

## Explanation of variances – pro forma for local councils

Egerton Parish Council

(Insert body name)

The JPAG 'Practitioners' Guide' (paragraph 2.15 onwards) provides guidance on explaining significant variances. Please provide explanations for the following:

- variances of more than 15% between totals for individual boxes (except variances of less than £200);
- if the total reserves (Box 7) figure is more than twice the annual precept value (Box 2).

Section 1	2016/17 £	2017/18 £	Variance £	Variance %	Detailed explanation of variance (with amounts £)
<b>Box 2</b> <i>Precept</i>	17,402	18,331	929	5.34	
<b>Box 3</b> <i>Other receipts</i>	29,765	22,258	(7,507)	(25.22)	Net reduction in donations year on year. - 9615 One off way leave contribution 16/17. - 750 Increased Games Barn income 17/18. + 721 Increased receipts newsletter 17/18 +2156 Net Total -7488
<b>Box 4</b> <i>Staff costs</i>	9,875	10,322	447	4.52	
<b>Box 5</b> <i>Loan interest/ capital repayments</i>	0	0	0		
<b>Box 6</b> <i>Other payments</i>	47,861	23,576	(24,285)	(50.74)	<b>One-off</b> Games Barn expenses 16/17 - 3866 Computer Centre equipment 16/17 - 2698 Village hall donation 16/17 - 4860 <b>2016/17 to 2017/18 variances</b> Misc expenses 159 Equipment -842 Donations -1093 Activities -4101 Land & highways maintenance -6324 Professional fees 1319 VAT paid -1979 Net Total -24285
<b>Box 9</b> <i>Fixed assets &amp; long term assets</i>	262,019	261,449	(570)	(0.22)	
<b>Box 10</b> <i>Borrowings</i>	0	0	0	0	
<b>Explanation for 'high' reserves</b>	Box 7 is more than twice Box 2 because .... The overall amount in Box 7 is more than Box 2. However, some of this money is ring-fenced for specific projects which can be seen from the different bank accounts. The Computer Centre is holding reserves to replace equipment. The Games Barn is holding reserves to refurbish the roof. The Village Hall money is to improve the village hall and the Egerton Update is the Parish Council magazine which pays for the printing of the magazine throughout the year. The total held in the Parish Council Current and Deposit accounts is £15,993.09 which is less than twice the precept (£36,662).				

