

Wem Rural Parish Council, Shropshire

Explanation of significant variances in the accounting statements – Section 2 of the Annual Governance and Accountability Return Accounts for the year ended 31 March 2018.

Please provide **full explanations, including numerical values**, for the following:

- variances of more than 15% between totals for individual boxes (except variances of less than £200);
- a breakdown of approved reserves if the total reserves (Box 7) figure is more than twice the annual precept/rates & levies value (Box 2).
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Section 1	2016/17 £	2017/18 £	Variances (+/-) £	Detailed explanation of variances																												
Box 2 Precept	22,700	25,000	2,300	-																												
Box 3 Other income	994	3,355	2,361	Increase of VAT paid of £3,000. Reduction of interest earned by £150. 2016/17 included £490 of Neighbourhood Funds																												
Box 4 Staff costs	7,625	8,647	1,022	Increase of hours for Clerk																												
Box 5 Loan interest/capital	NIL	NIL	-																													
Box 6 Other payments	20,171	16,663	3,508	Increase of newsletter costs of £1450. Increase of training costs of £350. Increase of grants given of £2900 Reduction of VAT paid £1,300. Reduction of assets purchased £7000																												
Box 9 Fixed assets & long term assets	14,773	18,216	3,443	Exercise equipment purchased																												
Box 10 Total borrowing	NIL	NIL	-																													
Explanation for 'high' reserves	<p>Box 7 is more than twice Box 2 because the authority held the following breakdown of reserves at the year end:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Clerk's Salary</td> <td style="text-align: right;">3,000.00</td> </tr> <tr> <td>Legal Fees</td> <td style="text-align: right;">2,250.00</td> </tr> <tr> <td>Website</td> <td style="text-align: right;">1,425.00</td> </tr> <tr> <td>VAS</td> <td style="text-align: right;">2,200.00</td> </tr> <tr> <td>Election Fees</td> <td style="text-align: right;">300.00</td> </tr> <tr> <td>Community Plan Actions</td> <td style="text-align: right;">1,550.00</td> </tr> <tr> <td>Bus Shelter VAT</td> <td style="text-align: right;">516.00</td> </tr> <tr> <td>Neighbourhood Fund</td> <td style="text-align: right;">348.02</td> </tr> <tr> <td>Community-Led Housing Grant</td> <td style="text-align: right;">46,230.16</td> </tr> <tr> <td>Community Grant</td> <td style="text-align: right;">600.00</td> </tr> <tr> <td>Diamond Jubilee Fund</td> <td style="text-align: right;">519.31</td> </tr> <tr> <td>Earmarked Reserves</td> <td style="text-align: right; border-top: 1px solid black;">58,938.49</td> </tr> <tr> <td>Contingency Reserves</td> <td style="text-align: right; border-top: 1px solid black;"><u>18,739.63</u></td> </tr> <tr> <td></td> <td style="text-align: right;"><u>77,678.12</u></td> </tr> </table>				Clerk's Salary	3,000.00	Legal Fees	2,250.00	Website	1,425.00	VAS	2,200.00	Election Fees	300.00	Community Plan Actions	1,550.00	Bus Shelter VAT	516.00	Neighbourhood Fund	348.02	Community-Led Housing Grant	46,230.16	Community Grant	600.00	Diamond Jubilee Fund	519.31	Earmarked Reserves	58,938.49	Contingency Reserves	<u>18,739.63</u>		<u>77,678.12</u>
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April 2018