

[Address]

Reference: BM/GT/[GT Ref No]

Date issued: [xxxx]

Dear [xxxx]

Notice of audit for the financial year ended 31 March 2019

[Name of council]

This letter contains important information for the body's statutory external audit. It includes a notice of audit and an explanation of what you must now do. It is important that you read the contents carefully to ensure that you provide information to your auditor on time. Page 2 sets out what you must do now.

The Auditor General has appointed Monday 29th July 2019 as the date from which electors can exercise their rights under the Public Audit (Wales) Act 2004.

We also enclose a copy of the 2019 annual return for you to complete and return to us. **Please complete and send us the 2019 return even if your 2018 audit has not yet been completed.**

It will be helpful if you would send us the completed annual return and all requested information by [insert date]. However, we will not be able to issue our audit opinion until after 29th July.

If you are no longer the clerk to the body, please inform us immediately.

If you have any questions, please contact your auditor at:

Grant Thornton UK LLP

11-13 Penhill Road

Cardiff

CF11 9UP

Email: [redacted] [@uk.gt.com](mailto:[redacted]@uk.gt.com)

Phone: 02920 347546

Yours sincerely

Grant Thornton UK LLP.

For and on behalf of the Auditor General for Wales

Next steps

Completing the annual return

You should complete the annual return in full as soon as possible and ensure that your internal auditor has completed their work before the annual return is approved. The Practitioners' Guide (Governance and Accountability for local councils in Wales) will help you to complete the annual return.

The RFO must then certify the annual return by 30 June and the body must approve the annual return also by 30 June. The body cannot delegate this approval to a committee.

30 June is the latest date by which you can approve the annual return. You should try and complete the annual return earlier if you can.

Sending the annual return to the auditor

Once the annual return has been approved, you should send it, along with the other documents set out on page 3 of this letter, to your auditor at:

Grant Thornton UK LLP

11-13 Penhill Road

Cardiff

CF11 9UP

The annual return and supporting documents should be sent to the auditor as soon as possible after approval. You should post them to the auditor by 1 July at the latest.

You should keep a copy of the annual return for public inspection.

Notice of audit

You must display the attached notice of audit (page 4) in a conspicuous place in the area no later than 16 June 2019. The notice must also be displayed on the council's website. Joint committee's notices should be displayed on the websites of the constituent councils. The notice must remain on display until at least 1 July.

The notice has been pre-printed with the relevant dates. You need to insert your contact details as set out on the notice.

You can display the notice for longer if you wish.

Inspection of accounts

You must make the annual return and your accounting records available for public inspection on reasonable notice for 20 working days. The audit notice sets out the required inspection period on the basis of availability from Monday to Friday. If this is not possible, please contact your auditor immediately.

Information required for the audit

The Auditor General has specified that ALL councils in Wales must provide the following information for the audit for 2018-19. The information is required under section 52 of the Public Audit (Wales) Act 2004.

You should send to us the original annual return and copies of the following documents.

Accounting statements

1. Bank reconciliation as at 31 March 2019.
2. Explanation of variances between the 2018-19 and 2017-18 accounts in the 2018-19 annual return.
3. If applicable, an explanation of any differences between the 2017-18 accounts included on the 2018-19 annual return and the 2017-18 accounts reported on the 2017-18 annual return.

Guidance on preparation of these documents is included in the Practitioners' Guide. Please refer to this guidance in the first instance.

Annual Governance Statement

1. Photograph showing the audit notice has been displayed in a conspicuous place and website address to confirm the notice has been posted.
2. List of committees established by the body.
3. Terms of reference for each committee.
4. The body's standing orders and financial regulations (or equivalent).
5. For all contracts awarded during 2018-19, evidence that the body complied with its standing orders e.g. copy of advertisement, reports to the body and minutes approving the award of the contract.

Audit fees

Audit fees are charged in accordance with the Wales Audit Office's Fee Scheme 2018-19 available at <http://www.audit.wales/system/files/publications/fee-scheme-2018-19-english.pdf>.

Independence

We are not aware of any conflicts of interest between the auditor and the Council, its members or staff. We will notify you if we become aware of potential conflicts. You should notify us if you are aware of any such conflicts of interest.

Complaints

If you have any complaints about us, please contact us at the address above. Alternatively, you can write directly to the Wales Audit Office at 24 Cathedral Road, Cardiff CF11 9LJ or email WalesAuditOffice@audit.wales.

Notice of appointment of the date for the exercise of electors' rights

[Name of council]

Financial year ending 31 March 2019

1. Date of announcement _____

2. Each year the annual accounts are audited by the Auditor General for Wales. Prior to this date, any interested person has the opportunity to inspect and make copies of the accounts and all books, deeds, contracts, bills, vouchers and receipts etc. relating to them for 20 working days on reasonable notice. For the year ended 31 March 2019, these documents will be available on reasonable notice on application to:

between the hours of _____ and _____ on Monday to Friday
commencing on 1st July 2019
and ending on 26th July 2019

3. From 29th July 2019 until the audit has been completed, Local Government Electors and their representatives also have:

- the right to question the Auditor General about the accounts. The Auditor General can be contacted via: Grant Thornton UK LLP, 11-13 Penhill Road, Cardiff, CF11 9UP
- and the right to attend before the Auditor General and make objections to the accounts or any item in them. Written notice of an objection must first be given to the Auditor General via: Grant Thornton UK LLP, 11-13 Penhill Road, Cardiff, CF11 9UP
- A copy of the written notice must also be given to the council.

4. The audit is being conducted under the provisions of the Public Audit (Wales) Act 2004, the Accounts and Audit (Wales) Regulations 2014 and the Auditor General for Wales' Code of Audit Practice.

Electors' rights under the Public Audit (Wales) Act 2004

The basic position

By law any interested person has the right to inspect the council's accounts. If you are entitled and registered to vote in local council elections then you (or your representative) also have the right to ask the Auditor General questions about them, or challenge an item of account contained within them.

The right to inspect the accounts

When a local government body has finalised its accounts for the previous financial year it must advertise that they are available for people to look at. Having given reasonable notice of your intentions, you then have 20 working days to look through the accounts and supporting documents. You will be able to make copies of the accounts and most of the relevant documents from the body. You will probably have to pay a copying charge.

The right to ask the auditor questions about the accounts

You can only ask the Auditor General questions about the accounts. The Auditor General does not have to answer questions about the body's policies, finances, procedures or anything else not related to the accounts. Your question must be about the accounts that are subject to audit. The Auditor General does not have to say whether he thinks something the council has done, or an item in its accounts, is lawful or reasonable.

The right to object to the accounts

If you think that the body has spent money that they shouldn't have, or that someone has caused a loss to the body deliberately or by behaving irresponsibly, you can object to the Auditor General by sending a formal 'notice of objection', which must be in writing to the address below. You must tell the Auditor General why you are objecting. The Auditor General must reach a decision on your objection. If you are not happy with that decision, you can appeal to the courts.

You may also object if you think that there is something in the accounts that the Auditor General should discuss with the council or tell the public about in a 'public interest report'. Again, you must give your reasons in writing to the Auditor General at the address below. In this case, the Auditor General must decide whether to take any action. The Auditor General will normally, but does not have to, give reasons for their decision and you cannot appeal to the courts. You may not use this 'right to object' to make a personal complaint or claim against the body.

If you wish to make a personal complaint or claim, you should take these complaints to your local Citizens' Advice Bureau, local Law Centre or your solicitor. You may also be able to complain to the Public Services Ombudsman for Wales if you believe that a Member of the body has broken the Code of Conduct for Members. The Ombudsman can be contacted at: 1 Old Field Rd, Pencoed, Bridgend CF35 5LJ, (1 Ffordd yr Hen Gae, Pencoed, CF35 5LJ) (tel: (01656) 641 150).

What else you can do

Instead of objecting, you can give the Auditor General information that is relevant to their responsibilities. For example, you can simply tell the Auditor General if you think that something is wrong with the accounts or about waste and inefficiency in the way the council runs its services. You do not have to follow any set time limits or procedures. The Auditor General does not have to give you a detailed report of their investigation into the issues you have raised, but they will usually tell you the general outcome.

A final word

Local government bodies, and so local taxpayers, must meet the costs of dealing with questions and objections. When the Auditor General decides whether to take your objection further, one of a series of factors they must take into account includes the costs that will be involved. They will only continue with the objection if it is in the public interest to do so. If you appeal to the courts, you might have to pay for the action yourself.

If you wish to contact the Auditor General please write to: Grant Thornton UK LLP, 11-13 Penhill Road, Cardiff, CF11 9UP

