



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

## Introduction

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

- Minor issues
  - Minor issues
  - Approval of Annual Return
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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:

Section 2 of the annual return does not add up by £1.

*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

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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.

#### Approval of Annual Return

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

The Minutes of the authority indicate that the Accounting Statements (Section 2) of the annual return has been approved before the Annual Governance Statement (Section 1).

The Accounts and Audit Regulations 2015 prescribed order for the approval of the Annual Return, regulation 6(4)(a) states that "The annual governance statement...must be approved in advance of the relevant authority approving the statement of accounts"

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

The Annual Governance Statement and Accounting Statements have not been approved in accordance with the Accounts and Audit Regulations 2015.

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

The smaller authority must ensure in future years that the Annual Governance Statement is minuted before the Accounting Statements.

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

The Accounts and Audit Regulations 2015 - [Legislation.gov.uk](http://legislation.gov.uk)

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The following issues have been raised as the comparatives have been changed.

**Minor issues**

*What is the issue?*

The following issue(s) has been raised as the comparatives have been changed:

The comparative figures disclosed in Section 2 of the Annual Return do not agree to the audited Annual Return for the year ended 31 March 2015. The comparative figures for the year ended 31 March 2015 were restated. We have reviewed the adjustments made and we are satisfied they are correct.

*Why has this issue been raised?*

This is raised to bring the matter to the attention of readers of the annual return.

*What do we recommend you do?*

No further action is required.

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: 22 August 2016

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