APPENDIX 1 - SPECIFICATION FOR EXTERNAL AUDITOR FOR BCP COUNCIL OWNED COMPANIES

Finance

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1. Introduction and Background

1.1. Bournemouth, Christchurch and Poole (BCP) Council (hereinafter 'the Council') requires a supplier for the Provision of External Audit Services for its wholly owned companies ('the Services').

1.2. BCP currently has the following wholly owned companies:

1.2.1. Bournemouth Building & Maintenance Limited (08737094)
1.2.2. Seascape Group Limited (08743462)
1.2.3. Seascape South Limited (09364688)
1.2.4. Seascape Homes and Property Limited (10030233)
1.2.5. M.D. Care (UK) Limited (07405656) – This company is currently being dissolved and will not require an external audit moving forward.
1.2.6. BCP FuturePlaces Limited (13465045)

1.3. The Council's wholly owned subsidiaries must appoint an external auditor to carry out an independent assessment of the company's financial statements in accordance with Company Law and the applicable financial reporting framework to enable a report on whether or not the company's accounts give a true and fair view of its financial affairs.

1.4. An auditor must be appointed for each financial year, unless the directors reasonably resolve otherwise on the ground that audited accounts are unlikely to be required. This is not the case for any of the Council's wholly owned subsidiaries.

2. Scope

2.1. The scope of the contract is for a Supplier to deliver External Audit Services on behalf of BCP Council for its wholly owned companies. The Council currently requires External Audit to be delivered for the organisations below, but this could be subject to change during the term of the contract as companies are either created or dissolved.

2.2. The Council is looking to appoint an auditor on a longer-term contract with an initial term of three years with the option to extend annually for a further two years (3+1+1). Therefore, if all extensions were taken, the full length of the contract would be for five years.

2.3. The following companies require a full audit in accordance with UK GAAP, FRS102 and ISA260.

2.3.1. Bournemouth Building & Maintenance Limited (08737094)
2.3.2. Seascape Group Limited (08743462)
2.3.3. Seascape South Limited (09364688)
2.3.4. Seascape Homes and Property Limited (10030233)
2.3.5. BCP FuturePlaces Limited (13465045)

2.4. The Council also has another company M.D. Care (UK) Limited (07405656) that requires only an accountant's certificate

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2.5. The year-end date for all companies is 31 March.

2.6. The Supplier must be able to deliver all the Services required by the Council as outlined within this document.

3. Requirements

3.1. The Supplier would be required to carry out an external audit of each of the Company's financial statements in line with all relevant laws and regulatory requirements.

3.2. On site presence may be required, appreciating the impact of COVID-19 and new ways of working.

3.3. The Supplier would need to provide the following for each entity:

3.3.1. an audit plan
3.3.2. regular updates as to the progress of the audit, raising any issues as necessary
3.3.3. an audit opinion
3.3.4. an audit findings report

3.4. Attendance at company board meetings may be required to present the plan or the findings from the audit.

4. Performance Management

4.1. Completion of the requirements under 3.3 within the prescribed deadlines (internal and statutory) will demonstrate successful performance. These are:

4.1.1. company directors must be able to sign off the accounts at their Q3 board meeting usually held in October.
4.1.2. the statutory deadline for filing audited accounts must be adhered to without exception.

4.2. We would require the Supplier to be available during normal office working hours (Monday to Friday 09:00 to 17:00).

4.3. We would expect responses to our enquires to take no longer than 2 working days.

5. Payments

5.1. Payment will be made in line with the agreed quote on completion of the audit process.

5.2. Any additional work required outside of the original quote must be agreed in advance and will be paid on completion as per 5.3.

5.3. Payments will be made in line with the standard Council terms and conditions.

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6. Standards

6.1. We would expect the Supplier and its staff to hold the necessary accounting qualifications. These qualifications are being a registered auditor and part of a recognised accounting body e.g. ACCA, ICAEW or CIPFA.

6.2. We would expect the Supplier to comply with all regulatory bodies including the FCA as appropriate.

7. Delivery

7.1. The Council would require the supplier to:

7.1.1. provide a single point of contact for each audit (one point of contact can cover more than one audit).
7.1.2. work and be available within normal working hours (Monday to Friday 09:00 to 17:00).
7.1.3. be present on site as required or as reasonably requested.
7.1.4. adhere to Council and Company meeting deadlines, including deadlines for papers regarding these meetings where the Suppliers input is required.
7.1.5. ensure all statutory deadlines are met.

8. Termination

8.1. The Supplier will be required to handover to the Council any data in an editable format (specified by the Council) and in a timely manner to support any reasonable request including but not limited to service review, re-procurement, and data transfer to a new supplier.

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