

## Flamborough Parish Council

## ANNUAL RETURN - Section 2 : Statement of Accounts

## Explanation of variances

This is prepared based on information in "Governance and Accountability for Local Councils : a Practitioner's Guide"

Important note: These figures have been prepared on a RECEIPTS and PAYMENTS basis.

Box No.	Description	Last Year £	31/03/2026 £	Variance £	Variance %	Explanation Required?	Notes
1	Balances brought fwd	59275.00	66056.82				BALANCE B/F AGREES
2	Annual precept	45000.00	54000.00	9000.00	20%	Yes	The Parish Council saw a significant increase of 15.44% on the taxbase which was 873.60 in 24/25 and increased to 1008.50 in the current year. Due to the significant increase in the tax base, it seems a significant variance in the overall amount however, the individual amount for residents based on a Band D equivalent property was £2.03. The precept increase to £54,000 was agreed after it had been presented in the budget scenario- accounting for increased expenditure (salaries, pension, employer NI Contributions).
3	Total other receipts	33148.00	6380.23	-26767.77	81%	Yes	The PC received a grant of £20,000 in the 24-25 year which accounts for a significant proportion of the variance between the two years. Also in the 24-25 year, the PC received two VAT refunds totalling £8613.01 but we have not received a refund in the current year. 4,000 was moved in from savings . Allotment rent was slightly higher in the 24-25 year compared to the following year.
4	Staff Costs	20795.00	23864.54	3069.54	15%	No	Staff costs have increased in line with contractual raises
5	Loan interest/capital repayments	0.00	0.00	0.00	0%	No	Not applicable

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6	Total other payments	50571.00	23538.92	-27032.08	53%	Yes	Payments were higher in the 24-25 year mainly as a result of the installation of playground equipment, costing £24,990.00.
7	Balances carried forward	66056.82	79033.59	12976.77	20%	Yes	Carry forward is relatively high however, the precept demand between 25/26 and 26/27 was not increased and the Parish Council resolved to earmark 20,000 for Community projects to keep General reserves in line with the recommended amounts for a Council of this size.
8	Total Cash and Short Term Investments	66056.82	79033.59	12976.77	20%	Yes	Carry forward is relatively high however, the precept demand between 25/26 and 26/27 was not increased and the Parish Council resolved to earmark 20,000 for Community projects to keep General reserves in line with the recommended amounts for a Council of this size.
9	Total Fixed Assets and Long Term Investments	49868.00	55275.00	5407.00	11%	No	
10	Total Borrowings	0.00	0.00	0.00	0%	No	Not applicable

This report is intended as a guide to the variances you may need to explain. The specific requirements vary between external auditors so please check the requirements shown on the pro forma provided to your council

Please note a breakdown of approved reserves will also be required if the total reserves (Box 7) figure is more than twice the annual precept value (Box 2)