

**AUDITOR REPORTS**  
**WDA/53/24**

**Recommendation**

That Members:

1. Note the auditor's reports; and
2. Note the audit opinions.

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**AUDITOR REPORTS****WDA/53/24****Report of the Treasurer****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 2018-19 and 2019-20 and the opinions on the accounts for those years and for 2020-21 and 2021-22.

**2. Background**

- 2.1 The Authority and the Auditor have been working together for some time to prepare a statement of accounts that can be audited for the year 2018-19 and subsequent years up to 2021-22.
- 2.2 The statement of accounts for 2018-19 is in a position to be finalised but unfortunately the Government has confirmed that for 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 2018-19 and 2019-20. 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.
- 3.3 One of the key impacts of the delay in the audit for 2018-19 has been that the audit of subsequent years could not be completed. The auditor made significant progress in carrying out their work for 2019-20, but that has been overtaken by the Government's decisions and instructions to the auditors that they should meet their responsibilities by issuing a Disclaimer of Opinion. In other words where auditors have been unable to complete their work in respect of a particular statement of accounts, they have been required to issue a statement that says they are unable to come to an opinion because they have been unable to complete their work. This is the position the Authority is in.

#### **4. Audit reports**

- 4.1 The auditor has issued a report on the work they have carried out for the 2018-19 and the 2019-20 audits. These reports are attached at appendix 1 and 2 to this report. Each of the reports contains recommendations for improvements that management have reviewed and accept. The improvement actions will be implemented in a timely fashion. Each of these reports is accompanied by a proposed disclaimer of opinion as the auditor has been unable to complete their work.
- 4.2 For the years 2020-21 and 2021-22 the auditor has been unable to commence their work and so in place of a report they have issued a proposed disclaimer of opinion, which confirms the arrangements are in line with the Government's proposed approach.

#### **5. HR Implications**

- 5.1 There are no HR implications.

#### **6. Environmental Implications**

- 6.1 There are no environmental implications.

#### **7. Financial Implications**

- 7.1 The audit costs are set out in the audit reports and will be included in the Authority's revised estimates for 2024-25.

## **8. Legal Implications**

- 8.1 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.

## **9. Conclusion**

- 9.1 Members are therefore requested to note the Auditor's reports.
- 9.2 Members are also requested to note the Auditor's opinions.

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