



ISSUES ARISING REPORT FOR  
Aldringham cum Thorpe Parish Council  
Audit for the year ended 31 March 2016

## Introduction

The following matters have been raised to draw items to the attention of Aldringham cum Thorpe Parish 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;

- Reserves
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The following issue(s) have been raised to assist the council in improving its internal controls or working practices. The council is recommended to consider these but is under no statutory obligation to act upon them.

#### Reserves

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

The balances held by the smaller authority appear high and have been building up over the years.

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

The smaller authority has no power to hold excessive reserves unless they are saving for something in particular. We do not know whether this is the case in respect to these balances.

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

If the smaller authority is not saving for a large purchase, the balances carried forward should be reduced to a more appropriate level. The reserves should be sufficient to cover budgeted expenditure in the year.

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 August 2016

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