



ISSUES ARISING REPORT FOR
Berwick-upon-Tweed Town Council
Audit for the year ended 31 March 2014

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.

Annual Governance Statement

What is the issue?

The council have answered NO to question 8 on the Annual Governance Statement.

Why has this issue been raised?

This highlights that there may be a weakness in the internal controls or governance arrangements of the Council. The council have answered NO on the grounds that there may be contingencies, but at the balance sheet date no obligations existed.

What do we recommend you do?

As the Council have considered its contingencies and concluded that there are no obligations to be provided for at the year end, then they should have answered yes.

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 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:

The Council have included 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 council.

What do we recommend you do?

The council should ensure in future years that the above minor errors or omissions are not included in the Statement of Accounts.

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.

Financial regulations and standing orders need updating

What is the issue?

The council's Financial Regulations and Standing Orders require updating, as they do not refer to the 2011 Accounts and Audit regulations, but to an older outdated version.

Why has this issue been raised?

The council is at risk of not conducting their business legally, efficiently and effectively.

What do we recommend you do?

If the council 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 council can contact their local NALC representative who will be able to provide the council with an updated model set of Standing Orders and Financial Regulations, which incorporate the changes introduced by the Accounts and Audit (England) Regulations 2011, which the council 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: 11 December 2014

Introduction

The following matters have been raised to draw items to the attention of Berwick-upon-Tweed Town Council. These matters came to the attention of BDO LLP during the audit of the annual return for the year ended 31 March 2014.

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;

- Minor issues
 - Financial regulations and standing orders need updating
 - Annual Governanace Statement
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