

Explanation of variances 2024/25 – pro forma

Name of smaller authority: GROBY PARISH COUNCIL
 Insert figures from Section 2 of the AGAR in all **Blue** highlighted boxes

Now, 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 £500);
- variances of more than £100,000 must be explained even where this constitutes less than 15%;

Please ensure variance explanations are quantified to reduce the variance excluding stated items below the 15% / £500 / £100,000 threshold

	2025 £	2024 £	Variance £	Variance %				Explanation Required? Is > 15%	Explanation (must include narrative and supporting figures) Note: If an explanation is required for the variance of Box 4 and the explanation refers to a change in hours or a change in pay rates, please could you note the previous hours/rates and the updated hours/rates
1 Balances Brought Forward	62,549	68,125							balance not required - Balance brought forward agrees
2 Precept or Rates and Levies	306,000	237,661	68,339	28.75%	1	0	1	YES	An External Auditor's bill of £39,000, received in May 2023, heavily depleted the level of General Reserves. Council agreed to add £24,000 to the 2024-25 precept to restore General Reserves in line with their Financial Reserves Policy (at least 3-months average expenditure). In addition a further £14,000 was added to the budget to build up reserves for the anticipated External Auditors bill for 2022-23 and 2023-24 for which it was known that objections had been received. An inflation uplift of between 5 - 10% including staff costs was incorporated in the 2024-25 budget which was then reflected as a £17,000 increase in the precept; £5,000 was added to the budget and precept to build up reserves for a replacement Council van; £5,000 was added to the budget and precept to extend the Christmas lights, carry out the required lamp post testing and to create an events budget; £3,000 was added to the Elections budget / precept as it was known that election costs had risen and this would act as a contingency in the event that a by-election was required. Overall, this resulted in a total increase of £68,000 to the 2024-25 precept requirement.
3 Total Other Receipts	61,306	64,693	-3,387	5.24%	0	1	0	NO	
4 Staff Costs	163,408	151,082	12,326	8.16%	1	0	0	NO	
5 Loan Interest/Capital Repayment	0	0	0	0.00%	0	0	0	NO	
6 All Other Payments	134,083	156,848	-22,765	14.51%	0	1	0	NO	
7 Balances Carried Forward	132,364	62,549	69,815	111.62%	1	0	1	YES	The £69,815 total increase in balances brought forward can be accounted for by: £51,802 increase in General Reserves + £4,955 increase in Ear Marked Reserves + £13,058 increase in Restricted Reserves. The General Reserves increase of £51,802 is due to £24,000 being added to the 2024-25 precept to aim to restore the General Reserves level in line with the Financial Reserves Policy; £10,000 received in additional income (in excess of budgeted income) through Cemetery fees, donations and grants plus a £17,802 underspend at year-end. Ear Marked Reserves increased due to £5000 being allocated to a newly created EMR at the beginning of 2024-25 for a replacement Council Van. Restricted Reserves increased due to Section 106 projects coming to fruition including the release of s.106 maintenance monies.
8 Total Cash and Short Term Investments	160,689	83,438	77,251	92.58%	1	0	1	YES	Cash in bank at 31.03.2025 increased by £77,251 from 31.03.2024. £69,815 of this is due to the increase in General Reserves, Ear Marked Reserves and Restricted Reserves as detailed above. £3,801 is accounted for by an increase in the current liabilities as at 31.03.2025 in comparison to 31.03.2024. £3,635 is accounted for due to the lower level of current assets which (excluding cash in bank) fell from £9,379 at 31.03.2024 to £5,744 at 31.03.2025.
9 Total Fixed Assets plus Other Long Term Investments and Assets	642,638	638,396	4,242	0.66%	1	0	0	NO	
10 Total Borrowings	0	0	0	0.00%	0	0	0	NO	