

BLYTH TOWN COUNCIL

Governance Committee

Decision Report

Thursday 23 April 2026

1. Review of Out-turn Against Probable 2025/26

Recommendation

The Governance Committee resolve to:

- 1. Confirm the draft financial situation following the completion of the accounts for 2025/26 for Council to approve. Should any changes be required e.g. following receipt of year end investment certificate, then the draft accounts will be adjusted for approval at Council, and**
- 2. Agree the carried forward financial commitments to be finalised in 2026/27, re previously funded initiatives and Committee decisions, which will subsequently revise the initial budget set of £1,590,373 at Council on the 15th January 2026. This increase is in the order of £61,391 and does not affect the medium-term plan.**

Ward

Not ward specific.

Risk Management

To provide the required updates to reflect the financial standing of the Council.

Objective

To ensure compliance with the Governance arrangements in place as outlined within the Accounts and Audit Regulations.

Report

Review of Out-turn Against Probable 2025/26

During the process of preparing the final accounts for 2025/26, a comparison was carried out between the Probable, as prepared at the

time the budget was being considered, and the Out-turn, (Appendix A). Although the Out-turn reflects a lower level of net expenditure of some £1,405k, this is within 4.4%, £64k, of the Probable Budget. For information, in terms of previously discussions/commitments agreed during the year regarding particular budgets, as detailed below, these underspends, £67k, which would normally be retained in balances have been earmarked to add to this year's individual budgets, and as such have no effect on the medium-term financial plan.

Budget	Underspend 2025/26
Partnership contingency (Civic Pride)	28,178
Bus Shelters	11,000
Community Funding - Grants	12,361
Community Funding – Members schemes	9,852
Total	61,391

In conclusion the out-turn plus carried forward commitments basically mirrors the revised (probable) budget as agreed by Council when considering the financial position of the Council last January.

The reduced out-turn to the Probable Budget of £64k, is brought about by:

Governance Committee (£15k overspend), which is mainly due to additional investment income of £8k and various other increases such as election expenses of £10k, staffing and IT equipment of £13k*.

Community Development Committee (£40k underspend), which is mainly due to a small reduction on grants/members small schemes paid of £22k which is to be carried forward, additional income/savings from events of £10k and a reduction in festive lighting costs of £7k.

Environmental Committee (£37k underspend), which is mainly due to NCC partnership £27k*, Bus shelters £11k, which is to be carried forward, projects and various of £7k, and an overspend on Play Areas of £8k.

*This is due to the virement of 9k From the Environment Budget into Governance budget as a result of play area inspections being brought in house.

In considering the reserves of £1,184,933 at 31/03/2026, Appendix B, Members should note that the following:

- Good practice level of reserves £400k

In looking at the figures above, in Appendix C, they initially show a variance of some £662,149k between the balances available to those needed. Appendix C shows the use of reserves against commitments over the next 6 years, which fluctuate between years to the lowest difference of £226k.

As an example of using this £226k and based on current financial planning thoughts this could be, for example, a one off spend of £226k or a £45k spend over each of the next 5 financial years, in order to maintain the existing financial planning strategy.

Shown on:

Appendix A is a summary by Committee,

Appendix B is the situation regarding the Council's Reserves and

Appendix C is the estimated reserves over the next 5 years against earmarked reserves.

2. Annual Governance and Accountability Return 2025/26

Recommendation

The Committee resolve to approve the documents listed in connection with the Annual Governance and Accountability Return (AGAR) 2025/26 prior to approval by the Council before submission to the External Auditor:

Ward

Not ward specific.

Risk Management

To provide the required documents to reflect the financial standing of the Council in order for the External Auditor to give their independent opinion.

Objective

To ensure compliance with the Governance arrangements in place as outlined within the Accounts and Audit Regulations.

Report

The key sections within the Annual Return for 2025/26 have been prepared and are attached. These documents have been prepared on the guidance given by the external auditor for the accounts.

Members should note that the figure at box 9 reflects the original long-term investment of £500K in the CCLA Property account. The terms of this investment account reflect market valuation in a volatile economic climate and will be carefully monitored as part of the overall treasury management and investment strategy.

Members should further note that the AGAR figures for 2024/25 included monies, £25,199.16, belonging to the Blyth Trust for Youth as we were awaiting the agreement for a separate Bank Account to be established. This has been finalised and is therefore no longer part of the Council's balances.

The Council's Internal Auditor has also submitted his annual summary report which is attached.

Appendices

1. Council's Internal Auditor's Report
2. Annual Governance and Accountability Return; which includes:
 - a. Annual Internal Audit Report for 2025/26,
 - b. Annual Governance Statement for 2025/26, and
 - c. Accounting Statements for 2025/26

3. Appointment of Internal Auditor 2026/27

Recommendation

The Governance Committee recommend to Council to confirm the appointment of Mike Slaughter as Internal Auditor for the financial year 2026/27.

Ward

Not ward specific.

Risk Management

To have in place effective internal audit coverage for the Council.

Objective

To ensure compliance with the Governance arrangements in place as outlined within the Accounts and Audit Regulations.

Report

The Council is required to have in place an effective internal audit resource, to evaluate the impact of its risk management, control, and governance processes, in consideration with the guidance in place.

The Internal Audit Reviews since 2022/23 have been carried out by Mike Slaughter, who has competence due to his extensive experience within Local Government and he is also independent. Mike has been of benefit to the Council in his approach etc.

If the Council are agreeable, Mike would be willing to do the 2026/27 audit.

Malcolm Wilkinson
Town Clerk

20 April 2026

Appendix A
Summary by Committee

Committee	Probable 2025/26 £	Out-Turn 2025/26 £
Governance	538,573	553,119
Environment	549,758	512,751
Community Development	380,909	339,246
Overall Net Expenditure	1,469,240	1,405,116
Restricted Reserve expenditure		25,199

**Appendix B
Council's Reserves**

	2025/26	2025/26
	Probable	Actual
Net service Expend	1,469,240	1,405,116
Precept Income	1,490,046	1,490,046
Contribution to Reserves	-20,806	-84,931
Total Resources	1,469,240	1,405,115

Position of Reserves

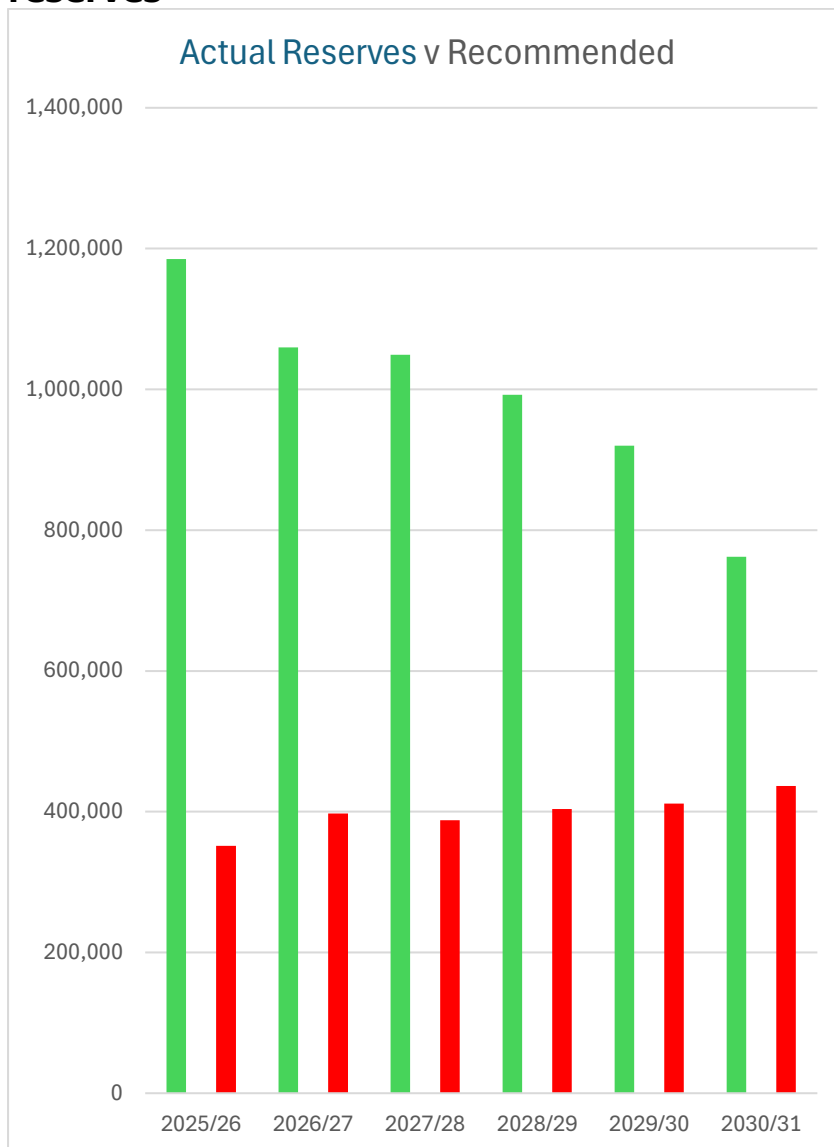
	2025/26	2025/26	2026/27	2026/27
	Probable	Actual	Original Budget	Revised Budget
1 April B/F	1,100,002	1,100,002	1,120,808	1,184,933
From/(To) Reserves	(20,806)	(84,931)	63,800	63,800
31 March C/F	1,120,808	1,184,933	1,057,008	1,121,133*

Note * these should be adjusted by £61,391 re the financial commitments from 2025/26, which are to be carried over to increase the corresponding budget in 2026/27.

For the purposes of the medium-term financial plan, I have used the balance of £1,059,742 * for illustrative purposes in Appendix C.

Appendix C

Estimated reserves over the next 6 years against earmarked reserves



The table above shows the total reserves, in green, against the earmarked reserves, in red.

For illustrative purposes, this chart shows a 4% increase on the council budget while the precept reflects a 1% increase.

The smallest variation between the sets of data are in 2030/31, which is £226k.

Based on current financial planning thoughts this could be, for example, a one off spend of £226k or a £45k spend over each of the next 5 financial years, in order to maintain the existing strategy. The Council have committed to consider some large projects e.g. inclusive play area provision and these may require use of balances or additional increases to the precept.

Mike Slaughter
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

15 April 2026

Mr Malcolm Wilkinson
Town Clerk & Responsible Financial Officer
Blyth Town Council
Town Hall
Arms Everytne House
Blyth
Northumberland
NE24 2AS

Dear Malcolm,

Internal Audit Report to the members of Blyth Town Council.

I have now completed the full internal audit work of the Town Council's accounts, governance and financial procedures for the 2025/26 financial year.

The audit has been conducted in accordance with the Audit Commission Act 1998, the Local Audit and Accountability Act 2014, and the Accounts and Audit Regulations 2015. My work was also guided by and in accordance with the Practitioners' Guide, issued by the Joint Panel on Accountability and Governance (March 2025) and jointly published by the National Association of Local Councils and Society of Local Council Clerks. The audit was also guided by the Town Council's own Internal Audit Policy and Risk Assessments.

The audit included examination of evidence relevant to the amounts and disclosures in the summary accounts and notes, sufficient to give reasonable assurance that the accounts and notes are free from any material misstatement. All detailed points raised during both the interim and year-end audit were answered to my full satisfaction.

Please find enclosed my assessment of the system of internal control and my audit checklist giving details of the work conducted. Based on the work undertaken, I am satisfied that the Town Council's robust systems of financial and administrative management operate effectively and efficiently and provide a sound audit trail.

In my opinion, the summary accounts present fairly the Income and Expenditure of Blyth Town Council for the financial year ended 31 March 2026.

I certify that I have now finalised the year end work for 2025/26 and have, as required, completed the Annual Internal Audit Report required as part of the Annual Governance and Accountability Return (AGAR) for 2025/26.

It is recommended to the Town Council that, as best practice and for the avoidance of doubt or any confusion to local electors, you should look to publish the Annual Internal Audit Report (Page 3 of the AGAR) on the Town Council's website alongside Sections 1, 2 & 3 of the AGAR 2025/26 in accordance with the publication requirements.

In concluding my work for 2025/26, my personal thanks to you, Elaine and all your staff for the hospitality, courtesy and patience in answering my many questions regarding both the systems, plans and projects of the Town Council.

As discussed, I confirm that I am both able and willing to attend the meeting of the Town Council's Governance Committee on Thursday 23 April 2026, in order to address any questions that members may wish to raise regarding the Internal Audit Report and any related matters.

I confirm also that I am happy to continue to provide an internal audit service to the Town Council for the financial year 2026/27, should you wish to retain and appoint me in that role.

If there are any matters you wish to discuss or clarify, please do not hesitate to contact me.

Kind regards,

Mike Slaughter
Internal Auditor

SYSTEM OF INTERNAL CONTROL 2025/26

By appointment, I provided an internal audit service for Blyth Town Council for the financial year ending 31 March 2026 and acting independently, I examined the system of internal control by undertaking the following tests and reporting my findings to the Council.

	TEST	UNDERTAKEN
1	Checking that books of account have been properly kept throughout the year to date.	Yes
2	Checking a representative sample of payments (75% of all transactions 1 April 2025– 31 March 2026) to ensure that the Council's financial regulations have been met, invoices support payments, expenditure is approved and VAT is correctly accounted for	Yes
3	Reviewing the Council's risk assessment records and ensuring that adequate arrangements and insurance cover are in place to manage all identified risks.	Yes
4	Verifying that the annual precept request is the result of a proper budgetary process; that the budget process has been regularly monitored and that the Council's overall reserves are adequate.	Yes
5	Checking a sample of income records (75%) to ensure that correct prices have been charged, income received, recorded and promptly banked and VAT is properly accounted for.	Yes
6	Reviewing petty cash records to ensure receipts support payments, expenditure is approved and VAT is correctly accounted for.	Yes
7	Checking that salaries to employees have been paid in accordance with Council approvals and that PAYE and NI requirements have been properly applied.	Yes
8	Checking the accuracy of the assets and investment records	Yes
9	Evaluating the accuracy and timeliness of periodic bank account reconciliations.	Yes
10	Year-end testing on the completeness and accuracy of the financial statements	Yes

Based on my examination of the Council's records for the financial year 2025/26, which is limited to the tests indicated above, it is my view that the Town Council have a system of internal controls in place that are adequate and effective for the purpose intended. Where considered appropriate, I have made recommendations to the Town Council for both reference and action.

Mike Slaughter
Internal Auditor
Date: 15 April 2026

**BLYTH TOWN COUNCIL
FINANCIAL YEAR 2025/26
INTERNAL AUDIT CONTROLS AND TESTS**

INTERNAL CONTROL	AUDIT TESTS	OUTCOMES YES/NO
<p>Accounting Records</p> <p>A. Appropriate accounting records have been properly kept throughout the year.</p> <p>Periodic bank account reconciliations were properly carried out during the year.</p>	<ul style="list-style-type: none"> ● Ensure the correct roll forward of the prior year cashbook balances to the new financial year ● Check a sample of financial transactions in cashbooks to bank statements ● Ensure that bank reconciliations are prepared routinely, are subject to independent scrutiny and sign-off by members ● Verify the accuracy of the year-end bank reconciliation detail and ensured accurate disclosure of the combined cash and bank balances in the AGAR, section 2, line 8. ● Where the authority has bank balances more than £100,000 it has an appropriate investment strategy. 	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>
<p>Standing Orders & Financial Regulations</p> <p>Payment Controls</p> <p>B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT appropriately accounted for.</p>	<ul style="list-style-type: none"> ● Review the procedures in place for acquisition of formal tenders and quotes, ensuring they are in line with the SOs and FRs which should be based on the latest version. ● Ensure that consistent values are in place for the acquisition of formal tenders between SOs and FRs ● Review the procedures for receipt of invoices, agreement of invoice detail 	<p>Yes</p> <p>Yes</p> <p>Yes</p>

	<p>and confirmation of goods /services delivery and approval for payment: ideally, a suitably designed certification stamp should be in place providing for evidencing of these checks and payment authorisation.</p> <ul style="list-style-type: none"> ● Check that there is effective segregation between the writing of cheques or the setting up of online payments, and physical release of payments ● Check that VAT reclaims are prepared and submitted in a timely manner in line with the underlying records and in accordance with current HMRC requirements ● Where debit / credit cards are in use, establish the total monthly and individual transaction limits and ensure appropriate controls over physical security and usage of the cards are in place 	<p>Yes</p> <p>Yes</p> <p>Yes</p>
<p>Risk Management Arrangements</p> <p>C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.</p>	<ul style="list-style-type: none"> ● Ensure that authority has prepared, and formally adopted, at least once annually, an appropriate and comprehensive register of assessed risks, both regular and ad hoc ● Ensure that appropriate levels of insurance cover are in place for land, buildings, public, employers' and hirers' liability, fidelity / employees (including councillors) liability, business interruption and cyber security ● Ensure that appropriate arrangements are in place for monitoring play areas, open spaces and sports 	<p>Yes</p> <p>Yes</p> <p>Yes</p>

	<p>pitches: such reviews should be undertaken by appropriately qualified external inspectors or, if by officers or members, that they have received the appropriate training and accreditation</p> <ul style="list-style-type: none"> ● Review the effectiveness of internal control carried out by the authority 	<p>Yes</p>
<p>Budgetary Control and Review</p> <p>D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.</p>	<ul style="list-style-type: none"> ● Ensure that the full Authority, not a committee, has considered, approved and adopted the annual precept for the coming year in accordance with the required parent Authority timetable ● Ensure that current year budget reports are prepared and submitted to Authority / Committees periodically during the year with appropriate commentary on any significant variances ● Review the budget performance either during the year or at the financial year-end seeking explanations for any significant or unanticipated variances ● Ensure that the Authority has considered the establishment of specific earmarked reserves and, ideally, reviews them annually as part of the budget assessment process ● Ensure that the precept received in the accounts matches the prior year submission form to the relevant authority and the public record of precepted amounts 	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>

Income Controls		
<p>E. Expected income was fully received based on correct prices, properly recorded and promptly banked; and VAT appropriately accounted for.</p>	<ul style="list-style-type: none"> ● Review “Aged debtor” listings to ensure appropriate follow up action is in place 	Yes
	<ul style="list-style-type: none"> ● Allotments: ensure that appropriate signed tenancy agreements exist, that an appropriate register of tenants is maintained identifying, that debtors are monitored. 	Yes
	<ul style="list-style-type: none"> ● Burials: ensure that a formal burial register is maintained that it is up-to-date and that a sample of interments and memorials are appropriately evidenced, that fees have been charged at the correct approved rate and been recovered within a reasonable time: 	Not Applicable
	<ul style="list-style-type: none"> ● Hall hire: ensure that an effective diary system for bookings is in place identifying the hirer, hire times and ideally cross-referenced to invoices raised 	Not Applicable
	<ul style="list-style-type: none"> ● Leases: ensure that leases are reviewed in a timely manner in accordance with the terms of the lease and rents similarly reviewed appropriately at the due time 	Yes
	<ul style="list-style-type: none"> ● Other variable income streams: ensure that appropriate control procedures and documentation are in existence to provide a clear audit trail through to invoicing and recovery of all such income 	Yes
	<ul style="list-style-type: none"> ● Where amounts are receivable on set dates during the year, ensure that an appropriate control record is maintained duly identifying the date(s) on which income is due and received / banked 	Yes

<p>Petty Cash Procedures</p> <p>F. Petty Cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for</p>	<ul style="list-style-type: none"> ● Review the systems in place for controlling any petty cash and also cash floats (used for bar, catering, etc) ● Check a sample of transactions during the financial year to ensure appropriate supporting documentation is held ● Review the existence of evidenced periodic independent verification of the petty cash and any other cash floats held ● Ensure that VAT is identified wherever incurred and appropriate ● Physically check the petty cash and other cash floats held ● Where bar or catering facilities are in place, ensure that appropriate cashing-up procedures are in place reconciling the physical cash takings to the till “Z” total readings 	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Not Applicable</p>
<p>Payroll Controls</p> <p>G. Salaries to employees and allowances to members were paid in accordance with the authority’s approvals, and PAYE and NI requirements were properly applied.</p>	<ul style="list-style-type: none"> ● Ensure that, for all staff, a formal employment contract is in place together with a confirmatory letter setting out any changes to the contract ● Ensure that appropriate procedures are in place for the payment of members allowances and deduction of any tax liability ● Ensure that, for a sample of staff salaries, gross pay due is calculated in accordance with the approved spinal point on the NJC scale or hourly rate, if off-scale, and with the contracted hours 	<p>Yes</p> <p>Yes</p> <p>Yes</p>

	<ul style="list-style-type: none"> ● Ensure that appropriate tax codes are being applied to each employee ● Where free or paid for software is used, ensure that it is up to date. ● For the test sample of employees, ensure that tax is calculated appropriately ● Check the correct treatment of Pension contributions ● For NI, ensure that the correct deduction and employer's contributions are applied ● Ensure that the correct employers' pension percentage contribution is being applied ● Ensure that for the test sample, the correct net pay is paid to the employee with tax, NI and pension contributions correctly paid to the respective agencies. 	<p style="text-align: center;">Yes</p> <p style="text-align: center;">Not Applicable</p> <p style="text-align: center;">Yes*</p> <p style="text-align: center;">Yes*</p> <p style="text-align: center;">Yes*</p> <p style="text-align: center;">Yes*</p> <p style="text-align: center;">Yes*</p> <p style="text-align: center;">Yes*</p> <p>*Northumberland County Council acts as a payroll agent for the Town Council, providing third party security and additional internal control</p>
<p>Assets & Investment Controls</p> <p>H. Asset and investment registers were complete and accurate and properly maintained. This section/assurance should be extended to include loans to or by the authority</p>	<ul style="list-style-type: none"> ● Ensure that the Authority is maintaining a formal asset register and updating it routinely to record new assets at historic cost price, net of VAT and removing any disposed of / no longer serviceable assets ● The register should identify for each asset the purchase cost ● Additions and disposals records allow tracking from the prior year to the current ● The asset value to be reported in the AGAR at section 2, line 9 equates to the prior year reported 	<p style="text-align: center;">Yes</p> <p style="text-align: center;">Yes</p> <p style="text-align: center;">Yes</p> <p style="text-align: center;">Yes</p>

	<p>value, adjusted for the nominal value of any new acquisitions and / or disposals</p> <ul style="list-style-type: none"> ● Compare the asset register with the insurance schedule to ensure that all assets as recorded are appropriately insured or “self-insured” by the Authority Fixed asset investments: ● Ensure that all long-term investments (i.e. those for more than 12-month terms) are covered by the “Investment Strategy” and reported as Assets in the AGAR at section 2, line 9. ● Ensure that the authority has sought and obtained appropriate DMO approval for all loans acquired ● Ensured that the authority has accounted for the loan appropriately and recorded the full value of the loan. ● Ensure that the combined principal loan repayment and interest for the year is correctly recorded in the AGAR at section 2 line 5 ● Ensure that the outstanding loan liability as at 31st March each year is correctly recorded in the AGAR at section 2, line 10 ● Where the Authority has issued loans to local bodies, they should ideally seek signed indemnities from the recipient body, or their members, agreeing to underwrite the loan debt. 	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Not Applicable (N/A)</p> <p>N/A</p> <p>N/A</p> <p>N/A</p> <p>N/A</p>
<p>Accounting Statements & Year-End Procedures</p> <p>J. Accounting statements prepared during the year were prepared on the correct accounting basis, agreed to the cashbook, supported by an adequate</p>	<ul style="list-style-type: none"> ● Ensure that, where annual turnover exceeds £200,000, appropriate records are maintained throughout the year on an Income and Expenditure basis to 	<p>Yes</p>

<p>audit trail from underlying records and, where appropriate, debtors and creditors were properly recorded.</p>	<p>facilitate budget reporting in that vein</p> <ul style="list-style-type: none"> • Ensure that appropriate accounting arrangements are in place to account for debtors and creditors during the year and at the financial year-end 	<p>Yes</p>
<p>Limited Assurance Review Exemption</p> <p>K. If the authority certified itself as exempt from a limited assurance review in the prior year, it met the exemption criteria and correctly declared itself exempt.</p>	<ul style="list-style-type: none"> • The correct exemption certificate was prepared and minuted in accordance with the statutory submission deadline • that it has been published, together with all required information on the Authority's website and noticeboard 	<p>Not Applicable</p> <p>Not Applicable</p>
<p>Website Requirements</p> <p>L. The authority publishes information on a free to access website / web page, up to date at the time of the internal audit in accordance with the relevant legislation.</p>	<p>Review the Authority's website ensuring that all required documentation is published in accordance with the relevant legislation.</p>	<p>Yes</p>
<p>Exercise of Public Rights</p> <p>M. The authority, during the previous year, correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations.</p>	<p>Examine a copy of the required "Public Notice" ensuring that it clearly identifies the statutory 30 working day period when the Authority's records are available for public inspection.</p>	<p>Yes</p>

<p>Publication Requirements</p> <p>N. The authority complied with the publication requirements for the prior year AGAR.</p>	<p>The statutory disclosure / publication requirements in relation to the prior year's AGAR have been met as detailed on the front page of the current year's AGAR.</p>	<p>Yes</p>
<p>Trust Funds</p> <p>O. Trust funds (including charitable) - the Council met its responsibilities as a trustee</p>	<ul style="list-style-type: none"> ● Confirm that all charities of which the council is a Trustee are up to date with CC filing requirements ● that the council is the sole trustee on the Charity Commission register ● that the council is acting in accordance with the Trust deed ● that the Charity meetings and accounts recorded separately from those of the council ● review the level and activity of the charity and where a risk-based approach suggests such, review the Independent Examiners report 	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>

Mike Slaughter
Internal Auditor
15 April 2026

Annual Internal Audit Report 2025/26

BLYTH TOWN COUNCIL

WWW.BLYTHTOWNCOUNCIL.GOV.UK

During the financial year ended 31 March 2026, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2025/26 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Cash payments were properly supported by receipts, all cash expenditure was approved and VAT appropriately accounted for.	✓		
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.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
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.	✓		
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. <i>(If the authority had a limited assurance review of its 2024/25 AGAR tick "not covered")</i>			✓
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.	✓		
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations <i>(during the 2025/26 AGAR period, were public rights in relation to the 2024-25 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set)</i> .	✓		
N. The authority has complied with the publication requirements for 2024/25 AGAR <i>(see AGAR Page 1 Guidance Notes)</i> .	✓		
O. The authority has complied with laws, regulations & proper practices relating to digital and data compliance.	✓		
P. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes ✓	No	Not applicable

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

Name of person who carried out the internal audit

09/10/2025 24/11/2025 14/04/2026

MIKE SLAUGHTER

Signature of person who carried out the internal audit

M. Slaughter

Date

14/04/2026

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Section 1 – Annual Governance Statement 2025/26

We acknowledge as the members of:

ENTER NAME OF AUTHORITY
Blyth Town Council

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2026, that:

	Agreed		'Yes' means that this authority:
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓		<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>
3. We have assured ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓		<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	✓		<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		<i>arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.</i>
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		<i>responded to matters brought to its attention by internal and external audit.</i>
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✓		<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A
	✓		
10. We have put in place arrangements for the effective IT and data management in accordance with proper practices during the year under review.	✓		<i>has made suitable arrangements for its IT and data management and has complied with proper practices in doing so.</i>

***Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.**

This Annual Governance Statement was approved at a meeting of the authority on:

DD/MM/YYYY

and recorded as minute reference:

MINUTE REFERENCE

Signed by the Chair and Clerk of the meeting where approval was given:

Chair

SIGNATURE REQUIRED

Clerk

SIGNATURE REQUIRED

ENTER PUBLICLY AVAILABLE WEBSITE/PAGE ADDRESS
www.blythtowncouncil.gov.uk

Section 2 – Accounting Statements 2025/26 for

ENTER Blyth Town Council AUTHORITY

	Year ending		Notes and guidance
	31 March 2025 £	31 March 2026 £	
1. Balances brought forward	623,190	625,200	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.
2. (+) Precept or Rates and Levies	1,448,766	1,490,046	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	280,640	124,376	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.
4. (-) Staff costs	297,928	360,231	Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	1,429,466	1,194,459	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	625,200	684,932	Total balances and reserves at the end of the year. must equal (1+2+3) - (4+5+6).
8. Total value of cash and short term investments	619,132	687,775	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.
9. Total fixed assets plus long term investments and assets	2,707,763	2,775,714	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.
10. Total borrowings	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

For Local Councils Only	Yes	No	
11 Do the figures in the accounting statements above exclude any trust transactions?	✓		For guidance refer to the Practitioners' Guide sections 2.31 to 2.33.

I certify that for the year ended 31 March 2026 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval.

SIGNATURE REQUIRED

Date

DD/MM/YYYY

I confirm that these Accounting Statements were approved by this authority on this date:

DD/MM/YYYY

as recorded in minute reference:

MINUTE REFERENCE

Signed by Chair of the meeting where the Accounting Statements were approved

SIGNATURE REQUIRED