

Date issued: 11 August 2022

Full audits 2021-22

Audit documentation requirements

What does the full audit involve?

- 1 This year is the first year your council is receiving a full audit under the Auditor General's new audit arrangements. Further details on the audit process is provided in the attachments to this email.
- 2 In short the full audit will include:
 - Agreement of the accounting statement to the underlying cashbook/ledger
 - Verification of the arithmetic accuracy of the underlying records
 - Additional planning procedures to identify risk areas. This will include a review of minutes and other documentation including the council's website.
 - Review of the Council's annual budget setting and monitoring procedures
 - Verification of income including precept and other sources of income to ensure it is completely and accurately accounted for
 - Agreement of staff costs to contracts and relevant approvals and verification that the council is properly operating PAYE for wages, salaries and relevant taxable benefits
 - Verification of the year end bank reconciliation to ensure the accounts are complete and accurate
 - Verification of year end loan balances and approvals for any new borrowing
 - Verification of member allowances payments to the Independent Remuneration Panel report
 - Review of grant payments made under s137 of the Local Government Act 1972
 - Verification of other payments to original invoices etc and checking that payments made complied with the council's proper procedures and standing orders
 - Verification of year end debtor and creditor balances if appropriate (councils > £200,000)
 - Agreement of fixed assets and investments to asset and investment registers

- 3 These audit procedures are in addition to those you have been subject to in recent years i.e. the basic audit. The extent of our audit work will be based on the size of the council. In some cases, we will not need to complete the whole programme listed above.

What information do we need for the audit?

- 4 To enable us to complete our audit we need you to provide the following documents:
- Documents specified for the basic audit as set out in our original audit notice
 - A copy of the cashbook (if using a manual cashbook)
 - A copy of any electronic cashbook eg Excel or an Excel file that includes all transactions exported from proprietary accounting software. We will need to be able to use this file to reconcile to the accounting statement and to identify different types of receipts and payments.
 - If minutes are not on the website, we will need a copy of all minutes. We also need minutes for all meetings not published on the website eg meetings where the press and public were excluded
 - The 2021-22 and 2022-23 budgets and precept demands
 - A copy of the original burial records if applicable
 - Hall letting records, allotment letting records and other primary records etc for other income reported in line 3 of the accounting statement
 - Clerk's contract of employment
 - PAYE records including monthly and year end returns and P11D forms where appropriate
 - Bank statements for 1 April 2021 to 31 March 2022 inclusive
 - Original invoices supporting payments made. Note that we need the original documents and not copies
 - A schedule of year end debtors and creditors (councils > £200,000 only)
 - Fixed asset and investment register
- 5 During the audit we may identify further documents that we wish to examine. We will contact you directly to arrange for these to be supplied to us.

How do you provide the documents we need?

- 6 We have set up a number of sites at which you can drop off your records to us. These are set out in the appendix to this document along with the dates that our staff will be available. You may drop off your records to any suitable location listed.
- 7 Our auditors will be available from 9:30am until 4:30pm.

- 8 Please drop off your records as soon as possible.
- 9 Alternatively, you can post the documents to our Cardiff office or send them to us electronically by 15 September 2022 at the latest.
- 10 You can send documents electronically to communitycouncilaudits@audit.wales. Alternatively we can set up a secure transfer site (Objective Connect). If you wish to use Objective Connect, please contact us via communitycouncilaudits@audit.wales.
- 11 If you believe the council has too many records to bring to us, please contact us at communitycouncilaudits@audit.wales.
- 12 Once we have completed our audit work we will arrange to return your documents to you.

When will the audit be completed?

- 13 Our audit team is in place to undertake the audit work during September and October 2022.

Appendix 1 – Drop off locations

Audit Wales Offices

Office	Dates available	Contact
Cardiff: Audit Wales 24 Cathedral Road Cardiff CF11 9LJ	From 22 August 2022 until 16 September 2022	Deryck Evans Morgan Vaughan
Swansea: Audit Wales Unit 1A, Dragon 24 Penllergaer, Swansea, SA4 9HJ (please use SA4 9NX for satnav)	From 22 August 2022 until 16 September 2022	Kate Havard or leave with Audit Wales staff
Abergele: Audit Wales Ground floor, Unit 5325 North Wales Business Park Abergele, Conwy, LL22 8LJ	6 September to 8 September	Reception

Other locations

Office	Dates available	Contact
Powys County Council: County Hall Spa Road East Llandrindod Wells Powys LD1 5LG	7 September and 8 September	Deryck Evans Meeting Room Pump House Directions from reception
Haverfordwest Town Council: Old Wool Market Quay St Haverfordwest SA61 1BG	14 – 15 September 2022	Ceri Baker
Wrexham County Borough Council: The Guildhall Wrexham LL11 1A	8 September and 9 September	Audit Wales Meeting Room 3 is on the first floor within the public access of the Guildhall. Access 3 via the staircase or you can use the lift.
Gwynedd County Council: Ystafell Gwyrfa Block J Stryd y Jel Caernarfon LI55 1SH	6 September and 7 September	Audit Wales Ystafell Gwyrfa Go to Siop Gwynedd on Stryd y Castell for directions to the room