

Explanation of significant variances in the accounting statements - Section 2 Attachment 1.2

Local Council Name	Draycott in the Clay Parish Council
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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	2017/18	2018/19	Variance (+/-)	Variance	Detailed explanation of (for each reason noted please include monetary values (to nearest £10))
	£	£	£	%	
Box 2 - Precept	17,407	17,887	480	3	In light of financial projections the Parish Council agreed and submitted a request to ESBC for an increase in the Precept.
Box 3 - Other income	1,767	3,589	1,822	103	Reasons: Increase in bank interest £8; VAT recovered £2,138. Reduction / decrease in Local Council Tax Support Grant (-£69); Donations to slide embankment project (-£250); Other donations (-£5)
Box 4 - Staff costs	7,517	8,049	532	7	Annual pay award and employer pension contribution
Box 5 - Loan interest/ capital	0	0	0	0	No explanation required.
Box 6 - Other payments	21,493	9,364	-12,129	-56	Reasons: Less on - Administration costs (-£606); S137 spend (-£41); Village Hall projects (-£2,500); Playing Field costs (-£7,442); VAT paid on normal expenditure (-£2,123) Increase in - GDPR £350; Insurance costs £12; Audit costs £100; Miscellaneous costs £121
Box 7 - Balance carried forward	9,879	13,942	4,063	41	As a result of less money spent on projects at the Village Hall and the playing field.
Box 9 - Fixed assets & long-term assets	73,830	73,830	0	0	No explanation required.
Box 10 – Total borrowings	0	0	0	0	No explanation required.