

AUDIT COMMITTEE

Date of Meeting	Wednesday 24 th January 2018
Report Subject	Wales Audit Office (WAO) - Annual Audit Letter 2016/17
Report Author	Corporate Finance Manager

EXECUTIVE SUMMARY

The Wales Audit Office (WAO) have issued their 'Annual Audit Letter' – Appendix 1. The letter summarises the key messages arising from the Auditor General for Wales' statutory responsibilities under the Public Audit (Wales) Act 2004, and reporting responsibilities under the Code of Audit Practice for the financial year 2016/17.

RECOMMENDATIONS

1	Members note the WAO's Annual Audit Letter for 2016/17.
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REPORT DETAILS

1.00	EXPLAINING THE ANNUAL AUDIT LETTER
1.01	Attached at Appendix 1 to this report is the WAO's Annual Audit Letter.
1.02	The letter was issued by the required date of 30 th November and is published for Members information.
1.03	The letter summarises the key messages arising from the Auditor General for Wales' statutory responsibilities under the Public Audit (Wales) Act 2004 and the reporting responsibilities under the Code of Audit Practice. In the main it relates to the WAO's work in auditing the Council's 2016/17 Statement of Accounts reported in detail to the Committee in September 2017.
1.04	Regarding the Council and its group accounts and audit the WAO and Council Officers held a joint Post Project Learning meeting referred to in the WAO's letter, which identified areas where both organisations could learn

	from this year's experiences, and make improvements for the future. Regular meetings to take any of the more minor issues forward and to start preparations for future challenges are planned.
1.05	Regarding the Clwyd Pension Fund accounts and audit actions are in place to prevent the recurrence of issues incurred last year referred to within the WAOs letter. A meeting is scheduled for late January 2018 to discuss key judgements within the accounts, working paper requirements and audit timescales. A temporary additional resource has been appointed to produce a Code compliant Statement of Accounts with supporting working papers.

2.00	RESOURCE IMPLICATIONS
2.01	No resource implications as a result of this report.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	None required.

4.00	RISK MANAGEMENT
4.01	No specific risks as a direct result of this report requiring mitigation.

5.00	APPENDICES
5.01	Appendix 1 – WAO Annual Audit Letter

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Contact Officer: Liz Thomas – Technical Finance Manager Telephone: 01352 702289 E-mail: liz.thomas@flintshire.gov.uk

7.00	GLOSSARY OF TERMS
	<p>Financial Audit: The annual external audit of the Council's Statement of Accounts.</p> <p>Financial Year: the period of 12 months commencing on 1 April</p> <p>Material: A concept used to inform judgements regarding the accuracy of the Council's Statement of Accounts. The basis could be quantitative with an assigned value or qualitative and affected by issues that are legal,</p>

regulatory, or politically sensitive.

Statement of Accounts / Final Accounts / Financial Accounts or Statements: The Council's annual finance report providing details of the Council's financial performance and position at the end of the financial year. The format is prescribed to enable external comparison with other public and private entities.

Wales Audit Office: works to support the Auditor General as the public sector watchdog for Wales. They aim to ensure that the people of Wales know whether public money is being managed wisely and that public bodies in Wales understand how to improve outcomes.