

## Explanation of variances – pro forma

Name of smaller authority: **Pontesbury Parish Council**  
County area (local councils and Shropshire)

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).

	2021/22 £	2022/23 £	Variance £	Variance %	Explanation Required?	Automatic responses trigger below based on figures input, <b>DO NOT OVERWRITE THESE BOXES</b>	Explanation from smaller authority (must include narrative and supporting figures)
1 Balances Brought Forward	208,217	250,734					
2 Precept or Rates and Levies	142,210	179,424	37,214	26.17%	YES		£20,000 increase for staff costs (1 scp for each of 3 existing staff members), 2021-22 and 2022-23 pay rise estimates and new Finance Officer (£8,000); £7,000 increase in community building costs (£5,000 business rates and estimated increase in running costs); £5,500 estimated legal fees for transfer of land and lease preparation for council buildings; £700 estimated increase in internal and external audit costs due to exceeding £200,000 threshold; £2,625 contribution to library service; £1,000 increase in newsletter costs (more pages/ increased circulation/ increase in printing costs) = £36,825 - Balance is general increase for inflationary costs
3 Total Other Receipts	104,008	47,531	-56,477	54.30%	YES		Previous year's receipts restated net of VAT due to conversion to Income and Expenditure; <b>Reduced income</b> in 22/23 for Newsletter adverts £704; CIL £29,912; Grants & donations £11,103; Solar lighting £19,570 and £8,872 Neighbourhood plan grant; Reduced contribution from Library Friends, £3,500, IT support £45. <b>Reduced income offset by increased income</b> from: Interest £3,880; Jubilee donations £3,588; Maintenance of public open space £8,000; Increased room hire £3,108; PCC rent £1,313, PCC service charge £6,800; Year end adjustments; Income further reduced by 22/23 YE VAT position -£10,040, and Receipts in advance, -£268 and debtors -£394;
4 Staff Costs	78,053	99,336	21,283	27.27%	YES		£4,900 Finance Officer salary from Sept; Clerk salary increase of £3,756 (1 scp increase in April 22, back pay for 21-22 pay rise paid April 22 and 22-23 pay rise back pay paid in Nov 22); Deputy Clerk pay increase of £2,233 (1 scp increase in April 22, back pay for 21-22 pay rise paid April 22 and 22-23 pay rise back pay paid in Nov 22. Also additional hours Apr-June for Platinum Jubilee and additional 3 hours per week from Dec 22 for newsletter editorial). Pavilion Assistant increase in salary of £1,801, (1 scp increase in April 22, back pay for 21-22 pay rise paid April 22 and 22-23 pay rise back pay paid in Nov 22); HMRC / Pension increase for all staff totalling £8,593
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	125,648	136,909	11,261	8.96%	NO		
7 Balances Carried Forward	250,734	241,443			NO	VARIANCE EXPLANATION NOT REQUIRED	
8 Total Cash and Short Term Investments	228,419	231,180				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	297,337	299,231	1,894	0.64%	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