



Carl Hearn
Town Clerk
Tavistock Town Council
Council Offices
Drake Road
Tavistock
PL19 0AU

29th January 2025

Dear Carl,

Interim Internal Audit

An audit was carried out by Kevin Rose on Tuesday 16 January 2024. 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 208 items. A total of 104 items were tested during this audit, including items that were examined and tested as part of the pre-audit process. A balance of 104 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)
- Trust Funds (Box O)

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)
- Payroll (Box G)
- Bank reconciliations (Box I)
- Accounting Statements (Box J)

Of the 101 applicable items tested a Positive response was obtained in respect of 97 tests. There were 4 Negative responses identified and 6 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	97
Negative response	4
Not Applicable to your Council	3
Total tests carried out	104

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, appearing to read 'K. Rose'.

Kevin Rose ACMA
Director

Interim audit summary Tavistock Town Council

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



Audit 1 Date 16 January 2024

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>	-	5	5	-	-	
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>	-	35	34	1	3	
Box C <i>This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.</i>	1	7	6	-	-	
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>	2	16	14	-	-	
Box E <i>Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.</i>	-	9	8	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>	-	9	9	-	-	
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>	-	1	1	-	-	
Box H <i>Asset and investments registers were complete and accurate and properly maintained.</i>	-	-	-	-	-	
Box I <i>Periodic bank account reconciliations were properly carried out during the year.</i>	-	7	6	1	1	
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>	-	2	2	-	-	
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>	-	1	-	1	1	
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>	-	5	5	-	-	
Box N <i>The authority has complied with the publication requirements for 2023/24 AGAR (see AGAR Page 1 Guidance Notes).</i>	-	7	7	-	-	
Box O <i>(For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee</i>	-	-	-	-	-	
Totals	3	104	97	4	6	-

Tavistock Town Council Financial Year 2024-25



Visit 1 Internal Audit Observations

Audit date: 16 January 2024

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	Are the regulations the current version of the Model Regulations?	No	The Financial Regulations in use are not the latest version of the NALC Model Financial Regulations.	Council to review and update its Financial Regulations.	Medium	The Financial Regulations are currently under review to be implemented by 25/26
2	Have invoices been approved as required under Council Financial Regulations? (paragraph 5.5 of the Council's Financial Regulations)	Yes	<p>The current process at the Council is for invoices to be placed in Folders on the network and for the relevant manager to 'sign' the invoice as authorised. It was noted that there are a variety of methods of signing documents (some are signed as pdf, some are signed a 'wet' signature, and others are annotated with a note).</p> <p>It is not clear that this is a robust system which clearly identifies the person who signed the document.</p> <p>It is now increasing common for councils to use formal methods of authorising documents, such as inexpensive software, that have robust inbuilt controls and audit logs, for this purpose.</p>	<p>The Council to review the process of document authorisation and evaluate whether the use of recognised software for document authorisation should be introduced.</p>	Medium	Agreed - arrangements to be introduced to clearly identify the authorised signatory.

3	Have Grants awarded been appropriately considered by Council and approved in accordance with the Councils grant policy?	Yes	It was noted that there was a difference of £2,000 between the grants recorded on nominal code 4067 and the grants agreed by Budget and Policy 16th January 2024 (the amount paid was higher). It is understood that this difference relates to 'support in kind' in respect of two grants.	The Council to review arrangements for the approval of grants and ensure that, in future, the value of grants paid corresponds to the value approved and recorded in the Minutes of the relevant meeting.	Medium	Further checks/reconciliations will be introduced to ensure the Grant amounts agreed by Council Members are the amounts that have been issued inclusive of grants in kind
---	---	-----	---	---	--------	---

E Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for.						
No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Has the Investment Strategy been published on the Councils website?	No	The Council has an investment strategy in place, however this is not formally published on the Councils website as required by the Statutory Guidance.	Council to ensure that its Investment Strategy is published on its website in accordance with statutory guidance.	Medium	Agreed

I Periodic bank account reconciliations were properly carried out during the year.						
No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Any cash floats are regularly reconciled to cash on hand (interim)	No	The Council has a process to verify cash floats at each year end (as part of the year end audit process). At present there is not a process to check and verify cash floats during the financial year.	The Council to consider putting in place a process for the periodic verification of cash floats during the financial year.	Medium	Currently Petty Cash floats are routinely checked - Pannier Market £400, Town Hall £100, Depot £200 and Admin £100. However, the implementation of regular cash float checks being the Town Hall bar floats £400 and Pannier Market float £50, will be added to the routine checks in 2025/26

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.						
No.	Audit Test	Response	Observation	Recommendation	Priority	Comments

1	<p>The Council has complied with the publication requirements of the ICO Model Publication Scheme for Parish Councils. (This includes a requirement, amongst other items, to publish the Annual Internal Audit Report and all payments over £100).</p>	No	<p><i>The Council does publish a Publication Scheme on its website however this is an old version.</i></p>	<p>The Council to review and update the Model Publication Scheme on its website. A copy of the latest version (Version 3) has been provided to the Town Clerk.</p>	Advisory	Agreed
---	--	----	--	--	----------	--------