

**Thatcham Town Council**  
**Financial Year 2023-24**



**IAC Audit and Consultancy Ltd**

Audit date: 11 June 2024

**Year End Internal Audit Observations**

**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	Council has formally documented Internal Controls	No	<i>The Council undertakes a review of Internal Controls but has not formally documented what the Internal Controls in place are.</i>	Council should formally document its Internal Controls.	High	Formal document to be prepared for 2024/25 and going forward (ACTION: Town Clerk)
2	Assets included in the assets register are covered under the Councils insurance policy	Yes	<i>It is understood that the Sports Pavilion, Brownsfield Road is to be insured by the tenants. Council does not currently have a copy of the insurance policy in place.</i>	Council to obtain a copy of the insurance policy in place of the Sports Pavilion and ensure that the Councils interest, as owner of the building, is noted in the Insurance policy.	Medium	Finance Manager has received a copy of Thatcham Town Cricket Club's insurance policy and will ensure the Town Council's interest is recorded.  Copies of insurance from all Council property tenants will be requested (ACTION: Place Manager)

**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	The Council operates a PAYE scheme and is registered with HMRC for PAYE purposes.	No	<i>The Council does not operate a PAYE scheme and is not registered with HMRC for PAYE purposes.</i>	The Council should review its PAYE arrangements and ensure that it complies with HMRC requirements. This may require the Council to formally register with HMRC as an Employer and operate a PAYE scheme.	High	West Berkshire Council has advised that its payroll management scheme does not require the Town Council to register with HMRC (ACTION: N/A)
2	The Council has published the details of Members Allowances paid in accordance with Regulation 15 (3) of Members Allowances Regulations 2003.	No	<i>As at the date of the year end the Council had not published the details of Members Allowances paid in accordance with Regulation 15 of Members Allowances Regulations 2003. This must be done prior to 30th September 2024.</i>	The Council to note the publication requirements in respect of Members Allowances and to ensure that details of allowances paid are published in accordance with the Regulations.	High	Members' Allowances are published on the Town Council website (ACTION: N/A)

**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>It was noted that the Councils Asset Register includes properties which are leased by the Council. The Practitioner's Guide requires that the Asset Register only lists assets owned by the Council.</i>	The Council to review the Asset Register and remove any assets which the Council does not own.	High	Finance Manager to review Asset Register (ACTION: Finance Manager)
2	Continuing existence of assets is checked on a regular basis (when was last check?)	No	<i>Continuing existence of assets is not checked on a regular basis.</i>	The Council should put in place a process for the regular review and verification of its assets. Assets of a high value or which may be particularly vulnerable should be subject to verification at more frequent intervals.	Medium	Assets were reviewed in 2023, when new Council elected. System to be put in place to ensure annual check conducted (ACTION: Finance Officer)

**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	<i>It was noted that an accrual on nominal code 121 for Interest Receivable was a credit not debit balance. This was due to an accrual for interest being made as an accrual payable rather than receivable. This was corrected during the audit visit.</i>	Council to note	Low	Corrected (ACTION: complete) Journal preparation/entry now separate from journal review/posting with duties split between officers.