

CAIRNGORMS NATIONAL PARK AUTHORITY FINANCE COMMITTEE

FOR INFORMATION

Title: REVIEW OF THE FINANCIAL YEAR 2010/11

Prepared by: Alistair Hight, Finance Manager

Purpose

The purpose of this paper is to present a summary review of income and expenditure for the 12 months to 31st March 2011. The paper also reviews net Operational Plan expenditure for the financial year.

Recommendations

The Finance Committee is requested to:

- a) Note the draft results for the 12 months to 31st March 2011.
- b) Note the further analysis of net Operational Plan expenditure by programme for the 12 months to 31st March 2011.

Executive Summary

- a) Table 1 shows the financial results of the CNPA for the year ending 31st March 2011. The year resulted in Net Income after capital expenditure of £9k against planned Net Income of £14k (the £5k variance representing less than 0.01% of total income).
 - b) The Core Operating Costs budget of £2,911k for the year included £146k of efficiency savings. A further £43k of efficiency savings were made against this budget during the year, giving overall efficiency savings of £189k compared to a maximum efficiency target of £107k (2% of total Grant in Aid received). The CNPA has therefore made efficiency savings of £426k over the 3 years to 31st March 2011 against a target of £293k for the same period.
 - c) Efficiency savings, in part, allowed the Operational Plan budget for 2010/11 to increase from an original £1,899k to a final out turn of £2,104k (see Table 2 for analysis).
 - d) Financial targets for the CNPA provide a guidance range of +2% of Total Income (£124k Net Income for the year) and -1% (£62k Net Expenditure for the year). The Net Income for the year of £9k represents 0.01% of Total Income and is therefore within this guidance range.
 - e) These draft results for the year ending 31st March 2011 are subject to audit by Audit Scotland, who will begin their audit field work on 9th May 2010.
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REVIEW OF THE YEAR TO 31/03/2011 – FOR INFORMATION

Table 1. Results for the 12 months to 31st March 2011:

CNPA	12		
2010/11	Mar-11	Mar-11	Mar-11
Operating Cost Statement	Actual	Budget	Variance
£000's	12 mths	12 mths	12 mths
Income			
Grant in Aid and Other income	a) 5,391	5,012	379
Operational Plan income	b) 827	563	264
Total Income	6,218	5,575	643
Expenditure			
Board and Staff Salary costs	c) 2,263	2,299	36
Other Board and Staff costs	c) 354	203	-151
Office Running costs	260	253	-7
IT and Professional Support	142	156	14
Core Operating Costs	3,019	2,911	-108
Operational Plan Expenditure	2,931	2,541	-390
Depreciation	79	76	-3
Operating Expenditure	6,029	5,528	-501
Net Increase in Reserves	189	47	142
Capital Expenditure	f) 180	33	-147
Net Income after Cap. Exp.	g) 9	14	-5
Notes			
	a) £273k additional capital grant was received for 2010/11 together with £138k SG contribution to early departure costs. Planning fee income was £32k less than previous years.		
	b) The LEADER project claimed and distributed £277k more than originally budgeted for the year.		
	c) Reflects the £151k cost of the early departure scheme in 2010/11 against £36k savings achieved against budgeted staff costs for the year.		
	d) Adding back the early departure costs, core operating costs were £43k (-£108k + £151K) lower than budgeted. This represents additional savings on top of the 2% efficiencies included in the target figures for the year.		
	e) See b) and Table 2.		
	f) Total capital grant for the year was £306k, with £180k being capitalised to fixed assets during the year and £126k charged to the 2010/11 Operational Plan.		
	g) In overall financial management terms, net income of £9k is £5k less than the budget figure for 2010/11 and 0.01% of total income.		

Table 2. Net Operational Plan expenditure for the 12 months to 31st March 2011:

<u>CNPA Operational Plan</u>	12		
<u>2010/11</u>	Mar-11	Mar-11	Mar-11
<u>Expenditure Summary</u>	Actual	Budget	Variance
£000's	12 mths	12 mths	12 mths
Operating Cost Statement			
Operational Plan Income	827	563	264
Operational Plan Expenditure	2,931	2,541	-390
	2,104	1,978	-126
Operational Plan Programmes			
1. Biodiversity and Landscapes	171	177	6
2. Land Management Support	55	83	28
3. Sustainable Deer Management	13	20	7
4. Outdoor Access	h) 387	272	-115
5. Sustainable Tourism & Business	197	194	-3
6. Affordable Sustainable Housing	24	20	-4
7. Awareness and Understanding	400	396	-4
8. Communications	226	275	49
9. Planning	i) 399	363	-36
10. Corporate Services	j) 232	178	-54
	2,104	1,978	-126
Net Operating Cost			
	2,104	1,978	-126
<u>Notes</u>			
	h) £100k of COAT funding from 2011/12 budget was paid in March 2011 to aid the Access Trusts cash flow and business plan objectives.		
	i) Legal costs of £75k have been incurred on the Dornell Wind Farm Inquiry. This cost has been managed from unspent budget identified in programmes 1 to 3 & 8.		
	j) Additional expenditure of £78k on shared services work with Loch Lomond & the Trossachs National Park Authority has been incurred in the year. This relates to e-planning, network connectivity and systems integration work funded by additional SG grant received during 2010/11, specifically awarded against shared service activities.		

Alistair Highet
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alistairhighet@cairngorms.co.uk