



Sue Gilbert PSLCC
Clerk to the Council
Haddenham Parish Council
Parish Council Office
Banks Park
Banks Road
Haddenham
Buckinghamshire
HP17 8EE

5th February 2026

Dear Sue,

Interim Internal Audit Report

An audit was carried out by Kevin Rose on Wednesday 28 January 2026. This was the interim internal audit, part of the annual internal audit coverage of the Council. Prior to the audit a 'Pre-Audit' was carried out remotely which tested items which are required to be published on the Council's website.

The audit was undertaken using the standard IAC Audit Checklist, that we use for all Local Councils, which has 205 items. A total of 95 items were tested during this audit, including items that were examined and tested as part of the pre-audit process. A balance of 110 items remain to be tested.

The following 'Internal Control Objectives' of the Annual Internal Audit Report (part of the AGAR) were checked and confirmed as being Not Applicable to your Council for this financial year.

- Petty cash (Box F)
- Exemption from External Audit (Box K)
- the Transparency Code (for Smaller Authorities) (Box L)

Areas subject to audit were;

- the Accounting system and records (Box A)
- the Payment system (Box B)
- Budget and precept setting and monitoring (Box D)
- Income billing, collection and VAT (Box E)
- Assets and investments (Box H)
- Bank reconciliations (Box I)
- Accounting Statements (Box J)
- Trust Funds (Box O)

Of the 87 applicable items tested a Positive response was obtained in respect of 84 tests. There were 3 Negative responses identified and 8 Observations were made, details of which are set out in the attached Interim Internal Audit Observations.

Summary of tests undertaken during this audit

Positive response	84
Negative response	3
Not Applicable to your Council	8
Total tests carried out	95

I am pleased to advise that no 'Non-Compliances' were identified at this stage that would give rise to a negative response on the statutory Annual Internal Audit Report.

I would like to express my thanks for the assistance provided to me during my audit.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'K. Rose'.

Kevin Rose ACMA
Director

**Haddenham Parish Council
Financial Year 2025-26**



IAC Audit and Consultancy Ltd

Audit date: 28 January 2026

Visit 1 Internal Audit Observations

Date considered by Council _____

Minute Reference _____

B This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Is expenditure on Credit / Debit Card subject to independent review and scrutiny?	Yes	<i>Credit card statements are reviewed as part of the quarterly bank reconciliation process. The statement at the end of the quarter is signed and dated as evidence of independent review, however statements for the other two months in the quarter are not. The total value of payments under the card are reported in the payments over £500 listing (as long as they are over £500).</i>	When conducting the quarterly bank reconciliation the Councillor undertaking the review should review each months credit card statement and sign and date the monthly statement as evidence of independent review.	Medium	
2	Does the Council receive a large number of Invoices? If so does the Council maintain a Purchase/Creditors ledger?	No	<i>It was noted that the Council is frequently posting creditor accrual journals for management accounting purposes. Currently the volume / value of transactions through the accounts are of relatively low value but the Council may wish to consider the introduction of a Creditors /Purchase ledger to monitor creditors - this would avoid the need to regularly post journals in the accounts.</i>	Council to consider the introduction of a formal purchase ledger to enable more robust control on invoices received and due for payment.	Medium	

D The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	The Council has reviewed any points raised by the External Auditor as required	No	<i>From a review of Minutes it was not possible verify that the Council has considered the report of the External Auditor.</i>	The Council to ensure that, on an annual basis, it formally records a review of the External Auditors report in the Minutes of the relevant meeting.	Medium	

E Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Has the Investment Strategy been subject to annual review?	Yes	<i>The Council has an investment policy in place which is currently scheduled for review every two years. The Statutory Guidance on investments requires that this is done on an annual basis.</i>	Council to ensure that its Investment Strategy is subject to annual review (this could be carried out as part of the budget process)	Medium	
2	Is there an appropriately approved schedule of fees and charges which is published on the Councils website?	No	<i>It was not possible to view allotment fees on the Council website.</i>	The Council to review the publication of allotment fees on the website.	Medium	
3	There is evidence of tracking of amounts due and follow up of any delayed or delinquent amounts	Yes	<i>The Council generates a large number of income transactions in respect of allotments. At present the Council uses a spreadsheet to monitor these.</i>	The Council to consider the introduction of allotment system to monitor and manage its allotment income.	Medium	

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.

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Prior year accruals have been correctly reversed in the current year. (interim)	Yes	<i>It was noted that there are debit balances on some income codes, and credit balances on some expenditure codes, as a result of accruals made in 2024/25. This would imply that accruals made in 2024/25 were excessive / not correct.</i>	Council to review accruals previously made and verify whether these were correct.	Medium	

(For local councils only)

○ Trust funds (including charitable) – The council met its responsibilities as a trustee

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Trust income and expenditure has been transacted through a separate bank account in the name of the Trust and has not been recorded in Councils accounts	Yes	<i>It was noted that the Council is recording debtor and creditor balances in respect of the two charities of which it is Trustee.</i>	The Council to arrange settlement of the Trusts debtor and creditor balances.	Medium	

Interim audit summary Haddenham Parish Council

(shaded Internal Control Objectives are not applicable to your Council)



Audit 1 Date 28 January 2026

Internal Control Objective		N/A	Tested	Positive	Negative	Observations	Non Compliance
Box A	Appropriate accounting records have been properly kept throughout the financial year.	-	6	6	-	-	
Box B	This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	3	36	32	1	2	
Box C	This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	-	1	1	-	-	
Box D	The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	2	15	12	1	1	
Box E	Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	1	10	8	1	3	
Box F	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	-	-	-	-	-	
Box 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.	-	-	-	-	-	
Box H	Asset and investments registers were complete and accurate and properly maintained.	-	1	1	-	-	
Box I	Periodic bank account reconciliations were properly carried out during the year.	1	7	6	-	-	
Box 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.	-	2	2	-	1	
Box K	If the authority certified itself as exempt from a limited assurance review in 2024/25, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2024/25 AGAR tick "not covered")	-	-	-	-	-	
Box 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.	-	-	-	-	-	
Box M	The authority, during the previous year (2024/25) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).	-	5	5	-	-	
Box N	The authority has complied with the publication requirements for 2024/25 AGAR (see AGAR Page 1 Guidance Notes).	-	7	7	-	-	
Box O	(For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee	1	5	4	-	1	
Totals		8	95	84	3	8	-