

## Explanation of variances – pro forma

Name of smaller authority: **Staunton on Wye Group Parish Council**

County area: **HEREFORDSHIRE**

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, <b>DO NOT OVERWRITE THESE BOXES</b>	Explanation from smaller authority (must include narrative and supporting figures)
1 Balances Brought Forward	6,110	38,645					RESTATED 2024/25: In April 2024 the Council established a committee to relocate and refurbish the war memorial: a separate bank account was opened and accounts kept. These were not disclosed to the internal auditor 2024/25 and were not managed according to financial regulations. The Council has been advised by the new Clerk that the Council was therefore not permitted to exempt itself from external audit, having failed to meet the provision of The Local Audit (Smaller Authorities) Regulations 2015, regulation 9(2) that the higher of payments or receipts should be under £25,000. Accounts for 2024-25 will need to be restated and AGAR corrected. Please see restatement bank reconciliation for 2024/25. The war memorial project is now completed - the account closed - and in the 2025/26 year those figures have been incorporated.
2 Precept or Rates and Levies	6,000	6,200	200	3.33%	NO		
3 Total Other Receipts	33,959	18,040	-15,919	46.88%	YES		RESTATED 2024/25: See above. The difference reflects fund-raising for the war memorial project.
4 Staff Costs	2,000	4,649	2,649	132.45%	YES		The Council's clerking arrangements were minimal until 12th May 2025 (a quarterly payment of £500) until a new clerk was employed on a standard contract and on the LGA scale at SCP26 for 5 hours per week. The Council was aware of the need to professionalise and update its processes and to expand its field of operation: it has entered the lengthsmen scheme operated by Herefordshire Council, and benefited from its Local Drainage Fund, is initiating a review of the Neighbourhood Development Plan and there are consequences for staff time.
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	5,424	53,668	48,244	889.45%	YES		RESTATED 2024/25: See above. The difference reflects £38,585.99 costs on the war memorial project. The remainder of the Council's expenses grew as a result of a substantial increase in lengthsmen's spending (6742 in 2025/26, Nil in 2024/25).
7 Balances Carried Forward	38,645	4,568				VARIANCE EXPLANATION NOT REQUIRED	RESTATED 2024/25 as per box 1
8 Total Cash and Short Term Investments	38,645	4,568				VARIANCE EXPLANATION NOT REQUIRED	RESTATED 2024/25 as per box 1
9 Total Fixed Assets plus Other Long Term Investments and	18,445	22,720	4,275	23.18%	YES		RESTATED 2024/25: Previous years' asset register included unsupported valuations and arbitrary revaluations and no longer reflected the asset base; 2025-26 includes additional assets acquired in 2025-26 as a result of the War Memorial project.
10 Total Borrowings	0	0	0	0.00%	NO		

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable