

Attachment 1.4 - Earmarked Reserves - Year ended 31 March 2026

Guidance per the Practitioner's Guide 2025

Point 1.13 - "The authority needs to have regard to the need to put in place a General Reserve Policy and have reviewed the level and purpose of all Earmarked Reserves"

Point 5.208 - "As authorities have no legal powers to hold revenue reserves other than those for reasonable working capital needs, or for specifically earmarked purposes, whenever an authority's year-end general reserve is less than three months or more than twelve months of net revenue expenditure an explanation should be provided to the external auditor".

Instructions for completing this template

1. Please populate the Annual Governance and Accountability Return (AGAR) figures for the total current year expenditure i.e., Boxes 4, 5 and 6.
2. The template will calculate the total value of revenue expenditure incurred in the period (which is the upper limit for the value of unearmarked/general reserves).
3. Please enter the value of balances carried forward (Box 7) for the level of general reserves held by the authority. A warning will appear if an explanation is required regarding the level of reserves held.
4. Please outline any earmarked reserves the authority hold in the 'Earmarked Reserves' section. Once a sufficient explanation is provided, this will be shown as 'Yes' in the 'Explanation sufficient?' line.

Annual Governance and Accountability Return (AGAR)		2025-26
Box 4 Staff Costs		8,537.00
Box 5 Loan interest/capital repayments		0.00
Box 6 Other payments		40,570.00
Total Revenue Expenditure		49,107.00
Box 7 Balances carried forward		105,520.00
Explanation required?		Yes
Earmarked Reserves		
6 months running costs		18,000.00
Professional fees		3,000.00
Election costs		10,000.00
MWVH awning cover (grant)		2,000.00
MWVH Audio Visual		1,000.00
Benches and fencing Silver Lane park		5,500.00
Gorsty Hill Triangle redevelopment		2,500.00
Permissive path (gates x 3)		2,400.00
Goals Forestside		1,000.00
Defibrillator (Forestside)		1,000.00
Small grants		4,850.00
Total Earmarked Reserves		51,250.00
Unearmarked / General Reserves		54,270.00
Explanation sufficient?		No

Reserves are £5,200 too high, which is a modest amount above the recommended level. The Council has maintained prudent reserves and will formally consider earmarking for a specific project (playground re-furb) during this financial year once costs are established