

## Explanation of significant variances in the accounting statements - Section 1

Local council name: ALDBOROUGH and THURGARTON PARISH COUNCIL

The Practitioners' Guide (paragraphs 2.15 to 2.27) provides guidance on explaining significant variances. (This is not just a matter for the audit, as it is good practice for the Council to be provided with explanations for differences between one year's income/expenditure and the next, and between budgeted and actual income/expenditure in a year, as part of the normal budgetary control arrangements and when setting the precept.)

Please explain any variances of more than 15% between the totals for individual boxes in Section 1. 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 1   | 2013/14<br>£ | 2014/15<br>£ | Variance<br>(+/-) £ | Detailed explanation of variance<br>(please include monetary values (to nearest £10))   |
|---|--------------|--------------|---------------------|---|
| Box 2<br>Precept                                  |              |              |                     |   |
| Box 3<br>Other<br>income                          | 6198         | 2506         | -3692               | PLEASE<br>SEE<br>ENCLOSED<br>SHEET  |
| Box 4<br>Staff<br>costs                           | 1181         | 1721         | +540                |   |
| Box 5<br>Loan<br>interest/<br>capital             |              |              |                     |   |
| Box 6<br>Other<br>payments                        | 9270         | 7451         | -1819               |   |
| Box 7<br>Balances<br>carried<br>forward           | 10414        | 8623         |                     | If some of the year-end balances are earmarked for specific purposes rather than as a general reserve, please provide a breakdown |
| Box 9<br>Fixed<br>assets &<br>long term<br>assets |              |              |                     |   |
| Box 10<br>Total<br>borrowing                      |              |              |                     |   |

**ALDBOROUGH AND THURGARTON PARISH COUNCIL**  
**EXPLANATION OF SIGNIFICANT VARIANCES**

**BOX 3 OTHER INCOME**

2013-2014   £ 500 received from closure of local history society  
                  £3000 grant to decoration of Community Centre  
                  £1400 VAT reclaimed

2014-2015   £ 626 local council tax support grant  
                  £ 742 VAT reclaimed

**BOX 4 STAFF COSTS**

New Clerk/RFO appointed with effect 1<sup>st</sup> January 2014. Salary covering January to March 2014 was paid in April 2014.

NJC pay award 1<sup>st</sup> January 2015. Clerk also awarded rise of one scale point with effect 1<sup>st</sup> January 2015.

**BOX 6 OTHER PAYMENTS**

2013-2104   £3500 decoration Community Centre

2014-2015   £1550 play area/village green improvements

**BOX 7 EARMARKED FUNDS 2015-2016**

|                 |       |
|-----------------|-------|
| Election        | £1000 |
| Play area       | £1000 |
| Street lighting | £1000 |