



**This page is part of Section 3 - External auditor certificate and opinion 2016/17
Monks Kirby Parish Council
External Auditor Report for the year ended 31 March 2017**

Matters reported

Accounting for fixed assets

Local councils and smaller authorities are required to maintain a register of all property, plant and equipment that it holds and update this for purchases and disposals. Assets should be accounted for on acquisition at purchase cost and the value remain unchanged until the asset is disposed of. It has come to our attention that the Authority have recorded assets at a nominal value of £1. As the Authority purchased the assets using donations and have not been gifted to the Authority, the assets should be included on the asset register at purchase cost.

The Authority should restate the 2017 figure in the 2018 annual return and write 'Restated' beneath the £ sign in the 2017 column.

Guidance on accounting for fixed assets is available in the NALC/SLCC publication 'Governance and Accountability for Smaller Authorities in England – A Practitioners Guide to Proper Practice (March 2016) sections 2.24 to 2.28 and 5.137 to 5.141.

Other matters not affecting our opinion which we wish to draw to the attention of the authority

Internal Auditor's Report

The Internal Auditor has answered 'Yes' to Objective F in relation to petty cash. This should state 'Not covered' as the Council does not operate a petty cash system.

The Authority should ensure that the internal auditor's report is reviewed before sending the Annual return to the external auditors. The Authority should minute this process. If there are any errors in the internal auditors report it should either be amended by the Internal Auditor or the Authority should provide an explanation for the error.

Grant Thornton UK LLP

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Date *19 July 2017*

Our ref WKS138