

Kirkby Stephen Town Council.

Explanation of Significant Variances between 2020 – 21 and 2021 22

13 April 2022

Box 3 | Other Income

The council has received funds for the refurbishment of the Evergreen Building on Redmayne Road and for the benefit of Kirkby Stephen Youth Centre. These funds (a balance of £42,290 at 31 March) are being held in a restricted reserve to the benefit of the project and will be disbursed to the Evergreen Community Trust when it has completed its incorporation, registered as a charity and established a bank account.

Taking this into account the underlying receipts for 2021 22 are £20,637, £6,181 less than the previous year and an underlying variance of 23%.

1. The council did not make a recovery of VAT in the 2021/2022 year and the amount of unrecovered vat due to the 31 March 2022 is £3,301. A claim will be lodged for the period in this financial year.
2. Following the Pandemic and the loss of a member of staff the council has suffered a loss in earned income from advertising in the Parish Newsletter/Online and Room hires amounting to £3,004.

Taking these amounts (£6,305) into account the underlying variance is -£124, less than 1%, which would not ordinarily require an explanation for external audit purposes. The Town Council does publish a quarterly budget monitor for the Town Council and further minor variances can be reviewed there.

Box 6 | Other Payments

There were significant variances in the amounts spent on grass cutting and ad hoc tree works in the Open Spaces budget amounting to £5,021 between the years 2020 – 21 (£12,966) and 2021 - 22 (£7,945). When combined with the unrecovered VAT (£3,301) spent by the council in 2021-22. The underlying variance is -£3,571, less than 6.89%, which would not ordinarily require an explanation for external audit purposes. The Town Council does publish a quarterly budget monitor for the Town Council and further minor variances can be reviewed there.