

Explanation of variances – pro forma

Name of smaller authority:

Sutton Bridge Parish Council
South Holland

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);
- 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).

	2018/19 £	2019/20 £	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	123,900	157,016				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	61,982	63,841	1,859	3.00%	NO		
3 Total Other Receipts	40,732	27,755	-12,977	31.86%	YES		The VAT reclaim in 2018/19 included £11,917 relating to expenditure in the previous year [of this £7,754 of the reclaim related to expenditure on a new burial ground which was completed 2017/18]. In 2018/19 VAT began to be recovered more frequently [now reclaimed monthly]. Of the total VAT recovered in 2019/20 £1,100 related to the previous year. Therefore VAT variance = -£10,817. Remaining unexplained variance = -£2,160 < 15%.
4 Staff Costs	31,235	39,680	8,445	27.04%	YES		£1,554 HMRC payment in 2019/20 relates to 2018/19 PAYE. This equates to an explained variance of £3,108. Clerk's gross pay increased by £2,784 due to an increase in hours worked from 1,144 hours in 2018/19 to 1,298 hours in 2019/20. Remaining unexplained variance = £2,553 < 15%
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	38,363	58,469	20,106	52.41%	YES		2019/20 Purchase of Electric Utility Vehicle @ £11,820 incl. VAT. 2019/20 Purchase of replacement play swing and safety surfacing @ £9,851 incl VAT. Remaining unexplained variance -£1,565 < 15%
7 Balances Carried Forward	157,016	150,463			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	157,016	150,463				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments	174,202	190,760	16,557	9.50%	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:			
Garden Allotment Account	- 439.98		
Christmas Lighting Account	3,395.24		
Burial Ground Account	27,717.34		
Burial Ground Contract Retention	10,169.07		
Play equipment	8,626.28		
Pavilion	2,140.35		
Bus Shelters	1,000.00		
War Memorial Maintenance	250.00		
Signs, Noticeboard & Bird Boxes	250.00		
Planning/Architect Fees	2,500.00		
Elections	1,829.27		
		<u>57,437.57</u>	
General reserve	<u>93,025.59</u>		
		93,025.59	
Total reserves (must agree to Box 7)			<u><u>150,463.16</u></u>