

The following issues have been raised in a few items to the attention of Hapton 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. The report must be prepared in a full meeting of the smaller authority for review.

The review of the annual return may not address all shortcomings of the system 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 pages that follow.

- Director's report covering the year
- Risk Assessment

**ISSUES ARISING REPORT FOR
Hapton Parish Council
Audit for the year ended 31 March 2017**

Introduction

The following matters have been raised to draw items to the attention of Hapton 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;

- Electors rights period during the year
- Risk Assessment

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

Risk Assessment

What is the issue?

The internal auditor has noted that the smaller authority has not minuted its review of the effectiveness of internal control including arrangements for the management of risks during the year ended 31 March 2017.

Why has this issue been raised?

This is a breach of regulation 4 of the Accounts and Audit Regulations 2015 which requires smaller authorities to review the effectiveness of internal control which includes arrangements for the management of risk.

What do we recommend you do?

The smaller authority must ensure that the risk assessment is reviewed and this review is minuted at least once a year before the end of the financial year. This review is for the smaller authority to evidence as a whole that they are satisfied that all the risks facing the smaller authority have been identified and safeguards have been put in place to protect against those risks.

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/ADA Audit Briefing, Winter 2012 - BDO LLP
Accounts and Audit Regulations 2015

Introduction

The following items are being brought to the attention of the clerk of Hapton 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 comparative figures disclosed in Section 2 of the Annual Return do not agree to the audited Annual Return for last year. We believe the figures have been input in error but the error does not affect the balance carried forward into the current year.

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: 28 September 2017
