

Explanation of variances - pro forma for local Councils

Fawkham Parish Council

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 total reserves (Box 7) figure is more than twice the annual precept value (Box 2)

Section 1	2013/14	2014/15	Variance £	Variance %	Detailed Explanation of Variances
Box 2 Precept	£7,292	£8,750	£1,458	19.99%	Precept was increased in light of planned expenditure in the year ahead exceeding projected income by around £600, and the need for additional spending (e.g. to replace the parish council noticeboards).
Box 3 Other receipts	£751	£841	£90	12.01%	Explanation not needed (variance does not exceed £200 or 15%).
Box 4 Staff costs	£4,871	£5,329	£458	9.40%	Due to cancellation of March 2014 meeting, staff costs for March 2014 were paid in April 2014 (£365). During the year contracted hours were increased from 7 hrs pw to 8 hrs pw.
Box 5 Loan interest / capital repayments	£0.00	£0	£0	0.00%	Not needed (variance does not exceed 15%).
Box 6 Other payments	£3,347	£3,969	£622	18.60%	The scheduled parish council meeting in March 2014 was cancelled, and following payments moved into 2014/15 - donation to Village Hall Management Committee £250, donation to Ellenor Lions Hospice £50, and £23.40 to Sevenoaks District Council for emptying of dog bins. Fee was paid for application for advertisement consent for the new noticeboard and extra costs incurred relating to the grounds maintenance at the village hall.
Box 9 Fixed assets & long term assets	£233,708	£234,067	£359	0.15%	A review of the asset register led to the addition of a small item, hence the very small variation.
Box 10 Borrowings	£0	£0	£0	0.00%	Not needed (variance does not exceed 15%).
Explanation for high reserves					Not required - reserves do not exceed twice the precept.