

Explanation of variances – pro forma

Name of smaller authority: **NEWDIGATE 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);
- **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).

	2019-2020 £	2020-2021 £	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	16,684	18,560				Explanation of % variance from PY opening balance not required - Balance brought forward does not agree, query this	Auditor checked all financial records and could not explain the difference between box 7 from last year. He said given the low precept the cost of his time to find the difference would not be justified.
2 Precept or Rates and Levies	10,720	11,256	536	5.00%	NO		
3 Total Other Receipts	9,958	4,468	-5,490	55.13%	YES		The previous year claimed back 4 years worth of VAT.
4 Staff Costs	7,270	10,479	3,209	44.14%	YES		Clerks hours increased. Pay rise in line with recommended pay scales
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	12,996	9,472	-3,524	27.12%	YES		Government-imposed year-long lockdowns resulted in lower financial activity for 2020-2021.
7 Balances Carried Forward	17,096	14,333				VARIANCE EXPLANATION NOT REQUIRED	
					NO		
8 Total Cash and Short Term Investments	18,513	14,322				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term In	2,552	3,924	1,372	53.76%	YES		Purchased new noticeboards.
10 Total Borrowings	0	0	0	0.00%	NO		

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable