

## 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 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).

	2021/22	2022/23	Variance	Variance	Explanation Required?	Automatic responses trigger below based on figures input, <b>DO NOT OVERWRITE THESE BOXES</b>	Explanation from smaller authority (must include narrative and supporting figures)
	£	£	£	%			
1 Balances Brought Forward	22,240	18,660				Explanation of % variance from PY opening balance not required - Balance brought forward does not agree, query this	
2 Precept or Rates and Levies	7,927	7,528	-399	5.03%	NO		
3 Total Other Receipts	7,830	12,515	4,685	59.83%	YES	Grant Payments for Neighbourhood Plan £6.7k & Toll Bar Wood Infrastructure £1.6k. Also parishioner contribution for Defibrillator £1.1k	
4 Staff Costs	2,796	3,414	618	22.10%	YES	Increase in Clerk's pay rate from £11.30 to £11.50 and subsequently £12.51 standard pay increases.	
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	16,540	19,592	3,052	18.45%	YES	Defibrillator £1.4k and Toll Bar Wood Infrastructure £3.6k, New Clerk Recruitment £0.5k, Neighbourhood Plan £8.2k	
7 Balances Carried Forward	18,661	15,697			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	18,660	15,697				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and Assets	34,587	36,866	2,279	6.59%	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

(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:

	£	£	£
<b>Earmarked reserves:</b>			
Reserve 1			
Reserve 2			
Reserve 3			
Reserve 4			
Reserve 5			
Reserve 6			
Reserve 7			
			0
<b>General reserve</b>		15,697	
			15697
<b>Total reserves (must agree to Box 7)</b>			<u><u>15697</u></u>

The Parish Council is responsible for 4 street lights and 3 Defibrillators with total replacement costs of £8k  
Hence a higher reserve as a contingency for replacement costs.