

Explanation of significant variances in the accounting statements - Section 1

Local council name: BARNHAM BROOM 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 £	2014/15 £	Variance (+/-) £	Detailed explanation of variance (please include monetary values (to nearest £10))
Box 2 Precept	7000	7146	+146 2%	-
Box 3 Other income	1402	5362	+£3960 282%	£3500 Insurance claim £220 Donation for litter picking £250 Donation for benches
Box 4 Staff costs	3524	3729	+£205 5%	-
Box 5 Loan interest/ capital	0	0	-	-
Box 6 Other payments	5955	8072	+£2117 36%	13/14 +£2625-Donations +£300-Grass cutting +£60-Dog bin emptying 14/15 +£377-SAM2 sign +£351-computer +£300-benches +£800-VAT
Box 7 Balances carried forward	6101 6	6808	+£707 11%	If some of the year-end balances are earmarked for specific purposes rather than as a general reserve, please provide a breakdown. -
Box 9 Fixed assets & long term assets	2257	2824 2824	£567 +25%	+£300-Benches +£267-SAM2 sign
Box 10 Total borrowing	0	0	-	-