

ANNUAL AUDIT LETTER - 2010/11 AUDIT
WDA/44/11

Recommendation

That:

1. Members note the contents of the Annual Audit Letter; and
2. the recommendation made by the Audit Commission be accepted.

THIS PAGE INTENTIONALLY BLANK

ANNUAL AUDIT LETTER - 2010/11 AUDIT
WDA/44/11

Report of the Treasurer

1. Purpose of the Report

- 1.1 To present to Members the Annual Audit Letter and to report the outcome of the 2010/11 audit undertaken by the Audit Commission.

2. Background

- 2.1 The Audit Commission is the Authority's external auditor and is required to review various aspects of the Authority's activities in line with the requirements of the Audit Commission's Code of Audit Practice (the Code).
- 2.2 The Audit Commission produced an Annual Governance Report which was presented to Members at a meeting of the Authority held on 23rd September 2011.
- 2.3 The report considered the auditor's findings in relation to the Authority's Financial Statements and Use of Resources (Value for Money Conclusion) for 2010/11 and the auditor issued an unqualified opinion for each.

3. 2010/11 Annual Audit Letter

- 3.1 Upon completion of the annual audit, the Audit Commission publishes an Annual Audit Letter which summarises the outcome of their work and makes specific recommendations for the coming year.
- 3.2 The Chief Executive has now received the Annual Audit Letter for 2010/11 which is attached at Appendix 1.
- 3.3 The 2010/11 Annual Audit Letter reports the Authority's position in relation to the following key areas:
- the Authority's accounts; and

- whether the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.
- 3.4 As noted above, the auditor has issued an unqualified opinion on the Authority's Statement of Accounts for 2010/11 and is satisfied that the Authority has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.
- 3.5 Members are asked to note the key findings highlighted in the letter and accept the auditor's recommendation which is as follows:
- The Authority should ensure that the accounts processes are strengthened to enable a quality review to be put in place.
- 3.6 The Auditor has also highlighted a number of key issues for the Authority to consider as current and future challenges; these include:
- The RRC procurement
 - The economic downturn and pressure on the public sector
 - Shared services
 - Joint municipal waste management strategy; and
 - MWDA strategy

4. Risk Implications

- 4.1 The work carried out by the auditor assists the Authority in ensuring that arrangements are in place for the conduct of its business and that it safeguards and properly accounts for public money.
- 4.2 Failure to act upon the recommendations made by the auditor may affect the ability of the Authority in ensuring that such arrangements remain in place.

5. HR Implications

- 5.1 There are no HR implications associated with this report.

6. Environmental Implications

- 6.1 There are no environmental implications associated with this report.

7. Financial Implications

- 7.1 There are no financial implications associated with this report.

8. Conclusion

- 8.1 Members are asked to note the findings of the Audit Commission, as presented at this meeting and accept the recommendations of the auditor.

The contact officer for this report is: Peter Williams
6th Floor, North House, 17 North John Street, Liverpool, L2 5QY

Email: peter.williams@merseysidewda.gov.uk

Tel: 0151 255 1444

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 - Nil.