

## Explanation of variances – pro forma

Name of smaller authority: **Tormarton Parish Council**

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).

	2020 £	##	2021 £	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	13,261		13,478				Explanation of % variance from PY opening balance not required - Balance brought forward does not agree, query this	
2 Precept or Rates and Levies	4,200		6,850	2,650	63.10%	YES		Tormarton Parish Council raised the Precept so that they could employ a Parish Clerk at an appropriate rate on the NJC scale. The Parish Council also raised the Precept to ensure adequate monies for the Council's functions.
3 Total Other Receipts	2,907		4,750	1,843	63.41%	YES		Tormarton Parish Council received the following monies in the year 2020/2021: Grants and Donations Received (£2968.58), Bank Interest (£4.50), VAT Returns (£952.21) and Marquee Hire (£825).
4 Staff Costs	1,310		2,304	994	75.87%	YES		Tormarton Parish Council employed a new Parish Clerk in April 2020 on NJC Scale Point 12 (£11.53 per hour) for 18 hours a month.
5 Loan Interest/Capital Repayment	0		0	0	0.00%	NO		
6 All Other Payments	5,580		7,438	1,858	33.30%	YES		General Expenditure at £7438. Clerk Expenses (£3), Internal Audit (£225), Insurance (£1205.97), Parish Council Website Maintenance (£292), Tormarton Village Website Maintenance (£54.22), West Littleton Website Village (£256.40), Councillor Training (£80), Grants and Donations (£95), Village Pond Maintenance (£3495.75), New Project Ideas (£289.54), VAT (£959.93), IT and Equipment (£481).
7 Balances Carried Forward	13,478		15,337			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	See Reserves Tab.
8 Total Cash and Short Term Investments	13,478		15,337				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	104,787		43,771	-61,016	58.23%	YES		Asset register was reviewed in 2020/2021 and agreed to value the assets as detailed in the register.
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

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>	
Parish Hall Committee Support	1000
Playing Field Committee Support	1000
Pond Committee Support	0
West Littleton Committee Support	1000
Playground Maintenance	250
Traffic Management/Parking Projects (TM & WL)	2500
General Asset Management	1000
Community Initiative Support	500
IT Equipment	19
Legal Costs	1000
Grassroots Community Fund (01/03/2021)	742.5
	<u>£9,011.50</u>
<b>General reserve</b>	<u>£ 6,325.29</u>
	£ 6,325.29
<b>Total reserves (must agree to Box 7)</b>	<u><u>£ 15,337</u></u>