These Regulations make provision with respect to the accounts and audit of bodies whose accounts are required to be audited in accordance with section 39 of the Public Audit (Wales) Act 2004 (“the 2004 Act”) other than a local probation board for an area in Wales or a Welsh probation trust. The bodies who are subject to these Regulations are: county and county borough councils (and their committees and joint committees); community councils; fire and rescue authorities; National Park authorities; police and crime commissioners; chief constables; port health authorities; internal drainage boards; and conservation boards.

These Regulations replace the Accounts and Audit (Wales) Regulations 2005 which, together with amending Regulations, are revoked.

These Regulations differ in a number of respects from previous Accounts and Audit Regulations. Of particular note among the changes are the following: the bodies which are subject to the Regulations are specified on the face of the Regulations; the increase in the threshold of gross income or gross expenditure for smaller relevant bodies, from £1 million per year to not more than £2.5 million (regulation 2); changes to the procedures for approving and publishing accounts (regulations 10 and 15); the separation of procedures governing published accounts and audit for larger relevant bodies from that for smaller relevant bodies in the structure of the Regulations (see Parts 4 and 5); and it is no longer an offence to fail to comply with any aspect of the Regulations.

Part 1 is introductory. Regulation 1 sets out the title, commencement date of 31 March 2015 and application of the Regulations to Wales. Regulation 2 sets out the defined terms used in the Regulations.

Part 2 concerns specifying bodies so that those bodies come within the meaning of local authority for the purposes of section 23(1) of the Local Government Act 2003. Under that section the Welsh Ministers may make provision about accounting practices to be followed by local authorities as defined in the 2003 Act. Regulation 3 specifies internal drainage boards and port health authorities and regulation 4 identifies accounting practices for those bodies.

Part 3 concerns financial management and internal control. Regulation 5 requires relevant bodies to be responsible for ensuring that the financial management of the body is adequate and effective and the body has a sound system of internal control which they regularly review. Regulation 6 makes provision in respect of the accounting records which are to be kept, and the control systems that must be maintained, by relevant bodies. Regulation 7 makes provision for relevant bodies to maintain an adequate and effective internal audit of their accounting records and system of internal control.

Part 4 concerns the published accounts and audit for larger relevant bodies. Regulation 8 contains the requirements for the preparation of the statement of accounts for a body; regulation 9 the requirement for the statement of accounts to include notes relating to remuneration; regulation 10 the requirements for signing, approval and publication of the statement of accounts; regulation 11 the procedure for the public to inspect the accounts of a body; regulation 12 the procedure for a body to give notice of the public rights relating to the accounts and audit procedure; and regulation 13 the requirement for a body to give notice as to the conclusion of audit and the availability of its statement of accounts for inspection by local government electors.

Part 5 concerns the published accounts and audit for smaller relevant bodies. Regulation 14 contains the requirements for the preparation of accounting statements for a body; regulation 15 the requirements for signing, approval and publication of accounting statements; regulation 16 the
procedure for the public to inspect the accounts of a body; regulation 17 the procedure for a body to
give notice of the public rights relating to the accounts and audit procedure; and regulation 18 the
requirement for a body to display a notice stating that the audit has concluded and that the relevant
accounting statements are available for inspection by local government electors.

Part 6 concerns particular authorities. Regulation 19 makes provision as to the accounting
treatment of certain payments and contributions statutorily payable by an internal drainage board.
Regulation 20 makes provision in respect of joint committees, fire and rescue authorities and
National Park authorities regarding the deposit of certain documents relating to their accounts and
audit with each constituent authority (being an authority entitled to appoint members to the body,
and in relation to a National Park authority includes the Welsh Ministers).

Part 7 concerns audit procedure. Regulation 21 requires the auditor to appoint a date on or after
which the rights of local government electors under sections 30 (right to request an opportunity to
question the auditor about the accounts) and 31 (right to make objections to the auditor) of the 2004
Act may be exercised, and to notify the relevant body concerned. Regulation 22 requires a relevant
body notified under regulation 21 to make the accounts and documents mentioned in section 30
of the 2004 Act available in accordance with the procedure specified for the type of relevant body
(in either Part 4 or 5 of these Regulations). Regulation 23 provides that, except with the consent
of the auditor, accounts and other documents must not be altered after the date on which they are
first made available for inspection. Regulation 24 requires relevant bodies to give notice of public
rights in accordance with the procedure specified in these Regulations. Regulation 25 contains the
requirements for any written notice of an objection given in pursuance of section 31 of the 2004 Act
by a local government elector. Regulation 26 requires a relevant body to give notice of conclusion
of audit in accordance with the procedure specified in these Regulations. Regulation 27 requires a
relevant body to consider the annual letter from the auditor, publish it and make copies available for
purchase. Regulation 28 provides that, where an auditor has been directed by the Auditor General
for Wales to hold an extraordinary audit of a relevant body's accounts under section 37 of the 2004
Act, the body must advertise the right of any local government elector to make objections to any
of those accounts.

Part 8 concerns amendments and revocations. Regulation 29 amends the Local Authorities
(Executive Arrangements) (Functions and Responsibilities) (Wales) Regulations 2007 (S.I.
2007/399 (W. 45)). Regulation 30 sets out the instruments which are, and the extent to which they
are, revoked.