



ISSUES ARISING REPORT FOR  
Walton Parish Council (Cheshire)  
Audit for the year ended 31 March 2016

## Introduction

The following matters have been raised to draw items to the attention of Walton Parish Council (Cheshire). 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;

- Gifted asset additions
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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.

#### **Gifted asset additions**

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

The smaller authority have acquired an asset during the year at nil cost to the smaller authority. The smaller authority has given this asset a value in box 9 of the annual return.

Gifted or adopted assets should not be given an estimated value on the annual return, it should be included at a £1 or nil, as it cost nothing to the smaller authority.

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

The accounting treatment is not in compliance with proper practices in force during the year.

##### *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: 14 September 2016

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