

Attachment 1.2

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

Parish Council name: HEDLEYHOPE

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	2022/23£	2023/24£	Variance (+/-) £	Detailed explanation of variance (for each reason noted please include monetary values (to nearest £100))
Box 2 <i>Precept</i>	5080.17	5368.95	+288.78	2.5% increase in precept agreed to cover rising costs.
Box 3 <i>Other income</i>	8277.96	12021.91	+3743.95	The main sources of income this year were a grant of £9,500 for replacement of the village hall roof, a refund of £1000 for restoration work on two seats and £650 from VAT reclaim. This compares with 2022/23 grant income of £5300 and VAT reclaim of £1900.
Box 4 <i>Staff costs</i>	4327.97	3292.33	-1035.64	Saving due to the Council being without a Clerk for period June – August 2023.
Box 5 <i>Loan interest/ capital</i>	0	0	0	

Box 6 <i>Other payments</i>	6385.93	14850.28	+8464.35	The village hall roof replacement (£9500) was the most significant expense this year. An additional £2600 was spent on equipment for the Community Resilience Project. In 2022/23 spending on the village hall and projects was £3700.
Box 7 <i>Balances carried forward</i>	22576.92	21825.17	-751.75	Balance includes £1000 for the restoration and installation of two seats and £1400 for the Community Resilience Project.
Box 9 <i>Fixed assets & long-term assets</i>	41471.13 Restated	42870.13	+1399.00	Restatement of 2022/3 to include a public bench - £728.40. A portable generator (£1399) was added to the asset register this year as part of the Community Resilience Project.
Box 10 <i>Total borrowing</i>	0	0	0	