

Attachment 2 (i)

Explanation of variances - proforma

Name of Council: _____ SEA PALLING AND WAXHAM PARISH COUNCIL

The NALC/SLCC "Practitioners' Guide 2008" provides guidance on explaining significant variances. This is not just a matter for the audit, as it is good practice for the RFO to provide the council with explanations for differences between one year's actual expenditure/income and the next, and between budgeted and actual expenditure/income 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. We do not require an explanation 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 - for example, where there was a major one-off project in 2008/09 (e.g. contribution to village hall extension of £30,000), but a totally different expense of a similar size in 2009/10 (e.g. purchase of playground equipment of £28,000). In such cases it would be helpful to provide an explanation of movements with each box. We would also ask you to explain any change where there is a movement to or from zero.

Section 1	2011/15 £	2012/16 £	Variance (+/-)£	Detailed explanation of variance (with amounts £)												
Box 2 Precept	10,729	10793	64													
Box 3 Other Income	Nil	2,356	2,356	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Contribution to VA Sign</td> <td style="text-align: right;">1,625</td> </tr> <tr> <td>Vat Refund</td> <td style="text-align: right;">530</td> </tr> <tr> <td>Other</td> <td style="text-align: right;">201</td> </tr> <tr> <td></td> <td style="text-align: right;">-----</td> </tr> <tr> <td></td> <td style="text-align: right;">£2,356</td> </tr> <tr> <td></td> <td style="text-align: right;">=====</td> </tr> </table>	Contribution to VA Sign	1,625	Vat Refund	530	Other	201		-----		£2,356		=====
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	=====															
Box 4 Staff Costs	4,487	4,578	91													
Box 5 Loan/interest Capital	NIL	NIL	NIL													
Box 6 Other Payments	3,440	6,247	2,807	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">VA Sign</td> <td style="text-align: right;">3,250</td> </tr> <tr> <td>Reduction in Insurance</td> <td style="text-align: right;">(551)</td> </tr> <tr> <td>Others (net)</td> <td style="text-align: right;">108</td> </tr> <tr> <td></td> <td style="text-align: right;">-----</td> </tr> <tr> <td></td> <td style="text-align: right;">£2,807</td> </tr> <tr> <td></td> <td style="text-align: right;">=====</td> </tr> </table>	VA Sign	3,250	Reduction in Insurance	(551)	Others (net)	108		-----		£2,807		=====
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Box 7 Balances carried forward	16,589	18,913	2,324	(If part of the year-end balances are earmarked for specific purposes rather than being a general reserve, please provide a breakdown)												

Box 9 Fixed assets And long term assets	21,932	21,932	NIL	
Box 10 Total borrowings	N/A	N/A	N/A	