Lincolnshire Association of Local Councils

Internal Audit Report.

This audit report is to read in conjunction with the Annual Internal Audit Report in the Annual Governance and Accountability Return.

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| Council: | South Kyme Parish Council |
| Internal Auditor: | Rachel Popplewell |
| Year Ending: | 31 March 2025 |
| Date of Report | 23.06.2025 |

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-today 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 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 a qualified audit opinion.**

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**To the Chairman of South Kyme Parish Council.**

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

Any areas that have been identified where action is required has been highlighted below with an Asterisk\*.

There may also be other actions that have been offered as suggestions for improvement or considered to be best practice.

**Council management and activity.**

* Standing Orders & Financial Regulations are in place along with all other statutory policies. Financial regulations to be amended to include Card Payments and conditions of use. \*
* All policies are available on the website, with reviews undertaken usually annually.
* Minutes & Agendas are available on the website; these are all correct with Resolutions minuted.
* Payments were checked for, approval corresponding with the invoices, minutes & Bank Statements.
* Reserves are monitored; general reserves are 75-100% of the precept plus any earmarked reserves. Ensure that budget reviews are minuted.
* VAT still to be claimed – awaiting access from HMRC. \*

**Summary**

The council are now on top of most/all processes and procedures.

AGAR for 2 has been signed, Internal Control Objective F & G not covered as the Council do not have any petty cash payments or members of staff, Councillors are covering the Clerk & RFO roles.

Yours sincerely

*R Popplewell*

Rachel Popplewell

Internal Auditor

Lincolnshire Association Local Councils

23.06.2025.