

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).

	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	139,222	153,668				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	39,400	41,803	2,403	6.10%	NO		
3 Total Other Receipts	59,263	44,808	-14,455	24.39%	YES		Burial and memorial fees fell from 21475 to 7210 a drop of -£14,265 due to a fall in demand. Grants fell from 25807 to 6707 a drop of -£19,100. (The previous year we had grants for COVID business support for the Cemetery- £10,000, £1166 from Tesco- used for community litter picking kits, and just over £5238 from GCG Environmental Trust for Village Hall refurbishment, £4000 from Network Rail for car park, £8435 for Neighbourhood Plan work and £364 from the principal authority (TDC) council tax support grant and returned £2000 unspent from a previous grant to Essex Association of Local Authorities). This year we had £775 from Essex County locality grants, £2000 contribution from Ardleigh Recreation ground, £3566 for Neighbourhood Plan work and £366 council tax support.) There was no VAT claim in 2020-21 and in 2021-22 a refund of £16,272 was received- difference +£16,272. We also received an additional +£1400 from Essex County Council for devolved highways work and the Village Hall contribution to salaries was £8064 up from £7332 an increase of +£732.
4 Staff Costs	27,587	42,202	14,615	52.98%	YES		As a result of additional activity and projects, including support to the Village Hall and the Neighbourhood Plan, the The Council increased its salaries budget and appointed a Deputy Parish Clerk in April 2021 for 15 hours per week. The Clerk worked around 150 additional hours over the course of the year. In the previous year the Clerk's contracted hours increased from 12 to 20 from January 2021. A third staff member- the Village Hall Caretaker- is included in the total staff costs, but a salary contribution in 'other receipts' offsets this. Of the difference around £10,400 is new staff, £3600 additional hours existing staff and £600 pay award- all with on-costs (2 staff are members of the LGPS).
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	56,630	66,081	9,451	16.69%	YES		There were a number of areas where increased activity led to an increase in costs. Across our 'Amenities' codes there was a net increase of £550, with savings on Village hall (-£5882), Cemetery Maintenance/refunds (-£1500) handyman (-£1972) and archivist (-£105) mostly offsetting increases in environmental maintenance including trees and Millennium Green (£+3765) sports and play equipment maintenance (+£1764), grass cutting (+£2997), and footpath lighting (+£677) and verges (+£145). In the 'Administration' categories there was a larger increase of £8901 overall. Key increases, compared with 2020-21, were £6490 for Planning Consultants, £2017 VAT, £1206 for subscriptions (including IT), £1989 Office expenses including storage, £810 S137 grants, £617 printing, £429 training, £352 mileage. There were savings of £2533 for 'special events'- used last year to pay for grant funded litter picking kits, and £2398 on Neighbourhood Plan.
7 Balances Carried Forward	153,668	131,996			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						VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and A			0	0.00%	NO		
10 Total Borrowings			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:			
Cemetery	71,000.00		
Staff sickness/cover	1,700.00		
Village Hall	2,700.00		
Floral displays (2021-2	100.00		
		<u>75500</u>	
General reserve	<u>56,496.00</u>		
(note 6 months budgeted expenditure)		<u>56496</u>	
Total reserves (must agree to Box 7)			<u><u>131996</u></u>

Bank reconciliation – example

This reconciliation should include **all** bank and building society accounts, including short term investment accounts. It **must** agree to Box 8 in the column headed “Year ending 31 March 20xx” in Section 2 of the AGAR – and will also agree to Box 7 where the accounts are prepared on a receipts and payments basis

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

County area (local councils and parish meetings only): **Essex County**

Financial year ending 31 March 2022

Prepared by (Name and Role): **Rachel Fletcher Clerk/ RFO**

Date: **09/04/2022**

	£	£
Balance per bank statements as at 31/3/22:		
Barclays Current a/c 3423	36,761.55	
Barclays Business Saver (Deposit) a/c 3474	24,298.76	
Barclays General Reserve (Cemetery Extension) 7650	70,935.26	
	<hr/>	131,995.57
Petty cash float (if applicable)		-
Less: any un-presented cheques as at 31/3/22 <i>(normally only current account)</i> Cheque number		
	<hr/>	0.00
Add: any un-banked cash as at 31/3/xx <i>e.g Allotment rents banked 30/3/xx (but not credited until 2 April)</i>		
	<hr/>	-
Net balances as at 31/3/22 (Box 8)		<u><u>131,995.57</u></u>