

**Welshampton and Lyneal 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).

<b>Section 1</b>	<b>2016/17 £</b>	<b>2017/18 £</b>	<b>Variances (+/-) £</b>	<b>Detailed explanation of variances</b>
<b>Box 2</b> <i>Precept</i>	15,675	16,052	377	
<b>Box 3</b> Other income	317	1,495	1,178	New receipts of Neighbourhood Fund £406.84 and Environmental Maintenance Grant £701.52. Increase of VAT reclaim of £120. 2016/17 included 'other' income of £50.
<b>Box 4</b> Staff costs	5,077	6,100	1,023	New Clerk recruited June 2017 on higher pay scale
<b>Box 5</b> Loan interest/capital	NIL	NIL	-	
<b>Box 6</b> Other payments	8,475	15,431	6,956	Street light conversion to LED £4,556. Published additional editions of newsletter £842. Training costs of £175. Grant to Village Hall £1,000. Additional VAT paid £1,200. 2016/17 included payments towards asset maintenance of £900
<b>Box 9</b> Fixed assets & long term assets	57,711	58,104	393	
<b>Box 10</b> Total borrowing	NIL	NIL	-	
<b>Explanation for 'high' reserves</b>	Box 7 is more than twice Box 2 because the authority held the following breakdown of reserves at the year end:			

April 2018