

## Explanation of variances 2022/23 – pro forma

Name of smaller authority:

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);
- variances of more than £100,000 must be explained even where this constitutes less than 15%;
- 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).

Please ensure variance explanations are quantified to reduce the variance excluding stated items below the 15% / £500 / £100,000 threshold

	2022	2023	Variance £	Variance %	Explanation Required?		DO NOT OVERWRITE THE BOXES HIGHLIGHTED IN RED/GREEN	Explanation (must include narrative and supporting figures)
	£	£			Is > 15%	Is > £100,000		
1 Balances Brought Forward	41,717	44,570					Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	14,916	14,980	64	0.43%	NO	NO		
3 Total Other Receipts	1,887	20,000	18,113	959.88%	YES	NO		See sheet 3 - Total other receipts
4 Staff Costs	2,694	10,099	7,405	274.87%	YES	NO		See sheet 4 - Staff costs
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO	NO		
6 All Other Payments	11,256	12,108	852	7.57%	NO	NO		
7 Balances Carried Forward	44,570	57,343	12,773	28.66%	YES	NO		See sheet 7 - Balances brought forward
8 Total Cash and Short Term Investments	44,570	57,343	12,773	28.66%	YES	NO		See sheet 8 - Total cash and s t invest
9 Total Fixed Assets plus Other Long Term Investments and Assets	35,820	31,332	-4,488	12.53%	NO	NO		
10 Total Borrowings	0	0	0	0.00%	NO	NO		

Excessive Reserves Ratio 2.98807 3.82797

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

CHADLINGTON PARISH COUNCIL

3 - Total Other Receipts variances

2021/22	2022/23	Item	Explanation
£0.00	£750.00	Grants	2022/23 - £750 from Diplock Trust to purchase 2 new picnic benches for the playground - In earmarked reserves. Benches due to be purchased summer 2023 when the first phase of the playground refurbishment will be nearly completed
£0.00	£16,000.00	Donations	2022/23 - Donations received for the phase 2 of the playground refurbishment project (£1000 and £15,000) - In Earmarked Reserves.
£309.00	£293.00	Allotment rents	In 2021/22 £309 allotment rent received, in 2022/23 £293 allotment rent received
£1,578.33	£2,956.86	VAT repayment	More VAT in 2022/23 reclaim period than in 2021/22 reclaim period, so larger repayment received

CHADLINGTON PARISH COUNCIL

4 - Staff costs

2021/22	2022/23	Item	Explanation
£2,964.40	£8,446.16	Clerk salary	2021-22 - Previous clerk was employed for 6 hours per week on a lower salary rate. Clerk left in January 2022. New Clerk was employed in January 2022, but due to complications regarding a previous PAYE scheme it was not possible to set up a new PAYE reference until 2022/23. New Clerk employed at a higher salary rate, and for more hours 8 hours a week initially. 2022/23 - Figure includes pay which was not able to be paid to Clerk in 2021/22 due to issue with HMRC. Clerk is paid a higher salary rate and for a greater number of hours than the previous clerk (now 10 hours per week).
£0.00	£315.02	Employer NI	2021/22 - no employer NI due. 2022/23 - due to new salary rate and hours employer NI was payable
£0.00	£1,337.83	Employer pension	2021/22 - Previous Clerk did not have a pension. 2022/23 - OCC LGPS pension set up (as per new contract), with employer contribution

CHADLINGTON PARISH COUNCIL

7 - Balances carried forward

2021/22	2022/23	Explanation
£44,570.00	£57,343.00	Total receipts higher in 2022/23 than in 2021/22, increase from £16,803 to £34,980. Total payments higher in 2022/23 than in 2021/22, from £13,950 to £22,207. Therefore balance carried forward higher in 2022/23 than in 2021/22, as the difference in total receipts was more than the difference in total payments.

CHADLINGTON PARISH COUNCIL

8 - Total cash and short term investments

2021/22	2022/23	Explanation
£44,570.00	£57,343.00	Total receipts higher in 2022/23 than in 2021/22, increase from £16,803 to £34,980. Total payments higher in 2022/23 than in 2021/22, from £13,950 to £22,207. Therefore total cash and short term investments is higher in 2022/23 than in 2021/22, as the difference in total receipts was more than the difference in total payments.

## Explanation for 'high' reserves

(Please complete or update the highlighted boxes when the total in Box 7 is greater than 2 times the value of Box 2)

Box 7 is more than twice the value of Box 2 because the authority held the following breakdown of reserves at the year end:

	£	£	£
<b>Earmarked reserves*:</b>			
Playground repairs/replacments	41505.97		
Traffic control	2887.91		
Defibrillators	100.00		
Lease and legal	994.00		
Village Plan	1000.00		
Climate Action/Biodiversity	1000.00		
Allotments	445.00		
Payroll	195.00		
Insurance	231.32		
Playground maintenance	972.05		
		49331.25	
<b>General reserve</b>	8011.63		
		8011.63	
<b>Total reserves (must agree to Box 7)</b>			<b>57343</b>
<b>Box 7 per Annual Return</b>			57,343
<b>Difference</b>			<b>0</b>

Column B - Reserves should be renamed to show the specific purpose / name given by this authority.

Column D - Earmarked items - a value for the amount earmarked for each specific reserve should be entered. There maybe fewer than 5 reserves or more and the number can be reduced or extended as appropriate.

Column D - General reserves - this should relate to normal operating funds and should be the difference between the total of all Earmarked reserves and the value of Box 7 on Section 2 of the AGAR.