



ISSUES ARISING REPORT FOR
Cheselbourne Parish Council
Audit for the year ended 31 March 2016

Introduction

The following matters have been raised to draw items to the attention of Cheselbourne Parish Council. These matters came to the attention of BDO LLP during the audit of the annual return for the year ended 31 March 2016. This report must be presented to a full meeting of the smaller authority for review.

The audit 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;

- Gifted asset additions
 - Asset Register
 - Date of Responsible Financial Officer signature
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The following issue(s) have been raised as there are minor errors on the annual return which we wish to draw to the attention of the council so they do not occur again in future years.

Date of Responsible Financial Officer signature

What is the issue?

The Responsible Financial Office (RFO) has dated their signature as 28 March 2016 for the certification of the Accounting Statements. The RFO has since confirmed that the certification actually took place on the 5 or 6 April. Bank statements have been obtained and confirmation received that the accounting statements are complete and include all transactions to 31 March 2016.

Why has this issue been raised?

By dating the certification of the accounting statements prior to the 31 March, the suggestion is that the accounting statements are not complete. However, completeness of the accounting statements has been confirmed.

What do we recommend you do?

The RFO must ensure that the accounting statements are not certified until after the year end to confirm that the accounting statements are correct and complete up until 31 March 2016

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

Governance and Accountability for Local Councils in England - A Practitioners' Guide

The following issue(s) have been raised to assist the council. The council is recommended to take action on the following issue(s) to ensure that the council acts within its statutory and regulatory framework.

Gifted asset additions * Christmas lights?

What is the issue?

The smaller authority have included assets at a value in box 9 of the annual return.

Gifted or adopted assets should not be given an estimated value on the annual return, it should be included at a £1 or nil, as it cost nothing to the smaller authority.

Why has this issue been raised?

The accounting treatment is not in compliance with proper practices.

What do we recommend you do?

The Practitioners Guide states that all assets should be held at cost. In future the smaller authority should review the current Practitioners Guide to ensure that they are accounting for assets correctly.

The cost value of assets is not expected to change unless an asset is ever disposed of or scrapped.

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

Governance and Accountability in Local Councils in England 2014 - A Practitioners' Guide, NALC/SLCC

Asset Register

What is the issue?

The smaller authority's asset register is incomplete and does not contain some or all of the following information for each asset held;

- date acquired;
- purchase cost, and
- location held.

Why has this issue been raised?

The smaller authority is at risk of not safeguarding its assets.

What do we recommend you do?

The smaller authority must update its fixed asset register to include date acquired, purchase cost and location held of each asset held as soon as possible or in any event before the end of the current financial year.

An asset register should be in existence to help ensure that the recorded value of assets and investments is, as far as possible, accurate and to ensure the smaller authority is safeguarding its assets. The accuracy of such a register should be verified by the Internal Auditor in their annual review of the internal controls of the smaller authority.

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

Governance and Accountability in Local Councils in England 2014 - A Practitioners' Guide, NALC/SLCC

Audit Briefing, Spring 2011 - BDO LLP

No other matters came to our attention.

For and on behalf of
BDO LLP

Date: 08 August 2016
