



WALES AUDIT OFFICE  
SWYDDFA ARCHWILIO CYMRU

Archwilydd Cyffredinol Cymru  
Auditor General for Wales

# Audit of Financial Statements Report – **Powys County Council**

Audit year: 2017-18

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The Auditor General intends to issue an unqualified audit report on your financial statements. There are some issues to report to you prior to their approval

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# Summary report

## Introduction

- 1 The Auditor General is responsible for providing an opinion on whether the financial statements give a true and fair view of the financial position of Powys County Council (the Authority) at 31 March 2018 and its income and expenditure for the year then ended.
- 2 We do not try to obtain absolute assurance that the financial statements are correctly stated, but adopt the concept of materiality. In planning and conducting the audit, we seek to identify material misstatements in your financial statements, namely, those that might result in a reader of the accounts being misled.
- 3 The quantitative levels at which we judge such misstatements to be material for the Authority are £4.349 million for income and expenditure items and working capital balances, and other balances. Whether an item is judged to be material can also be affected by certain qualitative issues such as legal and regulatory requirements and political sensitivity, for example related parties and senior officers' remuneration.
- 4 International Standard on Auditing (ISA) 260 requires us to report certain matters arising from the audit of the financial statements to those charged with governance of a body in sufficient time to enable appropriate action.
- 5 This report sets out for your consideration the matters arising from the audit of the financial statements of Powys County Council, for 2017-18, that require reporting under ISA 260.

## Status of the audit

- 6 The draft financial statements for the year ended 31 March 2018 were signed by the Deputy Chief Executive and were provided to us by the agreed date of 18 June 2018. As planned their receipt was almost two weeks in advance of the statutory deadline of 30 June (see [Exhibit 1](#)).
- 7 We have now substantially completed the audit work subject to our final review and are reporting to you the more significant issues arising from the audit, which we believe you must consider prior to approval of the financial statements. The audit team has already discussed these issues with the Deputy Head of Financial Services (Resources) and the Financial Reporting and Policy Accountant.

## Proposed audit report

- 8 It is the Auditor General's intention to issue an unqualified audit report on the financial statements once you have provided us with a Letter of Representation based on that set out in [Appendix 1](#).
- 9 The proposed audit report is set out in [Appendix 2](#).

## Significant issues arising from the audit

### Uncorrected misstatements

- 10 There are no misstatements identified in the financial statements, which remain uncorrected.

### Corrected misstatements

- 11 There are misstatements that have been corrected by management, but which we consider should be drawn to your attention due to their relevance to your responsibilities over the financial reporting process. They are set out with explanations in [Appendix 3](#).

### Other significant issues arising from the audit

- 12 In the course of the audit, we consider a number of matters both qualitative and quantitative relating to the accounts and report any significant issues arising to you. We comment below on significant matters that arose, and also on matters that we are required to report to you:

- **The Council has generally sound accounting and financial reporting practices, although continued improvements can be made to the quality and timeliness of some of its working papers.** Overall, we found that the quality of the draft financial statements presented to us for audit has continued to improve, with officers having prepared them generally to a good standard. These ongoing improvements are particularly important given the challenges of 'earlier closure' that we cover at paragraphs 15 to 18. However, further improvements can be made to the quality and timeliness of some of the working papers compiled to support the financial statements. In April 2018, we agreed a 'Schedule of Deliverables' with the Finance team which provided a detailed list of the working papers that were required to be produced at the same time as the draft financial statements were made available for audit. Although many of the working papers detailed on the 'Schedule of Deliverables' were provided either with or before the draft financial statements on 18 June, and were to the required quality, there were a number of exceptions as follows: -
  - no documentary evidence outlining the quality assurance process that the draft financial statements had been subject to, including for example details of the issues that the process had identified and how these had been resolved prior to the draft statements being submitted for audit;
  - an analytical review of the financial statements with explanations for significant movements year-on-year was not received until 10 August;

- the Fixed Assets Register was not reconciled to the ledger until 16 July;
- the formal valuation reports for those fixed assets revalued in the year were not received until 9 July; and
- a completed CIPFA disclosure checklist was not completed until 3 July.

To ensure that the faster closing agenda is achieved going forward (see paragraphs 15–18 below), it is important that all documents detailed on the ‘Schedule of Deliverables’ are available when the draft financial statements are made available for audit.

- **We did not encounter any significant difficulties during the audit.** We are grateful for the help and assistance provided to us by the staff of the Finance and other departments throughout the audit and were not restricted in our work. However, despite improvements made to the content of income and expenditure transaction reports upon which our income and expenditure transaction testing is based, we continued to identify categories of transactions which should have been excluded (and were agreed to be excluded) from the transaction reports (e.g. payroll and internal recharge transactions). In addition, we continue to experience lengthy delays in obtaining appropriate evidence (e.g. invoices and other documents) to support the transactions selected for testing. For one transaction, we first requested information on 27 March to support a £140,000 payment but did not receive satisfactory evidence until 10 August. We also continue to experience difficulty in identifying individual debtor and creditor balances for testing due to the manner in which ongoing balances are accounted for annually.

We will continue to work with the Council to support how the Council compiles and provides sources of evidence to support the audit process.

- **Significant matters discussed and corresponded upon with the Council which we need to report to you.** Having carefully considered the improvements required to the Council’s governance arrangements and financial challenges facing the Council, our 2016-17 Annual Audit Letter issued on 25 January 2018 contained a Statutory Recommendation to the Council under section 25(2) of the Public Audit (Wales) Act 2004. The recommendation focused on the necessity for the Council to: (i) ensure that all savings plans are sufficiently well developed for inclusion in the annual budget; and (ii) update its Medium Term Financial Strategy to enable the Council to live within its means going forward, and design and implement actions to address the weaknesses identified and reported by me in respect of its corporate and financial arrangements. We intend to review the progress made by the Council in addressing these matters as part of our future audit work.

- Following the Council's decision to revise its Minimum Revenue Policy (MRP) policy in the financial year (via a 'retrospective' application to 2007-08), we considered these revisions in light of the existing regulations and statutory guidance. In our letter to the Council dated 23 April 2018, we outlined the statutory basis for the provision for the redemption of debt and our role as the external auditor. The letter stated that, whilst at that point in time, we were not minded to challenge the revised policy, we reserved the right to reconsider this position should further information be brought to our attention. The letter also included a number of observations, including our expectations in the event of revised Welsh Government guidance and/or any future amendments made by the Council to its MRP policy. We also included the need for the Council to clearly reference the MRP impact within the Council's medium term and longer term financial strategies, particularly in the context of additional budgetary pressures arising from years 2026-27 to 2058-59.
- There are no other matters significant to the oversight of the financial reporting process that we need to report to you.**
- We did not identify any material weaknesses in your internal controls, however there is one matter which we wish to bring to your attention.** The opening and closing trial balances upon which the 2017-18 accounts were produced did not balance. The Council had identified this issue when preparing the draft financial statements in April and had ringfenced the issue to two specific areas (inventories and creditors). The matter arose as a result of software issues which the Council had sought to address with the software supplier throughout the period April to August 2018. We consider that the amounts involved were not material (i.e. the 2017-18 opening trial balance had an imbalance of £582.50 and the 31 March 2018 had an imbalance of £654.00) and did not impact on other areas of the accounts. The Council has confirmed that it is undertaking monthly checks of the 2018-19 ledger information to ensure that similar issues do not re-occur.
- There are not any other matters specifically required by auditing standards to be communicated to those charged with governance.**

## Amendments to the accounts and audit deadlines going forward

- 13 Under the Accounts and Audit (Wales) (Amendments) Regulations 2018<sup>1</sup>, in the future the Council and the Auditor General are required to meet earlier statutory deadlines. Under the amended regulations the new deadlines are due to change in stages, with the final change taking effect from 2020-21. **Exhibit 1** sets out the new deadlines.

### Exhibit 1: changes in deadlines introduced by the amended regulations

Annual financial statements year	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

- 14 In terms of the 2017-18 financial statements, the Council has made good progress in producing its draft financial statements almost two weeks earlier than the current statutory deadline without sacrificing the quality of the draft financial statements. In addition, this year's Audit Committee meeting, at which the audited financial statements are to be considered and approved, has also been brought forward to 12 September to work towards the earlier closing deadlines.
- 15 Given this year's successful outcome, discussions with officers have highlighted their intent to work towards producing the 2018-19 draft financial statements for audit before the revised 15 June deadline on 31 May 2019. We will then aim to have our audit substantially complete by 31 July 2019. To allow this to be achieved, we will continue to work closely with officers throughout the autumn to ensure that the further improvements required to the accounts production process are implemented. A key aspect of these improvements will be to continue to bring additional audit work forward to earlier in the year so that wherever possible it is completed prior to receiving the draft financial statements.
- 16 In addition, we plan to issue a separate Accounts Memorandum report in the autumn which will contain other recommendations arising from the results of our

<sup>1</sup> <http://www.legislation.gov.uk/wsi/2018/91/contents/made>



audit work for management to consider where further improvements could be made.

## Independence and objectivity

- 17 As part of the finalisation process, we are required to provide you with representations concerning our independence.
- 18 We have complied with ethical standards and in our professional judgment, we are independent, and our objectivity is not compromised. As reported in our Audit Plan dated April 2018, there is one potential conflict of interest that was brought to your attention. This relates to a member of my financial audit team who holds a voluntary role as Treasurer of a charity which has a contract to provide a service within Adult Social Care. I can confirm that appropriate arrangements were introduced to ensure that this officer did not undertake any audit work in respect of this area of the Council's operations. With the exception of this, all other members of my team are independent of the Council and your officers and there are no relationships between the Wales Audit Office and Powys County Council that we consider to bear on our objectivity and independence.

# Appendix 1

## Final Letter of Representation

Auditor General for Wales  
Wales Audit Office  
24 Cathedral Road  
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12 September 2018

## Representations regarding the 2017-18 financial statements

This letter is provided in connection with your audit of the financial statements (including that part of the Remuneration Report that is subject to audit) of Powys County Council for the year ended 31 March 2018, for the purpose of expressing an opinion on their truth and fairness and their proper preparation.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

## Management representations

### Responsibilities

We have fulfilled our responsibilities for:

- the preparation of the financial statements in accordance with legislative requirements and the Code of Practice; in particular the financial statements give a true and fair view in accordance therewith; and
- the design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

### Information provided

We have provided you with:

- Full access to:
  - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;

- additional information that you have requested from us for the purpose of the audit; and
- unrestricted access to staff from whom you determined it necessary to obtain audit evidence.
- The results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- Our knowledge of fraud or suspected fraud that we are aware of and that affects Powys County Council and involves:
  - management;
  - employees who have significant roles in internal control; or
  - others where the fraud could have a material effect on the financial statements.
- Our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others.
- Our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
- The identity of all related parties and all the related party relationships and transactions of which we are aware.

## Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

Significant assumptions used in making accounting estimates, including those measured at fair value, are reasonable.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions and there are no uncorrected misstatements.

## Representations by those charged with governance

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for ensuring that the Council maintains adequate accounting records.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by Powys County Council on 12 September 2018.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Nant Helen Section106 - at this moment in time the Council will not seek to enforce the strict payment terms in the s106 Agreement with Celtic Energy, regarding the Nant Helen site. The company are considering applying to modify the works required under the agreement to provide for a reduced level of works which could be undertaken within the funds currently with PCC. Welsh Government are also promoting a scheme to turn the site into a Train Testing Track ('Project Hornby') which will require planning permission and a variation of the s106.

We are mindful of the significant financial challenges the Council faces. We continue to monitor the delivery of savings plans and have revised our medium term financial strategy and our five-year budget plan. These will be reviewed and updated in the context of our budgetary control arrangements and the projected financial outturn for 2018-19. We will review and consider the levels of general fund and specific reserves, local tax raising powers, income opportunities and our on-going transformation programme.

Signed by:

Section 151 Officer

Date: 12 September 2018

Signed by:

Chair of Audit Committee

Date: 12 September 2018

# Appendix 2

## Proposed audit report of the Auditor General to the members of Powys County Council

## The independent auditor's report of the Auditor General for Wales to the members of Powys County Council

### Report on the audit of the financial statements

#### Opinion

I have audited the financial statements of Powys County Council for the year ended 31 March 2018 under the Public Audit (Wales) Act 2004.

Powys County Council's financial statements comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement, the Movement on the Housing Revenue Account Statement and the Housing Revenue Account Income and Expenditure Statement and the related notes, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and the Code of Practice on Local Authority Accounting in the United Kingdom 2017/18 based on International Financial Reporting Standards (IFRSs).

In my opinion the financial statements:

- give a true and fair view of the financial position of Powys County Council as at 31 March 2018 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2017/18.

#### Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)). My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the council in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the responsible financial officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the council's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The responsible financial officer is responsible for the other information in the narrative report and accounts. The other information comprises the information included in the narrative report other than the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated later in my report, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

## Report on other requirements

### Opinion on other matters

In my opinion, based on the work undertaken in the course of my audit:

- the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Narrative Report has been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2017/18; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and the Annual Governance Statement has been prepared in accordance with guidance.

### Matters on which I report by exception

In the light of the knowledge and understanding of the council and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- adequate accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- I have not received all the information and explanations I require for my audit.

### Certificate of completion of audit

I certify that I have completed the audit of the accounts of Powys County Council in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales' Code of Audit Practice.

### Responsibilities

#### Responsibilities of the responsible financial officer for the financial statements

As explained more fully in the Statement of Responsibilities for the Statement of Accounts, the responsible financial officer is responsible for the preparation of the statement of accounts, which give a true and fair view, and for such internal control as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the statement of accounts, the responsible financial officer is responsible for assessing the council's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

#### Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

Anthony J Barrett  
For and on behalf of the Auditor General for Wales

24 Cathedral Road  
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25 September 2018



# Appendix 3

## Summary of corrections made to the draft financial statements which should be drawn to the attention of the members of Powys County Council

During our audit we identified the following misstatements that have been corrected by management, but which we consider should be drawn to your attention due to their relevance to your responsibilities over the financial reporting process.

### Exhibit 2: summary of corrections made to the draft financial statements

Note Reference & Value of correction	Nature of correction	Reason for correction
<b>Note 36 Senior Emoluments</b> Various	The note disclosing details of the senior officers and their respective salary and remuneration information was revised to more clearly present the Authority's Executive Management Team structure and the positions occupied during the year. Therefore, several senior officers that were originally disclosed in the remuneration note were removed.	The original list of senior officers disclosed in Note 36 in the draft financial statements included details of senior officer posts that attracted salaries in excess of £60,000. The CIPFA Code of Practice only requires disclosure of the salary and other remuneration details of those officers in statutory roles and other directors who report directly to the Chief Executive.
<b>Note 36 Senior Emoluments</b> £0.024 million	Senior Officer Emoluments disclosed in Note 36 were reduced.	The disclosures of the emoluments of senior staff who received benefits in kind were overstated due to the value of these benefits being double counted within both the 'Salary' and 'Benefits in kind' amounts.

Note Reference & Value of correction	Nature of correction	Reason for correction
<p><b>Note 36 Senior Emoluments</b> Various other amendments</p>	<p>The number of officers shown in Note 36 as being higher paid officers (excluding Executive Management Team members) receiving emoluments over £60,000 in the year (in bandings of £5,000) was increased by a total of 19.</p>	<p>To comply with the Code of Practice, added to this disclosure was: -</p> <ul style="list-style-type: none"> <li>a) those officers who were removed from the original senior officers' remuneration note disclosure who were not part of the Council's Executive Management Team (see first correction above);</li> <li>b) officers who also received redundancy payments in year which were omitted from the draft financial statements in error;</li> <li>c) off-contract officers omitted in error from the draft financial statements; and</li> <li>d) an officer who was employed in two different roles during the year and the salaries for both roles had not been combined.</li> </ul>

Note Reference & Value of correction	Nature of correction	Reason for correction
<p><b>Note 12 Plant Property &amp; Equipment</b> £1.818 million</p>	<p>Reduction in the value of Property, Plant and Equipment and the Revaluation Reserve (Unusable Reserves) on the Balance Sheet.</p> <p>This also increases the Deficit on Provision of Services within the Total Comprehensive Income and Expenditure Statement by £1.818 million.</p>	<p>As reported at the Audit Committee in September 2017, the 2016-17 financial statements contained one uncorrected misstatement which had been identified.</p> <p>This occurred as a result of a typographical error in the external valuer's valuation report relating to one specific asset within Note 12 Plant, Property &amp; Equipment (PPE). As a result, the net book value of Other Land &amp; Buildings was overstated by £1,818,000.</p> <p>At that time, the Council did not amend its financial statements as the amount involved was not material but confirmed its intention to correct this error when compiling its 2017-18 financial statements.</p> <p>However, our audit of the PPE balances and disclosures within the draft financial statements, identified that this correction had been overlooked.</p>
<p><b>Note 12 Plant Property &amp; Equipment</b> £2.679 million</p>	<p>Reclassification of assets from Assets Under Construction to Other Land and Buildings and Infrastructure Assets.</p>	<p>Nine assets, were incorrectly disclosed as assets under construction in the draft financial statements. The most significant of these is 'Rhayader Highways Depot 6' with a valuation of £1.523 million. All assets were found to have been brought into use in the 2017-18 or 2016-17 financial years and therefore have been reclassified as either 'Other Land and Buildings' or Infrastructure assets.</p>

Note Reference & Value of correction	Nature of correction	Reason for correction
<p><b>Note 20 Debtors analysis and Note 11 Taxation and Non-Specific Grant Income £6.444 million</b></p> <p><b>Note 16 Capital Expenditure and Capital Financing</b></p>	<p>‘Capital Grants’ disclosed in the Note 11 ‘Credited to Taxation and Non-Specific Grant Income’ analysis reduced by £6.444 million, with associated decrease in Note 20 ‘Welsh Government’ debtor of £6.444 million.</p> <p>The changes impact on a number of other disclosures - the most significant being:</p> <ul style="list-style-type: none"> <li>• a decrease in ‘Government Grants and other Contributions’ affecting the Closing Capital Financing Requirement to reflect the £6.444 million increase in borrowing unsupported by government financial assistance; and</li> <li>• an increase in the Deficit on Provision of Services within the Total Comprehensive Income and Expenditure Statement of £6.444 million.</li> </ul>	<p>21<sup>st</sup> Century Schools Welsh Government grant debtor overstated by £6.444 million, as this amount is funded by the Local Government Borrowing Initiative and hence no capital funding is due from the Welsh Government for this amount.</p>
<p><b>Note 20 Short Term Debtors</b></p> <p>£0.395 million</p>	<p>Reclassification of debtors within Note 20 between Welsh Government Debtors and Sundry Debtors.</p>	<p>A debtor due from the Church in Wales was incorrectly disclosed as a debtor due from the Welsh Government.</p>
<p><b>Note 23 Creditors</b></p> <p>£0.398 million</p>	<p>Reclassification of creditors within Note 23 between Welsh Government Creditors and Sundry Creditors.</p>	<p>One transaction had been erroneously disclosed as a creditor due to the Welsh Government.</p>

Note Reference & Value of correction	Nature of correction	Reason for correction
Various	<p>Narrative and presentational changes to a number of notes, eg:</p> <ul style="list-style-type: none"> <li>• Note 8: additional footnote to explain the schools reserve deficit;</li> <li>• Note 16: removal of the Capital Investment Outcomes section;</li> <li>• Note 37: audit Costs amended to only disclose audit costs relating to the 2017-18 year as required by the Code;</li> <li>• Note 40: Related Parties additional information added in respect of outstanding creditor balances with the Heart of Wales Property Services Limited; and</li> <li>• Note 41: Leases note updated due to calculation errors.</li> </ul>	<p>Several other changes have been made to narrative disclosures to provide clarification or to ensure compliance with the requirements of the Code of Practice.</p>

Note Reference & Value of correction	Nature of correction	Reason for correction
Annual Governance Statement (AGS)	<p>Additional information has been included in the revised Annual Governance Statement highlighting:</p> <ul style="list-style-type: none"> <li>• the Council's opinion on the level of assurance that the governance arrangements provide;</li> <li>• the key issues/risks referred to in the 2016-17 AGS and action taken to address those matters;</li> <li>• the current significant governance issues facing the Council, an action plan to address these and confirmation as how these actions will be monitored; and</li> <li>• the key matters summarised in the Head of Internal Audit's annual opinion which was not available prior to the completion of the draft financial statements.</li> </ul>	To ensure compliance with guidance



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