



Emma James
Town Clerk
Okehampton Town Council
Town Hall
Fore Street
Okehampton
Devon
EX20 1AA

12th March 2025

Dear Emma,

Interim Internal Audit (Second Audit)

An audit was carried out by Kevin Rose on Wednesday 5 March 2025. This was the second internal audit, following on from previous audit on 8 October 2024

The audit was undertaken using the standard IAC Audit Checklist, that we use for all Local Councils, which has 208 items. A total of 40 items were tested during this audit in addition to the 116 tested at the first audit and pre-audit. The balance of 52 items will be checked during the Year End audit which will be carried out off-site.

The following 'Internal Control Objectives' of the Annual Internal Audit Report (part of the AGAR) were checked and confirmed as being Not Applicable to your Council for this financial year.

- Exemption from External Audit (Box K)
- the Transparency Code (for Smaller Authorities) (Box L)

Areas subject to audit were;

- the Payment system (Box B)
- Risk and insurance (Box C)
- Budget and precept setting and monitoring (Box D)
- Income billing, collection and VAT (Box E)
- Payroll(Box G)
- Assets and investments (Box H)
- Bank reconciliations (Box I)
- Accounting Statements (Box J)
- Trust Funds (Box O)

Of the 35 applicable items tested a Positive response was obtained in respect of 35 tests. I am pleased to confirm that there were no Negative responses. 3 Observations were made, details of which are set out in the attached Interim Internal Audit Observations.

Summary of tests undertaken during this audit

Positive response	35
Negative response	-
Not Applicable to your Council	5
Total tests carried out	<u>40</u>

I am pleased to advise that no 'Non-Compliances' were identified at this stage that would give rise to a negative response on the statutory Annual Internal Audit Report.

I would like to express my thanks for the assistance and hospitality provided to me during my audit.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'K. Rose'.

Kevin Rose ACMA
Director

Interim audit (Visit 2) summary Okehampton Town Council

(shaded Internal Control Objectives are not applicable to your Council)



Audit 2 Date 5 March 2025

Internal Control Objective	N/A	Tested	Positive	Negative	Observations	Non Compliance
Box A <i>Appropriate accounting records have been properly kept throughout the financial year.</i>	-	-	-	-	-	
Box B <i>This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.</i>	-	6	6	-	1	
Box C <i>This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.</i>	-	3	3	-	-	
Box D <i>The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.</i>	1	2	1	-	-	
Box E <i>Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.</i>	1	1	-	-	-	
Box F <i>Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.</i>	-	-	-	-	-	
Box G <i>Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.</i>	2	17	15	-	1	
Box H <i>Asset and investments registers were complete and accurate and properly maintained.</i>	-	1	1	-	1	
Box I <i>Periodic bank account reconciliations were properly carried out during the year.</i>	1	5	4	-	-	
Box J <i>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.</i>	-	1	1	-	-	
Box K <i>If the authority certified itself as exempt from a limited assurance review in 2023/24, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2023/24 AGAR tick "not covered")</i>	-	-	-	-	-	
Box L <i>The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.</i>	-	-	-	-	-	
Box M <i>The authority, during the previous year (2023/24) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).</i>	-	-	-	-	-	
Box N <i>The authority has complied with the publication requirements for 2023/24 AGAR (see AGAR Page 1 Guidance Notes).</i>	-	-	-	-	-	
Box O <i>(For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee</i>	-	4	4	-	-	
Totals	5	40	35	-	3	-

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



IAC Audit and Consultancy Ltd

Audit date: 5 March 2025

Visit 2 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	Can bank payment transactions be traced to source documents? (Year End)	Yes	<p>The practice at the Council is for payments to be approved (either through Committee or Full Council) prior to payments being made. At present it is not practice for the Minutes of the meeting to formally record the value of the payments approved - they simply record that payments are approved. This makes it difficult to verify that all payments were formally approved.</p> <p>It was noted that the payment listing has provision for the Minute Reference to be recorded, but this is not currently done.</p>	<p>The Council to consider including in the Minutes of the relevant meeting the total value of the payments approved at that meeting which should agree to the total of the payment listing.</p> <p>The Council to ensure that the Minute Reference is recorded on the payment listings.</p>	High	

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 paid agree with those approved by the council	Yes	<p>It was noted that salary paid to a new member of staff did not include the first day of work. This was due to an incorrect computation of the number of days worked in the month.</p>	<p>The Council to review the salary paid and verify whether it was correct. If necessary the Council to arrange payment of the underpaid amount.</p>	High	

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	<p>The Council has been undertaking a detailed review of the Simmons Park Charity. As part of this review the Council has reviewed the legal ownership of the land held at Simmons Park (which is split into multiple different parcels of land) and it now appears that some of the land, which was previously believed to belong to the Charity may, in fact, belong to the Town Council.</p> <p>This is currently subject to ongoing legal review.</p>	On conclusion of the legal review the Council to update and, if necessary restate the asset register to include any land previously recorded as belonging to the charity.	High	