

Explanation for Significant Differences 2020-21

1. 2019-20

In 2019-20 the Parish Council's normal Income and Expenditure were distorted by:-

- (a) A Grant from GAMP for Tree Maintenance
- (b) A Grant from Groundworks UK for Consultancy in support of the developing Middridge Neighbourhood Plan.
- (c) The first payment for the Service Level Agreement (SLA) with DCC to retain the Walkers Lane Street Lights.

2. 2019-20

In 2020-21 the Parish Council's normal Income and Expenditure were again distorted by:-

- (a) A Grant from GAMP for COVID-19 support, which was subsequently repaid unused.
- (b) The second of two large payments for the Service Level Agreement (SLA) with DCC to retain the Walkers Lane Street Lights.
- (c) An abnormally large VAT Refund, due to the previous year's SLA payment.
- (d) Payments for a new Website to comply with new Government Regulations.
- (e) A mistaken payment from Helen Alexander, which was immediately repaid.

If these factors are taken into account, it can be seen that the Parish Council's underlying Income and Expenditure have not altered substantially.

3. Financial Reserves

Due to above unusual payments, the Parish Council 's overall Financial Reserves have been reduced to a very low level. However, they should begin to recover in the next Financial Year, due to the fact that:-

- (a) The Parish Council's Precept has increase due to the increasing number of new Residents at "Elder Gardens" (despite losing our DCC LCTRS Grant).
- (b) There are no more large SLA payments, and we will receive another abnormally large VAT Refund, due to the previous year's SLA payment.

Thereafter the Parish Council plan to continue to restore their Financial Reserves to a prudent level. In future, as even more new Residents of "Elder* and "Acorn Gardens" begin to pay the Precept, the Parish Council's Income will increase substantially, without any corresponding increases in their Expenditure, and it may then be able to reduce the Precept.