

CAIRNGORMS NATIONAL PARK AUTHORITY  
FINANCE COMMITTEE

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**FOR INFORMATION**

**Title: 2008/09 SECOND QUARTER REVIEW**

**Prepared by: Alistair Hight, Finance Manager**

**Purpose**

To present a summary review of income & expenditure for the 6 months to 30<sup>th</sup> September 2008 and a projection of the financial outcome for the year to 31<sup>st</sup> March 2009. In addition, to analyse Operational Plan net expenditure for the first 2 quarters of the year.

**Recommendations**

The Finance Committee is requested to:

- a) Note the results for the 6 month period to the end of September 2008 and the projected outcome for the 12 months to 31<sup>st</sup> March 2009.
- b) Note the further analysis of Operational Plan net expenditure by programme for the 6 months to 30<sup>th</sup> September 2008 and the projected outcome, by programme, for the year to 31<sup>st</sup> March 2009.

**Executive Summary**

- a) Table 1 shows the financial results for the CNPA over the first 2 quarters of 2008/09. The 6 months to 30<sup>th</sup> September represent a surplus of £32k against a planned deficit of £56k (the £88k variance representing 4% of income).
- b) The £88k surplus is reflected in an underspend of Operational Plan expenditure. The Operational Plan expenditure of £577k is, however, £200k greater than the £377k spent over the same period last year (2007/08).
- c) The projected outcome for the year to 31<sup>st</sup> March 2009 is a small surplus of £10k. The £17k projected savings against target are reflected by core, mainly payroll, cost savings.
- d) Table 2 analyses the net expenditure of £549k on Operational Plan programmes over the 6 months to 30<sup>th</sup> September. Whilst underspent over this period, Operational Plan net expenditure for the full year is expected to in line with budget at £1,611k.

- e) The 6 month review of budget allocations is currently underway, with initial findings indicating that any additional resources required, such as for Land Management Support, can be found from some natural slippage in other programmes.
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2008/09 SECOND QUARTER REVIEW – FOR INFORMATION

Background

Table 1. Results for the 6 months to 30<sup>th</sup> September 2008:

<u>CNPA</u> <u>2008/09</u>		6		12		
	Sep-08	Sep-08	Sep-08	Mar-09	Mar-09	Mar-09
<u>Operating Cost Statement</u>	Actual	Budget	Variance	Projected	Budget	Variance
£000's	Ytd	Ytd	Ytd	Ytd	Ytd	Ytd
<b>Income</b>						
Grant in Aid (GIA) from SG Planning & Other Income	2,063	2,079	-16	4,546	4,546	0
Operational Plan Income	1	0	1	55	55	0
	28	28	0	320	320	0
<b>Total Income</b>	<b>a) 2,091</b>	<b>2,107</b>	<b>-16</b>	<b>4,921</b>	<b>4,921</b>	<b>0</b>
<b>Expenditure</b>						
Board members salary costs	100	102	2	202	204	2
Staff salary costs	1,040	1,054	14	2,093	2,107	14
<b>Board and staff salary costs</b>	<b>b) 1,140</b>	<b>1,156</b>	<b>16</b>	<b>2,295</b>	<b>2,311</b>	<b>16</b>
Other Board and Staff Costs	131	134	3	265	267	3
Office running costs	106	110	4	216	220	4
IT and Professional Support	83	77	-6	160	154	-6
<b>Other Operating Costs</b>	<b>a) 319</b>	<b>321</b>	<b>1</b>	<b>640</b>	<b>641</b>	<b>1</b>
<b>Operational Plan Expenditure</b>	<b>c) 577</b>	<b>665</b>	<b>89</b>	<b>1,931</b>	<b>1,931</b>	<b>0</b>
<b>Depreciation</b>	<b>a) 28</b>	<b>28</b>	<b>0</b>	<b>57</b>	<b>57</b>	<b>0</b>
<b>Total Expenditure</b>	<b>2,064</b>	<b>2,169</b>	<b>105</b>	<b>4,923</b>	<b>4,940</b>	<b>17</b>
<b>Net Operating Cost</b>	<b>28</b>	<b>-62</b>	<b>90</b>	<b>-2</b>	<b>-19</b>	<b>17</b>
Bank Interest Received	a) 5	6	-1	12	12	0
<b>Net Income/ -Expenditure</b>	<b>d) 32</b>	<b>-56</b>	<b>88</b>	<b>10</b>	<b>-7</b>	<b>17</b>
<b>Notes</b>						
	a) Income and sundry other costs are projected to be in line with Budget for the year.					
	b) Payroll savings against budget at the end of September are expected to be maintained for the remainder of the year.					
	c) Operational plan expenditure at the end of 6 months is £89k below Budget but all programmes					

are projecting a full spend by the year-end.

- d) If income and expenditure are as projected for the remaining 6 months to 31st March 2009, a small surplus of £10k will arise.

Table 2. Net Operational Plan expenditure for the 6 months to 30<sup>th</sup> September 2008:

<b><u>CNPA Operational Plan</u></b> <b><u>2008/09</u></b>	6	12					
<b><u>Expenditure Summary</u></b>	Sep-08	Sep-08	Sep-08	Mar-09	Mar-09	Mar-09	
<b>£000's</b>	Actual Ytd	Budget Ytd	Variance Ytd	Projected Ytd	Budget Ytd	Variance Ytd	
<b>Operating Cost Statement</b>							
Operational Plan Income	28	28	0	320	320	0	
Operational Plan Expenditure	577	665	89	1,931	1,931	0	
	<b>-549</b>	<b>-637</b>	<b>88</b>	<b>-1,611</b>	<b>-1,611</b>	<b>0</b>	
<b>Operational Plan Programmes</b>							
1. Biodiversity and Landscapes	-59	-59	0	-148	-148	0	
2. Land Management Support	e) -79	-20	-58	-151	-98	-53	
3. Sustainable Deer Management	f) -3	-16	13	-26	-32	6	
4. Outdoor Access	f) -124	-135	11	-300	-306	6	
5. Sustainable Tourism & Business	-85	-53	-32	-182	-182	0	
6. Affordable Sustainable Housing	f) -22	-63	40	-156	-162	6	
7. Awareness and Understanding	g) -100	-180	79	-401	-436	35	
8. Communications	-62	-59	-3	-124	-124	0	
9. Planning	-3	-28	25	-64	-64	0	
10. Corporate Services	-11	-24	13	-60	-60	0	
<b>Net Operating Cost</b>	<b>h) -549</b>	<b>-637</b>	<b>88</b>	<b>-1,611</b>	<b>-1,611</b>	<b>0</b>	
<b><u>Notes</u></b>							
	<p>e) An additional £53k of budget is expected to be required to cover the cost of the LBBT programme, 2 Land Management Support Officers and extra work on 'Green Farms and Land Management Sustainability'.</p> <p>f) Preliminary savings identified from the initial stages of the 6 month Budgetary review process.</p> <p>g) Budget savings identified on projects relating to Visitor, Entry Point and other new information services which are unlikely to commence in the</p>						

current financial year.

- h)** As noted previously, programmes are projected to fully spend the overall available budget by the end of the financial year.

**Alistair Highet**

**13 October 2008**

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