

Explanation of variances – pro forma

Name of smaller authority: **Hemswell Parish Council**

County area (local councils and parish meetings only):

Insert figures from Section 2 of the AGAR in all **Blue** highlighted boxes

Next, 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 £200);
- **New from 2020/21:** variances of £100,000 or more require explanation regardless of the % variation year on year;
- a breakdown of approved reserves on the next tab if the total reserves (Box 7) figure is more than twice the annual precept/rates & levies value (Box 2).

	2019/20 £	2020/21 £	Variance £	Variance %	Explanation Required?	Automatic responses trigger below based on figures input, DO NOT OVERWRITE THESE BOXES	Explanation from smaller authority (<u>must include narrative and supporting figures</u>)
1 Balances Brought Forward	15,379	8,540					
2 Precept or Rates and Levies	6,200	6,400	200	3.23%	NO		
3 Total Other Receipts	2,635	1,644	-991	37.61%	YES		£2500 received in grants for Maypole restoration in FY19/20 £1126 VAT refund received in FY20/21 for FY19/20 expenditure
4 Staff Costs	1,745	255	-1,490	85.39%	YES		Clerk resigned in June 20. No staff costs incurred from June 20. Clerk position remains unfilled
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	13,929	2,989	-10,940	78.54%	YES		Additional expenditure in FY19/20 of £10717 comprising £5480 - Maypole renovation £1393 - Neighbourhood Plan costs £1850 - Cemetery fencing £ 960 - Village Hall repairs £1034 - Beck Lane repairs
7 Balances Carried Forward	8,540	13,340				VARIANCE EXPLANATION NOT REQUIRED	
					YES	EXPLANATION REQUIRED ON RESERVES TAB AS TO WHY CARRY FORWARD RESERVES ARE GREATER THAN TWICE INCOME FROM LOCAL TAXATION/LEVIES	see reserves explanation £5900 maintenance reserves £1371 Neighbourhood plan grant (unused amount to be repayed) £1545 allocated to FY21/22 budget contribution £4525 general reserve
8 Total Cash and Short Term Investments	8,540	13,340				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	4,908	4,417	-491	10.00%	NO		
10 Total Borrowings	0	0	0	0.00%	NO		

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable

Explanation for 'high' reserves

Box 7 is more than twice Box 2 because the authority held the following breakdown of reserves at the year end:

	£	£	£
Earmarked reserves:			
Maypole Maintenance Fund	1500		
Bus Shelter Maintenance Fund	1750		
Cemetery capital project Fund	300		
Street furniture Fund	600		
Beck Maintenance Fund	500		
IT Equipment Fund	1250		
NHP Grant	1371		
FY21/22 Budget Contribution	1545		
			<u>8816</u>
General reserve	4524		
			<u>4524</u>
Total reserves (must agree to Box 7)			<u><u>13340</u></u>