



GOVERNANCE AND AUDIT COMMITTEE - 8TH OCTOBER 2024

SUBJECT: AUDIT WALES AUDIT OF ACCOUNTS REPORT ADDENDUM

REPORT BY: HEAD OF FINANCIAL SERVICES AND S151 OFFICER

1. PURPOSE OF REPORT

- 1.1 To present the Governance and Audit Committee with the Audit Wales 'Audit of Accounts Report Addendum' for the 2022/23 financial year.

2. SUMMARY

- 2.1 At its meeting on the 1st May 2024, the Governance & Audit Committee received the Audit Wales 'Audit of Accounts Report' which stated that it was the Auditor General's intention to issue an unqualified audit opinion on the 2022/23 Financial Accounts.
- 2.2 The 2022/23 Financial Accounts were endorsed by the Governance and Audit Committee and were subsequently approved by Council on the 9th May 2024, and then certified by the Auditor General on the 14th of May 2024, with an unqualified audit opinion.
- 2.3 At its meeting on the 1st May 2024, the Governance and Audit Committee was also asked to note that an 'Audit of Accounts Report Addendum' would be issued following approval of the 2022/23 Financial Accounts, setting out details of the Audit Wales recommendations arising from the audit of the accounts and the associated management responses.
- 2.4 The 'Audit of Accounts Report Addendum' is attached at Appendix 1.

3. RECOMMENDATIONS

- 3.1 The Governance and Audit Committee is asked to note the content of the 'Audit of Accounts Report Addendum', the recommendations arising, and the associated management responses.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 To ensure that the Committee is informed of the Audit Wales recommendations arising

from the audit of the accounts and the associated management responses.

5. THE REPORT

- 5.1 The Audit Wales 'Audit of Accounts Report Addendum' (Appendix 1) sets out the recommendations arising from the audit of Caerphilly CBC's 2022/23 Financial Accounts, and also provides an update on management's progress with implementing recommendations from prior years.
- 5.2 Five new recommendations have been raised in respect of the 2022/23 financial year in the 'Audit of Accounts Report Addendum' (Exhibits 1 to 5), all of which have been fully accepted by management. The management responses to each of the recommendations are detailed in the report.
- 5.3 Exhibit 6 of the 'Audit of Accounts Report Addendum' provides details of accepted recommendations from prior years that management are yet to fully implement. Steps are being taken by Officers to ensure that these outstanding recommendations are fully addressed.
- 5.4 Audit Wales will review progress against all recommendations (including those outstanding from prior years) as part of the forthcoming audit of the 2023/24 Draft Financial Accounts.

Conclusion

- 5.5 The 2022/23 Financial Accounts were approved by Council on the 9th May 2024, and they were subsequently certified by the Auditor General on the 14th of May 2024, with an unqualified audit opinion.
- 5.6 The Audit Wales 'Audit of Accounts Report Addendum' was subsequently issued setting out details of recommendations arising from the audit of the 2022/23 Financial Accounts, and management has provided responses to those recommendations.
- 5.7 Audit Wales will review progress against all recommendations as part of the forthcoming audit of the 2023/24 Draft Financial Accounts.

6. ASSUMPTIONS

- 6.1 There are no assumptions in this report.

7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

- 7.1 An Integrated Impact Assessment is not required as the 'Audit of Accounts Report Addendum' does not require a change of policy or strategy.

8. FINANCIAL IMPLICATIONS

- 8.1 There are no direct financial implications arising from this report.

9. PERSONNEL IMPLICATIONS

9.1 There are no direct personnel implications arising from this report.

10. CONSULTATIONS

10.1 There are no consultation responses that have not been reflected in this report.

11. STATUTORY POWER

11.1 Accounts and Audit (Wales) Regulations 2014 (As Amended).

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Appendices:

Appendix 1 – Audit of Accounts Report Addendum – Caerphilly County Borough Council

Background Papers:

[Link to Governance and Audit Committee \(01/05/24\) - Financial Statements for 2022/23](#)

[Link to Council \(09/05/24\) - Financial Statements for 2022/23](#)