

CAIRNGORMS NATIONAL PARK AUTHORITY FINANCE COMMITTEE

FOR INFORMATION

Title: REVIEW OF THE FINANCIAL YEAR 2011/12

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Purpose

The purpose of this paper is to present a summary review of income and expenditure for the 12 months to 31st March 2012. 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 2012.
- b) Note the further analysis of net Operational Plan expenditure by programme for the 12 months to 31st March 2012.

Executive Summary

- a) Table 1 shows the financial results of CNPA for the year ending 31st March 2012. The year resulted in Net Expenditure of £12k against a planned decrease in Tax Payers' Equity of £62k (the £50k variance representing less than 1% of total income).
 - b) The Core Operating Costs budget of £2,792k for the year included £143k of efficiency savings for 2011/12 plus underlying recurring efficiencies of £255k, a total of £398k in planned efficiencies. Total efficiencies achieved for 2011/12 were £71k lower than planned at £327k, but still ahead of the 3% of Grant in Aid target (£143k) set for the year.
 - c) Net Operational Plan expenditure for 2011/12 of £2,222k was £271k higher than budget. This was made possible by additional capital grants received from Scottish Government of £397k (see Table 2 for analysis).
 - d) Financial targets for the CNPA provide a guidance range of +2% of Total Income (£119k Net Income for the year) and -1% (£60k Net Expenditure for the year). The Net Expenditure for the year of £12k represents 0.2% of Total Income and is therefore within this guidance range.
 - e) These draft results for the year ending 31st March 2012 are subject to audit by Audit Scotland who will begin their audit field work on 14th May 2012.
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REVIEW OF THE YEAR ENDING 31/03/2012 – FOR INFORMATION

Table 1. Results for the 12 months to 31st March 2012:

<u>CNPA</u>	12		
<u>2011/12</u>	Mar-12	Mar-12	Mar-12
<u>Net Expenditure Account</u>	Actual	Budget	Variance
£000's	12 mths	12 mths	12 mths
Income			
Grant in Aid and Other income	a) 5,187	4,796	391
Operational Plan income	b) 785	552	233
Total Income	5,972	5,348	624
Expenditure			
Board and Staff Salary costs	2,247	2,243	-4
Other Board and Staff costs	c) 201	179	-22
Office Running costs	236	233	-3
IT and Professional Support	d) 179	137	-42
Core Operating Costs	2,863	2,792	-71
Operational Plan Expenditure	3,007	2,503	-504
Depreciation	114	115	1
Operating Expenditure	5,984	5,410	-574
Net Decrease in Tax Payers' Equity	-12	-62	50
<u>Notes</u>			
	<p>a) £397k of additional capital grant was received for 2011/12 (see Table 2 for analysis). Planning fee income was £5k less than in 2010/11.</p> <p>b) The LEADER project claimed and distributed £232k of small project grants more than originally budgeted for during 2011/12.</p> <p>c) £19k of spend above budget relates to additional training undertaken for both Board and Staff members.</p> <p>d) £15k of additional spend relates to Temporary Agency staff costs incurred in covering various posts over the year. The balance of spend above budget relates to the acceleration of the joint IT project with LL&TT NPA, aimed at bringing systems and functions between the two Park Authorities more in line.</p> <p>e) Although core costs were £71k more than originally budgeted, overall efficiencies (including recurring efficiencies) achieved for 2011/12 were £327k against a 3% target of £143k.</p> <p>f) See Table 2 below.</p> <p>g) Net expenditure of £12k for the 2011/12 financial year represents 0.2% of total income.</p>		

Table 2. Net Operational Plan expenditure for the 12 months to 31st March 2012:

CNPA Operational Plan		12		
2011/12		Mar-12	Mar-12	Mar-12
Expenditure Summary		Actual	Budget	Variance
£000's		12 mths	12 mths	12 mths
Operating Cost Statement				
Operational Plan Income		785	552	233
Operational Plan Expenditure	f)	3,007	2,503	-504
		2,222	1,951	-271
Operational Plan Programmes				
1. Biodiversity and Landscapes		192	203	11
2. Land Management Support		53	79	26
3. Sustainable Deer Management		10	16	6
4. Outdoor Access	h)	486	303	-183
5. Sustainable Tourism & Business		128	154	26
6. Affordable Sustainable Housing		22	10	-12
7. Awareness and Understanding	i)	620	394	-226
8. Communications	j)	222	259	37
9. Planning		325	335	10
10. Corporate Services	k)	164	198	34
		2,222	1,951	-271
Net Operating Cost		2,222	1,951	-271
Notes				
	h)	£162k of additional capital grant received from Scottish Government in 2011/12 allowed funding to COAT to undertake various additional bridge and path works (the former in Strathdon).		
	i)	£210k of additional capital grant funded improvements to visitor facilities in Blair Atholl. A further £25k of capital grant contributed to the Tomintoul regeneration project.		
	j)	£40k has been under spent on the Land Based Business Training Project in 2011/12. This has led to a review of the project and a possible future restructuring to better focus on changing training demands.		
	k)	Although the LEADER project distributed £232k more grant funding to community projects, there was £38k less CNPA funding matched into these projects than provided for in the 2011/12 budget.		

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