

Attachment 1.2

Explanation of significant variances in the accounting statements –
AGAR Section 2Parish Council name: Hedleyhope 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 Precept	4956.26	5080.17	+123.91	Increase in precept as PC agreed to put this up by 2% in 2023. There was no increase between 2021-2022.
Box 3 Other income	15,428.10	8277.96	-7150.14	Less grant income was secured in 2022-23 compared to the previous year.
Box 4 Staff costs	3078 3673.78	4372.97	+699.19	Pay award (National) to clerk meant increased salary costs and associated pension costs.
Box 5 Loan interest/ capital	N/A	N/A	N/A	N/A
Box 6 Other payments	16,632.55	6385.93	-10,246.62	Less grant income spent this financial year compared to previous year.
Box 7				If some of the year-end balances are earmarked for

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Balances carried forward	19,977.69	22,576.92	+2599.23	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.
Box 9 Fixed assets & long-term assets	38,650	40,743	+2093	Explain <u>all</u> movements in this category and not just those above 15% New items added to fixed assets in 2023: • Noticeboard • Bench
Box 10 Total borrowing	N/A	N/A	N/A	N/A