

Explanation of Variances in Section Two of the Audit Statement

Item 3: The Parish Council recovered VAT in the sum of £175.20. This included the VAT for 2015/16 and part of the VAT for 2017/16.

Item 4: The Clerk's salary was increased by 50p per hour with effect from 1st October 2016.

Item 6: The expenses for 2015/16 included an extraordinary payment of £1020 in respect of work to the trees in The Spinney which is owned by the PC and was approximately £500 more than the contingency allowed for in the 2015/16 budget. There was no extraordinary expenditure in 2016/17 and the contingency of £500 was not spent.

Item 7: The budget for 2016/17 included a contingency sum of £500 which was not spent. The Parish Council's reserves have historically been very low and when considering its 2016/17 budget the PC had concluded that it should endeavour to increase its reserves to cater for extraordinary items for example for tree works. There were various under and over estimates against budget. However the end balance being transferred to reserves of £2055 was only £2.04 less than budgeted. The surplus going to reserves is effectively the unspent contingency payment allowed for in the 2016/17 budget.