

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 2019.

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	2017/18 £	2018/19 £	Variances (+/-) £	Detailed explanation of variances																																										
Box 2 Precept	25,000	26,000	1,000	-																																										
Box 3 Other income	3,355	555	2,800	Reduction of VAT reclaimed £2,888 Increase of Interest earned £88																																										
Box 4 Staff costs	8,647	8,798	151																																											
Box 5 Loan interest/capital	NIL	NIL	-																																											
Box 6 Other payments	16,663	13,499	3,164	Reduction in newsletter costs £1,000, reduction in Community-Led Housing Grant £1,300 reduction in Parish Plan actions £800																																										
Box 9 Fixed assets & long term assets	18,216	18,216																																												
Box 10 Total borrowing	NIL	NIL	-																																											
Explanation for 'high' reserves	Box 7 is more than twice Box 2 because the authority held the following breakdown of reserves at the year end: <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: right;">£</th> <th style="text-align: right;">£</th> </tr> </thead> <tbody> <tr> <td>Clerk's Salary</td> <td style="text-align: right;">3,000.00</td> <td></td> </tr> <tr> <td>Legal Fees</td> <td style="text-align: right;">2,250.00</td> <td></td> </tr> <tr> <td>Website</td> <td style="text-align: right;">1,425.00</td> <td></td> </tr> <tr> <td>VAS</td> <td style="text-align: right;">2,200.00</td> <td></td> </tr> <tr> <td>Community Plan Actions</td> <td style="text-align: right;">5,850.00</td> <td></td> </tr> <tr> <td>Bus Shelter VAT</td> <td style="text-align: right;">516.00</td> <td></td> </tr> <tr> <td>Neighbourhood Fund</td> <td style="text-align: right;">273.02</td> <td></td> </tr> <tr> <td>Community-Led Housing Grant</td> <td style="text-align: right;">41,230.16</td> <td></td> </tr> <tr> <td>Edstaston Village Hall Refurb</td> <td style="text-align: right;">8,000.00</td> <td></td> </tr> <tr> <td>Diamond Jubilee Fund</td> <td style="text-align: right;">519.31</td> <td style="border-top: 1px solid black;"></td> </tr> <tr> <td>Earmarked Reserves</td> <td></td> <td style="text-align: right;">65,263.49</td> </tr> <tr> <td>Contingency Reserves</td> <td></td> <td style="text-align: right;"><u>16,672.64</u></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;"><u>81,936.13</u></td> </tr> </tbody> </table>					£	£	Clerk's Salary	3,000.00		Legal Fees	2,250.00		Website	1,425.00		VAS	2,200.00		Community Plan Actions	5,850.00		Bus Shelter VAT	516.00		Neighbourhood Fund	273.02		Community-Led Housing Grant	41,230.16		Edstaston Village Hall Refurb	8,000.00		Diamond Jubilee Fund	519.31		Earmarked Reserves		65,263.49	Contingency Reserves		<u>16,672.64</u>			<u>81,936.13</u>
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April 2019