

**ISSUES ARISING REPORT FOR  
Stanstead St Margarets Parish Council  
Audit for the year ended 31 March 2016**

## Introduction

The following matters have been raised to draw items to the attention of Stanstead St Margarets 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;

- Accounts approval
  - Risk assessment not minuted during year
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The following issue(s) have resulted in the annual return being qualified. They indicate a weakness in the council's procedures and require the council to take immediate action.

**Risk assessment not minuted during year**

*What is the issue?*

The smaller authority has not carried out a risk assessment as part of its review of the effectiveness of internal control during the year. A risk assessment was undertaken and reported to the smaller authority after the year end.

*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 during the year ended 31 March each year.

*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 each financial year. This review is for the smaller authority to evidence as a whole that it is 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 march 2016- A Practitioners Guide,  
NALC/SLCC/ADA  
Audit Briefing, Winter 2012 - BDO LLP  
Accounts and Audit Regulations 2015

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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.

#### **Accounts approval**

##### *What is the issue?*

The Accounts were approved after the commencement of the inspection period of the exercise of electors' rights.

##### *Why has this issue been raised?*

The Accounts and Audit Regulations 2015, reg 15(3) specifies that the Annual Governance statement must be approved. This is followed by the approval of the Accounting Statements. Both statements must be published including on a website with the notice of electors' rights. The electors' rights period should start on the following day. The smaller authority has not complied with the Accounts and Audit Regulations 2015.

##### *What do we recommend you do?*

The Smaller Authority must ensure in future years that the electors' rights inspection period commences after the accounting statements are approved. The Smaller Authority must also consider how to answer the question concerning the electors' rights period in the Annual Governance statement next year. The period of electors' rights that they must be considering is for the 2015/16 year as that is the period that has occurred during the year.

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

Accounts and Audit Regulations 2015

**No other matters came to our attention.**

For and on behalf of  
BDO LLP

Date: 12 September 2016

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