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The following issues have resulted in the annual return being qualified. They indicate either a breach of proper practices or legislation and they require the smaller authority to take immediate action to rectify these issues.

#### **Asset Register**

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

The smaller authority does not have an asset register.

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

The smaller authority is at risk of not safeguarding its assets.

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

In line with Proper Practices the smaller authority must compile an asset register as soon as possible or in any event before the end of the current financial year. This register should be verified by the internal auditor during the audit for the next financial year.

An asset register should be in existence to help ensure that the recorded value of assets and investments is, as far as possible, accurate and to ensure the smaller authority is safeguarding its assets. The accuracy of such a register should be verified by the Internal Auditor in their annual review of the internal controls of the smaller authority.

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  
Audit Briefing, Spring 2011 - BDO LLP

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