

Hungerford Town Council

Financial Year 2021-22

Interim Internal Audit Observations

B This authority complied with its financial regulations, payments were supported by invoices, all expenditure accounted for.

No.	Audit Test	Observation
1	Has guidance been issued to staff on the usage of the card?	<i>The Council has not issued formal guidance to staff on the permitted usage of Debit/Credit cards. It was noted that the Minute of 2018 which approved the adoption of the Credit Card specified a limit of £1,000 however the limit on the card is now £3,000</i>
2	Have invoices been approved as required under Council Financial Regulations? (paragraph 5.3 of the NALC Model Financial Regulations)	<i>It was noted that a payment of £790.94 had been made to a local voluntary group which was funded by Earmarked Reserves, it is unclear whether this amount relates to a grant. It is unclear what controls have been set out on this expenditure and on the amount that can be incurred / reclaimed. by the group.</i>

C This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements

No.	Audit Test	Observation
1	The Council, as a body, has undertaken a formal review of risk (this cannot be delegated to sub-committee) - Interim Audit	<i>As at the date of the Interim Audit the Council had not formally Minuted a review of Risk. This was last formally Minuted in March 2021</i>



IAC Audit and Consultancy Ltd

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was approved and VAT was appropriately

Recommendation	Priority	Comments
The Council to issue formal guidance to staff on the permitted usage of Debit/Credit cards. (An example template has been provided to the Clerk.)	Medium	The Financial Regs 6.20 has been altered and will be ratified at The December 2021 Full Council Meeting. The updated credit card policy was ratified at the 10th November 2021 F&GP meeting.
<p>The Council should put in place written arrangements for the control of this expenditure. This should set out the nature of items that may be purchased, the maximum value of any individual purchase, and the maximum amount that may be reclaimed.</p> <p>Invoices provided to support a reclaim should be subject to review and approval in the same manner as other supplier invoices as set out in the Councils Financial Regulations.</p>	Medium	All invoices and payments are reviewed and agreed at each Full Council Meeting. The amount put aside in the EMR for the group to spend within the town was agreed at the 22/3/21 H&T, where the group was present.

gements to manage these.

Recommendation	Priority	Comments
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	The review of the Risk Register is scheduled for February 2022 Full Council meeting.