



Grant Thornton UK LLP
Royal Liver Building
Liverpool
L3 1PS

27 July 2018

Dear Sirs

**Merseyside Waste Disposal Authority and its group companies
Financial Statements for the year ended 31 March 2018**

This representation letter is provided in connection with the audit of the financial statements of Merseyside Waste Disposal Authority and its subsidiary undertakings for the year ended 31 March 2018 for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects in accordance with International Financial Reporting Standards and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2017/18 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's financial statements including the group accounts, in accordance with International Financial Reporting Standards and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2017/18 ("the Code"); in particular the Authority and group financial statements are fairly presented in accordance therewith.
- ii We have complied with the requirements of all statutory directions affecting the Authority and 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 group and Authority financial statements in the event of non-compliance. There has been no non-compliance with requirements of any regulatory authorities that could have a material effect on the Authority and group financial statements in the event of non-compliance.
- iv We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
- v Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- vi Except as disclosed in the Authority and group financial statements:

Merseyside Recycling and Waste Authority is the public facing name for Merseyside Waste Disposal Authority, which is a statutory Joint Waste Disposal Authority under the Local Government Act 1985

- 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.
- vii 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.
- viii Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards and the Code.
- ix All events subsequent to the date of the Authority and group financial statements and for which International Financial Reporting Standards and the Code require adjustment or disclosure have been adjusted or disclosed.
- x 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.
- The Authority and group financial statements are free of material misstatements, including omissions.
- xi Actual or possible litigation and claims have been accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards.
- xii 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.
- xiii 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.
- xiv Any other matters that the auditor may consider appropriate.

Information Provided

- xv We have provided you with:

Merseyside Recycling and Waste Authority is the public facing name for Merseyside Waste Disposal Authority, which is a statutory Joint Waste Disposal Authority under the Local Government Act 1985



MERSEYSIDE RECYCLING & WASTE AUTHORITY

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

- 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 from whom you determined it necessary to obtain audit evidence.
- xvi We have communicated to you all deficiencies in internal control of which management is aware.
- xvii All transactions have been recorded in the accounting records and are reflected in the Authority and group financial statements.
- xviii 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.
- xix We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the Authority and group and involves:
- a. management;
 - b. employees who have significant roles in internal control; or
 - c. others where the fraud could have a material effect on the Authority and group financial statements.
- xx We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the Authority and group's financial statements communicated by employees, former employees, analysts, regulators or others.
- xxi We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.
- xxii We have disclosed to you the identity of the Authority and group's related parties and all the related party relationships and transactions of which we are aware.
- xxiii 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

- xxvi 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 Report

- i The disclosures within the Narrative Report fairly reflect our understanding of the Authority and group financial and operating performance over the period covered by the Authority and group financial statements.

Merseyside Recycling and Waste Authority is the public facing name for Merseyside Waste Disposal Authority, which is a statutory Joint Waste Disposal Authority under the Local Government Act 1985



Approval

The approval of this letter of representation was minuted by the Authority's meeting on 27 July 2018.

Yours faithfully

Name.....

Position.....

Date.....

Name.....

Position.....

Date.....

Signed on behalf of Merseyside Waste Disposal Authority

NOTE

The subsidiary undertakings included within the Group accounts of Merseyside Waste Disposal Authority are, Mersey Waste Holdings Limited and Bidston Methane Limited.

Merseyside Recycling and Waste Authority is the public facing name for Merseyside Waste Disposal Authority, which is a statutory Joint Waste Disposal Authority under the Local Government Act 1985