

NORTH WESTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY

INTERNAL AUDIT REPORT

31 MARCH 2014

We carried out this assignment on the basis of an assessment of the risks in each area of internal control relevant to the statements we are required to sign off at Section 4 of the Annual Return.

Our work includes examination, on a test basis, of evidence relevant to these statements. Our tests may not necessarily disclose all errors, or irregularities, or areas of improvement and should not be relied upon to do so. Therefore the points below should not be considered exhaustive.

1. The accounting system for purchases, receipts, payroll, at the month-end, and at the year-end was adequate and it was operated as documented;
2. The audit trail from the underlying records was complete and easy to follow;
3. The budgetary process was rigorous and supported the levy asked for;
4. Virtually every entry on the accounting system has been reviewed by the Chief Executive to the Committee;
5. Virtually every item of expenditure we tested showed that they had been ordered, invoiced, and approved. Those which did not were considered to be recurring expenditure which did not need to have an individual order;
6. On the sample of petty cash payments we tested the reclaimable input VAT had been claimed and the expenditure was properly supported by an invoice;
7. The financial and general risks to the organisation appear to be well documented and acted upon through the Risk Assessment. We would recommend that an annual review is performed on the Risk Management Strategy and reported in line with the Finance Regulations and Strategy review and monitoring requirements.