

## **RAVENFIELD PARISH COUNCIL**

### **INTERNAL AUDIT REPORT 2024/2025 FINANCIAL YEAR**

- 1 I have completed an audit of the internal controls of Ravenfield Parish Council in respect of the financial year ended 31st March 2025. Having completed the audit, I have been able to sign the Annual Report by the Internal Auditor in accordance with the requirements of the Local Audit and Accountability Act 2014 (The Accounts and Audit Regulations 2015) and in so doing have noted that the Council conducts its affairs in a sound manner.
2. In carrying out the audit I have followed the suggested approach to Internal Audit Testing as defined by the National Audit Office and can confirm that I have acted independently in carrying out the Audit.
3. Internal Control 1 - Proper Book-keeping
  - (a) Is the cashbook (receipts and payments) maintained and up to date?

Yes. The Accounts continue to be kept in good order throughout the year with a good system of cross-referencing.
  - (b) Is the cash book arithmetic correct?

Yes. An arithmetical check has been carried out in accordance with the recommendations of audit practice.
4. Internal Control 2 - Standing Orders, Financial Regulations and Payment Controls
  - (a) Has the Council formally adopted Standing Orders and Financial Regulations?

Yes. The Parish Council continues to operate based on a comprehensive set of Standing Orders and Financial Regulations. These documents are reviewed on a regular basis.
  - (b) Has a Responsible Financial Officer been appointed with specified duties?

Yes, the Clerk is also fulfilling the role of Responsible Financial Officer and there is reference to the R.F.O.'s specific duties in the Financial Regulations.
  - (c) Have items or services above a de-minimis amount been competitively purchased?

Yes. There is no evidence to suggest that the Council is not achieving good value for money from its contracts for the supply of goods or materials, or for the execution of works.
  - (d) Are payments in the cashbook supported by invoices, authorised and minuted?

Following a complete review of the financial records it is evident that payments are supported by invoices, authorised and are recorded in the minutes of meetings appropriately.

- (e) Has VAT on payments been identified, recorded and reclaimed?

Yes. As part of this internal audit, the VAT on payments has been identified and recorded correctly in all cases. The claim for VAT repayment is submitted annually to HM Revenues and Customs.

- (f) Is Section 137 expenditure separately recorded and within statutory limits?

There is a good process for separately recording Section 137 expenditure. The overall total amount of Section 137 expenditure remains within the statutory limits.

Legislation places a mandatory limit upon expenditure under Section 137 (of the Local Government Act 1972 – as amended by Section 36 of the Local Government and Housing Act 1989). In addition, local councils must make an assessment and satisfy themselves that the amount of money being spent is commensurate with the benefit gained (ie: by the inhabitants of the area). The 2024/25 statement of accounts shows that expenditure on the Christmas pantomime has been allocated to Section 137. However, expenditure on items under Section 137 is permissible provided that it is not authorised by any other statutory provision.

Section 145 of the Local Government Act 1972 is a wide-ranging power, enabling local councils to “.... do, or arrange for ..., or contribute towards ..... the provision of an entertainment of any nature ....”. The Parish Council should consequently ensure that expenditure in respect of the Christmas pantomime is allocated to Section 145, instead of Section 137.

## 5. Wages

Appropriate records are maintained for each of the three employees. The correct amounts have been paid, including payments to HM Revenues and Customs. As part of this internal audit, these amounts have been checked and have been found to be correct.

## 6. Financial Year End

A Statement of Accounts is produced for the External Auditor, which shows last year's figures (2023/24), as well as this year's (2024/25). A summary is also produced, recording the Parish Council's bank accounts and the individual balances at the end of the financial year.

There is reference in the statement of accounts to the financial transactions affecting the play area equipment at Hollings Lane. In this matter, the Parish Council has assisted the Ravenfield Youth Charity with payments (including VAT) to the contractor. Ultimately, the Charity has repaid the full amount (gross) to the Parish Council, thereby balancing these transactions to zero.

## 7. Risk Management Arrangement

The carrying out of an annual risk assessment is part of the arrangements for Corporate Governance and appropriate records are kept and reviews undertaken.

It is evident that insurance cover is reviewed on an annual basis and the insurance policy is kept up-to-date. This year (2024/25) the Parish Council opted for a new arrangement with a different insurance company.

8. Recommendations

There are no recommendations.

9. Conclusion

I would like to thank the Parish Clerk for her help and co-operation with the Audit.  
There are no specific items on which I wish to submit a special report.

Richard Bellamy  
Internal Auditor  
2nd June 2025