## Explanation of variances – pro forma

Name of smaller authority:

County area (local councils and parish meetings only):

**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);
- variances of £100,000 or more require explanation regardless of the % variation year on year;
- **New from 2025/26 onwards:** variances of £500,000 or more in Box 3 require explanation regardless of the % variation year on year for smaller authorities with income and/or expenditure exceeding £6,500,000

| | 2024/25 | 2025/26 | Variance | Variance | Explanation Required? | Automatic responses trigger below based on figures input, **DO NOT OVERWRITE THESE BOXES**<br>The Council was advised to infrease its general reserves by the internal auditor as these are too low. | **Explanation from smaller authority (must include narrative and supporting figures)** |
|---|---|---|---|---|---|---|---|
| | £ | £ | £ | % | | | |
| 1 Balances Brought Forward | 10,872 | 17,833 | | | | Explanation of % variance from PY opening balance not required - Balance brought forward agrees | |
| 2 Precept or Rates and Levies | 20,000 | 26,000 | 6,000 | 30.00% | YES | | The 30% increase in the precept for the upcoming financial year is driven by systemic inflationary cost pressures on essential services and the targeted funding of specific capital projects approved by the Council. |
| 3 Total Other Receipts | 17,149 | 6,473 | -10,676 | 62.25% | YES | | The Council received grants in the previoud year from East Riding Council of £10,897.16 |
| 4 Staff Costs | 6,535 | 6,741 | 206 | 3.15% | NO | | |
| 5 Loan Interest/Capital Repayment | 0 | 0 | 0 | 0.00% | NO | | |
| 6 All Other Payments | 23,653 | 22,671 | -982 | 4.15% | NO | | |
| 7 Balances Carried Forward | 17,833 | 20,894 | | | | VARIANCE EXPLANATION NOT REQUIRED | |
| 8 Total Cash and Short Term Investments | 17,833 | 20,994 | | | | VARIANCE EXPLANATION NOT REQUIRED | |
| 9 Total Fixed Assets plus Other Long Term Investments and | 504,930 | 506,981 | 2,051 | 0.41% | 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**