

Explanation of variances – pro forma

Name of smaller authority: [REDACTED]

County area (local councils and parish meetings only): [REDACTED]

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);
- variances of £100,000 or more require explanation regardless of the % variation year on year;
- **New from 2025/26 onwards:** variances of £500,000 or more in Box 3 require explanation regardless of the % variation year on year for smaller authorities with income and/or expenditure exceeding £6,500,000

	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	1,110	963				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	4,000	4,250	250	6.25%	NO		
3 Total Other Receipts	611	199	-412	67.43%	YES		VAT not claimed in 2025/26. Claim of £361.67 in 2024/25. Won a Rotary Club prize of £50 in 2024/25 but not in 2025/26 (total of these items 361.67 + 50.00 = £411.67 and thus tallies with the variance between accounting years)
4 Staff Costs	1,374	1,598	224	16.30%	YES		Clerks salary was brought up to date for the first time since 2022, in line with the Local government services pay agreement 2025/26 at SCP 20. Minutes of Sept 2025 copied below: Item 9 Clerks Salary – National Pay Award The 2025/26 hourly rate for this post is now £16.90/hour, which is an increase of £3.17/hour (over the last 5 years this would equate to an annual increase of around 63p/hr, per year). The Clerk is contracted to work 100 hours a year on SCP 20. Approving the salary increase would bring the Clerks annual pay up from £1,373.00 to £1,690.00 a difference of £317.00 over the course of the year (from 01/04/25 to 31/03/26). The Parish Council approved the above 2025/26 increase, the Clerk will instruct the accountant accordingly with the pay backdated from September. This will be reviewed in 2026. Clerk to contact accountant.
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	3,384	2,826	-558	16.49%	YES		In 2024/25 the grass cutting payments were for a total of 15 cuts @ £160 per cut. Due to the extremely dry weather in 2025/26 the cuts totalled 13, giving a saving of £320.00. Also, the hire of the village hall invoice had not come through in time for payment in 2025/26, so a further underspend of £48 was applicable but will show up in next years accounts. Similarly the bill from Adam Curtis web design was not received before the financial year end. This is normally around £190.(Total of the lower payments are £320 + 48 = 190 = £558, which equates to the variance)
7 Balances Carried Forward	963	988				VARIANCE EXPLANATION NOT REQUIRED	
8 Total Cash and Short Term Investments	963	988				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	321	321	0	0.00%	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