Explanation of variances – pro forma

Name of smaller authority:

County area (local councils and parish meetings only):

Insert figures from Section 2 of the AGAR in all Blue highlighted boxes

Next, please provide full explanations, including numerical values, for the following that will be flagged in the green boxes where relevant:

- variances of more than 15% between totals for individual boxes (except variances of less than £200);
- **New from 2020/21 onwards:** variances of £100,000 or more require explanation regardless of the % variation year on year;
- a breakdown of approved reserves on the next tab if the total reserves (Box 7) figure is more than twice the annual precept/rates & levies value (Box 2).

	2024/25	2025/26	Variance	Variance	Explanation Required?	Automatic responses trigger below based on figures input, **DO NOT OVERWRITE THESE BOXES**	**Explanation from smaller authority (must include narrative and supporting figures)**
	£	£	£	%			
1 Balances Brought Forward	13,612	17,099				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	7,943	9,928	1,985	24.99%	YES		Increase 25-26 by 25% an annual total of £1985 to be able to continue to increase general reserves to a higher % of expenditure, whilst maintaining current committed expenditure. This has been increased in 24/25 and 25/26 by reasonable increass following advice and recommendations received from internal audit in 23/24 as general reserves were considered too low and did not allow for emergency situations.
3 Total Other Receipts	2,370	2,476	106	4.48%	NO		
4 Staff Costs	3,668	3,776	108	2.95%	NO		
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	3,158	3,358	200	6.34%	NO		
7 Balances Carried Forward	17,099	22,369				VARIANCE EXPLANATION NOT REQUIRED	

					YES	**EXPLANATION REQUIRED ON RESERVES TAB AS TO WHY CARRY FORWARD RESERVES ARE GREATER THAN TWICE INCOME FROM LOCAL TAXATION/LEVIES**
8 Total Cash and Short Term Investments	**17,099**	**22,369**				VARIANCE EXPLANATION NOT REQUIRED
9 Total Fixed Assets plus Other Long Term I	**7,671**	**7,671**	0	0.00%	NO	
10 Total Borrowings	**0**	**0**	0	0.00%	NO	

Explanation of Reserves
Reserves are greater than twice the income from the Precept as Earmarked reserves are held as listed below:
Reserves for The Pound Repairs £8200
Reserves for Community Initiatives £4000
Reserves for General Repairs/Upkeep of Assets £1090
Reserves for Contested Election £1500
Reserves for Office Equipment £900
Reserves for Grants £350
Reserve for purchase of new SID £1200

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable

BOX 10 VARIANCE EXPLANATION NOT REQUIRED IF CHANGE CAN BE EXPLAINED BY BOX 5 (CAPITAL PLUS INTEREST PAYMENT)