

Explanation of variances – pro forma

Name of smaller authority: **Metheringham, Sots Hole and Tanvats Parish Council**
County area (local councils and parish meetings only): **Lincolnshire**
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, DO NOT OVERWRITE THESE BOXES	Explanation from smaller authority (<u>must include narrative and supporting figures</u>)
	£	£	£	%			
1 Balances Brought Forward	344,254	401,251				Explanation of % variance from PY opening balance not required - Balance brought forward agrees	
2 Precept or Rates and Levies	180,000	197,100	17,100	9.50%	NO		
3 Total Other Receipts	54,991	85,497	30,506	55.48%	YES		Please see explanation below
4 Staff Costs	50,293	92,570	42,277	84.06%	YES		Please see explanation below
5 Loan Interest/Capital Repayment	0	0	0	0.00%	NO		
6 All Other Payments	127,701	157,826	30,125	23.59%	YES		Please see explanation below
7 Balances Carried Forward	401,251	433,451				VARIANCE EXPLANATION NOT REQUIRED	
8 Total Cash and Short Term Investments	402,962	443,768				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and Assets	1,364,769	1,367,607	2,838	0.21%	NO		
10 Total Borrowings	0	0	0	0.00%	NO		

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable

BOX 10 VARIANCE EXPLANATION NOT REQUIRED IF CHANGE CAN BE EXPLAINED BY BOX 5 (CAPITAL PLUS INTEREST PAYMENT)

Variance in Box 3 - Other Receipts - £30,506

In 2025-26 the parish council claimed the following amounts which should have been claimed in prior years:

2023-24 VAT Claim	10,971
2024-25 Grass Cutting Contribution from Lincolnshire County Council	5,165
2023-24 Grass Cutting Contribution from Lincolnshire County Council	2,413
2024-25 Rental of the Star & Garter Field by Metheringham School	2,400
Sub-Total	20,949

The council also made a mid-year VAT claim and claimed back credit from a Utility account:

2025-26 VAT Claim (Apr to Sep)	7,373
Total Energies repayment of credit	3,764
Sub-Total	11,137
Total	32,086

Variance in Box 4 - Staff Costs - £42,227

In 2024-25 the council operated with the following staff costs:

Clerk	20,898	There was no clerk for three months, June to August 2024 The RFO was only appointed in Feb 2025
RFO	435	
Handyperson	14,849	
HMRC and Employer Pension Contributions	14,111	
Total	50,293	

In 2025-26 the council operated with the following staff costs:

Clerk	28,330	Clerk employed for the full 12 months
RFO	18,731	RFO employed for the full 12 months
Handyperson	16,664	
HMRC and Employer Pension Contributions	28,845	
	92,570	

Difference 2024-25 to 2025-26 42,277

Variance in Box 8 - Other Payments - £30,125

Towards the end of 2024-25 the council embarked upon a programme of replacement streetlight columns.
This project accounted for the majority of the variance between the two years.

2024-25 Expenditure on streetlight columns	24,300
2025-26 Expenditure on streetlight columns	57,223
Difference 2024-25 to 2025-26	32,923