



**ISSUES ARISING REPORT FOR  
Henley-on-Thames Town Council  
Audit for the year ended 31 March 2017**

## Introduction

The following matters have been raised to draw items to the attention of Henley-on-Thames Town 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;

- Amendments to annual return
  - Cash at bank
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The following issues have been raised as we have detected issues with the governance arrangements of the smaller authority. It is recommended that the smaller authority consider these matters and decide what action to take to improve the governance arrangements as soon as possible.

**Amendments to annual return**

*What is the issue?*

The annual return had to be returned for amendment.

*Why has this issue been raised?*

The annual return as submitted had not been prepared in accordance with legislation or proper practices and required amendment.

*What do we recommend you do?*

The smaller authority should ensure that the annual return is fully and correctly prepared in future years.

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

**Cash at bank**

*What is the issue?*

The smaller authority have included investments held in shares in cash and bank.

*Why has this issue been raised?*

The Practitioners guide, which is proper practices, states:

Short-term investments, which mainly include deposit and savings accounts typically provided by banks, are those that display the following characteristics:

- are denominated in pounds Sterling;
- have a maturity of less than 12 months;
- the whole of the original sum invested can, from the time that the investment is made, be accessed for use by the authority without any reduction; and
- the authority has assessed the counterparty and is satisfied that the original sum invested is not subject to unreasonable risk.

We understand that the smaller authority has assessed the risks of the investments and decided that they meet the criteria of a short term investment.

*What do we recommend you do?*

We would recommend that the smaller authority considers the four criteria above and satisfies itself that the investments held meet all of the criteria.

Investments in shares are inherently volatile and can decrease in value as well as increase so you may not be able to access them without any reduction in value.

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

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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 November 2017

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