



**ISSUES ARISING REPORT FOR
Barford St John and St Michael Parish Council
Audit for the year ended 31 March 2017**

Introduction

The following matters have been raised to draw items to the attention of Barford St John and St Michael 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;

- Trust Fund question
 - Internal Audit Checks
 - Electors rights period during the year
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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.

Electors rights period during the year

What is the issue?

The inspection period for the exercise of electors' rights which occurred during the year did not include the first 10 working days of July as specified in the Accounts and Audit Regulations 2015, which for last year was from the 1st to the 14th July 2016.

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 when undertaking the electors rights period

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

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.

Trust Fund question

What is the issue?

The answer to Section 2 Box 11 comparative should be 'yes' but the Smaller Authority have answered 'no'. Despite the fact that there are no funds in the charity and no income or spending, the Smaller Authority is still the trustee of the charity and thus the appropriate disclosure should be made.

Why has this issue been raised?

This is a note for the reader of the accounts.

What do we recommend you do?

The Smaller Authority should ensure in future years that the answers in the Annual Return are consistent.

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

Internal Audit Checks

What is the issue?

The Internal Auditor has put 'N/a', with no additional explanation, to the following tests on Section 4 which we consider relevant to your smaller authority.

The smaller authority has met its responsibilities as a trustee.

Why has this issue been raised?

Failure to undertake these tests result in an incomplete internal audit being undertaken and the smaller authority could be exposed to risks in these areas.

What do we recommend you do?

The above tests should be carried out in future years by the internal auditor. The smaller authority should ensure he/she provides a full report to the smaller authority to ensure all the activities are properly carried out and recorded.

If the above tests have been carried out the response should only be 'Yes' or 'No'. Further explanations are required where 'No' or 'Not covered' answers are given - please see notes on the bottom of section 4 of the annual return. 'N/a' should only be used if the test is not relevant for the smaller authority, for example, if the smaller authority has no fixed assets then it is acceptable to record N/a against that test.

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 Barford St John and St Michael 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:

The smaller authority has included Council Tax Support (CTS) grant monies received in box 2, rather than box 3, other receipts.

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: 21 August 2017
