**CHURCH ASTON PARISH COUNCIL**

**ANNUAL RETURN 2013/14 - EXTERNAL AUDITOR’S REPORT**

**External Auditor’s Report:**

***“On the basis of our review, in our opinion the information in the annual return is in accordance with proper practices and no matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.”***

**Other Matters not affecting our opinion which we draw to the attention of the Council:**

1. ***“In 2013/14 the Council received council tax support grant amounting to £565. This grant does not form part of the Precept and should be accounted for in the same way as any other grants received – i.e. included in Section 1, Box 3 of the Annual Return (Other Income, not in Box 2 (Precept). To account for the grant correctly, Box 2 for that year should state £17,235 and Box 3 should state £1,710.***
2. ***The level of the general reserve held is relatively high in comparison to the Council’s annual expenditure. Reserve requirements should be reviewed when setting future budgets and precept requirements, to confirm that they remain appropriate in the light of risks faced by the Council and future expenditure plans.***
3. ***Section 1, Box 9: On the basis of the information provided for the audit, not all assets owned by the Council are currently on the Annual Return (e.g. computer and street lights). All Council owned assets and investments should be recorded in an asset register at their purchase cost, or a proxy cost such as insurance value where this is known, and the total value of assets held should be shown in the Annual Return. Whatever the valuation basis adopted, this should be applied consistently and the ‘book’ value should usually stay constant until disposal.***
4. ***All figures in Section 1 should be rounded to the nearest £1, in accordance with the guidance in the Annual Return.***
5. ***In future years, please ensure that the explanation of significant year-on-year variances in the accounting statements (Section 1 of the Annual Return) provides sufficient detail, including monetary values, to fully explain the changes – please refer to guidance notes sent at the start of the audit. Additional information was required to explain the movement in Section 1, Boxes 3 and 9.***
6. ***Minor point: The accounting statements for the year ended 31 March 2014 (Section 1, Boxes 1 to 7) do not balance due to a £1 error in the opening balance.”***

The above extract provides full details of the external auditor’s report and comments for the Annual Return 2013/14 of Church Aston Parish Council

Michael Atherton

Clerk to Church Aston PC

3rd October 2014