



Internal Audit Report.

Council:	Quadring
Internal Auditor:	Ann Fletcher
Year Ending:	31 st March 2026
Date of Report	15/12/2025

This internal audit has been conducted in accordance with SAPP Practitioners' Guide - March 2025 - Section 4 'Internal Audit'. It is recommended that a council completes an intermediate mid-year audit which allows any weaknesses in governance and internal controls to be corrected during the financial year and an end-of-financial-year audit.

Internal audit is the periodic independent review of a council's internal controls resulting in an assurance report designed to improve the effectiveness and efficiency of the activities and operating procedures under the council's control. Managing the council's internal controls should be a day-to-day function of the council through its staff and management and not left for internal audit. It would be incorrect to view internal audit as the detailed inspection of all records and transactions of a council to detect error or fraud. This report is based on the evidence made available to me and sampling tests undertaken by me and consequently the report is limited to those matters set out below.

The council is required to take appropriate action on all matters raised in reports from internal and external audit and to respond to matters brought to its attention by internal and external audit. Failure to take appropriate action may lead to further audit enquiries being raised and the external auditor issuing a qualified opinion.

The clerk/RFO has produced information in a timely manner where possible.

Lincolnshire Association of Local Councils
Internal Audit Report.

To the Chairperson of Quadring Parish Council

I have examined council business documents including policies, agendas & minutes, accounting and financial statements and other documents relevant to this internal audit.

I confirm that I am independent of the council, its officers and councillors and its activities and I identified no conflicts of interest to my work with this council to the best of my knowledge.

The results of this internal audit are recorded on the next page. If, in any part of the audit I have found area(s) of weakness, I have provided recommendations to improve the weakness identified.

Yours sincerely

Ann Fletcher

Internal Auditor
Lincolnshire Association Local Councils

Date:15.12.25

Area of work checked	Outcome
Implementation of previous auditor recommendations	Evidence produced
Implementation of previous AGAR weaknesses/ recommendations	Evidence Produced
Key Governance Review	Evidence Produced
Transparency	Weaknesses identified
Accounting	Weaknesses identified
Budget	Weaknesses identified
Income Control	Evidence Produced
Bank Reconciliation	Weaknesses identified
Petty Cash	Not applicable
Asset Control	Evidence Produced
Risk Management	Weaknesses identified
General Administration	Not applicable
Proper Process/Practice	Weaknesses identified
Payroll/HR	Weaknesses identified
Information and Data Compliance	Weaknesses identified
Transaction spot checks	Weaknesses identified
Year-end process	Not applicable
Allotments	Evidence Produced
Cemetery/burials	Evidence Produced
Charities	Not applicable
Community Buildings	Not applicable
Markets	Not applicable
Other:	Choose an item.
Other:	Choose an item.

My recommendations are that

1. Clerk could use checklist on first page of AGAR to ensure all required documents are added to the website.
2. Clerk may wish to review requirements of the Transparency Code for Smaller Authorities, especially the area covering reporting details of payments made. Link to gov.uk website given on checklist.
3. Clerk may wish to investigate giving Internal Auditor (IA) "Read only" access to accounting system as unable to complete checks with information given. IA will check this section at year end IA.
4. Clerk may wish to revisit s137 information. Council/clerk may wish to investigate training on budget planning process. See my note on checklist re free training available.

5. Review correct process for completing and checking of bank reconciliations. See checklist for more information.
6. Document regular checks on the 2 play areas and add to agenda to review and agree actions needed. Add detail to minutes.
7. Review retention of information on and storage of flash drive. Likewise, Parish Council papers.
8. Review risk register. You may wish to investigate LALC website for options for guidance purposes.
9. Ensure new chairperson signs a Declaration of Acceptance of Office each year when new chair elected. Ensure all Councillors sign Declaration of Acceptance of Office after any election.
10. Review whole Payroll & HR section on checklist and action as appropriate.
11. Prepare and pass resolution to accept an up to date IT policy and add to website. .

Recommendations regarding the Annual Governance Statement 2025-26

The requirements to state 'Yes' for each assertion is described in Chapter One Practitioners Guide 2025-26.

Annual Governance Statement Assertion	Internal Auditor comments
<p>Assertion 1 - Financial management and preparation of accounting statements <i>We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.</i></p>	<p>Budget process and bank reconciliation – see recommendations. Practitioners Guide 5.10 to 5.39</p>
<p>Assertion 2 - Internal control <i>We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.</i></p>	<p>Risk register review. Practitioners Guide 5.40 to 5.70</p>
<p>Assertion 3 - Compliance with laws, regulations and proper practices <i>We took all reasonable steps to assure 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 smaller authority to conduct its business or on its finances.</i></p>	<p>See recommendation about s137.</p>
<p>Assertion 4 - Exercise of public rights <i>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></p>	
<p>Assertion 5 — Risk management <i>We carried out an assessment of the risks facing this smaller authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required</i></p>	<p>Practitioners Guide 5.85 to 5.94 for guidance and templates on LALC website.</p>
<p>Assertion 6 — Internal Audit <i>We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.</i></p>	
<p>Assertion 7 — Reports from Auditors <i>We took appropriate action on all matters raised in reports from internal and external audit</i></p>	<p>2 minor points – include extra details in minutes. See comments on checklist.</p>
<p>Assertion 8 — Significant events <i>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 smaller authority and, where appropriate have included them in the accounting statements.</i></p>	
<p>Assertion 9 — Trust Funds (local councils only) <i>Trust funds (including charitable). The council is a sole managing trustee and has discharged its accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.</i></p>	<p>n/a</p>
<p>Assertion 10 - Digital and data compliance <i>We considered and implemented the requirements to protect data and information.</i></p>	<p>See point 96 and 97 on checklist and point 2 and 11 on my recommendations</p>

-End of Internal Auditor's Report-