

**Explanation of significant variances in the accounting statements - Section 1**Local council name: COLESHILL 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	7,823	7,904	+ 81	Precept and grant maintained at same level
Box 3 Other income	8,781	2,486	- 6295	VAT recovery 1415 £632. Prior year £4,140 (first time recovery looking back 4 years). Grants 1415 - £884 received for cleaning war memorial. 2013/14 £2900 for road maintenance
Box 4 Staff costs	3,100	3,787	+ 687	Professionally qualified clerk for whole year. 13/14 no clerk costs for June - August.
Box 5 Loan interest/ capital	0	0	0	N/A
Box 6 Other payments	8,045	7,574	- 471	Please see attached sheet
Box 7 Balances carried forward	13,981	13,010	- 971	If some of the year-end balances are earmarked for specific purposes rather than as a general reserve, please provide a breakdown. £2300 Road maintenance grant received 13/14 unspent at year end. Due for expenditure, works now undertaken following delay
Box 9 Fixed assets & long term assets	22,344	22,838	+ 494	Computer equipment (2) new clerk
Box 10 Total borrowing	0	0	0	N/A

## COLESHILL PARISH COUNCIL

### Explanation Of significant variances in Accounting statements – Section 1

#### Continuation sheet

##### Box 6 Other payments

2013/14	2014/15	Variance
8,045	7,574	-471

Current year savings reflect a year on year decrease in expenditure on fixed assets (£336). Additionally, expenditure on the Play Area reduced by £480. In 2014/15 the insurance premium was reduced by £289. In 2013/14 there were one off expenditures (Pond clearance (£644), Storm damage (£508), internal audit fees, with 2 years paid in 13/14 (£317), booklet printing (£192), health and safety audit on road (£600)).

These savings were offset by additional expenditure on non recurrent one off items. Non recurrent one off items include in 2014/15, Village road fence repairs (£343), Christmas lights maintenance (£610) and Cleaning of the war memorial (£1,643). In addition printing costs for the newsletter increased by £224.