

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **AUDIT COMMITTEE**

DATE: **THURSDAY, 24 SEPTEMBER 2015**

REPORT BY: **CORPORATE FINANCE MANAGER**

SUBJECT: **STATEMENT OF ACCOUNTS 2014/15**

1.00 PURPOSE OF REPORT

1.01 To present to Members of the Audit Committee the Statement of Accounts for 2014/15, incorporating those changes agreed with Wales Audit Office (WAO) during the course of the audit.

1.02 To present to Members of the Audit Committee, the WAO's reports in connection with the audit of the 2014/15 financial statements -

- Flintshire County Council
- Clwyd Pension Fund

1.03 To present to Members of the Audit Committee; the Letter of Representation - Flintshire County Council, and the Letter of Representation - Clwyd Pension Fund.

2.00 BACKGROUND

2.01 The Audit Committee received the draft Statement of Accounts 2014/15 on 15th July 2015 - for information only at that stage; the Accounts and Audit (Wales) Regulations 2014 specify the statutory deadline for the approval of the accounts, being 30th September.

3.00 CONSIDERATIONS

3.01 The audit of the 2014/15 accounts is now substantially complete; the audit continues up until the point at which the accounts are signed off by the auditors.

3.02 A copy of the Statement of Accounts for 2014/15 incorporating those changes agreed with WAO during the course of the audit and up to the point of writing this report, is included in the agenda for the County Council meeting for consideration in the afternoon (Members are requested to refer to the County Council agenda, which includes the Statement of Accounts).

- 3.03 Various questions/queries were raised by Members in connection with the draft Statement of Accounts as presented at Audit Committee on 15th July - no further questions have been received over the summer period. Responses to all matters raised have been provided by letter to all Members of the Council. A drop-in session was arranged for Members on the 9th September to provide an opportunity for further explanation should Members have wished to take up the opportunity.
- 3.04 Under the International Standards on Auditing (ISA) 260, WAO is required to communicate relevant matters relating to the audit of the final statements to those charged with governance, which for this Council is the Audit Committee.
- 3.05 The WAO's ISA 260 reports 'Audit of the Financial Statements – Flintshire County Council' and 'Audit of the Financial Statements – Clwyd Pension Fund', are included in the agenda for the County Council meeting for consideration in the afternoon (Members are requested to refer to the County Council agenda, which includes the WAO ISA 260 reports).
- 3.06 Each WAO report includes details of significant issues arising from the audit, and a summary of corrections made to the draft financial statements. Any accounting issues relating to the audit findings will be reviewed internally during the current financial year (2015/16).
- 3.07 It is usual, within the course of the audit of any organisation, that items will be brought to the attention of the body being audited (in this case Flintshire County Council / Flintshire County Council – Administering Body of the Clwyd Pension Fund). The audit findings have been discussed in detail with the WAO, and those adjustments made have been reflected in the Statement of Accounts.
- 3.08 The Letter of Representation requires the Council to confirm the accuracy of the audit. In this letter, the Council confirms to the WAO that all the information contained within the financial statements is true and accurate and that all information has been disclosed.
- 3.09 The Letter of Representation - Flintshire County Council, and the Letter of Representation - Clwyd Pension Fund, are included in the agenda for the County Council meeting for consideration in the afternoon (Members are requested to refer to the County Council agenda, which includes the letters).
- 3.10 One of the issues arising from the audit of the 2013/14 Accounts was that the Council did not have a clear protocol that set out arrangements for the establishment, discharge and review of its reserves. A draft protocol is also included in the agenda for the County Council meeting for consideration (Members are requested to refer to the Council agenda, which includes the draft protocol).

4.00 RECOMMENDATIONS

4.01 Members are requested to recommend to County Council the final version of the Statement of Accounts 2014/15.

4.02 Members are requested to consider WAO's reports; Audit of the Financial Statements – Flintshire County Council, and Audit of the Financial Statements – Clwyd Pension Fund.

4.03 Members are requested to recommend to County Council; the Letter of Representation - Flintshire County Council, and the Letter of Representation - Clwyd Pension Fund.

4.04 Members are requested to recommend to County Council the Reserves and Balances Protocol.

5.00 FINANCIAL IMPLICATIONS

5.01 None.

6.00 ANTI POVERTY IMPACT

6.01 None.

7.00 ENVIRONMENTAL IMPACT

7.01 None.

8.00 EQUALITIES IMPACT

8.01 None.

9.00 PERSONNEL IMPLICATIONS

9.01 None.

10.00 CONSULTATION REQUIRED

10.01 None required.

11.00 CONSULTATION UNDERTAKEN

11.01 None required.

12.00 APPENDICES

12.01 None

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS

Various 2014/15 Final Accounts Working Papers

Contact Officer: Liz Thomas
Telephone: 01352 702289
Email: liz.thomas@flintshire.gov.uk