



BENTHAM TOWN COUNCIL

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Dear PKF Littlejohn,

Explanation of Difference Between AGAR 2024/25 Box 7 and AGAR 2025/26 Box 1

A discrepancy of £126 was identified between the AGAR 2024/25 Box 7 (Balances Carried Forward) figure of £150,133 and the AGAR 2025/26 Box 1 (Balances Brought Forward) figure of £150,007.

The difference was identified beginning of March 2026 during a routine bank reconciliation procedure. Investigation established that the variance relates to payment number 367 for £126.76, which was recorded as an unrepresented payment at 31st March 2025 and therefore correctly included within the reconciled cash balance reported at the year end.

The payment was subsequently presented and cleared through the bank on 8th May 2025, within the 2025/26 financial year. Review of bank statements confirms that the payment cleared correctly and that bank reconciliations throughout the period were otherwise accurate.

During a review of historical reconciliations, it was noted that the opening cash-in-hand figure displayed on a bank reconciliation produced on 11th March 2026 differed from reconciliations produced earlier in the year (including July 2025 and those prepared in January and February 2026). The software provider, Scribe, was consulted but was unable to determine why the opening balance within the system changed retrospectively. The issue appears to be a software or historical data anomaly rather than an error in the underlying bank transactions.

The former RFO was responsible for the accounting records at the time the transaction occurred. As the payment was correctly cashed and reconciled in May 2025, and all bank reconciliations balance to the bank statements, there is no evidence of missing funds or an unreconciled transaction. The difference represents the value of the outstanding payment (£126.76, rounded to £126 in the AGAR figures) which was carried as an unrepresented item at 31 March 2025 and subsequently cleared in the following financial year.

The Council became aware of the discrepancy only during reconciliation reviews undertaken in January 2026. Despite enquiries, neither the current RFO nor Scribe have been able to establish why the opening cash-in-hand figure subsequently changed within the software. The Council has retained supporting bank statements, reconciliation reports and correspondence with Scribe as evidence of its investigation.

The Council is satisfied that the variance is attributable to a historical system/reconciliation anomaly associated with an outstanding payment from 2024/25 and that the underlying bank position remains fully supported by bank statements and reconciliations.

Yours sincerely,

C. Burrow