

Explanation of Variances 2020/2021**Kirkbymoorside Town Council****Financial year ending 31 March 2021**

Section 1	2019/20	2019/20	Variance (+/-) £	</>15%	Detailed explanation of variance of more than 15% (with amounts £)
Box 1 (-)Balances brought forward	156,530.77	160,695.02	+ 4,164.25	<15%	NA
Box 2 (=) Precept or Rates and Levies	73,500.00	74,00.00	+ 500	<15%	NA
Box 3 (+) Total other receipts	24,181.60	48,293.14	+ 24,111.54	>15%	+ 20,000.00 The Town Council agreed to work in partnership with Ryedale Cycle Forum and Kirkbymoorside Environment Group to apply for funding and, if successful, administration of the 'Path for Everyone' project. The application submitted to the Police, Fire and Crime Commissioner for North Yorkshire was successful and the project was awarded £20,000 from the AJ1 Project Road Safety Fund. The Town Council also agreed match funding of £20,000 from the Council's reserve funds. Recorded in the minutes of the Ordinary meeting of the Town Council: Minute 20058 dated 20 July 2020; Minute 20213 dated 15 March 2021; and Minute 20130 dated 16 November 2021.
Box 4 (+)Staff costs	29,835.47	29,812.59	-22.88	<15%	

Box 5 (=) Loan interest/ capital repayments	0	0	0	0	
Box 6 (-) All Other payments	63,681.88	64,833.53	+ 1,151.65	<15%	
Box 7 (+)Balances carried forward	160,695.02	188,342.04	+ 27,647.02	>15%	+ £20,000 held by the Town Council on behalf of Ryedale Cycle Forum & Kirkbymoorside Environment Group by agreement associated with 'Path for Everyone' project. Recorded in the minutes of the Ordinary meeting of the Town Council: Minute 20058 dated 20 July 2020; Minute 20213 dated 15 March 2021;
Box 9 (-) Total fixed assets plus long term investments and assets	512,512.00	519,153.00	+ 6,641.00	<15%	
Box 10 Total borrowings	0	0	0	0	

Minute 20058 of the Ordinary Meeting of the Town Council dated 20 July 2020:

20058 AJ1 Project Road Safety Fund

- a) Information in respect of the North Yorkshire Police, Fire and Crime Commissioner's AJ1 Project Road Safety Fund was **received**.
- b) Information from Ryedale Cycle Forum in respect of the cycle route from Kirkbymoorside to Ryedale School was **received**.
- c) The request to work in partnership with Ryedale Cycle Forum to apply for funding and, if successful, administration of the project was considered and **agreed**.

Minute 20130 of the Ordinary meeting of the Town Council dated 16 November 2021:

20130 The award of £20,000 from the AJ1 Project Road Safety Fund in response to the grant application submitted by the Town Council in partnership with Ryedale Cycle Forum and Kirkbymoorside Environment Group was **noted** and the Document of Understanding **agreed**.

Extract of Minute 20213 of the Ordinary meeting of the Town Council dated 15 March 2021 recording management of finances on behalf of the 'Path for Everyone' project:

20213 Path for Everyone

Correspondence from Kirkbymoorside Environment Group, in partnership with Ryedale Cycle Forum, was **received**.

The request for the allocation of a bank account for management of financial transactions associated with the project was **considered**. The clerk confirmed that the request is feasible both practically, as the Town Council can designate an existing account to the management of the funds and legally, in accordance with Section 139(1)(b) of the Local Government Act 1972.¹ In the accounts, it will be necessary to create separate headings in the cash book for the project income and expenditure. In the AGAR, the income and expenditure will be shown as separate income to the precept and expenditure will be included in 'expenditure other than staffing expenses'. The request for the allocation of a bank account for management of financial transactions associated with the project was **agreed**.

Explanation of High Reserves

Capital Budget considerations as recorded at Minute 20104 d. II. of the Ordinary meeting of the Town Council dated 19 October 2020:

20104 Financial matters:

d. 2020/21 Financial Considerations

II. Capital Budget

i. The specific reserves were considered and **agreed** as follows:

£50,000 allocated to the cemetery fund - the surplus of cemetery funds continue to be transferred into the cemetery account at the end of each financial year.

£25,000 earmarked for development (including repairs) of the sports field, play area and skate park.

£20,000 allocated for specific reserves to include:

¹ Section 139(1)(b) of the Local Government Act 1972, states ...a local council may accept, hold and administer, for the benefit of the inhabitants of the area or some part of it, gifts made for that purpose.

1. Staff sickness £5,000,
2. By-election provision £4,000
3. Manor Vale provision £6,000
4. Moorside Room provision £5,000

ii. It was agreed to retain the level of general reserve at **£40,000** on the basis that the general reserve is recommended to be at least half of the precept.

Allocation of **£20,000** from the Council's reserve funds (earmarked for development) to the Path for Everyone project as recorded at minute 20213 of the Ordinary meeting of the Town Council dated 15 March 2021. Extract as follows:

20213 Path for Everyone

The request for match-funding in the amount of £20,000 from the Council's reserve funds was **considered**. The Town Clerk confirmed that the request is feasible. The Town Council has high level of reserves which it would be prudent to earmark to satisfy the explanation provided to the external auditors. The cost of the project to upgrade the Town Council owned street lighting to LED lanterns was completed under budget so there are funds available that had previously been earmarked for this purpose. The request is also feasible legally, in accordance with various legislation.²

Cllr Brown proposed the allocation of £20,000 to the 'Path for Everyone' project from the reserve funds. **Agreed.**

Lisa Bolland

Responsible Financial Officer

10 May 2021

² Local Government (Miscellaneous Provisions) Act 1976, s.9; Public Health Act 1875, s.164; Highways Act 1980, ss.43, 50