

Annual Income and Expenditure Report: 2013/14

Report by Head of Finance

<p>Summary: This report sets out a summary of the Authority's income and expenditure for the 2013/14 financial year, analysed between national park and navigation funds. Original and Latest Available Budget information is provided for comparison.</p>

1 Introduction

- 1.1 The Broads Authority Act 2009 requires the Authority to prepare a report as soon as reasonably possible after the end of each financial year describing the navigation income received by it and the navigation expenditure incurred by it in that year.
- 1.2 The format of this report has been slightly amended when compared with 2012/13 following member requests to include both the Original and Latest Available Budget information. In addition, there has been a minor change in the structure of this report for 2013/14 as the Authority completed the final stage of a major restructuring, reducing to two Directorates from April 2013. This has resulted in some changes to the Directorate groupings (in particular the merger of the former Planning and Strategy and Resources Directorates), but there have been no changes within the individual budget lines compared to 2012/13.

2 Actual Income and Expenditure 2013/14

- 2.1 The table in Appendix 1 sets out the Authority's income and expenditure attributed to general (national park grant) and navigation funds for the financial year ended 31 March 2014. To the extent that they are included within the Authority's Statement of Accounts, these figures are subject to audit and formal approval by the Authority's external auditors. For comparative purposes, the Original and Latest Available Budget (LAB) figures are also shown. This information is published on the Authority's website.
- 2.2 The actual outturn for 2013/14 was a deficit of £42,513 for navigation compared with a budgeted LAB deficit for the year of £131,858. The original budget was for a surplus of £27,137. There has been no significant movement in actual navigation figures since the draft outturn for the year reported in the Chief Executive's Report (Item 12, 05/06/2014). The final forecast outturn reported to the Committee was a deficit of £78,714. (Item 11, 24/04/2014).

- 2.3 Total core income for the year was £2,902,778, which was £26,206 below budget, principally due to adverse variances within the Private Craft Tolls and Interest budget lines.
- 2.4 There has been some considerable success in bringing in additional, unbudgeted income during the year, and this has had an impact on the overall Directorate figures (additional income of £62,363 for Operations and £33,147 for Planning and Resources). Some expenditure has also been funded from the Authority's earmarked reserves, in particular in relation to launches (£63,536) and second replacement wherry (£29,700). The underspend within Planning and Resources is in part due to difficulties in progressing navigation projects within the allocated £35,000 budget in Project Funding.
- 2.5 Total net navigation expenditure in 2013/14 was £2,945,291.

3 Summary

- 3.1 The total navigation deficit for 2013/14 was lower than budgeted and also lower than forecast. As a result the balance of the navigation reserve at the end of 2013/14 was £289,774. This is slightly, but not significantly, below the target balance of 10% of net expenditure. The impact of this 2013/14 outturn was taken into account in the Authority's consideration of carry-forward requests and the allocation of additional budget for Stakeholder Surveys reported in Item 13 on this agenda.

Background Papers:	Nil
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Date of Report:	15 August 2014
Broads Plan Objectives:	None
Appendices:	APPENDIX 1 – Navigation Actual Income and Expenditure 2013/14

The Broads Authority – General and Navigation Income and Expenditure 2013/14

The Broads Authority Act 2009 requires the Authority to prepare a report as soon as reasonably possible after the end of each financial year describing the navigation income received by it and the navigation expenditure incurred by it in that year. The table below sets out the Authority's income and expenditure attributed to general (National Park Grant) and navigation funds for the financial year ended 31 March 2014. These figures are derived from the annual Statement of Accounts which is subject to audit and formal approval by the Authority's external auditors, Ernst & Young. For comparative purposes, the final approved budget figures are also shown.

There has been a minor change in the structure of this report for 2013/14 as the Authority completed the final stage of a major restructuring, reducing to two Directorates from April 2013. This has resulted in some changes to the Directorate groupings (in particular the merger of the former Planning & Strategy and Resources Directorates), but there have been no changes within the individual budget lines compared to 2012/13.

Further details are available on request from the Head of Finance, Yare House, 62-64 Thorpe Road, Norwich NR1 1RY or by email from titus.adam@broads-authority.gov.uk.

The Statement of Accounts for 2013/14 has not yet been audited.

DIRECTORATE	Original Budget 2013/14			Latest Available Budget 2013/14			Actual Income and Expenditure 2013/14		
	General	Navigation	Consolidated	General	Navigation	Consolidated	General	Navigation	Consolidated
INCOME									
National Park Grant	(3,547,447)	-	(3,547,447)	(3,547,447)	-	(3,547,447)	(3,580,545)	-	(3,580,545)
<i>Navigation Charges</i>									
Hire Craft Tolls	-	(1,092,830)	(1,092,830)	-	(1,092,830)	(1,092,830)	-	(1,084,910)	(1,084,910)
Private Craft Tolls	-	(1,758,210)	(1,758,210)	-	(1,758,210)	(1,758,210)	-	(1,746,898)	(1,746,898)
Short Visit Tolls	-	(36,694)	(36,694)	-	(36,694)	(36,694)	-	(39,813)	(39,813)
Other Toll Income	-	(18,750)	(18,750)	-	(18,750)	(18,750)	-	(20,383)	(20,383)
Interest Received	(22,500)	(22,500)	(45,000)	(22,500)	(22,500)	(45,000)	(10,773)	(10,773)	(21,546)
INCOME TOTAL	(3,569,947)	(2,928,984)	(6,498,931)	(3,569,947)	(2,928,984)	(6,498,931)	(3,591,318)	(2,902,778)	(6,494,096)

DIRECTORATE	Original Budget 2013/14			Latest Available Budget 2013/14			Actual Income and Expenditure 2013/14		
	General	Navigation	Consolidated	General	Navigation	Consolidated	General	Navigation	Consolidated
OPERATIONS									
Construction & Maintenance Salaries	491,908	564,552	1,056,460	491,908	564,552	1,056,460	497,067	573,415	1,070,482
Equipment, Vehicles & Vessels	64,600	269,400	334,000	64,618	269,532	334,150	68,127	297,573	365,700
Water Management	6,000	90,000	96,000	9,527	90,000	99,527	11,407	132,037	143,443
Land Management	90,500	-	90,500	97,968	-	97,968	84,567	-	84,567
Practical Maintenance	35,000	254,200	289,200	35,000	377,200	412,200	37,102	354,491	391,594
Rangers Salaries	203,449	329,671	533,120	216,806	351,314	568,120	223,114	361,535	584,649
Ranger Services	26,000	121,000	147,000	26,000	121,000	147,000	40,068	161,455	201,523
Safety	33,245	71,195	104,440	21,695	47,745	69,440	25,353	48,553	73,906
Asset Management	31,592	68,348	99,940	31,592	68,348	99,940	37,414	78,058	115,473
Volunteers	38,108	16,332	54,440	43,708	18,732	62,440	41,524	17,796	59,320
Management & Admin	57,413	73,072	130,485	53,893	68,592	122,485	52,462	66,770	119,232
Operations Income	(189,238)	(25,262)	(214,500)	(189,238)	(25,262)	(214,500)	(225,985)	(87,625)	(313,610)
OPERATIONS TOTAL	888,578	1,832,507	2,721,085	903,478	1,951,752	2,855,230	892,221	2,004,058	2,896,279
PLANNING & RESOURCES									
Development Management	279,770	-	279,770	279,770	-	279,770	296,687	-	296,687
Strategy & Projects Salaries	208,298	19,612	227,910	254,571	24,188	278,759	270,115	23,733	293,848
Biodiversity Strategy	60,000	-	60,000	60,000	-	60,000	74,505	-	74,505
Strategy & Projects	72,341	3,199	75,540	72,341	3,199	75,540	104,948	3,926	108,874
Waterways & Recreation Strategy	42,290	53,010	95,300	42,290	53,010	95,300	37,523	54,989	92,512
Project Funding	270,093	3,963	274,056	242,424	38,963	281,387	189,415	4,926	194,340
SDF transfer to reserves	150,000	-	150,000	150,000	-	150,000	150,000	-	150,000
SDF	-	-	-	-	-	-	149,504	-	149,504
Finance & Insurance	180,983	148,077	329,060	180,983	148,077	329,060	193,886	158,634	352,521
Communications	250,742	84,768	335,510	250,742	84,768	335,510	268,801	88,057	356,858
Visitor Centres & Yacht Stations	324,463	124,838	449,300	324,463	124,838	449,300	312,028	121,301	433,329
Collection of Tolls	-	108,500	108,500	-	108,500	108,500	-	115,955	115,955
ICT	185,447	91,443	276,890	185,447	91,443	276,890	190,336	80,144	270,480
Legal	82,000	20,500	102,500	82,000	20,500	102,500	86,028	24,435	110,462
Premises	241,519	202,250	443,769	238,679	201,090	439,769	292,973	221,428	514,401
Management & Admin	188,911	76,600	265,510	191,578	77,933	269,510	197,090	76,253	273,343
Planning & Resources Income	(240,125)	(79,875)	(320,000)	(240,125)	(79,875)	(320,000)	(454,268)	(113,022)	(567,290)
PLANNING AND RESOURCES TOTAL	2,296,733	856,883	3,153,616	2,315,163	896,633	3,211,796	2,359,569	860,760	3,220,330

DIRECTORATE	Original Budget 2013/14			Latest Available Budget 2013/14			Actual Income and Expenditure 2013/14		
	General	Navigation	Consolidated	General	Navigation	Consolidated	General	Navigation	Consolidated
CHIEF EXECUTIVE									
Human Resources	74,500	54,060	128,560	74,500	54,060	128,560	87,471	64,231	151,702
Governance	114,230	57,030	171,260	114,230	57,030	171,260	111,544	55,761	167,305
Chief Executive	60,670	39,727	100,397	60,670	39,727	100,397	62,216	40,810	103,026
Chief Executive Income	-	-	-	-	-	-	(160)	(80)	(239)
CHIEF EXECUTIVE TOTAL	249,400	150,816	400,217	249,400	150,816	400,217	261,071	160,723	421,794
CORPORATE ITEMS									
Pension Lump Sum Payments	43,800	29,200	73,000	43,800	29,200	73,000	43,800	29,200	73,000
Redundancy and Reorganisation costs	-	-	-	-	-	-	131	91	222
STEP	-	-	-	-	-	-	67,040	914	67,954
PRISMA	-	32,440	32,440	-	32,440	32,440	-	(32,507)	(32,507)
Contributions from Earmarked Reserves									
Property	-	-	-	-	-	-	-	(16,524)	(16,524)
Plant, Vessels & Equipment	-	-	-	-	-	-	-	(93,236)	(93,236)
Premises	-	-	-	-	-	-	-	(940)	(940)
Planning Delivery Grant	-	-	-	-	-	-	(53,692)	-	(53,692)
Mobile Phone	-	-	-	-	-	-	(7,413)	-	(7,413)
Sustainable Development	-	-	-	-	-	-	(149,504)	-	(149,504)
PRISMA	-	-	-	-	-	-	-	32,753	32,753
Section 106 Agreements	-	-	-	-	-	-	3,547	-	3,547
STEP	-	-	-	-	-	-	(57,800)	-	(57,800)
CORPORATE ITEMS TOTAL	43,800	61,640	105,440	43,800	61,640	105,440	(153,891)	(80,250)	(234,141)
NET EXPENDITURE	3,478,511	2,901,846	6,380,358	3,511,841	3,060,842	6,572,683	3,358,971	2,945,291	6,304,262
(SURPLUS) / DEFICIT	(91,436)	(27,137)	(118,573)	(58,106)	131,858	73,752	(232,348)	42,513	(189,834)