

# Annual Internal Audit Report 2024/25

Haddenham Parish Council

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During the financial year ended 31 March 2025, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2024/25 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	Yes		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	Yes		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	Yes		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	Yes		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	Yes		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.			N/A
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.	Yes		
H. Asset and investments registers were complete and accurate and properly maintained.	Yes		
I. Periodic bank account reconciliations were properly carried out during the year.	Yes		
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.	Yes		
K. If the authority certified itself as exempt from a limited assurance review in 2023/24, it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2023/24 AGAR tick "not covered")</i>			N/A
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.			N/A
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 2024-25 AGAR period, were public rights in relation to the 2023-24 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set)</i> .	Yes		
N. The authority has complied with the publication requirements for 2023/24 AGAR <i>(see AGAR Page 1 Guidance Notes)</i> .	Yes		
<b>O. (For local councils only)</b> Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable
	Yes		

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

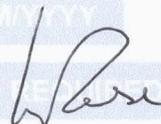
Name of person who carried out the internal audit

15/04/2024 24/10/2024

Kevin Rose ACMA- IAC Audit & Consultancy Ltd

Signature of person who carried out the internal audit

SIGNATURE



Date

21/04/2025

\*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

\*\*Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

**Haddenham Parish Council**  
**Financial Year 2024-25**

**Year End Internal Audit Observations**



Audit date: 14 April 2025

**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.**

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Salaries paid agree with those approved by the council	No	<i>It was noted that one member of staff has been paid at SCP 9 instead of the contract rate of SCP 8. This was due to the wrong hourly rate being given to the payroll provider.</i>	The Council to review the salaries paid and verify whether they are correct.	High	
2	The Council has in a place a process for the review and approval of overtime or Time In Lieu.	No	<i>The Council does not have in a place a formal process for the review and approval of overtime or Time In Lieu.</i>	The Council to put in place a process for the formal review and approval of overtime. This should include a specific arrangement to confirm, in writing, whether overtime is to be paid or taken as time in lieu.	High	

**Haddenham Parish Council**

**Audit 1 Date:** 24/10/2024  
**Audit 2 Date:**  
**Year End Audit Date** 14/04/2025



**Internal Audit Summary for the year 2024-25**

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

Internal Control Objective		Observations	Observation Analysis					Responses			
			Non - Compliance	High	Medium	Low	Advisory	Positive	Negative	N/A	Not Checked
<b>A</b>	<i>Appropriate accounting records have been properly kept throughout the financial year.</i>	0	0	0	0	0	0	6	0	0	0
<b>B</b>	<i>This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.</i>	0	0	0	0	0	0	37	0	5	0
<b>C</b>	<i>This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.</i>	0	0	0	0	0	0	12	0	2	0
<b>D</b>	<i>The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.</i>	0	0	0	0	0	0	15	0	2	0
<b>E</b>	<i>Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.</i>	3	0	1	2	0	0	18	0	8	0
<b>F</b>	<i>Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	9	N/A
<b>G</b>	<i>Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.</i>	2	0	2	0	0	0	15	2	8	0
<b>H</b>	<i>Asset and investments registers were complete and accurate and properly maintained.</i>	0	0	0	0	0	0	7	0	4	0
<b>I</b>	<i>Periodic bank account reconciliations were properly carried out during the year.</i>	0	0	0	0	0	0	13	0	3	0
<b>J</b>	<i>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.</i>	1	0	0	1	0	0	7	0	4	0
<b>K</b>	<i>If the authority certified itself as exempt from a limited assurance review in 2023/24, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2023/24 AGAR tick "not covered")</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3	N/A
<b>L</b>	<i>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.</i>	N/A	N/A	N/A	N/A	N/A	0	N/A	0	7	N/A

Internal Control Objective		Observations	Observation Analysis					Responses			
			Non - Compliance	High	Medium	Low	Advisory	Positive	Negative	N/A	Not Checked
<b>M</b>	<i>The authority, during the previous year (2023/24) 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).</i>	0	0	0	0	0	0	5	0	0	0
<b>N</b>	<i>The authority has complied with the publication requirements for 2023/24 AGAR (see AGAR Page 1 Guidance Notes).</i>	0	0	0	0	0	0	7	0	1	0
<b>O</b>	<i>(For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee</i>	1	0	0	1	0	0	5	1	1	0
<b>Total</b>		<b>7</b>	<b>0</b>	<b>3</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>147</b>	<b>3</b>	<b>57</b>	<b>0</b>

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

21st April 2025

Dear Sue,

## **Year End Internal Audit**

An audit was carried out by Kevin Rose on Monday 14 April 2025. This was the Year End audit following on from the interim audit carried out on 24 October 2024.

The audit was undertaken using the standard IAC Audit Checklist, which we use for all Local Councils, which has 208 items. A total of 109 items were tested during this audit in addition to the 99 items tested and checked during the interim audit process. All items on the checklists were tested during the year.

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)
- Risk and insurance (Box C)
- Budget and precept setting and monitoring (Box D)
- Income billing, collection and VAT (Box E)
- Payroll(Box G)
- Assets and investments (Box H)
- Bank reconciliations (Box I)
- Accounting Statements (Box J)
- Trust Funds (Box O)

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**Summary of tests undertaken this audit**

Positive response	61
Negative response	2
Not Applicable to your Council	46
Total tests carried out	<b><u>109</u></b>

Of the 63 applicable items tested a Positive response was obtained in respect of 61 tests. There were 2 Negative responses identified and 2 Observations were made, details of which are set out in the attached Year End Internal Audit Observations.

**Summary of tests undertaken for the financial year (including interim audit work)**

Positive response	147
Negative response	3
Not Applicable to your Council	57
Total tests carried out	<b><u>207</u></b>
Tests not carried out	Nil

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

Based on my Internal Audit testing I am satisfied that the Council's Internal Controls were effective for the 2024-25 financial year.

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

Yours sincerely,



Kevin Rose ACMA  
Director

## Internal Audit 'Not Covered' Responses

Internal Control Objective	Reason for Not Covered Response
<p>F: Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.</p>	<p>The reason for the Not Covered response for Objective F is that we understand that your Council does not maintain a Petty Cash. (Note: Where cash is held as a cash float, solely for the purpose of providing change, this is covered in our response to Internal Control Objective I)</p>
<p>K: If the authority certified itself as exempt from a limited assurance review in 2023/24, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2023/24 AGAR tick “not covered”</p>	<p>The reason for the “Not Covered” response for Objective K is that it is not applicable to your Council as the Council did not certify itself exempt from a limited assurance review for the relevant financial year.</p>
<p>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.</p>	<p>At present no specific guidance has been provided to Internal Auditors as to what the ‘relevant legislation’ is in respect of Control Objective L. We have tested against the requirements of Statutory Instruments 2015/480 The Local Government (Transparency Requirements) and 2015/494 The Smaller Authorities (Transparency Requirements), neither of which apply to your Council. The publication requirements of Statutory Instrument (2015/234) The Accounts and Audit Regulations are covered in our responses to Internal Control Objectives M and N. The Council should note that we have not considered any additional publication requirements that may apply, for example those set out in the ICO Model Publication Scheme for Parish Councils.</p>