

Explanation of variances – pro forma

Name of smaller authority:

HODNET PARISH COUNCIL

County area (local councils and parish meetings only): 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;

	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	70 468	84 427				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	26 893	28 237	1 344	5 00%	NO		
3 Total Other Receipts	29 756	18 917	-10 839	36 43%	YES	In 23-24 we had a neighbourhood fund of £18563.41, whereas in 24-25 we were only given £13217.75. The vat reclaim in 23-24 was £4257.73 whereas in 24-25 it was £3266.17. There were also lesser rental payments in the 24-25 year due to the tenant not paying monthly and paying later. The other £4414 is due to the value of the short term investment figure which as the investment value had risen in the 23-24 year Ariana Tewiah at PKF told me to amend box 3 to include the increase in value so I amended as requested. This year the short term investment has decreased in value and as per instructions from PKF I have reduced the figure in box 6 by the amount the investment value has decreased by.	
4 Staff Costs	11 091	12 017	926	8 35%	NO		
5 Loan Interest/Capital Repayment	0	0	0	0 00%	NO		
6 All Other Payments	31 599	37 099	5 500	17 41%	YES	Firstly, I included the reduction in value of the short term investment in box 6 as told to do so by Vibha Kaura from PKF. The investment value decreased from £53162.76 to £50685.79. The other increase in expenditure was the electric for street lighting which increased from £4779 to £8910	
7 Balances Carried Forward	84 427	82 465				VARIANCE EXPLANATION NOT REQUIRED	
8 Total Cash and Short Term Investments	84 427	82 465				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and A	110 984	134 413	23 429	21 11%	YES	Updated the asset register. Used the insurance values for buildings such as the bus shelters as these would cost more to rebuild/replace due to increases in costs of labour and materials	
10 Total Borrowings	0	0	0	0 00%	NO		

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable