

## Explanation of variances – pro forma

Name of smaller authority: **THURALSTON PARISH COUNCIL**

County area (local councils and parish meetings only): \_\_\_\_\_

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 £)
<b>Box 2</b> <i>Precept or Rates and Levies</i>	12000	12500	500	4.1%	
<b>Box 3</b> <i>Total other receipts</i>	5210	2873	2337	-44.9%	£1000 Community Grant via Blaby District Council rec 16-17 not 17-18 £1178 New Homes Bonus via Blaby District Council rec 16-17 not 17-18 £400 VAT refund reduced – no arrears, procedure in place for quarterly retrns to be filed.
<b>Box 4</b> <i>Staff costs</i>	5456	5427	29	0.5%	
<b>Box 5</b> <i>Loan interest/ capital repayments</i>	0	0	0	0	
<b>Box 6</b> <i>All other payments</i>	12713	11511	1202	9.1%	
<b>Box 9</b> <i>Total fixed assets &amp; long term investments &amp; assets</i>	6931	67323	60392		** Variance explanation
<p>**Reviewed inline with advices received and reference: Thurlaston Parish Council - Fixed Asset Register Summary Sheet – as at 30.06.2017 An extract from Governance &amp; Accountability for Local Councils (March 2014) states: Accounting for Fixed Assets 3.66. 3.67 Long-term investments (see paragraphs 2.29 to 2.37) are assets and must also be accounted for in the asset register. See paragraph 3.47 to 3.54 on how to report long-term investments. 3.68 Fixed assets acquired in any year must be added to the asset register for management purposes. For accounting purposes, however, acquisitions and disposals of fixed assets must be treated as any other purchase or sale and recorded as part of annual receipts or payments, expenditure or income. 3.69 Once recorded on the asset and investments register, the recorded value of assets and investments must not change from year to year until disposal. Commercial concepts of depreciation, impairment adjustments, etc. are not appropriate for local councils. For reporting purposes therefore, the 'book' value of fixed assets will stay constant throughout their life until disposal.</p>					
<b>Box 10</b> <i>Total borrowings</i>	0	0	0	0	
<b>Explanation for 'high' reserves</b>	Box 7 is more than twice Box 2 because the authority held the following breakdown of reserves at the year end:				