

SYSTEM OF INTERNAL CONTROL 2023/24

By appointment, I provide an internal audit service for Blyth Town Council for the financial year ending 31 March 2024 and acting independently, I examined the system of internal control by undertaking the following initial interim 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 (40% of all transactions 1 April – 28 September 2023) 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 (Further detailed work at year end)
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 (25%) 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	Full work to be undertaken as part of Year-End AGAR.

Based on my initial interim examination of the Council’s records for the financial year 2023/24, 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: 4 October 2023