

**Hungerford Town Council**  
**Financial Year 2024-25**



**IAC Audit and Consultancy Ltd**

Audit date: 1 May 2025

**Year End Internal Audit Observations**

**H** *Asset and investments registers were complete and accurate and properly maintained.*

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	There is a register of owned assets	Yes	<i>The Council has amended the format of the asset register and this now includes additional information relating to the status of the land. It was noted that the register includes items which are either held under a lease, or stand on land leased by the Town Council. This appears to be a long standing practice.</i>	<p>The Council to note that only the value of items owned by the Town Council should be recorded in Box 9 of the AGAR Accounting Statements. Leased items should not be included.</p> <p>The Council will need to review the value stated in the Accounting Statements and ensure that it only includes those assets owned by the Town Council. The Council may also need to restate the Box 9 value for 2023/24 when submitting the 2024/25 Accounting Statements.</p> <p>Items which are 'permanently affixed' to leased land should also not be included in the Box 9 valuation.</p>	High	The Asset Register has been altered to reflect the leased land and permanently affixed assets. The AGAR fixed asset figure has been restated for both 23/24 and 24/25
2	Movement on asset register agrees to additions to disposals made in the year	Yes	<i>It was noted that the recorded values of the Mayors and Consorts Chain have been changed for 2025 based on a revaluation carried out during the year. The 2024 value is stated at the pre valuation value.</i>	The Council should ensure that items are stated on the same valuation basis in both years of the Accounting Statements. If the valuation of an item has changed solely on the basis of a revaluation then the prior year value should also be restated to the same value.	High	The Asset Register has been altered to reflect the regalia valuation figure on the AGAR for both 23/24 and 24/25

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

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	There are no unexplained balancing entries in any reconciliation (Year End)	No	<p><i>It was noted that an uncleared bank transfer of £3,345.64 from Nationwide to Barclays dated 31st March 2025 has been recorded on nominal 110 as accrued interest and not recorded in the cashbook (the transfer had cleared from the Nationwide account but was not credited to Barclays until April).</i></p> <p><i>As a consequence the Box 8 value in the draft AGAR Accounting Statement is under stated by £3,345.64.</i></p> <p><i>It is understood that this may also have been the case for the 2023/24 AGAR Accounting Statements.</i></p>	<p>The Council to note this transaction should have been recorded as a bank transfer, with the Barclays element being recorded as an uncleared bank receipt on the year end bank reconciliation.</p> <p>The Council to ensure that the Box 8 value in the 2024/25 Accounting Statement includes the £3,345.64 uncleared entry.</p> <p>The Council also to review the Box value stated for 2023/24 and, if necessary, adjust this to reflect the value of any uncleared entry as at March 2024.</p>	High	The uncleared bank transfer has been amended in the year end 24/25 figures to include the uncleared bank credit. The 23/24 figure has also been looked at and amended.

**J** *Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.*

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Current year end accruals and prepayments are reasonable and accurate [Year End]	No	<p><i>It was noted that the accrual for interest on the Nationwide account actually relates to an uncleared bank transfer of £3,345.64 from the Nationwide to the Barclays accounts. (See above)</i></p>	<p>The Council to note that the draft accrual value for interest is overstated by £3,345.64. This amount should be included in Box 8, and not within accruals (see above).</p>	Medium	As per note I1 above, the uncleared bank transfer has been included in 24/25 and any accrual journals reversed.