

## Explanation of variances

Name of smaller authority:

Acklington Parish Council  
Northumberland

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 onwards:** 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).

	2020/21 £	2021/22 £	Variance £	Variance %	Explanation Required?	Automatic responses trigger below based on figures input, <b>DO NOT OVERWRITE THESE BOXES</b>	Explanation from smaller authority ( <u>must include narrative and supporting figures</u> )
1 Balances Brought Forward	11,575	12,765				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	7,500	8,000	500	6.67%	NO		
3 Total Other Receipts	7,542	1,625	-5,917	78.45%	YES		See Separate Sheet
4 Staff Costs	1,268	1,446	178	14.04%	NO		
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	12,584	5,220	-7,364	58.52%	YES		See Separate Sheet
7 Balances Carried Forward	12,765	15,724			NO	VARIANCE EXPLANATION NOT REQUIRED	
8 Total Cash and Short Term Investments	12,765	15,724				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	34,634	34,634	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 Box 3 Variance

Donations have decreased considerably, by £7,114.25, due to two large grants in the previous year. VAT refunds have increased by £1,135, as a large purchase was made in the previous year for which the VAT was reclaimed and received in the current year. Interest has decreased slightly by £1.93. Miscellaneous income has increased by £63 due to a bank compensation payment received in the current financial year for their error in processing forms.

	<b>2020-21</b>	<b>2021-22</b>	<b>Variance</b>
Donations	7,514.25	400.00	<b>-7,114.25</b>
Interest	3.14	1.21	<b>-1.93</b>
Misc	25.00	88.00	<b>63.00</b>
VAT Refunds	0.00	1,135.38	<b>1,135.38</b>
	<b>7,542.39</b>	<b>1,624.59</b>	<b>-5,917.80</b>

## Explanation of Box 6 Variance

A community defibrillator was purchased in the previous financial year for £1,750. Expenditure on the Footpath Warden Scheme has reduced by £922.84 due to the purchase of equipment in the previous financial year. Street Furniture expenditure has decreased by £3,787.50 due to the purchase of two new noticeboards in the previous financial year. These large purchases in the previous financial year have led to a reduction in recoverable VAT, of £947.20 in the current year. Neighbourhood Plan expenditure of £169.00 was incurred against £0 in the previous year, as the project is newly commenced. Other heads of expenditure have increased or decreased by smaller amounts as set out below.

	<b>2020-21</b>	<b>2021-22</b>	<b>Variance</b>
Audit	80.00	100.00	<b>20.00</b>
Clerk's Expenses	199.35	25.09	<b>-174.26</b>
Community Defibrillator	1,750.00	0.00	<b>-1,750.00</b>
Donations	765.00	750.00	<b>-15.00</b>
Election Costs	0.00	0.00	<b>0.00</b>
Fixed Assets	0.00	0.00	<b>0.00</b>
Flower Planters	0.00	44.16	<b>44.16</b>
Footpath Warden Scheme	2,011.51	1,088.67	<b>-922.84</b>
Insurance	257.60	257.60	<b>0.00</b>
IT Costs	0.00	0.00	<b>0.00</b>
Grounds Maintenance	1,532.38	1,788.75	<b>256.37</b>
Neighbourhood Plan	0.00	169.00	<b>169.00</b>
Play Area	524.49	137.95	<b>-386.54</b>
Stationery	0.00	14.95	<b>14.95</b>
Street Furniture	3,787.50	0.00	<b>-3,787.50</b>
Subscriptions and Training	130.91	260.84	<b>129.93</b>
Vehicle Activated Sign	0.00	0.00	<b>0.00</b>
Misc	15.00	0.00	<b>-15.00</b>
Recoverable VAT	1,530.29	583.09	<b>-947.20</b>
Unrecoverable VAT	0.00	0.00	<b>0.00</b>
	<b>12,584.03</b>	<b>5,220.10</b>	<b>-7,363.93</b>