



Internal Audit Report.

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| Council: | Sturton by Stow Parish Council |
| Internal Auditor: | Elaine Atkin |
| Year Ending: | 31 st March 2026 |
| Date of Report | 17/11/2025 |

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.

Lincolnshire Association of Local Councils
Internal Audit Report.

To the Chairman of Sturton by Stow 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.

I would like to thank Stacey for her hospitality.

Yours sincerely

Elaine Atkin

Internal Auditor

Lincolnshire Association Local Councils

Date: 17/11/25

| 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 | Evidence Produced |
| Budget | Evidence Produced |
| Income Control | Evidence Produced |
| Bank Reconciliation | Evidence Produced |
| Petty Cash | Not applicable |
| Asset Control | Evidence Produced |
| Risk Management | Weaknesses identified |
| General Administration | Evidence Produced |
| Proper Process/Practice | Weaknesses identified |
| Payroll/HR | Evidence Produced |
| Information and Data Compliance | Weaknesses identified |
| Transaction spot checks | Evidence Produced |
| Year-end process | Not audited |
| Allotments | Not applicable |
| Cemetery/burials | Not applicable |
| Charities | Not applicable |
| Community Buildings | Evidence Produced |
| Markets | Not applicable |
| Other: | Choose an item. |
| Other: | Choose an item. |

Whilst there are a few 'Weaknesses identified' assessments as above, most relate to observations or suggestions for improvement, as detailed below.

Recommendations

1. Transparency: Best practice (as per the Practitioner's Guide) is to publish the AGAR Internal Audit Report alongside the mandatory documents.
2. Transparency/ICO Model Publication Scheme expected requirements: Whilst expenditure is detailed in the minutes it is not explicitly listed elsewhere. For complete transparency, council should consider also publishing payment information separately.
3. Transparency/ICO Model Publication Scheme expected requirements: Whilst the Chair, Vice Chair and HR Committee members are identified in minutes (and relevant

Terms of Reference), it would be more transparent if these roles were clearly identified against a list of councillors.

4. Risk Management: The Risk Register would benefit from addition of RAG status (Red, Amber, Green).
5. Risk Management: There are some formatting issues with agendas and minutes on the website, as detailed in the report and shared with the Clerk. I would recommend that councillors are asked to check the website when new information has been added, to ensure it displays correctly on different devices.
6. Proper Process/Practice: It is recommended to publish on 'Find a Tender' for anything likely to have an expected value of between £5,000 - £29,999 (this is mandatory for over £30,000).
7. Proper Process/Practice: Annual publication is required of Members Allowances, Subsistence and Travel expenses paid in the previous financial year, as required by the Local Authorities (Members' Allowances) (England) Regulations 2003 regulation 31.
8. Proper Process/Practice: Recommendation to have a documented procedure in place for the Chair's allowance, for example, how and when it is paid, what reporting/receipts are required when spending, the type of expenditure it can be used for.
9. Information and data compliance: The information under 'Data available under the publication scheme' has a list of policies that are stated as available from the Parish Clerk/website, but some are not on the website. For clarity it would be better to individually state which are on the website and which are only available from the clerk.
10. Information and data compliance: Recommendation that the IT Policy should be signed by each councillor and officer.