

Explanation of variances – pro forma

Name of smaller authority: **Minstead 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).

	2021/03 £	2022/03 £	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	12,306	31,622				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	11,500	11,500	0	0.00%	NO		
3 Total Other Receipts	21,536	9,270	-12,266	56.96%	YES		The previous year (2021) included unbudgeted Covid related grants. Current year included an unbudgeted small business grant of £8000. Outside the grants, receipts are in line with historical receipts and budgeted receipts
4 Staff Costs	7,649	6,369	-1,280	16.73%	YES		A new clerk was employed in June 2021 at a reduced pay grade.
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	6,071	5,482	-589	9.70%	NO		
7 Balances Carried Forward	31,622	40,541			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	31,622	40,541				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	16,931	16,931	0	0.00%	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

Explanation of Variances - High Reserves (2021-22)

High level of Reserves

The council currently carries a high reserve resulting from under used Covid and Small Business grants received during 2020 & 2021

The council will undertake to use the reserved funds in 2022 to support deserving local community projects where opportunity is identified

Explanation of Internal Control Objective (M) for 2021-22

Incorrect Right to Inspect Notice (2020-21 Accounts)

The incorrect notice of "right to inspect" was published following audit reviews for 2020-21. This was not identified until annual audit process the current year

The council will address this issue when publishing accounts and audit reviews for current year (2021-22)

Explanation of Section 1 - Annual Governance Statement Item 4 for 2021-22

Incorrect Right to Inspect Notice (2020-21 Accounts)

The incorrect notice of "right to inspect" was published following audit reviews for 2020-21. This was not identified until annual audit process the current year

The council will address this issue when publishing accounts and audit reviews for current year (2021-22)