

**CAIRNGORMS NATIONAL PARK AUTHORITY
FINANCE COMMITTEE**

FOR INFORMATION

Title: REVIEW OF THE FINANCIAL YEAR 2009/10

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 2010. 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 2010.
- b) Note the further analysis of net Operational Plan expenditure by programme for the 12 months to 31st March 2010.

Executive Summary

- a) Table 1 shows the financial results of the CNPA for the year ending 31st March 2010. The year resulted in Net Expenditure of £50k against planned Net Expenditure of £46k (the £4k variance representing less than 0.1% of income).
 - b) Core Operating Costs budget for the year included £93k of efficiency savings. A further £54k of efficiency savings were made against this budget during the year, giving overall efficiency savings of £147k compared to a maximum efficiency target of £96k (2% of total Grant in Aid received). The CNPA has therefore made efficiency savings of £237k over the 2 years to 31st March 2010 against a target of £186k for the same period.
 - c) £46k of the £54k additional efficiencies was re-directed into further Operational Plan expenditure (see Table 2 for analysis).
 - d) Financial targets for the CNPA provide a guidance range of +2% of Total Income (£110k Net Income for the year) and -1% (£55k Net Expenditure for the year). The Net Expenditure for the year of £50k represents 0.9% of Total Income and is therefore within this guidance range.
 - e) The £50k Net Expenditure for 2009-10 represents a partial re-balancing of the £76k Net Income achieved over the 3 years to 31st March 2009.
 - f) These draft results are subject to audit by Audit Scotland, who will begin their audit field work on 10th May 2010.
-

REVIEW OF THE YEAR TO 31/03/2010 – FOR INFORMATION

Table 1. Results for the 12 months to 31st March 2010:

<u>CNPA</u>	12		
<u>2009/10</u>	Mar-10	Mar-10	Mar-10
<u>Operating Cost Statement</u>	Actual	Budget	Variance
£000's	12 mths	12 mths	12 mths
Income			
Grant in Aid and Other income	4,859	4,862	-3
Operational Plan income	h) 667	671	-4
Total Income	a) 5,526	5,533	-7
Expenditure			
Board and Staff Salary costs	b) 2,324	2,398	74
Other Board and Staff costs	c) 224	243	19
Office Running costs	d) 235	209	-26
IT and Professional Support	e) 144	131	-13
Core Operating Costs	f) 2,927	2,981	54
Operational Plan Expenditure	h) 2,587	2,541	-46
Depreciation	62	57	-5
Total Expenditure	5,576	5,579	3
Net Expenditure for the year	g) -50	-46	-4
Notes			
	a) Bank interest received for the year was nil, £6k less than budgeted.		
	b) £64k of payroll savings were on Staff Salaries with £10k relating to Board costs for the year.		
	c) £9k of saving came from Other Board costs with a further £10k spent below budget on Staff Recruitment and Relocation costs.		
	d) Office Running cost for the year was £14k higher than budget due to reception refurbishment, office caretaker costs and increased property rates and utility charges. The remaining £12k of increased expenditure related to document storage, telephone charges and general maintenance costs.		
	e) £11k of additional costs related to temporary officers in Press, Planning and GIS functions.		
	f) The overall saving of £54k on the Core Operating Cost budget delivers CNPA efficiency savings of £147k for 2009-10, against a target of £96k (2% of Grant in Aid received).		
	g) Net Expenditure for the year of £50k is within the target range of 1% (£55k) of Total Income and utilizes a part of the £76k net income accumulated over the previous 3 years.		
	h) See Table 2 analysis.		

Table 2. Net Operational Plan expenditure for the 12 months to 31st March 2010:

CNPA Operational Plan		12		
2009/10		Mar-10	Mar-10	Mar-10
Expenditure Summary		Actual	Budget	Variance
£000's		12 mths	12 mths	12 mths
Operating Cost Statement				
Operational Plan Income	h)	667	671	-4
Operational Plan Expenditure	h)	2,587	2,541	-46
		1,920	1,870	-50
Operational Plan Programmes				
1. Biodiversity and Landscapes	i)	175	170	-5
2. Land Management Support	j)	149	190	41
3. Sustainable Deer Management		12	12	0
4. Outdoor Access	k)	325	295	-30
5. Sustainable Tourism & Business	l)	405	362	-43
6. Affordable Sustainable Housing	m)	32	42	10
7. Awareness and Understanding		437	438	1
8. Communications	n)	77	113	36
9. Planning	o)	107	66	-41
10. Corporate Services		4	4	0
Exceptional Local Plan costs	p)	197	178	-19
Net Operating Cost		1,920	1,870	-50
Notes				
	i)	£5k vired from Communications budget to fund LBAP leaflet publication.		
	j)	Under spend relates to £14k on Land Management Support Officers and the balance on Sustainable Land Management.		
	k)	£25k additional funding provided to COAT for the year.		
	l)	The LEADER programme spent £11k higher than budget and an additional £31k of CNPA staff and financial support was provided to the Cairngorms Business Partnership.		
	m)	Under spend of £6k on Housing Indicators and £4k on the Sustainable Design Guide.		
	n)	General under spend (£10k highest on Website/ Intranet).		
	o)	Overspend relates to Planning Enforcement and Monitoring.		
	p)	Local plan costs are shown separately as additional budget has been taken from all other programmes to cover this expenditure. Local Plan costs are normally budgeted for within Affordable Sustainable Housing.		

Alistair Highet

30 April 2010

alistairhighet@cairngorms.co.uk