ISSUES ARISING REPORT FOR
Nether Wallop Parish Council
Audit for the year ended 31 March 2017

BDO

Introduction

The following matters have been raised to draw items to the attention of Nether Wallop Parish Council. These matters came to the attention of BDO LLP during the review of the annual return for the year ended 31 March 2017. This report must be presented to a full meeting of the smaller authority for review.

The review of the annual return may not disclose all shortcomings of the systems as some matters may not have come to the attention of the auditor. For this reason, the matters raised may not be the only ones that exist.

The matters listed below are explained in further detail on the page(s) that follow;

- Inspection period for the exercise of Electors' rights
- Gifted asset additions
- Standard information
- Approval

The following issues have resulted in the annual return being qualified. They indicate either a breach of proper practices or legislation and they require the smaller authority to take immediate action to rectify these issues.

Gifted asset additions

What is the issue?

The smaller authority have acquired an asset during the year at nil cost to the smaller authority. The smaller authority has given this asset a value in box 9 of the annual return.

Gifted or adopted assets should not be given an estimated value on the annual return, it should be included at a £1 or nil, as it cost nothing to the smaller authority.

Why has this issue been raised?

The accounting treatment is not in compliance with proper practices in force during the year.

What do we recommend you do?

The Practitioners Guide states that all assets should be held at cost. In future the smaller authority should review the current Practitioners Guide to ensure that the are accounting for assets correctly.

The cost value of assets is not expected to change unless an asset is ever disposed of or scrapped.

Further guidance on this matter can be obtained from the following source(s):

Governance and Accountability in Local Councils in England - A Practitioners Guide, NALC/SLCC

Approval

What is the issue?

The annual return opinion was not issued by the 30 September and therefore the smaller authority were unable to publicise completion by that date.

Why has this issue been raised?

The Accounts and Audit Regulations state that the notice of completion of the review must be displayed by the 30 September.

What do we recommend you do?

The deadline was not met due to a delay in receiving information required to form our opinion and this delayed us giving our opinion.

Further guidance on this matter can be obtained from the following source(s):

The Accounts and Audit Regulations 2015

The following issues have been raised as we have detected issues with the governance arrangements of the smaller authority. It is recommended that the smaller authority consider these matters and decide what action to take to improve the governance arrangements as soon as possible.

Inspection period for the exercise of Electors' rights

What is the issue?

The inspection period for the exercise of electors' rights did not include the first 10 working days of July as specified in the Accounts and Audit Regulations 2015, which this year is from the 3rd to the 14th July 2017.

Why has this issue been raised?

The Accounts and Audit Regulations 2015 para 15(b) state that the inspection period for the exercise of electors rights must include the first 10 working days of July. The smaller authority has not complied with the Accounts and Audit Regulations 2015.

What do we recommend you do?

The smaller authority must ensure that the inspection period for the exercise of electors' rights includes the first 10 working days of July next year in accordance with the regulations in force. The smaller authority must also consider how they answer the electors rights question in the annual goverance statement next year due to this non compliance.

Further guidance on this matter can be obtained from the following source(s):

Accounts and Audit Regulations 2015

Standard information

What is the issue?

We had to contact the clerk as standard information, including bank reconciliation, date of electors rights or explanation of variances was not supplied with the initial submission.

Why has this issue been raised?

Proper Practices and the annual return itself state that the above standard information should be submitted for all smaller authorities.

What do we recommend you do?

In future the smaller authority should ensure all standard information is submitted for audit.

Further guidance on this matter can be obtained from the following source(s):

Governance and Accountability in Local Councils in England - A Practitioners Guide, NALC/SLCC

Introduction

The following items are being brought to the attention of the clerk of Nether Wallop Parish Council. These items came to the attention of BDO LLP during the review of the annual return for the year ended 31 March 2017 but are not required to be reported to the smaller authority. These items are not considered to be either a breach of legislation or proper practices or other matters to report.

The review of the annual return may not disclose all shortcomings of the systems as some matters may not have come to the attention of the auditor. For this reason, the matters raised may not be the only ones that exist.

The matters listed below are explained in further detail on the page(s) that follow;

- Minor issues

The following matters are being brought to your attention as we have detected administrative matters aimed at improving the review process in the future or items that have changed that we wish you to just note. These matters are not raised as formal matters and do not require reporting to the council.

Minor issues

What is the issue?

The following issues have been raised as minor issues or omissions have been identified in the current year's Annual Return:

Section 2 of the Annual Return has been completed including pennies, this is not in accordance with the guidance on the Annual Return which states that the figures should be rounded to the nearest £.

Why has this issue been raised?

This is to draw these minor errors to the attention of the smaller authority.

What do we recommend you do?

The smaller authority should ensure in future years that the above minor errors or omissions are not included in the Accounting Statements.

Further guidance on this matter can be obtained from the following source(s):

Governance and Accountability in Local Councils in England - A Practitioners Guide, NALC/SLCC

No other matters came to our attention.

For and on behalf of
BDO LLP

Date: 22 October 2017