

## Explanation of significant variances in the accounting statements - Section 2

Parish Council name: COLTON 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))
<b>Box 2</b> <i>Precept</i>	11,739	12,427	+688 (+5.9%)	
<b>Box 3</b> <i>Other income</i>	545	3,536	+2,991 (+549%)	2022/23 receipts included VAT claims for 3 financial years, totalling £2,862, plus higher bank interest (extra £169). Grazing licence remained at £500.
<b>Box 4</b> <i>Staff costs</i>	4,003	5,109	+1,106 (+27.6%)	The Clerk, who is the only employee, was given a salary increase from October 2021, which impacted all of 2022/23. Also, the National Pay Award for 2021/22 was paid in April 2022 with back pay from April 2021. Then the National Pay Award for 2022/23 was implemented in December 2022 with further back pay from April 2022.
<b>Box 5</b> <i>Loan interest/ capital</i>	0	0	-	-
<b>Box 6</b> <i>Other payments</i>	10,643	12,092	+1,449 (+13.6%)	In 2022/23 an additional £1,550 was contributed to printing and delivery of the Parish News, which resumed in February 2022 after previously being available only digitally due to Covid. Funds given for maintenance of the Burial Grounds were increased by £1,000, closer to historic levels, whereas in 2021/22 the charity had sufficient funds to cover many of the costs. In 2022/23 £1,000 was given for parish Jubilee celebrations, £940 was paid for additional drain clearing and road gritting services and £300 to refurbish noticeboards. Conversely 2021/22 included £2,650 for the purchase of 3 new village gateway signs and £630 was spent on the biennial tree inspection report.
<b>Box 7</b> <i>Balances carried forward</i>	38,897	37,659	-1,238 (-3.2%)	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.  SEE LIST OF EARMARKED RESERVES ATTACHED.

<b>Box 9</b> <i>Fixed assets &amp; long term assets</i>	3,834	3,835	+ 1 ( 0.0%)	<b>Explain <u>all</u> movements in this category and not just those above 15%</b> Addition of a donated key box in 2022/23, affixed at Village Hall and therefore valued at £1.
<b>Box 10</b> <i>Total borrowing</i>	0	0	-	-

COLTON PARISH COUNCIL – EARMARKED RESERVES					
Version updated 17/5/23, with transfers as approved by Council on 1/3/23					
Item	Source/purpose	Dates of earmarking transactions approved by PC	Balance at 31/3/22 (£)	Approved changes at 31/3/23	Balance at 31/3/23 (£)
1	Play area maintenance and refurbishment	Noted in Annual Return 15/16 (existing earmarked reserves); March 2016 (add unspent 15/16 maintenance budget); December 17 and May 18 (add unspent 17/18 maintenance budget £417 with £200 deducted for additional site survey carried out March 2018 as minuted December 2017, item 8 b) but not presented and approved for payment until February 19); March 2019 (add unspent balance £586 of 18/19 playground budget ); March 2020 (add unspent balance of £571 of 19/20 budget); March 2021 (deduct overspend of £118 in 20/21); March 2022 (add underspend of £564 in 21/22)	3,620	Add underspend of 22/23 budget of £548	4,168
2	Share of cost of implementing parking restrictions in Martin Lane/ Bellamour Way, payable to SCC	Minuted by PC, March 2016 (£2,000 into earmarked reserve); March 2021 (Earmarked reserve of £2,000 released, as not billed by SCC after 5 years)	0		
3	Legal fees e.g. for land registration work (Land off Heathway, Open Burial Ground) and any unforeseen legal costs	Minuted by PC, March 2017 (£500 into earmarked reserve); March 2021 (Earmarked reserve of £500 released, as legal work for land registration completed some time ago)	0		
4	Tree inspection report and any necessary follow up work by tree surgeons	Minuted by PC, March 2017 (£750 into earmarked reserve); March 2021 (Earmarked reserve of £750 released, as previous tree inspection and follow up work had been completed within budget)	0		
5	Expenses of an election, should one be required	Approved by PC, July 2017 (using higher estimate provided by LDC based on size of electorate)	2,000	No budget set for 22/23	2,000
6	Cost of hiring a locum clerk, should one be required	Approved by PC, July 2017 (based on locum engaged for typical period of 6 mths at pay rate 50% above Clerk's rate)	2,750		2,750
7	Sufficient funds to cover 3 months of normal expenses, in the event of failure/delay in receiving precept or some other extraordinary event.	Approved by PC, July 2017	3,500		3,500
8	Earmarked donation to Playground Group for new playground by V Hall	£10,000 earmarked by PC, September 2017 (and to be retained for 5 years from date of approval); March 2018 (£5,962 third party funding paid to Biffa for new playground); 5 year period expired in September 2022 and was extended.	4,038		4,038
9	NALC Transparency Grant - to be spent as per application	Original grant of £1,894 approved by PC, April 2018; March 2019 (£1,174 spent during 18-19 on new laptop, software and IT Support and website development); March 2020 (£175 in 19-20 spend on website support (£125) and website training (£50)); also 20-21 spend on website accessibility statement and any further work required to be taken out in due course); March 2021 (Deduct net website spend of £320 in 20/21); March 2022 (Deduct net website spend of £125 in 21/22)	100	Use remainder to partially offset website spend of £169 in 22/23 so EMR now all used.	0
10	HS2 money for early access for surveys agreement - to be spent to benefit of Stockwell Heath and parish generally	£3,700 earmarked by PC, April 2018; March 2019 (Further £170 added); March 2021 (Deduct net spend of £240 on Stockwell Heath grass cutting in 20/21, as deliberately no provision made in budget ); March 2022 (Deduct cost of £210 for Stockwell Heath grass cutting in 21/22).	3,420	As previously, use this reserve to cover cost of Stockwell Heath grass cutting in 22/23, which was £240	3,180
11	CIL money received May 2018 (earmarked for items allowed by CIL criteria)	£2,071 earmarked by PC, June 2018 ; £650 spent in 19-20 on repair of Closed BG gatepost; £196 spent in 19-20 on repair of Martin Lane bench ; March 2022 (balance of £1,225 put towards cost of new village signs)	0		
12	Parish News contribution	March 2022 (£1,124 unspent from 21/22 budget was earmarked for 22/23 as budget deliberately set low)	1,124	Use £1,090 from EMR to cover overspend in 22/23	34
<b>Total earmarked reserves at 31/3/22</b>			<b>20,552</b>	<b>Total earmarked reserves at 31/3/23</b>	<b>19,670</b>
<b>Total PC funds as at 31/3/22</b>			<b>38,897</b>	<b>Total PC funds as at 31/3/23</b>	<b>37,659</b>
<b>General Fund (reserves not earmarked)</b>			<b>18,345</b>	<b>General Fund (reserves not earmarked)</b>	<b>17,989</b>