

LIVERPOOL CITY REGION COMBINED AUTHORITY

To: The Metro Mayor and Members of the Combined Authority

Meeting: 26 November 2021

Authority/Authorities Affected: All

EXEMPT/CONFIDENTIAL ITEM: No

KEY DECISION No

REPORT OF THE EXECUTIVE DIRECTOR CORPORATE SERVICES

APPROVAL OF ANNUAL STATEMENT OF ACCOUNTS 2019-20

1. PURPOSE OF REPORT

This report provides the Members of the Committee with the final audited accounts for the Liverpool City Region Combined Authority for the financial year 2019-20 for approval.

2. RECOMMENDATIONS

It is recommended that the Liverpool City Region Combined Authority:

- (a) Note the content of the report; and
- (b) Approve the 2019-20 accounts.

3. BACKGROUND

3.1 The Accounts and Audit Regulations (England) 2015 require that the Chief Financial Officer must certify the annual Statement of Accounts by 31 May each year. Due to the Covid 19 pandemic which led to a national lockdown at the end of March 2020, the deadline for publishing draft accounts was extended for the financial year to 31 August 2020.

3.2 A report was taken to the Combined Authority's meeting on 4 November 2020 which made Members aware that the External Auditors, Mazars, had not completed their audit work, predominantly as a result of delays with the sign off of the Pension Fund accounts. At this juncture a draft Audit Completion Report was issued to Members of the Committee for their consideration. This report envisaged that the matters outstanding would be resolved before the statutory deadline for the year of 30 November 2020 and sought delegations to the Metro Mayor to sign

off the accounts with a factual report being subsequently brought to the Combined Authority for note at its meeting on 28 December 2020.

3.3 The statutory deadline of 30 November 2020 for the completion of the audit was not met and consequently no report was tabled at the 18 December meeting. Whilst outstanding assurances in respect of the Pension Fund audit had been received, as a consequence of the Liverpool City Council Best Value Inspection led by Max Caller, sign off of the audit was further delayed pending the outcome of the review and subsequent report. One of the outcomes of the report was that the Authority's External Auditors, Mazars sought to make additional enquiries with the Authority on matters raised before signing off the accounts.

3.4 In July 2021 the External Auditors, Mazars confirmed that they had completed their additional work and found the necessary assurances they required to allow them to sign off the Combined Authority's accounts. On 22 July 2021, the Audit Completion letter was received from the Combined Authority's external auditors, Mazars with an unqualified opinion being issued in respect of both the financial statements and the value for money judgement. A copy of the final audited accounts are included at Appendix One.

Members will recall that in the past a qualified opinion relating to Value for Money has formed part of the external auditors annual statement. The Value for Money conclusion, was concerned that meetings for the Overview and Scrutiny Committee and the Audit and Governance Committee were often inquorate. Members of those Committees for the year 2019-20 are to be commended for securing an improved attendance and a removal of this concern held by the external auditors.

4. RESOURCE IMPLICATIONS

4.1 Financial

None arising directly as a consequence of this report.

4.2 Human Resources

None arising directly as a consequence of this report.

4.3 Physical Assets

None arising directly as a consequence of this report.

4.4 Information Technology

None arising directly as a consequence of this report.

5. LEGAL IMPLICATIONS

None arising directly as a consequence of this report.

6. RISKS AND MITIGATION

None arising directly as a consequence of this report.

7. EQUALITY AND DIVERSITY IMPLICATIONS

None arising directly as a consequence of this report.

8. PRIVACY IMPLICATIONS

None arising directly as a consequence of this report.

9. COMMUNICATION ISSUES

None arising directly as a consequence of this report.

10. CONCLUSION

The audit of the 2019-20 annual Statement of Accounts has now been completed and an unqualified opinion issued by the External Auditors, Mazars.

JOHN FOGARTY
Executive Director Corporate Services

Contact Officer(s):

Sarah Johnston, Assistant Director of Finance, Tel 0151 330 1015

Appendices:

Appendix One – Liverpool City Region Combined Authority Audited Annual Statement of Accounts 2019-20

Background Documents:

None