

Explanation of Variance

Pulham St Mary Parish Council

Financial year ending 31st March 2016

Only those transactions which have the greatest effect on totals have been itemised.

Box2

Precept 14/15 £20,046 - 15/16 £20,436 variance £390

No explanation required

Box3

Other Income 14/15 £6,907 – 15/16 £12,735 variance £5,828

This has increased for this year by more than 15% as;

A grant from Norfolk County Council for £8,923.95 was received in April 2015 which related expenditure during 2014/15 for replacement of street lamps with LED units. Noted in last year's audit documents

VAT claimed during 2015/16 was £503.24 compared to £3,833.46 claimed during 2014/15, the reason for the unusually large claim for VAT during 2014/15 was because VAT of £2776.34 was claimed against the expenditure of the replacement street lamps and because of the requirement to recover this large amount of VAT quickly following expenditure, two VAT returns were completed during the 14/15 period which actually recovered VAT for a period of approx. 22 months

Box4

Salaries 14/15 £5,457 – 15/16 £5,727 variance £270

No explanation required

Box5

Loan Interest - 12/13 Nil - 13/14 Nil

No explanation required

Box6

Other payments 14/15 £33,512 – 15/16 £14,050 variance reduction of £19,462

This has reduced by more than 15% for this year as;

During 14/15 earmarked expenditure & expenditure required over and above usual expenditure was incurred as follows; £16,658.04 for replacement LED street lamps, £1750 for a 50% contribution towards a speed awareness monitor and £3,390 towards replacement of fencing around the children's playground, total spend of £21,798.04 all explained in audit documents for 14/15

During 15/16 earmarked & expenditure required over and above usual expenditure was incurred as follows; an increase of £1,500 (from £1,500 in 14/15 to £3,000 in 15/16) towards community group use of the Pennoyer Centre, £750 contribution towards provision of free car parking in the local market town used by parishioners and £918.95 for tree work/maintenance above usual annual maintenance, total spend of £3,168.95

Box7

Balance carried forward 2014/15 £19,367 – 15/16 £32,762 variance £13,395

There is an increase in the carried forward figure of above 15%, the breakdown between earmarked fund, contingency fund, streetlight fund, and general funds carried forward are;

	Y/E 31/3/2015	Y/E 31/3/2015
Ear marked Fund	6000	6900
Contingency Fund	12000	13800
Streetlight Fund		1000
General Fund	1367	11062

An ear marked Fund has been set aside for £6900 an increase of £900 equal to 15%

The Earmarked Fund breakdown is as follows;

£3,900 financial contribution to the trustees of the Pennoyer Centre during 2016/17 provided for under statutory provision LG Act 1972 s133, Act 1976 s19.

£3,000 for highways and village improvements, including ditch maintenance (c/fwd from last year due to adverse weather) and additional hedge maintenance, telephone box refurbishment , additional tree work identified in tree survey and further fence replacement. All identified and can be provided for under statutory powers

The contingency fund has increased by £1,800 equal to 15%

As previously advised this fund is set aside to allow for possible maintenance work if required for the village pond, the horse chestnut trees in St Marys Terrace and a future provision for additional burial land as the parish cemetery is close to maximum capacity. In addition negotiations are currently in place with the local planning authority and owner of the currently closed public house within the village, with view to procurement of the freehold interest to provide a community run establishment, or community asset. Although any purchase would be subject to a loan the parish council are mindful that some initial setup costs should be allow for within the contingency fund.

A streetlight fund has now been introduced as following the replacement of LED lamps there has been a reduction in annual maintenance/running cost but a contingency must be allowed for 6 yearly electrical and structural testing and potential repair to both the lamps and columns. As the lights have now been installed since 2014 an initial figure has been set aside for £1000 and ongoing council will consider an amount annually, in the region of £500per annum to be added to this fund to allow for these periodic costs.

The general fund now being held is £11,062, as noted in 2014/15 audit documents and in Box 2, last year's general fund was significantly reduced because expenditure had been incurred but the grant funding of £8,923.95 towards this work had not been received. Had this been received in the same period as the expense occurred the carried forward figure would have been £10,291 and 15% increase would have allowed for a balance of £11,835

Box9

Fixed assets and long term assets – 14/15 £98,107 - 15/16 £98,107

No explanation required, no fixed assets have been purchased or disposed of during 15/16

Box10

Total Borrowing - 12/13 Nil - 13/14 Nil

No explanation required