

Explanation of significant variances in the accounting statements - Section 2

Parish Council name: **BURNTWOOD TOWN COUNCIL**

Please explain any variances of more than 15% or anything over £100k for between the totals for individual boxes in Section 2. We do not require explanations for variances of less than £200; however, in some cases there may be 'compensating' variances which leave the overall total for a box relatively unchanged – e.g. where there was a major one-off project in one year (e.g. contribution to village hall extension of £30,000), but a totally different expense of a similar size in the next (e.g. purchase of playground equipment of £28,000). In such cases, it would be helpful to provide an explanation of movements within each box. **We also ask you to explain any change where there is a movement to or from zero.** Please either use the proforma below or complete a separate schedule if more space is required.

Section 2	2020/21 £	2021/22 £	Variance (+/-) £	Detailed explanation of variance (for each reason noted please include monetary values (to nearest £10))
Box 2 <i>Precept</i>	349,016	344,734	-4,282 (-1.2%)	-
Box 3 <i>Other income</i>	105,378	114,719	+9,341 (+8.9%)	-
Box 4 <i>Staff costs</i>	143,363	153,023	+9,660 (+6.7%)	-
Box 5 <i>Loan interest/ capital</i>	0	0	0	-
Box 6 <i>Other payments</i>	159,719	185,929	+26,210 (+16.4%)	There was a large drop in payments in 2020/21 primarily due to Covid and activity and payments recovered to some extent in 2021/22, although not to previous levels e.g. it was not possible to run larger events such as the summer 2021 Wakes festival. However, refurbishment of Old Mining College continued with some large projects, increasing expenditure by 33,611. Also, more community projects were started including a significant one on Dementia (increase of 9,755 in Other Community Projects). However, there were no election expenses in 2021/22 (fall of 23,028).
Box 7 <i>Balances carried forward</i>	596,147	716,648	+120,501 (+20.2%)	If some of the year-end balances are earmarked for specific purposes rather than as a general reserve, please provide a breakdown. List of Earmarked Reserves attached. Increase in reserves as income, particularly from re-letting business units in the Old Mining College, recovered more quickly than expected. However, whilst overall expenditure increased, it was not possible to carry out all the projects and events budgeted for because of the continued Covid restrictions.

Box 9 <i>Fixed assets & long term assets</i>	284,232	286,901	+2,669 (+0.9%)	Explain all movements in this category and not just those above 15% See attached 'Explanation of change in box 9'
Box 10 <i>Total borrowing</i>	0	0	0	-

Earmarked Reserves

<u>Account</u>	<u>Opening Balance</u>	<u>Net Transfers</u>	<u>Closing Balance</u>
311 EM Reserve - Capital-Cemetery	77,412.00		77,412.00
312 EM Reserve - Revenue	0.00		0.00
313 EM Reserve - Elections	27,706.00	10,000.00	37,706.00
314 EM Reserve - Town Strategy	79,752.00		79,752.00
315 EMR - Comm Projs/Better Bwood	62,320.00	10,638.01	72,958.01
316 EM Reserve - Neighbourhd Plan	15,250.00		15,250.00
317 EM Reserve - Old Mining Colleg	72,252.00	-12,516.00	59,736.00
318 EM Reserve - Defibrillators	1,232.00		1,232.00
319 EM Reserve - Civic Expenses	45.00	386.00	431.00
320 EM Reserve - SCAMP maintenance	500.00		500.00
321 EM Reserve - Events	21,093.00	19,670.00	40,763.00
322 EM Reserve - CIL money	29,611.48	22,363.00	51,974.48
323 EM Reserve - Bus shelters	9,294.00		9,294.00
324 EM Reserve - S Sutton Bursary	3,000.00		3,000.00
325 EM Reserve - Grant Aid	0.00		0.00
326 EM Reserve - Street Lighting	1,500.00		1,500.00
327 EM Reserve - Public Convenienc	15,291.00		15,291.00
	<u>416,258.48</u>	<u>50,541.01</u>	<u>466,799.49</u>

Explanation of change in box 9

Values as at 31st March 2021:

Asset register	202,008
Local Authority Property Fund	82,224
Total fixed assets plus long term investments and assets (AGAR Box 9)	<u>284,232</u>

Values as at 31st March 2022:

Asset register	204,677
Local Authority Property Fund	82,224
Total fixed assets plus long term investments and assets (AGAR Box 9)	<u>286,901</u>

Explanation of change in asset register value:

Value as at 31st March 2021	202,008
Add Town Council gazebo for use at events etc.	1,228
Add grit bins for around town and cemetery	621
Add various new noticeboards	996
Add new Christmas and other lights	1,074
Add miscellaneous other new furniture and equipment	1,961
Deduct white goods in transfer of kitchen to new business unit	1,600
Deduct disposals from closure of IT Suite (furniture, PCs and other equipment)	1,190
Deduct other disposals of various surplus furniture and equipment	420
Value as at 31st March 2022	<u>204,677</u>