



ISSUES ARISING REPORT FOR
Hawstead Parish Council
Audit for the year ended 31 March 2016

BDO

Introduction

The following matters have been raised to draw items to the attention of Hawstead Parish Council. These matters came to the attention of BDO LLP during the audit of the annual return for the year ended 31 March 2016. This report must be presented to a full meeting of the smaller authority for review.

The audit 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;

- Internal Auditor's recommendations
 - Financial regulations and standing orders need updating
 - Minor issues
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The following issue(s) have been raised as there are minor errors on the annual return which we wish to draw to the attention of the council so they do not occur again in future years.

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:

There are empty boxes in section 2 of the annual return. We do not believe there should be any figures in these boxes but they should include a nil or zero to confirm this.

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

The following issue(s) have been raised to assist the council. The council is recommended to take action on the following issue(s) to ensure that the council acts within its statutory and regulatory framework.

Internal Auditor's recommendations

What is the issue?

The internal auditor has made a number of recommendations in respect to the financial systems of the smaller authority.

Why has this issue been raised?

The smaller authority is exposed to the risks associated with these weaknesses.

What do we recommend you do?

The smaller authority must implement the recommendations made by the internal auditor to improve the financial systems of the smaller authority as soon as possible or in any event before the end of the current financial year.

If the smaller authority addresses all the issues raised by the internal auditor the smaller authority should improve internal controls which will help to prevent and detect error and fraud and assist the smaller authority to operate in an effective and efficient manner.

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

Financial regulations and standing orders need updating

What is the issue?

The smaller authority's Financial Regulations and Standing Orders require updating, as they do not refer to the Accounts and Audit Regulations 2015, but to an older outdated version.

Why has this issue been raised?

The smaller authority is at risk of not conducting its business legally, efficiently and effectively.

What do we recommend you do?

If the smaller authority have not yet updated the Standing Orders and Financial Regulations they must do so as soon as possible or in any event before the end of the current financial year.

The smaller authority can contact its local NALC representative who will be able to provide the smaller authority with an updated model set of Standing Orders and Financial Regulations, which incorporate the changes introduced by the Accounts and Audit Regulations 2015, which the smaller authority should review, amend if necessary and formally adopt. This adoption must be minuted and the minute reference and date recorded on the Financial Regulations for future reference.

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

NALC representative, NALC website - (www.nalc.gov.uk)

No other matters came to our attention.

For and on behalf of
BDO LLP

Date: 19 September 2016
