

Explanation of variances – pro forma

Name of smaller authority: **Hemswell Parish Council**
County area: **Lincolnshire**

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 onwards:** 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).

	2020/21	2021/22	Variance	Variance	Explanation	Automatic responses trigger below based on figures input, DO NOT OVERWRITE THESE BOXES	Explanation from smaller authority (must include narrative and supporting figures)
	£	£	£	%	Required?		
1 Balances Brought Forward	8,540	13,340				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	6,400	6,800	400	6.25%	NO		
3 Total Other Receipts	1,644	302	-1,342	81.63%	YES		£1126 VAT refund received in FY20/21. No VAT refund claim made in FY21/22 due to timing of purchases.
4 Staff Costs	255	0	-255	100.00%	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	2,989	5,780	2,791	93.38%	YES		Additional expenditure in FY 21/22 of £2788 (from budget savings), for the purchase of a Speed Indicator Device (added to fixed asset register).
7 Balances Carried Forward	13,340	14,662				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 reserve tab explanation £7153 maintenance reserves £1371 Neighbourhood plan grant (unused amount to be repayed) £834 allocated to FY22/23 budget contribution £5304 general reserve
8 Total Cash and Short Term Investments	13,340	14,662				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and Assets	4,417	7,133	2,716	61.49%	YES		The following items were added to the council's asset register in FY 21/22 Fire Safe £ 393 Speed Indicator Device £2323
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

(Please complete the highlighted boxes.)

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		2000	
Bus Shelter Maintenance Fund		1654	
Cemetery capital project Fund		450	
Street furniture Fund		649	
Beck Maintenance Fund		750	
IT Equipment Fund		1500	
Defibrillator Consumables		150	
NHP Grant		1371	
FY22/23 Budget Contribution		834	
			<hr/>
			9358
General reserve	5304		<hr/>
			5304
Total reserves (must agree to Box 7)			<hr/> <hr/> 14662