

Explanation of variances – pro forma

Name of smaller authority: **TOWTON, GRIMSTON & KIRKBY WHARFE WITH NORTH MILFORD 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 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).

	2021/22 £	2022/23 £	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	34,633	36,402					
2 Precept or Rates and Levies	2,300	7,000	4,700	204.35%	YES		Increase of 200%. This is purely to cover the PWLB payments for the purchase of a community asset (village field) which took place last financial year. The precept increase proposal and land purchase was discussed and communicated at length with residents through a formal public consultation and other means. This was overwhelmingly supported by the electorate.
3 Total Other Receipts	175,098	7,203	-167,895	95.89%	YES		this latest financial year (2022-23) represents a more "normal" level of receipts compared to the receipt of a PWLB loan of £150,000 last financial year. However it does include a Locality Grant from the County Council for £675 as well as a £4,989 VAT reclaim.
4 Staff Costs	1,789	991	-798	44.61%	YES		Staff costs have reduced with a new Clerk only working 2 hours per week (instead of the usual 4). In addition, the clerk is paid quarterly and this figure only includes 3x quarters, as the Q3 cheque has not yet been cashed (£330).
5 Loan Interest/Capital Repayment	0	4,641	4,641	#DIV/0!	#DIV/0!		The PWLB payments have now commenced of £4,641 per annum for the next 50 years
6 All Other Payments	173,841	20,662	-153,179	88.11%	YES		The land was purchased last year for a cost of £140,000 and other associated legal fees, set up costs (one-off). This would bring costs much more in line with previous years payments
7 Balances Carried Forward	36,401	24,311				VARIANCE EXPLANATION NOT REQUIRED EXPLANATION REQUIRED ON RESERVES TAB AS TO WHY CARRY FORWARD RESERVES ARE GREATER THAN TWICE INCOME FROM LOCAL TAXATION/LEVIES	Reserves includes a grant held for the KWFG (Kirkby Wharfe Flood Group - £10,000) and £10,000 of PWLB loan remaining to purchase additional assets to improve and enhance the community land purchase and associated infrastructure.
8 Total Cash and Short Term Investments	36,402	24,311				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	148,251	152,529	4,278	2.89%	NO		
10 Total Borrowings	150,000	148,170	-1,830	1.22%	NO		

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable