

Explanation for 'high' reserves

(Please complete or update the highlighted boxes when the total in Box 7 is greater than 2 times the value of Box 2)

Box 7 is more than twice the value of Box 2 because the authority held the following breakdown of reserves at the year end:

	£	£	£
Earmarked reserves*:			
Junior Play Area	23571		This reserve was provided for specific purpose for 15 year period
Exercise & ground maintenance	41039		This reserve was provided for specific purpose for 15 year period
VAT	4725		Amount in dispute
Library	153		Ongoing repairs
Buildings maintenance fund	8380		Reserve for maintenance of 4 buildings
		77868	

General reserve

9310
9310

Total reserves (must agree to Box 7)

£87,178

Box 7 per Annual Return

94,727

Difference

-£7,549

PLEASE PROVIDE AN EXPLANATION FOR THIS DIFFERENCE

EXPLANATION

Balances held at Bank Account at 31st March 2023

Current Account

5580

Pavilion Account

1969

£7,549

Explanation of variances 2022/23 – pro forma

Name of smaller authority:

Insert figures from Section 2 of the AGAR in all **Blue** highlighted boxes

Now, 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 £500);
- variances of more than £100,000 must be explained even where this constitutes less than 15%;
- a breakdown of approved reserves on the next tab if the total reserves (Box 7) figure is more than twice the annual precept value (Box 2).

Please ensure variance explanations are quantified to reduce the variance excluding stated items below the 15% / £500 / £100,000 threshold

	2022 £	2023 £	Variance £	Variance %	Explanation Required? Is > 15%	Is > £100,000	DO NOT OVERWRITE THE BOXES HIGHLIGHTED IN RED/GREEN	Explanation (must include narrative and supporting figures)
1 Balances Brought Forward	98,014	94,027						Explanation of % variance from PY opening balance not required - Balance brought forward agrees
2 Precept or Rates and Levies	38,620	42,000	3,380	8.75%	NO	NO		
3 Total Other Receipts	175,363	56,582	-116,781	66.59%	YES	YES	SEE ATTACHED	
4 Staff Costs	13,807	15,180	1,253	9.01%	NO	NO		
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO	NO		
6 All Other Payments	202,083	84,722	-117,341	58.07%	YES	YES	SEE ATTACHED	
7 Balances Carried Forward	94,027	94,727	700	0.74%	NO	NO		
8 Total Cash and Short Term Investments	94,027	94,727	700	0.74%	NO	NO		
9 Total Fixed Assets plus Other Long Term Investments and Assets	151,528	154,071	2,545	1.68%	NO	NO		
10 Total Borrowings	0	0	0	0.00%	NO	NO		

Excessive Reserves Ratio 2.43467 2.2554

PLEASE PROVIDE AN EXPLANATION FOR THE LEVEL OF RESERVES ON THE FOLLOWING TAB

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CHESTERTON PARISH COUNCIL EXPLANATION OF VARIANCES 2022/23

[Type here]

OTHER RECEIPTS	Variation Detail £	Reason
Current A/c		
VAT	-17156	£13732 recovered in 2021/22 because of Gt Wolf 2020/21. Balance normal VAT recovery
Transfers	-62076	£60k received after Deposit A/c closed & £2076 from reserves 2021/22
	-79232	
Deposit A/c	-22211	£30k to Redwood A/c 2021/22 Reserves increased £6380 2022/23
Pavilion A/c		
VAT	-13732	Amount transferred from Current A/c 2021/22 relating to Gt Wolf
Donations	-6335	2021 Donations re Gt Wolf 2021/22
	-20067	
Total	-121510	£116781 Variance as pro forma

OTHER PAYMENTS	Variation Detail £	Reason
Current A/c		
VAT	-13732	VAT recovery re Gt Wolf £13732 transferred to correct account 2021/22. No other expenditure.
Transfers	-59370	£60k to new Deposit A/c & £7750 to reserves 2021/22 £8800 to reserves 2022/23
	-76424	
Deposit A/c		
Reserves increased	-20000	£60k paid to Redwood 2021/22 £40k to Redwood 20022/23
Allotments	1600	Invoice payment 2022/23 paid via current A/c
Play area	2125	Invoice payment 2022/23 paid via current A/c
Security	1153	Invoice payment 2022/23 paid via current A/c
General	1240	Invoice payment 2022/23 paid via current A/c
	-13882	
Pavilion A/c		
Legal Costs	-27240	Gt Wolf legal costs paid 2021/22 £27,240
	-27240	
Total	117546	£117341 Variance per pro forma

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CHESTERTON PARISH COUNCIL EXPLANATION OF VARIANCES 2022/23

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EXPLANATION NOTES

Great Wolf Project

During the year ending 31st March 2023 the 'Great Wolf' project, which commenced in 2020/21 concluded. This was a fund-raising exercise to allow a planning objection and resulting appeal to be implemented by the Parish Council. The amount raised exceeded £100000.00. The income and expenditure during 2020/21 and 20221/22 reflected the fund-raising activities. The final expenditure (legal expenses etc) and income (VAT etc) took place in 2022/23. Once finished the Great Wolf Account was renamed the 'Pavilion Account'.

External Audit Report 2021/22

In addition, the External Auditors Report of 2021/22 suggested that transfers between accounts should not be included as the figures in section 2 items 3 and 6 would be inflated. Action has been taken to implement this suggestion but has caused a variation between 2021/22 and 2022/23 which has been shown.

01/06023 mgw