

Explanation of variances – pro forma

Name of smaller authority: [REDACTED]

County area (local councils and parish meetings only): [REDACTED]

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 (must include narrative and supporting figures)
1 Balances Brought Forward	39,669	8,903				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	9,564	10,000	436	4.56%	NO		
3 Total Other Receipts	15,173	6,258	-8,915	58.76%	YES		Receipts in 2019/20 were higher than the usual pattern of income. Most significant was £5580 received as contributions towards Playground Equipment but there was also a payment from the village hall of £986.67 towards a shared storage container and a donation of £500 towards the costs of a post for a vehicle activated sign.
4 Staff Costs	2,240	3,009	769	34.33%	YES		This variance has revealed a discrepancy in reporting costs between the two years. The £2240 for 2019/20 did not include the PAYE element of £560. The comparable figures for 2020/21 are: salary £2407 and PAYE £602. The variance when comparing like for like reduces to 7.5%.
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	53,263	9,626	-43,637	81.93%	YES		The amount for 20/21 is about the normal level of anticipated expenditure year on year. The high level of expenditure for 2019/20 included payments over and above those normally expected: a Vehicle Activated Sign, £2882.36, Phase 2 Play Park Equipment, £12126.75, Tarmac, £19,000.00, and Work to trees, £650.00.
7 Balances Carried Forward	8,903	12,526			NO	VARIANCE EXPLANATION NOT REQUIRED	
8 Total Cash and Short Term Investments	8,903	12,526				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	8,903	12,526	3,623	40.69%	YES		The Council wishes to maintain a general level of reserve or contingency at the same level as the precept (so £10000 currently). The reasons for the amount over that amount for 2020/21 are given overleaf. The level of reserve at the end of 2019/20 fell slightly short of the desired amount because of significant levels of expenditure that year - see box 6 above.
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:			
Reserve 1	2562		Including funds held for Crakehall Angling Club, Road Safety Measures. Major Maintenance Projects and Grave Maintenance
Reserve 2			
Reserve 3			
Reserve 4			
Reserve 5			
Reserve 6			
Reserve 7			
		2562	
General reserve	10000		
		10000	
Total reserves (must agree to Box 7)			<u><u>12562</u></u>