

**Hungerford Town Council**

**Financial Year 2023-24**



**IAC Audit and Consultancy Ltd**

**Interim Internal Audit Observations**

**Audit date:** 11 January 2024

**B**

*This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.*

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Has the Council formally Minuted confirmation of bank signatory arrangements?	No	<i>From a review of records it was not possible to verify when the Council reviewed and confirmed the bank signatory arrangements.</i>	The Council to formally review and confirm the bank signatories on its bank accounts and the mandate that applies, for example "any two to sign". A copy of this approval to be retained for audit purposes.	Medium	This is on the agenda for Feb Full Council 2024 to be confirmed.
2	Has the Council complied with the requirements of the Public Contract Regulations?	Yes	<i>The Council has utilised the Contracts Finder website to list its tenders, as required by the Public Contracts Regulations, but has not updated the website with details of the awarded contract.</i>	After the award of contracts the Contracts Finder website should be updated with details of the successful bidder and the value of the contract awarded.	Medium	The website has since been updated with the 2023 awards made. We were advised there was no need to go back further but in future this will be completed.

**C**

*This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.*

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	The Council, as a body, has undertaken a formal review of risk (this cannot be delegated to sub-committee) - Interim Audit	No	<i>As at the date of the Interim Audit the Council had not formally Minuted a review of Risk - it is understood that this will be subject to review by Full Council on 5th February 2024.</i>	The review of Risk is a key requirement of both the Annual Governance Statement and the Annual Internal Audit Report. The Council MUST ensure that it Minutes a formal review of Risk prior to the end of the financial year.	Advisory	This is on the agenda for Feb Full Council 2024 to be minuted.

<b>D</b>							
<i>The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.</i>							
No.	Audit Test	Response	Observation	Recommendation	Priority	Comments	
1	Does the budget recorded in the Councils accounting system agree to the budget set by Council?	Yes	<i>The budget on the Omega system agrees to the budget approved by Council (after adjusting for £7,000 being the net EMR transfers). It is not currently practice for a formal reconciliation to be prepared of the Omega budget to the budget schedule approved by Council.</i>	Council to review the budget recorded in the Councils accounting system to ensure that it agrees to the budget approved.	High	A reconciliation will be completed at year end.	
<b>E</b>							
<i>Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.</i>							
No.	Audit Test	Response	Observation	Recommendation	Priority	Comments	
1	Cash income received is promptly receipted	No	<i>The Council receives relatively little cash income from its day to day operations however it does collect significant amounts at the annual carol services on behalf of the mayors charity which is banked and then paid out to nominated charities. At present a record is not kept of the total collected (the amount banked is recorded in the Councils paying-in book).</i>	The total of the amount collected at the carol service should be recorded and signed, dated and witnessed by two people. This record should be retained for audit purposes so it can be checked and agreed to the amount banked.	High	A checklist has been created for the amount received to be recorded and signed by two people.	
<b>M</b>							
<i>The authority, during the previous year (2022/23) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).</i>							
No.	Audit Test	Response	Observation	Recommendation	Priority	Comments	
1	The Council published the Notice for the Period of Exercise of Public Rights	Yes	<i>It was noted that the approval date for the Annual Governance Statement and Accounting Statements was 15th May, but Announcement Date for the Exercise of Public Rights was 30th June. The Accounts and Audit Regulations require that the Notice is published "as soon as reasonably practicable" after approval of the Accounting Statements.</i>	The Council to note that the Notice for the Period for the Exercise of Public Rights should be published "as soon as reasonably practicable" after the approval of the Accounting Statements.	High	This has been noted for future.	