

Independent auditor's report to the members of Merseyside Recycling & Waste Authority

Audit completion

Disclaimer of opinion on the financial statements

In our auditor's report, issued on 12 February 2026, for Merseyside Recycling & Waste Authority (the 'Authority') for the year ended 31 March 2025, we reported a disclaimer of opinion on the Authority and Group's financial statements.

We explained that we could not formally conclude the audit and issue the audit certificate for the Authority for the year ended 31 March 2025, in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice, until we had received confirmation from the National Audit Office (NAO) that the audit of the Whole of Government Accounts (WGA) is complete for the year ended 31 March 2025. The NAO has now concluded their work in respect of WGA for the year ended 31 March 2025 and confirmed that audit certificates held open in relation to this can be issued. We are therefore satisfied all audit work necessary has been completed.

Report on other legal and regulatory requirements – the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception – the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025.

In our auditor's report for the year ended 31 March 2025 issued on 12 February 2026 we reported that:

We have nothing to report in respect of whether the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025, except that on 29 May 2025 we identified a significant weakness in the Authority's governance arrangements. This related to the Authority's financial ledger system, hosted by St Helens Borough Council, which transferred to a new system on 1 April 2024. We noted that the transition to the new financial ledger system had interrupted the regular reporting of budget variances on a quarterly basis in 2024/25, indicating a weakness in governance arrangements. We recommended that the Authority, as a matter of priority, work with St Helens Borough Council to resolve the coding issues that have arisen following the implementation of the new ledger system. This has impacted the Authority's ability to monitor and report budget variances effectively during 2024/25. No matters have come to our attention since that date that would have resulted in any additional exception reporting on the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025.

Report on other legal and regulatory requirements – audit certificate

We certify that we have completed the audit of Merseyside Recycling & Waste Authority for the year ended 31 March 2025 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

Use of our report

This report is made solely to the members of the Authority, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 85 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the Authority's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent

permitted by law, we do not accept or assume responsibility to anyone other than the Authority and the Authority's members as a body, for our audit work, for this report, or for the opinions we have formed.

Elizabeth Luddington

Elizabeth Luddington, Key Audit Partner

for and on behalf of Grant Thornton UK LLP, Local Auditor

Manchester

22 September 2026