

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	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>	12,427	13,650	+1,223 (+9.8%)	-
Box 3 <i>Other income</i>	3,536	1,917	-1,619 (-45.8%)	2022/23 receipts included VAT claims for 3 financial years, totalling £2,862, whereas 2023/24 included only 1 year's VAT claim of £822 (£2,040 lower). However, bank interest increased from £173 in 2022/23 to £533 in 2023/24 (£360 higher) to partially offset the decrease in VAT claimed.
Box 4 <i>Staff costs</i>	5,109	5,354	+245 (+4.8%)	-
Box 5 <i>Loan interest/ capital</i>	0	0	-	-
Box 6 <i>Other payments</i>	12,092	15,056	+2,964 (+24.5%)	In 2023/24 the village gateway signs purchased in 2021/22 were finally installed by the County Council's contractors at the high cost of £3,458. Also, in 2023/24 an additional amount of £1,020 was spent on road gritting. Conversely, a special drain clearing exercise in 2022/23 cost £865 with nothing spent on that in 2023/24. £1,000 was paid in 2022/23 for parish Jubilee events (with the balance being retained by the organisers to cover Coronation events) whereas in 2023/24 the only events spend has been the deposit of £125 for an event in June 2024.
Box 7 <i>Balances carried forward</i>	37,659	32,816	-4,843 (-12.9%)	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.

Box 9 <i>Fixed assets & long term assets</i>	3,835	3,914	+ 79 (+2.1%)	Explain <u>all</u> movements in this category and not just those above 15% Addition of 2 dog poop bag dispensers at cost of £79
Box 10 <i>Total borrowing</i>	0	0	-	-

COLTON PARISH COUNCIL - EARMARKED RESERVES					
Version 18/5/24, with changes as approved at March council meeting.					
Item	Source/purpose	Dates of earmarking transactions approved by PC	Balance at 31/3/23 (£)	Change at 31/3/24	Balance at 31/3/24 (£)
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); March 2023 (add underspend of £548 in 22/23); March 2024 (add underspend of £486 in 23/24 and add £4,038 balance of funds previously earmarked for play area refurbishment)	4,168	Add underspend of 23/24 budget of £486 and combine with balance of £4,038 of previous earmarked donation for play area refurbishment	8,692
2	Share of cost of implementing parking restrictions in Martlin 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		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; March 2024 (Combine with item 1).	4,038	Combine with item 1	0
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); March 2023 (Use remainder of EMR for 22/23 website spend).	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); March 2023 (Deduct cost of £240 for Stockwell Heath grass cutting in 22/23).	3,180	As previously, use this reserve to cover cost of Stockwell Heath grass cutting in 23/24, which was £216	2,964
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 Martlin Lane bench ; March 2022 (balance of £1,225 put towards cost of new village signs)	0	No further CIL money received in 23/24	0
12	Parish News contribution	March 2022 (£1,124 unspent from 21/22 budget was earmarked for 22/23 as budget deliberately set low); March 2023 (deduct £1,090 to cover 22/23 overspend).	34	Add underspend of 23/24 budget of £160	194
Total earmarked reserves at 31/3/23			19,670	Total earmarked reserves at 31/3/24	20,100
Total PC funds as at 31/3/23			37,659	Total PC funds as at 31/3/24	32,816
General Fund (reserves not earmarked)			17,989	General Fund (reserves not earmarked)	12,716