

1. The audit commission was abolished in 2015. They appointed the external auditors for parish councils and set the fees. The fee for councils with a turnover < £10,000 has been nil in recent years.
2. Years 2015/16 and 2016/17 are transitory years and there is little change, the only change being that the Responsible Financial Officer must set the commencement date for the exercise of public rights. There is some discretion, but there has to be a common inspection period of the first 10 working days of July. In the past the exercise of public rights followed the inspection period. To date the external auditor set both dates.
3. From 01/04/17 arrangements will be the same, but a Sector Led Body (SLB) will appoint the external auditors and set fees.
4. Even though authorities with a turnover <£25,000 will be exempt from the Local Audit (small authorities) Regulations 2015, from April 2017, they still have to decide to 'opt-out' and appoint their own external auditor (more below 7,8) 'opting in' is automatic. For 2017/18 a smaller authority may certify itself as an exempt authority for a financial year.
5. An external auditor will be required to be in place even if you are exempt for those cases where the residents query the accounts and "send them up". If that were to happen the "Smaller Authorities Audit Appointments (SAAA) will call up the auditors to deal with the matter.
6. The 10% rule remains in place. Where every year 10% of councils will be audited even if they are exempt.
7. Authorities (councils) have the opportunity to opt out of the "smaller authorities' audit appointments", this has to be done by 31/03/16.
8. If a council opts out it will still have to go through the statutory process for appointing their own auditor, including the establishment of an audit panel consisting of wholly or mainly independent members. It will be the panel that recommend the external auditor to be appointed.
9. Either way every authority will still have to complete and publish an annual financial return and comply with the Transparency Code for smaller authorities that became mandatory 01/04/15.
10. 'Opted-in' authorities with a neither income or expenditure exceeding £25,000 are unlikely to have to undergo a limited assurance audit review or pay any audit fee. There are certain circumstances in which such may be required clauses 9(1)(b) and 9(3) of the Local Audit (Smaller authorities) Regulations 2016- see attached.
11. If an authority wishes to have a limited assurance audit review, despite not required to do so, the SAAA will need to be informed by the end of the financial year concerned. They will then appoint an auditor to undertake the review for which a fee of £200 will be payable.
12. An internal auditor is still required to undertake internal audit(s)
13. If Turville parish council do not wish to 'opt-out' nothing needs to be done and at the end of the financial year 2017/18 it can certify itself 'exempt'