Internal Audit Report.

Council:	South Somercotes Parish Council
Internal Auditor:	Danielle Onyskiw
Year Ending:	31st March 2026
Date of Report	25/05/2026

This internal audit has been conducted in accordance with SAPPP 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-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 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

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To the Chairman of Skidbrooke with Saltfleet Haven 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.

The audit was carried out using data published on the Councils website and documents provided by the Clerk.

I wish to thank the Clerk & RFO for supplying supporting documentation and evidence as required / requested during the internal audit process.

Yours sincerely

Danielle Onyskiw
Internal Auditor
Lincolnshire Association Local Councils

Date: 25th May 2026

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	Evidence Produced
Accounting	Evidence Produced
Budget	Weaknesses identified
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	Evidence Produced
Payroll/HR	Weaknesses identified
Information and Data Compliance	Weaknesses identified
Transaction spot checks	Evidence Produced
Year-end process	Evidence Produced
Allotments	Not applicable
Cemetery/burials	Evidence Produced
Charities	Not applicable
Community Buildings	Not applicable
Markets	Not applicable
Other:	Not applicable
Other:	Not applicable

Recommendations

1. <u>**Budget**</u>

   General and earmarked reserves reviewed and sufficient - There are minimal reserves evidenced, but this has been reviewed and is ongoing. The Council should adopt a policy or procedure to consider and monitor its reserves.

2. <u>**Risk Management**</u>

   Risk Register - Not evidenced on the Parish Council website. The Council should adopt a risk register / management scheme which should be reviewed annually and minuted.

3. <u>**Payroll/HR**</u>

   HR procedures and policies adopted / reviewed – There is no HR policy in place – Council to review in 2026/27

   Training Policy – There is no training policy in place – Council to review in 2026/27.

4. <u>**Information and Data Compliance**</u>

   GDPR / Data Protection Act polices – No GDPR / Data Protection Act policies are evidenced - Council to review in 2026/27.

   IT Policy – No IT policy evidenced - Council to review in 2026/27.

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
Assertion 1 - Financial management and preparation of accounting statements *We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.*	Satisfactory
Assertion 2 - Internal control *We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.*	Satisfactory
Assertion 3 - Compliance with laws, regulations and proper practices *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.*	Satisfactory
Assertion 4 - Exercise of public rights *We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.*	Satisfactory
Assertion 5 — Risk management *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*	Satisfactory
Assertion 6 — Internal Audit *We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.*	Satisfactory
Assertion 7 — Reports from Auditors *We took appropriate action on all matters raised in reports from internal and external audit*	Satisfactory
Assertion 8 — Significant events *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.*	Satisfactory
Assertion 9 — Trust Funds (local councils only) *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.*	Not Applicable
Assertion 10 - Digital and data compliance *We considered and implemented the requirements to protect data and information.*	Satisfactory

-End of Internal Auditor's Report-