

**ISSUES ARISING REPORT FOR
Bury St.Edmunds Town Council
Audit for the year ended 31 March 2016**

Introduction

The following matters have been raised to draw items to the attention of Bury St.Edmunds 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;

- Payments
 - Additions in year not included in Annual Return
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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.

Payments

What is the issue?

The smaller authority has answered no to question 3 in the annual governance statement as during the year the smaller authority made payments to two churches totalling £3,990.

Why has this issue been raised?

Despite having the general power of competency Smaller authorities cannot contribute towards the maintenance or improvement of church premises.

What do we recommend you do?

The smaller authority should ensure that when using the general power of competency they ensure that no payments are authorised for the maintenance or improvements of church premises.

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

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.

Additions in year not included in Annual Return

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 Practitioners Guide states that all assets should be held at cost. In future the smaller authority should review the current Practitioners Guide to ensure that they are accounting for assets correctly.

The cost value of assets is not expected to change unless an asset is ever disposed of or scrapped.

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: 12 September 2016
