



Internal Audit Report

Council: **Gosberton Parish Council 2025/26**

Period: **1st April 2025 to 31st March 2026**

To: **The Chairman and Elected Members – Gosberton Parish Council**

The requirements of this audit are set out in the LALC service level agreement, and I have carried remote reviews of financial records and other relevant associated documents on-line (between 24th November 2025 and 27th April 2026) via the Councils website:

<https://gosberton.parish.lincolnshire.gov.uk>

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, management and adopted policies. It would be incorrect to view the internal audit process as a 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.

This report is based on the evidence made available and sampling tests undertaken during the process conducted in accordance with JPAG The Practitioners' Guide 2025.

The following areas of review were included in the scope of the audit

- **Accounting and bank reconciliations**
Review of financial records, the cashbook, and invoices to check that records are arithmetically correct, and an audit trail can be found for a random selection of transactions. Bank reconciliations and financial transactions have been reviewed and checked to ensure that they have been signed/authorised as appropriate by the Council.
- **Asset control and risk management**
Review of the council's asset controls and risk assessment procedures.
- **Budget and income**
Covering the council's budgeting processes and its annual precept request.

- **Governance**
Review of the key governance documents of a local council including Standing Orders, Financial Regulations, Code of Conduct, complaints procedures and insurance cover for the council.
- **Payroll and HR**
A review of payroll processes and HR policies and procedures including the legal responsibility of the Council in respect of contracts of employment and its undertaking of annual reviews to include the update of post roles and responsibilities and periodic pay scale reviews.
- **Proper process and practices**
This includes a review of the processes followed by the council in respect of its legal powers to act, the membership of the authority including whether co-options have been carried out appropriately, declarations of interest are recorded as necessary, and registers of interest are published on the council's website.
- **Review of transactions in the financial year**
A spot check of a random selection of transactions during the financial year. The review checks that there is a robust audit trail for the transactions from the authority to spend through to payment of invoices.
- **Transparency and requirements of the Transparency Code**
Covering the council's transparency, including, but not limited to, data protection procedures, spending authorisation and the Council's publication scheme. This review also covers the Council's requirement to publish documents and records in line with the relevant Transparency Code or best practice.

General

The Parish Council is supported by an experienced, knowledgeable and dedicated clerk who remains key to the continued and effective delivery of Council business who has maintained accurate comprehensive documentation and records for the Parish Council.

I am satisfied that the accounts and balances for the financial and administration period (1st April 2025 to 31st March 2026) are financially correct and supported by detailed and accurate records.

The Council is informed on financial matters through the presentation of detailed reports by staff members.

Internal Audit

This report is compiled from an Internal Audit Checklist which is used to identify the checks carried out to identify areas for consideration and/or action.

I am satisfied that the accounts and bank balances for the period 1st April 2025 to 31st March 2026 are financially correct.

I take this opportunity to thank all staff members for their assistance and for supplying supporting documentation whilst carrying out this review.

FINDINGS & RECOMMENDATIONS:

- **KEY GOVERNANCE**

Councillor Vacancies – It is noted at the time of audit there were two vacant seats.

Payments – evidenced that they are made in accordance with financial regulations and authorised by elected Members in accordance with adopted Financial Regulations and audit requirements. Regular reconciliations are completed and evidenced. Payroll (including salaries, PAYE, NI and pensions) are dealt with appropriately. It is noted that the council is registered with the Pensions Regulator.

Asset Register - This up to date and published on the website.

Insurance – cover remains adequate for the needs of the council and has been reviewed during the 2025/26 period.

Annual Budget & Precept – this was approved by Council as required. An audit trail of random transactions identified a clear process for authorisation and payment with appropriate invoices and documentation.

VAT - Evidence has been provided for reclamation during 2025/26.

Annual Parish Meeting – this was held on 13th April 2026.

- **TRANSPARENCY**

Previous Internal Audit Report - The previous audit reports (internal and external) have been received and considered by the Parish Council.

Transparency Code 2015 - The Council is compliant with the relevant Transparency Code.

Provision of Public Rights – Adequate provision was made for the exercise of public rights to inspect accounts (and supplementary documentation) for the financial year and administration period 2025/26.

Appointment of Internal Auditor - Internal Auditor appointed service (via the Lincolnshire Association of Local Councils (LALC) during 2025/26.

Internal Controls – Adequate and robust Internal Control methods have been implemented and enacted by the clerk and elected Members.

- **FINANCE**

Expenditure / Income – from a random sample no issues were found, and income and expenditure has been reported to and approved by Council throughout the year.

Corresponding invoices and transactions (bank statements) support payments and income is properly recorded and administered with satisfactory reports and balances monitored against the agreed budget and reported to Council in accordance with financial regulations.

Bank reconciliations – these are undertaken on a regular basis in accordance with adopted financial regulations. From a random sample there are no areas of concern.

Payments –are approved by the Council or presented (retrospectively) for approval at the next appropriate meeting in line with best and adopted practice.

Section 137 (s.137) Payments –The Council has a separate budget head for s.137 payments and spend during 2025/26 is within annual limits.

Borrowings – Not reviewed during this audit

Budget & Precept - The Council undertakes a suitable budget process to support its precept demand. This budget is presented to and approved by Council and published, along with supporting documents.

Internal Transfers / Virements (accounts) – Not reviewed during this audit.

- **MANAGEMENT**

Meetings, Minutes & Agendas – from sample evidence it appears that Agendas (including summons to attend) are made in a timely manner and within legal timeframes. Agendas and supporting documentation are made available on the website and minutes (or notes) are published within the parameters of best practice.

Employment –HR, Payroll Policy, and Rates of Pay - from a random check of payments and transactions (including PAYE and NI contributions) all appear to have been calculated and correctly administered.

Steve Fletcher

Mr S Fletcher

On behalf of Lincolnshire Association of Local Councils

29th April 2026

Appendix 1

Area of work checked	Outcome
Implementation of previous auditor recommendations	Satisfactory
Implementation of previous AGAR Weaknesses / recommendations	Satisfactory
Key Governance Review	Satisfactory
Transparency	Satisfactory
Accounting	Satisfactory
Budget	Satisfactory
Income Control	Satisfactory
Bank Reconciliation	Satisfactory
Petty Cash	Satisfactory
Year-end process	Satisfactory
Asset Control	Satisfactory
Risk Management	Satisfactory
General Administration	Satisfactory
Proper Process/Practice	Satisfactory
Payroll/HR	Satisfactory
Transaction spot checks	Satisfactory
Allotments	Satisfactory
Cemetery and burials	Satisfactory
Charities	Not applicable
Community Buildings	Not applicable