

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	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>	15705	16804	£ 0.00	
Box 3 <i>Other income</i>	21644	6053	£ 15,591	In 2022-2023 the PC was awarded £20,000 Community Benefit from a Battery Energy Storage System installed in the Parish. That is in the CPC’s saving account. The income to the PC this year explains the variance: £2,475.63 <i>Harmony Energy</i> Grant for school items this includes payment for 16hrs Clerk Admin. £1,200 Chalton Village Association grant toward village hall grounds grass maintenance. £390.05 Total for Barclays Saving Account interests. £147.78 VAT Refund <u>£1,839.68</u> VAT Refund TL £6,053.14
Box 4 <i>Staff costs</i>	5280	6140	£ 860.00	The clerk’s salary had an increase that was backdated from 1 April 2023. The PC adopted the NALC Pay Agreement changes 2023/2024 New Payscales.. The offer accepted was a flat rate increase of £1,825 on all

				national joint council scale points up to SCP 43 and from SCP 44 and above an increase of 3.88%, pro rata'd for part time staff, with effect from 1 April 2023. Minuted 2076.5 at the November 2023 PC meeting. The clerk worked 16 extra hrs on a project funded by <i>Harmony Energy</i> grant to the community for sustainability project e.g. Local School Nature Reserve with outdoor furniture from <i>Cosy Ltd</i>.
Box 5 <i>Loan interest/ capital</i>	0	0	£ 0.00	
Box 6 <i>Other payments</i>	12804	14498	£ 0.00	
Box 7 <i>Balances carried forward</i>	32550	34769	£ 2218	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. A 20k Community Benefit Grant was given to the PC in 2022-23 as part of a BESS (<i>Battery Energy Storage System</i>) development in the Parish. These funds are earmarked for improvements to the playground surfaces which has had quotes taken in Jan 2023. This expenditure has not been decided upon yet as further quotations are required.
Box 9 <i>Fixed assets & long-term assets</i>	68736	68736	0	Explain <u>all</u> movements in this category and not just those above 15%
Box 10 <i>Total borrowing</i>	0	0	£ 0.00	