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27th October 2025

### **Interim Internal Audit Report**

An audit was carried out by Kevin Rose on Tuesday 7 October 2025. This was the interim internal audit, part of the annual internal audit coverage of the Council. Prior to the audit a 'Pre-Audit' was carried out remotely which tested items which are required to be published on the Council's website.

The audit was undertaken using the standard IAC Audit Checklist, that we use for all Local Councils, which has 205 items. A total of 123 items were tested during this audit, including items that were examined and tested as part of the pre-audit process. A balance of 82 items remain to be tested.

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 Accounting system and records (Box A)
- 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)
- Petty cash (Box F)
- Bank reconciliations (Box I)
- Trust Funds (Box O)

Of the 114 applicable items tested a Positive response was obtained in respect of 113 tests. There was only 1 Negative response identified and 1 Observation was made, details of which are set out in the attached Interim Internal Audit Observations.

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**Summary of tests undertaken during this audit**

Positive response	113
Negative response	1
Not Applicable to your Council	9
Total tests carried out	<b><u>123</u></b>

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 provided to me during my audit.

Yours sincerely,

A handwritten signature in black ink that reads "K. Rose". The signature is written in a cursive style with a large initial 'K' and a smaller 'R'.

Kevin Rose ACMA  
Director

# Interim audit summary Okehampton Town Council

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



Audit 1 Date 7 October 2025

Internal Control Objective		N/A	Tested	Positive	Negative	Observations	Non Compliance
Box A	Appropriate accounting records have been properly kept throughout the financial year.	-	6	6	-	-	
Box B	This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	1	40	39	-	-	
Box C	This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	2	7	5	-	-	
Box D	The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	2	16	13	1	1	
Box E	Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	2	18	16	-	-	
Box F	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	-	9	9	-	-	
Box 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.	-	-	-	-	-	
Box H	Asset and investments registers were complete and accurate and properly maintained.	-	-	-	-	-	
Box I	Periodic bank account reconciliations were properly carried out during the year.	-	7	7	-	-	
Box 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.	-	1	1	-	-	
Box K	If the authority certified itself as exempt from a limited assurance review in 2024/25, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2024/25 AGAR tick "not covered"	-	-	-	-	-	
Box L	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.	-	-	-	-	-	
Box M	The authority, during the previous year (2024/25) 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).	-	5	5	-	-	
Box N	The authority has complied with the publication requirements for 2024/25 AGAR (see AGAR Page 1 Guidance Notes).	-	7	7	-	-	
Box O	(For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee	2	7	5	-	-	
<b>Totals</b>		<b>9</b>	<b>123</b>	<b>113</b>	<b>1</b>	<b>1</b>	<b>-</b>

# Okehampton Town Council Financial Year 2025-26



Date considered by Council \_\_\_\_\_

## Visit 1 Internal Audit Observations

Minute Reference \_\_\_\_\_

**The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.**

Audit date: 7 October 2025

D	No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
	1	Does the budget recorded in the Councils accounting system agree to the budget set by Council?	No	<p>The was some difficulty in reconciling the budget in the Councils approved system with the budget approved by Council. It is understood that the budget is entered by the Councils software supplier at the time of the year end close down.</p> <p>On further review by Council officers it appears that the budget recorded in Omega does not include planned transfers to and from reserves.</p>	<p>When the budget is entered into the accounting system the Council should ensure that the values entered are subject to review and approval by Council officers.</p> <p>The Council to consider how planned transfers to and from reserves should be recorded in the accounting system, for example whether budgets should be entered for these amounts.</p>	Medium	

