code requires adjustment or disclosure have been adjusted or disclosed.
- xii Actual or possible litigation and claims have been accounted for and disclosed in accordance with the requirements of the Code.
- xiii We have considered the adjusted misstatements, and misclassification and disclosures changes schedules included in your Audit Findings Report. The Authority and group financial statements have been amended for these misstatements, misclassifications and disclosure changes and are free of material misstatements, including omissions.
- xiv We have considered the unadjusted misstatements schedule included in your Audit Findings Report. We have not adjusted the group and parent Authority financial statements for these misstatements brought to our attention as they are immaterial to the results of the Authority and group and its Authority and group financial position at the year-end.
- xv The Authority and group financial statements are free of material misstatements, including omissions.
- xvi We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the Authority and group financial statements.
- xvii We believe that the Authority and group's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the Authority and group's needs. We

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

Information Provided

xviii We have provided you with:

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

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

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

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

xxii We have disclosed to you all our knowledge of fraud or suspected fraud affecting the Authority and group involving:

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

xxiii We have disclosed to you all our knowledge of any allegations of fraud, or suspected fraud, affecting the Authority and group's financial statements communicated by employees, former employees, regulators or others.

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

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

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

Annual Governance Statement

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

Narrative Statement

xxviii The disclosures within the Narrative Statement fairly reflect our understanding of the Authority and group financial and operating performance over the period covered by the group and parent Authority financial statements.

Approval

The approval of this letter of representation was minuted by the Authority at its meeting on September 2017.

Yours faithfully

Name.....

Position.....

Date.....

Name.....

Position.....

Date.....

Signed on behalf of the Authority