

Attachment 1.2

Explanation of significant variances in the accounting statements – AGAR Section 2

Parish Council name: **Allendale Parish Council**

Please explain any variances of more than 15% between the totals for individual boxes in Section 2. We do not require explanations for variances of less than £200; however, in some cases there may be 'compensating' variances which leave the overall total for a box relatively unchanged – e.g. where there was a major one-off project in one year (e.g. contribution to village hall extension of £30,000), but a totally different expense of a similar size in the next (e.g. purchase of playground equipment of £28,000). In such cases, it would be helpful to provide an explanation of movements within each box. We also ask you to explain any change where there is a movement to or from zero. Please either use the proforma below, or complete a separate schedule if more space is required.

Section 2	2021/22 £	2022/23 £	Variance (+/-) £	Detailed explanation of variance (for each reason noted please include monetary values (to nearest £100)
Box 2 <i>Precept</i>	44840	49200	4360 (10%)	
Box 3 <i>Other income</i>	11740	8142	3598 (31%)	<p>The increase is due to</p> <ul style="list-style-type: none">a) income for memorial bench maintenance representing £150 more than the previous FY.b) securing a £2000 grant for the restoration of the Lychgate War Memorial in the current FY (although the work is to be carried out in FY 2023/2024).c) £195 more in compensation payments from Lloyds Bank for poor service than in the previous FY. <p>The decrease is due to</p> <ul style="list-style-type: none">d) fewer burials in the cemetery representing £2908 less income than in the previous FY.e) mowing a smaller area of grass due to wilding part of the Church Yard representing £299 less income than the previous year.f) the amount of VAT paid on items was £2765 less than in the previous FY.

Box 4 <i>Staff costs</i>	8671	11925	3254 (38%)	The increase is due to an increase in the Clerk's hours from 10 hours/week to 13 hours/week and a 4% increase in her rate of pay in FY 2022/2023
Box 5 <i>Loan interest/capital</i>	0	0	0	
Box 6 <i>Other payments</i>	57455	31106	26350 (46%)	<p>The increase of</p> <ul style="list-style-type: none"> a) £50 is due to spending more on litter picking this year. b) £54 is due to spending on the Chair's allowance for the first time this year. c) £509 is due to buying a new accounting system package and annual subscription. d) £839 is due to buying a new laptop for the Clerk. e) £200 is due to buying a trailer to transport the mower. f) £2000 is due to local authority charges for maintaining the public convenience in winter. g) £386 is due to buying two new public waste bins. h) £358 is due to buying a new public bench. i) £2000 is due to making more donations to local community groups as agreed by Allendale Parish Council. j) £129 is due to the insurance premium being raised. k) £263 is due to a rise in payroll charges associated with administering the HMRC and pension process for the Clerk since her pay rise. l) £1643 is due to receiving a refund for business rates last year and none this year. m) £60 is due to spending more on training this year. <p>The decrease of</p> <ul style="list-style-type: none"> n) £1412 is due to slower grass growth. o) £5573 is due to no tree survey and associated tree works due to storm damage was needed, as it was for 2021/2022. p) £70 is due to less spent on fuel and machinery maintenance in FY 2022/2023. q) £16393 is due to no Tarmacadum work as was needed for 2021/2022. r) £26 is due to spending less on venue fees this year.

				<p>s) £6963 is due to a new play frame bought in FY 2021/2022 but not in FY 2022/2023. t) £4406 is due to less VAT paid on items in FY 2022/2023 than in FY 2021/2022.</p>
Box 7 <i>Balances carried forward</i>	55550	69862	14312 (26%)	<p>If some of the year-end balances are earmarked for specific purposes rather than as a general reserve, please provide a breakdown. You do not need to explain the year-on-year variance for this box.</p> <p>£19,371 is earmarked for the ongoing maintenance of the Denefields play area.</p>
Box 9 <i>Fixed assets & long term assets</i>	22297	22573	276 (1%)	<p>Explain all movements in this category and not just those above 15%</p> <p>The increase of £276 is due to</p> <ul style="list-style-type: none"> a) disposing of an old laptop (previously valued at £749) and replacing it with a new one valued at £825. b) buying a £200 trailer to transport the mower.
Box 10 <i>Total borrowing</i>	0	0	0	