

Explanation of variances – pro forma

Name of smaller authority: **Kingsmead Parish Council**
 County area (local councils and): **Cheshire West and Chester Council**

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).

	20xx/xx £	2019/20 £	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	4,142	12,642					
2 Precept or Rates and Levies	136,634	185,000	48,366	35.40%	YES		In 2019/20 £16,514 was added to the precept over the budgetary requirement to build reserves after the low reserves had been highlighted by the internal auditor. The tree works budget was increased from £1 to £10,000 to cover anticipated works, the Christmas event budget was increased by £2500 to allow for a larger event and £2337 was budgeted for elections in 2019 (£1 in previous year). £10,000 was also added for new play equipment to be purchased. £3500 was added to the additional grounds maintenance budget. £1500 was added to the website budget for updates and £700 was added to the training budget. The insurance budget was increased by £500 due to increased costs with £300 being added for the speedgun group and £480 for broadband/telephone costs which had previously been included in PC Office costs. A stationery and postage budget was also added at £100. Total added as above = £48,429 - see also attached approved budget for 2019-20
3 Total Other Receipts	24,705 Restated	27,038	2,333	9.44%	NO		
4 Staff Costs	17,429	22,615	5,186	29.76%	YES		The Clerk's hours were increased from 15 to 25 during 2019/20 to allow for study and training time and the extra workload from new projects and major contract renewals - breakdown of staff costs attached (Note - expenses of £14 in 2018-19 and £198 in 2019-20 are now removed from this category, hence the restated figure for 2018-2019). The increase in the takehome salary was £2092, with an increase of £1969 for NI and Tax and £1126 for pension contributions in 2019-20.
5 Loan Interest/Capital Repayment	0 Restated	0	0	0.00%	NO		
6 All Other Payments	135,410	167,740	32,330	23.88%	YES		The parish council owns nine play areas and in 2019/20, £10111 was spent on maintenance of ageing play equipment, £13035 was spent on new equipment and £1755 was spent on inspections, a total of £24,901. In the preceding year, 2018/2019, only £2226 was spent on the play areas for inspections and maintenance. An additional £6466 was spent on maintaining the ponds and culvert in 2019-20 due to additional works being required to one fo the culverts. The cost of tree works also increased by £4392. Total increases as above = £33,533 - see also attached summary of expenditure.
7 Balances Carried Forward	12,642	34,325			NO	VARIANCE EXPLANATION NOT REQUIRED	
8 Total Cash and Short Term Investments	12,642 Restated	34,325			NO	VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	122,030	134,311	12,281	10.06%	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

APPENDIX A – 2019-2020 BUDGET

		Current Year Budget	Next Year Budget
		<hr/>	<hr/>
100 Income			
1076	Precept	136,634	185,000
1100	Grants & Donation Received	936	468
1990	Other Income	0	100
	Total Income	137,570	185,568
	Income - Net Expenditure	<hr/> -137,570	<hr/> -185,568
110 Staff Costs			
4000	Staff Salary	13,135	15,210
4010	PAYE & NI	1,215	3,000
4030	Pension	3,520	4,937
4050	Staff Mileage & Benefits	0	100
	Total Overhead Expenditure	17,870	23,247
	Staff Costs - Net Expenditure	<hr/> 17,870	<hr/> 23,247
120 Admin Costs			
4200	Training	300	1,000
4205	Bank Charges	0	100
4210	Audit Fees	1,000	1,000
4215	Legal Professional Fees	1,000	1,000
4220	Subscriptions & Memberships	1,500	1,500
4225	Insurance	1,000	1,500
4230	Stationery & Postage	0	100
4235	Telephone & Broadband	0	480
4236	PC Office Costs	2,300	840
4240	Website	0	1,500
4245	Newsletter	1,000	500
4250	Grants Paid	1,000	1,000
4260	Elections	1	2,337
	Total Overhead Expenditure	9,101	12,857
	Admin Costs - Net Expenditure	<hr/> 9,101	<hr/> 12,857
130 Maintenance			
4300	Grounds Maintenance Contract	69,984	58,320
4305	Additional Grounds	11,500	15,000
4310	Monuments	300	0
4320	Clocktower	0	130
4330	Speedgun	0	300
4340	Ponds & Culvert	23,500	23,500
4350	Paths	5,000	5,350

		Current Year Budget	Next Year Budget
4360	Tree Works	1	10,000
	Total Overhead Expenditure	110,285	112,600
	Maintenance - Net Expenditure	110,285	112,600
140 Play Areas			
4400	Maintenance	2,700	3,000
4410	Inspections	1,662	1,000
4420	Equipment	0	10,000
	Total Overhead Expenditure	4,362	14,000
	Play Areas - Net Expenditure	4,362	14,000
150 Events			
4500	Open Day	1,000	1,000
4505	Best Kept Garden	0	350
4510	Xmas Lighting	2,500	5,000
	Total Overhead Expenditure	3,500	6,350
	Events - Net Expenditure	3,500	6,350
999 VAT Data			
515	VAT on Payments	18,000	10,000
	Total Overhead Expenditure	18,000	10,000
115	VAT on Receipts	18,000	10,000
	Total Income	18,000	10,000
	Total Budget	163,118	179,054
	Income :	155,570	195,568
	Net Expenditure	7,548	-16,514

Working details for ANNUAL RETURN - Year ended 31 March 2020

	<u>Last Year £</u>	<u>This Year £</u>	<u>Code and Centre</u>		<u>Code Description</u>
1	4,142	12,642	310	0	General Reserves
1	4,142	12,642	Total balances & reserves at the beginning of the year as recorded in the Financial Records		
2	136,634	185,000	1076	100	Precept
2	136,634	185,000	Total amount of Precept income received in the year		
3	23,769	19,347	115	999	VAT on Receipts
3	0	78	1090	100	Interest Received
3	0	149	1095	100	Income -Gas Governer Lease
3	936	6,598	1100	100	Grants & Donation Received
3	0	866	1990	100	Other Income
3	24,705	27,038	Total income or receipts as recorded in the cashbook minus the Precept receipts		
4	12,476	14,568	4000	110	Staff Salary
4	1,273	3,242	4010	110	PAYE & NI
4	3,679	4,805	4030	110	Pension
4	14	198	4050	110	Staff Mileage & Benefits
4	17,443	22,813	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and expenses		
5	0	0	Total expenditure or payments of capital and interest made during the year on borrowings		
6	20,759	26,683	515	999	VAT on Payments
6	0	102	4060	110	Staff other Expenses
6	334	1,019	4200	120	Training
6	106	137	4205	120	Bank Charges
6	828	655	4210	120	Audit Fees
6	146	1,200	4215	120	Professional Fees
6	1,493	1,488	4220	120	Subscriptions & Memberships
6	1,368	1,473	4225	120	Insurance
6	59	134	4230	120	Stationery & Postage
6	410	268	4235	120	Telephone & Broadband
6	2,544	1,477	4236	120	PC Office Costs
6	0	137	4237	120	Storage Costs
6	492	90	4240	120	Website
6	295	129	4245	120	Newsletter
6	1,200	0	4250	120	Grants Paid
6	0	229	4260	120	Elections
6	58,320	58,320	4300	130	Grounds Maintenance Contract
6	19,027	12,865	4305	130	Additional Grounds Maintenance
6	130	1,161	4320	130	Clocktower
6	272	0	4330	130	Speedgun
6	13,378	19,844	4340	130	Ponds & Culvert
6	4,995	5,350	4350	130	Paths
6	250	4,642	4360	130	Tree Works

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Working details for ANNUAL RETURN - Year ended 31 March 2020

	<u>Last Year £</u>	<u>This Year £</u>	<u>Code and Centre</u>		<u>Code Description</u>
6	1,389	10,111	4400	140	Maintenance
6	837	1,755	4410	140	Inspections
6	0	13,035	4420	140	Equipment
6	345	240	4505	150	Best Kept Garden
6	6,421	4,900	4510	150	Xmas Lighting
6	0	100	4520	150	S137 Additional expenditure
6	135,396	167,542	Total expenditure or payments as recorded in the cashbook minus employment costs (Line 4) and loan / interest expenditure / payments (Line 5)		
7	12,642	34,325	Total balances and reserves at the end of the year. [Must equal (1+2+3)-(4+5+6)]		
8	12,642	12,207	200	0	Current Bank A/c
8	0	7,049	210	0	Deposit Account
8	0	15,068	220	0	Nationwide 125 Day Contingency
8	12,642	34,325	The sum of all current and deposit bank accounts, cash holdings and investments held as at 31 March		
9	115,081	128,279	9	0	Total Fixed Assets
9	115,081	128,279	The recorded current book value at 31 March of all tangible fixed assets as recorded in the asset register		
10	0	0	The outstanding capital balances as at 31 March of all loans from third parties (usually PWLB)		