

**MERSEYSIDE FIRE AND RESCUE AUTHORITY**

**AUDIT COMMITTEE**

**26 SEPTEMBER 2024**

**MINUTES**

**Present:** **Councillors Janet Grace (Chair)** Edna Finneran, Sam Gorst, Andrew Makinson and Lynn O'Keeffe

**Also Present:** Deputy Chief Fire Officer Nick Searle  
Director of Finance and Procurement Mike Rea  
Monitoring Officer Ria Groves  
Assistant Audit Manager – Forvis Mazars Simon Livesey

8. **Chair's Announcement**

Councillor Jan Grace advised Members of the extremely sad passing of Councillor Linda Maloney and asked all in attendance to stand for a minute's silence to acknowledge Councillor Linda Maloney's significant contribution to the Authority during her long service

9. **Apologies**

Apologies for absence were received from Councillor Barbara Murray, Co-opted Member, Mr Anthony Boyle and the Chief Fire Officer, Phil Garrigan.

10. **Declarations of Interest**

There were no declarations of interest in relation to any item on the agenda.

11. **Minutes of the Last Meeting**

**RESOLVED** that the minutes of the last meeting held on 6<sup>th</sup> June 2024 be agreed as an accurate record.

12. **Forvis Mazars (MFRA External Auditors) Audit Strategy Memorandum 2023/24**

Director of Finance and Procurement, Mike Rea, introduced the report, advising that the report outlined the Auditor's approach to auditing the Authority's 2023/24 financial statements. He highlighted that central Government had stated that there were around 1000 audits backlogged, with some outstanding audits dating back as far as 2015/16. The Government had recently laid legislation before Parliament to amend the Accounts and Audit Regulations 2015 to set a series of backstop dates by which an authority must publish its approved statement of accounts. Those applicable to the Authority were detailed in paragraph seven of the report.

Furthermore, the Government had amended the date by which an authority should publish draft unaudited accounts from 31<sup>st</sup> May to 30<sup>th</sup> June for financial years 2024/25 to 2027/28.

Simon Livesey, Assistant Audit Manager for Forvis Mazars, took the Members through the Audit Strategy Memorandum for 2023/24 which he explained was their plan of audit. He directed Members' attention to the engagement and responsibility summary which advised how audits were conducted and the guidance given from public sector audit appointments. He also discussed the Code of Audit Practice which was published by the National Audit Office (NAO).

He stated that his team would give their opinion on the accuracy of the Authority's accounts whilst considering materiality. Members were advised that Forvis Mazars would report to the NAO when MFRA completed a Whole of Government Accounts (WGA) submission. NAO would then pull together financial statements for all public sector bodies in the UK.

Simon Livesey advised Members that they would start the audit process by gaining an understanding of the organisation, which would largely focus on governance arrangements and how the systems worked together. They would then analyse any risks, carry out the work and form a conclusion. He advised that the work with the Authority was due to be completed by the end of November and the audit would be signed off in December 2024.

It was explained that the auditors would take into account any external expertise that the Authority used to produce the accounts, advising that the two key areas were largely around pensions and the valuation of property, plant and equipment. Simon Livesey summarised that their plan to address the 'management override of control' risk would be done through accounting estimates and journal entries.

Members were reassured that the staff working on the audit would not have any association or relation to employees working within the Authority.

Simon Livesey noted the importance of materiality which determined the amount of work to be carried out and the assurance needed. The overall materiality would be £2.5million, however, the actual work was pitched at a lower level based on performance materiality which was £1.5million. This meant that if the Authority's accounts were within £1.5million of the figure, or less than what Forvis Mazars thought it should be, this would not alter the view of the person reading the accounts.

It was acknowledged that there had been a change in requirements for disclosing lease information to be required from 2024/25 onwards and significant work was required to implement these changes.

Councillor Jan Grace and Councillor Edna Finneran thanked Simon Livesey for the detailed report and commended how easy it was to follow. It was noted by Councillor Jan Grace that it was within the Authority's remit to safeguard public money and the action plan was adequate for the risks. She queried whether Forvis Mazars were confident with the timings in which the audit was to be completed by. Mike Rea advised that this should have been completed by the end of September, however,

due to the backlog, this had been delayed. He noted that he was confident with the timings and that the audited statements of accounts would be completed in December and presented to Members at the Audit Committee in February.

**RESOLVED** that the Forvis Mazars 2023/24 Audit Strategy Memorandum and the timing of the Authority's 2023/24 audit of the financial statements be noted.

Close

Date of next meeting Tuesday, 25 February 2025

Signed: ..... Date: .....