

## BREDHURST PARISH COUNCIL

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**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**
<b>A.</b> Appropriate accounting records have been properly kept throughout the financial year.	✓		
<b>B.</b> This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
<b>C.</b> This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
<b>D.</b> The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
<b>E.</b> Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
<b>F.</b> Cash payments were properly supported by receipts, all cash expenditure was approved and VAT appropriately accounted for.			✓
<b>G.</b> Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
<b>H.</b> Asset and investments registers were complete and accurate and properly maintained.	✓		
<b>I.</b> Periodic bank account reconciliations were properly carried out during the year.	✓		
<b>J.</b> 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.	✓		
<b>K.</b> 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. <i>(If the authority had a limited assurance review of its 2024/25 AGAR tick "not covered")</i>			NOT EXEMPT
<b>L.</b> 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.	✓		
<b>M.</b> 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 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)</i> .	✓		
<b>N.</b> The authority has complied with the publication requirements for 2024/25 AGAR <i>(see AGAR Page 1 Guidance Notes)</i> .	✓		
<b>O.</b> The authority has complied with laws, regulations & proper practices relating to digital and data compliance.	✓		
<b>P. (For local councils only)</b> Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes ✓	No	Not applicable


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

17/11/2025 22/04/2026 DD/MM/YYYY

HANNAH BARTON (KCC) OR

Signature of person who carried out the internal audit 

Date 22/04/2026

**\*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:

## BREDHURST 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:

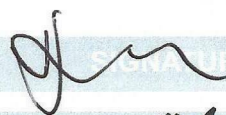
27/05/2026

and recorded as minute reference:

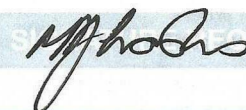
4739/26

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

Chair



Clerk



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**BREDHURST PARISH COUNCIL**

	Year ending		Notes and guidance
	31 March 2025 £	31 March 2026 £	
<b>1.</b> Balances brought forward	28,541	41,667	<i>Total balances and reserves at the beginning of the year as recorded in the financial records. Value <b>must</b> agree to Box 7 of previous year.</i>
<b>2.</b> (+) Precept or Rates and Levies	32,327	32,327	<i>Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.</i>
<b>3.</b> (+) Total other receipts	55,171	17,565	<i>Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.</i>
<b>4.</b> (-) Staff costs	10,920	20,578	<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>
<b>5.</b> (-) Loan interest/capital repayments	0	0	<i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i>
<b>6.</b> (-) All other payments	60,753	29,199	<i>Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).</i>
<b>7.</b> (=) Balances carried forward	41,667	41,781	<i>Total balances and reserves at the end of the year. <b>must</b> equal (1+2+3) - (4+5+6).</i>
<b>8.</b> Total value of cash and short term investments	41,667	41,781	<i>The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – <b>To agree with bank reconciliation.</b></i>
<b>9.</b> Total fixed assets plus long term investments and assets	68,545	70,074	<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>
<b>10.</b> Total borrowings	0	0	<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>

For Local Councils Only	Yes	No	
<b>11</b> Do the figures in the accounting statements above exclude any trust transactions?	✓		<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.**

*[Signature]*  
Date **27/05/2026**

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

**27/05/2026**

as recorded in minute reference:

**4739/26** REFERENCE

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

*[Signature]*  
NATURE REQUIRED

**Bredhurst Parish Council****Annual Return****Accounts for Year from 01/04/2025 to 31/03/2026**

This is prepared based on the information in "Governance and Accountability for Local Councils : a Practitioners' Guide"

Important note: These figures have been prepared on a RECEIPTS and PAYMENTS basis.

\* Note :- An asterisk to the right of the box below indicates it is an item that has changed by more than 15% and £200 from the previous year and probably warrants a comment in your notes. This is only an indication and should not be considered exclusive. You will only see asterisks if this is the second year you have used the report.

Box No.	Description	Year ending	
		31/03/2025 £	31/03/2026 £
1	Balances brought fwd	25,841.34	41,666.67
2	Annual precept	32,327.00	32,327.00
3	Total other receipts	55,171.00	17,564.65
4	Staff Costs	10,920.00	20,578.22
5	Loan interest/capital repayment	0.00	0.00
6	Total other payments	60,752.67	29,198.80
7	Balances carried forward	41,666.67	41,781.30
8	Total Cash and Short Term Inve	41,666.67	41,781.30
9	Total Fixed Assets and Long Ter	68,545.00	70,074.00
10	Total Borrowings	0.00	0.00

**Attachment 1.1 - Bank Reconciliation - Year ended 31 March 2026**

**Guidance per the Practitioner's Guide 2025 (selected)**

Point 1.10 - "Statements reconciling each of the authority's bank accounts with its accounting records need to be prepared on a regular basis, including at the financial year-end and reviewed by members of the authority".

Point 5.20 - "The year-end bank reconciliation is a key financial control as it will provide evidence to support the total cash and short-term investments balance shown in Line 8 in Section 2 of the authority's AGAR. As bank statements may be made up to different dates in the month, care should be taken, particularly at year-end, to ensure that the statement being reconciled includes balances as at 31 March".

Point 5.175 - "Where an authority holds short-term investments such as deposit or savings accounts, all year-end balances must be reported in detail within the bank reconciliation and be included in the sum of line 8". For more information on short-term investments, please see point 2.23 of the Practitioner's Guide 2025.

**Instructions for completing this template**

1. Please fill in the figure from the Annual Governance and Accountability Return (AGAR) for the Box 8 Cash and Cash Equivalents balance.
2. Complete the relevant sections to disclose the value of any cash held at bank accounts, any other cash amounts e.g., petty cash, any unbanked cash and any unpresented cheques. Each section includes a total and this will feed into a Net Balances figure towards the
3. The final row calculates a difference between the Box 8 value per the AGAR and the adjusted bank balance at 31 March 2026. This should be NIL (or round to nil) for the balance to be satisfactorily reconciled.

**NB: If the authority has either total income (Boxes 2+3) or total expenditure (boxes 4+5+6) above £500,000, the authority must provide a copy of the bank statement(s) showing the value of the bank account(s) at 31 March 2026 to support the figures per this template.**

<b>Box 8 Cash and Cash Equivalents</b>	<b>41,781.30</b>
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<b>Bank Statement Balances</b>	
Bredhurst Parish Council	31,089.86
Blacksmith Barn	10,691.44
<b>Total Cash at Bank</b>	<b>41,781.30</b>

<b>Additional Balances e.g., petty cash, short-term investments</b>	
<b>Total Additional Cash Balances</b>	<b>0.00</b>

<b>Total Balances at 31 March 2026</b>	<b>41,781.30</b>	<i>calculated figure</i>
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<b>ADD unbanked cash</b>	
<b>Total Unbanked Cash</b>	<b>0.00</b>

<b>LESS unpresented cheques</b>	
<b>Total Unpresented Cheques</b>	<b>0.00</b>

<b>Net Balances at 31 March 2026</b>	<b>41,781.30</b>	<i>calculated figure</i>
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<b>Difference</b>	<b>0.00</b>	<i>calculated figure</i>
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## Statement of Variances - Year ended 31 March 2026

### Instructions for completing this template:

1. Enter figures per the AGAR in the cells highlighted in light blue. This will automatically calculate a difference and a percentage change between years.
2. If the variance is within 15%, no explanation is required (except fixed assets). However, if it is outside this threshold, the percentage difference will highlight in yellow and an explanation is required.
3. Explanations should be entered in the 'Item' column within each section, quantified as appropriate. This will automatically calculate the remaining difference and the percentage unexplained. There is additional space in the 'Additional comments/explanations' column, where a more detail explanation can be provided for the movement between years.
4. Once a sufficient explanation has been given to bring the percentage within 15% between years, the percentage difference cell will highlight as 'green' in the 'explained' line.

**Please note that for fixed assets, regardless of the percentage change in the figure, an explanation is required for the movement.**

Item	2024-25	2025-26	Difference	%	Additional comments / explanations
<b>Box 2: Precept or Rates and levies</b>	<b>32,327.00</b>	<b>32,327.00</b>	<b>0.00</b>	<b>0.0%</b>	
			0.00		
			0.00		
			0.00		
			0.00		
<b>Box 2: Precept or Rates and levies (explained)</b>			<b>0.00</b>	<b>0.0%</b>	<b>No further explanation needed</b>

<b>Box 3: Total other receipts</b>	<b>55,171.00</b>	<b>17,564.65</b>	<b>-37,606.35</b>	<b>-68.2%</b>	
Lidsing Fundraising	33,340.00	266.94	-33,073.06		Public Fundraising for Judicial Review at the High Court against MBC and Lidsing Garden Development were received in 24-25. The Council lost this appeal in September 2024.
Additional Grants	3,256.97	0.00	-3,256.97		The Parish Council received a noticeboard grant and insurance claim for allotment fencing during 24-25.
			0.00		
			0.00		
			0.00		
<b>Box 3: Total other receipts (explained)</b>			<b>-1,276.32</b>	<b>-2.3%</b>	<b>No further explanation needed</b>

<b>Box 4: Staff costs</b>	<b>10,920.00</b>	<b>20,578.22</b>	<b>9,658.22</b>	<b>88.4%</b>	
			0.00		
	10,920.00	20,578.22	9,658.22		Staff costs have increased due to the Parish Council becoming the Sole Corporate Trustee of Bredhurst Village Hall in August 2025. The Clerk's hours increased throughout the year starting at 60 per month to 94. The increase in Employer's NI contributions and Pension Contributions have also had an effect. The Clerk's current SCP is 23 = £ 17.85. The Parish Council has also taken on a Part time Parish Caretaker.
			0.00		
			0.00		
			0.00		
<b>Box 4: Staff costs (explained)</b>			<b>0.00</b>	<b>0.0%</b>	<b>No further explanation needed</b>

<b>Box 5: Loan interest/capital repayments</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>#DIV/0!</b>	
			0.00		
			0.00		

			0.00		
			0.00		
			0.00		
<b>Box 5: Loan interest/capital repayments (explained)</b>			<b>0.00</b>	<b>0.0%</b>	<b>No further explanation needed</b>

<b>Box 6: Other payments</b>	<b>60,752.67</b>	<b>29,198.80</b>	<b>-31,553.87</b>	<b>-51.9%</b>	
Lidsing - Legal Costs	32,907.17	0.00	-32,907.17		Lidsing Legal costs were paid by the PC in 24-25 for Judicial Review. None were paid in 25-26 as thr Pairsh Coucil lost the appeal in September 2024.
			0.00		
			0.00		
			0.00		
			0.00		
<b>Box 6: Other payments (explained)</b>			<b>1,353.30</b>	<b>2.2%</b>	<b>No further explanation needed</b>

Guidance: please consider any movements in other payments and whether these may impact the movement in fixed assets in Box 9 below.

<b>Box 9: Fixed assets plus long-term investments</b>	<b>68,544.00</b>	<b>70,074.00</b>	<b>1,530.00</b>	<b>2.2%</b>	
Portable Pressure Washer Works Hydroshot		200.00	200.00		Purchased to clean playground and street furniture
25L Water Carrier		13.00	13.00		Purchased with pressure washer
Extendable Deluxe Wash Brush		24.00	24.00		Purchased with pressure washer
Step Ladders Blacksmith Barn		18.00	18.00		Purchased for Blacksmith Barn
Salt Bin (400 Ltr)		307.00	307.00		Purchased for Blacksmith Barn Car Park during winter months
Laptop Riser		13.00	13.00		Purchased for Clerks Monitor
Arnold Baker Local Council Administration	60.00	112.00	52.00		Updated Books
Clerk's Manual 2023 Edition	70.50	47.50	-23.00		Updated books
Pedestrian Field Gate		650.00	650.00		Not on original Asset List
3 x Padlock for Pedestrian Field Gate		66.00	66.00		Not on original Asset List
No Parking Signs x 3			210.00		Purchased for Blacksmith Barn
<b>Box 9: Fixed assets plus long-term investments (explained)</b>			<b>0.00</b>	<b>0.0%</b>	<b>No further explanation needed</b>

<b>Box 10: Total borrowings</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>#DIV/0!</b>	
			0.00		
			0.00		
			0.00		
			0.00		
			0.00		
<b>Box 10: Total borrowings (explained)</b>			<b>0.00</b>	<b>0.0%</b>	<b>No further explanation needed</b>

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**Attachment 1.4 - Earmarked Reserves - Year ended 31 March 2026**

**Guidance per the Practitioner's Guide 2025**

Point 1.13 - "The authority needs to have regard to the need to put in place a General Reserve Policy and have reviewed the level and purpose of all Earmarked Reserves"

Point 5.208 - "As authorities have no legal powers to hold revenue reserves other than those for reasonable working capital needs, or for specifically earmarked purposes, whenever an authority's year-end general reserve is less than three months or more than twelve months of net revenue expenditure an explanation should be provided to the external auditor".

**Instructions for completing this template**

1. Please populate the Annual Governance and Accountability Return (AGAR) figures for the total current year expenditure i.e., Boxes 4, 5 and 6.
2. The template will calculate the total value of revenue expenditure incurred in the period (which is the upper limit for the value of unearmarked/general reserves).
3. Please enter the value of balances carried forward (Box 7) for the level of general reserves held by the authority. A warning will appear if an explanation is required regarding the level of reserves held.
4. Please outline any earmarked reserves the authority hold in the 'Earmarked Reserves' section. Once a sufficient explanation is provided, this will be shown as 'Yes' in the 'Explanation sufficient?' line.

Annual Governance and Accountability Return (AGAR)	2025-26
Box 4 Staff Costs	20,578.22
Box 5 Loan interest/capital repayments	0.00
Box 6 Other payments	29,198.80
<b>Total Revenue Expenditure</b>	<b>49,777.02</b>
<b>Box 7 Balances carried forward</b>	<b>41,781.30</b>
<b>Explanation required?</b>	No
Earmarked Reserves	
Blacksmith Barn	10,691.44
Clerk's CiLCA Training Hours	4,231.00
Asset Replacement	5,000.00
Village Maintenance Projects	2,500.00
Legal Fees	4,000.00
<b>Total Earmarked Reserves</b>	<b>26,422.44</b>
<b>Unearmarked / General Reserves</b>	<b>15,358.86</b>
<b>Explanation sufficient?</b>	Yes