

Section 3 – External auditor certificate and report 2014/15

Certificate

We certify that we have completed our review of the annual return, and discharged our responsibilities under the Audit Commission Act 1998 as transitionally saved, for the year ended 31 March 2015 in respect of:

QUITING POWER PARISH

Council/Meeting

Respective responsibilities of the body and the auditor

The body is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The body prepares an annual return in accordance with proper practices which:

- summarises the accounting records for the year ended 31 March 2015; and
- confirms and provides assurance on those matters that are important to our audit responsibilities.

Our responsibility is to review the annual return in accordance with guidance issued by the Audit Commission (see note below). Our work does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and does not provide the same level of assurance that such an audit would do.

External auditor report

(Except for the matters reported below)* on the basis of our review of the annual return, 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. (*delete as appropriate).

[Handwritten mark]

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the council:

See Attached

(continue on a separate sheet if required)

External auditor signature

[Handwritten signature]

External auditor name

Barrie Morris for Grant Thornton UK LLP

Date

7/7/15

Note: The Audit Commission issued guidance in its Standing Guidance, which is applicable to external auditors' work on 2014/15 accounts.

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**Guiting Power Parish Council
Audit Report for the year ended 31 March 2015**

**Other matters not affecting our opinion which we wish to draw to the attention
of Guiting Power Parish Council for the year ended 31 March 2015
continued.**

Accounting for Fixed Assets

It has come to our attention that the council have intentions to revalue their assets in the future, not at original purchase cost.

Local councils are required to account for fixed assets at purchase cost. If this is not known a proxy cost should be substituted (e.g. insurance value). Commercial concepts of depreciation or impairment adjustments, etc are not appropriate for local councils. For reporting purposes therefore, the 'book' value of fixed assets will usually therefore stay constant until disposal. Where insurance value has been used as a proxy, it should not be adjusted for annual changes.

Guidance on accounting for fixed assets is available in the NALC / SLCC publication "Governance and Accountability for Local Councils – A Practitioners Guide" paragraphs 3.66 to 3.77.



for Grant Thornton UK LLP

Date 7/7/15

Our ref GLS105

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Section 1 Comparatives

The figures for 31 March 2014 in Boxes 1,2, 3, 7 and 8 have been restated from the figures presented on the 2014 Annual Return following the other matters noted in last year's external auditor's report. The column that has been restated should have the word 'restated' inserted beneath the '£' symbol.

Work of the Internal Auditor

We note that the council is the sole trustee of, and is responsible for managing a charitable trust. The council has confirmed that they have properly discharged their responsibilities relating to this trust at Section 2 of the Annual Return. However the Internal Auditor has answered n/a to Objective K in Section 4. In future years the council should direct the Internal Auditor to cover this area and he/she should note his conclusion at paragraph K on Section 4 of the Annual Return.

Incorrect figures on Section 1 - 2013/14

Box 9 on Section 1, Total fixed Assets plus other long term investments and assets, is incorrectly stated as £0 for year ending 31 March 2014. This should instead read £6,133, as an old asset register has been discovered, which confirms the valuation of the assets that the council hold.

High level of reserves

We note that the council holds a high level of general reserves, approximately 6 times the annual precept for 2014/15.

The council should consider the level of general reserves required and consider taking steps to reduce the level of reserves in future years if necessary.