

The Broads Authority - GENERAL ACCOUNT BUDGET						APPENDIX 1
	Actual Expenditure 2007/08	Budget 2008/09	Revised budget 2008/09	Actual expenditure to 31/03/09	Variance	
<b>INCOME</b>						
National Park Grant	(3,401,763)	(3,579,400)	(3,604,337)	(3,604,337)	-	JY
Additional National Park Grant	(500,000)	(500,000)	(500,000)	(500,000)	-	JY
Interest Received	(51,886)	(65,000)	(65,000)	(59,177)	(5,823)	JY
<b>TOTAL INCOME</b>	<b>(3,953,649)</b>	<b>(4,144,400)</b>	<b>(4,169,337)</b>	<b>(4,163,514)</b>	<b>(5,823)</b>	
<b>A. CORPORATE SERVICES</b>						
<b>Management and Administrative Support</b>						
Salaries	162,330	153,900	125,770	132,331	(6,561)	RGH
Agency Staff	5,538	-	19,000	19,761	(761)	RGH
Other Employee Costs/Expenses	5,063	8,500	3,000	10,126	(7,126)	RGH
Employee Training	4,890	3,000	3,000	2,793	207	RGH
Colegate Dual Fuel Car	1,325	2,000	2,000	2,042	(42)	JWO
Stationery/Office Expenses	15,259	15,500	15,500	13,764	1,736	JWO
Office Furniture/Equipment	12,500	12,700	10,000	5,303	4,697	JWO
Telephones	19,171	22,500	20,000	15,803	4,197	JWO
Mobile Phone Upgrade Fund	2,547	13,853	-	-	-	JWO
Postages	11,839	14,000	15,000	15,039	(39)	JWO
Best Value	2,700	3,000	-	-	-	JWO
ANPA/LGA/EERA	28,737	29,000	33,000	32,851	149	JWO
Conference / Workshop Fees	-	-	5,000	1,035	3,965	JWO
Miscellaneous Expenses	13,469	14,000	12,500	10,404	2,096	JWO
<b>Income</b>						
Whittingham Salary Recharge	(5,000)	(5,000)	(5,000)	(5,000)	-	JWO
Mobile Phone Refund	(115)	-	-	-	-	JWO
	<b>280,255</b>	<b>286,953</b>	<b>258,770</b>	<b>256,252</b>	<b>2,518</b>	
<b>Finance</b>						
Salaries	68,787	83,400	79,290	73,928	5,362	RGH
Agency Staff	4,914	5,900	25,000	24,145	855	JY
Other Employee Costs/Expenses	5,224	3,000	5,000	4,234	766	RGH
Insurance	59,699	63,000	70,000	74,272	(4,272)	JY
Audit Fees	29,913	26,800	26,800	30,107	(3,307)	JY
Bank Charges/Interest	8,199	8,800	8,800	12,281	(3,481)	JY
Financial Services	15,550	16,500	16,500	16,207	293	JY
	<b>192,287</b>	<b>207,400</b>	<b>231,390</b>	<b>235,173</b>	<b>(3,783)</b>	
<b>Human Resources and Staff Training</b>						
Salaries	40,628	48,100	61,580	55,821	5,759	RGH
Other Employee Costs/Expenses	2,121	2,000	2,000	743	1,257	RGH
Personnel Services	11,028	8,300	19,500	13,812	5,688	HDH
Volunteers	2,362	2,500	2,500	2,735	(235)	HDH
Corporate Training	21,422	25,000	25,000	28,545	(3,545)	HDH
Health and Safety at Work	5,163	7,500	7,500	5,162	2,338	HDH
Bowser	2,376	-	-	-	-	HDH
<b>Income</b>						
Miscellaneous Income	(1,085)	-	-	(340)	340	HDH
	<b>84,013</b>	<b>93,400</b>	<b>118,080</b>	<b>106,479</b>	<b>11,601</b>	
<b>Communications</b>						
Salaries	136,784	143,100	147,460	142,862	4,598	RGH
Other Employee Costs/Expenses	4,069	3,000	2,500	3,326	(826)	RGH
Publications/Information	27,840	27,600	27,600	25,958	1,642	KAS
Other Information and Interpretation Services	12,432	29,000	29,000	19,656	9,344	KAS
Public Affairs Support	-	30,000	10,000	10,028	(28)	KAS
<b>Income</b>						
Miscellaneous Income	(108)	-	-	(20)	20	KAS
	<b>181,018</b>	<b>232,700</b>	<b>216,560</b>	<b>201,810</b>	<b>14,750</b>	
<b>Information Technology</b>						
Salaries	109,954	115,100	111,470	110,929	541	RGH
Transfer to Tolls Computer and Website	(26,843)	(30,000)	-	-	-	SWPH
Other Employee Costs/Expenses	1,129	1,800	1,500	1,692	(192)	RGH
Computer Services	59,607	62,000	66,000	64,856	1,144	SWPH
IT Licences	-	-	-	-	-	SWPH
Tolls Computer and Website (AGF)	29,343	15,657	657	-	657	SWPH
GIS/OS Maps and Licences	11,999	12,000	12,000	6,501	5,500	SWPH
<b>Income</b>						
Recharge to IEG reserve	-	-	-	-	-	SWPH
Miscellaneous Income	-	(1,000)	(1,000)	-	(1,000)	SWPH
	<b>185,189</b>	<b>175,557</b>	<b>190,627</b>	<b>183,978</b>	<b>6,649</b>	
<b>Legal Services</b>						
Salaries	32,763	30,000	30,520	32,569	(2,049)	RGH
Other Employee Costs/Expenses	2,109	2,800	1,000	2,381	(1,381)	RGH
Professional Fees	49,878	35,000	45,000	63,371	(18,371)	KRH
Private Bill	-	40,000	120,000	128,275	(8,275)	KRH
	<b>84,750</b>	<b>107,800</b>	<b>196,520</b>	<b>226,596</b>	<b>(30,076)</b>	

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<b>Member Services</b>						
Salaries	81,525	87,500	80,800	79,795	1,005	RGH
Other Employee Costs/Expenses	450	500	7,500	622	6,878	RGH
Printing Costs	19,590	18,500	17,500	18,983	(1,483)	JWO
Member Allowances and Expenses	38,175	45,000	45,000	42,531	2,469	JWO
Local Access Forum	785	1,500	1,500	1,622	(122)	JWO
<b>Income</b>						
Miscellaneous Income	(3,671)	(500)	(500)	(270)	(230)	JWO
	<b>136,853</b>	<b>152,500</b>	<b>151,800</b>	<b>143,284</b>	<b>8,516</b>	
<b>Premises and Property Management</b>						
Office Accommodation: Rent, Rates, and Water	63,700	65,400	53,000	94,027	(41,027)	JWO
Office Accommodation: Repairs and Overheads	22,500	24,800	24,800	25,421	(621)	JWO
Transfer to New office accommodation Reserve Account	150,000	150,000	150,000	150,000	-	JWO
Car Parking	33,000	33,000	23,000	22,630	370	JWO
Professional Fees	14,701	15,000	12,500	11,694	806	JWO
	<b>283,901</b>	<b>288,200</b>	<b>263,300</b>	<b>303,773</b>	<b>(40,473)</b>	
<b>Sustainable Development Fund</b>						
Transfer to Sustainable Development Reserve A/C	200,000	200,000	200,000	200,000	-	RGH
<b>Income</b>						
Defra Sustainable Development Fund Grant	(200,000)	(200,000)	(200,000)	(200,000)	-	RGH
	-	-	-	-	-	
<b>Net Expenditure Corporate Services</b>	<b>1,428,266</b>	<b>1,544,510</b>	<b>1,627,047</b>	<b>1,657,344</b>	<b>(30,297)</b>	
<b>B. COUNTRYSIDE MANAGEMENT</b>						
<b>Management and Administrative Support</b>						
Salaries	96,760	119,400	119,250	120,647	(1,397)	SKH
Other Employee Costs/Expenses	8,391	7,500	7,500	3,983	3,517	SKH
Employee Training	4,476	6,500	6,500	7,850	(1,350)	SKH
<b>Income</b>						
Whitlingham Salary Recharge	(12,500)	(12,500)	(12,500)	(10,000)	(2,500)	SKH
Volunteers Income	(377)	-	-	(140)	140	SKH
Carbon Audit - Income	-	-	-	(5,900)	5,900	
	<b>96,751</b>	<b>120,900</b>	<b>120,750</b>	<b>116,441</b>	<b>4,309</b>	
CONSERVATION						
<b>Fen and Grazing Marshes</b>						
Salaries	220,787	244,200	237,720	242,966	(5,246)	SKH
Other Employee Costs/Expenses	17,960	16,500	16,500	12,389	4,111	SKH
Vehicle Costs	23,593	25,700	25,700	22,991	2,709	SH
Accommodation Costs: Horning	4,678	13,500	13,500	3,547	9,953	RA
Marsh Cutting at How Hill	5,958	6,500	6,500	8,443	(1,943)	RA
How Hill Management	16,520	15,000	15,000	14,190	810	RA
Fen Management	59,608	25,000	25,000	22,121	2,879	RA
Fen Grazing	10,296	10,200	11,750	10,209	1,541	RA
Fen Mowing	4,225	5,000	5,000	4,997	3	RA
Fen Strategy	6,207	6,000	7,000	5,611	1,390	AK
Fen and Drained Marshes: Research and Monitoring	18,060	17,000	17,000	18,432	(1,432)	AK
Biodiversity	-	3,500	13,000	11,984	1,016	AK
Mink Management	20,052	-	-	-	-	
Ant Valley Project	-	-	-	-	-	
Bure Loop Project	-	-	-	-	-	
Any Valley Costs	5,221	-	-	-	-	
Fens Ecological Survey Expenditure	67,377	78,973	71,100	71,512	(412)	AK
Water Framework Directive - Climate change (AGF)	-	45,000	45,000	19,143	25,857	SKH
Wetland Connectivity Project	-	17,000	15,200	17,135	(1,935)	AK
Upper Thurne Research and Management	21,666	5,000	5,000	683	4,318	AK
<b>Income</b>						
Bittern II EU Life Project	(4,407)	-	-	(3,444)	3,444	RA
Buttles Marsh Rent	-	(3,400)	(3,400)	-	(3,400)	RA
Miscellaneous	(47,163)	(8,500)	(8,500)	(20,832)	12,332	RA
Employee/vehicles income	-	-	-	-	-	
Mink Management Income	(3,400)	-	-	-	-	
Fen Management Income	-	-	(35,000)	(35,000)	-	RA
Biodiversity Income	-	-	(13,700)	(17,744)	4,044	AK
Fen Ecological Survey Income	(58,350)	(50,500)	(50,500)	(50,450)	(50)	AK
Fen Grazing Income	-	(1,400)	(1,400)	-	(1,400)	RA
EA Wetland connectivity project	-	(17,000)	(17,000)	(17,500)	500	AK
	<b>388,890</b>	<b>453,273</b>	<b>400,470</b>	<b>341,383</b>	<b>59,087</b>	
LAND BASED RECREATION						
<b>Events</b>						
Salaries	55,439	52,700	63,870	61,624	2,246	SKH
Other Employee Costs/Expenses	2,980	2,800	2,800	1,688	1,112	SKH

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Vehicle Costs	8,956	11,300	11,300	7,783	3,517	BH
Events	10,586	10,000	10,000	12,061	(2,061)	BH
<b>Income</b>						
Defra Additional Income - Events			(25,000)	(25,000)	-	BH
Events	(2,314)	(2,500)	(2,500)	(4,713)	2,213	BH
	<b>75,646</b>	<b>74,300</b>	<b>60,470</b>	<b>53,443</b>	<b>7,027</b>	
<b>Visitor Facilities and Volunteer Management</b>						
Salaries	125,379	143,000	141,110	133,722	7,388	SKH
Other Employee Costs/Expenses	5,218	4,500	4,500	3,430	1,070	SKH
Vehicle Costs	21,448	25,700	25,700	18,789	6,911	NS
Accommodation Costs: Oby	26,371	28,000	28,000	20,363	7,637	GB
Accommodation Costs: Beccles	9,882	10,000	10,000	10,325	(325)	NS
Visitor Management Facilities	43,864	45,000	45,000	46,688	(1,688)	NS
Asset Management/Access (AGF)	24,215	15,785	15,785	8,719	7,066	NS
	<b>256,376</b>	<b>271,985</b>	<b>270,095</b>	<b>242,037</b>	<b>28,058</b>	
<b>Public Rights of Way</b>						
Salaries	72,408	91,800	78,320	78,506	(186)	SKH
Other Employee Costs/Expenses	2,399	5,000	5,000	2,693	2,307	SKH
Vehicle Costs	17,731	19,600	19,600	19,660	(60)	NS
PRoW/Access	6,200	10,000	10,000	12,183	(2,183)	NS
PRoW/Access Improvements	2,961	-	-	-	-	NS
CRoW Act Implementation	-	2,000	2,000	-	2,000	NS
Countryside Ranger Running Costs	3,544	5,000	5,000	5,332	(332)	NS
<b>Income</b>						
Defra Access Grant	(25,000)	(25,000)	-	-	-	NS
Miscellaneous Income	(2,990)	(1,000)	(1,000)	(1,250)	250	NS
	<b>77,254</b>	<b>107,400</b>	<b>118,920</b>	<b>117,123</b>	<b>1,797</b>	
<b>Landscape and Projects</b>						
Salaries	222,148	231,600	228,560	235,859	(7,299)	SKH
Other Employee Costs/Expenses	20,084	17,000	17,000	18,147	(1,147)	SKH
Vehicle Costs	35,045	35,000	35,000	39,528	(4,528)	LM
Accommodation Costs: Ludham 50%	21,040	31,300	31,300	33,647	(2,347)	IW
Town, Village and Staithe Enhancement	5,987	32,913	15,000	16,895	(1,895)	LM
Upper Thurne Enhancement Schemes	27,611	18,000	-	217	(217)	LM
Project Team Tools and Equipment	7,963	8,000	8,000	8,630	(630)	LM
Transfer to Asset Management Reserve Account	-	-	33,400	33,400	-	TW
Landscape Design Budget	4,000	-	-	-	-	LM
<b>Income</b>						
Environment Agency: Potter Heigham Chalets	(18,000)	(18,000)	(18,000)	(19,323)	1,323	LM
Mud Pumping Salary Recharge	(4,020)	-	(33,400)	(33,400)	-	TW
Miscellaneous Income	-	-	-	(3,240)	3,240	LM
	<b>321,857</b>	<b>355,813</b>	<b>316,860</b>	<b>330,361</b>	<b>(13,501)</b>	
<b>TOURISM</b>						
<b>Tourism Development</b>						
Salaries	38,965	39,500	40,190	40,132	58	SKH
Other Employee Costs/Expenses	3,990	4,300	4,300	2,870	1,430	SKH
Tourism Promotion	30,435	25,600	25,600	22,456	3,144	BH
Sustainable Tourism: Leader +	-	-	-	-	-	
Visitors Survey	-	-	-	-	-	
Branding	-	8,800	8,800	-	8,800	BH
<b>Income</b>						
Tourism Promotion	(1,874)	-	-	(2,085)	2,085	BH
	<b>71,516</b>	<b>78,200</b>	<b>78,890</b>	<b>63,373</b>	<b>15,517</b>	
<b>Visitor Services</b>						
Salaries	146,362	170,200	146,730	149,358	(2,628)	SKH
Other Employee Costs/Expenses	5,604	4,800	4,800	12,112	(7,312)	SKH
Vehicle Costs	4,009	4,100	4,100	3,832	268	SKH
Visitors Centres & Electric Eel	52,070	76,000	76,000	60,932	15,068	SB
Review of Visitor Centre Interpretation	-	-	-	-	-	
How Hill Grant Aid	30,701	21,000	21,000	21,674	(674)	JWO
<b>Income</b>						
How Hill Rent	-	-	-	(250)	250	JWO
Visitor Centre Sales	(79,782)	(75,000)	(75,000)	(76,676)	1,676	SB
	<b>158,964</b>	<b>201,100</b>	<b>177,630</b>	<b>170,983</b>	<b>6,647</b>	
<b>PARTNERSHIPS</b>						
<b>Whitlingham Country Park</b>						
Salaries	78,949	78,800	82,020	83,599	(1,579)	SKH
Other Employee Costs/Expenses	786	800	800	848	(48)	SKH
Accommodation Costs	50,591	45,000	45,000	44,499	501	LH
Vehicle Costs	11,507	14,400	14,400	11,929	2,471	LH
Project Costs	5,732	13,500	13,500	15,276	(1,776)	LH
<b>Income</b>						
Whitlingham Charitable Trust Recharge	(96,973)	(107,500)	(107,500)	(109,431)	1,931	LH

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Flint Barn Rental	(14,257)		(15,000)	(8,913)	(6,087)	LH
Catering Franchise	(70)	(3,000)	(3,000)	-	(3,000)	LH
Miscellaneous Income	(2,000)	(15,000)	-	-	-	
	<b>34,264</b>	<b>27,000</b>	<b>30,220</b>	<b>37,805</b>	<b>(7,585)</b>	
<b>Trinity Broads Conservation</b>						
Salaries	31,222	30,200	32,670	32,265	405	SKH
Project Budget	81,752	40,100	17,100	48,095	(30,995)	HG
Survey Budget		11,000	1,800	-	1,800	HG
Filby Project	-	-	-	-	-	HG
<b>Income</b>						
Essex and Suffolk Water Recharge	(70,492)	(55,900)	(55,900)	(75,629)	19,729	HG
Natural England- Trinity Broads		(5,000)	-	(5,000)	5,000	HG
EA Trinity Broad- Income			(5,000)	-	(5,000)	HG
	<b>42,482</b>	<b>20,400</b>	<b>(9,330)</b>	<b>(270)</b>	<b>(9,060)</b>	
<b>Lound Lake Conservation</b>						
Salaries	29,837	47,500	46,070	45,783	287	SKH
Project Costs		14,100	12,100	16,528	(4,428)	HG
<b>Income</b>						
Essex and Suffolk Water Recharge	(54,198)	(57,200)	(57,200)	(59,083)	1,883	HG
	<b>(24,361)</b>	<b>4,400</b>	<b>970</b>	<b>3,228</b>	<b>(2,258)</b>	
<b>Lound &amp; Trinity Catchment</b>						
Trinity & Lound Catchment Expenditure (AGF)	-	-	-	-	-	R Holland
<b>Income</b>						
Trinity & Lound Catchment Income (AGF)	-	-	(8,700)	(3,345)	(5,355)	R Holland
	<b>-</b>	<b>-</b>	<b>(8,700)</b>	<b>(3,345)</b>	<b>(5,355)</b>	
<b>Heritage Lottery Scheme</b>						
Salaries	47,221	49,300	50,190	50,170	20	SKH
Other Employee Costs/Expenses	3,071	3,100	3,100	2,703	397	SKH
Bursary Scheme Recharge	(50,292)		-	(52,873)	52,873	GB
Bursary Scheme	205,627	197,600	197,600	195,142	2,458	GB
<b>Income</b>						
Bursary Scheme	(207,283)	(250,000)	(250,000)	(191,941)	(58,059)	GB
	<b>(1,656)</b>	<b>-</b>	<b>890</b>	<b>3,201</b>	<b>(2,311)</b>	
<b>Net Expenditure Countryside Management</b>	<b>1,497,983</b>	<b>1,714,771</b>	<b>1,558,135</b>	<b>1,475,762</b>	<b>82,373</b>	
<b>C. PLANNING AND STRATEGY</b>						
<b>Management and Administrative Support</b>						
Salaries	20,346	110,100	105,180	106,236	(1,056)	AL
Recharge to New Office Accommodation Reserve a/c	(2,429)	(16,400)	(16,400)	(12,992)	(3,408)	AL
Other Employee Costs/Expenses	23,975	23,500	23,500	15,594	7,906	AL
Employee Training	914	2,000	2,000	8,342	(6,342)	AL
	<b>42,806</b>	<b>119,200</b>	<b>114,280</b>	<b>117,180</b>	<b>(2,900)</b>	
<b>Broads Plan</b>						
Salaries	31,278	33,100	31,440	32,276	(836)	AL
External Funding Officer	9,408	13,500	13,500	12,983	517	AL
Other Employee Costs/Expenses	382	500	500	216	284	AL
Broads Plan	88	200	-	-	-	AL
Broads Strategy Grant Aid	-	-	-	-	-	AL
	<b>41,156</b>	<b>47,300</b>	<b>45,440</b>	<b>45,474</b>	<b>(34)</b>	
<b>Cultural Heritage</b>						
Salaries	32,346	33,600	32,490	34,251	(1,761)	AL
Consultancy Fees	41,780	45,000	45,000	42,833	2,167	BH
Other Employee Costs/Expenses	2,746	2,800	2,800	2,532	268	BH
Landscape and Cultural Strategy	4,707	15,400	15,400	9,795	5,605	BH
Cultural Heritage	9,485	10,000	10,000	12,479	(2,479)	BH
	<b>91,064</b>	<b>106,800</b>	<b>105,690</b>	<b>101,890</b>	<b>3,800</b>	
<b>Development Control</b>						
Salaries	141,423	157,400	140,280	141,826	(1,546)	AL
Other Employee Costs/Expenses	12,738	6,500	6,500	8,578	(2,078)	AL
Transfer to Planning and Delivery Grant Reserve A/C	108,677	-	602,053	602,053	-	AL
Bringing Planning Service In-House	-	-	-	-	-	
Fees/Miscellaneous Costs	12,053	32,000	32,000	24,501	7,499	AL
<b>Income</b>						
Salary Recharge to Bringing Planning Service In-House	-	-	-	-	-	
DCLG Planning Delivery Grant	(122,510)	(10,000)	(602,053)	(602,053)	-	AL
Miscellaneous Income	(490)	(400)	(400)	(427)	27	AL
Planning Fees	(61,823)	(80,000)	(125,000)	(157,077)	32,077	AL
	<b>90,068</b>	<b>105,500</b>	<b>53,380</b>	<b>17,400</b>	<b>35,980</b>	
<b>Forward Planning</b>						

The Broads Authority - GENERAL ACCOUNT BUDGET						APPENDIX 1
	Actual Expenditure 2007/08	Budget 2008/09	Revised budget 2008/09	Actual expenditure to 31/03/09	Variance	
Salaries	44,556	37,100	28,610	26,002	2,608	AL
Salary Costs Recharged to PDG Reserve Account	(7,782)	-	-	-	-	AL
Other Employee Costs/Expenses	1,827	1,900	1,900	9,159	(7,259)	AL
Local Development Framework	35,003	35,000	-	360	(360)	AL
Salary Funded by LDF	-	-	-	-	-	AL
<b>Income</b>						
Transfer to Planning Delivery Grant Reserve Account	-	-	-	-	-	AL
Other Income - Planning & Dev (FP)	(2,857)	-	-	(900)	900	AL
DCLG Planning Delivery Grant	(54,069)	-	(10,000)	-	(10,000)	AL
	<b>16,679</b>	<b>74,000</b>	<b>20,510</b>	<b>34,622</b>	<b>(14,112)</b>	
<b>Net Expenditure Planning</b>	<b>281,773</b>	<b>452,800</b>	<b>339,300</b>	<b>316,565</b>	<b>22,735</b>	
<b>D. WATERWAYS</b>						
<b>Management and Administrative Support</b>						
Salaries	16,221	16,400	16,760	17,061	(301)	TW
Other Employee Costs/Expenses	1,299	1,300	1,300	964	336	TW
Employee Training	1,998	1,000	1,000	2,015	(1,015)	TW
	<b>19,518</b>	<b>18,700</b>	<b>19,060</b>	<b>20,041</b>	<b>(981)</b>	
<b>Broadland Flood Alleviation Project</b>						
Salaries	31,122	32,500	33,060	33,063	(3)	TW
Other Employee Costs/Expenses	3,202	3,900	3,900	3,216	684	TW
Broadland Flood Alleviation Strategy	8,101	17,500	12,500	2,690	9,810	AC
Broadland Flood Alleviation Strategy (AGF)	5,624	23,376	500	510	(10)	AC
<b>Income</b>						
Environment Agency Contribution	(43,752)	(40,000)	(40,000)	(47,189)	7,189	AC
	<b>4,298</b>	<b>37,276</b>	<b>9,960</b>	<b>(7,709)</b>	<b>17,669</b>	
<b>Conservation of Water Bodies</b>						
Salaries	55,125	57,400	42,710	43,869	(1,159)	TW
Salary Recharge to PSA Targets	(24,306)	(25,500)	(25,500)	(18,609)	(6,891)	DH
Other Employee Costs/Expenses	4,471	6,300	6,300	7,117	(817)	TW
Restoration and Management	19,131	21,600	19,900	14,461	5,439	DH
Research and Monitoring	27,075	29,300	25,700	21,156	4,544	DH
PSA Targets/Water Framework Directive (AGF)	72,506	84,194	84,194	51,338	32,856	DH
Broads Fisheries Action Plan	-	-	-	-	-	DH
Restoration of Ecosystems (AGF)	-	135,000	145,000	129,154	15,846	DH
<b>Income</b>						
Upper Thurne Research and Management Income	(10,767)	-	-	-	-	DH
Lake Restoration Income	(390)	-	-	(2,400)	2,400	DH
Other Income - Con Strat (RB)	-	-	-	-	-	
	<b>142,845</b>	<b>308,294</b>	<b>298,304</b>	<b>246,087</b>	<b>52,217</b>	
<b>Dredging</b>						
Dredging	0	-	7,500	6,226	1,274	RS
Dredging (AGF)	250,000	250,000	250,000	250,000	-	RR
Mutford Lock (AGF)	-	-	-	-	-	
	<b>250,000</b>	<b>250,000</b>	<b>257,500</b>	<b>256,226</b>	<b>1,274</b>	
<b>Moorings and Yacht Stations</b>						
Moorings Interpretation	6,572	-	-	-	-	
New Moorings	15,283	-	-	-	-	
	<b>21,854</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Navigation Safety and Policy</b>						
Port Marine Safety Code (AGF)	30,273	9,727	9,727	10,326	(599)	S Birtles
Safety DVD Development	-	-	-	-	-	
	<b>30,273</b>	<b>9,727</b>	<b>9,727</b>	<b>10,326</b>	<b>(599)</b>	
<b>Patrolling</b>						
Boat Trips: Salaries	39,258	45,200	55,900	49,200	6,700	AV
Boat Trips: Employee Expenses	1,328	1,200	1,200	748	452	AV
Boat Trips	12,459	16,400	16,400	18,033	(1,633)	RGF
<b>Income</b>						
Boat Trips	(9,458)	(11,000)	(11,000)	(8,345)	(2,655)	AV
	<b>43,587</b>	<b>51,800</b>	<b>62,500</b>	<b>59,637</b>	<b>2,863</b>	
Staff Turnover Allowance	-	-	-	-	-	
<b>Net Expenditure Waterways</b>	<b>512,374</b>	<b>675,797</b>	<b>657,051</b>	<b>584,606</b>	<b>72,445</b>	
<b>TOTAL NET EXPENDITURE</b>	<b>3,720,396</b>	<b>4,387,878</b>	<b>4,181,533</b>	<b>4,034,278</b>	<b>147,255</b>	
<b>INCOME LESS NET EXPENDITURE Surplus/(Deficit)</b>	<b>233,253</b>	<b>(243,478)</b>	<b>(12,196)</b>	<b>129,236</b>	<b>(141,432)</b>	
				<b>(379,236)</b>		
				<b>(250,000)</b>		

<b>The Broads Authority - GENERAL ACCOUNT BUDGET</b>					<b>APPENDIX 1</b>
	<b>Actual Expenditure 2007/08</b>	<b>Budget 2008/09</b>	<b>Revised budget 2008/09</b>	<b>Actual expenditure to 31/03/09</b>	<b>Variance</b>
AP = additional projects					
AGF = Funded by Defra Additional Grant Fund					

The Broads Authority - NAVIGATION ACCOUNT					APPENDIX 2	
	Actual Expenditure 2007/08	Original Budget 2008/09	Revised Budget 2008/09	Actual expenditure to 31/03/09	Variance	
<b>INCOME</b>						
Interest Received	(66,182)	(30,000)	(30,000)	(42,067)	12,067	JY
Hire Craft Tolls	(752,730)	(777,500)	(800,000)	(804,984)	4,984	SWPH
Private Craft Tolls	(1,261,314)	(1,364,200)	(1,349,200)	(1,362,050)	12,850	SWPH
Short Visit Tolls	(34,928)	(37,200)	(37,200)	(38,161)	961	SWPH
Mutford Lock	(5,600)	(8,700)	(7,000)	(7,002)	2	SWPH
Water Ski Permits	(1,200)	(1,200)	(1,200)	(1,089)	(111)	SWPH
<b>TOTAL INCOME</b>	<b>(2,121,954)</b>	<b>(2,218,800)</b>	<b>(2,224,600)</b>	<b>(2,255,353)</b>	<b>30,753</b>	
<b>A. CORPORATE SERVICES</b>						
<b>Management and Administrative Support</b>						
Salaries	17,400	17,800	23,355	26,226	(2,871)	RGH
Stationery/Office Expenses	4,684	4,500	4,500	3,996	504	JWO
Office Furniture/Equipment	5,452	3,700	3,700	1,539	2,161	JWO
Telephones	5,566	6,600	6,600	4,588	2,012	JWO
Postages	11,839	14,000	14,000	15,039	(1,039)	JWO
Miscellaneous Expenses	-	-	-	-	-	
	<b>44,940</b>	<b>46,600</b>	<b>52,155</b>	<b>51,389</b>	<b>766</b>	
<b>Finance</b>						
Salaries	31,222	34,600	32,530	31,082	1,448	RGH
Insurance	38,173	38,600	38,600	41,181	(2,581)	JY
Audit Fees	12,820	11,400	11,400	12,903	(1,503)	JY
Bank Charges/Interest	2,380	2,700	2,700	3,565	(865)	JY
Financial Services	4,515	4,500	4,500	4,705	(205)	JY
	<b>89,110</b>	<b>91,800</b>	<b>89,730</b>	<b>93,437</b>	<b>(3,707)</b>	
<b>Human Resources and Staff Training</b>						
Salaries	17,516	20,600	29,196	24,138	5,058	RGH
Personnel Services	3,202	2,400	2,400	2,849	(449)	HDH
Corporate Training	259	5,700	5,700	87	5,613	HDH
	<b>20,977</b>	<b>28,700</b>	<b>37,296</b>	<b>27,074</b>	<b>10,222</b>	
<b>Information and Design</b>						
Salaries	28,311	30,000	28,494	28,695	(201)	RGH
	<b>28,311</b>	<b>30,000</b>	<b>28,494</b>	<b>28,695</b>	<b>(201)</b>	
<b>Information Technology</b>						
Salaries	16,073	31,100	16,373	17,678	(1,305)	RGH
Computer Services	17,305	18,000	18,000	20,738	(2,738)	SWPH
	<b>33,378</b>	<b>49,100</b>	<b>34,373</b>	<b>38,417</b>	<b>(4,044)</b>	
<b>Legal Services</b>						
Professional Fees	14,289	8,000	12,000	15,646	(3,646)	KRH
Private bill fees	46,923	20,000	60,000	64,138	(4,138)	KRH
	<b>61,212</b>	<b>28,000</b>	<b>72,000</b>	<b>79,784</b>	<b>(7,784)</b>	
<b>Member Services</b>						
Salaries	8,594	7,600	7,305	7,476	(171)	RGH
Printing Costs	1,534	1,500	1,500	2,669	(1,169)	JWO
Member Allowances and Expenses	2,191	3,600	3,600	576	3,024	JWO
	<b>12,319</b>	<b>12,700</b>	<b>12,405</b>	<b>10,721</b>	<b>1,684</b>	
<b>Navigation Tolls</b>						
Salaries	69,511	74,000	73,479	74,163	(684)	RGH
Other Employee Costs/Expenses	531	500	500	358	142	RGH
Tolls Review	-	-	7,000	2,141	4,859	SWPH
Tolls Stationery	12,250	12,400	12,400	7,669	4,731	SWPH
<b>Income</b>						
Miscellaneous Income	(2,257)	(2,000)	(2,000)	(2,375)	375	SWPH
	<b>80,036</b>	<b>84,900</b>	<b>91,379</b>	<b>81,956</b>	<b>9,423</b>	
<b>Premises and Property Matters</b>						
Office Accommodation: Rent, Rates, and Water	19,473	19,000	19,000	27,262	(8,262)	JWO
Office Accommodation: Repairs and Overheads	9,427	7,200	7,200	7,380	(180)	JWO
Car Parking	10,112	10,800	10,800	6,484	4,316	JWO
Professional Fees	8,644	8,800	8,800	7,946	854	JWO
	<b>47,657</b>	<b>45,800</b>	<b>45,800</b>	<b>49,072</b>	<b>(3,272)</b>	
<b>Net Expenditure Corporate Services</b>	<b>417,939</b>	<b>417,600</b>	<b>463,632</b>	<b>460,544</b>	<b>3,088</b>	

The Broads Authority - NAVIGATION ACCOUNT					APPENDIX 2	
	Actual Expenditure 2007/08	Original Budget 2008/09	Revised Budget 2008/09	Actual expenditure to 31/03/09	Variance	
<b>D. WATERWAYS</b>						
<b>Management and Administrative Support</b>						
Salaries	97,363	97,300	98,881	99,922	(1,041)	TW
Other Employee Costs/Expenses	7,563	4,000	6,000	6,062	(62)	TW
Employee Training	1,210	3,500	3,500	2,131	1,369	TW
	<b>106,136</b>	<b>104,800</b>	<b>108,381</b>	<b>108,115</b>	<b>266</b>	
<b>Dredging</b>						
Salaries	34,739	34,400	34,945	35,944	(999)	TW
Other Employee Costs/Expenses	3,529	1,600	1,600	8,102	(6,502)	TW
					-	
Landowner Payments	505	80,695	61,200	860	60,340	RS
Tfr to Dredging Disposal Sites Reserve				60,000	(60,000)	RS
Dredging	311,575				-	
Disposal/Survey Costs	12,534	61,800	61,800	23,198	38,602	RS
					-	
<b>Income</b>						
Works licences and other income	(1,852)	(1,500)	(1,500)	(743)	(757)	RS
	<b>361,030</b>	<b>176,995</b>	<b>158,045</b>	<b>127,362</b>	<b>30,683</b>	
<b>Dockyard</b>						
Salary Costs	165,243	396,700	361,107	338,007	23,100	TW
Materials	9,645	29,900	20,000	16,660	3,340	RR
Uniforms	2,344	1,000	1,000	3,297	(2,297)	RR
Vessels and Equipment	67,638	202,900	207,400	147,237	60,163	RR
Tfr to Dockyard Vessels & Equip Reserve				60,000	(60,000)	RR
Accommodation Costs	10,360	72,300	65,900	21,836	44,064	RR
Tfr to Dockyard Site Maintenance Reserve				30,000	(30,000)	RR
Postwick Tip Costs	-	11,100	9,000	-	9,000	RR
PWLB Loan Interest	5,157	16,300	16,300	13,454	2,846	JY
PWLB Capital Repayment	-	15,000	15,000	14,500	500	JY
Contribution to Vessel Replacement Fund	-	-	-	-	-	RR
Contingency	-	31,000	10,000	-	10,000	RR
Emp'ee Costs	4,385	3,600	5,000	6,725	(1,725)	RR
Vehicle Costs	23,671	38,400	33,900	48,169	(14,269)	RR
Training	880	6,100	6,100	1,107	4,993	RR
Insurance	7,460	18,500	18,500	21,965	(3,465)	RR
Professional fees	-	-	-	-	-	RR
<b>Income</b>						
Dockyard Income	(13,945)	(20,000)	(10,000)	3,909	(13,909)	
General Account Recharge	-	(40,000)	-	-	-	
	<b>282,839</b>	<b>782,800</b>	<b>759,207</b>	<b>726,866</b>	<b>32,341</b>	
<b>Moorings and Yacht Stations</b>						
Salaries	124,366	129,400	124,101	133,411	(9,310)	TW
Other Employee Costs/Expenses	7,182	4,500	7,000	4,845	2,155	TW
Lease of Moorings	22,439	25,000	25,000	23,076	1,924	AML
Piling and Maintenance of Moorings	135	39,865	20,000	319	19,681	RR
Piling and Maintenance of Moorings (AP)	11,845	40,655	40,655	1,132	39,523	RR
Norwich Yacht Station	13,464	13,000	13,000	13,215	(215)	AV
Great Yarmouth Yacht Station	15,205	15,000	15,000	14,447	553	AV
<b>Income</b>						
Norwich Yacht Station	(22,935)	(25,000)	(25,000)	(20,731)	(4,269)	AV
Norwich Yacht Station-NCC Grant Aid	-	(20,000)	(20,000)	(20,000)	-	AV
Great Yarmouth Yacht Station	(44,646)	(52,000)	(52,000)	(44,782)	(7,218)	AV
	<b>127,055</b>	<b>170,420</b>	<b>147,756</b>	<b>104,932</b>	<b>42,824</b>	
<b>Navigation Safety and Policy</b>						
Salaries	81,010	96,800	98,109	84,935	13,174	TW
Other Employee Costs/Expenses	5,698	5,000	5,000	4,446	554	TW
Boat Safety	1,441	15,000	15,000	13,476	1,524	SB
Oil Spill Preparedness	3,101	4,000	4,000	2,148	1,852	SB
Sustainable Boating	1,790	2,000	2,000	2,060	(60)	SB
Grant Aid	7,730	9,000	9,000	7,555	1,445	SB
Printing, Promotion and Miscellaneous Costs	11,069	7,000	7,000	8,413	(1,413)	SB
<b>Income</b>						
Miscellaneous Income	(5,037)	(3,000)	(3,000)	(2,935)	(65)	SB
	<b>106,802</b>	<b>135,800</b>	<b>137,109</b>	<b>120,099</b>	<b>17,010</b>	

<b>The Broads Authority - NAVIGATION ACCOUNT</b>					<b>APPENDIX 2</b>	
	<b>Actual Expenditure 2007/08</b>	<b>Original Budget 2008/09</b>	<b>Revised Budget 2008/09</b>	<b>Actual expenditure to 31/03/09</b>	<b>Variance</b>	
<b>Navigation Works and Maintenance</b>						
Salaries	174,902	168,000	229,269	250,459	(21,190)	TW
Other Employee Costs/Expenses	5,403	5,500	5,500	4,106	1,394	TW
Vehicle Costs	58,020	50,000	50,000	19,867	30,133	RGF
Vessels	14,196	13,000	13,000	14,730	(1,730)	RGF
Notice Boards and Channel Marking	8,962	47,038	30,000	19,217	10,783	RGF
Weed Clearance	-	2,000	2,000	1,819	181	RGF
Breydon Water	8,403	12,000	12,000	8,400	3,600	RS
Mutford Lock	31,991	37,000	37,000	36,353	647	RS
Other Maintenance	55,857	45,000	45,000	42,060	2,940	RGF
<b>Income</b>						
Miscellaneous Income	(2,851)	(1,000)	(1,000)	(13,212)	12,212	RGF
	<b>354,884</b>	<b>378,538</b>	<b>422,769</b>	<b>383,798</b>	<b>38,971</b>	
<b>Patrolling</b>						
Salaries	399,778	420,400	351,328	352,357	(1,029)	TW
Other Employee Costs/Expenses	35,812	27,500	35,000	25,402	9,598	TW
Vehicle Costs	7,958	5,000	5,000	5,682	(682)	AV
Accommodation Costs	22,488	12,000	12,000	12,921	(921)	AV
Vessel Replacement Fund	-	20,000	-	-	-	AV
Launch Running Costs	48,337	44,000	44,000	43,858	142	RGF
Launch Supplies	11,147	8,000	8,000	11,847	(3,847)	AV
Boat Houses	6,727	11,000	15,000	6,502	8,498	AV
Removal of Wrecks	410	2,000	2,000	3,066	(1,066)	AV
Miscellaneous Supplies and Services	12,594	12,000	12,000	10,757	1,243	AV
Auxiliary Navigation Rangers	2,559	3,000	3,000	3,384	(384)	AV
Auxiliary Navigation Rangers: Training	3,070	2,000	2,000	2,854	(854)	AV
<b>Income</b>						
Employee/Vehicles/Premises	(41,907)	(25,000)	(15,000)	(16,758)	1,758	AV
Miscellaneous Income	(4,157)	(6,000)	(6,000)	(8,095)	2,095	AV
	<b>504,815</b>	<b>535,900</b>	<b>468,328</b>	<b>453,777</b>	<b>14,551</b>	
<b>Net Expenditure Waterways</b>	<b>1,843,561</b>	<b>2,285,253</b>	<b>2,201,595</b>	<b>2,024,950</b>	<b>176,645</b>	
<b>TOTAL NET EXPENDITURE:</b>	<b>2,261,500</b>	<b>2,702,853</b>	<b>2,665,227</b>	<b>2,485,494</b>	<b>179,733</b>	
<b>INCOME LESS NET EXPENDITURE Surplus/(Deficit)</b>	<b>(139,546)</b>	<b>(484,053)</b>	<b>(440,627)</b>	<b>(230,141)</b>	<b>(210,486)</b>	
<b>Contribution from the General Fund</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	-	
<b>Cost to be capitalised</b>						
	<b>110,454</b>	<b>(234,053)</b>	<b>(190,627)</b>	<b>19,859</b>	<b>(210,486)</b>	

**Income and Expenditure from 1 April 2008 to 31 March 2009 for the General and Navigation Accounts: Variances and Slippages**

**1 Introduction**

- 1.1 The statements in Appendices 1 and 2 show the revised 2008/09 budget, as approved by members, against the outturn for the year to 31 March 2009. Where a variance is over £10,000, an explanation is provided. Where a genuine slippage has occurred this is also explained.

**GENERAL ACCOUNT**

**2 Summary**

- 2.1 Total net expenditure for the period is £4,034,278 which is 96.5% of the revised budget.
- 2.2 Total income is £4,163,514, which is 99.9% of the revised budget.

**3 Major Variances**

**EXPENDITURE**

**3.1 Corporate Services**

- 3.1.1 **Legal Services: Professional Fees** – Budget £45,000, Actual £63,371, Variance £18,371 adverse

There has been a greater amount of work which has required professional legal advice.

- 3.1.2 **Premises and Property Management: Office Accommodation: Rent, Rates, and Water** – Budget £53,000, Actual £94,027, Variance £41,027 adverse

The rent and rates for Dragonfly House has been charged to this budget whereas it was originally planned to be paid from the New Office Accommodation reserve.

**3.2 Countryside Management**

- 3.2.1 **Fens and Grazing Marshes: Water Framework Directive Climate Change (AGF)** – Budget £45,000, Actual £19,143, Variance £25,857, favourable

This project is funded by the Additional Grant Funding (AGF). Any underspend will be carried forward to 2009/10.

**3.2.2 Fens and Grazing Marshes: Miscellaneous Income** – Budget £(8,500), Actual £(20,832) , Variance £12,332, favourable

The income received this year is £17,469 from various parties for ESA fen tier work, £734 from the Rural Payments Agency and £2,613 for work at Carleton Marsh.

**3.2.3 Visitor Services: Visitors Centres and Electric Eel** – Budget £76,000, Actual £60,932, Variance £15,068 favourable

The Flint Barn rental budget is included within this budget but for the last two years the actual cost has been charged to Whitlingham Accommodation costs. The Whitlingham Accommodation budget is on budget which would suggest that the cost has been budgeted for twice. This will need to be reviewed at budget revision time.

**3.2.4 Trinity Broad Conservation** – Budget £(9,330), Actual £(270), Variance £9,060 favourable

The carry forward required for this budget is £7,375.

**3.2.5 Lound Lake Conservation** – Budget £970 Actual £(3,228), Variance £2,258 favourable

The carry forward required for this budget is £4,442.

**3.2.6 HLF Bursary Scheme Recharge** – Budget £0, Actual £(52,873), Variance £52,873 favourable

This is just an internal accounting adjustment to transfer the salary costs to the Bursary scheme cost code. Any variance here is matched by the variance showing on the HLF Bursary Scheme Income code.

**3.2.7 HLF Bursary Scheme Income** – Budget £(250,000), Actual £(191,941), Variance £58,059 adverse

The Heritage Lottery Scheme is a self funded project and as such requires no funds from the Authority. Any variance here is matched by the variance showing on the HLF Bursary Scheme Recharge code.

### **3.3 Planning**

**3.3.1 Development Control: Planning Fees Income** – Budget £(125,000) Actual £(157,077), Variance £32,077 favourable

This variance is generally due to increased fees for planning applications.

### 3.4 Waterways

#### 3.4.1 Conservation of Water Bodies: PSA Targets/Water Framework Directive (AGF) – Budget £84,194, Actual £51,338, Variance 32,856 favourable

This project is funded by the Additional Grant Funding (AGF). Any underspend will be carried forward to 2009/10.

#### 3.4.2 Conservation of Water Bodies: Restoration of Ecosystems (AGF) – Budget £145,000, Actual £129,154, Variance 15,846 favourable

This project is funded by the Additional Grant Funding (AGF). Any underspend will be carried forward to 2009/10.

## NAVIGATION ACCOUNT

### 4 Summary

4.1 Total net expenditure for the period is £2,485,494, which is 93.3% of the revised budget.

4.2 Total income is £2,255,353 which is 101.4% of the revised budget.

### 5 Major Variances

#### 5.1 INCOME

5.1.1 **Interest Received** – Budget £30,000, Actual £42,067, Variance £12,067

The interest rate paid at the beginning of the year was higher than that used at budget setting time. The rate has now reduced substantially and the budgets for 2009/10 have therefore been reduced as well.

5.1.2 **Private Craft Tolls** – Budget £1,349,200, Actual £1,362,050, Variance £12,850

The variance equates to 0.95% of the annual budget and suggests a greater number of tolls received than anticipated.

#### 5.2 NET EXPENDITURE

5.2.1 **Dredging: Landowner Payments** – Budget £61,200, Actual £860, Variance £60,340 favourable

£60,000 is being transferred to a Dredging Disposal Site reserve.

5.2.2 **Dredging: Transfer to Dredging Disposal Sites Reserve** – Budget £0, Actual £60,000, Variance £60,000 adverse

This is the unbudgeted transfer to the new Dredging Disposal Reserve.

5.2.3 **Dredging: Disposal/Survey Costs** – Budget £61,800, Actual £23,198, Variance £38,602 favourable

The budget has not been utilised as much as was initially expected at budget setting time.

5.2.4 **Dockyard: Salaries** – Budget £361,107, Actual £338,007, Variance £23,100 favourable

The revised budget was drawn up on the assumption that a vacant position would have been filled earlier than has proved to be the case.

5.2.5 **Dockyard: Vessels and Equipment** – Budget £207,400, Actual £147,237, Variance £60,163 favourable

£60,000 is being transferred to a Dockyard Vessels and Equipment reserve.

5.2.6 **Dockyard: Transfer to Dockyard Vessels and Equipment Reserve** – Budget £0, Actual £60,000, Variance £60,000 adverse

This is the unbudgeted transfer to the new Dockyard Vessels and Equipment reserve.

5.2.7 **Dockyard: Accommodation Costs** – Budget £65,900, Actual £21,836, Variance £44,064 favourable

£30,000 is being transferred to a Dockyard Site Maintenance reserve.

5.2.8 **Dockyard: Transfer to Dockyard Site Maintenance Reserve** – Budget £0, Actual £30,000, Variance £30,000 adverse

This is the unbudgeted transfer to the new Dockyard Site Maintenance Reserve.

5.2.9 **Dockyard: Vehicle Costs** – Budget £33,900, Actual £48,169, Variance £14,269 adverse

An analysis of the expenditure against this budget shows the breakdown of costs as follows:

Lease Vehicle charges	£26,409
Fuel	£17,207
Vehicles charged by May Gurney	£2,843
Repairs and additions to vehicles	£1,710

Without a similar breakdown of the budget it is not possible to identify why the budget is overspent, but a possible revision to the budget for 2009/10 may need to be considered.

**5.2.10 Dockyard: Dockyard Income** – Budget £(10,000), Actual £3,909, Variance £13,909 adverse

Two credit notes have been raised in this financial year which relate to 2007/08 income. £11,725 for Hire London Lighter and £503.50 for Hire Richard tug. This credit notes creates negative income, hence the actual income to date showing as a positive figure. Without this, the income for the year would show as £8,320.

**5.2.11 Mooring and Yacht Station: Piling & Maintenance of Moorings** – Budget £20,000, Actual £319 Variance £19,681

This budget is subject to slippage and will be carried forward to the 2009/10 budgets.

**5.2.12 Mooring and Yacht Station: Piling & Maintenance of Moorings (AP)** – Budget £40,655, Actual £1,132 Variance £39,523

This budget is subject to slippage and will be carried forward to the 2009/10 budgets.

**5.2.13 Navigation Safety and Policy: Salaries** – Budget £98,109, Actual £84,935, Variance £13,174 favourable

The annual budget includes a £14,420 allowance for standby payments. Approximately £700 has been paid out of this budget which relates to the three people coded to Navigation Safety and Policy. The total standby payments for the authority, for the year, are in the region of £9,000. These costs are charged to other salary budget depending on the department the payment recipient worked in and hence the variance showing against this budget.

**5.2.14 Navigation Works and Maintenance: Salaries** – Budget £229,269, Actual £250,459, Variance £21,190 adverse

It would appear that the budget for one member of staff has been incorrectly allocated between Navigation Works and Maintenance and Patrolling and this is the cause of the majority of this variance.

**5.2.15 Navigation Works and Maintenance: Vehicle Costs** – Budget £50,000, Actual £19,867, Variance £30,133 favourable

All vehicle costs have been allocated correctly. The budget would appear to be too high for the amount of vehicles that are charged to Navigation Works & Maintenance. The budget is comparable with the 2007/08 budget but in 2007/08 there were two payments to HM Revenue & Customs for PAYE settlement totalling £19,804 whereas no payment is due for 2008/09.

**5.2.16 Navigation Works and Maintenance: Notice Boards and Channel Markers**  
– Budget £30,000, Actual £19,217, Variance £10,783 favourable

There has been a £4,000 increase in the stock of notice boards and channel markers as at 31 March 2009 compared to 31 March 2008. The value of any stock held at the year end is carried forward to the new financial year and therefore any increase in the stock value, shows a decreased in the year's expenditure.

**5.2.17 Navigation Works and Maintenance: Miscellaneous Income** – Budget £(1,000), Actual £(13,212) Variance £12,212 favourable

The income is made up as follows:

- Sale of Electric Cards (£2,630)
- A workboat shoveler has been hired out (£1,310)
- EDF energy have been charged for costs to erect signage (£1,790)
- Mott MacDonald have been charged for signage erection (£673)
- Staff time and workboat use charged out for falling tree incident (£420)
- Norwich City Council has been charged for weed cutting at Whitlingham (£4,074).

Other smaller amounts of income have also been achieved which contribute to the actual income of £12,212.

**Summary of Overall Financial Position: June 2009**

**A General Account**

**1 Current Position**

- 1.1 General Account Reserves at 31 March 2008 were £850,013.
- 1.2 A deficit budget of £12,196 was planned in 2008/09, reducing Reserves to £837,817.
- 1.3 In the event there was a total net underspend of £141,432, resulting in a surplus of £129,236 and thus increasing Reserves to £979,249 as at 31 March 2009.
- 1.4 However a significant amount of expenditure (£121,221) will be carried forward into the 2009/10 budget as slippage/deferred expenditure. The details of this are set out in Appendix 5.
- 1.5 Those items marked 'AGF' (accounting for £74,559 of slippage) are funded by the National Park Additional Grant Fund. This expenditure is ringfenced as it is important that the Authority accounts carefully for the money in order to be able to demonstrate how it has been spent.
- 1.6 Having deducted the deferred expenditure, the 'true' underspend (i.e. actual savings achieved) in 2007/08 was £20,211.
- 1.7 The Authority has budgeted for a deficit of £334,724 in 2009/10. The effect of the net savings achieved in 2008/09 and the carry forward of additional expenditure will be to reduce Reserves to £523,304 as at 31 March 2010.

**2 Overall Summary**

- 2.1 The three year grant settlement for 2008/09 to 2010/11 (details of which were reported to the Broads Authority at its meeting in January 2008) provides for an inflation increase and additional grant funding of £400,000 per annum (reduced from £500,000 in 2008/09) over the next two financial years (including the current financial year).
- 2.2 This provides the Authority with some short-term financial stability, but means that beyond 2010/11 the financial position is much less certain, especially bearing in mind the current economic downturn and the likelihood of significant cutbacks in public expenditure funding. A key priority will therefore be to investigate the possibility of incorporating the National Park Additional Grant into core funding from 2010/11 onwards.

- 2.3 Nevertheless the current level of Reserves is very healthy, and well above the minimum recommended level. Although this provides the Authority with a 'cushion' against the short-term effects of the economic downturn, the figure is to some extent distorted by the amount of project expenditure which has been carried forward from previous financial years. Also it should be noted that the draft forecasts prepared by officers for the next two financial years predict that expenditure will continue to exceed income, in part because employee costs are continuing to increase at a rate in excess of inflation.
- 2.4 On the plus side the bulk of the costs relating to the Broads Bill have now been met (although there will be some further, more modest costs in 2009/10), as have the costs of relocation to the new offices.
- 2.5 The challenge now before the Authority is to reduce its running costs in order to align income and expenditure and arrive at a balanced budget. If this can be achieved, the Authority will be left with Reserves in excess of £500,000, and there may be capacity over the next two to three years to put some of this money towards one-off projects and schemes which will contribute to the Authority's priority objectives.
- 2.6 In order to facilitate this, the Authority has established:
- a Project Expenditure budget, as a pot of money from which managers will be able to 'bid' for funding towards projects which will be undertaken during the year in question; and
  - an Asset Management Reserve Account, to address the programme of repair and maintenance of the Authority's property assets, as prioritised through the Asset Management Plan.
- 2.7 This is in part to overcome the problem of funds being set aside for projects at the beginning of each financial year and then not being spent, usually for perfectly valid and often unforeseen reasons, as has happened over the past few years, and has been repeated again in 2008/09.
- 2.8 Additionally it is suggested that officers are invited to investigate and bring forward to the September meeting options for project expenditure, to be funded from the General Account Reserves. One option, favoured by the Management Team, is to continue the programme of practical skills currently funded by the Heritage Lottery Fund. This has been a huge success with the bursary holders finding employment in a range of activities.
- 2.9 A broader programme could help reduce the maintenance backlog for the Authority's assets, as well as providing training places in a period of rising unemployment. Core funding from the General Account Reserves would be used to lever in resources from other funding streams.

## **B Navigation Account**

### **3 Current Position**

- 3.1 Navigation Account Reserves stood at £506,285 as at 31 March 2008.
- 3.2 A deficit budget of £190,627 was planned in 2008/09, reducing Reserves to £315,658.
- 3.3 In the event there was a total net underspend of £210,486, resulting in a surplus of £19,859 and thus increasing Reserves to £526,144 as at 31 March 2009.
- 3.4 A total of £39,523 will be carried forward into 2009/10 as slippage/deferred expenditure, meaning that the 'true' underspend (i.e. actual savings achieved) was £170,963. A sizeable amount of this (£30,763) was as a result of income exceeding the budgeted amount.
- 3.5 The Authority has budgeted for a deficit of £22,078 in 2009/10. The effect of the net savings achieved in 2008/09 and the carry forward of additional expenditure will be to reduce Reserves to £464,543 as at 31 March 2009.

### **4 Overall Summary**

- 4.1 The key issues regarding the Navigation Account are the need to balance income and expenditure and to maintain Reserves at an acceptable level. The fact that a small surplus was achieved in 2008/09, albeit without taking into account the carried forward expenditure, was an excellent outcome.
- 4.2 Navigation Account Reserves are comfortably above the recommended minimum level, at over £500,000, and income from toll receipts in the current (2009/10) financial year is holding up well, which is encouraging. These figures are being closely monitored by the Navigation Finance and Tolls Review Group, which will be making recommendations to the Navigation Committee and full Authority on the level of toll increase for 2010/11 and financial strategy over the next three financial years.
- 4.3 The costs of the first full year of the dockyard operation are also encouraging (although the budget underspend is largely as a result of one unfilled post), and confirm that the Authority made a sound financial and operational investment in acquiring it. The detailed costs over the full financial year will be analysed, and a report taken to the Navigation Committee at its next meeting in September.
- 4.4 Members should note that the opportunity has been taken to create three new Reserve Accounts under the Dredging and Dockyard headings. These relate to:
- Dredging Disposal Sites (£60,000);
  - Vessels and Equipment (£60,000); and
  - Site Maintenance (£30,000).

- 4.5 These have been set up to meet future operational needs and liabilities, and are in accordance with the annual figures recommended by the accountants PKF in their 'Due Diligence' reports to the Authority at the time the dockyard operation was acquired.
- 4.6 However the Authority needs to plan for the possible discontinuation of the additional National Park Grant after 2010/11, and it is therefore important that a financial 'cushion' has been built up in the event that this eventuality should occur.
- 4.7 Officers will continue to hold discussions with Defra to stress the importance of maintaining the additional grant funding after 2010/11, and if possible incorporating it into core funding, and to highlight the benefits and outputs which are achieved as a result of this money.

APPENDIX 5

Expenditure Carried Forward to 2009/10

Budget Line	General/ Navigation Account	Amount £	Explanation
<b>General Account</b>			
Other Information and Interpretation Services	G	5,211	Scanning of archive slides
Water Framework Directive: Climate Change	G	25,857	Ring fenced expenditure (AGF)
Branding	G	8,800	Funding for Interreg IVa Two Seas bid
Visitor Centres/Electric Eel	G	3,000	Signs and displays for Potter Heigham Tourist Information Centre
Landscape and Cultural Strategy	G	5,605	To commission web-based Landscape Character Assessment project
Broadland Flood Alleviation Strategy	G	7,000	Installation of easy access path at How Hill
PSA Targets/Water Framework Directive	G	32,856	Ring fenced expenditure from original AGF
Restoration of Ecosystems	G	15,846	Ring fenced expenditure (AGF)
Tourism Promotion	G	5,229	To cover costs of Eating Out brochure
Trinity Broads Conservation	G	4,442	Ring fenced expenditure (ESW contribution)
Lound Lake Conservation	G	7,375	Ring fenced expenditure (ESW contribution)
<b>Total</b>		121,221	
<b>Navigation Account</b>			
Piling and Maintenance of Moorings (AP)	N	39,523	Dutch Tea Gardens
<b>Total</b>		39,523	

**DRAFT**  
**BROADS AUTHORITY**  
**STATEMENT OF ACCOUNTS**

**2008-09**

**BROADS AUTHORITY**  
**STATEMENT OF ACCOUNTS 2008-09**

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## **Explanatory Foreword**

### Introduction:

The purpose of the foreword is to offer interested parties an easily understandable guide to the most significant matters reported in the accounts. It contains a commentary on the major influences affecting the Authority's income and expenditure and cash flow, and information on the financial needs and resources of the authority.

### The Background to the Accounts 2008-09:

The Statement of Accounts represents the financial transactions of The Broads Authority. The Broads Authority was set up under the Norfolk and Suffolk Broads Act 1988. Its duties were to manage the Broads for the purpose of:

- Conserving and enhancing the natural beauty of the Broads
- Promoting the enjoyment of the Broads by the public; and
- Protecting the interests of navigation

The duties were amended by the Natural Environment and Rural Communities Act, which was enacted on 30 March 2006. The Authority's amended duties are to manage the Broads for the purpose of:

- Conserving and enhancing the natural beauty, wildlife and cultural heritage of the Broads;
- Promoting opportunities for the understanding and enjoyment of the special qualities of the Broads by the public; and
- Protecting the interest of navigation.

The changes were to bring the first two purposes into line with those of the English National Park Authorities, as recommended in the Defra report 'Review of English Park Authorities' published in July 2002.

In respect of its navigation area the Authority is required to:

- Maintain the navigation area for the purpose of navigation to such a standard as appears to it to be reasonably required; and
- Take such steps to improve and develop it as it thinks fit.

In discharging its function, the Authority should have regard to:

- The national importance of the Broads as an area of natural beauty and one which affords opportunities for open air recreation.
- The desirability of protecting the natural resources of the Broads from damage; and
- The needs of agriculture and forestry and the economic and social interests of those who live and work in the Broads.

### The Accounting Statements:

The Broads Authority's accounts for the year 2008-09 are set out on pages 11 to 39. They consist of:-

- A Statement of Responsibilities for the Statement of Accounts.
- A Statement of Corporate Governance.
- The Income and Expenditure Account, covering income and expenditure on all functions including navigation.
- Statement of Movement on the General Fund Balance, reconciling the differences between the outturn on the income and expenditure account and the general fund balance.
- A Statement of Total Recognised Gains and Losses, which considers all gains and losses recognised for year ending 31 March 2009.
- The Balance Sheet, which sets out the financial position of the Authority as at 31 March 2009.
- A Cash Flow Statement, which focuses on the flow of cash through the Authority between 1 April 2008 and 31 March 2009.

These accounts are supported by the Statement of Accounting Policies, which follows this foreword and various notes to the accounts.

The information included in these accounts incorporates spending relating to the Broads Navigation Account. The Navigation Account has separate accounting records to ensure the proper control of income from tolls payers and to ensure it is spent primarily to benefit the users of the navigation. The Navigation Account income and expenditure account is shown in full at note 3 on page 20.

### Changes to the 2008-09 Accounts:

The Broads Authority Accounts are now presented rounded to the nearest thousand pounds; this is purely to help with presentation. A review of compliance with the SORP was also carried out during 2008-09 and as a result the format of some of the notes to the accounts have been changed.

Whilst reviewing the fixed assets at the 31 March 2009 some minor anomalies were discovered and these have now been corrected. The figures for 2007-08 have been adjusted to provide comparative information.

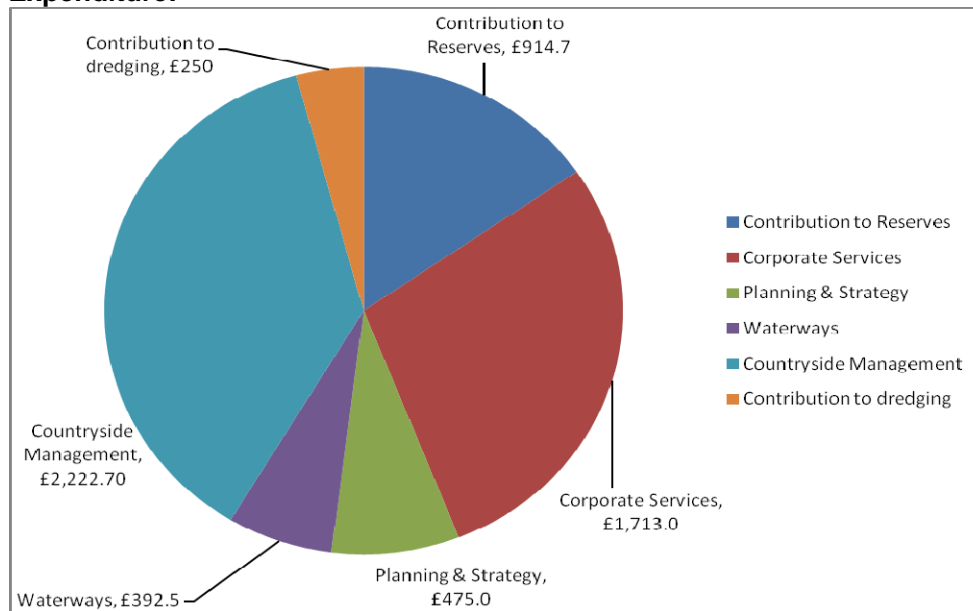
## Review of the Year:

### **General Account:**

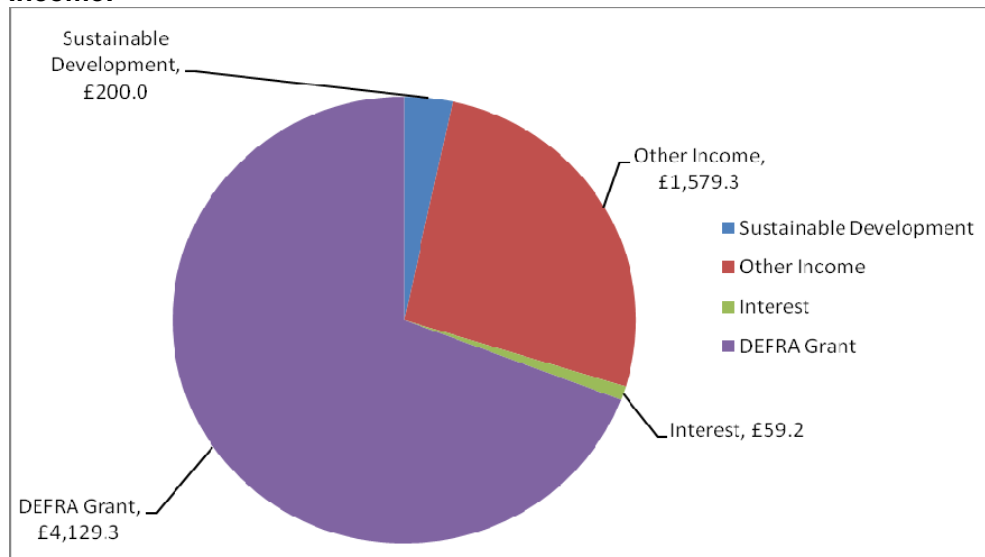
In addition to the National Park Grant of £4,104,337 (£3,926,763 in 2007-08) income received for the year from external grants support, sales, fees and charges and interest totalled £1,545,910 (£1,048,430 in 2007-08). Specific purpose grant of £200,000 (£200,000 in 2007-08) was also received from DEFRA for the continuation of the Sustainable Development Fund (SDF). Total income for 2008-09 was £5,967,823 (£5,175,193 in 2007-08).

The Authority initially set a budget with a forecast deficit of £243,478 for 2008-09 (£305,700 for 2007-08). The Authority revised its deficit budget down to require a £12,196 contribution from Reserves. The actual outturn saw a surplus of £129,236. After applying the Authority's carry forward policy, the net under-spend against the revised budget was £20,211.

### **Expenditure:**



### **Income:**

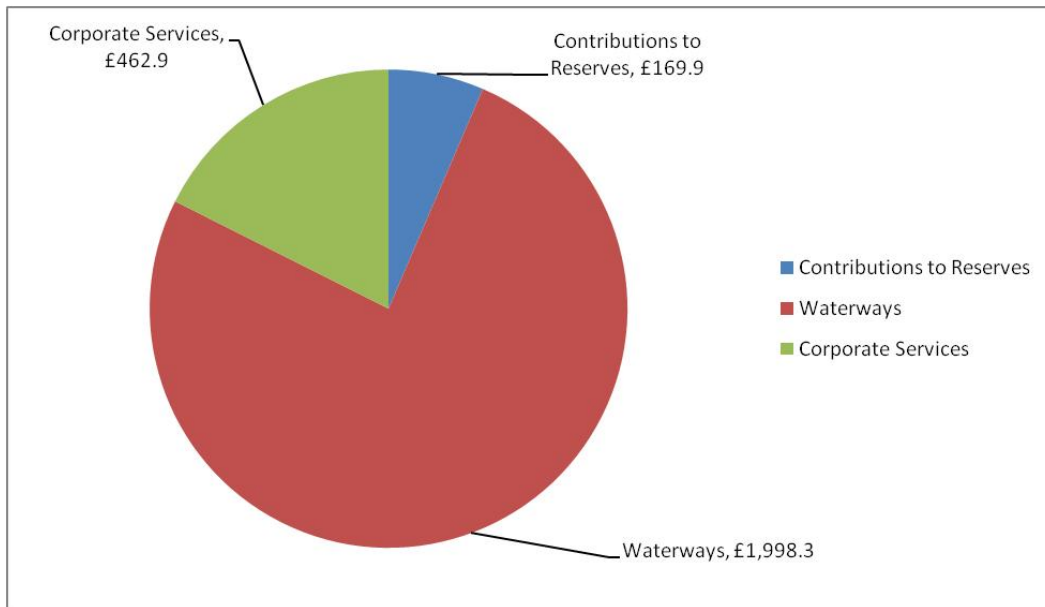


**Navigation Account:**

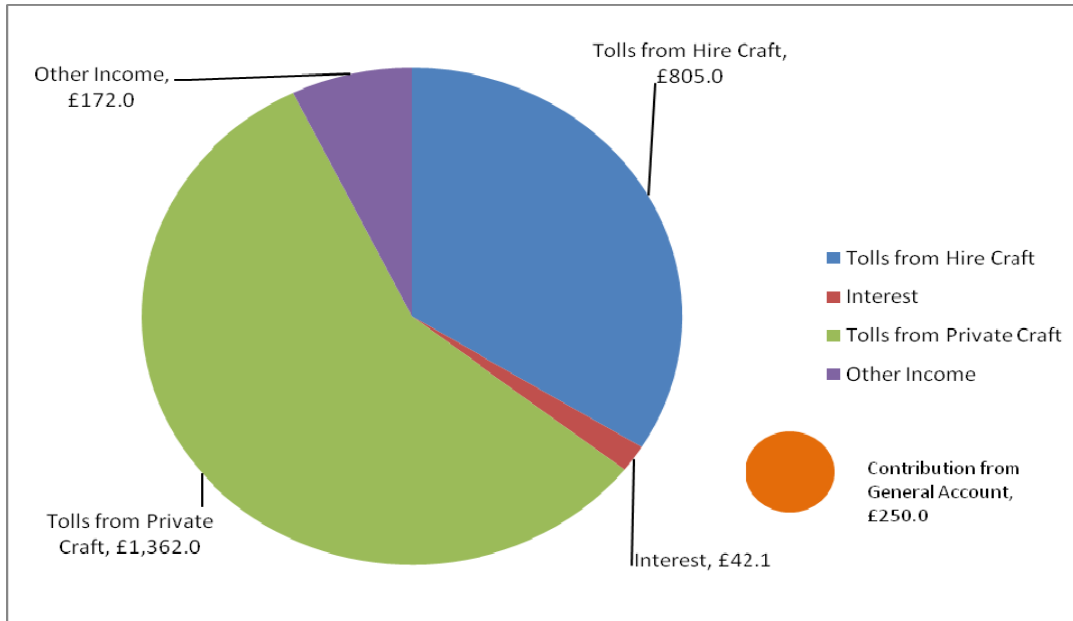
Income from tolls was £2,213,286 (£2,055,772 in 2007-08), other income received for the year from yacht stations charges, sales of tide tables, works licences, sales of dredging services, provision escort services, and interest was £167,790 (£205,768 in 2007-08). Total income for 2008-09 was £2,381,076 (£2,261,540 in 2007-08).

The Authority initially set a budget with a forecast deficit of £234,053 (£115,200 for 2007-08). The Authority revised its deficit down to require a £190,627 contribution from Reserves. The actual outturn saw a surplus of £19,859. After applying the Authority's carry forward policy the net underspend against the revised budget was £170,963.

**Expenditure:**



**Income:**



## Financial Outlook:

### **General Account:**

The Authority has received a three year grant settlement for 2008-09 to 2010-11; this guarantees an inflation increase and additional grant funding of £400,000 per annum (reduced from £500,000 in 2008-09) over the next two financial years. This provides the Authority with some financial stability and enables it to plan medium term expenditure over that period with a degree of certainty.

### **Navigation Account:**

The level of toll increase is set on an annual basis. The key issues regarding the Navigation Account are the need to balance the income and expenditure and to maintain reserves at an acceptable level. The additional national park grant means that extra dredging works can be undertaken, for the benefit of the Broads ecosystems. However the continuation of this grant beyond 2010/11 is very uncertain, and its cessation will present a major challenge to the attainment of the Authority's targets.

## Explanation of the Pension liability:

The Broads Authority is a member of the Norfolk Pension Fund. The Norfolk Pension fund has had a triennial valuation as at the 31 March 2007. The pension reserve and corresponding liability shown in the Authority's balance sheet are prepared on a FRS17 basis. Recent Actuarial advice has indicated that a long-term potential pension fund shortfall of £2,568,000 (£623,000 2007-08) should all pensions liabilities arise. This is not an uncommon position in local government. The pension liability is being actively managed by the Norfolk Pension Fund and should be viewed as a long term commitment. The Authority has taken the advice of the Norfolk Pension fund when setting the level of employer's contributions over the next three year's, hence the level of general reserves has not been set to cover any potential shortfall in the pension provision. It is believed that the level of employer's contribution is sufficient to cover 100% of the perceived liability over the long term.

## Further Information:

Further information about the accounts is available from the Head of Finance, Dragonfly House, 2 Gilders Way, Norwich, NR3 1UB. This is part of the Authority's policy of providing full information about its affairs. In addition, interested members of the public have a statutory right to inspect the accounts before the audit is completed. The availability of the accounts for inspection is advertised in the local press.

## **Statement of Responsibilities for the Statement of Accounts**

### The Authority's Responsibilities

The Authority is required to:-

- (a) Make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Authority, that officer is the Treasurer and Financial Adviser;
- (b) Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets;
- (c) Approve the statement of accounts.

### The Treasurer and Financial Adviser's Responsibilities

The Treasurer and Financial Adviser is responsible for the preparation of the Authority's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in Great Britain ('the Code of Practice').

In preparing this Statement of Accounts, the Treasurer and Financial Adviser has:-

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent;
- complied with the Code of Practice.

The Treasurer and Financial Adviser has also:-

- kept proper accounting records which were up-to-date;
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

### Treasurer and Financial Adviser's Certificate

I certify that the Statement of Accounts presents a true and fair view of the financial position of the Broads Authority at 31 March 2009 and its income and expenditure for the year ended 31 March 2009.

John Duvall (Treasurer and Financial Adviser)  
26 June 2009

**Chairman's Statement**

I confirm that these accounts were approved by The Broads Authority at its meeting held on 26 June 2009.

Signed on behalf of The Broads Authority:

Dr JS Johnson (Chair of meeting approving the accounts)  
26 June 2009

## **Independent Auditor's Report to the Members of the Broads Authority**

Wording to be inserted once the audit has been completed.

## **Annual Governance Statement**

Wording to be inserted once the Annual Governance Statement has been approved.

## **Statement of Accounting Policies**

### **1. General**

The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2008 Statement of Recommended practice, the recommendations issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) and also with guidance notes issued by CIPFA on the application of Statement of Standard Accounting Practices (SSAPs) and Financial Reporting Standards (FRSs) and Urgent Issues Task Force (UITF's).

### **2. Fixed Assets**

Fixed Assets aged over five years are revalued following broadly the principles stated in the Public Sector Statement of Recommended Accounting Practice (SORP). The Broads Authority adopted the following valuation and accounting treatment.

Operating assets are valued at the lesser of:-

- (a) net current replacement cost; and
- (b) net realisable value in existing use.

The difference between the revalued amount and the historic cost of fixed assets is credited to the Revaluation Reserve. There is therefore, no effect on the revenue account.

A de minimus limit of £5,000 is used to recognise fixed assets.

Revaluation and Impairment Reviews are conducted in accordance with FRS15 Tangible fixed assets. Land and buildings are revalued by Norfolk Property Services every five years, with annual impairment reviews performed by Broads Authority Directors in the intervening years.

Depreciation is charged in accordance with FRS15 and each class of asset is considered separately. Assets (excluding land) are depreciated at cost or revalued amount less estimated residual value. The depreciable amount (i.e. cost, or revalued amount, less residual value) of a tangible fixed asset is recognised in the Income and Expenditure Accounts, on a systematic basis that reflects as fairly as possible the pattern in which the assets economic benefits are consumed by the entity, over its useful economic life. The Broads Authority has a policy of not depreciating assets in the first year of ownership.

### **3. Debtors and Creditors**

The Income and Expenditure Accounts of the Authority are maintained on an accruals basis in accordance with the Code of Accounting Practice and adopted in accordance with FRS18. That is, sums due to or from the Authority during the year are included whether or not the cash has actually been received or paid in the year. Specific bad debts are provided for when it becomes evident that funds are unlikely to be received. Specific bad debt provisions are reviewed annually.

#### 4. Stocks

Stock is included in the Balance Sheet at the lower of cost or net realisable value in accordance with SSAP9.

#### 5. Reserves

Reserves can be cash or non-cash backed, and can be used to meet general or earmarked future expenditure. Non cash backed reserves are the Fixed Asset Restatement Account, the Capital Financing Account, the Revaluation Reserve, Capital Adjustment Account, the Government Grants Deferred Account and the Pension Reserve. Earmarked reserves are held for fulfilling specific projects, see note 20, at page 34.

#### 6. Investment Interest

Surplus revenue funds are invested with Broadland District Council and interest is credited to the General, Navigation and specific reserve accounts based on the average level of their balances throughout the year.

#### 7. Investments

Investments are shown in the Consolidated Balance Sheet at cost.

#### 8. Defra Grant

Grants are essential to enable the Broads Authority to achieve its strategic aims and objectives as defined by the Norfolk and Suffolk Broads Act 1988 (as amended by the Natural Environment and Rural Communities Act 2006).

Grants are credited to the Authority's Income and Expenditure Accounts and matched with related expenditure in accordance with SSAP4, i.e. when:-

- (a) Conditions for receipt have been complied with;
- (b) There is reasonable assurance that the grant will be received.

#### 9. Segmental Reporting

In accordance with the Norfolk and Suffolk Broads Act 1988 and SSAP25 the Broads Authority keeps the General Account funds and Navigation Account funds separately. Under the Local Authorities 2008 SORP the Authority has prepared a single income and expenditure account for 2008-09, however in note 3 to the accounts the Navigation Account is shown in full.

#### 10. Allocation of Costs

Salary, vehicle and other revenue costs are reallocated within the General Account to major projects that are grant aided partially or wholly by sources other than Defra grant. The method of allocation is kept as simple as possible and is either made on usage, such as number of hours spent on a project, or estimated on a percentage basis.

Recharges between the General and Navigation Accounts are made on a percentage basis of the service or goods consumed.

#### 11. Leasing

Leases are classified in accordance with SSAP21 "Accounting for Leases and Hire Purchase Contracts". Leases are appropriately classified as finance leases or operating leases. Finance leases are recorded in the balance sheet as an asset and as an obligation to pay future rentals. Operating lease obligations are not recorded in the balance sheet, but information of the obligation is disclosed by way of note to the financial statements. Operating lease rental is charged on a straight-line basis over the lease term to the revenue account.

#### 12. Retirement Benefits

Retirement benefits are included in the financial statement in accordance with Financial Reporting Standard 17 (FRS17). The objectives of FRS17 are:

- the assets and liabilities arising from the employer's retirement benefit obligations are to be reflected at fair value;
- the operating costs of providing retirement benefits are to be recognised in the accounting periods in which the benefits are earned by the employees;
- the related financing costs and other charges in the value of assets and liabilities are to be recognised in the accounting period in which they arise;
- there is adequate disclosure in respect of the above.

#### 13. Capital Grants

Government grants and other contributions of a capital nature are accounted for on an accruals basis and recognised in the Balance Sheet when conditions for their receipt have been complied with, and there is reasonable assurance that the grant or contribution will be received. Capital grants when received in the future, will be initially credited to the Capital Grants and Contributions Account, from where they are transferred to the Government Grants Deferred Account when used to finance capital expenditure. Grants are then released to the Income and Expenditure Account so as to offset the appropriate amount of depreciation on the assets to which they refer.

#### 14. Long Term Loans

Long term loans are shown in the balance sheet as the capital element outstanding at the year end, split between amounts due within a year and amounts due outside a year. Any interest paid is taken directly to the income and expenditure account. The 'fair value' of any loans is disclosed in the notes to the accounts with accompanying explanations.



## Statement of Movement of the General Fund Balance

The income and expenditure account shows the Authority's actual financial performance for the year, measured in terms of the resources consumed and generated over the last twelve months. However, the Authority is required to account for the general fund on a different accounting basis, the main differences being:

- Capital investment is accounted for as it is financed, rather than when the fixed assets are consumed.
- Retirement benefits are charged as amounts become payable to pension funds and pensioners, rather than as future benefits are earned.
- The General Fund Balance compares the authority's spending against the DEFRA grant for the year, taking into account the use of reserves built up in the past and reserves earmarked for future expenditure.

This reconciliation statement summarises the differences between the outturn on the Income and Expenditure Account and the General Fund Balance.

2007-08 £000	<b><u>Statement of Movement of the General Fund Balance</u></b>	2008-09 £000
(289)	(Surplus)/Deficit on General Fund I&E a/c	(542)
	Net Additional amount required by statute and non-statutory proper practice to be debited or credited to the General Fund balance for the year	413
<u>296</u>		<u>          </u>
7	Decrease/(Increase) in General Fund Balance for the year	(129)
<u>(857)</u>	General Fund Balance b/f	<u>(850)</u>
<u>(850)</u>	General Fund Balance c/f	<u>(979)</u>

### **Note of Reconciling Items for the Statement of Movement on the General Fund Balance**

	<u>Items included in the Income and Expenditure account but excluded from the movement on the General Revenue Fund balance for the year</u>	
0	Gains or (losses) on disposal of assets	0
(227)	Depreciation and impairment of fixed assets	(180)
63	Amortisation of government grants deferred	62
(400)	Net charge made for retirement benefits in accordance with FRS17	(530)
	<u>Items not included in the Income and Expenditure account but included in the movement on the General Fund balance for the year</u>	
402	Employers contributions to the Norfolk Pension Fund & benefits payable direct	432
48	Capital financed from Revenue	107
	<u>Transfers to or from the General Fund balance that are required to be taken into account when determining the movement on the General Fund balance</u>	
110	Navigation Fund Movement for the year	20
300	Net transfer to or (from) earmarked reserves	502
<u>296</u>	<b>Net additional amount required to be debited/(credited) to the General Fund for the year</b>	<u>413</u>

## Statement of Total Recognised Gains and Losses

<b>2007-08</b>		<b>2008-09</b>
<b>Restated</b>		
<b>£000</b>		<b>£000</b>
(289)	(Surplus)/Deficit for the year on the General and Navigation Fund Income and Expenditure Account	(542)
(272)	(Surplus)/Deficit arising on the revaluation of fixed assets	(28)
(1,305)	Actuarial (gains)/losses on the pension fund assets and liabilities	1,847
<u>(1,866)</u>	Total recognised (gains)/losses for the year	<u>1,277</u>
1,850	Balance sheet as at 1 April	3,716
3,716	Balance sheet as at 31 March	2,439
<u>1,866</u>		<u>(1,277)</u>

## Balance Sheet

As at 31 March 08 Restated £000		Note	£000	As at 31 Mar 09 £000
<b><u>Fixed Assets</u></b>				
1,265	Land and Buildings - Operational Assets	12	1,238	
323	Land and Buildings - Community Assets	12	323	
229	Infrastructure Assets	12	214	
670	Vehicles and Vessels	12	695	
92	Computer Equipment	12	62	
2,579				2,532
12	Long Term Debtors	13		15
<b><u>Current Assets</u></b>				
151	Stock		167	
656	Debtors	14	807	
2,665	Investments	15	3,031	
313	Cash at Bank & Hand		465	
3,785			4,470	
<b><u>Current Liabilities</u></b>				
(623)	Pension Liability	9	(2,568)	
(1,296)	Creditors	16	(1,346)	
(15)	Public Works Loan	18	(15)	
(1,934)			(3,929)	
1,851	Net Current Assets/(Liabilities)			541
<b><u>Long term Creditors</u></b>				
(458)	Government Grants Deferred	17		(395)
(268)	Public Works Loan	18		(254)
3,716				2,439
<b><u>Represented by:-</u></b>				
1,750	Capital Adjustment Account	20b		1,744
78	Revaluation Reserve	20a		100
(623)	Pension Reserve	9		(2,568)
1,155	Earmarked Reserves	20c		1,658
<b><u>Fund Balances</u></b>				
850	General Account Fund Balance	20		979
506	Navigation Account Fund Balance	20		526
3,716				2,439

John Duvall (Treasurer and Financial Adviser)  
26 June 2009

## Cash Flow Statement

2007-08 £000	Note		£000	2008-09 £000
		<b>Revenue Activities</b>		
132	24	<b>Net Cash Outflow/(Inflow) from Revenue Activities</b>		<b>(504)</b>
		<b>Returns on Investments &amp; Servicing of Finance</b>		
(180)		Interest Received	(167)	
16		Interest Paid	31	
<u>(32)</u>				<u>(136)</u>
		<b>Capital Activities</b>		
342		Purchase of Fixed Assets		107
<u>310</u>		Net Cash Outflow/(Inflow) Before Financing		<u>(533)</u>
		<b>Managing of Liquid Resources</b>		
175	25	Net Increase/(Decrease) in Short Term Deposits		366
		<b>Financing</b>		
7		Repayment of amounts borrowed	15	
(290)		New Long-term loans raised.	0	
<u>(283)</u>				<u>15</u>
<u><b>202</b></u>		<b>Net Decrease/(Increase) in Cash</b>		<u><b>(152)</b></u>

## Notes to the Statement of Accounts

### 1. Prior Period Adjustments:

The launch boat shed at Ludham had not previously been included within the accounts although the Broads Authority had ownership of the boat shed prior to the 2007-08 financial year. The opening balances have been restated to reflect the launch boat shed's value as at 31 March 2008 of £130,000.

It came to light during 2008-09 that a boat – Sunny1 Motor Craft – was scrapped in 2007-08, as it required too much work to pass the Boat Safety Scheme. This had not been reflected within the accounts, therefore the opening balances and relevant accumulated depreciation have been adjusted to reflect this.

### 2. Consolidated Income and Expenditure Account in Best Value Account Code of Practice Format

The Broads Authority is a special statutory authority created under the provisions of the Norfolk and Suffolk Broads Act 1988. Due to the exceptional nature of the organisation, the Broads Authority has departed from the service expenditure analysis prescribed in the Best Value Accounting Code of Practice. However this note presents the accounts in the Best Value Accounting Code of Practice format for National Parks, to comply with the 2008 SORP requirement and to enable comparison between the Authority and other National Parks.

<u>2007-08</u>		<u>2008-09</u>		
<u>Net Expenditure</u>		<u>Gross Expenditure</u>	<u>Income</u>	<u>Net Expenditure / (Income)</u>
£000s		£000s	£000s	£000s
1,180	Conservation of the Natural Environment	1,461	(496)	965
276	Conservation of Cultural Heritage	884	(248)	636
627	Recreation Management and Transport	835	(169)	666
668	Promoting Understanding	810	(90)	720
419	Rangers Estates and Volunteers	444	0	444
176	Development Control	332	(760)	(428)
136	Forward Planning and Communities	141	(1)	140
0	Non Distributed Costs	87	0	87
340	Corporate and Democratic Core	585	(42)	543
40	Broads Navigation Account	2,444	(2,591)	(147)
<u>3,862</u>	<b>Net cost of Services</b>	<u>8,023</u>	<u>(4,397)</u>	<u>3,626</u>
0	Profit/Loss on disposal of fixed assets			0
16	Interest payable and similar charges			31
(176)	Interest and investment income			(140)
(64)	Pensions interest cost and expected return on pensions assets			45
<u>3,638</u>	<b>Net Operating Expenditure</b>			<u>3,562</u>
(3,927)	Defra Grant			(4,104)
<u>(289)</u>	<b>(Surplus)/deficit for the year</b>			<u>(542)</u>

### 3. Navigation Fund Income and Expenditure Account

The Broads Authority is also required to maintain a separate navigation account. Due to this requirement this note shows a Navigation Fund income and expenditure account for information.

<u>2007-08</u>		<u>2008-09</u>	
<u>Net Expenditure</u> £000s		<u>Gross Expenditure</u> £000s	<u>Income</u> £000s
			<u>Net Expenditure / (Income)</u> £000s
	<b>Corporate Services</b>		
45	Management and Admin Support	52	0
87	Finance	89	0
21	Human Resources and Staff Training	27	0
29	Information and Design	29	0
34	Information and Technology	38	0
61	Legal Services	80	0
12	Member Services	11	0
81	Navigation Tolls	85	(2)
48	Premises and Property Matters	49	0
	<b>Waterways</b>		
108	Management and Admin Support	109	0
100	Dredging	69	(1)
331	Dockyard Operation	590	(246)
130	Moorings and Yacht Stations	194	(86)
108	Navigation Safety and Policy	124	(3)
351	Navigation Works and Maintenance	389	(15)
537	Patrolling	509	(25)
<u>2,083</u>	<b>Net cost of Services</b>	<u>2,444</u>	<u>(378)</u>
			<u>2,066</u>
7	Interest payable and similar charges		19
(82)	Interest and investment income		(54)
(21)	Pensions interest costs and expected return on pensions assets		17
<u>1,987</u>	<b>Net Operating Expenditure</b>		<u>2,048</u>
(2,056)	Tolls Income		(2,213)
<u>(69)</u>	<b>(Surplus)/Deficit for the year</b>		<u>(165)</u>

<b><u>Statement of Movement on the Navigation Fund Balance</u></b>		
<b>2007-08</b>		<b>2008-09</b>
<b>£000s</b>		<b>£000s</b>
(69)	(Surplus)/Deficit on Navigation Fund I&E a/c	(165)
(41)	Net Additional amount required by statute and non-statutory proper practice to be debited or credited to the Navigation Fund balance for the year.	145
<u>(110)</u>	<u>(Increase)/Decrease in Navigation Fund balance for the year</u>	<u>(20)</u>
<u>(396)</u>	<u>Navigation Fund Balance b/f</u>	<u>(506)</u>
<u>(506)</u>	<u>Navigation Fund Balance c/f</u>	<u>(526)</u>

**Note of Reconciling Items for the Statement of Movement on the Navigation Fund Balance**

<b>2007-08</b>		<b>2008-09</b>
<b>£000s</b>		<b>£000s</b>
	<u>Items included in the Income and Expenditure account but excluded from the movement on the Navigation Fund balance for the year</u>	
(151)	Depreciation and impairment of fixed assets	(92)
31	Amortisation of Government Grants Deferred	30
(129)	Net charge made for retirement benefits in accordance with FRS17	(200)
	<u>Items not included in the Income and Expenditure account but included in the movement on the Navigation Fund balance for the year</u>	
35	Employers contributions to the Norfolk Pension Fund & benefits payable direct	56
130	Capital Financed From Revenue	163
	<u>Transfers to or from the Navigation Fund balance that are required to be taken into account when determining the movement on the Navigation Fund balance</u>	
43	Net transfer to/(from) earmarked reserves	188
<u>(41)</u>	<u>Net additional amount required to be debited/(credited) to the Navigation Fund for the year</u>	<u>145</u>

#### 4. Publicity

Section 5 of the Local Government Act 1986 requires the Broads Authority to maintain a separate account of expenditure on publicity. The Broads Authority has incurred the following fees relating to publicity:

	<b>2007-08</b> <b>£000s</b>	<b>2008-09</b> <b>£000s</b>
Staff Recruitment	29	49
Other Advertising & Public Relations Activities	48	46
<b>Total</b>	<b>77</b>	<b>95</b>

#### 5. Disclosure of Audit Costs

The Broads Authority has incurred the following fees relating to external audit and inspection:

	<b>2007-08</b> <b>£000s</b>	<b>2008-09</b> <b>£000s</b>
<ul style="list-style-type: none"><li>Fees payable to the Audit Commission with regard to external audit services carried out by the appointed auditor</li></ul>	23	27

#### 6. Staff Remuneration

The number of employees whose remuneration, excluding employer's pension contributions, was £50,000 or more in bands of £10,000 were:

	<b>2007-08</b>	<b>2008-09</b>
	Number of Staff	Number of Staff
50,000 – 59,999	-	-
60,000 – 69,999	-	-
70,000 – 79,999	1	1

#### 7. Members Allowances

The total of members allowances paid in the year was £33,202 (£23,799 in 2007-08).

#### 8. Related Party Transactions

The Broads Authority is required to disclose material transactions with related parties, bodies or individuals that have the potential to control or influence the authority or to be controlled or influenced by the authority. Disclosure of these transactions allows readers to assess the extent to which the authority might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the authority.

Central government has effective control over the general operations of the authority – it is responsible for providing the statutory framework within which the Authority operates, provides the majority of funding in the form of grants and prescribes the terms of many of the transactions that the Authority has with other parties.

Members of the Broads Authority have direct control over the Authority's financial and operating policies. The Authority wrote to all members requesting details of any related party transactions.

- Miss Alexandra Steven is a member of the Broads Authority and the Navigation Committee. She is employed by Henry Cator, a director of Salhouse Farms, who in turn has received a Sustainable Development Fund grant of £1,685.
- Mr Paul Greasley is a member of the Broads Authority and is a director/owner of Norfolk Broads Direct Ltd. During the year Norfolk Broads Direct Ltd paid £172,855 in river tolls to the Authority (£160,424 in 2007-08) and Norfolk Broads Direct was the landlord of the Potter Heigham Tourist Information Centre charging a rent of £3,354 (including VAT).
- Mr Martin Broom is a member of the Broads Authority and the Chairman of the Navigation Committee. He is also a Director/owner of Broom Boats which supply fuel and services to the Authority's boats totalling £518 (including VAT).

## 9. Pensions and Retirement Benefits

### **Participation in Pensions Schemes**

As part of the terms and conditions of employment of its officers and other employees, the Broads Authority offers retirement benefits. Although these benefits will not actually be payable until employees retire, the authority has a commitment to make future payments and thus these need to be disclosed as a future entitlement. The Authority participates in one pension scheme:

- The Local Government Pension Scheme for civilian employees, administered locally by Norfolk County Council. This is a funded defined benefit final salary scheme, meaning that the Authority and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets.

### **Change to Accounting Policy**

Under the 2008 SORP quoted securities held as assets in the defined benefit pension scheme are now valued at bid price rather than mid-market value. The effect of this change is that the value of the scheme assets at 31 March 2008 has decreased by £9,000 from £10,767,000 to £10,758,000. The Broads Authority has decided not to restate their assets as at the 31 March 2008 and the additional change in value of assets has been taken through the Statement of Total Recognised Gains and Losses.

## Transactions Relating to Retirement Benefits

The authority recognises the cost of retirement benefits in the Net Cost of Services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge the authority is required to make against tolls and Defra grant is based on the cash payable in the year, so the real cost of retirement benefits is reversed out in the Statement of Movement on the General Fund Balance. The following transactions have been made in the Income and Expenditure Account and Statement of Movement on the General Fund Balance during the year:

	<b>2007-08</b> <b>£000s</b>	<b>2008-09</b> <b>£000s</b>
Income and Expenditure Account		
Net Cost of Services:		
• current service cost	464	346
• past service cost	-	139
Net Operating Expenditure:		
• interest cost	655	799
• expected return on scheme assets	(719)	(754)
Net Charge to the Income and Expenditure Account	400	530
Statement of Movement in the General Fund Balance		
• reversal of net charges made for retirement benefits in accordance with FRS17	(400)	(530)
Actual amount charged against the General Fund Balance for pensions in the year:		
• employers contributions payable to the scheme	388	417
• contributions in respect of unfunded benefits	14	15
• retirement benefits payable to pensioners (including transfer values)	402	432

In addition to the recognised gains and losses included in the Income and Expenditure Account, actuarial losses of £1,847,000 (gains of £1,305,000 in 2007-08) were included in the Statement of Total Recognised Gains and Losses. The cumulative amount of actuarial gains and losses that have been recognised in the Statement of Total Recognised Gains and Losses has been £1,229,000.

## Assets and Liabilities in Relation to Retirement Benefits

Reconciliation of present value of the scheme liabilities:

	<b>2007-08 (restated) £000s</b>	<b>2008-09 £000s</b>
1 April	11,980	11,390
Current service cost	464	346
Interest cost	655	799
Contributions by scheme participants	147	182
Actuarial losses/(gains)	(1,531)	(1,217)
Benefits paid	(311)	(262)
Unfunded benefits paid	(14)	(15)
Past service costs	-	139
31 March	11,390	11,362

Reconciliation of fair value of the scheme assets:

	<b>2007-08 (restated) £000s</b>	<b>2008-09 £000s</b>
1 April	10,041	10,758
Expected rate of return	719	754
Actuarial gains and losses	(226)	(3,055)
Employer contributions	402	432
Contributions by scheme participants	147	182
Benefits paid	(325)	(277)
31 March	10,758	8,794

The expected return on scheme assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the Balance Sheet date. Expected returns on equity investments reflect long term real rates of return experienced in the respective markets.

The actual return on scheme assets in the year was £2,303,000 (£361,000 in 2007-08)

<b>Scheme History</b>	<b>2004-05 £000s</b>	<b>2005-06 £000s</b>	<b>2006-07 £000s</b>	<b>2007-08 (restated) £000s</b>	<b>2008-09 £000s</b>
Fair value of assets in the pension scheme	7,124	9,020	10,041	10,758	8,794
Present value of liabilities in the pension scheme	(9,557)	(11,850)	(11,980)	(11,390)	(11,362)
Surplus/(deficit) in the pension scheme	(2,433)	(2,830)	(1,939)	(632)	(2,568)

The Authority has elected not to restate fair value of scheme assets for 2004-05 and 2005-06 as permitted by FRS17 (as revised).

The liabilities show the underlying commitments that the Authority has in the long run to pay retirement benefits. The total liability of £2,568,000 has a substantial impact on the net worth of the Authority as recorded in the Balance Sheet, resulting in an overall balance of £2,439,000.

However, statutory arrangements for funding the deficit mean that the financial position of the Authority remains healthy:

- The deficit on the local government scheme will be made good by increased contributions over the remaining working life of employees, as assessed by the scheme actuary

The total contributions expected to be made to the Local Government Pension Scheme by the Broads Authority in the year to 31 March 2010 is £430,000.

### **Basis for estimating assets and liabilities**

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels, etc. The Broads Authority Fund liabilities have been assessed by Hymans Robertson, an independent firm of actuaries, estimates for the fund being based on the latest full valuation of the scheme as at 31 March 2007.

The principal assumptions used by the actuary have been:

	<b>2007-08</b>	<b>2008-09</b>
Long term expected rate of return on assets in the scheme:		
Equity investments	7.0%	7.7%
Bonds	5.4%	5.7%
Property	4.9%	5.7%
Cash	4.0%	4.8%
Mortality assumptions:		
Longevity at 65 for current pensioners:		
Men	19.6	19.6
Women	22.5	22.5
Longevity at 65 for future pensioners:		
Men	20.7	20.7
Women	23.6	23.6
Rate of inflation	3.1%	3.6%
Rate of increase in salaries	4.6%	5.1%
Rate of increase in pensions	3.1%	3.6%
Rate for discounting scheme liabilities	6.9%	6.9%
Take up of option to convert annual pension into retirement lump sum	50%	50%

Assets in the Norfolk Pension Fund are valued at fair value, principally market value for investments, and consist of the following categories, by proportion of the total assets held by the Fund.

	<b>31 March 2008</b>	<b>31 March 2009</b>
	%	%
Equity investments	64	62
Bonds	18	21
Property	14	10
Other assets	4	7
	100	100

### **History of experience gains and losses**

The actuarial gains and losses identified as movements on the Pensions Reserve in 2008-09 can be analysed into the following categories, measured as a percentage of assets or liabilities at 31 March 2009.

	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>	<b>2007-08</b> <b>(restated)</b>	<b>2008-09</b>
	%	%	%	%	%
Differences between the expected and actual return on assets	3.8	14.1	(0.5)	10.0	34.8
Experience gains and losses on liabilities	(2.9)	(0.1)	(2.3)	(8.1)	0.0

### **Movement on the Pension Reserve**

The movement on the Pension Reserve has two elements, the appropriations to/from revenue, and the actuarial gain as explained above. The net effect is a movement on the Pension Fund Reserve of £1,945,000.

#### 10. Leasing

Vehicles, Plant & Equipment – the Broads Authority uses cars, telephone equipment, photocopiers and franking machines financed under the terms of an operating lease. The amount paid under these arrangements in 2008-09 was £122,000 (£114,000 in 2007-08).

Land & Buildings – the authority leases various moorings, land and buildings, including its head office Dragonfly House, which have been accounted for as an operating lease. The rentals payable in 2008-09 were £89,000 (£85,000 in 2007-08).

Commitments under Operating Leases – the Authority was committed at 31 March 2009 to making payments of £399,000 under operating leases in 2009-10, comprising the following elements:

	Leases expiring in 2009-10 £000s	Leases expiring between 2010-11 and 2014-15 £000s	Leases expiring after 2014-15 £000s
Vehicle, Plant & Equipment			
- Vehicle Contract Hire	12	104	-
- Telephone Equipment	-	1	-
- Photocopiers	-	11	-
- Franking Machine	-	2	-
<b>Total</b>	<b>12</b>	<b>118</b>	<b>-</b>
Land & Buildings			
- Buildings	-	9	244
- Land	1	-	15
<b>Total</b>	<b>1</b>	<b>9</b>	<b>259</b>

Some building and land operating leases have conditions which will require revisions in later years. These future commitments are stated above at current value.

#### 11. Financing of Capital Expenditure

	2007-08 £000s	2008-09 £000s
<i>Capital Investment</i>		
Land & Buildings –Operational	263	-
Vehicles and Vessels	65	107
Computer Equipment	13	-
<b>Total</b>	<b>341</b>	<b>107</b>
<i>Sources of Finance</i>		
Government grants and other contributions	(263)	-
Sums set aside from revenue	(78)	(107)
<b>Total</b>	<b>(341)</b>	<b>(107)</b>

## 12. Fixed Assets

The Code of Practice on Local Authority Accounting required fixed assets be recorded in the balance sheet at current value. The basis of valuation for the various categories of assets is set out below

<b>Category of Asset</b>	<b>Basis of valuation</b>
Operational Land and Buildings	Existing use value or depreciated replacement cost. Professionally revalued every 5 years.
Community Land	Historical Cost
Infrastructure Asset	Historical Cost
Vehicle and Vessels	Purchase price or net realisable value Directors valuation every five years.
Computer Equipment	Purchase price

An independent valuation of the following assets as at 31 March 2009 (and at 31 March 2008 see below) was carried out by Mr T Beeden FRICS of NPS Property Consultants Limited at

- Launch Boat Shed, Horsefen Road, Ludham, Norfolk

The Launch Boat Shed was valued at £118,000 as at 31 March 2009. This item has not previously been included within the accounts although the Broads Authority had ownership of the boat shed prior to the 2007-08 financial year.

The opening balances have been restated to reflect the boat shed's value as at 31 March 2008 of £130,000. It has then been impaired within the year by £12,000 to reflect the change in valuation.

It came to light in 2008-09 that a boat – Sunny1 Motor Craft – was scrapped in 2007-08, as it required too much work to pass the Boat Safety Scheme. Therefore the opening balances and relevant accumulated depreciation have been adjusted to reflect this.

During the year the Directors reviewed the net realisable value of the vehicles and vessels, in accordance with the Authorities policy of revaluing all assets every five years. This resulted in the Wetland Harvester and Blower being revalued upwards by £21,500 to £121,500. This is the depreciated replacement cost of the Wetland Harvester and Blower. The revaluation was taken to the new revaluation reserve in the balance sheet.

An annual impairment review has been undertaken by the Directors in accordance with FRS15. As at 31 March 2009 one asset belonging to the Authority was written down due to impairment, the Launch Boat Shed as detailed above.

In accordance with the Code of Practice on Capital Accounting in Local Authorities, depreciation has been charged to the Income and Expenditure Accounts to represent the cost of using assets. Depreciation has been charged on the following basis:

<b>Category of Asset</b>	<b>Depreciation method</b>	<b>Depreciation Period</b>
Operational Land and Buildings	Straight line. (20% assumed land value, where no split available)	Between 8 to 55 years as per professional advice
Community Land	Not depreciated	Not depreciated
Infrastructure Asset	Straight line	20 years
Vehicles and Vessels	Straight line	7 years
Computer Equipment	Straight line	5 years

Receipts below £5,000 arising from the sale of fixed assets are allocated to revenue. The Broads Authority has a policy of not depreciating assets in the first year of ownership.

## Fixed Asset Schedule

	Land and Buildings Operational Assets £000s	Land and Buildings Community Assets £000s	Infrastructure Asset £000s	Vehicles and Vessels £000s	Computer Equipment £000s	Total £000s
Gross Book Value as at 01/04/2008	1,289	323	302	897	149	2,960
Additions	-	-	-	107	-	107
Donated Assets	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Impairments	(12)	-	-	-	-	(12)
Revaluations	-	-	-	21	-	21
<b>Gross Book Value as at 31/03/2009</b>	<b>1,277</b>	<b>323</b>	<b>302</b>	<b>1,025</b>	<b>149</b>	<b>3,076</b>
Accumulated Depreciation at 01/04/2008	24	-	73	227	57	381
Depreciation for the year	15	-	15	108	30	168
Depreciation eliminated on disposal.	-	-	-	-	-	-
Depreciation eliminated on revaluation	-	-	-	(5)	-	(5)
<b>Accumulated Depreciation as at 31/03/2009</b>	<b>39</b>	<b>0</b>	<b>88</b>	<b>330</b>	<b>87</b>	<b>544</b>
Net Book Value 31/03/2008	1,265	323	229	670	92	2,579
<b>Net Book Value 31/03/2009</b>	<b>1,238</b>	<b>323</b>	<b>214</b>	<b>695</b>	<b>62</b>	<b>2,532</b>

13. Long Term Debtors

	<b>2007-08</b> <b>£000s</b>	<b>2008-09</b> <b>£000s</b>
Initial vehicle rental paid in advance	12	15
	<b>12</b>	<b>15</b>

14. Debtors due within 1 year

	<b>2007-08</b> <b>£000s</b>	<b>2008-09</b> <b>£000s</b>
Sundry debtors and prepayments	793	945
Provision for bad debts	(141)	(141)
Initial vehicle rental paid in advance	4	3
	<b>656</b>	<b>807</b>

Consideration has been given for bad and doubtful debts. A provision has been made for a specific debt; the Authority is pursuing the amount outstanding through the courts.

15. Investments

Surplus revenue funds are invested with Broadland District Council and are shown in the Balance Sheet at cost.

16. Creditors and Receipts in Advance

	<b>2007-08</b> <b>£000s</b>	<b>2008-09</b> <b>£000s</b>
Creditors and accruals	570	646
Tolls received in advance	726	700
	<b>1,296</b>	<b>1,346</b>

17. Government Grants Deferred

All capital grants received are amortised over the same period as the asset they finance. The Government Grants Deferred Account represents the balance of grants received not yet amortised and can be explained as follows:

<b>Asset</b>	<b>Funding</b>	<b>Balance at</b> <b>31/03/2008</b> <b>£000s</b>	<b>Balance at</b> <b>31/03/2009</b> <b>£000s</b>
Tolls System	Implementing Electronic Government Funding	53	35
Barton Board Walk	Millennium Commission	229	214
Dockyard Equipment	Donated Assets	176	146
	<b>Total</b>	<b>458</b>	<b>395</b>

18. Public Works Loan

On 20 November 2007 the Authority took out a £290,000 loan from the Public Works Loan Board. The purpose of the loan was to finance the purchase of the Dockyard Operation from May Gurney to enable the Authority to continue to dredge the Broads in an economical and efficient manner. The repayment period of the loan is 20 years at a fixed interest rate of 4.82%, repayable by equal instalments of principal.

The Public Works Loan Board has advised that the fair value of the debt as at 31 March 2009 is £306,090. The fair value has been calculated by reference to the 'premature repayment' set of rates in force on 31 March 2009. No adjustment has been made in the accounts to reflect the fair value of the loan, as the Authority does not anticipate early repayment of the debt.

19. Contingent Liability

The Authority has made payments since 1998-99 for Conservation Management Agreements. These payments fall within the European Union's definition of State Aid in relation to farming support and the authority has received funding in support of these payments.

The Authority has also made payments since the year 2000 for Public Access Agreements which used to fall within the European Union's definition of State Aid. Based on advice received from the England National Parks Agriculture Group, details regarding payments made to landowners for public access are no longer recorded for State Aid purposes as they do not relate to agricultural production.

A new project has been set under the approved National Parks State Aid for Agriculture scheme, whereby farmers can apply for 40% funding for the installation of a pesticide bio-bed. The Authority has a maximum of £6,000 available for 2009-10.

These State Aid payments require retrospective approval from the European Union. Should this approval not be forthcoming, this may result in a liability for the Authority to repay the government funding it has received in respect of the payments made. The expected timing and the anticipated outcome is unknown.

20. Reserves

<b>Reserve</b>	<b>Opening Balance £000s</b>	<b>Net Movement £000s</b>	<b>Closing Balance £000s</b>	<b>Description</b>	<b>Note</b>
Revaluation Reserve	78	22	100	A revaluation reserve compliant with FRS15 (financial reporting standard 15 on Tangible Fixed Assets)	20a
Capital Adjustment Account	1,750	(6)	1,744	Represents the amount of capital expenditure finance from revenue, depreciation charged, and impairments not taken to the revaluation reserve.	20b
Pension Reserve	(623)	(1,945)	(2,568)	Represents overall liability of the Authority for pension payments to employees who are or have been members of the Norfolk Pension Fund	9
General Fund	850	129	979	To be spent on general fund activities	
Navigation Fund	506	20	526	To be spent on navigation activities	
Earmarked Reserves	1,155	503	1,658		20c

a) Revaluation Reserve

	<b>2007-08 £000s</b>	<b>2008-09 £000s</b>
Balance brought forward	-	78
Land and Buildings Revaluations	38	-
Vehicles and Vessels Revaluations	40	22
	<b>78</b>	<b>100</b>

b) Capital Adjustment Account

	2007-08 £000s	2008-09 £000s
Balance brought forward	-	1,750
Transfer from the Fixed Asset Restatement Account	1,754	-
Transfer from the Capital Financing Account	(82)	-
Adjustment to Fixed Asset Value	131	-
Depreciation for the year	(164)	(180)
Amortisation of Government Grants Deferred	64	62
Capital Financed from Revenue	48	107
Government Grants Deferred additions	(4)	-
Impairment of Fixed Assets	(63)	-
Accumulated Depreciation written out on Revaluation	66	5
	<b>1,750</b>	<b>1,744</b>

c) Earmarked Reserves

**Asset Management**

Reserve set up to provide for future repair and maintenance of the Authority's property assets, as prioritised through the Asset Management Plan

**Implementing Electronic Government**

Unused grant supplied by ODPM for the purpose of improving IT systems

**Mobile Phone Upgrade**

A reserve set up to provide for the replacement and acquisition of mobile phones

**New Office Accommodation**

Unused Defra grant awarded to enable the Authority to make the move to its new premises

**Planning Delivery Grant**

Unused Defra and OPDM grants awarded to deliver the planning service

**Sustainable Development Fund**

Unused Sustainable Development Fund grant supplied by Defra

**Dredging Disposal**

Navigation Fund reserve to provide for the acquisition of sites for the disposal of sediment from dredging

**Dockyard Vessels & Equipment**

Navigation Fund reserve to provide for the future replacement and acquisition of vessels and equipment by the dockyard team

**Dockyard Site Maintenance**

Navigation Fund reserve to provide for the future maintenance and improvement of the dockyard site, including the access road

**Mutford Lock Endowment Fund**

Navigation Fund reserve for the future repair of Mutford Lock

**Vessel Replacement Fund**

Navigation Fund reserve for the purchase of water borne vessels.

<b>Reserves</b>	<b>Balance at 1 April 2008 £000s</b>	<b>Income £000s</b>	<b>Transferred from General Fund £000s</b>	<b>Transferred from Navigation Fund £000s</b>	<b>Interest Received £000s</b>	<b>Expenditure £000s</b>	<b>Balance at 31 March 2009 £000s</b>
<b>General Fund Reserves</b>							
Asset Management	-	-	33	-	1	-	34
Implementing Electronic Government	16	-	-	-	-	-	16
Mobile Phone Upgrade	-	-	6	-	-	-	6
New Office Accommodation	381	-	150	-	11	(384)	158
Planning Delivery Grant	248	602	-	-	10	(39)	821
Sustainable Development Fund	207	200	-	-	5	(281)	131
<b>Navigation Fund Reserves</b>							
Dredging Disposal	-	-	-	60	-	-	60
Dockyard Vessels & Equipment	-	-	-	60	-	-	60
Dockyard Site Maintenance	-	-	-	30	-	-	30
Mutford Lock Endowment Fund	149	2	25	-	6	-	182
Vessel Replacement Fund	154	-	-	-	6	-	160
<b>Total</b>	<b>1,155</b>	<b>804</b>	<b>214</b>	<b>150</b>	<b>39</b>	<b>(704)</b>	<b>1,658</b>

## 21. Financial Instruments

A financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. This includes borrowing, investment and loans.

Long term borrowing is with the Public Works Loan Board (PWLB) and is held at amortised cost, as is all short term borrowing. Investments are held at carrying value as there is deemed to be no risk of loss for these investments.

The total financial liabilities and loans and receivables disclosed in the Balance Sheet are made up of the following categories:

	31 March 2008		31 March 2009	
	Carrying Amount £000s	Fair Value £000s	Carrying Amount £000s	Fair Value £000s
PWLB Loan	283	294	269	306
Creditors	1,296	1,296	1,346	1,346
<b>Total Financial Liabilities</b>	<b>1,579</b>	<b>1,590</b>	<b>1,615</b>	<b>1,652</b>
Investments	2,665	2,665	3,031	3,031
Trade Debtors	656	656	807	807
<b>Total Loans and Receivables</b>	<b>3,321</b>	<b>3,321</b>	<b>3,838</b>	<b>3,838</b>

The gains and losses recognised in the Income and Expenditure Account and the Statement of Total Recognised Gains and Losses in relation to the financial instruments are made up as follows:

	Financial Liabilities (Liabilities at amortised cost) £000s	Financial Assets (Loans and Receivables) £000s
Interest Income / (Payable)	(18)	134
<b>Total Interest &amp; Investment Income</b>	<b>(18)</b>	<b>134</b>

Financial liabilities and financial assets represented by borrowings and receivables are carried in the Balance Sheet at amortised cost. Their fair value can be assessed by calculating the present value of the cash flows that will take place over the remaining term of the instruments, using the following assumptions.

- Fixed Interest Rate of 4.82% over the 20 year PWLB loan.
- No early repayment or impairment is recognised.
- The fair value of trade and other receivables is taken to be invoices or billed amount.

## 22. Nature and Extent of Risks Arising from Financial Instrument

The Authority's activities expose it to a variety of financial risks

- Credit Risk – the possibility that other parties might fail to pay amounts due to the Broads Authority
- Liquidity Risk – the possibility that the Authority might not have funds available to meet its commitments to make payments
- Market Risk – the possibility that financial loss might arise for the Authority as a result of changes in such measures as interest rates and stock market investments.

The Broads Authority's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to fund services.

### Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to customers. Deposits are only made via Broadland District Council under their Treasury Management Strategy which requires that deposits are not made with banks and financial institutions unless they are highly rated. Therefore the Broads Authority does not consider there to be any quantifiable risk in relation to investments.

The Authority's standard terms and conditions for payment of invoices are 30 day from invoice date. The Authority does not allow credit for customers, and only a small proportion of invoices were overdue and outstanding as at 31 March 2009 for which a bad debt provision had not been put in place.

### Liquidity Risk

As the Broads Authority has access to three year funding from Defra, there is no significant risk that it will be unable to meet its commitments under financial instruments. All financial liabilities are due to be repaid within one year with the exception of the 20 year PWLB loan. Therefore there is no risk of having to borrow at unfavourable rates in future to replenish borrowings.

### Market Risk

With the exception of the PWLB loan, the Broads Authority is debt free. Excess cash is invested at variable or fixed money market rates depending on forecasts for interest rates under the period of review.

### Foreign Exchange Risk

The Broads Authority has no financial assets or liabilities denominated in foreign currencies, therefore it has no exposure to loss arising from movements in exchange rates.

## 23. Stock Market Performance

The most recent pension scheme formal funding valuation was completed as at 31 March 2007. Since March 2008, stock market values around the world have fallen sharply, and this will have an effect on pensions scheme funding valuations in future years. As there is no change of conditions at the balance sheet date, no amendment to the financial statements is required.

24. Reconciliation of operating surplus to net cash inflow from revenue activities.

<b>2007-08</b> <b>£000s</b>		<b>2008-09</b> <b>£000s</b>
<u>(289)</u>	(Surplus)/Deficit – General and Navigation Fund income and expenditure account	<u>(542)</u>
42	(Decrease)/Increase in Stocks	16
108	(Decrease)/Increase in Debtors	154
269	Decrease/(Increase) in Creditors	(50)
180	Interest Received	167
(16)	Interest Paid	(31)
(228)	Depreciation and impairment of Fixed Assets	(182)
64	Amortisation of Government Grants Deferred	62
(400)	Net Charges made for retirement benefits in accordance with FRS17	(530)
<u>402</u>	Employers contributions to the Norfolk Pension Fund and Benefits payable direct	<u>432</u>
<u>132</u>	Net Cash (Inflow)/Outflow from Revenue Activities	<u>(504)</u>

25. Analysis of Cash and Investments

	<b>31 March</b> <b>2008</b> <b>£000s</b>	<b>31 March</b> <b>2009</b> <b>£000s</b>	<b>Movement</b> <b>£000s</b>
Cash in Hand	313	465	152
Investments	<u>2,665</u>	<u>3,031</u>	<u>366</u>
	<b><u>2,978</u></b>	<b><u>3,496</u></b>	<b><u>518</u></b>

## **Glossary of Terms**

### **ACCRUAL ACCOUNTING**

The inclusion of income and expenditure in the accounts for the period in which they are earned or incurred, rather than the period in which the cash is received or bills paid.

### **AMORTISATION**

The measure of the wearing out, consumption, or other reduction in the useful economic life of an intangible fixed asset.

### **AMORTISED COST**

This is cost that has been adjusted for amortisation.

### **ASSET**

An item owned by the Broads Authority, or that they have use of to support their activities, which has a value, for example cash.

### **BUDGET**

The statement of the Broads Authority expressed in financial term usually for the current forthcoming year.

### **CAPITAL EXPENDITURE**

Expenditure on the acquisition of a fixed asset which lasts normally for more than one year or expenditure which adds to the life or value of an existing fixed asset.

### **CIPFA**

The Chartered Institute of Public Finance and Accountancy (CIPFA) is the professional accountancy institute that sets the standards for the public sector. CIPFA publishes the Accounting Codes of Practice for national parks.

### **CORPORATE AND DEMOCRATIC CORE (CDC)**

Corporate and Democratic Core represents costs associated with democratic representation and management and corporate management. Democratic representation and management includes all aspects of Members' activities. Corporate Management concerns the cost of the infrastructure that allows services to be provided and the cost of providing information that is required for public accountability. Such costs form part of total service expenditure, but are excluded from the costs of any particular service.

### **CREDITORS**

Amounts owed by the Broads Authority for goods and services provided for which payment has not been made at the end of the financial year.

### **DEBTORS**

Sums of money due to the Broads Authority but not received at the end of the financial year.

### **DEFICIT**

Arises when expenditure exceeds income or when expenditure exceeds budget.

### **DEPRECIATION**

The measure of the wearing out, consumption, or other reduction in the useful economic life of fixed asset.

### **FAIR VALUE**

The price at which we could buy or sell an asset in a transaction with another organisation, less any grants we receive towards buying or using that asset.

### **FINANCIAL ASSET AND FINANCIAL LIABILITY**

A financial asset is a right to future economic benefits. A financial liability is an obligation to transfer economic benefits.

#### FINANCIAL INSTRUMENT

Any contract that gives rise to a financial asset in one organisation and a financial liability in another.

#### GOVERNMENT GRANTS DEFERRED ACCOUNT

When a government grant or other contribution is received in respect of the acquisition of a fixed asset it is recorded in a government grants deferred account. The grant is subsequently charged to the revenue account over the life of the asset to match the depreciation charge.

#### IMPAIRMENT

Impairment of an asset is caused either by a consumption of economic benefits e.g. physical damage or a deterioration in the quality of the service provided, or by a general fall in prices of that particular asset or type of asset.

#### MARKET PRICE

This is the price at which another organisation is prepared to buy or sell an asset

#### NON-DISTRIBUTED COSTS

These are specific overheads relating to unused assets and certain pension costs for employee's service in previous years. These are not allocated to service departments because they do not relate to the in-year cost of providing the service.

#### OUTTURN

The actual amount spent in the financial year.

#### RESERVES

A reserve is an amount set aside for a specific purpose in one financial year and carried forward to meet expenditure in future years.

#### REVENUE EXPENDITURE AND INCOME

Revenue expenditure is the day to day expenses, mainly salaries and wages, and other general running expenses. Revenue income is money received in return for providing goods and services.

#### SORP

The Code of Practice on Local Authority Accounting in the United Kingdom 2008: A Statement of Recommended Practice (SORP) aims to achieve consistent financial reporting between all English local authorities. It is based on generally accepted accounting standards and practices.

#### SURPLUS

Arises when income exceeds expenditure or when expenditure is less than available budget.

#### VALUE ADDED TAX (VAT)

A tax on consumer expenditure which is collected on business transactions at each stage in the supply, but which is ultimately borne by the final customer.

#### VARIATION

The difference between budgeted expenditure and actual outturn, also referred to as an over or under spend.