



**This page is part of Section 3 - External auditor certificate and opinion 2016/17  
Middlezoy Parish Council  
External Auditor Report for the year ended 31 March 2017**

**Other matters not affecting our opinion which we wish to draw to the attention of the authority**

**Section 2, Accounting statements, Precept**

The total amount of precept should be included in Box 2. Part of the precept has been incorrectly included in Box 3. Box 2 should state £11,330 and Box 3 should state £54,503.

The Authority should restate the 2017 figures on next year's Annual Return and write "Restated" beneath the £ sign on the 2017 column.

**Accounting for fixed assets**

Local Authorities and smaller authorities are required to maintain a register of all property, plant and equipment that it holds and update this for purchases and disposals. Assets should be accounted for on acquisition at purchase cost and the value remain unchanged until the asset is disposed of. If the purchase cost is not available a proxy such as insurance value can be used when the asset is first recorded in the asset register but this then remains unchanged. The commercial concepts of depreciation and revaluation are not appropriate for local Authorities and smaller authorities.

The Authority should restate the 2017 figure in the 2018 annual return and write 'restated' beneath the £ sign in the 2017 column.

Guidance on accounting for fixed assets is available in the NALC/SLCC publication 'Governance and Accountability for Smaller Authorities in England – A Practitioners Guide to Proper Practice (March 2016) sections 2.24 to 2.28 and 5.137 to 5.141.

*Grant Thornton UK LLP*  
**Grant Thornton UK LLP**

Date *20/09/2017*

**Our ref SOM187**