

### Identifying which variances require explanation

Positive and negative variances must be explained

Authority name and reference	Kenwyn Parish Council				
Box on Section 2 Accounting Statements	(a) 2016 £	(b) 2017 £	(c) Variance Increase(+) or decrease(-) <b>(b - a)</b> £	(d) Variance divided by 2016 figure times 100 <b>(c / a *100)</b> %	Explanation required? <span style="color: magenta;">Less than £250 or 15%?</span> <span style="color: magenta;">- NO</span> <span style="color: blue;">More than 15%? - YES</span>
<b>Box 2</b> -Precept or Rates and Levies	89158	90250	+1092	+1.22%	No
<b>Box 3</b> -Total other receipts	46183	48029	+1846	+4%	No
<b>Box 4</b> -Staff costs	46075	58668	+12593	+27.33%	Yes
<b>Box 5</b> -Loan interest/ capital repayments	0	0	0	0	0
<b>Box 6</b> -All other payments	59507	109510	+50003	+84.02%	Yes
<b>Box 9</b> -Total fixed assets plus long-term investments and assets	606593	651098	44505	+7%	No
<b>Box 10</b> – Total borrowings	0	0	0	0	0

## Suggested layout for explanations of individual variances

One sheet to be prepared for each variance that requires explanation.

<b>Authority name and reference</b>	<b>Kenwyn Parish Council</b>	
<b>BOX NO</b>	<b>4</b>	
(b) Figure in 2017 column		£58668
(a) Figure in 2016 column		£46075
<b>(d) Total variance: 2017 figure less 2016 figure: (b - a)</b> A positive figure is an increase (+) a negative figure is a decrease (-)		+£1259 3

<b>Reasons (as many as are applicable)</b>	<b>Amount £</b>
Reason 1 Salaries and HMRC payment due on 1 <sup>st</sup> April 2017 but paid early due to weekend being the 1 <sup>st</sup> April	£4274
Reason 2 Pension Costs incurred in 2016 2017 but not in 2015 2016	£3743
Reason 3 Payrises to staff, increased NI, extra expenses incurred by staff	£3427
Reason 4 Increased hall bookings meaning increased pay to Caretaker	£1149
<b>(e) TOTAL AMOUNT £ EXPLAINED (total of reasons above)</b>	£12593
<b>(f) Unexplained amount £ of total variance at (d - e)</b>	£0
Unexplained as % of 2016 figure ( $f / a * 100$ ) (must be below 15%)	N/A
<b>Confirm unexplained amount is less than 15% of 2016 figure</b> YES – satisfactorily explained NO – provide further explanations	N/A
<b>Authority name and reference</b>	<b>Kenwyn Parish Council</b>

## Schedules for submission to external auditor

<b>BOX NO</b>	<b>6</b>	
(b) Figure in 2017 column		£109510
(a) Figure in 2016 column		£59507
<b>(d) Total variance: 2017 figure less 2016 figure: (b - a)</b> A positive figure is an increase (+) a negative figure is a decrease (-)		+£50003
<b>Reasons (as many as are applicable)</b>		<b>Amount £</b>
Reason 1 Purchase and installation of new play equipment from Wicksteed at Shortlanesend Playing Field and		£28381
Reason 2 Payment of Kenwyn Community Benefit Fund Grants		£16622
<b>(e) TOTAL AMOUNT £ EXPLAINED (total of reasons above)</b>		£45003
<b>(f) Unexplained amount £ of total variance at (d - e)</b>		£5000
Unexplained as % of 2016 figure ( $f / a * 100$ ) (must be below 15%)		8.4%
<b>Confirm unexplained amount is less than 15% of 2016 figure</b> <b>YES – satisfactorily explained</b> <b>NO – provide further explanations</b>		Yes