

**CAIRNGORMS NATIONAL PARK AUTHORITY  
FINANCE & DELIVERY COMMITTEE**

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**FOR DISCUSSION**

**Title: 2015/16 DRAFT OUT TURN FIGURES**

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**Purpose**

To present:

- a) a summary review of income and expenditure for the 12 months to 31 March 2016 (the year);
- b) a report on the operational plan expenditure for the year.

**Recommendations**

**The Finance and Delivery committee is requested to:**

- a) **Note the draft final results for the 12 months to 31 March 2016;**
- b) **Note the analysis of the net Operational Plan expenditure, by programme, for the year.**

**Executive Summary**

1. At the time of writing, the authority's draft accounts remain subject to finalisation through the external audit process. This paper therefore presents a summary of the draft outturn position at 31 March as presented by the Authority to Audit Scotland in our draft accounts.
2. Table I below summarises our use of financial resources made available to the Authority through revenue and capital grant-in-aid and from project financing contributions secured from partners in 2015/16. The information in Table I sets out our performance in managing resources over the course of the year toward the objective of fully utilising while not overspending against budgets in total, and in particular making full use of cash resources in terms of grant in aid made available by Scottish Government.

**Table I: Summary of Cash Resource Use 2015/16**

|   | £000         | £000         |
|---|--------------|--------------|
| Income  |              |              |
| Total capital and revenue grant in aid  | 4,651        |              |
| Other income and project funding contributions  | 736          |              |
| <b>Total Income</b>   | <b>5,387</b> | <b>5,387</b> |
| Expenditure   |              |              |
| Operating expenditure, including Operational Plan and capital grants to third parties | 5,100        |              |
| Expenditure on additions to CNPA assets   | 47           |              |
| <b>Total Expenditure</b>  | <b>5,147</b> | <b>5,147</b> |
| <b>Net Income (Expenditure) 2015/16</b>   | <b>240</b>   | <b>240</b>   |

3. As set out in Table I, our outturn position in terms of use of financial resources secured in the year shows a £240k surplus of income over expenditure.

### Financial Accounts

4. Annex I summarises the draft financial results for the authority for the 12 months to 31 March 2016 in line with the draft financial accounts presented for audit.
5. The result for the year is a net increase of £237k in Tax Payers' Equity from total income of £5,387k. This compares to a decrease in Tax Payers' Equity in 2014/15 of £87k. Reconciliation for the 2014/15 increase in Tax Payers' Equity position to the management accounts summary set out in Table I is given in Table 2.

**Table 2: Reconciliation Between Management Accounts Position (Table I) and Changes in Taxpayers' Equity Extracted from Draft Financial Accounts**

|  | £000       |
|--|------------|
| 2015/16 Increase in Taxpayers' Equity          | 237        |
| Add back depreciation charges (not cash based) | +51        |
| Gain on disposal of fixed assets               | -1         |
| Deduct resources used to create capital assets | -47        |
| <b>Net Income 2015/16</b>                      | <b>240</b> |

6. Resource grant-in-aid for the year was received in full. Additional capital grant-in-aid of £55k was received for investment in ICT toward delivery of the Organisational Development Strategy, along with £160k for the Scenic Routes project.
7. Income from all other sources was £837k higher than budget. This was due to more Grant-in-aid being made available from Scottish Government than originally budgeted for (£351k), delayed grants from Sustrans against expenditure on the Speyside way extension (£130k) and from recoveries against the LEADER programme from Scottish Government (£109k). Expenditure on the Tomintoul and Glenlivet Landscape

Partnership was matched by contributions from the other partners and the Heritage Lottery Fund. Some £50k of the surplus relates to expenditure not committed by agreement with Scottish Government as part of their national budget management processes.

8. It should be noted that while staff costs reduced, elements of the reduction relate to staff costs allocated to LEADER (£153k), Peatland officer (£41k) and Tomintoul and Glenlivet Development Manager (£38k), which are included as part of the operational plan expenditure. The actual saving compared to budget is £93k, which has arisen due to staff departures with any replacements being at a lower pay band.
9. Savings on IT and Professional Support was matched by increased spend on Office Running Costs.
10. LEADER costs include staff and administration cost. LEADER costs have been included as part of the Operational Plan results for the year. LEADER recoveries have been identified separately as part of other income, while LEADER costs are included as part of Operational Plan costs. Overall the net cost of the LEADER program in the year was £70k, as approved by the Board as CNPA's contribution to support Cairngorms LEADER.
11. Excluding LEADER and the Tomintoul and Glenlivet Landscape Partnership expenditure the Operational Plan expenditure was £1,428k, £447k higher than originally profiled.

## **Next Steps**

12. The draft Report and Accounts for audit were presented to Audit Scotland on 29<sup>th</sup> April, in advance of the audit visit on 2<sup>nd</sup> May. Audit field work was completed on 6<sup>th</sup> May. We aim to submit the accounts to the Audit Committee for approval on 1<sup>st</sup> July, with the intention of their signing by Grant Moir, Chief Executive, as Accountable Officer that day. There is currently some discussion between officers and Audit Scotland on the appropriate accounting treatment for Scenic Routes. We will provide the Committee with some update on the progress of the audit at the meeting.

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**31 May 2016**

**ANNEX 1 Draft results for the 12 months to 31 March 2016**

**Comprehensive Net Expenditure**

|                                 | <b>31 03 2016</b> |               |                 |
|---------------------------------|-------------------|---------------|-----------------|
|                                 | <b>Actual</b>     | <b>Budget</b> | <b>Variance</b> |
|                                 | <b>£,000</b>      | <b>£,000</b>  | <b>£,000</b>    |
| <b>Income</b>                   |                   |               |                 |
| Grant-in-aid - resource         | 4,436             | 4,267         | +169            |
| Grant-in-aid - capital          | 55                | 33            | +22             |
| Grant-in-aid - supplementary    | 160               | -             | +160            |
| Other income                    | 26                | 25            | +1              |
| Operational plan income         | 710               | 225           | +485            |
| <b>Total income</b>             | <b>5,387</b>      | <b>4,550</b>  | <b>+837</b>     |
| <b>Expenditure</b>              |                   |               |                 |
| Board and staff salary costs    | 2,699             | 3,024         | -325            |
| Other board and staff costs     | 212               | 215           | -3              |
| Office running costs            | 275               | 214           | +61             |
| IT and professional support     | 114               | 179           | -65             |
|                                 | 3,300             | 3,632         | -332            |
| Operational Plan expenditure    | 1,800             | 951           | +849            |
| <b>Total expenditure</b>        | <b>5,100</b>      | <b>4,583</b>  | <b>+517</b>     |
| <b>Net income/(expenditure)</b> | <b>287</b>        | <b>(33)</b>   | <b>-320</b>     |

**ANNEX 2 Draft Operational Plan expenditure and income  
for the 12 months to 31 March 2016**

|                                  | <b>31 03 2016</b>       |                         |                           |
|----------------------------------|-------------------------|-------------------------|---------------------------|
|                                  | <b>Actual<br/>£,000</b> | <b>Budget<br/>£,000</b> | <b>Variance<br/>£,000</b> |
| <b>Operating plan summary</b>    |                         |                         |                           |
| Operational plan income          | 709                     | 225                     | +484                      |
| Operational plan expenditure     | 1,800                   | 951                     | +849                      |
|                                  | 1,091                   | 726                     | 365                       |
| <b>Income</b>                    |                         |                         |                           |
| Conservation                     | 76                      |                         |                           |
| Visitor Experience               | 213                     |                         |                           |
| Planning                         | 90                      |                         |                           |
| Rural Development                | 27                      |                         |                           |
| Communications                   | 1                       |                         |                           |
|                                  | 407                     | 225                     | +182                      |
| <b>LEADER</b>                    | 110                     | -                       | +110                      |
| <b>Tomintoul &amp; Glenlivet</b> | 192                     | -                       | +192                      |
|                                  | 709                     | 225                     | +484                      |
| <b>Expenditure</b>               |                         |                         |                           |
| Conservation                     | 194                     | 147                     | +47                       |
| Visitor Experience               | 762                     | 388                     | +374                      |
| Planning                         | 109                     | 104                     | +5                        |
| Rural Development                | 229                     | 186                     | +43                       |
| Corporate Services               | 76                      | 63                      | +13                       |
| Communications                   | 58                      | 63                      | -5                        |
|                                  | 1,428                   | 951                     | +477                      |
| <b>LEADER</b>                    | 180                     | -                       | +180                      |
| <b>Tomintoul &amp; Glenlivet</b> | 192                     | -                       | +192                      |
|                                  | 1,800                   | 951                     | +849                      |