



Internal Audit Report.

Council:	Bardney Group Parish Council
Internal Auditor:	Kirsty Sinclair
Year Ending:	31 st March 2026
Date of Report	12/06/2026

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.

Lincolnshire Association of Local Councils

Internal Audit Report.

To the Chairman of Bardney Group 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 any part of the audit was found to 'unsatisfactory' I have provided recommendations to improve the weakness identified.

Due to the audit being carried out just over 2 months from year end, I would like to highlight that most recommendations listed are relating to policy reviews. Most of these have either already been carried out or are in the process of being addressed. However, I am required to report on the situation throughout 2025/26.

It has been evident during the audit process, that throughout 2025/26 there have been many staffing and councillor changes which has greatly impacted on the council's capacity to carry out all requirements. However, I am pleased to see many actions are already underway.

I have coloured the actions I know to have already been carried out in blue.

Yours sincerely

Kirsty Sinclair

Internal Auditor

Lincolnshire Association Local Councils

Date: 12/06/2026

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

Recommendations

Key Governance

1. All key governance policies to be reviewed and published online. These include [standing orders](#), [financial regulations](#), terms of reference for all committees, [code of conduct](#) and the complaints procedure.
2. Publish the External Auditor report for 2024/2025 on the website.

Transparency

1. Some agendas published within the year did not include a date of publication. Ensure all future agendas are dated.
2. Publish a list of councillor responsibilities online and update within the terms of reference where applicable.
3. Ensure minutes are published online within one month of the meeting.

Accounting

1. Ensure all financial reports, including bank reconciliations, are signed at the meeting in which they have been reviewed.
2. [Ensure VAT reclaims are carried out at least annually.](#)

3. S137 expenditure should be recorded separately within the accounts.
4. Council must adopt an investment strategy.

Budget

1. A clear and balancing reserve schedule should be put in place and reported to council periodically.
2. Spend against budget should also be reported to council and monitored regularly.

Bank Reconciliation

1. Bank reconciliations to be signed following review by council.

Asset Control

1. Asset register to be reviewed and published online.
2. As evidence was not available on day of inspection, ensure all land is registered with HM Land Registry and obtain copies of title documents, where required.

Risk Management

1. Risk register and management scheme to be reviewed and approved by council.
2. Health and safety policy to be reviewed.

Proper practices

1. Contact West Lindsey regarding update of council members and list of member's interests as showing more councillors than the council current has.
2. Ensure all minutes are signed on both sides of the document following council approval.

Payroll and HR

1. All HR policies and procedures, including a training policy to be reviewed and/or adopted.
2. Display screen equipment assessment to be completed for staff members and reviewed regularly.

Information and Data Compliance

1. Review the website accessibility statement and update online.
2. Review all data protection policies along with the publication scheme.
3. Recommend that an IT policy is adopted.

Transaction Spot Checks

1. Ensure that all payments are made in a timely manner and inline with invoice terms where possible.

Year End Checks

1. On inspection the end of year bank reconciliation did not balance.
2. Previous audit recommendations were not all completed within the year.

Other

1. Cemetery and allotment documents to be reviewed.

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>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>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>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>	No – not completed within the year.
<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>	No – previous audit actions recommendations not completed.
<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>Assertion 10 - Digital and data compliance <i>We considered and implemented the requirements to protect data and information.</i></p>	

-End of Internal Auditor's Report-