

Attachment 1.2

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

Parish Council name: Hepscott 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>	12850	13000	+150	
Box 3 <i>Other income</i>	314	1173.68	+859.68	Repayment of VAT claimed in November 2022
Box 4 <i>Staff costs</i>	2519	2835.30	+316.30	Salary increased in June 2022
Box 5 <i>Loan interest/ capital</i>	Nil	Nil	Nil	
Box 6 <i>Other payments</i>	8808	19525.83	+10717.83	Purchase of some items identified in high reserves (earmarked monies) from previous year, eg, traffic calming device, facilities for South Fields (new estate), defibrillator

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Box 7 <i>Balances carried forward</i>	42293	34137	-8156	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. <u>Please see separate sheet</u>
Box 9 <i>Fixed assets & long-term assets</i>	166419	169148	+2729	Explain <u>all</u> movements in this category and not just those above 15% <u>Purchase of interactive speed camera for traffic calming project</u>
Box 10 <i>Total borrowing</i>	Nil	Nil	Nil	