



24 Cathedral Road / 24 Heol y Gadeirlan  
Cardiff / Caerdydd  
CF11 9LJ

Tel / Ffôn: 029 2032 0500

Fax / Ffacs: 029 2032 0600

Textphone / Ffôn testun: 029 2032 0660

[info@audit.wales](mailto:info@audit.wales) / [post@archwilio.cymru](mailto:post@archwilio.cymru)

[www.audit.wales](http://www.audit.wales) / [www.archwilio.cymru](http://www.archwilio.cymru)

Wendy Walters  
Chief Executive  
Carmarthenshire County Council  
County Hall  
Carmarthenshire  
SA31 1JP

**Reference:** 1692A2020-21

**Date issued:** January 2020

Dear Wendy

## Annual Audit Letter – Carmarthenshire County Council 2018-19

This letter summarises the key messages arising from 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 13 September 2019 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 Audit Committee in my *Audit of Financial Statements report* on 13 September 2019.

### **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 under the Local Government (Wales) Measure 2009 and under the Well-being of Future Generations (Wales) Act 2015.

I am satisfied that the Council has appropriate arrangements in place to secure economy, efficiency and effectiveness in its use of resources, although in September 2019 I set out in my Annual Improvement Report<sup>1</sup> some areas where improvements could be made.

Notwithstanding the above conclusion, I wish to highlight that I am currently undertaking a review of the Council's financial sustainability. This is being undertaken at all Welsh Councils as part of a national thematic review. I expect to report to the Council early in 2020. My report will set out any specific areas where improvements could be made.

### **I issued a certificate confirming that the audit of the accounts has been completed on 13 September 2019**

Having given an audit opinion on the financial statements and concluded on the Authority's arrangements to secure economy, efficiency and effectiveness in its use of resources, I was able to certify that the audit was complete when I issued my audit opinion.

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<sup>1</sup> <http://www.audit.wales/publication/carmarthenshire-county-council-annual-improvement-report-2018-19>

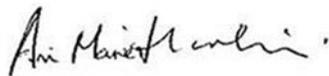
**My work to date on certification of grant claims and returns has not identified significant issues**

Any issues arising from our grants audit for this year will be reported on completion of the work.

**Financial audit fee**

Due to additional audit work needed in relation to asset valuations we have unfortunately not been able to maintain the costs of the financial audit within the fee of £183,946 set out in the Annual Audit Plan. An additional charge of £4,542 will be issued in the coming weeks. The performance audit fee is expected to be in line with the plan.

Yours sincerely



**Ann Marie Harkin**

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

cc Cllr Emlyn Dole, Leader  
Chris Moore, Director of Corporate Services