



## Audit, Risk & Assurance Committee

<b>Date</b>	21 June 2018
<b>Report title</b>	Annual Accounts 2017/18 for West Midlands Combined Authority
<b>Accountable Chief Executive</b>	Deborah Cadman, OBE Chief Executive Email: <a href="mailto:deborah.cadman@wmca.org.uk">deborah.cadman@wmca.org.uk</a> Tel: 0121 214 7200
<b>Accountable Employee</b>	Sean Pearce, S151 Officer to the Combined Authority Email: <a href="mailto:sean.pearce@wmca.org.uk">sean.pearce@wmca.org.uk</a> Tel: 0121 214 7936
<b>Report to be/has been considered by</b>	

### Recommendation(s) for action or decision:

#### The Combined Authority Audit, Risk & Assurance Committee is recommended to:

1. Approve the signing of the letter of representation for WMCA and the West Midlands Integrated Transport Authority Pension Fund by the Director of Finance.
2. Approve the annual accounts of WMCA and the West Midlands Integrated Transport Authority Pension Fund.
3. Note the Audit Findings Reports presented by Grant Thornton.
4. Note that Grant Thornton propose to issue an unqualified audit opinion on these accounts.
5. Subject to no further issues being raised by Grant Thornton, approve that the Mayor and the Director of Finance be authorised to sign the accounts on behalf of WMCA.

## **1.0 Purpose**

- 1.1 This report has been produced for the Audit, Risk & Assurance Committee to approve the annual accounts of the West Midlands Combined Authority (WMCA) and the West Midlands Integrated Transport Authority Pension Fund for the financial year ended 31 March 2018.
- 1.2 The audit has been completed without any issues and only minor presentational adjustments identified during the audit

## **2.0 Background**

- 2.1 The accounts for the WMCA were submitted to the auditors on 8 May 2018.
- 2.2 The accounts for West Midlands Integrated Transport Authority Pension Fund were submitted to the auditors on 21 May 2018.
- 2.3 The accounts for the WMCA and the West Midlands Integrated Transport Authority Pension Fund were circulated to the Audit, Risk & Assurance Committee for review and comments on 8 May 2018 and 23 May 2018 respectively.
- 2.4 A full review with the Chair of Audit, Risk & Assurance Committee and WMCA Finance was undertaken and comments reflected. No further comments have been received.
- 2.5 The following are attached for review and approval:
  - i) West Midlands Combined Authority financial report 2017/18
  - ii) West Midlands Integrated Transport Authority Pension Fund financial report 2017/18
  - iii) Grant Thornton Audit Findings Report for WMCA and the West Midlands Integrated Transport Authority Pension Fund
  - iv) Letters of Representation for WMCA and West Midlands Integrated Transport Authority Pension Fund

## **3.0 Annual Accounts**

### **3.1 WMCA position**

The West Midlands Combined Authority Board has received regular financial monitoring information throughout 2017/18.

The final outturn position was reported to the West Midlands Combined Authority Board on 25 May 2018.

A detailed briefing and review of the outturn position was undertaken with the Chair of Audit, Risk & Assurance Committee and WMCA Finance to give assurance that the accounts presented reflect the activities for the year.

A reconciliation between the return for 2017/18 reported to the West Midlands Combined Authority Board and the final return is shown below:

<b>Reconciliation of outturn to statutory accounts</b>	<b>£'000</b>
Return reported to West Midlands Combined Authority Board on 25 May 2018	481
As per WMCA accounts	481

3.2 The audit for WMCA and the West Midlands Integrated Transport Authority Pension Fund has completed and the auditors will present their findings to the meeting with the proposal being to issue an unqualified audit opinion on these accounts.

3.3 West Midlands Integrated Transport Authority Pension Fund

The accounts for the West Midlands Integrated Transport Authority Pension Fund were submitted to Wolverhampton on 11 May 2018 and the audit work completed on 4 June 2018.

The fund account on page 8 shows a net decrease in the year of £10.845m, with net assets as at 31 March 2018 of £492.039m.

#### **4.0 Financial implications**

4.1 The financial implications are covered within the body of this report and the attached annual accounts reflect the results for the year ended 31 March 2018.

#### **5.0 Legal implications**

5.1 Production of these accounts is a statutory requirement.

#### **6.0 Equalities implications**

6.1 Alternative formats for these accounts are available upon request.

#### **7.0 Other implications**

7.1 There are no other implications arising from this report.

#### **8.0 Schedule of background papers**

8.1 West Midlands Combined Authority financial report 2017/18

8.2 West Midlands Integrated Transport Authority Pension Fund financial report 2017/18