Explanation of variances – pro forma 2025/26

PENSAX Parish Council

Worcestershire

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);
- 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).

	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	218,785	221,544					Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	7,300	9,000	1,700	23.29%	1	YES		achieved then the PC's reserves would twindle and run out. An increase was made of 23.9%. A combination of raising precept and using Interest from the Parish Council's investment Strategy. The exact figure for projected interest for the year was not used as the interest is now
3 Total Other Receipts	9,778	11,857	2,079	21.26%	1	YES		
4 Staff Costs	7,995	8,772	777	9.72%	0	NO		
5 Loan Interest/Capital Repayment	0	0	0	0.00%	0	NO		
6 All Other Payments	6,324	12,062	5,738	90.73%	1	YES		
7 Balances Carried Forward	221,544	221,567					VARIANCE EXPLANATION NOT REQUIRED	
						YES	**TAB AS TO WHY CARRY FORWARD RESERVES ARE GREATER THAN TWICE**	See Sheet
8 Total Cash and Short Term Investments	221,544	221,567					VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Inv	15,678	20,678	5,000	31.89%	1	YES		**3 new litterbins and 3 new defibrillators were purchased as listed on the asset register variance £6182**
10 Total Borrowings	0	0	0	0.00%	0	NO		

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable

BOX 10 VARIANCE EXPLANATION NOT REQUIRED IF CHANGE CAN BE EXPLAINED BY BOX 5 (CAPITAL PLUS INTEREST PAYMENT)