



Audit of Accounts Report – Bridgend County Borough Council

Audit year: 2023-24

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About Audit Wales

Our aims and ambitions

Assure



the people of
Wales that public
money is well
managed

Explain



how public
money is being
used to meet
people's needs

Inspire



and empower
the Welsh
public sector to
improve



Fully exploit
our unique
perspective,
expertise and
depth of insight



Strengthen our
position as an
authoritative,
trusted and
independent
voice



Increase our
visibility,
influence and
relevance



Be a model
organisation for
the public sector
in Wales and
beyond

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Introduction

I have now largely completed my audit in line with my Detailed Audit Plan 2024 dated June 2024 except for the following:

- clearance of a small number of outstanding audit queries;
- our final review of the revised 2023-24 Statement of Accounts and Annual Governance Statement;
- the completion of some areas of our internal review arrangements to be undertaken by the Audit Manager and the Engagement Lead.

A verbal update will be given to the Governance and Audit Committee (GAC) on our progress at the meeting scheduled for 28 November 2024. We are expecting all outstanding issues will be resolved prior to the GAC meeting so that GAC can receive the revised 2023-24 Statement of Accounts and the final audit position.

This Audit of Accounts Report summarises the main findings from my audit of your 2023-24 Statement of Accounts. My team have already discussed these issues with the Chief Officer – Finance, Housing and Change.

I am very grateful to your officers for their support in undertaking this audit.



Adrian Crompton

Auditor General for
Wales

Your audit at a glance



Audit opinions

We are proposing to give an unqualified opinion on your Statement of Accounts.

We have nothing to report under the other sections of my report, i.e. those relating to going concern; other information; other matters; or matters I report by exception.



Significant issues

There are **three** uncorrected misstatements above our trivial level (£0.283m) but lower than materiality (£5.665m).

During our audit we identified misstatements that have been corrected by management, but which we consider should be drawn to your attention. These are set out in **Appendix 3**.

In addition to misstatements identified during the audit we also report other significant issues to you. There were no other significant issues.

There is one issue that we need to bring to your attention:

- **Better use of the Asset Management System (AMS)**. We identified during our audit work that asset revaluations are calculated in a spreadsheet and manually input into AMS as a year-end exercise. This process could be improved by calculating the revaluations directly within AMS, reducing the opportunity for manual error. This would also support maintenance of up-to-date base data and better record keeping. We have made **one** recommendation, which is set out in **Appendix 4** along with managements response to the recommendation.

Financial statements' materiality



Materiality £5.665 million

My aim is to identify and correct material misstatements, i.e. those that might otherwise cause the user of the accounts to be misled.

Materiality is calculated using:

- 2023-24 draft gross expenditure of £566.478 million
- Materiality percentage of 1%

I apply the materiality percentage to gross expenditure to calculate materiality.

I will report to you any misstatements above £0.283 million, calculated as 5% of materiality (called the 'trivial level').



Areas of specific interest

There are some areas of the accounts that may be of more importance to the user of the accounts. We set lower materiality levels for these as follows:

- Remuneration report (including exit packages) £1,000
- Related party disclosures for individuals £10,000

Ethical compliance



Compliance with ethical standards

We believe that:

- we have complied with the ethical standards we are required to follow in carrying out our work;
- we have remained independent of yourselves;
- our objectivity has not been comprised; and
- we have no relationships that could undermine our independence or objectivity.

In our Detailed Plan, we explained that the Financial Audit Lead is related to an employee of the Council. Our compliance and Ethics department concluded that the possibility of this relationship impacting on our audit of the financial statements is remote. However, we have taken appropriate steps to minimise risks by allocating work appropriately and ensuring additional review is undertaken where required.

We can confirm that other team members are all independent of the Council and its officers.

Proposed audit opinion



Audit opinion

We issue a 'qualified' audit opinion where we have material concerns about some aspects of your accounts; otherwise, we issue an unqualified opinion.

Subject to the satisfactory completion of the outstanding work as detailed in the Introduction on Page 5 we intend to issue an unqualified audit opinion on this year's accounts once you have provided us with a Letter of Representation (see below).

Our proposed audit report is set out in **Appendix 1**.



Letter of representation

A Letter of Representation is a formal letter in which you confirm to us the accuracy and completeness of information provided to us during the audit. Some of this information is specified as being necessary by auditing standards; other information may relate specifically to your audit.

The letter we are requesting you to sign is included in **Appendix 2**.

Issues arising during the audit



Misstatements

A misstatement arises where information in the accounts is not in accordance with accounting standards.

Uncorrected misstatements

We set out below the misstatements we identified in the accounts, which have been discussed with management but remain uncorrected. Our Letter of Representation in **Appendix 1** includes reference to these misstatements and requires management to confirm that the effect of the misstatement is immaterial to the financial statements.

There are three uncorrected misstatements, above our trivial level (£0.283m) but lower than materiality (£5.665m):

- Cardiff Capital Region City Deal (CCRCD) - £2.580m.

The draft 2023-24 CCRCD financial outturn was not made available to the Council until mid-November. As a result, the draft financial statements of the Council did not include these figures.

Due to the late receipt of the 23-24 financial outturn from CCRCD and the time required to process the amendments to the Council's 23-24 financial statements, the decision was taken to include the audited 2022-23 CCRCD financial statements within the Council's 2023-24 financial statements rather than delay the financial statements approval and certification process.

On the basis that the Council's financial statements include the 2022-23 financial statements, requisite checks have been undertaken to ensure that the latest financial outturn position provided by the CCRCD does not result in any material differences from the 2022-23 CCRCD figures used in the Council's 2023-24 financial statements.

The difference between the 2022-23 audited figures for the CCRCD and the draft 23-24 financial outturn identifies an increased net asset position for the Council's share of the CCRCD of £2.580m.

- Payment in Advance £1.337m. Expenditure testing identified an advanced payment incorrectly classified within short term creditors at the year end.
- Duplicate Asset £0.418m. One asset was identified with two different descriptions which had been incorrectly included twice within asset valuation calculations impacting Note 21 – Non-Current Assets.

We request that these misstatements be corrected. If you choose not to correct, we request that you provide reasons as to why within the Letter of Representation in Appendix 2.

Corrected misstatements

During our audit, we identified misstatements that have been corrected by management. However, we believe that these should be drawn to your attention, and they are set out with explanations in **Appendix 3**.



Other significant issues

Other than the corrected misstatements identified during the audit there are no other significant issues we wish to report to you.

However, there are two matters we wish to draw to the committees' attention:

Use of the Asset Management System (AMS)

We identified during our audit work that asset revaluations are calculated in a spreadsheet and manually input into AMS as a year-end exercise. This process could be improved by calculating the revaluations directly within AMS which has the capabilities of calculating asset values. This would reduce the risk for error when manually inputting asset values and provides a clear audit trail to show how asset values have been calculated.

The information could also be presented more clearly than in its current form. As the valuation spreadsheet has been compiled over a number of years, there are various notes from previous years and assets no longer held in AMS which are marked with a strikethrough. Adding new revaluations directly onto AMS would ensure that only information relevant for the current financial year would be presented in the calculation notes.

Evidence to support base data used in revaluation calculations could also be uploaded to AMS in future to improve record keeping and allow for more efficient auditing. Evidence to support floor areas, pupil numbers, surveys, indexation rates etc. can be attached directly within AMS.

We have raised a recommendation in respect of this issue which is set out in **Appendix 4**. We have **recommended that the** Council should consider fully utilising AMS to better support its valuation work, to improve the maintenance of base data and enhance its record keeping.

Audit and Accounts deadlines for 2024-25

This year the draft 2023-24 Statement of Accounts were received on 17 July, which was later than the deadline of 30 June.

Over the next two years, the audit deadlines will move forward to the 30th October for the 2024-25 financial statements and 30th September for the 2025-26 financial statements as can be seen from the table below:

- | | |
|----------------|---|
| 2023-24 | <ul style="list-style-type: none">• Accounts completion deadline – 30 June 2024• Audit Completion deadline – 30 November 2024 |
| 2024-25 | <ul style="list-style-type: none">• Accounts completion deadline – 30 June 2025• Audit Completion deadline – 30 October 2025 |
| 2025-26 | <ul style="list-style-type: none">• Accounts completion deadline – 30 June 2026• Audit Completion deadline – 30 September 2026 |

To meet these revised deadlines, it will be imperative that we receive the financial statements by the end of June and statements are supported by comprehensive working papers which have been subject to internal quality checks.

We have not raised a recommendation in respect of this issue. Instead, we intend to hold a post project learning exercise with key finance staff to identify actions to further improve the accounts production and audit process for the coming year.

Recommendations

We have made **one** recommendation during the course of the audit, which is set out in **Appendix 4** along with management's responses to the recommendation.

We will monitor progress against the recommendations during next year's audit. Where any recommendations are not fully implemented, we will report to you as part of next year's Audit of Accounts Report.

Appendix 1

Proposed audit report

The report of the Auditor General for Wales to the members of Bridgend County Borough Council

Opinion on financial statements

I have audited the financial statements of Bridgend County Borough Council for the year ended 31 March 2024 under the Public Audit (Wales) Act 2004.

Bridgend County Borough Council financial statements comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement and the related notes, including the material accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2023-24.

In my opinion, in all material respects, the financial statements:

- give a true and fair view of the financial position of Bridgend County Borough Council as at 31 March 2024 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2023-24.

Basis of opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report.

My staff and I are independent of the Bridgend County Borough Council in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Bridgend County Borough Council's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the responsible financial officer with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Responsible Financial Officer is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, based on the work undertaken in the course of my audit:

- the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2023-24;
- The information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of Bridgend County Borough Council and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the Annual Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- I have not received all the information and explanations I require for my audit;
- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team; or
- the financial statements are not in agreement with the accounting records and returns.

Responsibilities of the responsible financial officer for the financial statements

As explained more fully in the Statement of Responsibilities for the Statement of Accounts, the responsible financial officer is responsible for:

- the preparation of the statement of accounts, which give a true and fair view and comply with proper practices;
- maintaining proper accounting records;
- internal controls as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error;
- assessing the Bridgend County Borough Council's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible financial officer anticipates that the services provided by the Bridgend County Borough Council will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit the financial statements in accordance with the Public Audit (Wales) Act 2004.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- Enquiring of management, the Head of Internal Audit and those charged with governance, including obtaining and reviewing supporting documentation relating to Bridgend County Borough Council's policies and procedures concerned with:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified

posting of unusual journals, bias in accounting estimates and significant transaction outside the normal course of business;

- Obtaining an understanding of Bridgend County Borough Council's framework of authority as well as other legal and regulatory frameworks that Bridgend County Borough Council operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of Bridgend County Borough Council.
- Obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Governance and Audit Committee and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Bridgend County Borough Council's controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Other auditor's responsibilities

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Certificate of completion of audit

I certify that I have completed the audit of the accounts of Bridgend County Borough Council in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales' Code of Audit Practice.

Adrian Crompton
Auditor General for Wales
29 November 2024

1 Capital Quarter
Tyndall Street
Cardiff, CF10 4BZ

Appendix 2

Letter of representation

Audited body's letterhead

Auditor General for Wales
Wales Audit Office
1 Capital Quarter
Cardiff
CF10 4BZ

28 November 2024

Representations regarding the 2023-24 financial statements

This letter is provided in connection with your audit of the financial statements (including that part of the Remuneration Report that is subject to audit) of Bridgend County Borough Council for the year ended 31 March 2024 for the purpose of expressing an opinion on their truth and fairness and their proper preparation.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

Management representations

Responsibilities

We have fulfilled our responsibilities for:

- the preparation of the financial statements in accordance with legislative requirements and [insert relevant code]; in particular the financial statements give a true and fair view in accordance therewith;
- the design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

Information provided

We have provided you with:

- full access to:
 - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;

- additional information that you have requested from us for the purpose of the audit; and
- unrestricted access to staff from whom you determined it necessary to obtain audit evidence;
- the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- our knowledge of fraud or suspected fraud that we are aware of and that affects Bridgend County Borough Council and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements;
- our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others;
- our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements;
- the identity of all related parties and all the related party relationships and transactions of which we are aware.

Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. The effects of uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. A summary of these items is set out below:

- Cardiff Capital Region City Deal: £2.580m
- Payment in Advance: £1.337m
- Duplicate Asset: £0.418m

Representations by the Governance and Audit Committee

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the Governance and Audit Committee on 28 November 2024.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Signed by:

Chief Officer – Finance, Housing and Change

Date: 28 November 2024

Signed by:

Chair of the Governance and Audit Committee, on behalf of those charged with governance

Date: 28 November 2024

Appendix 3

Summary of corrections made

During our audit, we identified the following misstatements that have been corrected by management, but which we consider should be drawn to your attention.

Value of correction	Accounts areas	Explanation
£1.277M (No overall impact on the primary statements)	Balance Sheet The cash and cash equivalents and the bank overdraft figures were incorrectly stated in the balance sheet.	To ensure that the financial statements accurately reflect the underlying transactions
£4.806M (No overall impact on the primary statements)	Note 11 Grants To correct the classification of homeless prevention grants received during the year.	To ensure the disclosure accurately records the grant income received in the 2023-24 financial year.
Disclosure only (No overall impact on the primary statements)	Note 15 Officers Remuneration The banding note disclosure has been amended to bring it in line with the CIPFA Code.	To ensure the disclosure accurately reflects the remuneration of senior staff
£0.68M (No overall impact on the primary statements)	Note 19 Related Party Transaction The disclosure has been updated to correct errors and omissions identified in the Note.	To ensure that the disclosure is complete and accurate for all related party relationships
Disclosure only (No overall impact on the primary statements)	Note 30 Pensions Liabilities, IAS 19 Disclosures Disclosure added to reflect the Virgin Media Ruling and the potential liability.	To ensure that users of the accounts fully understand the potential future liability.

Value of correction	Accounts areas	Explanation
£5.000M (No overall impact on the primary statements)	Note 31 Financial Instrument Disclosures – Financial Liabilities To correct the amortised cost figure for current year borrowings.	To ensure the disclosure accurately reflects the financial liabilities at 31 March 2024.
£5.580M (No overall impact on the primary statements)	Note 31 Financial Instrument Disclosures – Financial Liabilities To correct the classification of short-term borrowings initially included as long-term borrowings with the amortised cost figure for the current year.	To ensure the disclosure accurately reflects the financial liabilities at 31 March 2024.
£0.618M (No overall impact on the primary statements)	Note 31 Financial Instrument Disclosures – Financial Assets To correct the amortised cost figure for current year investments.	To ensure the disclosure accurately reflects the financial assets at 31 March 2024.
£0.403M (No overall impact on the primary statements)	Note 31 Financial Instrument Disclosures – Fair Value of Financial Assets To correct the carrying amount of Salix Loans for the current year.	To ensure the disclosure accurately reflect the financial liabilities at 31 March 2024
£1.170M (No overall impact on the primary statements)	Note 31 Financial Instrument Disclosures – Financial Assets To correct the overall debtors figure included in the narrative to this note.	To ensure the disclosure is consistent with Note 23.

Value of correction	Accounts areas	Explanation
<p>£4.990M (No overall impact on the primary statements)</p>	<p>Note 31 Financial Instrument Disclosures – Financial Assets To correct the classification of non-financial assets from current to non-current, due to the nature of the assets held.</p>	<p>To ensure disclosure accurately reflect the financial assets at 31 March 2024.</p>
<p>Narrative (No overall impact on the primary statements)</p>	<p>Note 33 Contingent Liabilities A disclosure has been added to reflect the identification of RAAC at Bridgend Indoor Market Hall and the potential liability.</p>	<p>To ensure the users of the accounts fully understand the potential future liability.</p>
<p>Various</p>	<p>Multiple parts of the accounts The Cardiff Capital Region City Deal (CCRCD) 2023-24 accounts are not available for consolidation. As a result, several amendments have been made to bring the draft 2022-23 CCRCD figures included in the draft accounts line with the 2022-23 audited CCRCD position.</p> <ul style="list-style-type: none"> • CIES – Total comprehensive income increased by £0.365m • Balance Sheet – net assets increased by £0.365m • MiRS – corresponding adjustments in the movements within the 	<p>To ensure that CCRCD balances and transactions are correctly presented in the financial statements.</p>

Value of correction	Accounts areas	Explanation
	MiRS to reflect the overall increase in reserves.	
Various (no overall effect on the financial statements)	<p>Other narrative amendments</p> <p>Several other narrative and presentational amendments have been made to the financial statements, relating to revisions of disclosure notes, narrative changes, casting errors, cross referencing, prior year comparatives and typos.</p>	To ensure the accuracy of the financial statements

Appendix 4

Recommendations

We set out below recommendations from our audit along with your management's response to them.

Matter arising 1 – Better use of the Asset Management System (AMS)	
Findings	Asset revaluations are calculated in a spreadsheet and manually input into AMS as a year-end exercise. This process could be improved by calculating the revaluations directly within AMS, reducing the opportunity for manual error. This would also support maintenance of up-to-date base data and better record keeping.
Priority	High
Recommendation	The Council should consider fully utilising AMS to better support its valuation work, to improve the maintenance of base data and enhance its record keeping.
Benefits of implementing the recommendation	Implementation would provide assurance to the Council over the completeness and accuracy of year end asset values.
Accepted in full by management	Yes
Management response	We will look to make better use of AMS to support the valuation process.
Implementation date	2024-25 valuations subject to time and capacity.

Audit quality

Our commitment to audit quality in Audit Wales is absolute. We believe that audit quality is about getting things right first time.

We use a three lines of assurance model to demonstrate how we achieve this. We have established an Audit Quality Committee to co-ordinate and oversee those arrangements. We subject our work to independent scrutiny by QAD*, and our Chair acts as a link to our Board on audit quality. For more information see our [Audit Quality Report 2023](#).

Our People



The first line of assurance is formed by our staff and management who are individually and collectively responsible for achieving the standards of audit quality to which we aspire.

- Selection of right team
- Use of specialists
- Supervisions and review

Arrangements for achieving audit quality



The second line of assurance is formed by the policies, tools, learning & development, guidance, and leadership we provide to our staff to support them in achieving those standards of audit quality.

- Audit platform
- Ethics
- Guidance
- Culture
- Learning and development
- Leadership
- Technical support

Independent assurance



The third line of assurance is formed by those activities that provide independent assurance over the effectiveness of the first two lines of assurance.






- EQCRs
- Themed reviews
- Cold reviews
- Root cause analysis
- Peer review
- Audit Quality Committee
- External monitoring

* QAD is the quality monitoring arm of ICAEW.

Supporting you

Audit Wales has developed a range of resources to support the scrutiny of Welsh public bodies and to support those bodies in continuing to improve the services they provide to the people of Wales.

Visit our website to find:

	our Good Practice work where we share emerging practice and insights from our audit work in support of our objectives to assure, to explain and to inspire.
	our newsletter which provides you with regular updates on our public service audit work, good practice, and events.
	our publications which cover our audit work completed at public bodies.
	information on our forward performance audit work programme 2023-2026 which is shaped by stakeholder engagement activity and our picture of public services analysis.
	various data tools and infographics to help you better understand public spending trends including a range of other insights into the scrutiny of public service delivery.

You can find out more about Audit Wales in our [Annual Plan 2024-25](#) and [Our Strategy 2022-27](#).



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We welcome correspondence and telephone calls in Welsh and English.
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.