Additional information to be submitted with Part 3 AGAR Checklist

Item required	
1. State the basis of accounts – Income and Expenditure (I&E) **or** Receipts and Payments (R&P).	R&P
2. An explanation of any 'No' answers in Section 1 (Annual Governance Statement).	N/A
3. An explanation of any 'No' answers in the Annual Internal Audit Report.	Yes Attached
4. Copy of the notice for the period for the exercise of public rights (pro-forma attached)	Yes
5. An explanation for the Council's decision for their period for the exercise of public rights if different to the standard period (i.e. 3 June 2026 – 14 July 2026).	N/A
6. Copy of the explanations of significant variances (pro-forma attached) – with numerical support: For boxes 2 – 10 in the Accounting Statements, where the 2026 figure is 15% greater than, or 15% less than, the 2025 figure **unless** the variance is less than £500. Please also provide an explanation if the variance is greater than £100,000 regardless of whether this is less than 15%. Note: If an explanation is required for the variance of Box 4 and the explanation refers to a change in hours or a change in pay rates, please could you note the previous hours/rates and the updated hours/rates.	Yes
7. Copy of the bank reconciliation(s) (pro-forma attached) for all bank accounts held in the authority's name.	Yes
8. State whether the Council operate with a petty cash system.	Yes
9. Copy of the reconciliation between boxes 7 and 8 (pro-forma attached) – this must be quantified.	Yes
10. Where **other income (Box 3) is greater than £100k and 50% of precept**, we require a breakdown of other income for 2024/25 and 2025/26.	Yes
11. A breakdown of the types of reserves (pro-forma attached) held between general reserves, earmarked reserves and restricted (ring-fenced) reserves.	N/A
12. Where any investments are included as part of the Box 9 figure, please provide a summary of these amounts.	N/A
13. State whether the Council use the general power of competence.	No
14. *Where **income (total of Boxes 2 to 3) or expenditure (total of Boxes 4 to 6) is greater than £2m** then we will also require:* • *A copy of the full internal auditor report provided by your internal auditor (IA);* • *Supporting evidence of:* a. *the council's assessment that the IA is independent of the council.* b. *the council's assessment that the IA is competent to undertake the role.* c. *the current and appropriate letter of engagement* d. *the authority considering and agreeing the IA programme of work against its identified risks.* e. *copies of the minutes of the meetings considering the IA's findings together with evidence that any recommendations have been addressed;* ***and*** • *Bank statements covering 31 March 2026 to support the bank reconciliation(s) provided*	N/A

16.	Provide the hours/days worked by the Clerk and RFO including any scheduled holidays until the end of September. This will help ensure that we coordinate our responses in line with your requirements.	22hrs Mon-Thurs Annual Leave 18.07.26 – 24.07.26 Annual Leave 24.08.26 – 28.08.26
17.	Copy of this completed sheet provided with your AGAR submission.	Yes

Annual Governance and Accountability Return 2025/26 Form 3

To be completed by Local Councils, Internal Drainage Boards and other Smaller Authorities*:

- **where the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £15 million; or**
- **where the higher of gross income or gross expenditure was £25,000 or less but that:**
  - **are unable to certify themselves as exempt (fee payable); or**
  - **have requested a limited assurance review (fee payable)**

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return 2025/26

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Form 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with *Proper Practices.*
2. **The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:**
   - The **Annual Internal Audit Report must** be completed by the authority's internal auditor.
   - **Sections 1 and 2 must** be completed and approved by the authority.
   - **Section 3** is completed by the external auditor and will be returned to the authority.
3. The authority **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved and published on the authority website/webpage **before 1 July 2026.**
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, **must** return to the external auditor by email or post (not both) **no later than 30 June 2026** Reminder letters will incur a charge of £40 +VAT:
   - the Annual Governance and Accountability Return Sections 1 and 2, together with
   - a bank reconciliation as at 31 March 2026
   - an explanation of any significant year on year variances in the accounting statements
   - notification of the commencement date of the period for the exercise of public rights
   - Annual Internal Audit Report 2025/26

Unless requested, do not send any additional documents to your external auditor. Your external auditor will ask for any additional documents needed.

Once the external auditor has completed the limited assurance review and is able to give an opinion, the Annual Governance and Accountability Return **Section 1, Section 2 and Section 3 – External Auditor Report and Certificate** will be returned to the authority by email or post.

Publication Requirements

Under the Accounts and Audit Regulations 2015, authorities **must** publish the following information on the authority website/webpage:

Before 1 July 2026 authorities **must** publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited;
- **Section 1 - Annual Governance Statement 2025/26** approved and signed, page 4
- **Section 2 - Accounting Statements 2025/26** approved and signed, page 5

Not later than 30 September 2026 authorities **must** publish:

- Notice of conclusion of audit
- **Section 3 - External Auditor Report and Certificate**
- **Sections 1 and 2 of AGAR** including any amendments as a result of the limited assurance review. It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

The Annual Governance and Accountability Return constitutes the annual return referred to in the Accounts and Audit Regulations 2015. Throughout, the words 'external auditor' have the same meaning as the words 'local auditor' in the Accounts and Audit Regulations 2015.

**for a complete list of bodies that may be smaller authorities refer to schedule 2 to the Local Audit and Accountability Act 2014.*

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return (AGAR) 2025/26

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this AGAR. *Proper Practices* are found in the *Practitioners' Guide** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the AGAR is complete (no highlighted boxes left empty) and is properly signed and dated. Any amendments **must** be approved by the authority and properly initialled.
- The authority **should** receive and note the Annual Internal Audit Report before approving the Annual Governance Statement and the accounts.
- Use the checklist provided below to review the AGAR for completeness before returning it to the external auditor by email or post (not both) no later than 30 June 2026
- The Annual Governance Statement (Section 1) **must** be approved before the Accounting Statements (Section 2) and evidenced by the agenda or minute references, even where approved on the same day.
- The Responsible Financial Officer (RFO) **must** certify the accounts (Section 2) before they are presented to the authority for approval. The authority **must** in this order; consider, approve and sign the accounts.
- The RFO is required to commence the public rights period which **must** be a single period of 30 working days for inspection (this excludes weekends and public holidays) which **must** include the first 10 working days of July.
- **You must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chair, and provide relevant authority owned generic email addresses and telephone numbers.**
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the AGAR covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor **must** be able to agree the bank reconciliation to Box 8 on the accounting statements **(Section 2, page 5)**. An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide**.
- Explain fully significant variances in the accounting statements on **page 5**. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the full variance.
- Additional costs may be incurred if additional audit work is required.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2025) equals the balance brought forward in the current year (Box 1 of 2026).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the commencement date for the exercise of public rights which **must** be a single period of 30 working days for inspection (this excludes weekends and public holidays) which **must** include the first 10 working days of July.
- The authority **must** publish on the authority website/webpage the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor **before 1 July 2026**

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?	✓	
	Has all additional information requested, including **the dates set for the period for the exercise of public rights**, been provided for the external auditor?	✓	
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?	✓	
Section 1	For any statement to which the response is 'no', has an explanation been published?	✓	
Section 2	Has the Responsible Financial Officer signed the accounting statements before presentation to the authority for approval?	✓	
	Has the authority's approval of the accounting statements been confirmed by the signature of the Chair of the approval meeting?	✓	
	Has an explanation of significant variations been published where required?	✓	
	Has the bank reconciliation as at **31 March 2026** been reconciled to Box 8?	✓	
	Has an explanation of any difference between Box 7 and Box 8 been provided?	✓	
Sections 1 and 2	Trust funds – have all disclosures been made if the authority as a body corporate is a sole managing trustee? **NB:** do not send trust accounting statements unless requested.	✓	

*Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices, can be downloaded from www.nalc.gov.uk or from www.ada.org.uk

Annual Internal Audit Report 2025/26

Smithswood parish council

HTTPS://smithswood-pc.gov.uk/

During the financial year ended 31 March 2026, 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 2025/26 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.	✓		
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. Cash payments were properly supported by receipts, all cash expenditure was approved and VAT appropriately accounted for.		✓	
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 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")*		✓	
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 *(during the 2025/26 AGAR period, were public rights in relation to the 2024-25 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).*		✓	
N. The authority has complied with the publication requirements for 2024/25 AGAR *(see AGAR Page 1 Guidance Notes).*	✓		
O. The authority has complied with laws, regulations & proper practices relating to digital and data compliance.	✓		

P. (For local councils only)	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			

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

13 05 13 05 2026

Name of person who carried out the internal audit

MR. DAVID HENRY CLIFTON

Signature of person who carried out the internal audit

Date 13-05-2026

*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).

Davies, Clifton & Co. ACCOUNTANTS

Proprietor: D. H. CLIFTON A.C.P.A. F.A.P.A.
Established in June 1977

over 45 years
Serving the Self-employed

Suite E
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Tamworth
Staffs
B79 7LU

Tel: 01827 56261

Smiths Wood Parish Council
C/O Smiths Wood Primary Academy
Burton's Way
Smiths Wood
Solihull
West Midlands
B36 0SZ

10 June 2026

Dear Lee and Sam,

Many thanks for your recent email regarding the Annual Internal Audit Report for 2025/2026.

When I returned your books and paperwork to you I did go through the boxes I had ticked 'no' to. The first one was 'F' which relates to Cash Payments (petty cash) which we both agreed no such payments are currently made, or have been for a while.

Box 'K'; which was also ticked no, this was discussed again with you regarding the authority certifying itself as exempt from Limited Assurance.

Box 'M'; As the 'no' box was ticked in 'K' the 'M' box also required a no.

I trust the above clarifies any confusion.

Yours Faithfully,

Davies Clifton & Co

Section 1 – Annual Governance Statement 2025/26

We acknowledge as the members of:

Smithswood Parish Council

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2026, that:

	Agreed Yes	Agreed No	N/A	'Yes' means that this authority:
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓			*prepared its accounting statements in accordance with the Accounts and Audit Regulations.*
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓			*made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.*
3. We have assured ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓			*has only done what it has the legal power to do and has complied with Proper Practices in doing so.*
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	✓			*during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.*
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓			*considered and documented the financial and other risks it faces and dealt with them properly.*
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓			*arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.*
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓			*responded to matters brought to its attention by internal and external audit.*
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✓			*disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.*
9. **(For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.**			✓	*has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.*
10. We have put in place arrangements for the effective IT and data management in accordance with proper practices during the year under review.	✓			*has made suitable arrangements for its IT and data management and has complied with proper practices in doing so.*

***Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.**

This Annual Governance Statement was approved at a meeting of the authority on:

15/06/2026

and recorded as minute reference:

6

Signed by the Chair and Clerk of the meeting where approval was given:

Chair

Clerk

https://smithswood-pc.gov.uk/

Section 2 – Accounting Statements 2025/26 for

Smithswood Parish Council

	Year ending 31 March 2025 £	Year ending 31 March 2026 £	Notes and guidance. Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures **must** agree to underlying financial records.
1. Balances brought forward	151,221	137,880	*Total balances and reserves at the beginning of the year as recorded in the financial records. Value **must** agree to Box 7 of previous year.*
2. (+) Precept or Rates and Levies	130,000	130,000	*Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.*
3. (+) Total other receipts	31,438	68,452	*Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.*
4. (-) Staff costs	97,993	80,191	*Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.*
5. (-) Loan interest/capital repayments	0	0	*Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).*
6. (-) All other payments	76,787	112,028	*Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).*
7. (=) Balances carried forward	137,880	144,113	*Total balances and reserves at the end of the year. **must** equal (1+2+3) - (4+5+6).*

8. Total value of cash and short term investments	135,726	143,640	*The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – **To agree with bank reconciliation.***
9. Total fixed assets plus long term investments and assets	111,489	104,877	*The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.*
10. Total borrowings	0	0	*The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).*

For Local Councils Only	Yes	No	
11 Do the figures in the accounting statements above exclude any trust transactions?		✓	*For guidance refer to the Practitioners' Guide sections 2.31 to 2.33.*

I certify that for the year ended 31 March 2026 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval.

Date 8/6/2026

I confirm that these Accounting Statements were approved by this authority on this date:

15/06/2026

as recorded in minute reference:

6

Signed by Chair of the meeting where the Accounting Statements were approved

Section 3 – External Auditor's Report and Certificate 2025/26

In respect of Smithswood Parish Council

1 Respective responsibilities of the auditor and the authority

Our responsibility as auditors to complete a **limited assurance review** is set out by the National Audit Office (NAO). A limited assurance review is **not a full statutory audit,** it does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and hence it **does not** provide the same level of assurance that such an audit would. The UK Government has determined that a lower level of assurance than that provided by a full statutory audit is appropriate for those local public bodies with the lowest levels of spending.

Under a limited assurance review, the auditor is responsible for reviewing Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with NAO Auditor Guidance Note 02 (AGN 02) as issued by the NAO on behalf of the Comptroller and Auditor General. AGN 02 is available from the NAO website – https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/ .

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2026 and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

2 External auditor's limited assurance opinion 2025/26

(Except for the matters reported below)* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the authority:

(continue on a separate sheet if required)

3 External auditor certificate 2025/26

We certify/do not certify* that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2026

*We do not certify completion because:

External Auditor Name

External Auditor Signature Date

Smaller authority name: **SMITHSWOOD PARISH COUNCIL**

NOTICE OF PUBLIC RIGHTS AND PUBLICATION OF UNAUDITED ANNUAL GOVERNANCE & ACCOUNTABILITY RETURN

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2026

Local Audit and Accountability Act 2014 Sections 26 and 27
The Accounts and Audit Regulations 2015 (SI 2015/234)

NOTICE	NOTES
1. Date of announcement Tuesday 2 June 2026 (a)	(a) Insert date of placing of the notice which must be not less than 1 day before the date in (c) below
2. Each year the smaller authority's Annual Governance and Accountability Return (AGAR) needs to be reviewed by an external auditor appointed by Smaller Authorities' Audit Appointments Ltd. The unaudited AGAR has been published with this notice. As it has yet to be reviewed by the appointed auditor, it is subject to change as a result of that review. **Any person interested has the right to inspect and make copies of the accounting records for the financial year to which the audit relates and all books, deeds, contracts, bills, vouchers, receipts and other documents relating to those records must be made available for inspection by any person interested. For the year ended 31 March 2026, these documents will be available on reasonable notice by application to:**	
(b) **Name** : Samantha Andrews **Position** : Clerk to the Council **Address:** Smith's Wood Parish Council, c/o Smith's Wood Primary Academy, Burton's Way, Smith's Wood, Solihull, B36 0SZ **Tel no:** 0121 770 8846 **Email:**- clerk@smithswood-pc.gov.uk	(b) Insert name, position and address/telephone number/ email address, as appropriate, of the Clerk or other person to which any person may apply to inspect the accounts
commencing on (c) Wednesday 3 June 2026	(c) Insert date, which must be at least 1 day after the date of announcement in (a) above and extends for a single period of 30 working days (inclusive) ending on the date appointed in (d) below
and ending on (d) Tuesday 14 July 2026	(d) The inspection period between (c) and (d) must also include the first 10 working days of July.
3. Local government electors and their representatives also have: • The opportunity to question the appointed auditor about the accounting records; and • The right to make an objection which concerns a matter in respect of which the appointed auditor could either make a public interest report or apply to the court for a declaration that an item of account is unlawful. Written notice of an objection must first be given to the auditor and a copy sent to the smaller authority. The appointed auditor can be contacted at the address in paragraph 4 below for this purpose between the above dates only.	
4. The smaller authority's AGAR is subject to review by the appointed auditor under the provisions of the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015 and the NAO's Code of Audit Practice 2015. The appointed auditor is: MOORE **Moore East Midlands (Ref AP/HD)** **Rutland House** **Minerva Business Park** **Lynch Wood** **Peterborough** **PE2 6PZ**	(e) Insert name and position of person placing the notice – this person must be the responsible financial officer for the smaller authority

5. This announcement is made by (e) Name : Samantha Andrews **Position** : Clerk to the Council	

LOCAL AUTHORITY ACCOUNTS: A SUMMARY OF YOUR RIGHTS

Please note that this summary applies to all relevant smaller authorities, including local councils, internal drainage boards and 'other' smaller authorities.

The basic position

By law, any interested person has the right to inspect the accounting records of smaller authorities. If you are a local government elector or registered to vote in the local councils' elections, then you are able to ask questions about the accounts and object to them.

The right to inspect the accounting records

When your council has finalised its accounts for the previous financial year, they must advertise that they are available for people to inspect. You must then provide the council with reasonable notice of your intentions. Following this, by arrangement you will then have 30 working days to inspect and make copies of the accounting records and supporting documents. You may be required to pay a copying charge.

The right to ask the auditor questions about the accounting records

If you have any questions regarding the accounting records, you should first ask your smaller authority. This must be done during the 30-day period for the exercise of public rights. You may also ask the appointed auditor questions about an item in the accounting records. However, the auditor can only answer 'what' questions, not 'why' questions so is limited with their response. To avoid any confusion, it is advised that you put your questions in writing.

The right to make objections

Should you view something as unlawful or believe there are matters of wider concern in the accounts, you may wish to object. If you are a local government elector, you have the right to ask the external auditor to apply to the courts for a declaration that an item is contrary to the law and should be reported as a matter of public interest. This must be done by telling the appointed auditor which specific item in the accounts you object to and why you believe it to be unlawful or think a public interest report should be made about it. You must provide clear evidence to support your objection, and this should be done in writing and the copied to the council.

You should not use the 'right to object' to make a personal complaint or claim against your smaller authority. Complaints of this nature should be taken to your local Citizens' Advice Bureau, local Law Centre or to your solicitor.

A final word

Smaller authorities, and so local taxpayers, meet the costs of dealing with questions and objections. In deciding whether to take your objection forward, the auditor must consider the cost that will be involved. They will only continue with the objection if it is in the public interest to do so. If you appeal to the courts against an auditor's decision, you may have to pay for the action yourself.

Explanation of variances 2025/26 – pro forma

Name of smaller authority:
Insert figures from Section 2 of the AGAR in all Blue highlighted boxes

Now, please provide full explanations, including numerical values, for the following that will be flagged in the green boxes where relevant:
- variances of more than 15% between totals for individual boxes (except variances of less than £500);
- variances of more than £100,000 must be explained even where this constitutes less than 15%;

Please ensure variance explanations are quantified to reduce the variance excluding stated items below the 15% / £500 / £100,000 threshold

	2026 £	2025 £	Variance £	Variance %	Explanation Required? Is > 15%	Is > £100,000	DO NOT OVERWRITE THE BOXES HIGHLIGHTED IN RED/GREEN	Explanation (must include narrative and supporting figures) Note: If an explanation is required for the variance of Box 4 and the explanation refers to a change in hours or a change in pay rates, please could you note the previous hours/rates and the updated hours/rates
1 Balances Brought Forward	137,880	151,221					Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	130,000	130,000	0	0.00%	NO	NO		
3 Total Other Receipts	68,452	31,438	37,014	117.74%	YES	NO		2026 -Received £31000.00 refund from WMPS. In 2026 we have started hiring fields and hall and increase in Income. In 2025 the Income was mainly from Gym.
4 Staff Costs	80,191	97,993	-17,802	18.17%	YES	NO		2026 - We only had a clerk/RFO for 6 months of the year.
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO	NO		
6 All Other Payments	112,028	76,787	35,241	45.89%	YES	NO		Increase in costs - General maintenance and costs, consultancy
7 Balances Carried Forward	144,113	137,880	6,233	4.52%	NO	NO		
8 Total Cash and Short Term Investments	143,640	135,726	7,914	5.83%	NO	NO		
9 Total Fixed Assets plus Other Long Term Investments and Assets	108,989	111,489	-2,500	2.24%	NO	NO		No longer on Xerox printer and reduced stationery cost by £1500.00
10 Total Borrowings	0	0	0	0.00%	NO	NO		

3 May 2026 (2025-2026)

Smith's Wood Parish Council

Prepared by: ______________________________ Date: ____________

Name and Role (Clerk/RFO etc)

Approved by: ______________________________ Date: ____________

Name and Role (RFO/Chair of Finance etc)

	Bank Reconciliation at 31/03/2026			
	Cash in Hand 01/04/2025			135,725.58
	ADD Receipts 01/04/2025 - 31/03/2026			205,458.53
				341,184.11
	SUBTRACT Payments 01/04/2025 - 31/03/2026			197,544.53
A	Cash in Hand 31/03/2026 (per Cash Book)			143,639.58
	Cash in hand per Bank Statements			
	Petty Cash	31/03/2026	0.00	
	HSBC - 1 Cheque Account	31/03/2026	9,101.87	
	HSBC - 2 Deposit Account	31/03/2026	105,472.65	
	HSBC - 3 General Fund	31/03/2026	0.00	
	HSBC - 4 Sinking Fund	31/03/2026	29,065.06	
				143,639.58
	Less unpresented payments			
				143,639.58
	Plus unpresented receipts			
B	Adjusted Bank Balance			143,639.58
	A = B Checks out OK			

Created by Scribe

Smith's Wood Parish Council
Reconciliation between Box 7 and Box 8

31/03/2026

This report explains the difference between the total balance in Box 7 and the cash balance in Box 8 by showing the totals for each type of adjustment, the details of which can be listed using the Adjustments report. It deducts the additional assets which have been included on the balance sheet and adds back in the liabilities to arrive at the balance for actual cash and short term investments. This only applies to Annual Returns prepared on Income and Expenditure basis

	Amount	*Amount*
Box 7 - Balances carried forward		144,113.11
Debtors		
Prepayments		
Stocks and Stores		
VAT Recoverable	473.53	
TOTAL DEDUCTIONS		473.53
Creditors		
Receipts in Advance		
Doubtful Debts		
TOTAL ADDITIONS		
Box 8 - Total cash and short term investments		143,639.58

Smith's Wood Parish Council

TRIAL BALANCE

2025-2026

Code	Title		Income		Expenditure
	Cash in hand			143,639.58	
	VAT recoverable	1,680.73			
	Debtors			0.00	
	Prepayments			0.00	
	Stocks and stores			0.00	
	Creditors	0.00			
	Receipts in Advance	0.00			
	Accruals	0.00			
1	Stationery, Software & Equ		0.00		2,335.42
2	Miscellaneous		0.00		71.99
3	Audit Fees		0.00		920.00
4	Cllr Special Responsibilities		0.00		0.00
5	Insurance		0.00		4,637.45
6	Bank Charges		0.00		342.67
7	VAT Repaid		190.61		1,297.94
8	Capital Expenditure		0.00		0.00
9	Contingency Fund		0.00		0.00
10	Business Rates		0.00		12,974.00
11	Grant Aid		0.00		0.00
12	Grounds Maintenance		0.00		2,138.00
13	Gym Takings		29,249.25		0.00
14	VAT Reclaimed		0.00		0.00
16	Miscellaneous		0.00		0.00
17	Organised Event		0.00		0.00
18	Milk		0.00		2,716.00
19	Organised Event		0.00		13,193.07
20	Advertising & Publicity		0.00		0.00
21	Membership & Training		0.00		2,340.83
22	Honours Board		0.00		0.00
23	Chairman's Allowance		0.00		0.00
24	Hospitality		0.00		0.00
25	Chain of Office		0.00		0.00
26	Reserves		0.00		0.00
27	Gas		0.00		1,216.49
28	Electric		0.00		5,611.22
29	Water Rates		0.00		1,105.83
30	Telephone		0.00		1,726.37
31	Cleaning Materials		0.00		1,696.98
32	Stock		0.00		426.01
33	Equipment Maintenance &		0.00		1,947.75
34	Licences		0.00		1,595.48
35	Alarms & Security		0.00		0.00
36	General Maintenance		0.00		13,769.10
38	Refuse Collections		0.00		461.25
39	Clerk's Salary		0.00		10,880.36
40	Gym Staff Wages		43.13		69,353.35
41	Shared Maintenance		0.00		864.59
42	Sinking Fund		0.00		0.00
43	Solicitor's Fees		0.00		0.00
45	Precept		130,000.00		0.00

Code	Title		Income		Expenditure
46	Supportive Grant		0.00		0.00
47	Interest		2,215.90		0.00
48	Milk Subsidy		229.59		0.00
52	Iris Payroll		0.00		516.25
53	Hall Hire.		4,816.67		0.00
54	Miscellaneous		31,000.00		0.00
55	Staff Uniform		0.00		0.00
56	Regalia		0.00		0.00
57	Stripe (SumUp) Till softwar		0.00		348.00
60	Tree Survey		0.00		0.00
61	Goal Posts		0.00		0.00
62	Football Pitch Marking		0.00		0.00
64	Shared Door		0.00		0.00
65	M.U.G.A./Playing Field		0.00		1,000.00
67	Shower / remedial work in p		0.00		0.00
68	Gym toilet		0.00		0.00
69	Leak in shower ceiling		0.00		0.00
70	Repairs to heating system		0.00		0.00
71	Leak on heating/hot water p		0.00		0.00
72	Football Kit		0.00		0.00
74	CCTV Monitor		0.00		1,690.25
75	Marketing Plan		0.00		0.00
76	Door at Bottom of Stairs		0.00		187.50
77	Decommission of Heat Coil		0.00		0.00
78	Emergency Lighting		0.00		78.15
79	Portaloos		0.00		0.00
80	Website		0.00		430.00
81	Engineering Inspection		0.00		104.73
82	Scribe Accounts		0.00		0.00
83	Funding for shed		0.00		0.00
84	Inland Revenue PAYE		0.00		15,836.88
85	Sliding Pedestrian / Gate		0.00		0.00
86	Consultancy		0.00		17,643.66
87	Bleed Control kit		0.00		89.98
88	Staffology payroll		0.00		36.75
89	Medical Report		0.00		50.00
90	Field Hire		750.00		0.00
91	Office Chair		0.00		89.99
92	laptop		0.00		489.99
93	Toning Equipment		0.00		47.60
	Opening General Fund	137,879.84			
	Capital Reserves	0.00			
	Earmarked Reserves	0.00			
	Reserves Transfers			0.00	
	Reserves Spend	0.00			
	Reserves Receipts			0.00	
GROSS TOTAL			**338,055.72**		**335,901.46**

Smith's Wood Parish Council

TRIAL BALANCE

2024-2025

Code	Title		Income		Expenditure
	Cash in hand			135,725.58	
	VAT recoverable			2,154.26	
	Debtors			0.00	
	Prepayments			0.00	
	Stocks and stores			0.00	
	Creditors	0.00			
	Receipts in Advance	0.00			
	Accruals	0.00			
1	Stationery, Software & Equ		0.00		1,680.68
2	Miscellaneous		0.00		692.14
3	Audit Fees		0.00		920.00
4	Cllr Special Responsibilitie:		0.00		0.00
5	Insurance		0.00		4,567.28
6	Bank Charges		0.00		286.33
7	VAT Repaid		0.00		0.00
8	Capital Expenditure		0.00		0.00
9	Contingency Fund		0.00		0.00
10	Business Rates		0.00		12,974.00
11	Grant Aid		0.00		0.00
12	Grounds Maintenance		0.00		1,830.00
13	Gym Takings		28,244.35		0.00
14	VAT Reclaimed		0.00		0.00
16	Miscellaneous		0.00		0.00
17	Organised Event		0.00		0.00
18	Milk		0.00		2,996.00
19	Organised Event		0.00		0.00
20	Advertising & Publicity		0.00		0.00
21	Membership & Training		0.00		1,066.00
22	Honours Board		0.00		0.00
23	Chairman's Allowance		0.00		0.00
24	Hospitality		0.00		0.00
25	Chain of Office		0.00		0.00
26	Reserves		0.00		0.00
27	Gas		0.00		3,210.18
28	Electric		0.00		8,555.78
29	Water Rates		0.00		706.09
30	Telephone		0.00		1,785.14
31	Cleaning Materials		0.00		1,080.71
32	Stock		0.00		1,558.63
33	Equipment Maintenance &		0.00		1,988.48
34	Licences		0.00		1,509.09
35	Alarms & Security		0.00		310.25
36	General Maintenance		0.00		6,033.17
38	Refuse Collections		0.00		387.27
39	Clerk's Salary		0.00		30,957.21
40	Gym Staff Wages		276.99		67,312.55
41	Shared Maintenance		0.00		1,810.84
42	Sinking Fund		0.00		0.00
43	Solicitor's Fees		0.00		0.00
45	Precept		130,000.00		0.00

Code	Title		Income		Expenditure
46	Supportive Grant		0.00		0.00
47	Interest		3,092.80		0.00
48	Milk Subsidy		100.93		0.00
52	Iris Payroll		0.00		1,279.37
53	Hall Hire.		0.00		0.00
54	Miscellaneous		0.00		0.00
55	Staff Uniform		0.00		0.00
56	Regalia		0.00		488.77
57	Stripe (SumUp) Till softwar		0.00		348.00
60	Tree Survey		0.00		0.00
61	Goal Posts		0.00		0.00
62	Football Pitch Marking		0.00		323.83
64	Shared Door		0.00		0.00
65	M.U.G.A./Playing Field		0.00		1,000.00
67	Shower / remedial work in p		0.00		0.00
68	Gym toilet		0.00		0.00
69	Leak in shower ceiling		0.00		707.49
70	Repairs to heating system		0.00		0.00
71	Leak on heating/hot water p		0.00		0.00
72	Football Kit		0.00		0.00
74	CCTV Monitor		0.00		95.00
75	Marketing Plan		0.00		9,150.00
76	Door at Bottom of Stairs		0.00		29.38
77	Decommission of Heat Coil		0.00		578.89
78	Emergency Lighting		0.00		460.00
79	Portaloos		0.00		300.00
80	Website		0.00		504.17
81	Engineering Inspection		0.00		96.76
82	Scribe Accounts		0.00		561.60
83	Funding for shed		0.00		360.00
84	Inland Revenue PAYE		0.00		2,762.35
85	Sliding Pedestrian / Gate		0.00		102.00
86	Consultancy		0.00		1,691.25
	Opening General Fund	151,221.45			
	Capital Reserves	0.00			
	Earmarked Reserves	0.00			
	Reserves Transfers			0.00	
	Reserves Spend	0.00			
	Reserves Receipts			0.00	
GROSS TOTAL			**312.936.52**		**312.936.52**