

Hungerford Town Council

Financial Year 2024-25



IAC Audit and Consultancy Ltd

Audit date: 9 January 2025

Visit 1 Internal Audit Observations

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	Is the tender threshold set at £25,000 consistent with the Public Contract Regulations and NALC Model Financial Regulations?	Yes	<i>It was noted that the Councils Financial Regulations state a tender threshold of £30,000 whereas Standing Orders state £25,000 (the difference is due to the inclusion of VAT in the Financial Regulations value).</i>	The Council to review the tender threshold stated in Standing Orders and ensure that these are consistent with the level stated in Financial Regulations.	Medium	Our Standing Orders have been changed to reflect this and will be agreed at the February Full Council meeting

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</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 will be agreed at February's Full Council meeting

D *The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.*

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	The Council has established Reserves (or some other suitable measure) to monitor the usage of CIL Receipts	No	<i>The Council has received a small amount of CIL income in the current year and has some existing CIL in Earmarked Reserves. It is not clear that Council has considered the 5 year time limit on the spending of CIL.</i>	The Council to review the CIL balance and the anticipated usage of these funds in line with the potential time limit on the spending of these funds. This should be subject to annual review as part of the budget setting process.	Medium	This has been noted and will be looked at the end of year

I **Periodic bank account reconciliations were properly carried out during the year.**

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Bank reconciliations, and supporting bank statements, have been signed and dated as evidence of independent review (Interim)	No	<i>Bank reconciliations have been signed and dated as evidence of independent review, however supporting bank statements have not been.</i>	When bank reconciliations are subject to review the supporting bank statements should be initialled to confirm that they have been verified to the balance stated on the bank reconciliation.	Medium	This has now been put in place and all statements will be signed at each FGP meeting