

## Attachment 2 (i)

### Explanation of variances - proforma

Name of Council: \_\_\_\_\_ TRUNCH PARISH COUNCIL

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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 £	2015/16 £	Variance (+/-)£	Detailed explanation of variance (with amounts £)
<b>Box 2</b> Precept	16,800	16,800	-	
<b>Box 3</b> Other Income	1,332	6,529	5,197	Funding for new play equipment 5,903 Reduction in income for Trunch Youth Club ( 650) Others - (Net) ( 56) ----- £5,197 =====
<b>Box 4</b> Staff Costs	4,852	4,932	80	
<b>Box 5</b> Loan/interest Capital	NIL	NIL	NIL	
<b>Box 6</b> Other Payments	9,209	19,234	10,025	Play equipment 10,000 Others (Net) 25 ----- £10,025 =====
<b>Box 7</b> Balances carried forward	29,952	29,115	(837)	(If part of the year-end balances are earmarked for specific purposes rather than being a general reserve, please provide a breakdown)

<b>Box 9</b> Fixed assets And long term assets	403,382	403,382	NIL	
<b>Box 10</b> Total borrowings	N/A	N/A	N/A	