

Explanation of significant variances in the accounting statements – AGAR Section 2

Attachment 1.2

Ashington Town Council

Financial Year Ending 31st March 2024

Prepared by Sarah Eden

Clerk/RFO

Date: 24th April 2024

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. 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.

	2022-23	2023-24	Variance (+/-) %	Variance (+/-) £	(for each reason noted please include monetary values (to nearest £100))
<b>Box 2 PRECEPT</b>	£824,900	£836,861	£11,961	1.45%	
<b>Box 3 OTHER INCOME</b>	£121,443	£46,520	-£74,923	-61.69%	The Council had large capital projects in 22/23 that achieved external funding in that financial year that resulted in a greater than usual income. This included Jack Charlton Statue (£27,250), Install of x12 Defibrillators (£14,350), amounting to exceptional funds in that year of £41,600. Funding received from County Cllrs for street scene was less in 2023/24 than 2022/23. The focus in 23/24 was litter bins and speed signs (£10,470) which is almost £9k lower than bus shelters in the previous year (£19,405) . The Council can usually expect funding income to support the redevelopment of play areas, in 22/23 this was significantly higher than usual achieving £39,665k, against £25k in 23/24, a further £14,665 reduction in income. Additionally, the Council achieved £5k for the sale of their van in 22/23, another one-off income. Allotment Income in 23/24 is almost £3k lower than in 22/23, not rental income but contributions from allotment associations towards capitals schemes in 22/23.

<b>Box 4 STAFF COSTS</b>					As a result of incremental rises and NJC Payscales being increased, our existing 5 members of staff resulted in a combined gross salary increase of £16,334 plus associated oncosts for Employers NI (£1,250) and LGPS (-£2,200). We also took on 1.8 FTE to the team. 0.8 FTE Administration Assistant (Gross salary costs £16,225 plus oncosts for Employers NI £1,193 and LGPS £2,937) in May 2023 (SCP4), and a further 1.0 FTE Allotment Officer (Gross salary costs £5,114 + oncosts for Employers NI £496 and LGPS £925) in January 2024 (SCP18).
	£215,185	£257,244	£42,059	19.55%	
<b>Box 5 LOAN/INTEREST</b>	£0	£0	£0		
<b>Box 6 OTHER PAYMENTS</b>	£928,237	£810,402	-£117,835	-12.69%	
<b>Box 7 BALANCES C/F</b>	£495,121	£310,856	-£184,265	-37.22%	The contingency was reduced from £250k to £175k in 23/24 to keep the cost of the precept down. Earmarked funds of £50k for allotments were moved into the budget during 23/24, and earmarked reserves remaining are being saved to support the redevelopment of play areas, and towards all-out elections next year. <i>(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).</i>
<b>Box 9 FIXED AND L/T ASSETS</b>	£920,614	£1,099,827	£179,213	19.47%	See attached information for full details of movements.
<b>Box 10 BORROWING</b>	£0		£0		