

## Appendix 4

Archwilydd Cyffredinol Cymru  
Auditor General for Wales



WALES AUDIT OFFICE  
SWYDDFA ARCHWILIO CYMRU

# 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:

<b>Annual financial statements</b>	<b>Financial statements signed by the responsible finance officer (Section 151 Officer)</b>	<b>Financial statements approved by the Council and published (with the signed audit certificate or an explanation for its absence)</b>
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**.