**Explanation of variances for FLAGG PARISH COUNCIL**

County area (local councils and parish meetings only: **DERBYSHIRE**

**Please provide full explanations, including numerical values**, for the following:

* variances of more than 15% between totals for individual boxes (except variances of less than £200);
* a breakdown of approved reserves if the total reserves (Box 7) figure is more than twice the annual precept/rates & levies value (Box 2).

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Section 2** | **2016/17**  **£** | **2017/18**  **£** | **Variance**  **£** | **Variance**  **%** | **Detailed explanation of variance (with amounts £)** |
| **Box 2**  *Precept or Rates and Levies* | 1500 | 1500 | 0 | 0% |  |
| **Box 3**  *Total other receipts* | 50 | 544 | 494 | 988% | In 2017/18 the Parish Council received a Grant of £457 for the purchase of computer equipment and other items to create a website. A further rental payment of £50 was received that was not received last year. |
| **Box 4**  *Staff costs* | 782 | 687 | 95 | 12% | Previous Clerk had variable hours but the current Clerk for 2017/18 has fixed hours. |
| **Box 5**  *Loan interest/ capital repayments* | 0 | 0 | 0 | 0 |  |
| **Box 6**  *All other payments* | 229 | 2604 | 2375 | 1037% | In 2017/18 the Parish Council purchased and installed a Defibrillator costing £1584 from reserves. Grant funded Computer equipment at £457 and website services at £110. With the exception of website services these major expenses will be a one off. |
| **Box 9**  *Total fixed assets & long term investments & assets* | 0 | 0 |  |  | The ex-BT phone box was purchased for £1. Should this now be recorded as an asset? |
| **Box 10**  *Total borrowings* | 0 | 0 | 0 | 0 |  |
| **Explanation for ‘high’ reserves** | Box 7 is more than twice Box 2 because the authority held the following breakdown of reserves at the year end:  ***Although the Parish Council calls for only £1500 as a precept each year, it is thought that approximately £3000 should be kept in reserve to cover expenditure arising as a result of unforeseeable circumstances such as excesses to be met in the event of claims under insurance policy.*** | | | | |