



**ISSUES ARISING REPORT FOR  
Ashfield cum Thorpe Parish Council  
Audit for the year ended 31 March 2017**

## Introduction

The following matters have been raised to draw items to the attention of Ashfield cum Thorpe Parish Council. These matters came to the attention of BDO LLP during the review of the annual return for the year ended 31 March 2017. This report must be presented to a full meeting of the smaller authority for review.

The review 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;

- Amendments to annual return
  - Budgetary Process
  - Accounting Statements
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The following issues have been raised as we have detected issues with the governance arrangements of the smaller authority. It is recommended that the smaller authority consider these matters and decide what action to take to improve the governance arrangements as soon as possible.

#### **Amendments to annual return**

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

The annual return had to be returned for amendment.

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

The annual return as submitted had not been prepared in accordance with legislation or proper practices and required amendment.

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

The smaller authority should ensure that the annual return is fully and correctly prepared in future years.

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

#### **Budgetary Process**

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

The Internal Auditor reviewed the budgetary process and has noted that although a precept was set by the due date the smaller authority did not monitor its budget during the year.

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

The smaller authority was exposed to criticism due to the lack of evidence of budget monitoring and the risk of overspending. The smaller authority demonstrated a lack of financial control.

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

The smaller authority must ensure the acceptance of the budget is minuted and it regularly reviews the actual income and expenditure against the budgeted income and expenditure. The smaller authority should monitor the budget at least quarterly or more frequently if required.

This is an essential internal control and a key aspect of the financial management of the smaller authority. Minutes must clearly record the decisions of the smaller authority as they are the lawful record of the events of its meetings. The amount of budget monitoring undertaken during the year will depend upon the size of the smaller authority and the complexity of its finances.

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

#### **Accounting Statements**

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

The accounting statements has numerous figures crossed out and revised figures are not inserted into

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the required boxes on the annual return.

*Why has this issue been raised?*

The accounting statements are not clearly stated.

The figures are:

	2016	2017
Box 1	1,815	3,281
Box 2	1,700	1,700
Box 3	40	383
Box 4	0	1,424
Box 5	0	0
Box 6	274	1,265
Box 7	3,281	2,675
Box 8	3,281	2,675

*What do we recommend you do?*

In future the smaller authority should take care when preparing their annual accounting statements.

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

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

For and on behalf of  
BDO LLP

Date: 29 September 2017

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