

Explanation of variances 2021/22 – pro forma

Name of smaller authority: **Arcnott Parish Council**
 Insert figures from Section 2 of the AGAR in all **Blue** highlighted boxes

Now, 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 £500);
- a breakdown of approved reserves on the next tab if the total reserves (Box 7) figure is more than twice the annual precept value (Box 2).

	2021 £	2022 £	Variance £	Variance %	Explanation Required?	DO NOT OVERWRITE THE BOXES HIGHLIGHTED IN RED/GREEN	Explanation (must include narrative and supporting figures)
1 Balances Brought Forward	128,085	117,135				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	16,000	17,000	1,000	6.25%	NO		
3 Total Other Receipts	30,359	67,325	36,966	121.77%	YES		The Council received s106 grants totalling £41051 from Cherwell District Council for improvements to the Village Hall car park, and a VAT refund of £25072. In the prior year the Council received s106 grants of £29065 and a rate support grant of £519 from CDC
4 Staff Costs	2,393	2,398	5	0.22%	NO		
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	54,916	128,724	73,807	134.40%	YES		new patio for the village hall, £3592 on replacing all the village noticeboards and £39000 on a new playground. In the prior year the council spent £36031 on an outdoor gym. Underlying expenditure amounts to £20878 compared with £18885, a variance of 10%
7 Balances Carried Forward	117,135	70,338	-46,797	39.95%	YES		The cost of the new playground (£32500 net of VAT) was funded from an allocated reserve. The cost of the other items listed in 6 above (£54965 net of VAT) in excess of the s106 grants was partially funded by £10000 from a reserve allocated to improvement of the village hall with the balance being taken from the general reserve.
8 Total Cash and Short Term Investments	117,135	70,338	-46,797	39.95%	YES		See 7 above
9 Total Fixed Assets plus Other Long Term Investments and Assets	157,621	187,186	29,565	18.76%	YES		The new playground adds £32500 (net of VAT) offset by the removal of obsolete playground equipment (£1393). The new noticeboards actually represent a reduction in asset value of £1543 compared with the old ones they replaced.
10 Total Borrowings			0	0.00%	NO		

Excessive Reserves Ratio 7.32092 4.13753

PLEASE PROVIDE AN EXPLANATION FOR THE LEVEL OF RESERVES ON THE FOLLOWING TAB

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:			
Commuted playground maintenance reserve	23088		
Village hall upgrade	30000		
Resilience project balance of grant	1458		
		<hr/>	
		54546	
General reserve	15792	<hr/>	
		15792	
Total reserves (must agree to Box 7)		<hr/>	70338
			<hr/>
Box 7 per Annual Return			70,338
			<hr/>
Difference			0
			<hr/>