



Audit of the Group Financial Statements 2017-18

Flintshire County Council

Date: September 2018

Overall conclusion

The Auditor General intends issuing an **unqualified audit report** on the 2017-18 group financial statements of Flintshire County Council

- The financial statements were produced to a **good standard** and were supported by detailed and timely working papers.
- A **more detailed report** will follow on the less significant findings and recommendations arising from our audit.

Auditor General's responsibilities

Responsibility

The Auditor General (Appointed Auditor) is responsible for providing an opinion on the financial statements:

- Give a **true and fair view** of the financial position.
- Are **prepared in accordance** with the CIPFA's Code of Practice.

Materiality

- We adopt a **concept of materiality**, and are not giving absolute assurance.
- Materiality determined as **£4.6 million** for the audit of the group financial statements.

Audit Position and Issues Arising from the Audit

Status of the audit

- Fieldwork completed by 30 August 2018, **one month earlier** than the statutory deadline.
- The Appointed Auditor will give his audit opinion and certificate following approval by the County Council and receipt of the signed Letter of Representation.

Matters arising from the audit

- There are **no uncorrected misstatements**.
- Some **misstatements have been corrected by management** as set out in the Council's covering report.
- **Change in accounting policy** for accruals of income and expenditure.

Issues Arising from the Audit

- There are **no other matters** that we need to report to you.
- We have **mitigated the known threats to the independence of the Auditor General and his staff**.
 - Our audit plan highlighted two members of the audit team had family members employed as teachers at the Council.
 - Neither team member have been involved in any work at the schools or any specific examination of the education service and its payroll transactions.

2018-19 and Future Years

Earlier Statutory deadlines:

Annual financial statements	Financial statements signed by the responsible finance officer (Section 151 Officer)	Financial statements approved by the Council and published (with the signed audit certificate or an explanation for its absence)
2017-18	30 June 2018	30 September 2018
2018-19	15 June 2019	15 September 2019
2019-20	15 June 2020	15 September 2020
2020-21 and thereafter	31 May 2021	31 July 2021

2018-19 and Future Years

The Council is well placed to meet the 2018-19 deadline and should focus on further **developing its early closure arrangements**. In doing so:

- the Wales Audit Office will help **identify new areas for early testing**; and
- the Council should:
 - further **streamline its financial statements**;
 - further **strengthen its quality assurance processes**; and
 - **review its governance arrangements** of the accounts approval process.

Overall conclusion

- The Council's 2017-18 group financial statements were **produced to a good standard**.
- The Appointed Auditor intends issuing an **unqualified audit report** on the group financial statements.
- A **more detailed report** on the less significant findings arising from our audit will be shared with management.
- The Council should now **focus on further developing its early closure arrangements**.