

Explanation of Significant Variances in the Accounting Statements – AGAR Section 2

Parish Council name: **Henshaw Parish Council (Northumberland)**

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	2022/2 3£	2023/2 4£	Variance (+/-) £	Detailed explanation of variance (for each reason noted please include monetary values (to nearest £100)
Box 2 <i>Precept</i>	14000	15400	+ 1400 (10%)	The precept was increased to account for inflation, general increase in goods/services, and for increase in costs maintaining the Council owned Redburn Play Park.
Box 3 <i>Other income</i>	1474	14536	+ 13062 (885%)	The Council received a ‘windfall’ payment for variation of an easement/access agreement (£12,000), increase in a shared assets contribution from a neighbouring Parish Council (£1,121.19).
Box 4 <i>Staff costs</i>	3599	4124	+ 525 (15%)	Council Clerks were awarded a Pay Rise in 2023 and overtime was paid for additional work undertaken by the Clerk negotiating the easement agreement.
Box 5 <i>Loan interest/ capital</i>	0	0	0	N/A
Box 6 <i>Other payments</i>	10203	13349	+ 3146 (30%)	
Box 7 <i>Balances carried forward</i>	9005	21468	+ 12463 (138%)	There was a significant increase in the balance carried forward primarily because of the ‘windfall’ easement payment of £12,000. The Parish Council intend to use this money to undertake extensive improvement works to the Village Greens and Redburn Play Park. This capital programme will be considered and agreed in 2024/25.
Box 9 <i>Fixed assets & long-term assets</i>	89000	89000	0	N/A
Box 10 <i>Total borrowing</i>	0	0	0	N/A