

Mr B Gibbs
Tichborne Parish Council
15 The Heath
Denmead
WATERLOOVILLE
Hampshire
PO7 6JT

21 March 2017

Our ref: MBT/EP/2017/H4/TICH01

Contact: Louise Caplen
Direct Dial: 023 8088 1911
E-mail: councilaudits@bdo.co.uk

**TO CONTACT OUR SOUTHAMPTON OFFICE
DIRECTLY DIAL 023 8088 1737**

Dear Mr Gibbs

Notice of the annual review of accounts for the year ending 31 March 2017

Please find enclosed details of the annual review for Tichborne Parish Council for the year ending 31 March 2017. Guidance on completion is contained within the annual return. If you need further guidance or are unsure about any of the terms being used, local councils and other small bodies may wish to refer to "Governance and Accountability in Local Councils - A Practitioners' Guide (England) March 2016" which is jointly published by NALC and SLCC and available on each website, or contact directly the local representatives of these bodies.

Step 1: Notify the auditor of any changes to the contacts

The first step is to ensure the correct person receives this pack. If you are no longer the Clerk/RFO/Chairman ("main contact") and you are unable to pass this pack to the new main contact, please complete the change of address form (**see Appendix 2**) and return the entire pack to us immediately. A prepaid envelope is enclosed for you to use.

In all other instances, please check the details on the form. Amend any details that are incorrect, complete missing information, i.e. telephone numbers, email addresses, website etc. and enter the contact details of the current chairperson. Please return this form to us in the prepaid envelope along with the completed annual return. Also please indicate on this form your preferred method of communication.

Step 2: Completion of the annual return or declaration of no accounts

The next step is to decide whether Tichborne Parish Council should complete the annual return or if the declaration of no accounts is more appropriate.

If Tichborne Parish Council **had no financial transactions during the year** complete the declaration of no accounts (**see Appendix 1**) and return it to us. A declaration of no accounts must be completed annually to confirm that a smaller authority had no financial transactions during the year. A prepaid envelope is enclosed for you to use.

If Tichborne Parish Council had financial transactions during the year completion of the annual return is required.

The enclosed annual return should be completed fully and accurately. Please use the checklist (see Appendix 4) to ensure you enclose everything required.

Changes to the annual return

Section 1, the annual governance statement has been changed and the box for the chairman and clerk to date their signature has been removed as there is no requirement for them. In Section 2, the accounting statements, the box for the chairman to date their signature has also been removed. However the box for the responsible financial officer (RFO) remains, as the RFO must certify the accounting statements which must take place before approval by the smaller authority.

Intermediate review over £200,000 income or expenditure

If a smaller authority has income or expenditure greater than £200,000 for the year ended 31 March 2017 an intermediate review is required. A separate questionnaire must be completed as part of the submission, therefore please contact us, before submitting the annual return, to request a copy if this applies.

If Tichborne Parish Council need to complete an intermediate review questionnaire and do not contact us to request a copy before submitting the annual return, this will result in additional fees being incurred and added to the standard fee on completion. All additional fees will be confirmed in writing at the time of the request.

Intermediate review - selected as part of 5% sample

This is confirmation that Tichborne Parish Council has not been randomly selected as part of this year's 5% selection.

Step 3: Approval of the annual return

Section 1 of the annual return, the Annual Governance Statement, must be approved by the members, meeting as a whole, as soon as possible after the year end or in any event before Section 2 of the Annual Return, the Accounting Statements. The Accounting Statements must be approved in time for the smaller authority to exercise the rights of the public which in any event this year is by Sunday 2 July 2017, which is the day before the first working day of July, and in accordance with the Accounts and Audit Regulations 2015.

We expect all smaller authorities to ensure the annual return is approved by this date. If for whatever reason Tichborne Parish Council is unable to approve section 1 of the annual return by this date, a qualified opinion will be issued on completion of the review, as this is a breach of the Regulations.

Step 4: Exercise of public rights

Smaller authorities are required to provide electors with the opportunity to inspect the accounts and other documents for a period of 30 working days which must include the first 10 working days of July.

The Responsible Financial Officer must, on behalf of the smaller authority, ensure the following:

- The period for the exercise of public rights commences as soon as reasonably practicable after the date the Accounting Statements is approved and in any event the day after the notice, the approved annual governance statement and the approved accounting

statements are published on a website (parish meetings must publish them somewhere conspicuous);

- The commencement of the period for the exercise of public right takes place on such a day that the period will include the first 10 working days of July;
- The auditor is notified of the date on which the period was commenced.

Within the annual return we have provided you with a supplementary sheet to insert the date you have chosen to commence the period for the exercise of public rights to enable you to comply with the Accounts and Audit Regulations 2015.

The Responsible Financial Officer must publish, including on the smaller authority's website, the following:

- A copy of the Accounting Statements accompanied by a declaration signed by the RFO stating that the Accounting Statements is unaudited and subject to change;
- A copy of the Annual Governance statement; and
- A statement detailing the exercise of public rights.

The period of inspection you selected has been used in the proforma notice (**see Appendix 5**). If you were not able to select a period of inspection, we have inserted a suggested date range for you based on the date you approved the Accounting Statements last year. These dates are detailed on the enclosed notice (**see Appendix 5**) which you may use. We have included a summary of electors' rights (**see Appendix 6**) for you to display with the notice so the public are aware of their rights. We have also set out these dates in the form of a timetable to assist you in preparing to complete and submit the annual return by the submission date (**see Appendix 3**).

In summary:

The exercise of public rights commences on **03 July 2017** for a period of 30 working days to include the first 10 working days of July and will end on **11 August 2017**.

It is your responsibility to ensure the exercise of electors' rights is carried out in accordance with the Accounts and Audit Regulations 2015. The dates suggested may be suitable, however if they are not the dates must be changed to ensure compliance. The sheet within the annual return has reminders to assist you in complying with the regulations.

Step 5: Submission Date

The submission date that has been selected is the **24 July 2017** and you should return the annual return and supporting documentation to us by this date. If you are unable to submit the annual return and supporting documentation by **24 July 2017** contact us within 7 days of this date to notify us and to request another more convenient date. Another date will be set at no extra charge. Submission can take place once the annual return is fully completed and the supporting information has been prepared. Please do not wait until the inspection period has ended, take a copy of the Annual Return and information you are intending to send and keep the copies for electors to inspect.

If you did not select a submission date, we have allocated one to you. The date selected takes into consideration the period of inspection for the exercise of public rights, if selected and/or the date you submitted the annual return and supporting information last year.

If Tichborne Parish Council does not submit the annual return by the submission date and in any event by 1 September 2017, they are at risk of receiving a Public Interest Report (PIR) as there may be insufficient time to complete the review by the 30 September 2017. A Public Interest Report is issued by the external auditor under Schedule 7 of the Local Audit and Accountability

Act 2014 and reports any matters which should be given formal consideration by the smaller authority or brought to the attention of the public.

Step 6: Other information

Additional Fees

If the standard information is not submitted with the annual return, if the form is incomplete and/or amendments are required we may charge smaller authorities additional fees for correspondence relating to this. We therefore recommend that you use the checklist (**Appendix 4**) provided to ensure you have included all the information we require before submitting the annual return and supporting documentation.

The standard information consists of;

- Bank reconciliation
- Explanation of quantified significant variances for each box 2 to 6, 9 and 10 (where there is an increase or decrease, which is greater than £100 and where the % increase or decrease is greater than 10%)
- Reconciliation of boxes 7 and 8 (if there is a difference)
- Intermediate review questionnaire and all information requested (if required)
- Notification of the date the inspection period commenced.

However this list may not be exhaustive, please use the checklist (**Appendix 4**). A detailed checklist is also available on our extranet and you may wish to refer to this.

Additional charges will also be made if we have to return the annual return for any amendments such as;

- RFO signature and date missing in Section 2
- Signature(s) missing in Section 1 and/or 2
- Minute reference and date missing in Section 1 and/or 2
- Section 2 not adding up or figures missing
- Missing answers or support information to Section 1 and/or 4

Late submission

A charge will also be made for any late submission of the annual return, or information requested by the auditors, where no contact has been made informing us of a delay. We therefore request that you contact us at least 7 days before your date for submission, or response requested date, so that a more convenient time can be arranged. However please bear in mind that the annual review needs to be completed by 30 September 2017 and we will have to confirm any late requests with the chair of Tichborne Parish Council.

Electors' Questions or Objections

Additional charges will be made for any time spent on electors' questions or objections. We will inform you if we receive any of these and we will keep you informed of the cost involved as it progresses.

Extranet

The extranet URL or website address is:

<https://bdoextranet.bdo.co.uk/sites/Councils/Pages/Default.aspx>

Username: councils, Password: extranet.

Please note the username and password are case sensitive. There is no requirement to register for your own username and password please use the generic ones provided above.

Electronic Annual Return (E-AR)

We have been supplied with a pdf copy of the annual return which we can send to you by email, if requested or you can download it from our extranet.

BDO LLP complaints procedure

If at any time Tichborne Parish Council is dissatisfied with the service it is receiving, you may take up the matter with Paul Bricknell, Director of BDO LLP. If you prefer an alternative route, please contact Malcolm Thixton, Partner of BDO LLP.

BDO LLP undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. If you feel that you received a less than satisfactory service, we will undertake to do everything reasonable to address your concerns. If you are still not satisfied you may, of course, refer the matter to the Public Sector Audit Appointments Limited or the Institute of Chartered Accountants in England and Wales.

If you decide to make a complaint to Public Sector Audit Appointments Limited (PSAA), this should be referred to PSAA Limited, 3rd Floor, Local Government House, Smith Square, London, SW1P 3HZ, 020 7072 7445, generalenquiries@psaa.co.uk, by letter, phone, email, or online. Further information can be found on their website <http://www.psaa.co.uk/about-us/contact-us/complaints/>

Conflicts of interest

BDO LLP has been appointed by PSAA as the external auditors to Tichborne Parish Council. We are not aware of any potential conflicts of interest which would undermine our ability to provide this service to your smaller authority. However, it is essential that if you are aware of any potential conflicts of interest, that you inform us of this as soon as any issues arise.

Prepaid envelope

A prepaid envelope is enclosed for your use. BDO LLP cannot accept responsibility for the loss of the envelope by the Post Office and if you wish to send the completed annual return and supporting documentation to us by registered post then please do so.

If you do not use the prepaid envelope, please ensure the correct postage is used. If insufficient postage is used this can delay delivery of the item by at least a week and we suspect may be the cause of missing items. When sending A4 letters, a standard 1st Class stamp is no longer enough postage. The Post Office defines A4 letters as large letters and therefore a Large 1st Class stamp is required as a minimum.

We look forward to receiving the completed annual return and supporting documentation before the **24 July 2017**. If you have any questions please do not hesitate to contact Louise Caplen.

Yours sincerely,



Mrs Emma Prince
Senior Manager
For and on behalf of BDO LLP