APPENDIX 1 - SPECIFICATION FOR EXTERNAL AUDITORS FOR BCP COUNCIL CONTROLLED CHARITIES

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 Charities ('the Services').

1.2. BCP currently has the following charities:

1.2.1. Russell-Cotes Art Gallery and Museum (306288)
1.2.2. The Five Parks, Bournemouth I E Kings, Queens, Meyrick and Redhill Parks and Seafield Gardens (299740)
1.2.3. Lower Central Gardens Bournemouth (299739)
1.2.4. Bear Cross Estate Pleasure Ground (301754)
1.2.5. Broadmeadows Estate Public Walks and Pleasure Ground (301757)
1.2.6. Public Open Space or Recreation Ground (301760)
1.2.7. Recreation Ground at West Howe (293214)
1.2.8. Recreation Ground (268685)

1.3. The Council's charities must appoint an external auditor to carry out an independent assessment of the Charities financial statements in accordance with Charity Law and the applicable financial reporting framework to enable a report on whether the Charity'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 trustee reasonably resolves otherwise on the ground that audited accounts are unlikely to be required. This applies to five of the Council's charities as they do not have a gross income over £25,000, and therefore are exempt from requiring external auditing as detailed in Charity reporting and accounting: the essentials November 2016 (CC15d).

2. Scope

2.1. The scope of the contract is looking for a Supplier to deliver External Audit Services on behalf of BCP Council for its Charities. 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 charities are either created or dissolved.

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

2.2.1. Russell-Cotes Art Gallery and Museum (306288)
2.2.2. The Five Parks, Bournemouth I E Kings, Queens, Meyrick and Redhill Parks and Seafield Gardens (299740)
2.2.3. Lower Central Gardens Bournemouth (299739)

2.3. 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 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.

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2.4. The year-end date for all Charities is 31st March, with accounts needing to be completed within 10 months of this date.

3. Requirements

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

3.2. The Supplier must be present on site when required, appreciating the impact of COVID-19 and new ways of working.

3.3. The Supplier must 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. The Supplier will be required to fix all charges and tariffs in relation to the delivery of the Services for the initial three-year term of the contract. Within the pricing schedule for this contract the Supplier will be required to provide a fixed cost for delivering the Services for each charity for each of the initial three years. The Council will not accept requests for increased charges in the initial three-year term where the Supplier has failed to identify the level of resource required to deliver the Services. The Supplier should use the clarification period as part of the procurement process to raise any clarifications around the scope and scale of the Services to be delivered.

3.5. The Supplier will attend the Charity board and Committee meetings when requested to present the plan or the findings from the audit.

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

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. the trustee must be able to sign off the accounts at their board or committee meeting usually held in the Autumn.
- 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).

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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.

5.4. The costs for the delivery of Services within years four and five of the contract will be subject to the Council agreeing to take the available extensions and agreement with the Supplier on the cost for delivering the Services in these extension years.

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 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 Charity 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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