

Introduction

The following matters have been drawn to the attention of the members of Wendlebury Parish Council. These matters arose in the course of the audit of the accounts for the year ended 31 March 2016. This report will be presented to a full meeting of the Council for its consideration.

The members of the Council should be aware that the audit of the accounts does not cover all matters that may arise in the course of the year. For this reason, the matters raised may not be the only ones that exist.

The matters raised below are explained in further detail on the pages that follow.

- 1. Council incorrectly referred to the Trust Funds document in section 1 of the Annual Return.
- 2. Grant used
- 3. 2016 expenditure not disclosed during year

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



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## Introduction

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

- Council incorrectly stated 'No' to Trust Funds disclosure in Section 1 of the Annual return
  - Fixed Assets
  - Risk assessment not minuted during year
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The following issue(s) have resulted in the annual return being qualified. They indicate a weakness in the council's procedures and require the council to take immediate action.

#### **Fixed Assets**

##### *What is the issue?*

The smaller authority has not included all additions or replacements of fixed assets, in the year in box 9 of Section 2 of the Annual Return

##### *Why has this issue been raised?*

The value of fixed assets included in the Annual Return appears to be under valued.

##### *What do we recommend you do?*

The smaller authority must ensure that the value of its fixed assets is correctly stated in Section 2 of the Annual Return. The value of all fixed assets must be recorded in the fixed assets register. Assets may comprise of land, buildings, plant and equipment, vehicles, notice boards, street furniture etc, property that will be of economic benefit to the meeting over a period substantially longer than one financial year.

The smaller authority must ensure that the register of assets is updated to record all additions and disposals of assets on an annual basis.

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

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

#### **Risk assessment not minuted during year**

##### *What is the issue?*

The smaller authority has not carried out a risk assessment as part of its review of the effectiveness of internal control during the year. A risk assessment was undertaken and reported to the smaller authority after the year end.

##### *Why has this issue been raised?*

This is a breach of regulation 4 of the Accounts and Audit Regulations 2015 which requires smaller authorities to review the effectiveness of internal control which includes arrangements for the management of risk during the year ended 31 March each year.

##### *What do we recommend you do?*

The smaller authority must ensure that the risk assessment is reviewed and this review is minuted at least once a year before the end of each financial year. This review is for the smaller authority to evidence as a whole that it is satisfied that all the risks facing the smaller authority have been identified and safeguards have been put in place to protect against those risks.

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

Governance and Accountability in Local Councils in England march 2016- A Practitioners Guide, NALC/SLCC/ADA

Audit Briefing, Winter 2012 - BDO LLP  
Accounts and Audit Regulations 2015

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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.

Council incorrectly stated 'No' to Trust Funds disclosure in Section 1 of the Annual Return

What is the issue?

The council had answered box 5 'No' in error in Section 1 of the annual return

Why has this issue been raised?

The disclosure on the annual return is incorrect, as the council is not the sole trustee of any charities.

What do we recommend you do?

The council should ensure in future years that it answers 'Yes', that the council does not have any responsibilities to discharge in relation to a charity.

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

Not applicable

No other matters came to our attention.

Yours and on behalf of

WPC 117

Date: 21 August 2016



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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.

Council incorrectly stated 'No' to Trust Funds disclosure in Section 1 of the Annual return

*What is the issue?*

The council has answered box 9 'No' in error in Section 1 of the annual return

*Why has this issue been raised?*

The disclosure on the annual return is incorrect, as the council is not the sole trustee of any charities.

*What do we recommend you do?*

The council should ensure in future years that it answers 'N/a', that the council does not have any responsibilities to discharge in relation to a charity.

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

Not applicable

**No other matters came to our attention.**

For and on behalf of  
BDO LLP

Date: 22 August 2016

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