

AUDITOR REPORTS
WDA/13/25

Recommendation

That Members:

1. Note the auditor's reports; and
2. Note the response of the Authority's Senior Leadership Team.
3. Note the External Audit Plan in respect of the 2024-25 accounts

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AUDITOR REPORTS**WDA/13/25****Report of the Director of Finance****1. Purpose of the Report**

- 1.1 The Authority is statutorily required to prepare a Statement of Accounts that complies with proper accounting practices. The auditor carries out their review and gives an opinion on the statement of accounts.
- 1.2 The audit of the accounts have been delayed for some time.
- 1.3 Members are asked to note the auditor's reports on the accounts audit for 2023-24 together with the response of the Authority's Senior Leadership Team.
- 1.4 Members are also asked to note the proposed external audit plan in respect 2024-25.

2. Background

- 2.1 The Authority has been working with the auditor on the statements of accounts for 2018-19 for some time. There have been a number of problems and as a consequence the audit for that year and subsequent years has not been completed.
- 2.2 The Government has confirmed that those statements of accounts where the audit remains outstanding shall receive a disclaimer of audit opinion which enables the subsequent audit process to move forward again.
- 2.3 The appendices to this report provide the Auditor's report on their work on the statements for 2023-24 together with the response of the Authority's Senior Leadership Team. The appendices also provide the opinion the auditor has been directed to provide, which is a disclaimer of opinion.

3. The Statements of Accounts

- 3.1 The audit of the Authority's accounts for 2018-19 were delayed and the Authority and the auditor have been working together for some time to try to catch up with the work and to enable the accounts for that year and subsequent years to be finalised

- 3.2 The delays in the statement of accounts have been reported to Members at each meeting of the Authority as required by the Auditor's recommendations to the Authority.

4. Audit reports

- 4.1 The auditor has issued a report on the work they have carried out for the 2023-24 audit. The report is attached at Appendix 1 to this report. The report contains recommendations for improvements that management have reviewed and for the most part accepts.
- 4.2 The response of the Authority's Senior Leadership Team to the report including an outline of progress to date is contained at Appendix 2.
- 4.3 Appendix 3 contains the proposed External Audit plan in respect of 2024/25. This includes the approach in respect of the following:
- Identified Risks
 - Approach to the Group accounts
 - Approach to materiality
 - Approach to auditing Value for Money arrangements
 - Proposed timetable envisaging signing the accounts shortly after an Audit & Governance Committee meeting to be held in January 2026.
 - Proposed audit fee of £166,059 (increased from £152,759 in respect of 2022-23)

5. Risk Implications

- 5.1 The risk implications are outlined within Appendix 1, External Audit annual report. Failure to adequately address these will mean the Authority cannot demonstrate compliance with statutory requirements nor effective stewardship of public money.
- 5.2 The response outlining how the Authority's Senior Leadership is addressing the points raised, including progress to date, is attached at Appendix 2.

6. HR Implications

- 6.1 There are no HR implications.

7. Environmental Implications

- 7.1 There are no environmental implications.

8. Financial Implications

- 8.1 The audit costs are set out in the audit report and will be included in the

Authority's revised estimates for 2024-25.

9. Legal Implications

- 9.1 The Authority will comply with its legal obligation regarding the statement of accounts. This will allow the Auditor to provide a disclaimer of audit opinion and certificate, for each of the audit years as required by Government.

10. Conclusion

- 10.1 Members are therefore requested to note the Auditor's reports.
- 10.2 Members are also requested to note the response of the Authority's Senior Leadership Team.

The contact officer for this report is: Chris Kelsall
7th Floor, Number 1 Mann Island, Liverpool, L3 1BP

Email: Chris.Kelsall@merseysidewda.gov.uk

Tel: 0151 255 2542

Fax: 0151 227 1848

The background documents to this report are open to inspection in accordance with Section 100D of The Local Government Act 1972

Appendices

Appendix 1: Auditor's Report

Appendix 2: Authority's Senior Leadership Team's Response

Appendix 3: External Audit Plan for 2024-25.