

Explanation of Variances

Name of smaller authority:

Teston Parish Council

County area (local councils and parish meetings only):

Kent

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).

	2019/20 £	2020/21 £	Variance £	Variance %	Explanation Required?	Automatic responses trigger below based on figures input, DO NOT OVERWRITE THESE BOXES
1 Balances Brought Forward	26,134	27,897				Explanation of % variance from PY opening balance not required - Balance brought forward does not agree, query this
2 Precept or Rates and Levies	25,000	25,800	800	3.20%	NO	
3 Total Other Receipts	4,294	8,413	4,119	95.92%	YES	The significant differences are that in 2020-21 we received two one-off grants - £1569 from Maidstone Borough Council towards a new notice board and £900 from KCC towards set up costs for our new website following their decision to discontinue supporting/hosting our previous website). We also received a £590 donation towards a memorial bench. Due to increased expenditure this had a knock on effect on vat and our reclaim for 2020-21 was £557 higher than the previous year. Fees for advertising in our village magazine increased by £462 in 2020-21, with allotment rent increased by £88. Conversely, bank interest during 2020-21 was £51 less than the previous year. All of these items together represent an increase in income of £4115.
4 Staff Costs	4,247	4,701	454	10.69%	NO	These have been restated for 2019-20 as the figure had included the Clerk's Office Allowance for home working. We now understand that this cost should be included in 'All other payments' and so the necessary adjustment has been made here and within 'All other payments'. 'Staff costs' now represents salary costs only.
5 Loan Interest/Capital Repayment	10,419	10,419	0	0.00%	NO	
6 All Other Payments	12,866	16,714	3,848	29.91%	YES	There were a number of increases in 2020/21 and/or exceptional payments: new website costs £978; £865 for a replacement bench; £384 for cleaning the War Memorial; £1258 for a deposit for the new notice board and ground preparation works; a £796 increase in allotment water use; £480 for a traffic survey; £2298 for new fencing; and £711 for the memorial seat referred to at section 3 above. Conversely, there were a number of decreases, many of which related to lack of activity due to Covid: £261 for expenses; £168 hall hire for meetings; £122 for the Annual Parish Meeting which could not take place; £438 for community activities; £375 in grants; £105 for street lighting as both our street lights have now been removed; £1120 for tree surveys and planting; £77 for signage; and £1284 for planting of a wildflower verge which took place in 2019-20 and was not repeated. All of these items together represent an increase in expenditure of £3820
7 Balances Carried Forward	27,896	30,276			NO	VARIANCE EXPLANATION NOT REQUIRED
8 Total Cash and Short Term Investments	27,897	30,276				VARIANCE EXPLANATION NOT REQUIRED
9 Total Fixed Assets plus Other Long Term Investments and Assets	25,333	27,691	2,358	9.31%	NO	
10 Total Borrowings	100,320	94,859	-5,461	5.44%	NO	

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable

BOX 10 VARIANCE EXPLANATION NOT REQUIRED IF CHANGE CAN BE EXPLAINED BY BOX 5 (CAPITAL PLUS INTEREST PAYMENT)