

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?	n/a	
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?	n/a	
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.	n/a	

* *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

Easebourne Parish Council

<https://easebourne.org> PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F. Cash payments were properly supported by receipts, all cash expenditure was approved and VAT appropriately accounted for.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
H. Asset and investments registers were complete and accurate and properly maintained.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I. Periodic bank account reconciliations were properly carried out during the year.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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")	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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).	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
N. The authority has complied with the publication requirements for 2024/25 AGAR (see AGAR Page 1 Guidance Notes).	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
O. The authority has complied with laws, regulations & proper practices relating to digital and data compliance.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
P. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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: 10/05/2026 Name of person who carried out the internal audit: JENNIFER DE CLERCQ (MAAT) DTOR

Signature of person who carried out the internal audit

J de Clercq

Date

10/05/2026

*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).

Section 1 – Annual Governance Statement 2025/26

We acknowledge as the members of:

EASEBOURNE 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' means that this authority:
	Yes	No*		
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.	Yes	No	N/A	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:

13/05/2026.

and recorded as minute reference:

Item 12 REFERENCE

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

Chair



Clerk



www.easebourne.org WEBSITE ADDRESS

Section 2 – Accounting Statements 2025/26 for

EASEBOURNE PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2025 £	31 March 2026 £	
1. Balances brought forward	160,624	280,114	<i>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.</i>
2. (+) Precept or Rates and Levies	75,763	82,120	<i>Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.</i>
3. (+) Total other receipts	128,598	65,557	<i>Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.</i>
4. (-) Staff costs	16,575	17,749	<i>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.</i>
5. (-) Loan interest/capital repayments	2,532	2,532	<i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i>
6. (-) All other payments	65,764	70,269	<i>Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).</i>
7. (=) Balances carried forward	280,114	337,241	<i>Total balances and reserves at the end of the year. must equal (1+2+3) - (4+5+6).</i>
8. Total value of cash and short term investments	280,114	337,241	<i>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.</i>
9. Total fixed assets plus long term investments and assets	244,110	244,526	<i>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.</i>
10. Total borrowings	29,035	27,191	<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>

For Local Councils Only	Yes	No	
11 Do the figures in the accounting statements above exclude any trust transactions?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>For guidance refer to the Practitioners' Guide sections 2.31 to 2.33.</i>

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

12/05/2026

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

13/05/2026

as recorded in minute reference:

Item 13.

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



www.easebourne.org

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

In respect of

EASEBOURNE 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

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

DD/MM/YYYY

**Bank Reconciliation Statement as at 31/03/2026
for Cashbook 1 - Current Account**

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page</u>	<u>Balances</u>
Community Bank A/C	31/03/2026		28,653.67
			<u>28,653.67</u>
<u>Unpresented Payments (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			28,653.67
<u>Unpresented Receipts (Plus)</u>			
		0.00	
			<u>0.00</u>
			28,653.67
		Balance per Cash Book is :-	28,653.67
		Difference is :-	0.00

Signatory 1:

Name Signed Date

**Bank Reconciliation Statement as at 31/03/2026
for Cashbook 2 - Reserves Account**

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page</u>	<u>Balances</u>
Reserves Account	31/03/2026		52,448.98
			<u>52,448.98</u>
<u>Unpresented Payments (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			52,448.98
<u>Unpresented Receipts (Plus)</u>			
		0.00	
			<u>0.00</u>
			52,448.98
		Balance per Cash Book is :-	52,448.98
		Difference is :-	0.00

Signatory 1:

Name Signed Date

**Bank Reconciliation Statement as at 31/03/2026
for Cashbook 3 - Capital Projects Account**

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page</u>	<u>Balances</u>
	31/03/2026		0.00
	31/03/2026		16,138.35
			<u>16,138.35</u>
<u>Unpresented Payments (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			16,138.35
<u>Unpresented Receipts (Plus)</u>			
		0.00	
			<u>0.00</u>
			16,138.35
		Balance per Cash Book is :-	16,138.35
		Difference is :-	0.00

Signatory 1:

Name Signed Date

**Bank Reconciliation Statement as at 31/03/2026
for Cashbook 4 - Hampshire Trust Account**

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page</u>	<u>Balances</u>
Hampshire Trust Acc	31/03/2026		120,000.00
	31/03/2026		0.00
	31/03/2026		0.00
			<u>120,000.00</u>
<u>Unpresented Payments (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			120,000.00
<u>Unpresented Receipts (Plus)</u>			
		0.00	
			<u>0.00</u>
			120,000.00
		Balance per Cash Book is :-	120,000.00
		Difference is :-	0.00

Signatory 1:

Name Signed Date

**Bank Reconciliation Statement as at 31/03/2026
for Cashbook 5 - HRBS Account**

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page</u>	<u>Balances</u>
HRBS Account	31/03/2026		120,000.00
			<u>120,000.00</u>
<u>Unpresented Payments (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			120,000.00
<u>Unpresented Receipts (Plus)</u>			
		0.00	
			<u>0.00</u>
			120,000.00
		Balance per Cash Book is :-	120,000.00
		Difference is :-	0.00

Signatory 1:

Name Signed Date

Additional information to be submitted with Part 3 AGAR Checklist

Item required.	
1. State the basis of accounts – Income and Expenditure (I&E) <u>or</u> 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.	N/A
4. Copy of the notice for the period for the exercise of public rights (<u>pro-forma attached</u>)	✓
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.
<p>6. Copy of the explanations of significant variances (<u>pro-forma attached</u>) – <u>with numerical support</u>:</p> <p>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.</p> <p>Please also provide an explanation if the variance is greater than £100,000 regardless of whether this is less than 15%.</p> <p>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.</p>	✓
7. Copy of the bank reconciliation(s) (<u>pro-forma attached</u>) for all bank accounts held in the authority's name.	✓
8. State whether the Council operate with a petty cash system.	No.
9. Copy of the reconciliation between boxes 7 and 8 (<u>pro-forma attached</u>) – this must be quantified.	N/A
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.	N/A
11. A breakdown of the types of reserves (<u>pro-forma attached</u>) held between general reserves, earmarked reserves and restricted (ring-fenced) reserves.	✓
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.
<p>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:</p> <ul style="list-style-type: none"> • A copy of the full internal auditor report provided by your internal auditor (IA); • Supporting evidence of: <ul style="list-style-type: none"> 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.

Additional information to be submitted with Part 3 AGAR Checklist

15.	State the accounting system being used by the Council (i.e. Scribe, Excel, etc).	RIALTAS
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.	✓
17.	Copy of this completed sheet provided with your AGAR submission.	✓

See below



16. -

My (Clerk + RFO) working hours are 13 hrs/week to be worked flexibly. I tend to work the majority of these Mon/Tues/Weds & ad-hoc through the rest of the week. However, this will vary from late July through August due to school/nursery summer break & availability of childcare, so some flexibility in deadlines to respond to requests for further information would be greatly appreciated (at least a week if possible).

I will also be taking a week of annual leave for May half term - w/b 25th May, and a week in June for our annual family holiday, exact date tbc.