



**ISSUES ARISING REPORT FOR  
Nelson Town Council  
Audit for the year ended 31 March 2017**

## Introduction

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

- Minutes not initialled
  - Standard information
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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.

#### **Minutes not initialled**

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

The smaller authority produced printed minutes, which were submitted for audit purposes. The pages were not maintained in accordance with the Local Government Act 1972, Schedule 12, para 41.

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

This smaller authority submitted minutes for audit purposes which were not maintained in accordance with schedule 12, paragraph 41(2) of the Local Government Act 1972.

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

The smaller authority should ensure with immediate effect that if a loose leaf minute book is maintained the loose leaf pages are consecutively numbered, paragraphs are referenced, they should be signed by the chairman presiding at the meeting they are approved at and each page is initialled by the person signing the minutes.

Minutes must be maintained in accordance with the Local Government Act 1972.

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

Local Council Administration, 7th Edition, Charles Arnold-Baker, Chapter 7

#### **Standard information**

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

We had to contact the clerk as standard information, including bank reconciliation, date of electors rights or explanation of variances was not supplied with the initial submission.

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

Proper Practices and the annual return itself state that the above standard information should be submitted for all smaller authorities.

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

In future the smaller authority should ensure all standard information is submitted for audit.

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

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## Introduction

The following items are being brought to the attention of the clerk of Nelson Town Council. These items came to the attention of BDO LLP during the review of the annual return for the year ended 31 March 2017 but are not required to be reported to the smaller authority. These items are not considered to be either a breach of legislation or proper practices or other matters to report.

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;

- Fixed assets included at a valuation

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The following matters are being brought to your attention as we have detected administrative matters aimed at improving the review process in the future or items that have changed that we wish you to just note. These matters are not raised as formal matters and do not require reporting to the council.

**Fixed assets included at a valuation**

*What is the issue?*

It has come to our attention that fixed assets included in box 9 do not agree to the asset register.

*Why has this issue been raised?*

The accounting treatment is not in compliance with proper practices.

*What do we recommend you do?*

The Practitioners Guide states that all assets should be included in the asset register at cost and added to the asset register. In future the smaller authority should review the current Practitioners Guide to ensure that they are accounting for assets correctly.

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: 20 September 2017

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