



Internal Audit Report

This narrative internal audit report is to be read in conjunction with the Annual Internal Auditor's Report for the Annual Governance and Accountability Return.

Council:	Gosberton Parish Council
Internal Auditor:	John Kilcoyne
Year Ending:	31 st March 2025
Date of Report	23 rd May 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-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 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.

To the Chairman of Gosberton Parish Council

This report was compiled in May 2025 and includes inspection of

- the parish council website
- documents and other information requested from the Clerk to Council

relating to council business between April 2024 and March 2025. One remote meeting was held with the Clerk to Council.

I have examined council business including policies, agendas and minutes, accounting and financial statements and other documents relevant to this audit. Recommendations from 2023-2024 were revisited.

Several areas are identified where action may be recommended. These do not affect completion of the AGAR for 2024-2025 and are offered as suggestions for improvement. Some of these matters have been discussed with the clerk and may already have been addressed by the time council receives this report. The clerk and council are to be commended for the actions taken following earlier reports.

This report should be discussed in full council with an appropriate programme of remedial action identified.

Council business

Policies inspected are mostly up to date with an appropriate schedule of reviews.

Attention is drawn to the [Publication scheme](#) which correctly follows the model provided by the Information Commissioner's Office. Council should check that the items published match the requirements of the scheme. The ICO certificate was out of date at the time of inspection.

A GDPR statement and data breach policy are in place.

Recommendation: introduce a procedure for a Subject Access Request to the Freedom of Information policy. Example here <https://ico.org.uk/for-organisations/advice-for-small-organisations/subject-access-request-template-for-small-businesses/>

The Website Accessibility Statement is in place but undated.

Recommendation: revisit and add dates as appropriate, then add to the schedule of reviews for periodic updating.

All aspects of the AGAR were completed and published within the given timescales. The period for public inspection was provided for correctly. The asset and risk registers are up to date and appropriate for their purpose. Financial accounting is appropriate with regular reporting to council and completion of reconciliations. Inspection of a random sample of invoices provided a clear audit trail in all cases.

Discussion was held around reporting of the clerk's salary. This payment has been pre-approved for regular payment but was not always recorded in the monthly transaction report provided to council. This did mean that the totals provided to council for some months did not match. This does not affect the end of year accounts, but did not necessarily reflect the true picture when recorded in the minutes. This also does not affect lines A and B for the AIAR as financial record were properly kept throughout the year and the expenditure referred to was properly approved.

Recommendation: make sure all payments, including salaries and associated costs, are included in the monthly reports to council.

The clerk and council are to be commended for their diligence in taking account of earlier recommendations and for their achievement in meeting all the criteria required for the AIAR.

Yours faithfully,

J Kilcoyne

John Kilcoyne Internal Auditor for Lincolnshire Association of Local Councils

23rd May 2025

An explanation is required for any line within the Annual Internal Auditor's report for which Yes cannot be ticked.

Internal control objective		Yes	No	Not covered	Explanation
A	Appropriate accounting records have been properly kept throughout the financial year.	✓			
B	This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓			
C	This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓			
D	The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓			
E	Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓			
F	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.			✓	No petty cash held
G	Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓			
H	Asset and investments registers were complete and accurate and properly maintained.	✓			
I	Periodic bank account reconciliations were properly carried out during the year.	✓			
J	Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓			
K	If the authority certified itself as exempt from a limited assurance review in 2022/23, it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2022/23 AGAR tick "not covered")</i>			✓	Correctly identified as not exempt.
L	The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation	✓			
M	In the year covered by this AGAR, the authority correctly provided for a period, for the exercise of public rights as required by the Accounts and Audit Regulations <i>(during the 2023-2024 AGAR period, were public rights in relation to the 2022-23 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).</i>	✓			
N	The authority has complied with the publication regulations for 2022/23 AGAR <i>(see AGAR Page 1 Guidance Notes)</i>	✓			
		Yes	No	Not applicable	Explanation
O	<i>(For local councils only)</i> <i>Trust funds (including charitable) – The council met its responsibilities as a trustee</i>			✓	No charitable trust

Accounting Statements 2024-2025

	Year ending 31 March 2024 (£)	Year ending 31 March 2025(£)
1. Balances brought forward	98,176	98,795
2. Annual precept	28,000	29,700
3. Total other receipts	30,533	28,812
4. Staff costs	9,988	10,324
5. Loan interest/capital repayments	0	0
6. Total other payments	47,926	40,571
7. Balances carried forward	98,795	106,412
8. Total cash and investments	98,795	106,412
9. Total fixed assets and long-term assets	357,419	360,930
10. Total borrowings	0	0

For local councils only	Yes	No	N/A
11. 11a. Disclosure note re Trust funds (including charitable)		✓	
12. 11b. Disclosure note re Trust funds (including charitable)			✓