

CAIRNGORMS NATIONAL PARK AUTHORITY FINANCE COMMITTEE

FOR INFORMATION

Title: REVIEW OF THE FINANCIAL YEAR 2008/09

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Purpose

1. To present a summary review of income & expenditure for the 12 months to 31st March 2009 and to analyse Operational Plan net expenditure for the financial year.

Recommendations

2. The Finance Committee is requested to:
 - a) Note the results for the 12 months to 31st March 2009.
 - b) Note the further analysis of Operational Plan net expenditure by programme for the 12 months to 31st March 2009 and the outcome, by programme, for the year to 31st March 2009.

Executive Summary

3. Table 1 shows the financial results of the CNPA for the financial year ending 31st March 2009. The 12 months to 31st March 2009 resulted in a recognised gain of £16k against a mid-year forecast loss of £59k (the £16k gain representing 0.4% of Grant in Aid received).
4. The £75k variance against mid-year forecast is mainly the result of managing Operational Plan income & expenditure across the organisation towards a break even outcome.
5. Core operating costs were £15k less than budget. This means that the CNPA has achieved its annual target for efficiency savings in 2008/09, set at 2% of Grant in Aid.
6. Table 2 analyses the net expenditure of £1,655k on Operational Plan programmes over the 12 months to 31st March.
7. The budget figures shown represent the amendments to budget lines made as part of the September/ October 2008 mid-year spending review for 2008/ 2009. At that time, £59k of Operational plan expenditure was not covered by external income.

8. The current figures are unaudited with Audit Scotland currently conducting their 2008/09 audit.
 9. It is intended that the CNPA annual accounts for 2008/09 be approved at the Audit Committee meeting on the 26th June 2009.
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2008/09 FINANCIAL REVIEW – FOR INFORMATION

Background

Table 1. Results for the 12 months to 31st March 2009:

CNPA		12		
2008/09		31/03/2009	31/03/2009	31/03/2009
Operating Cost Statement		Actual	Budget	Variance
£000's		£000's	£000's	£000's
Income				
Grant in Aid		4,546	4,546	0
Planning & other income	i.	66	55	11
Operational Plan income	ii.	454	402	52
		<u>5,066</u>	<u>5,003</u>	<u>63</u>
Expenditure				
Board members salary costs		199	204	5
Staff salary costs		2,048	2,055	7
Board and staff salary costs		<u>2,247</u>	<u>2,259</u>	<u>12</u>
Other board and staff costs	iii.	253	267	14
Office running costs	iv.	236	220	-16
IT and professional support		149	154	5
Other operating costs		<u>638</u>	<u>641</u>	<u>3</u>
Core operating costs	v.	<u>2,885</u>	<u>2,900</u>	<u>15</u>
Operational Plan expenditure	ii.	2,108	2,117	9
Depreciation		64	57	-7
Total cost of operations		<u>5,057</u>	<u>5,074</u>	<u>17</u>
Bank interest received		7	12	-5
Recognised gains/ -losses	vi.	<u>16</u>	<u>-59</u>	<u>75</u>
Notes				
				Income from planning fees was £9k higher than budgeted for the
	i.			year.
				See Table 2 - Net Operational Plan
	ii.			expenditure.
				A net saving of £9k for the year was achieved in training
	iii.			and
				recruitment costs plus £5k was saved on vehicle costs.
	iv.			An additional £17k of expenditure was incurred during the year on
				Property costs in relation to rent reviews.

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	v. The total saving of £15k on the budget for core operating costs means that the CNPA has achieved its annual efficiency savings target of 2% of Grant in Aid.
	vi. The budget of -£59k net expenditure relates mainly to Operational Plan Programme budgets not covered by external income at the time of the October 2008 budget review (see Table 2). The small recognised gain of £16k represents 0.4% of Grant in Aid And will cover the notional cost of capital to be charged in the annual accounts (2008: £12k).

Table 2. Net Operational Plan expenditure for the 12 months to 31st March 2009:

CNPA Operational Plan 2008/09		12		
Expenditure Summary		31/03/2009	31/03/2009	31/03/2009
£000's		Actual	Budget	Variance
Operating Cost Statement		£000's	£000's	£000's
Operational Plan Income	i.	454	402	52
Operational Plan Expenditure		2,108	2,117	9
		<u>1,655</u>	<u>1,715</u>	<u>60</u>
Operational Plan Programmes				
1. Biodiversity and Landscapes	ii.	122	145	23
2. Land Management Support	iii.	225	189	-35
3. Sustainable Deer Management		9	16	7
4. Outdoor Access	iv.	322	302	-21
5. Sustainable Tourism & Business	v.	301	355	55
6. Affordable Sustainable Housing		115	107	-9
7. Awareness and Understanding	vi.	384	408	25
8. Communications	vii.	111	130	19
9. Planning	vii.	59	32	-27
10. Corporate Services	vii.	8	31	23

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Net Operating Cost

1,655	1,715	60
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Notes

- i.** £30k more income generated towards the LBBT programme plus £9k income towards the completed Point of Entry project. Balance funded Wildcat and Mountain Bike website projects.
- ii.** £5k extra income towards Biological Records Centre, £10k of budget for work on Identifying Species Decline not utilised. Budget available from programmes 1 and 3 were effectively diverted to programme 2 and Land Based Business Training in particular.
- iv.** £21k overspend reflects additional £30k contribution to COAT for 2008/09. The new LEADER programme was underspent by £36k in it's first year
- v.** as initial project applications began more slowly than anticipated. The remaining £19k unspent relates mainly to the Economic Baseline Review project which is now taking place in 2009/10.
- vi.** £25k budget for New ways to make park information available not utilised. Communications and Corporate Services budgets were held back
- vii.** to cover the uncertain costs of the Local Plan Inquiry (included in Planning).

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