

East London Waste Authority
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Ernst & Young LLP
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25 November 2022

Dear Debbie Hanson,

This letter of representations is provided in connection with the audit of the financial statements of East London Waste Authority ("the Authority") for the year ended 31 March 2022. The Authority recognises that obtaining representations from it concerning the information contained in this letter is a significant procedure in enabling the audit opinion to be formed as to whether the financial statements give a true and fair view of the financial position of East London Waste Authority as at 31 March 2022 and of its income and expenditure for the year then ended in accordance with CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22.

The Authority understands that the purpose of the audit of the Authority's financial statements is to express an opinion thereon and that the audit was conducted in accordance with International Standards on Auditing (UK), which involves an examination of the accounting system, internal control and related data to the extent considered necessary in the circumstances, and is not designed to identify - nor necessarily be expected to disclose - all fraud, shortages, errors and other irregularities, should any exist.

Accordingly, the Authority makes the following representations, which are true to the best of its knowledge and belief, having made such inquiries as it considered necessary for the purpose of appropriately informing itself:

A) Financial statements and financial records

1. The Authority has fulfilled its responsibilities, under the relevant statutory authorities, for the preparation of the financial statements in accordance with the Accounts and Audit Regulations 2015 and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22.
2. The Authority acknowledges its responsibility for the fair presentation of the financial statements and believes the financial statements referred to above give a true and fair view of the financial position, financial performance and cash flows of the Authority in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22, and are free of material misstatements, including omissions, and approves the financial statements.
3. The significant accounting policies adopted in the preparation of the financial statements are appropriately described in the financial statements.

4. The Authority believes that there are adequate systems of internal control to enable the preparation of accurate financial statements in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22, that are free from material misstatement, whether due to fraud or error. The Authority has disclosed to you any significant changes in its processes, controls, policies and procedures that have been made to address the effects of the COVID-19 pandemic on its system of internal controls, and the effects of the conflicts and related sanctions in Ukraine, Russia and Belarus on its system of internal controls.
5. There are no unadjusted audit differences identified during the current audit and pertaining to the latest period presented.
6. The Authority confirms that it does not have securities (debt or equity) listed on a recognised exchange.

B) Non-compliance with law and regulations, including fraud

1. The Authority acknowledges that it is responsible to determine that its activities are conducted in accordance with laws and regulations and that it is responsible to identify and address any non-compliance with applicable laws and regulations, including fraud.
2. The Authority acknowledges that it is responsible for the design, implementation and maintenance of internal controls to prevent and detect fraud.
3. The Authority has disclosed to you the results of its assessment of the risk that the financial statements may be materially misstated as a result of fraud.
4. The Authority has no knowledge of any identified or suspected non-compliance with laws or regulations, including fraud, that may have affected it (regardless of the source or form and including, without limitation, any allegations by “whistleblowers”), including non-compliance matters:
 - involving financial statements;
 - related to laws and regulations that have a direct effect on the determination of material amounts and disclosures in the Authority’s financial statements;
 - related to laws and regulations that have an indirect effect on amounts and disclosures in the financial statements, but compliance with which may be fundamental to the operations of the Authority’s activities, its ability to continue to operate, or to avoid material penalties;
 - involving management, or employees who have significant roles in internal controls, or others; or
 - in relation to any allegations of fraud, suspected fraud or other non-compliance with laws and regulations communicated by employees, former employees, analysts, regulators or others.

C) Information provided and completeness of information and transactions

1. The Authority has provided as part of the audit:
 - Access to all information that is relevant to the preparation of the financial statements such as records, documentation and other matters;
 - Additional information that has been requested for the purpose of the audit; and
 - Unrestricted access to persons within the Authority in order to obtain audit evidence.

2. All material transactions have been recorded in the accounting records and all material transactions, events and conditions are reflected in the financial statements, including those related to the COVID-19 pandemic.
3. All minutes of the meetings of the Authority (or summaries of actions of recent meetings for which minutes have not yet been prepared) held through the 2021/22 financial year until the meeting held on 30 September 2022 have been made available.
4. The Authority confirms the completeness of information provided regarding the identification of related parties and has disclosed the identity of the Authority's related parties and all related party relationships and transactions of which it is aware, including sales, purchases, loans, transfers of assets, liabilities and services, leasing arrangements, guarantees, non-monetary transactions and transactions for no consideration for the year ended, as well as related balances due to or from such parties at the year end. These transactions have been appropriately accounted for and disclosed in the financial statements.
5. The Authority believes that the methods, significant assumptions and the data used in making accounting estimates and related disclosures are appropriate and consistently applied to achieve recognition, measurement and disclosure that is in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22.
6. The Authority as part of the audit has disclosed that it has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.
7. From the date of the last management representation letter dated 18 March 2022 until the date of this letter, the Authority has disclosed to you any unauthorised access to its information technology systems that either occurred or to the best of its knowledge is reasonably likely to have occurred based on its investigation, including of reports submitted to the Authority by third parties (including regulatory agencies, law enforcement agencies and security consultants), to the extent that such unauthorised access to the Authority's information technology systems is reasonably likely to have a material impact to the financial statements, in each case or in the aggregate. There were no ransomware attacks where the Authority paid or are contemplating paying a ransom, regardless of the amount.

D) Liabilities and contingencies

1. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed and are appropriately reflected in the financial statements.
2. No claims in connection with litigation have been or are expected to be received.

E) Going Concern

1. The accounting policies disclose all the matters of which the Authority is aware that are relevant to its ability to continue as a going concern, including significant conditions and events, the Authority's plans for future action, and the feasibility of these plans.

F) Subsequent events

1. There have been no events subsequent to the year-end which require adjustment of or disclosure in the financial statements or notes thereto.

G) Other information

1. The Authority acknowledges its responsibility for the preparation of the other information. The other information comprises the information included in the Statement of Accounts 2021/22, other than the financial statements and the auditor's report thereon.
2. The Authority confirms that the content contained within the other information is consistent with the financial statements.

H) Use of the work of a specialist

1. The Authority agrees with the findings of the specialists that it engaged to evaluate the valuation of Property, Plant and Equipment and the valuation of pension liabilities, and have adequately considered the qualifications of the specialists in determining the amounts and disclosures included in the financial statements and the underlying accounting records. The Authority did not give or cause any instructions to be given to the specialists with respect to the values or amounts derived in an attempt to bias their work, and it is not otherwise aware of any matters that have had an effect on the independence or objectivity of the specialists.

I) Estimates**Valuation of Property, Plant and Equipment and Pensions**

1. The Authority confirms that the significant judgements made in making the valuation of land and buildings and IAS19 pensions liabilities (the accounting estimates) have taken into account all relevant information and the effects of the COVID-19 pandemic of which it is aware.
2. The Authority believes that the selection or application of the methods, assumptions and data used by it have been consistently and appropriately applied or used in making the accounting estimates.
3. The Authority confirms that the significant assumptions used in making the accounting estimates appropriately reflect its intent and ability to carry out any specific courses of action on behalf of the Authority.
4. The Authority confirms that the disclosures made in the financial statements with respect to the accounting estimates, including those describing estimation uncertainty and the effects of the COVID-19 pandemic on the valuations, are complete and are reasonable in the context of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22.
5. The Authority confirms that appropriate specialized skills or expertise have been applied in making the accounting estimates.
6. The Authority confirms that no adjustments are required to the accounting estimates and disclosures in the financial statements, including due to the COVID-19 pandemic.

J) Retirement benefits

1. The Authority is satisfied that, on the basis of the process established by it and having made appropriate enquiries, the actuarial assumptions underlying the scheme liabilities are consistent with its knowledge of the business. All significant retirement benefits and all settlements and curtailments have been identified and properly accounted for.

Yours sincerely

Maria G Christofi, BA (Hons), FCCA, CPFA
Finance Director and Section 73 Officer

Councillor Dorothy Akwaboah
Chair of the Authority