

Attachment 2 (i)

Explanation of variances - proforma

Name of Council: _____ TRUNCH 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	2018/19 £	2019/20 £	Variance (+/-)£	Detailed explanation of variance (with amounts £)														
Box 2 Precept	17,000	18,297	1,297	Agreed increase in Precept														
Box 3 Other Income	4,132	1,161	(2,971)	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Playing field – S106 received in 2018/19</td> <td style="text-align: right;">(3,253)</td> </tr> <tr> <td>Decrease in value of investment 2018/19 v 2019/20</td> <td style="text-align: right;">(580)</td> </tr> <tr> <td>Goal Posts – Trunch Village Society</td> <td style="text-align: right;">766</td> </tr> <tr> <td>Others – net</td> <td style="text-align: right;">96</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;">(2,971)</td> </tr> </table>	Playing field – S106 received in 2018/19	(3,253)	Decrease in value of investment 2018/19 v 2019/20	(580)	Goal Posts – Trunch Village Society	766	Others – net	96		(2,971)				
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Box 4 Staff Costs	5,439	5,683	244															
Box 5 Loan/interest Capital	NIL	NIL	NIL															
Box 6 Other Payments	16,410	18,634	2,224	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Street Lighting Replacement</td> <td style="text-align: right;">1,231</td> </tr> <tr> <td>Grass Maintenance</td> <td style="text-align: right;">592</td> </tr> <tr> <td>NCC Speed Gates</td> <td style="text-align: right;">910</td> </tr> <tr> <td>Recreation Ground – Removal of Concrete Pad in 2018/19</td> <td style="text-align: right;">(925)</td> </tr> <tr> <td>Others – net</td> <td style="text-align: right;">(4)</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;">2,224</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 3px double black;">=====</td> </tr> </table>	Street Lighting Replacement	1,231	Grass Maintenance	592	NCC Speed Gates	910	Recreation Ground – Removal of Concrete Pad in 2018/19	(925)	Others – net	(4)		2,224		=====
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Box 7 Balances carried forward	28,835	23,976	(4,859)	(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	413,382	413,382	NIL	
Box 10 Total borrowings	N/A	N/A	N/A	

**TRUNCH PARISH COUNCIL
BANK RECONCILIATION FOR THE YEAR ENDED 31ST MARCH 2020**

£

Balance as per Bank Statements:-

	- Business Account	5,396.44
	- Community Account	7,654.91

		13,051.35

Less:- Outstanding Cheques (Community Account):-

	101862	(200.00)
	101863	(75.00)

Balance as per Cash Book

£12,776.35
=====

Opening Balance 1st April 2018
Add: Receipts in year
Less: Payments in year

16,707.49
21,549.19
(25,480.33)

£12,776.35
=====

Cash at bank (per Cash Book)
Short term investment

12,776.35
10,120.00

Total cash and short term investments

£22,896.35
=====

TRUNCH PARISH COUNCIL

RECONCILIATION BETWEEN BOX 7 AND BOX 8 IN SECTION 2 – PRO FORMA

(applies to Accounting Statements prepared on an income and expenditure basis only)

	£
Box 7: Balances carried forward	23,976 -----
Deduct: Debtors – VAT Recoverable	1,080
Deduct: Payments made in advance (prepayments)	- -----
Total Deductions	1,080 -----
Add: Creditors	
Receipts in advance	- -----
Total Additions	- -----
Box 8: Total cash and short term investment	22,896 =====