
AUDIT AND GOVERNANCE COMMITTEE 13/09/19

Present: Councillor Angela Russell (Vice-chair)

Councillors: Alwyn Gruffydd, R Medwyn Hughes, Peredur Jenkins, Berwyn Parry Jones, Aled Wyn Jones, Charles Wyn Jones, Dewi Wyn Roberts, Paul Rowlinson and Gethin Glyn Williams.

Lay Member: Sharon Warnes

Others invited: Councillors Ioan Thomas (Cabinet Member for Finance) and Edgar Owen (Ex-officio Member).

Also in Attendance: Dafydd Edwards (Head of Finance Department), Ffion Madog Evans (Senior Finance Manager) Siân Pugh (Group Accountant), Lowri Haf Evans (Member Support Officer) and Clare Skivens (Financial Audit Engagement Manager, Deloitte)

1. APOLOGIES

Apologies were received from Councillors Aled Ll. Evans, John Brynmor Hughes, Huw G. Wyn Jones and John Pughe Roberts

2. DECLARATION OF PERSONAL INTEREST

No declarations of personal interest were received from any members present.

3. URGENT ITEMS

None to note

4. GWYNEDD COUNCIL FINAL ACCOUNTS 2018/19 AND AUDIT REPORT

The Head of Finance thanked Members for their efforts to attend the special meeting. Although the intention was to present the Auditor General's report at the Committee on 29th of July 2019 with the final accounts, Gwynedd Council's external auditors were unable to release their report within the timetable. The Head of Finance Department explained that the 2018/19 Statements of Accounts (pre-audit) had been presented and scrutinised appropriately at the meeting on the 29th of July.

Together with the final version (post audit) of the Statement of the Accounts 2018/19 the 'ISA260' report of the Auditor General for Wales was presented by Clare Skivens, Financial Audit Engagement Leader, Deloitte. It was highlighted that the external auditors had no concerns regarding the qualitative aspects of accounting practices and the Council's financial reporting. The accounting team were applauded for the quality and presentation of the accounts.

Members were referred to one 'misstatement' namely the second valuation of the Council's car parks. Following the second valuation by the Council in 2018-19,

the difference between the projections used by the Council and those suggested in relevant RICS guidance was noted.

The Council had adapted the final version of the accounts to reflect the guidance for financial statements 2018/19, and had agreed to re-visit the valuation methods jointly with the external auditors in the future.

In response to a question regarding if the 'valuation differences' was a common matter, the Head of Finance Department stated that the external auditors of several Councils had looked in detail at the value of property assets this year, and Gwynedd's internal valuer had amended the valuation basis. As a result of the differences, the external auditor appointed a specialist valuer to discuss this unique situation. It was added, as a response to a supplementary question regarding methodology and who determines the methodology, that there were several methodologies in the field but the matter in question would be reviewed for the following annual accounts.

The Head of Finance Department expressed his gratitude for the report submitted by Deloitte and for their usual co-operation throughout the audit.

RESOLVED:

- (i) to approve the Gwynedd Council Statement of Accounts 2018/19 (post-audit);**
- (ii) to accept the Deloitte 'ISA260' audit report on behalf of the Auditor General for Wales;**
- (iii) to authorise the Head of Finance Department and the Vice-chair of the Committee to certify the "letter of representation" in relation to Council accounts and present it to the Auditor General for Wales.**

The meeting commenced at 10.00am and concluded at 10:20am.

CHAIRMAN