

The AGAR (Annual Governance and Accountability Return)

What is it?

Every year Wool Parish Council needs to complete an AGAR (Annual Governance and Accountability Return). It is basically an external audit of our financial statements and procedures (see Appendix A for a more detailed explanation of an audit).

What happens if we don't submit and pass the AGAR?

Wool Parish Council would be fined and reported to the Secretary of State for further sanctions. Not a position we want to find ourselves in.

What are the steps involved?

1. Produce End of Year accounts and get them approved by a full council meeting
2. Employ an external company to carry out an internal audit and get the results approved by a full council meeting
3. Fill in the forms required by the AGAR and get the forms approved by a full council meeting.
4. Submit the forms (and any additional material required) to the external auditor
5. Publish the required information on the website and give the public an opportunity to inspect the council's finances.
6. The external auditor will perform an external audit
7. Once the external audit is complete, publish the results on the website.
8. Any findings/recommendations from internal or external audit are acted upon by Wool Parish Council

Appendix A - What is audit and why is it important?

An audit is the review of an organisation's financial statements. It is carried out by a qualified, independent person who gives an opinion on whether those statements have been prepared in accordance with the specified requirements. Auditors of local public bodies also provide opinions on other aspects of the bodies' expenditure – such as arrangements for securing value for money, or whether the organisation's income and expenditure has been applied as intended by Parliament.

Local audit is an essential tool for giving assurance that bodies are spending public money efficiently and effectively. The audit of public bodies plays a key role in ensuring that people who handle public money are held responsible for its use. Regular audit also provides a way of showing that public bodies have good arrangements in place to manage their finances properly and deliver value for money.