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Governance and Audit Committee
West Yorkshire Combined Authority
Wellington House
Leeds
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26 February 2025

Dear Committee Members

West Yorkshire Combined Authority - Follow-up Letter to our Audit Completion Report in relation to the 2023/2024 audit

As required by International Standards on Auditing (UK and Ireland), I am writing to communicate the conclusion of matters identified since we presented our audit completion report to the Governance and Audit Committee on 20 January 2025.

Since we issued the audit completion report we identified a number of discrepancies within the draft financial statements. Management have amended the financial statements for some of these matters, but further discrepancies remain.

Appendix A summarises the main changes to the financial statements since the draft accounts were published.

As a result of the remaining discrepancies, we have revised our disclaimed audit report to include reference to discrepancies in the Group and single entity Movement in Reserves Statements and relevant entries presented elsewhere in the financial statements. Our proposed audit report is included at Appendix B.

Yours faithfully

A handwritten signature in black ink that reads "A Newall".

Alastair Newall, Key Audit Partner
For and on behalf of Forvis Mazars LLP

Appendix A

Summary of amendments to the financial statements

The draft accounts contained a number of material discrepancies. The Authority have reviewed the accounts and made the following amendments:

	Original	Final £000	Change
CIES Single entity			
Total costs of WYCA continuing services	422,091	422,091	-
Total costs to Mayoral Police Fund Services	612,487	612,487	-
Total costs of services	1,034,578	1,034,578	-
(Surplus) or Deficit on Provision of Services	45,322	-4,753	50,075
Other Comprehensive (Income) and Expenditure	3,036	3,036	-
Total Comprehensive (Income) and Expenditure	48,358	-1,717	50,075
MIRS Single Entity			
Increase/decrease in year	63,518	85,761	-22,243
Balance at 31 March 2024 c/fwd	959,447	981,761	-22,314
CIES Group			
Total costs of WYCA continuing services	422,091	422,091	-
Crime and Policing Services	1,379,875	527,101	852,774
Total costs of services	1,081,965	949,142	132,823
(Surplus) or Deficit on Provision of Services	972,980	120,207	852,773
Other Comprehensive (Income) and Expenditure	-281,587	-295,458	13,871
Total Comprehensive (Income) and Expenditure	691,394	-175,250	866,644
MIRS Group			
Increase/decrease in year	223,188	223,173	15
Balance at 31 March 2024 c/fwd	-3,368,849	-3,368,855	6

Appendix B – Proposed Audit Report

Independent auditor's report to the members of West Yorkshire Combined Authority

Report on the audit of the financial statements

Disclaimer of opinion on the financial statements

We were appointed to audit the financial statements of West Yorkshire Combined Authority ("the Authority") and its subsidiary ("the Group") for the year ended 31 March 2024, which comprise the Single Entity and Group Comprehensive Income and Expenditure Statement, the Single Entity and Group Movement in Reserves Statement, the Single Entity and Group Balance Sheet, the Single Entity and Group Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24.

We do not express an opinion on the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for disclaimer of opinion

On 30 September 2024, the Accounts and Audit (Amendment) Regulations 2024 ('The Amendment Regulations') came into force. The Amendment Regulations require Authority to publish its Accountability Statements, which include the financial statements and auditor's opinion for the year ended 31 March 2024, by 28 February 2025 ('the backstop date').

The backstop date introduced by the Amendment Regulations has impeded our ability to obtain sufficient appropriate evidence upon which to form an opinion on the financial statements as there has been insufficient time to perform all necessary audit procedures.

In addition, we identified material discrepancies between entries in both the Group and single entity Movement in Reserves Statements and relevant entries presented elsewhere in the financial statements. This matter would have required a modification to our opinion on the financial statements in the absence of the backstop arrangements that have led to a disclaimer of opinion as described above.

Responsibilities of the Chief Financial Officer for the financial statements

As explained more fully in the Statement of the Chief Financial Officer's Responsibilities, the Chief Financial Officer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24, and for being satisfied that they give a true and fair view. The Chief Financial Officer is also responsible for such internal control as the Chief Financial Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Chief Financial Officer is required to comply with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24 and prepare the financial statements on a going concern basis on the assumption that the functions of the Authority and Group will continue in operational existence for the foreseeable future. The Chief Financial Officer is responsible for assessing

each year whether or not it is appropriate for the Authority and Group to prepare its accounts on the going concern basis and disclosing, as applicable, matters related to going concern.

Auditor’s responsibilities for the audit of the financial statements

Our responsibility is to conduct an audit of the Authority’s and Group’s financial statements in accordance with International Standards on Auditing (UK) and to issue an auditor’s report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements. In reaching this judgement we have complied with the requirements of the Code of Audit Practice and have had regard to the Local Audit Reset and Recovery Implementation Guidance published by the National Audit Office and endorsed by the Financial Reporting Council.

We are independent of the Authority and Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council’s website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor’s report.

Report on the Authority’s arrangements for securing economy, efficiency, and effectiveness in its use of resources

Matter on which we are required to report by exception

We are required to report to you if, in our view we are not satisfied that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2024.

In May 2024 we reported a significant weakness in relation to governance for the year ended 31 March 2022. In our view the significant weakness remained for the year ended 31 March 2024:

Significant weakness in arrangements – issued in a previous year	Recommendation
<p>Financial Reporting Arrangements The Authority did not publish draft accounts within a reasonable period of time after the year-end and did not respond to audit queries within an acceptable timeframe. This is evidence of a significant weakness in the Authority’s arrangements for governance.</p>	<p>The Authority should publish draft accounts by the statutory deadline each year. The Authority should ensure it puts in place arrangements to support the production, and audit, of its financial statements.</p>

Responsibilities of the Authority

The Authority is responsible for putting in place proper arrangements to secure economy, efficiency, and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor’s responsibilities for the review of arrangements for securing economy, efficiency, and effectiveness in the use of resources

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Authority has made proper arrangements for securing economy, efficiency, and

effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Authority's arrangements for securing economy, efficiency, and effectiveness in its use of resources are operating effectively.

We have undertaken our work in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in November 2024.

Matters on which we are required to report by exception under the Code of Audit Practice

We are required by the Code of Audit Practice to report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014;
- we make a recommendation under section 24 of the Local Audit and Accountability Act 2014; or
- we exercise any other special powers of the auditor under sections 28, 29 or 31 of the Local Audit and Accountability Act 2014.

We have nothing to report in these respects.

We are also required by the Code of Audit Practice, to give an opinion on whether other information published together with the audited financial statements, is consistent with the financial statements. Because of the matter described in the Basis for Disclaimer of Opinion section we do not express an opinion on the financial statements. We also do not express an opinion on whether other information published together with the audited financial statements is consistent with the financial statements.

Use of the audit report

This report is made solely to the members of West Yorkshire Combined Authority, as a body, in accordance with part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 44 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the members of the Authority those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members of the Authority, as a body, for our audit work, for this report, or for the opinions we have formed.

Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate until we have completed the work necessary in respect of the Authority's Whole of Government Accounts consolidation pack.

Alastair Newall, Key Audit Partner
For and on behalf of Forvis Mazars LLP

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