

Explanation of variances – pro forma

Name of smaller authority: **DROXFORD PARISH COUNCIL**

County area (local councils and): **HAMPSHIRE**

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:** 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).

	2019/20 £	2020/21 £	Variance £	Variance %	Explanation Required?	Automatic responses trigger below based on figures input, DO NOT OVERWRITE THESE BOXES	Explanation from smaller authority (<u>must include narrative and supporting figures</u>)
1 Balances Brought Forward	45,705	37,051				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	32,392	37,665	5,273	16.28%	YES		Increase due to funding required to augment a S106 payment to resurface The Square.
3 Total Other Receipts	9,588	51,856	42,268	440.84%	YES		Increase due to (1) S106 grant £41,415 to resurface the Square + (2) additional VAT repayment of £2,730 + (3) other net increases £348 - (4) reduced cemetery fees £2,225.
4 Staff Costs	6,068	6,240	172	2.83%	NO		
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	44,566	26,163	-18,403	41.29%	YES		Decrease due to (1) reduction in projects expenditure this year of £15,925 (major project last year was Recreation Ground car park) + (2) reduction in VAT of £3,903 + (3) March payments not authorised until April £5,936 - (4) tree surgery at allotments £5,670 - (5) other net increases £1,691.
7 Balances Carried Forward	37,051	94,169				VARIANCE EXPLANATION NOT REQUIRED	
					YES	EXPLANATION REQUIRED ON RESERVES TAB AS TO WHY CARRY FORWARD RESERVES ARE GREATER THAN TWICE INCOME FROM LOCAL TAXATION/LEVIES	Reserve built for planned resurfacing works to The Square to be part met by s106 funds plus an increase in the Precept to make up the shortfall.
8 Total Cash and Short Term Investments	37,051	94,169				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	94,617	97,703	3,086	3.26%	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