

**Explanation of variances – pro forma**

Name of smaller authority: **Stow 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	5,076	4,895				Explanation of % variance from PY opening balance not required - Balance brought forward does not agree, query this	
2 Precept or Rates and Levies	4,600	4,900	300	6.52%	NO		The Council received a 10K small business rate grant due to Covid 19 and also a grant of £6611 from Stow Recreation fund for the flashing speed signs and new picnic table and bench
3 Total Other Receipts	1,397	19,590	18,193	#####	YES		
4 Staff Costs	1,505	1,844	339	22.52%	YES		Salary increase for Clerk and backdated in line with National Salary Award
5 Loan Interest/Capital Repayment			0	0.00%	NO		
6 All Other Payments	4,672	9,961	5,289	113.21%	YES		Purchase of flashing speeding signs and picnic table and bench
7 Balances Carried Forward	4,896	17,580			YES	VARIANCE EXPLANATION NOT REQUIRED EXPLANATION REQUIRED ON RESERVES TAB AS TO WHY CARRY FORWARD RESERVES ARE GREATER THAN TWICE INCOME FROM LOCAL TAXATION/LEVIES	
8 Total Cash and Short Term Investments						VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	19,307	23,665	4,378	22.68%	YES		Purchase of flashing speeding signs and picnic table and bench
10 Total Borrowings			0	0.00%	NO		

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable



## Reconciliation between Box 7 and Box 8 in Section 2 - pro forma

(applies to Accounting Statements prepared on an income and expenditure basis only)

Please complete the highlighted boxes.

Name of smaller authority:

Stow Parish Council

County area (local councils and parish meetings only):

There should only be a difference between Box 7 and Box 8 where the Accounting Statements (Section 2 of the AGAR) have been prepared on an income and expenditure basis and there have been adjustments for debtors/prepayments and creditors/receipts in advance at the year end. Please provide details of the year end adjustments, showing how the net difference between them is equal to the difference between Boxes 7 and 8.

	£	£
<b>Box 7: Balances carried forward</b>		<b>4,895.00</b>
Deduct: Debtors (enter these as negative numbers)		
2		
3	_____	
	-	
Deduct: Payments made in advance (prepayments) (enter these as negative numbers)		
1		
2	_____	
	-	
<b>Total deductions</b>		<b>-</b>
Add:		
Creditors (must not include community infrastructure levy (CIL) receipts)		
Vat reclaim	1,810.00	
2	_____	
	1,810.00	
Add:		
Receipts in advance (must not include deferred grants/loans received)		
1		
2	_____	
	-	
<b>Total additions</b>		<b>1,810.00</b>
<b>Box 8: Total cash and short term investments</b>		<b><u>17,859.00</u></b>

## Bank reconciliation – example

This reconciliation should include **all** bank and building society accounts, including short term investment accounts. It **must** agree to Box 8 in the column headed "Year ending 31 March 20xx" in Section 2 of the AGAR – and will also agree to Box 7 where the accounts are prepared on a receipts and payments basis

Name of smaller authority: Stow ParishC ouncil

County area (local councils and parish meetings only):

### Financial year ending 31 March 20xx

Prepared by (Name and Role):

Clerk/ RFO

Date:

04/05/2021

		£	£
<b>Balance per bank statements as at 31/3/xx:</b>	<b>2021</b>		
e.g Current Account		17,859.00	
High Interest Account			
Building Society Premium Account			
		<hr/>	17,859.00
Petty cash float (if applicable)			
Less: any un-presented cheques as at 31/3/2021 (normally only current account)			
Cheque number 754		(200.00)	
		<hr/>	(200.00)
Add: any un-banked cash as at 31/3/xx e.g Allotment rents banked 30/3/xx (but not credited until 2 April)			
		<hr/>	-
<b>Net balances as at 31/3/2021 (Box 8)</b>			<u><u>17,659.00</u></u>