Explanation of variances

Name of smal: **Mersham Parish Council**

County area (local councils a: Kent

Insert figures from Section 1 of the AGAR in all Blue highlighted boxes

Next, please provide full explanations, including numerical values, for the following

	2022/23 £	2023/24 £	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	23,265	15,319							Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	28,000	23,350	-4,650	16.61%	1	0	1	YES		The Parish Council reduced the precept having previously raised it because the PC split in 2020 and it was important to build up a buffer. Now that it has been reached, it was considered appropriate to drop the precept rather than increase the reserves. Reduction of £4650 was agreed in November 2022 for the precept in 2023.
3 Total Other Receipts	3,440	20,648	17,208	500.24%	0	1	1	YES		The Parish Council had a new Hall built as an agreement with the developer of a 7 new homes in the Parish next to the original Hall. The Village Hall land is owned by the Parish Council and managed by a separate Management Charity. The new Village Hall required kitting out and the old hall needed some upgrades, the Parish Council agreed to pay the bills for these, as land owner, on the agreement that the Village Hall would make a contribution once it's income had increased. The Village Hall paid back a total of 17959.21 for 2022/23 and 2023/24. Grants received were £2785 in 22/23 but were £1080 in 2023/24, a reduction of £1705. Interest rates have increased so interest was £40.34 in 2023/24 compared to £4.85 the previous year, increase of £35.49. VAT reclaimed in 2023/24 was £1567.57, an increase of £917.33 on 2022/23. This gives a variation of 17959.21-1705+35.49+917.33 = £17207.03
4 Staff Costs	6,921	7,254	333	4.81%	0	1	0	NO		
5 Loan Interest/Capital Repayment	0	0	0	0.00%	0	0	0	NO		
6 All Other Payments	32,465	28,511	-3,954	12.18%	1	0	0	NO		
7 Balances Carried Forward	15,319	23,552						NO	VARIANCE EXPLANATION NOT REQUIRED	
8 Total Cash and Short Term Invest	15,319	23,552							VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and Assets	45,578	45,578	0	0.00%	0	0	0	NO		
10 Total Borrowings	0	0	0	0.00%	0	0	0	NO		