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Councillor Neil Moore  
Vale of Glamorgan Council  
Civic Offices  
Holton Road  
Barry  
CF63 4RU

Reference	JG/LH
Date	30/11/15
Pages	1 of 3

Dear Councillor Neil Moore,

### **Annual Audit Letter – Vale of Glamorgan Council 2014-15**

This letter summarises the key messages arising from the my statutory responsibilities under the Public Audit (Wales) Act 2004 and my reporting responsibilities under the Code of Audit Practice.

#### **The Council complied with its responsibilities relating to financial reporting and use of resources**

It is the Council's responsibility to:

- put systems of internal control in place to ensure the regularity and lawfulness of transactions and to ensure that its assets are secure;
- maintain proper accounting records;
- prepare a Statement of Accounts in accordance with relevant requirements; and
- establish and keep under review appropriate arrangements to secure economy, efficiency and effectiveness in its use of resources.

The Public Audit (Wales) Act 2004 requires me to:

- provide an audit opinion on the accounting statements;
- review the Council's arrangements to secure economy, efficiency and effectiveness in its use of resources; and
- issue a certificate confirming that I have completed the audit of the accounts.

Local authorities in Wales prepare their accounting statements in accordance with the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom. This code is based on International Financial Reporting Standards. On 30 September 2015, I issued an unqualified audit opinion on the accounting statements confirming that they present a true and fair view of the Council's financial position and transactions. My report is contained within the Statement of Accounts. The key matters arising from the accounts audit were reported to members of the Audit Committee in my Audit of Financial Statements report on 21 September 2015, and a more detailed report will follow in due course.

During the audit, we identified four misstatements which remained uncorrected, as they were not cumulatively material to the accounts. The Council has agreed to review the treatment of these items during the 2015/16 financial year.

**I am satisfied that the Council has appropriate arrangements in place to secure economy, efficiency and effectiveness in its use of resources**

My consideration of the Council's arrangements to secure economy, efficiency and effectiveness has been based on the audit work undertaken on the accounts as well as placing reliance on the work completed as part of the Improvement Assessment under the Local Government (Wales) Measure 2009. My Annual Improvement Report will highlight areas where the effectiveness of these arrangements has yet to be demonstrated or where improvements could be made.

I have not yet issued a certificate confirming that the audit of the accounts has been completed. This is due to a number of issues that have been brought to our attention by electors, none of which prevented us from issuing our opinion on the financial statements.

**My work to date on certification of grant claims and returns has not identified significant issues that would impact on the 2015-16 accounts or key financial systems**

A more detailed report on my grant certification work will follow in February 2016 once this year's programme of certification work is complete.

The financial audit fee for 2014-15 is currently expected to be in line with the agreed fee set out in the Annual Audit Outline.

Yours sincerely

**John Golding**  
**For and on behalf of the Auditor General for Wales**