

Explanation of variances – pro forma

Name of smaller authority: Gunthwaite and Ingbirchworth Parish Council
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;

	2023/24 £	2024/25 £	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	11,304	12,794				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	6,500	8,300	1,800	27.69%	YES		Council spending in the previous three years had been subsidised from reserves that were too high (noted at previous Internal Audits). Budget setting for 2024/25 showed that this subsidy process had created a balance between reserves and expenditure. After a small increase (£567) in Precept for 2023/24, a larger increase in the Precept for 2024/25 to match the budgeted amount was agreed.
3 Total Other Receipts	3,338	892	-2,446	73.27%	YES		Grant funding and donations of £1471 were received at the end of the 2023/24 financial year for a Community project carried out in the following year. VAT reclaimed from 2023/24 (£684) was lower than from 2022/23 (£1734).
4 Staff Costs	2,025	2,829	804	39.70%	YES		In 2023/24 year only three quarterly salary payments were entered in the cashbook. Salary payments are made by cheque at the meeting closest (either earlier or later) to the quarter end (March, June, September, December). In 2022/23 a fifth payment was made (with a post-dated cheque) at the March 2023 meeting instead of the April 2023 meeting.
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	6,323	7,097	774	12.24%	NO		
7 Balances Carried Forward	12,794	12,060				VARIANCE EXPLANATION NOT REQUIRED	
8 Total Cash and Short Term Investments	12,794	12,060				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	86,332	87,982	1,650	1.91%	NO		
10 Total Borrowings	0	0	0	0.00%	NO		

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)