

Attachment 1.2

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

Parish Council name: _____ CHALTON 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>	14674	15705	1031	-
Box 3 <i>Other income</i>	17559	21644	4085	<i>Clearstone Energy</i> - A Battery Energy Storage System provider gave a Community Benefit Grant £20,000 to the council on the condition that it is used for future improvements to the playground or recreational facilities. VAT Refunds £1,571 from grass management services.
Box 4 <i>Staff costs</i>	3392	5280	1888	Result of 1.75% adjustment in NALC Pay scales, this was owed from 1 April 2021 – Minute 1961.4 of July Chalton PC meeting. Clerk moved from NALC Level 12 to Level 13 and there was an increase by extra 2 1/2hrs a week. This was backdated from June 2022
Box 5 <i>Loan interest/ capital</i>	0	0	0	

Box 6 <i>Other payments</i>	39201	12804	26397	The previous year had a major playground restoration project expenditure (£37k) which had part funding. This year's expenditure is a little more in line with an average Chalton PC year. - Although we did have an unforeseen cost with needing to pay the full amount for a Speed Indicator Device £2,608. We had anticipated 50% this year and 50% in 2023/2024 - It is also significant that last year grounds maintenance costs benefitted from a £1,200 grant. We did not receive that grant this year having to pay the full maintenance cost of £6109.00. - Staff costs have increased this year. Clerk pay scale NALC 1.75% and 2.5 increase in hours has increased staff costs from £3,392 to £5,280
Box 7 <i>Balances carried forward</i>	13284	32550	19266	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. Reserves plus a community benefit grant from a BESS developer for 20k as explained in Box 3.
Box 9 <i>Fixed assets & long term assets</i>	68736	68736	0	Explain all movements in this category and not just those above 15% -
Box 10 <i>Total borrowing</i>	0	0	0	