

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

Introduction

The following matters have been raised to draw items to the attention of Bawdsey 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;

- Asset Register
- Fixed assets

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.

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

Fixed assets

What is the issue?

During the year the council undertook an exercise of identifying the assets it owned. A proxy value was given for the assets as original cost was not known. These assets were held in the prior year, but no value was reported. No new asset additions or disposals occurred during the year.

Why has this issue been raised?

The annual return appears to show an increase in value of assets, however there have been no changes to the asset portfolio in the year.

What do we recommend you do?

The council must ensure that fixed assets are consistently recorded at their cost or proxy cost value in box 9 in the accounting statements. Movements in box 9 must only represent the cost of asset additions less any asset disposed.

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

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

No other matters came to our attention.

For and on behalf of
BDO LLP

Date: 12 September 2016