

# FORD PARISH COUNCIL

## VARIANCES EXPLANATION

### Summary of values for Annual Return

	31st March 16	31st March 17
Balance brought forward	25637	29043
Precept	15844	12844
Total other receipts	2256	6143
Staff costs	3868	5910
Loan interest/capital	1284	1283
All other payments	9542	11525
Balances carried forward	29043	29312
Total cash and short term investments	29043	29312
Fixed assets and long term	87369	86969
Borrowings	16827	15805

### Box 2 – Precept

A decrease of £3,000. This followed a careful budgeting process. The precept was reduced because it had been previously raised in anticipation of a specific project which was not going ahead.

### Box 3 – Other receipts

An increase of £3887, as follows:

Box 4 - Other receipts				
Variance	Year ending 31.03.16	Year ending 31.03.17	Difference	Explanation
Bank Interest	£9	£9	£0	
VAT refund	£0	£0	£0	VAT claim pending
LJC Grant Youth Club	£700	£1,199	£500	Timing of grant payment
Football Goals	£679	£0	-£679	One off investment
Village Show	£834	£674	-£160	Variable
Environmental Grant	£0	£2,200	£2,200	Grant received for first time this year
Transparency Grant	£0	£2,011	£2,011	Funding to comply with Transp. Code
Other income	£34	£50	£16	Compensation from bank
	<b>£2,256</b>	<b>£6,143</b>	<b>£3,887</b>	

### Box 4 – Staff costs

Increase of £2042, as follows:

Variance	Year ending 31.03.16	Year ending 31.03.17	Difference	Explanation
Salary	£3,056	£4,912	£1,855	New clerk appointed May 2016 on increased hours & salary point and locum clerk employed for part of 2016-17 due to change in clerks
Pension	£720	£912	£192	Correlated to increased salary
Expenses/mileage	£91	£86	-£5	In 2015/16 WFHA (office costs) was included in this category but mileage was not. This has now been corrected so that mileage is in staff costs but WFHA is not.
	<b>£3,868</b>	<b>£5,910</b>	<b>£2,042</b>	

### **Box 6 – All other payments**

Increase of £1983, as follows:

Variance	Year ending 31.03.16	Year ending 31.03.17	Difference
Insurance	£657	£686	£28
Clerk's Expenses & WFHA	£320	£575	£255
Hire of Hall for meetings	£70	£10	-£60
Newsletter (S137)	£432	£432	£0
ALC/SLCC Subscriptions	£284	£291	£7
Audit Fee /ICO Renewal	£165	£130	-£35
Training - Clerk & Councillors	£40	£44	£4
Website	£0	£700	£700
Safe Custody of Papers	£15	£15	£0
Ford Youth Group	£3,000	£3,500	£500
Play Area Maintenance/Weeds	£903	£2,807	£1,904
Play Area Inspection (ROSPA)	£77	£81	£4
Caretaker service	£600	£400	-£200
Street Lighting	£694	£705	£11
Football goals	£1,080	£0	-£1,080
Village Show	£513	£645	£132
Jubilee Bench	£159	£0	-£159
VAT	£534	£496	-£38
Other	£0	£10	£10
	<b>£9,542</b>	<b>£11,525</b>	<b>£1,983</b>

### **Box 8 – Balances and reserves**

A summary of the earmarked reserves at the end of the year is shown below:

<b>RESERVES</b>	<b>Balance 01.04.16</b>	<b>Income 2016-17 to end of year</b>	<b>Expenditure 2016-17 to end of year</b>	<b>Balance end of year</b>
<b>Earmarked Reserves (Summary)</b>				
R3 - Jubilee Raffle Proceeds	£0	£0	£0	£0
R7 - Parish Plan Action Plan	£1,488	£0	£0	£1,488
R11- Election Costs	£900	£0	£0	£900
R13- Contingency	£1,000	£0	£0	£1,000
R14 - Traffic calming	£2,000	£0	£0	£2,000
R15 -Village Show	£655	£674	£645	£685
R16 & 19 -Weeds & Maintenance Grant	£1,500	£2,200	£3,593	£107
R18 -Transparency Grant	£450	£1,461	£1,283	£628
<b>Total Earmarked Reserves</b>	<b>£7,993</b>	<b>£4,335</b>	<b>£7,830</b>	<b>£6,808</b>

The balance of general reserve is £22503. Expenditure for 2017-18 is budgeted to be £17,500 so the reserve balance is slightly more than one year's budgeted spend. Whilst this is high, it is anticipated that the expenditure budget over the next 3 years will remain in the region of £18,000. Additionally, there will be a need to add to the reserves because the Parish Council is responsible for a number of assets which will age over time. This includes things such as the recreation ground (which contains a number of trees that may need work), play equipment and streetlights. It is anticipated that grants from third-party organisations will reduce significantly over the next 3 years and therefore if the council was solely reliant on its precept (£13,844 for 2017-18) there will be a significant gap between expenditure and the precept. The council is also coming under increasing pressure to take on services currently run by the unitary authority. The council therefore feels that it is appropriate to maintain a higher general reserve because this will enable it to better manage the financial challenges outlined above and for it to have the option of supplementing a shortfall in income through reserves. This will therefore enable the impact on the precept to be managed and help to reduce the need for steep rises to the precept.

### **Box 9 – Fixed assets and long term investments**

A decrease of £400 due to disposal of dated IT equipment.