

9 Smithfield  
North Thoresby  
DN36 5RU  
9<sup>th</sup> May 2026

Councillor Crabtree  
Chair of Grainthorpe Parish Council

Dear Councillor Crabtree,

**Re: Internal Audit 2025-26**

Thank you for inviting me to conduct the council's Internal Audit for 2025-26.

The checklist on the following pages shows the items that have been considered. In summary, I have no issues to raise.

The council continues to be managed by a knowledgeable and diligent Clerk and all affairs are in order.

Finally, I would like to offer my thanks to Tanya for the preparation of an excellent set of records to support the audit.

Yours Sincerely,

*Tony Shaw*

## Internal Audit Report for 2025-26

Council Information	
Parish Council	Grainthorpe
Website	<a href="http://www.grainthorpe.parish.lincolnshire.gov.uk">www.grainthorpe.parish.lincolnshire.gov.uk</a>
Chair	Stephen Crabtree
Clerk/RFO	Tanya Kuzemczak
Clerk's Email	<a href="mailto:parish.clerk@grainthorpe.com">parish.clerk@grainthorpe.com</a>

Key Documents		
	Y/N	Notes
Standing Orders	Y	Adopted 2025
Financial Regulations	Y	Adopted Jan 2025
Code of Conduct	Y	ELDC Code of Conduct adopted May 2022
Complaints Procedure	Y	Adopted May 2025
Publication Scheme	Y	Adopted Jan 2025
Data Protection	Y	Adopted Jan 2025
Risk Management	Y	Reviewed May 2025
IT Policy	Y	Adopted Mar 2026
Committee Terms of Reference	N	Was on the website last year
Contact Details Online	Y	All contact via the Clerk
Council Owned Email Account	Y	

Transparency		
	Y/N	Notes
Agendas published (with 3 clear days' notice)	Y	
Minutes published (within 1 month)	Y	
Asset Register published (by 1 Jul)	Y	2024-25 Asset Register published
Internal Audit Report published (by 1 Jul)	Y	IA page of 2024-25 AGAR published but not the full report
Annual Governance Statement published (by 1 Jul)	Y	
End of Year Accounts published (by 1 Jul)	Y	Summarised within the end of year budget
Explanation of Variances (by 1 Jul)	Y	

<b>Bank Reconciliation published (by 1 Jul)</b>	Y	
<b>Certificate of Exemption published (by 1 Jul)</b>	Y	
<b>Past 5 Years Annual Returns published online</b>	Y	AGAR has been published and a "Notice of Public Rights", but other relevant audit documents are missing for 2019-20 through 2023-24
<b>External Audit Report published (by 30 Sept)</b>	N/A	Council is exempt

<b>Accounts and Banking</b>		
	<b>Y/N</b>	<b>Notes</b>
<b>Accounts accurate and balance</b>	Y	Finance Workbook uses Payments and Receipts
<b>VAT recorded</b>	Y	Evidenced in Finance Workbook
<b>VAT reclaimed</b>	Y	2024-25 VAT reclaimed
<b>S137 recorded</b>	Y	
<b>All payments approved</b>	Y	Schedule of Payments presented each month and minuted
<b>Payments in accordance with Financial Regulations</b>	Y	
<b>Bank Reconciliations produced and variances explained</b>	Y	
<b>Internal Controls in place</b>	Y	
<b>Bank Mandate up to date</b>	Y	

<b>Budgeting</b>		
	<b>Y/N</b>	<b>Notes</b>
<b>Annual Budget prepared</b>	Y	Approved Nov 2025
<b>Precept approved by full council</b>	Y	Approved Jan 2026
<b>Precept received matches prior year's submission form</b>	Y	
<b>Earmarked Reserves reviewed</b>	N	Council has no earmarked reserves. Recommend council establishes reserves to maintain its assets e.g. benches, noticeboards
<b>Regular budget monitoring</b>	Y	Evidenced in Finance Workbook and minutes

<b>Petty Cash</b>		
	<b>Y/N</b>	<b>Notes</b>
<b>Cashbook maintained</b>	N/A	No petty cash
<b>Petty Cash spending authorised</b>	N/A	No petty cash
<b>Petty Cash VAT receipts obtained</b>	N/A	No petty cash

Petty Cash reported to Council	N/A	No petty cash
Petty Cash Float reconciled regularly	N/A	No petty cash
Cash stored securely	N/A	No petty cash

<b>Risk Management</b>		
	Y/N	Notes
Appropriate levels of insurance are in place	Y	Expires May 2026
Risk Management reviewed annually	Y	Reviewed May 2025
Assets inspected for Health & Safety risks e.g. play equipment, defibrillators	Y	Assets are visually inspected but no formal records kept.
Finances reported in line with Financial Regulations	Y	
Any Issues highlighted in the Minutes	N	

<b>Miscellaneous</b>		
	Y/N	Notes
General Power of Competence adopted and correctly renewed	N	Clerk has CiLCA but the council is not eligible for GPOC due to not meeting the 2/3 of members elected criteria
Council paperwork stored securely	Y	No council office. Paperwork is securely locked away at Clerk's home
Council electronic information stored securely and backed up regularly	Y	Laptop is password protected and backed up regularly

<b>Proper Practice</b>		
	Y/N	Notes
Agendas correctly presented	Y	
Minutes correctly written, approved and signed	Y	
Co-option according to policy	Y	As per standing orders, no separate policy
Declaration of Office signed and retained (Councillors and Chair)	Y	
Members' Register of Interests published online	Y	
Council operating within legal powers	Y	
Delegation to Officers or Committees documented	Y	Scheme of Delegation Policy published but no adoption date

<b>HR and Payroll</b>		
	<b>Y/N</b>	<b>Notes (applies to all staff)</b>
<b>HR Committee exists</b>	Y	
<b>Job Description up to date</b>	Y	
<b>Contract issued</b>	Y	
<b>Payroll is adequately managed</b>	Y	Clerk uses HMRC Basic Tools. HMRC evidence present.
<b>Payslips Present</b>	Y	
<b>HMRC Summaries Present</b>	Y	End of Year summary from Basic Tools tallies with Payslips
<b>Staff overtime and expenses approved</b>	Y	Approved in the minutes.
<b>Staff increments approved</b>	Y	Annual increment approved in the minutes of Mar 2026
<b>Annual Leave recorded and approved</b>	Y	
<b>Annual Appraisal undertaken</b>	Y	
<b>HR Policies exist</b>	Y	Grievance and Disciplinary policies published
<b>Pension provision adequate</b>	N/A	Clerk does not meet threshold for auto-enrolment
<b>Pension administration up to date (Pensions Regulator)</b>	Y	

<b>2025-26 Annual Return (AGAR)</b>		
	<b>Y/N</b>	<b>Notes</b>
<b>Previous year figures correctly stated</b>	Y	
<b>Previous year-end balance brought forward correctly</b>	Y	
<b>Precept correct as per bank statements</b>	Y	
<b>Cash balance matches bank statement on 31 Mar</b>	Y	
<b>Accounts balance matches Cash balance</b>	Y	
<b>Variances explained</b>	Y	
<b>Notice of Public Rights published</b>	Y	Notice of Rights for 2025-26 not yet due, but correctly dated notice has been prepared
<b>Bank Reconciliation completed</b>	Y	
<b>Asset Register equates to prior year value adjusted for additions and disposals</b>	Y	