

Fordingbridge Town Council
Financial Year 2023-24



IAC Audit and Consultancy Ltd

Audit date: 18 June 2024

Year End Internal Audit Observations

G *Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.*

| No. | Audit Test | Response | Observation | Recommendation | Priority | Comments |
|-----|--|----------|---|--|----------|----------|
| 1 | Salaries and wages payable to staff have been appropriately approved and confirmed in writing. | Yes | <i>It was noted that letters to staff confirming changes to rates of pay, including to the RFO, are issued and signed by the RFO.</i> | Confirmation letters for any changes to the RFO terms and conditions should be issued and signed by the Clerk. | High | |

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

| No. | Audit Test | Response | Observation | Recommendation | Priority | Comments |
|-----|--|----------|---|---|----------|----------|
| 1 | Movement on asset register agrees to additions to disposals made in the year | Yes | <i>The RFO provided a reconciliation of asset movements during the audit visit. It is not currently practice at the Council for changes to the asset register (additions and disposals) to be subject to formal review and approval by Council.</i> | A formal schedule of asset additions and disposals during the year to be subject to review and approval by Council. | High | |

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 | Year end debtor balances are reasonable and agree to year end Trial Balance | No | <i>It was noted that there was significant balance outstanding from an undertaker at year end. It is understood that Council policy is that payments is received in advance of burials. It is unclear why there should be any balance outstanding.</i> | The Council to review the process for the billing and collecting income from burials. | Medium | |