Interim Audit Findings for Merseyside Recycling and Waste Authority

Year ended 31 March 2026

11 November 2026

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Dear Members of the Audit and Governance Committee

Interim Audit Findings for Merseyside Recycling and Waste Authority for the year ending 31 March 2026

This Audit Findings presents the observations arising from the audit that are significant to the responsibility of those charged with governance to oversee the financial reporting process and confirmation of auditor independence, as required by International Standard on Auditing (UK) 260. Its contents have been discussed with management.

As auditor we are responsible for performing the audit, in accordance with International Standards on Auditing (UK), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities for the preparation of the financial statements.

The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed for the purpose of expressing our opinion on the financial statements. Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify control weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all defalcations or other irregularities, or to include all possible improvements in internal control that a more extensive special examination might identify. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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We encourage you to read our transparency report which sets out how the firm complies with the requirements of the Audit Firm Governance Code and the steps we have taken to manage risk, quality and internal control particularly through our Quality Management Approach. The report includes information on the firm's processes and practices for quality control, for ensuring independence and objectivity, for partner remuneration, our governance, our international network arrangements and our core values, amongst other things. This report is available at transparency-report-2025-.pdf (grantthornton.co.uk).

We would like to take this opportunity to record our appreciation for the kind assistance provided by the finance team and other staff during our audit.

Elizabeth Luddington

Director
For Grant Thornton UK LLP

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Headlines

This page and the following summarises the key findings and other matters arising from the statutory audit of Merseyside Recycling and Waste Authority (the 'Authority') and the preparation of the group and Authority's financial statements for the year ended 31 March 2026 for the attention of those charged with governance.

Financial statements

Under International Standards of Audit (UK) (ISAs) and the National Audit Office (NAO) Code of Audit Practice (the 'Code'), we are required to report whether, in our opinion:

- the group and Authority's financial statements give a true and fair view of the financial position of the group and Authority and the group and Authority's income and expenditure for the year; and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting and prepared in accordance with the Local Audit and Accountability Act 2014.

We are also required to report whether other information published together with the audited financial statements (including the Annual Governance Statement (AGS), and Narrative Report), is materially consistent with the financial statements and with our knowledge obtained during the audit, or otherwise whether this information appears to be materially misstated.

As of this report's date, we have concluded several areas of our audit work, detailing the findings in the body of this report. For work not yet concluded, we have highlighted the work undertaken to date, and any findings or recommendations.

Our work is substantially complete; however, completion remains subject to:

- completion of outstanding audit procedures in relation to creditors, Property, Plant and Equipment (PPE), PFI, contract expenditure, payroll (employee benefit expenditure), deferred income, fees and charges income, and reserves, together with the resolution of any remaining audit queries;
- review of supporting information for capital commitments, completion of related party procedures, and completion of regaining assurance work;
- final audit file reviews by the Engagement Manager and Engagement Lead.
- receipt of the Letter of Representation; and
- review of final signed set of financial statements.

There is one unadjusted misstatement, which exceeds triviality and is reported on page 25. We have identified some recommendations for management, which can be found alongside our follow-up of prior year recommendations, on pages 28 to 32.

Subject to finalisation of our regaining assurance work, we will have obtained sufficient appropriate audit evidence over opening reserves. This represents progress from the prior year's disclaimer of opinion. However, because assurance over the opening LGPS balance was not obtained, we anticipate the need to qualify our opinion. Our anticipated opinion is a qualified "except for" opinion, on the basis that, except for the possible effects of the matter described above, the financial statements give a true and fair view. Following the triennial revaluation, we anticipate this qualification will not apply to the 2026/27 financial statements.

We have concluded that the other information, including the Annual Governance Statement, is consistent with our knowledge of the Authority and the audited financial statements.

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Headlines (continued)

Value for money (VFM) arrangements

Under the National Audit Office (NAO) Code of Audit Practice (the 'Code'), we are required to consider whether the Authority has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. Auditors are required to report in more detail on the Authority's overall arrangements, as well as key recommendations on any significant weaknesses in arrangements identified during the audit.

Auditors are required to report their commentary on the Authority's arrangements under the following specified criteria:

- Governance
- Financial sustainability
- Improving economy, efficiency and effectiveness

We have completed our VFM work. A summary is provided on page 33, with detailed commentary in the separate Auditor's Annual Report presented alongside this report. We are satisfied that the Authority has made proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

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Headlines

Statutory duties

The Local Audit and Accountability Act 2014 (the 'Act') also requires us to:

- report to you if we have applied any of the additional powers and duties ascribed to us under the Act
- certify the closure of the audit.

We have not exercised any of our additional statutory powers or duties.

We have completed the majority of our work required under the Code (see page 5 for a list of work still outstanding). However, we cannot formally conclude the audit and issue an audit certificate in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice until we have received group audit instructions from the NAO and until we have confirmation from the NAO that the group audit (Whole of Government Accounts) has been certified by the Comptroller and Auditor General, and therefore no further work is required to be undertaken in order to discharge the auditor's duties in relation to consolidation returns under paragraph 2.11 of the Code.

We are satisfied that this work does not have a material effect on the financial statements for the year ended 31 March 2026.

Significant matters

We did not encounter any significant difficulties or identify any significant matters arising during our audit.

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Headlines

Local audit recovery

In our audit report for the year ended 31 March 2025, we issued a disclaimer of opinion. This arose because disclaimer opinions had also been issued for the financial years 2019/20 to 2023/24 as a consequence of the backstop legislation. While we were able to undertake a full audit of the 2024/25 financial statements and obtain partial assurance over the majority of in-year transactions and closing balance sheet balances, we were unable to obtain sufficient appropriate audit evidence in respect of the Authority's opening balances. Accordingly, a disclaimer of opinion was issued for the year ended 31 March 2025. Consequently, we were unable to satisfy ourselves over the in-year movements in the net pension liability and property, plant and equipment or obtain assurance over the Authority's closing reserves balance due to the uncertainty over their opening amount.

Our aim for the 2025/26 audit has been to continue with rebuilding assurance, therefore our focus has been on rebuilding assurance where required, e.g. performing additional work on the opening reserves.

We have discussed and agreed the strategy and trajectory for rebuilding assurance, with management (Section 73 Officer), details of the assurance buildback plan can be found within Regaining Assurance Strategy for Merseyside Recycling and Waste Authority Report presented to the Audit and Governance Committee in June 2026. We will continue to work in accordance with this plan, with the Authority's ongoing support and cooperation.

We have made a good start on regaining assurance and intend to complete this work before the 29 January 2027 backstop deadline.

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Group audit

In accordance with ISA (UK) 600 Revised, as group auditor we are required to obtain sufficient appropriate audit evidence regarding the financial information of the components and the consolidation process to express an opinion on whether the group financial statements are prepared, in all material respects, in accordance with the applicable financial reporting framework.

The table below summarises our final group scoping, as well as the status of work on each component.

Component	Risk of material misstatement to the group	Scope – planning	Scope – final	Auditor	Key Audit Partner / Responsible Individual	Status	Comments
Merseyside Recycling & Waste Authority	Yes			Grant Thornton UK LLP	Elizabeth Luddington	●	Audit of the Authority is outlined in this report.
Mersey Waste Holdings Limited	Yes			Group auditor (Grant Thornton UK LLP) performed the work	Elizabeth Luddington	●	Our assessment of this component identified two items which were material for our group audit scoping. Those balances, cash and pensions, are being audited by the group team at the group level.

Key

Scope 1	Audit of entire financial information of the component, either by the group audit team or by component auditors (full-scope)
Scope 2	Specific audit procedures designed by the group auditor (specific scope)
Scope 3	Specific audit procedures designed by a component auditor (specific scope)
Out of scope	Out of scope components are subject to analytical procedures performed by the Group audit team to group materiality.
●	Planned procedures are substantially complete with no significant issues outstanding.
●	Planned procedures are ongoing/subject to review with no known significant issues.
●	Planned procedures are incomplete and/or significant issues have been identified that require resolution.

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Our approach to materiality

As communicated in our Audit Plan dated 22 April 2026, we determined materiality at the planning stage as £1.918 million and group materiality as £1.921 million based on 2% of prior year gross expenditure. At year-end, we have reconsidered planning materiality based on the draft financial statements. We have amended our materiality levels from those communicated to you in the Audit Plan. This is due to the 25/26 gross expenditure being significantly different from the prior year value applied when setting planning materiality.

A recap of our approach to determining materiality is set out below.

Basis for our determination of materiality

We have determined materiality at £2.110 million and group materiality at £2.111 million based on professional judgement in the context of our knowledge of the Authority and the group, including consideration of factors such as stakeholder expectations, industry developments and reporting requirements for the financial statements.

We have used 2% of gross expenditure as the basis for determining materiality. In determining materiality, we considered the Authority's ownership structure, control environment, and the nature of its operating environment.

Performance materiality

We have determined performance materiality at £1.055 million for the Authority and £1.056 million for the Group, representing 50% of their respective overall materiality levels.

Performance materiality has been revised from the level established at the planning stage following a significant change in actual gross expenditure compared with that anticipated during planning. As a result, we reassessed and updated our materiality calculations to reflect the final financial results for the year.

Specific materiality

Given public interest in senior officer remuneration disclosures we set a lower materiality level for this area. We design procedures to detect errors in specific accounts at a lower level of precision which we have determined to be applicable for senior officer remuneration disclosures. We evaluate errors in this disclosure for both quantitative and qualitative factors against this lower level of materiality.

The lower materiality level amounts to £0.012m and the performance materiality is set at a measurement percentage of 50% which amounts to £0.006m.

Reporting threshold

We will report to you all misstatements identified in excess of £0.105 million, in addition to any matters considered to be qualitatively material.

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Our approach to materiality

A summary of our approach to determining materiality is set out below.

Description	Group (£)	Authority (£)	Qualitative factors considered
Materiality for the financial statements	2.111m	2.110m	In determining materiality, we have considered the level of misstatement that could reasonably be expected to influence the economic decisions of users of the financial statements. Group materiality has been calculated at 2% of the Group's gross expenditure for the year ended 31 March 2026. Authority materiality has also been set at 2% of the Authority's gross expenditure for the year ended 31 March 2026, at a level below Group materiality to support the audit of the Group financial statements.
Performance materiality	1.056m	1.055m	Group performance materiality has been determined at 50% of materiality (Group: £0.961m; Authority: £1.055m). In setting performance materiality, we considered: • the level of external interest in the Authority's financial statements; • the lack of brought-forward assurance over the net pension liability and associated reserves; and • the significant number of audit adjustments and findings identified during the prior year audit.
Specific materiality for senior officer remuneration	-	0.012m	This balance is material by nature due to the sensitivity of the disclosure. This reflects public interest in the pay of senior officers in the public sector. Materiality has been set at £0.012m based on 2.5% of Senior Officer expenditure in the draft 2025/26 financial statements.
Reporting threshold	0.106m	0.105m	The amount below which matters would be considered trivial to the reader of the financial statements.

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Overview of audit risks

The below table summarises the significant risks discussed in more detail on the subsequent pages.

Significant risks are defined by ISAs (UK) as an identified risk of material misstatement for which the assessment of inherent risk is close to the upper end of the spectrum due to the degree to which risk factors affect the combination of the likelihood of a misstatement occurring and the magnitude of the potential misstatement if that misstatement occurs.

Other risks are, in the auditor's judgement, those where the risk of material misstatement is lower than that for a significant risk, but they are nonetheless an area of focus for our audit.

Risk title	Risk level	Change in risk since Audit Plan	Fraud risk	Level of judgement or estimation uncertainty	Status of work
Management override of controls	Significant	↔	✓	Low	G
The revenue cycle includes fraudulent transactions	Rebutted significant risk	↔	✓	Low	TBC
The expenditure cycle includes fraudulent transactions	Rebutted significant risk	↔	✓	Low	TBC
Closing valuation of land and buildings	Significant	↔	✗	High	TBC
Valuation of the pension fund net asset/ liability	Significant	↔	✗	High	G

↑ Assessed risk increase since Audit Plan
↔ Assessed risk consistent with Audit Plan
↓ Assessed risk decrease since Audit Plan

G Not likely to result in material adjustment or change to disclosures within the financial statements
A Potential to result in material adjustment or significant change to disclosures within the financial statements
R Likely to result in material adjustment or significant change to disclosures within the financial statements

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Significant risks

Risk identified	Audit procedures performed	Key observations
Management override of controls Under ISA (UK) 240, there is a non-rebuttable presumption that the risk of management override of controls is present in all entities. We have therefore identified management override of controls, in particular journals, management estimates and transactions outside the course of business as a significant risk of material misstatement.	We have: • gained an understanding of the accounting estimates and critical judgements applied by management and consider their reasonableness with regard to corroborative evidence; • reviewed unusual significant transactions; • made enquiries of finance staff regarding their knowledge of potential instances of management override of controls; • evaluated the design and implementation of controls; • analysed the journals listing and determined the criteria for selecting high risk unusual journals; • tested unusual journals recorded during the year and after the draft accounts stage for appropriateness and corroboration.	In performing the procedures, we identified a population of journals to test using data analytic software to analyse journal entries and to split large batch journals into smaller sets of transactions that support targeted testing based on specific risk criteria assessed by the audit team. These criteria included: • Journals posted on the year-end date of 31 March 2026 with a document type of 'manual accrual' or 'general journal' and a value exceeding performance materiality. • Journals posted outside of the fiscal year; • Journals posted by senior management Application of these routines and supplementary procedures identified a total sample of 65 journals to test. Our audit work has not identified any issues relating to management override of controls. No material adjustments or findings were identified from the journal testing completed, and we are satisfied that the judgements made by management are appropriate and have been applied using a consistent methodology.

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Significant risks

Risk identified	Audit procedures performed	Key observations
The revenue cycle includes fraudulent transactions – risk rebutted Under ISA (UK) 240 there is a rebuttable presumed risk that revenue may be misstated due to the improper recognition of revenue. We have identified and completed a risk assessment of all revenue streams for the Authority. We have rebutted the presumed risk that revenue may be misstated due to the improper recognition of revenue for all revenue streams (Fees, charges and other service income, interest from levy and Interest income) We have assessed these revenue streams, and we have rebutted the risk of fraud in revenue recognition for revenue streams this is due to the low fraud risk in the nature of the underlying transactions, or immaterial nature of the revenue streams both individually and collectively.	We have: • reviewed the Authority's accounting policy for income recognition and assessed its appropriateness and compliance with the CIPFA Code of Practice on Local Authority Accounting; • updated our understanding of the systems, processes and controls in place for accounting for income and evaluated the design of key controls; • tested a sample of income transactions and year-end debtor and income accrual balances, agreeing amounts to invoices, cash receipts and other supporting documentation; and • tested a sample of invoices raised immediately before and after 31 March 2026 to assess whether income had been recognised in the appropriate accounting period in accordance with the amounts billed to the relevant parties.	Whilst revenue recognition was not identified as a significant risk, we have carried out standard audit procedures and tested material revenue streams to gain assurance over this area. Our audit work completed to date has not identified any instances of fraudulent revenue recognition or inaccurate cut-off of revenue recorded around the year end. It therefore remains appropriate to rebut the presumed risk of fraud in revenue recognition. However, our conclusion remains subject to completion of testing in respect of deferred income and fees and charges income. We are awaiting management's response and the provision of supporting information required to conclude our testing in these areas.

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Significant risks

Risk identified	Audit procedures performed	Key observations
The expenditure cycle includes fraudulent transactions – risk rebutted Practice Note 10 (PN10) states that as most public bodies are net spending bodies, then the risk of material misstatements due to fraud related to expenditure may be greater than the risk of material misstatements due to fraud related to revenue recognition. As a result under PN10, there is a requirement to consider the risk that expenditure may be misstated due to the improper recognition of expenditure. We have identified and completed a risk assessment of all expenditure streams for the Authority. We have considered the risk that expenditure may be misstated due to the improper recognition of revenue for all expenditure streams and concluded that there is not a significant risk. We have rebutted the presumed risk that expenditure may be misstated due to the improper recognition of expenditure for all expenditure streams due to the low fraud risk in the nature of the underlying transactions, or the immaterial nature of the expenditure streams both individually and collectively.	We have: • evaluated the Authority's accounting policy for the recognition of expenditure and assessed its appropriateness and compliance with the Code; • updated our understanding of the Authority's processes for ensuring the completeness of expenditure and evaluated the design and implementation of the associated controls; • agreed a sample of expenditure transactions, year-end creditors and accruals to supporting invoices and other relevant evidence to assess the accuracy and completeness of expenditure recognition; • tested a sample of invoices received immediately before and after 31 March 2026 to determine whether expenditure had been recognised in the appropriate accounting period; and • performed focused substantive testing of contract payments, including agreement to underlying contracts and approved rates, to assess whether expenditure had been accurately calculated, appropriately authorised and recorded in the correct accounting period.	Whilst expenditure recognition was not identified as a significant risk, we have carried out standard audit procedures and tested material expenditure streams to gain assurance over this area. Our audit work has not identified any instances of fraudulent expenditure recognition or inaccurate cut-off of expenditure recorded around the year end. It therefore remains appropriate to rebut the presumed risk of fraud in expenditure recognition. Our conclusion remains subject to receipt and review of additional payroll data relating to months currently omitted from the employee benefits expenditure population, which is required to conclude our testing in this area.

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Significant risks

Risk identified	Audit procedures performed	Key observations
Closing Valuation of Land and Buildings The valuation of land and buildings represents a significant estimate in the financial statements. It is considered a significant estimate due to its size, complexity and sensitivity to changes in key assumptions. We have therefore identified it as a significant risk for the audit. The CIPFA/LASAAC Code of Practice for 2025/26 requires all non-current assets to be subject to a full valuation on a rolling five-year basis, with indexation applied in the intervening years between full valuations. The Authority has adopted this updated requirement for 2025/26 and will be applying indexation to property, plant and equipment in periods where a full valuation has not been undertaken. This represents the first year in which the Authority has applied the revised approach under the Code.	We have: • documented our understanding of management's process and controls relating to the calculation of the estimate; • evaluated the competence, capabilities and objectivity of management's expert; • evaluated the consistency of the financial statement disclosures with the valuation report; • evaluated the basis on which the valuations were undertaken; • evaluated the information and assumptions used by the valuer; • evaluated the accounting entries arising from the valuation; • assessed the reasonableness of the key assumptions used in deriving the estimate; and • evaluated the appropriateness of the key indices applied by the Authority and assessed the basis of the related accounting entries.	Our audit work in this area is substantially complete, with a small number of procedures remaining in progress. Based on the work completed to date, the valuations prepared by the Authority's valuer have been supported by reasonable assumptions, including floor and site plans, building rate costs and the rationale for obsolescence factors applied. Our testing of management's indexation adjustments has not identified any issues, with the indices applied agreeing to underlying BCIS source data. Our review of the asset register identified a small number of assets with a nil net book value, and sample testing completed to date has identified assets that remain in operational use. We continue to recommend that management reviews asset useful lives to ensure these remain appropriate. Based on the audit work completed to date, we have not identified any matters that indicate the Authority's Property, Plant and Equipment balance is materially misstated. During our review of the accounting for revaluations, we identified a small number of trivial misstatements which management has subsequently corrected. Our conclusion remains subject to the satisfactory completion of the remaining audit procedures.

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Significant risks

Risk identified	Audit procedures performed	Key observations
Valuation of the pension fund net pension liability The valuation of the pension fund net liability represents a significant estimate in the financial statements. The net pension liability is considered a significant estimate due to the complexity of the actuarial valuation and the significant judgements involved in determining both the LGPS asset ceiling adjustment and discretionary benefits obligation. At 31 March 2026, the Authority reported a nil net LGPS liability following the application of an asset ceiling adjustment of £5.457m, together with a discretionary benefits liability of £0.060m. Given the sensitivity of these valuations to changes in key actuarial assumptions, we identified the valuation of the net pension liability as a significant risk for the audit. (continued on following page)	We have: • updated our understanding of the processes and controls put in place by management to ensure that the Authority's pension fund net liability is not materially misstated and evaluated the design of the associated controls; • evaluated the instructions issued by management to their management expert (an actuary) for this estimate and the scope of the actuary's work; • assessed the competence, capabilities and objectivity of the actuary who carried out the Authority's pension fund valuation; • assessed the accuracy and completeness of the information provided by the Authority to the actuary to estimate the liability; • tested the consistency of the pension fund asset and liability and disclosures in the notes to the core financial statements with the actuarial report from the actuary;	Our work in this area is complete. We requested assurances from the auditor of Merseyside LGPS as to the controls surrounding the validity and accuracy of membership data; contributions data and benefits data sent to the actuary by the pension fund and the fund assets valuation in the pension fund financial statements. We have now received these assurances from the pension fund auditor. From the Pension Fund auditors work and report it was found that there was an understatement of the pension funds assets of £17.7m. The Authority has a 0.23% share of the total assets of Merseyside LGPS which is £40k understatement. This error has no impact on the balance sheet given the asset ceiling restriction and is disclosure only. As noted on page 5, subject to finalisation of our regaining assurance work, we will have obtained sufficient appropriate audit evidence over opening reserves. This represents progress from the prior year's disclaimer of opinion. However, because assurance over the opening LGPS balance was not obtained, we anticipate the need to qualify our opinion. Our anticipated opinion is a qualified "except for" opinion, on the basis that, except for the possible effects of the matter described above, the financial statements give a true and fair view. Following the triennial revaluation, we anticipate this qualification will not apply to the 2026/27 financial statements.

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Significant risks

Risk identified	Audit procedures performed	Key observations
Valuation of the pension fund net pension liability (continued)	• undertaken procedures to confirm the reasonableness of the actuarial assumptions made by reviewing the report of the consulting actuary (as auditor's expert) and performing any additional procedures suggested within the report, including confirmation of the scope of the actuary's work and whether the application of IFRIC 14 has been considered;	During the audit, we identified a small number of typographical and transposition errors within the pension disclosures. In addition, the Authority received revised IAS 19 pension accounting calculations for the Group from Mercer, reflecting updates to the pension scheme accounting figures for Mersey Waste Holdings Limited. The resulting amendments were below our triviality threshold. All identified disclosure amendments were subsequently corrected by management. The assumptions used in calculating the net pension liability were considered to be in line with our expectations, and we did not identify any issues with the estimation process. We confirmed that the Authority had appropriately considered and calculated the asset ceiling. Based on the audit work performed, we have not identified any issues in respect of the valuation of the net pension liability.

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Other findings – significant matters

Issue	Commentary
Significant events or transactions that occurred during the year	No such events or transactions were identified.
Business conditions affecting the Authority, and business plans and strategies that may affect the risks of material misstatement	No such conditions were identified.
Concerns about management's consultations with other accountants on accounting or auditing matters	No such conditions were identified.
Discussions or correspondence with management in connection with the initial or recurring appointment of the auditor regarding accounting practices, the application of auditing standards, or fees for audit or other services	No such discussions were held.
Significant matters on which there was disagreement with management, except for initial differences of opinion because of incomplete facts or preliminary information that are later resolved by the auditor obtaining additional relevant facts or information	No such matters were identified.
Other matters that are significant to the oversight of the financial reporting process	Control deficiencies and follow ups of prior year deficiencies are included on pages 29 to 32.
Prior period adjustments (PPA) identified	There were two small PPAs, which are below our triviality level, £64k for recognising an intangible asset and £19k linked to an IAS19 pension adjustment.

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Other findings – Information Technology

This section summarises the results of our assessment of the Information Technology (IT) environment and the related controls, including our consideration of IT-dependent business process controls relevant to the financial statement audit. The table below sets out the overall IT General Controls (ITGC) rating for each key IT application and the ratings assigned to the individual control domains assessed.

The Unit4 ERP system, operated by St Helens Metropolitan Borough Council (MBC) under a shared services arrangement, is used by Merseyside Recycling and Waste Authority (MRWA) for all financial processing. As MRWA does not maintain its own IT environment, the design, implementation and operating effectiveness of the IT general controls within Unit4 are key to supporting the integrity of financial reporting.

Testing of the relevant IT general controls, including access management, change management and data migration controls, was undertaken by the St Helens MBC audit engagement team. The audit work was performed at St Helens, where the application is hosted and administered, with the results and findings reported separately for MRWA. We did not perform any additional standalone ITGC testing at MRWA and instead relied on the work performed by the St Helens audit team, reviewing the outputs and conclusions relevant to MRWA.

			ITGC control area rating			
IT application	Level of assessment performed	Overall ITGC rating	Security management	Technology acquisition, development and maintenance	Technology infrastructure	Related significant risks/other risks
Unit 4	ITGC assessment (design and implementation effectiveness only)	Green	Green	Green	Not in Scope	Management override of controls
Cognos	ITGC assessment (design and implementation effectiveness only)	Amber	Amber	Amber	Amber	Management override of controls/expenditure

Assessment:
- [Red] Significant deficiencies identified in IT controls relevant to the audit of financial statements
- [Amber] Non-significant deficiencies identified in IT controls relevant to the audit of financial statements/significant deficiencies identified but with sufficient mitigation of relevant risk
- [Green] IT controls relevant to the audit of financial statements judged to be effective at the level of testing in scope
- [Black] Not in scope for assessment

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Other communication requirements

Issue	Commentary
Matters in relation to fraud	• We have previously discussed the risk of fraud with the Audit and Governance Committee. We have not been made aware of any incidents in the period and no other issues have been identified during the course of our audit procedures
Matters in relation to related parties	• We have raised a recommendation in respect of related parties as not all declarations were requested on a timely basis and/or subject to sufficient quality review and we have not yet received all of them.
Matters in relation to laws and regulations	• The principal laws and regulations with which the local authority complies include, the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015, the Accounts and Audit (Amendment) Regulations 2024 and the Local Government Act 2003. We are not aware of any significant incidences of non-compliance.
Written representations	• A letter of representation will be requested from management. The only additional representation is in respect of the completeness of prior period adjustments.
Confirmation requests from third parties	• We requested from management permission to send confirmation requests to the Authority's banking and treasury partners. This permission was granted and the requests were sent. All these requests were returned with positive confirmations.
Disclosures	• Our review identified one material disclosure omission within the draft financial statements, relating to the absence of a grant income note and corresponding accounting policy. Management has subsequently amended the financial statements to address this omission. Details of the disclosure finding and management's amendment are set out on page 26 and 27 of this report.
Significant difficulties	• All information and explanations requested from management were provided.
Other matters	• There are no other matters to bring to your attention.

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Other responsibilities

Issue	Commentary
Going concern	In performing our work on going concern, we have had reference to Statement of Recommended Practice – Practice Note 10: Audit of financial statements of public sector bodies in the United Kingdom (Revised 2024). The Financial Reporting Council recognises that for particular sectors, it may be necessary to clarify how auditing standards are applied to an entity in a manner that is relevant and provides useful information to the users of financial statements in that sector. Practice Note 10 provides that clarification for audits of public sector bodies. Practice Note 10 sets out the following key principles for the consideration of going concern for public sector entities: • The use of the going concern basis of accounting is not a matter of significant focus of the auditor's time and resources because the applicable financial reporting frameworks envisage that the going concern basis for accounting will apply where the entity's services will continue to be delivered by the public sector. In such cases, a material uncertainty related to going concern is unlikely to exist, and so a straightforward and standardised approach for the consideration of going concern will often be appropriate for public sector entities • For many public sector entities, the financial sustainability of the reporting entity and the services it provides is more likely to be of significant public interest than the application of the going concern basis of accounting. Our consideration of the Authority's financial sustainability is addressed by our value for money work, which is covered elsewhere in this report. (continued)

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Other responsibilities

Issue	Commentary
Going concern	Practice Note 10 states that if the financial reporting framework provides for the adoption of the going concern basis of accounting on the basis of the anticipated continuation of the provision of a service in the future, the auditor applies the continued provision of service approach set out in Practice Note 10. The financial reporting framework adopted by the Authority meets this criteria, and so we have applied the continued provision of service approach. In doing so, we have considered and evaluated: • the nature of the Authority and the environment in which it operates • the Authority's financial reporting framework • The Authority's system of internal control for identifying events or conditions relevant to going concern • management's going concern assessment. On the basis of this work, we have obtained sufficient appropriate audit evidence to enable us to conclude that: • a material uncertainty related to going concern has not been identified; and • management's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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Other responsibilities

Issue	Commentary
Other information	We are required to give an opinion on whether the other information published together with the audited financial statements (including the Annual Governance Statement and Narrative Report), is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. During our review of the Narrative Statement, we identified a small number of inconsistencies and presentational matters, including differences between narrative disclosures and the audited financial statements in relation to earmarked reserves and capital expenditure, together with a presentation issue affecting the reporting of the revenue outturn. Management reviewed these matters, provided clarification where appropriate, and amended the Narrative Statement where necessary to ensure consistency with the financial statements. Further details are provided on page 27 of this report.
Matters on which we report by exception	We are required to report on matters by exception in a number of areas: • if the Annual Governance Statement does not comply with disclosure requirements set out in CIPFA/SOLACE guidance or is misleading or inconsistent with the information of which we are aware from our audit • if we have applied any of our statutory powers or duties • where we are not satisfied in respect of arrangements to secure value for money and have reported [a] significant weakness/es. We have nothing to report on these matters following a small number of amendments detailed on page 27.
Specified procedures for Whole of Government Accounts	We are required to carry out specified procedures (on behalf of the NAO) on the Whole of Government Accounts (WGA) consolidation pack under WGA group audit instructions. Whilst further detailed work is not currently expected, as the Authority has not historically exceeded the NAO threshold for detailed testing, we are awaiting the receipt of WGA group audit instructions and confirmation of any procedures required.
Certification of the closure of the audit	We cannot formally conclude the audit and issue an audit certificate in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice until we have completed the work necessary in relation to the Whole of Government Accounts consolidation returns and confirmation has been received from the NAO that the group audit (Whole of Government Accounts) has been certified by the Comptroller and Auditor General (C&AG), and therefore no further work is required to be undertaken in order to discharge our duties as auditors in relation to consolidation returns under paragraph 2.11 of the Code.

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Audit adjustments

We are required to report all non-trivial misstatements to those charged with governance, whether or not the accounts have been adjusted by management.

Impact of adjusted misstatements

No adjusted misstatements have been identified at the date of issuing our report.

Impact of unadjusted misstatements

The table below provides details of adjustments identified during the audit which have not been made within the final set of financial statements. The Audit and Governance Committee is required to approve management's proposed treatment of all items recorded within the table below.

Detail	Comprehensive Income and Expenditure Statement £'000	Balance Sheet £'000	Impact on surplus/deficit of the provision of services £'000	Impact on general fund £'000	Managements reason for not adjusting
Omission of accrued interest on borrowings Interest accrued at year end on PWLB, LOBO and EIP loans was not recognised within the financial statements, resulting in an understatement of accrued liabilities and expenditure of £190,115.	(190)	190	(190)	0	Management consider the misstatement to be immaterial to the financial statements and have therefore not adjusted the accounts
Overall impact of current year unadjusted misstatements	(190)	190	(190)	0	

Impact of unadjusted misstatements in the prior year

During the prior year audit, we identified an unadjusted misstatement relating to the Revaluation Reserve, with an amount of £409,256 which could not be reconciled to any asset within the fixed asset register or supported by appropriate underlying accounting records. As this was a reclassification between the Capital Adjustment Account and Revaluation Reserve and has been adjusted for during 2025/26, there is no impact on our assessment of current year unadjusted misstatements.

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Audit adjustments

Misclassification and disclosure changes

The table below provides details of misclassification and disclosure changes identified during the audit which have been made in the final set of financial statements.

Disclosure	Misclassification or change identified	Adjusted?
Non-ringfenced Grant Income	Our review identified two presentation and disclosure matters relating to non-ringfenced grant income. Firstly, the draft financial statements did not include a separate grants income note, despite non-ringfenced grant income being material. Secondly, non-ringfenced grant income was incorrectly presented within the Cost of Services section of the Comprehensive Income and Expenditure Statement (CIES). In accordance with the CIPFA Code of Practice on Local Authority Accounting, non-ringfenced grant income should be presented within Taxation and Non-Specific Grant Income and Expenditure, outside of the Cost of Services subtotal. Management has amended the financial statements to correct the presentation of non-ringfenced grant income within the CIES and to include the required grants income disclosures. These disclosures include the accounting policy for grants and contributions, the nature and extent of grant income recognised during the year, and details of any grants received in advance where conditions remain unmet.	✓
Accounting Policies – Depreciation	Our review identified that the useful economic lives (UELs) disclosed within the accounting policies did not fully reflect the Authority's approved depreciation policies. Specifically, the draft financial statements disclosed a 30-year UEL for buildings, whereas management had previously agreed and reported to those charged with governance that a 40-year UEL would be applied. Following discussions during the audit, management revised the policy to provide more asset class-specific UELs to better reflect the nature of the Authority's assets. In addition, the draft financial statements did not include a depreciation policy for plant and machinery. Management has updated the accounting policies to confirm a UEL of 10 years for plant and machinery assets, with IT equipment depreciated over 5 years. These amendments improve the accuracy and completeness of the Authority's accounting policy disclosures.	✓

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Audit adjustments

Disclosure	Misclassification or change identified	Adjusted?
Accounting Policies	During our review of the Authority's accounting policies, we identified three areas requiring correction: residual legacy IAS 39 terminology within the Financial Instruments policy, an incorrect amortisation start-point within the new Intangible Assets policy, and an MRP policy that did not explicitly extend to the Authority's PFI and lease liabilities. These have each been updated by management and we have reviewed the amended policy wording accordingly.	✓
Other Information	During our review of the Narrative Statement and Annual Governance Statement, we identified a small number of immaterial presentational inconsistencies between the narrative disclosures and the audited financial statements. Management has subsequently updated the disclosures to ensure consistency with the audited accounts.	✓
Throughout	A number of typographical and grammatical errors have been identified throughout the financial statements.	✓

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Action plan

We set out here our recommendations for the Authority which we have identified as a result of issues identified during our audit. The matters reported here are limited to those deficiencies that we have identified during the course of our audit and that we have concluded are of sufficient importance to merit being reported to you in accordance with auditing standards.

Assessment	Issue and risk	Recommendations
● Medium	**Incomplete Coverage of Asset Valuation Programme** We identified that the Mann Island asset, with a carrying value of £372,985, had not been omitted from the asset listing provided to Bruton Knowles for valuation and, as a result, has not been subject to revaluation. Management has confirmed that the asset will be included in future valuation exercises.	Management should implement a formal reconciliation between the Fixed Asset Register and the asset schedule submitted to the external valuer to ensure all assets within the Authority's property portfolio are identified and appropriately considered as part of the valuation programme. **Management response** ***To be added***
● Low	**Inconsistent Valuation Basis Applied to Right-of-Use Assets** Our review of Right-of-Use (ROU) assets identified inconsistencies in the valuation models applied by management. During 2025/26, a number of ROU assets relating to underlying land and buildings that had been subject to formal valuation or indexation by the Authority's expert valuer continued to be carried at cost under IFRS 16. Whilst the difference between cost and current value is not material and the use of cost as a proxy is permitted by the Code where appropriate, the current approach results in inconsistent accounting treatment across the ROU asset portfolio. This increases the risk of assets within the same underlying asset class being measured on different bases.	Management should undertake a review of all Right-of-Use assets to ensure a consistent valuation methodology is applied across each asset class. Where the underlying asset class is subject to formal valuation or indexation, such as land and buildings, the related ROU asset should be measured at current value. Cost should only be used where it remains an appropriate proxy, such as for vehicle, plant and equipment assets that are not subject to periodic revaluation. **Management response** ***To be added***

Key

- ● High – Significant effect on control system and/or financial statements
- ● Medium – Limited impact on control system and/or financial statements
- ● Low – Best practice for control systems and financial statements

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Action plan

Assessment	Issue and risk	Recommendations
Medium	**Incomplete and Outstanding Related Party Declarations (Follow-up to Prior Year Recommendation)** As reported in our 2024/25 Audit Findings Report, weaknesses were identified in the completeness of related party declarations, with a number of interests found to be outdated, incomplete or omitted. Adjustments were also required to the related party disclosures within the financial statements. We recommended that the Authority strengthen its arrangements through annual declarations, enhanced coverage of related party interests and improved disclosure of interests held in other entities, including Group companies. **2025/26 update** During our 2025/26 audit, we reviewed the Authority's arrangements for identifying and recording related party relationships and transactions. Whilst annual declarations and follow-up procedures have been implemented, two declarations remained outstanding at the time of our audit. We also identified a small number of incomplete responses and omissions within completed declarations. Whilst not material to the financial statements, these findings indicate that further improvements are required to ensure the completeness of related party declarations and disclosures.	We recommend that management should strengthen the related party declaration process by ensuring all declarations are fully completed before being accepted, with blank or incomplete responses followed up and resolved. Consideration should also be given to introducing a formal quality review of returned declarations and obtaining confirmation from all Members and relevant officers that declarations are complete and accurate prior to the preparation of the year-end related party disclosures. **Management response** ***To be added***
Low	**Privileged User Activity Monitoring** The Cognos application lacks formal documented controls over privileged user monitoring, periodic user access reviews, and change management processes. Consequently, inappropriate access, unauthorised activity, or inadequately tested system changes may not be identified or prevented in a timely manner.	We recommend that management should strengthen the Cognos IT control environment by implementing and documenting periodic reviews of privileged user activity, recurring user access recertification procedures, and formal testing, approval and monitoring controls over system changes. **Management response** ***To be added***

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Follow up of prior year recommendations

We identified a number of issues during our audit of the Authority's 2024/25 financial statements, resulting in eight recommendations being reported in our 2024/25 Audit Findings Report. The action linked to related parties is still applicable for this year so is reported on page 30. We are pleased to report that the remaining are either partly or fully implemented.

Assessment	Issue and risk	Update on actions taken to address the issue
X Partially addressed	1. Journal Controls Our review identified that there is currently no journal approval hierarchy in place within journal templates meaning templates can be filled and submitted to St Helens for posting without any formal approval/review process. The absence of a formal approval process increases the risk that inappropriate or erroneous journal entries may be posted and remain undetected.	Management considers the existing control environment to be operating effectively and has continued to rely on compensating controls, including regular balance sheet reconciliations and management review of monthly financial reports. Whilst a formal journal approval hierarchy has not been introduced, changes to journal posting responsibilities were implemented during 2025/26 and have been considered as part of our current year audit procedures. The recommendation remains partially implemented as a formal journal review and approval process has not yet been established.
✓ Action Completed	2. Reconciliations Our audit work identified that reconciliations were not always performed during 2024/25. Reconciliations are an important financial control, ensuring the accuracy of the financial data. We also recommend that management at MRWA ensure they are comfortable with the controls in place at St Helens over key business processes.	Management have continued to strengthen control processes and regular reconciliations are now being performed, with key areas including cash, balance sheet accounts and credit card expenditure being reviewed and reconciled on a monthly basis. Through our review of key business processes and substantive audit testing, we have inspected supporting reconciliations for these areas and confirmed that reconciliations are being completed and evidenced on a timely basis.

Assessment

✓ Action completed

X Not yet addressed

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Follow up of prior year recommendations

Assessment	Issue and risk	Update on actions taken to address the issue
✓ Action Completed	**3. Service Level Agreement for St Helens** We noted the most recent SLA during the audit related to 2022/23 and was not signed by either party. The Authority should ensure SLA is updated on an annual basis and signed by both parties. The absence of a signed agreement may raise concerns regarding the clarity and enforceability of the arrangement.	We confirmed that the Service Level Agreement between the Authority and St Helens had been formally signed by both parties on 27 January 2026. Management has acknowledged the delay in finalising the agreement and has committed to completing future Service Level Agreements earlier in the financial year, ideally prior to the commencement of the relevant financial period. This represents an improvement from the prior year position.
✓ Action Completed	**4. Amendments to the accounts.** We noted a high level of adjustments, including prior year adjustments, during the audit, in terms of disclosures and financial adjustments to the draft version of accounts that were provided for audit.	Our 2025/26 audit identified a significant improvement in the quality of the draft financial statements, with a substantial reduction in audit amendments required and no prior year adjustments identified at the time of reporting. This reflects the strengthening of financial processes and enhanced liaison with St Helens Council. Whilst some audit findings continue to arise and further improvement opportunities remain, management has made positive progress in addressing the prior year recommendation.
✓ Action Completed	**5. Lack of formal Sign-Off** As part of our IT audit procedures over the new system implementation, we noted that formal sign-off and documented approvals were not obtained for several critical project milestones.	No major system implementation projects were undertaken during 2025/26 and therefore there were no project milestones requiring formal implementation sign-off. Management acknowledges the recommendation and intends to ensure that formal approvals and documented sign-offs are obtained and retained for all key stages of any future system implementation or significant change programme.

Assessment

✓ Action completed

X Not yet addressed

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Follow up of prior year recommendations

Assessment	Issue and risk	Update on actions taken to address the issue
✓ Action Completed	**6. Data Migration and Chart of Accounts** We could not confirm that the data was fully and accurately migrated from the old systems, which raises the risk of potential data integrity issues. Furthermore, during our review, we observed that the migration of the Chart of Accounts (COA) was not fully completed in a timely manner by the time the system went live. Several placeholder accounts were established to facilitate journal entry postings and ensure continuity in financial processing.	No data migration exercises, chart of accounts redesigns or major system implementations were undertaken during 2025/26 and therefore there was no opportunity to evidence the operation of revised controls in this area. Management acknowledges the recommendation and has confirmed that appropriate planning, testing, reconciliation and documentation procedures will be incorporated into any future system implementation or data migration projects.
✓ Action Completed	**7. Report Catalogue testing** During our review, we noted that the testing performed during the Phase 2 of the project was not accurately captured and updated via tracker. Hence, we were not able to confirm the appropriateness and completeness of testing performed. Also, no formal sign off was obtained.	No new system implementations or significant reporting catalogue developments were undertaken during 2025/26. As a result, no project testing activity requiring formal tracking or sign-off took place during the year. Management understands the importance of maintaining complete testing documentation and approval records and intends to incorporate these requirements into any future system implementation or enhancement projects.

Assessment

✓ Action completed

X Not yet addressed

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Value for Money arrangements

Approach to Value for Money work for the year ended 31 March 2026

The National Audit Office issued its latest Value for Money guidance to auditors in March 2026. The Code requires auditors to consider whether a body has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. Additionally, The Code requires auditors to share a draft of the Auditor's Annual Report (AAR) with those charged with governance by 30th November each year from 2025-26. Our draft AAR accompanies this audit findings report.

In undertaking our work, we are required to have regard to three specified reporting criteria. These are as set out below.



Governance

How the body ensures that it makes informed decisions and properly manages its risks.



Financial sustainability

How the body plans and manages its resources to ensure it can continue to deliver its services.



Improving economy, efficiency and effectiveness

How the body uses information about its costs and performance to improve the way it manages and delivers its services.

In undertaking this work we have not identified any significant weaknesses in arrangements.

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Independence considerations

Ethical Standards and ISA (UK) 260 require us to give you timely disclosure of all significant matters that may bear upon the integrity, objectivity and independence of the firm or covered persons (including its partners, senior managers, managers and network firms). In this context, there are no independence matters that we would like to report to you.

We are required to report to you details of any breaches of the requirements of the FRC Ethical Standard, and of any safeguards applied and actions we have taken to address any threats to independence. No such breaches have been identified.

We confirm that we have implemented policies and procedures to meet the requirement of the Financial Reporting Council's Ethical Standard. Further, we have complied with the requirements of the National Audit Office's Auditor Guidance Note 01 issued in February 2025 which sets out supplementary guidance on ethical requirements for auditors of local public bodies.

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Independence considerations

As part of our assessment of our independence we note the following matters:

Matter	Conclusions
Relationships with Grant Thornton	We are not aware of any relationships between Grant Thornton and the Authority or group that may reasonably be thought to bear on our integrity, independence and objectivity.
Relationships and Investments held by individuals	We have not identified any potential issues in respect of personal relationships with the Authority or group or investments in the group held by individuals.
Employment of Grant Thornton staff	We are not aware of any former Grant Thornton partners or staff being employed, or holding discussions in respect of employment, by the Authority or group as a director or in a senior management role covering financial, accounting or control related areas.
Business relationships	We have not identified any business relationships between Grant Thornton and the Authority or group.
Contingent fees in relation to non-audit services	No contingent fee arrangements are in place for non-audit services provided.
Gifts and hospitality	We have not identified any gifts or hospitality provided to, or received from, a member of the Authority or group, senior management or staff (that would exceed the threshold set in the Ethical Standard).

We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention and consider that an objective reasonable and informed third party would take the same view. The firm and each covered person have complied with the Financial Reporting Council's Ethical Standard and confirm that we are independent and are able to express an objective opinion on the financial statements.

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Fees and non-audit services

The following tables below sets out the total fees for audit and non-audit services that we have been engaged to provide or charged from the beginning of the financial year to date, as well as the threats to our independence and safeguards have been applied to mitigate these threats.

None of the below services were provided on a contingent fee basis.

For the purposes of our audit we have made enquiries of all Grant Thornton teams within the Grant Thornton International Limited network member firms providing services to Merseyside Recycling and Waste Authority. There are no non audit services provided to the Authority.

	2024/25	2025/26
MRWA Additional Fee for IFRS 16 Work	£2,500	£0
New system implementation	£5,000	£0
Overruns in respect of adjustments to the accounts	£5,000	£0
Project costs backlog solution	£11.624	£0
Total (prior to rebuilding assurance*)	£24,124	£0
Audit Scale Fee	£166,059	£170,708
Total audit fees (prior to rebuilding assurance*)	£190,183	£170,708

The above fees are exclusive of VAT and out of pocket expenses.
The fees disclosed above agree to Note 24 of the financial statements.

This covers all services provided by us and our network to the group /Authority, its senior officers and its affiliates, and other services provided to other known connected parties that may reasonably be thought to bear on our integrity, objectivity or independence.

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Additional fee analysis – fee variation for build back work

The following table sets out further information on additional fees in respect of build back.

	2024/25	2025/26
Risk assessment and planning	£0	£TBC
Non-reserves related testing	£0	£TBC
Reserves related testing	£0	£TBC
Total	£0	£TBC

The above is subject to review by PSAA who will make a final determination.

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Appendices

A. Communication of audit matters with those charged with governance

Our communication plan	Audit Plan	Audit Findings
Respective responsibilities of auditor and management/those charged with governance	●	
Overview of the planned scope and timing of the audit, form, timing and expected general content of communications including significant risks	●	
Confirmation of independence and objectivity	●	●
A statement that we have complied with relevant ethical requirements regarding independence. Relationships and other matters which might be thought to bear on independence. Details of non-audit work performed by Grant Thornton UK LLP and network firms, together with fees charged. Details of safeguards applied to threats to independence	●	●
Significant matters in relation to going concern	●	●
Matters in relation to the group audit, including: Scope of work on components, limitations of scope on the group audit, fraud or suspected fraud	●	●
Views about the qualitative aspects of the Group's accounting and financial reporting practices including accounting policies, accounting estimates and financial statement disclosures		●
Significant findings from the audit		●
Significant matters and issue arising during the audit and written representations that have been sought		●
Significant difficulties encountered during the audit		●
Significant deficiencies in internal control identified during the audit		●
Significant matters arising in connection with related parties		●

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A. Communication of audit matters with those charged with governance

Our communication plan	Audit Plan	Audit Findings
Identification or suspicion of fraud involving management and/or which results in material misstatement of the financial statements		●
Non-compliance with laws and regulations		●
Unadjusted misstatements and material disclosure omissions		●
Expected modifications to the auditor's report, or emphasis of matter		●

ISA (UK) 260, as well as other ISAs (UK), prescribe matters which we are required to communicate with those charged with governance, and which we set out in the table here.

This document, the Audit Findings, outlines those key issues, findings and other matters arising from the audit, which we consider should be communicated in writing rather than orally, together with an explanation as to how these have been resolved.

Respective responsibilities

As auditor we are responsible for performing the audit in accordance with ISAs (UK), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance.

The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

Distribution of this Audit Findings report

Whilst we seek to ensure our audit findings are distributed to those individuals charged with governance, as a minimum a requirement exists for our findings to be distributed to all the senior officers and those members of senior management with significant operational and strategic responsibilities. We are grateful for your specific consideration and onward distribution of our report, to those charged with governance.

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