

Explanation of variances – pro forma

Name of smaller authority:

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 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 Required?	Automatic responses trigger below based on figures input, DO NOT OVERWRITE THESE BOXES	Explanation from smaller authority (must include narrative and supporting figures)
1 Balances Brought Forward	180,508	162,892				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	28,161	29,682	1,521	5.40%	NO		
3 Total Other Receipts	3,229	121,666	118,437	3668%	YES		Variance due to significant volume of Community Infrastructure Levy (CIL) receipts received during the financial year, with a total value of £118,787.
4 Staff Costs	9,164	10,932	1,768	19.29%	YES		Variance principally due to (a) employment of Locum Clerk in May & June (£994); (b) pension costs associated with new Clerk, as previous Clerk had opted out (£723)
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	39,842	20,099	-19,743	49.55%	YES		Principal areas of variance were: (1) 2020/21 included grants of £10,208 to support local schools with the purchase of laptops for disadvantaged children during the Covid-19 pandemic. (2) 2020/21 included a significantly greater level of expenditure on projects (£19,875 v £3,285). Expenditure on projects was higher in 2020/21 as projects came to fruition, and slowed in 2021/22 following election of a largely new council.
7 Balances Carried Forward	162,892	283,208			YES	VARIANCE EXPLANATION NOT REQUIRED EXPLANATION REQUIRED ON RESERVES TAB AS TO WHY CARRY FORWARD RESERVES ARE GREATER THAN TWICE INCOME FROM LOCAL TAXATION/LEVIES	
8 Total Cash and Short Term Investments	162,892	283,208				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	27,188	27,436	248	0.91%	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

BOX 10 VARIANCE EXPLANATION NOT REQUIRED IF CHANGE CAN BE EXPLAINED BY BOX 5 (CAPITAL PLUS INTEREST PAYMENT)

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:			
Reserve 1 Payments approved by Council resolution and contracts let but billing yet to take place for Road Safety Feasibility Study Phase 2 £5,520; Studley Dog Waste bin (£254)	5909		
Reserve 2 Projects approved at Council but not yet let: Quemerford Kissing gate (£400), Purchase of tools for footpaths working group (£574), Purchase of new noticeboards (£3,400), Cherhill A4 layby waste bin (£250), Speed Limit Review A4 (£750), purchase of Speed Indicator Devices (£5,992.80), River Marden blue corridor project (£8,260); maintenance of Stockley Noticeboard (£135)	19785		
Reserve 3. Reserve held against possible election costs.	1754		
Reserve 4. Funds held from grant given to the Council by Sun Edison Solar energy supplier in 2015 can only be spent in line with the grant conditions given in the letter dated 8/01/2015	15313		
Reserve 5 Funds held from Community Infrastructure Levy Payments, can only be spent according to CIL regulations as set out in Government legislation and the Parish Council Policy statement. Funds to be spent by April 2024 to December 2026.	212705		
Reserve 6 0	0		
Reserve 7			
		255466	
General reserve	27743		
		27743	
Total reserves (must agree to Box 7)			283209