

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

Parish Council name: **KINGSTON 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 <i>Precept</i>	11,000	7,000	-4,000	The Council agreed to lower the precept due to the size of the reserves that are held in the bank account. The Council aims to hold 1 year’s precept equivalent as general reserves outside of any money set aside for specific projects i.e The Embankment and will review the precept every year in line with this.
Box 3 <i>Other income</i>	3,064	2,832	-232	Less than 15% variance
Box 4 <i>Staff costs</i>	2,148	2,112	-36	Less than 15% variance
Box 5 <i>Loan interest/ capital</i>	0	0	0	No variance

Box 6 <i>Other payments</i>	10,365	5,696	-4,669	<p>In 2021/22 there were some one-off payments made outside of our usual expenditure:</p> <ul style="list-style-type: none"> • Extensive emergency tree works carried out on The Embankment, • a new laptop was purchased with Microsoft Office 365 • Two large grants were awarded to the local school and Parochial Church.
Box 7 <i>Balances carried forward</i>	26,352	28,376	-2,024	<p>If some of the year-end balances are earmarked for 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.</p> <p>No balances earmarked at present time</p>
Box 9 <i>Fixed assets & long-term assets</i>	6,159	6,159	0	<p>Explain <u>all</u> movements in this category and not just those above 15%</p> <p>No variance</p>
Box 10 <i>Total borrowing</i>	0	0	0	No variance