

Introduction

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

- Capital purchases in box 5
 - Asset Register
 - Fixed Assets
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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.

Fixed Assets

What is the issue?

The smaller authority have increased the value of its assets due to the completion of a capital project in the year and the asset being brought into use. In previous years the expenditure on the capital project had not been recognised as an asset of the smaller authority on the annual return as the project was still ongoing at the year end date.

Why has this issue been raised?

The assets have increased by greater than the capital spend during the year.

What do we recommend you do?

The smaller authority is not required to make any amendments as the smaller authority has now reflected this completed asset in its asset register and included this revised figure in box 9.

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

Not applicable

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.

Capital purchases in box 5

What is the issue?

The council have recognised the capital purchase of a new works van in box 5 instead of box 6. Box 5 should represent any loan interest or capital repayments reducing the loan balance in the year. The effect has no overall impact on the carried forward position.

Why has this issue been raised?

The council need to ensure the annual return has been completed correctly.

What do we recommend you do?

We recommend that the council place all capital purchases through box 6 in future.

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

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: 20 September 2016
