



ISSUES ARISING REPORT FOR
Alton Town Council
Audit for the year ended 31 March 2016

Introduction

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

- Assets
 - Internal Auditor's recommendations
 - Risk Assessment - approved at a sub committee
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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.

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

Risk Assessment - approved at a sub committee

What is the issue?

The smaller authority have minuted its review of the risk assessment during the year ended 31 March 2016 at a sub committee of the full smaller authority. These minutes were reviewed and adopted by a meeting of the smaller authority as a whole but no reference was made in these full minutes that the smaller authority as a whole had considered the risk assessment.

Why has this issue been raised?

The Accounts and Audit Regulations 2015 require the approval of a risk assessment at a full meeting of the smaller authority and not by the sub committee.

What do we recommend you do?

The smaller authority must ensure in future years that the risk assessment is reviewed by a full meeting of the smaller authority and not a sub committee.

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

The Accounts and Audit Regulations 2015

The following issue(s) have been raised to assist the readers of the annual return. They require no action to be taken by the council.

Assets

What is the issue?

The smaller authority previously included assets at a valuation amount for the fixed assets in the prior year on its annual return.

All historically held assets have been reviewed during the year and those held have now been valued at purchase cost to the council or where cost was not known included at a proxy cost.

Why has this issue been raised?

The value of fixed assets as recorded on the annual return was overstated in the prior year.

What do we recommend you do?

This is a note to the reader of the accounts, no further action is required by the authority.

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

Not applicable

No other matters came to our attention.

For and on behalf of
BDO LLP

Date: 15 September 2016
