

9 Smithfield
North Thoresby
DN36 5RU
11th May 2026

Councillor Waite
Chair of North Kelsey Parish Council

Dear Councillor Waite,

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.

I would like to offer my thanks to Mandy 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	North Kelsey
Website	https://north-kelsey.parish.lincolnshire.gov.uk/
Chair	David Waite
Clerk/RFO	Mandy Coote
Clerk's Email	clerk@northkelseyparishcouncil.gov.uk

Key Documents		
	Y/N	Notes
Standing Orders	Y	Reviewed May 2025, tailored as required
Financial Regulations	Y	Reviewed May 2025, tailored as required
Code of Conduct	Y	WLDC Code of Conduct adopted
Complaints Procedure	Y	Reviewed August 2025
Publication Scheme	Y	Reviewed August 2025
Data Protection	Y	Reviewed August 2025
Risk Management	Y	Reviewed May 2025
IT Policy	Y	Adopted August 2025
Committee Terms of Reference	Y	TOR documents in Policy section
Contact Details Online	Y	All contact via the Clerk
Council Owned Email Account	Y	Using Gov.uk

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	Asset Register published as a Word document. Needs republishing as a PDF.
Internal Audit Report published (by 1 Jul)	Y	
Annual Governance Statement published (by 1 Jul)	Y	
End of Year Accounts published (by 1 Jul)	Y	
Explanation of Variances (by 1 Jul)	Y	

Bank Reconciliation published (by 1 Jul)	Y	
Certificate of Exemption published (by 1 Jul)	N/A	Not applicable
Past 5 Years Annual Returns published online	Y	
External Audit Report published (by 30 Sept)	Y	

Accounts and Banking		
	Y/N	Notes
Accounts accurate and balance	Y	Finance Workbook uses Payments and Receipts
VAT recorded	Y	Evidenced in Finance Workbook
VAT reclaimed	Y	Reclaimed Jan 2026
S137 recorded	Y	
All payments approved	Y	Schedule of Payments presented each month and minuted
Payments in accordance with Financial Regulations	Y	
Bank Reconciliations produced and variances explained	Y	Bank reconciliation presented at every meeting
Internal Controls in place	Y	
Bank Mandate up to date	Y	

Budgeting		
	Y/N	Notes
Annual Budget 2026-27 prepared	Y	Approved Jan 2026
Precept 2026-27 approved by full council	Y	Approved Jan 2026
Precept received matches prior year's submission form	Y	
Earmarked Reserves reviewed	Y	
Regular budget monitoring	Y	

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

Risk Management		
	Y/N	Notes
Appropriate levels of insurance are in place	Y	Renewed May 2025. Links on website do not work. Recommend publishing the certificates of insurance.
Risk Management reviewed annually	Y	Risk Policy reviewed May 2025
Assets inspected for Health & Safety risks e.g. play equipment, defibrillators	Y	Working group carries out inspections and provide monthly reports to the clerk.
Finances reported in line with Financial Regulations	Y	
Any Issues highlighted in the Minutes	N	

Miscellaneous		
	Y/N	Notes
General Power of Competence adopted and correctly renewed	N	
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

Proper Practice		
	Y/N	Notes
Agendas correctly presented	Y	
Minutes correctly written, approved and signed	Y	
Co-option according to policy	Y	Policy adopted August 2025
Declaration of Office signed and retained (Councillors and Chair)	Y	
Members' Register of Interests published online	Y	Published on WLDC website
Council operating within legal powers	Y	
Delegation to Officers or Committees documented	Y	Policy reviewed May 2025

HR and Payroll		
	Y/N	Notes (applies to all staff)
HR Committee exists	Y	
Job Description up to date	Y	
Contract issued	Y	
Payroll is adequately managed	Y	Clerk uses HMRC Basic Tools
Payslips Present	Y	
HMRC Summaries Present	Y	
Staff overtime and expenses approved	Y	
Annual Appraisal undertaken	Y	
Staff increments approved following Appraisal	Y	
National Pay Award approved in the minutes	Y	
Annual Leave recorded and approved	Y	
HR Policies exist	Y	
Pension provision adequate	N/A	Clerk opted out
Pension administration up to date (Pensions Regulator)	Y	

2025-26 Annual Return (AGAR)		
	Y/N	Notes
Previous year figures correctly stated	Y	
Previous year-end balance brought forward correctly	Y	
Precept correct as per bank statements	Y	
Cash balance matches bank statement on 31 Mar	Y	
Accounts balance matches Cash balance	Y	
Variances explained	Y	Written explanation prepared for the External Auditor
Notice of Public Rights published	N/A	Not yet due at time of audit
Bank Reconciliation completed	Y	
Asset Register equates to prior year value adjusted for additions and disposals	Y	