



**ISSUES ARISING REPORT FOR  
Ashby, Herringfleet & Somerleyton Parish Council  
Audit for the year ended 31 March 2017**

## Introduction

The following matters have been raised to draw items to the attention of Ashby, Herringfleet & Somerleyton 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;

- Risk Assessment
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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.

### **Risk Assessment**

#### *What is the issue?*

The smaller authority did not undertake a risk assessment as part of its review of effectiveness of its system of internal control during the year.

#### *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 a risk assessment is carried out as part of its review of effectiveness of internal control and ensure that this review is carried out annually before the end of the financial year. This risk assessment must be reviewed and minuted as evidence of the review being undertaken annually before the end of the financial year.

The smaller authority should decide which risks it faces and how it is going to reduce the impact of these risks on the meeting's ability to provide its services. An example of the risks and how they can be handled is included in "A Practitioner's Guide" published by NALC & SLCC. An example risk table is available on our extranet to assist the meeting in assessing and clarifying their risks. If the smaller authority decides to utilise this table then it should be reviewed in detail, modified and adapted to the meeting's specific needs. If you do not have access to the internet, contact us and we can supply you with a copy.

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 Audit Briefing, Winter 2012 - BDO LLP

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

For and on behalf of  
BDO LLP

Date: 16 August 2017

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