

Annual Income and Expenditure Report: 2018/19
Report by Chief Financial Officer

Purpose: This report sets out a summary of the Authority's income and expenditure for the 2018/19 financial year, analysed between National Park and Navigation funds. Original and Latest Available Budget information is provided for comparison.

1 Introduction

- 1.1 The Broads Authority Act 2009 requires the Authority to prepare a report as soon as reasonably possible after the end of each financial year describing the navigation income received by it and the navigation expenditure incurred by it in that year.

2 Actual Income and Expenditure 2018/19

- 2.1 The table in Appendix 1 sets out the Authority's income and expenditure attributed to General (National Park grant) and Navigation funds for the financial year ended 31 March 2019. To the extent that they are included within the Authority's Statement of Accounts, these figures are subject to audit and formal approval by the Authority's external auditors. For comparative purposes, the Original and Latest Available Budget (LAB) figures are also shown. This information is published on the Authority's website.
- 2.2 The actual outturn for 2018/19 was a surplus of £72,604 for Navigation compared with a budgeted LAB deficit for the year of £3,053. The original budget was for a deficit of £2,798. The final forecast outturn reported to the Committee was a surplus of £44,445. (Item 12, 11/04/2019).
- 2.3 Total core income for the year was £3,377,822, which was £39,522 above budget, principally due to favourable variances within the Hire Craft Tolls, Private Craft and interest budget lines.
- 2.4 There has been some considerable success in bringing in additional, unbudgeted income during the year, and this has had an impact on the overall Directorate figures (additional income above budget of £52,980 for Operations and £9,649 for Strategic Services).
- 2.5 Total net navigation expenditure in 2018/19 was £3,305,218.

3 Earmarked reserves

- 3.1 The earmarked reserves has funded the following expenditure:

- Property Reserve includes the cost of the HRO's for the transfer of Mutford Lock (£4,000) less rental income from land at Oulton Broad (£2,000).
- Plant, Vessels & Equipment Reserve includes the replacement cost of four vehicles (£34,130) and replacement crane and clamshell bucket (£29,400). It also includes income from the sale of surplus assets (£9,183).
- Premises Reserve includes the refit costs for Dockyard Wet Shed (£16,310) and John Fox Cottage (£8,400).
- CANAPE Reserve has funded the project expenditure less the grant reimbursement.
- Computer Software Reserve has covered the cost of the new Microsoft Office licences.

3.2 After the year end transfer of interest the closing position on the earmarked reserves is as follows:

	Balance at 1 April 2018	In-year movements	Balance at 31 March 2019
	£	£	£
Property	(334,135)	(27,124)	(361,259)
Plant, Vessels and Equipment	(193,430)	(58,752)	(252,182)
Premises	(64,990)	(11,159)	(76,149)
CANAPE	(36,129)	(3,525)	(39,654)
Computer Software	(13,302)	9,513	(3,789)
Total	(641,986)	(91,047)	(733,033)

4 Summary

4.1 The total Navigation surplus for 2018/19 was higher than budgeted and forecast. The reason for the variance against forecast is due to small-scale savings within all budgets (individually less than £10,000). As a result, the balance of the navigation reserve at the end of 2018/19 was £425,985. This is above the recommended minimum reserve balance of 10% at 12.9%. The higher than predicted balance will help cushion any fluctuations that may arise in the 2019/20 toll collection.

Background Papers: Nil

Author: Emma Krelle

Date of Report: 31 May 2019

Broads Plan Objectives: None

Appendices: APPENDIX 1 – Navigation Actual Income and Expenditure 2018/19

The Broads Authority – General and Navigation Income and Expenditure 2018/19

The Broads Authority Act 2009 requires the Authority to prepare a report as soon as reasonably possible after the end of each financial year describing the navigation income received by it and the navigation expenditure incurred by it in that year. The table below sets out the Authority's income and expenditure attributed to general (National Park Grant) and navigation funds for the financial year ended 31 March 2019. These figures are derived from the annual Statement of Accounts which is subject to audit and formal approval by the Authority's external auditors, Ernst & Young. For comparative purposes, the final approved budget figures are also shown.

Further details are available on request from the Chief Financial Officer, Yare House, 62-64 Thorpe Road, Norwich NR1 1RY or by email from emma.krelle@broads-authority.gov.uk.

The Draft Statement of Accounts for 2018/19 are due to be audited 15 to 26 July 2019 with the Final Statement of Accounts due to be considered by the Authority on 26 July 2019

DIRECTORATE	Original Budget 2018/19			Latest Available Budget 2018/19			Actual Income and Expenditure 2018/19		
	General	Navigation	Consolidated	General	Navigation	Consolidated	General	Navigation	Consolidated
INCOME									
National Park Grant	(3,356,348)	-	(3,356,348)	(3,356,348)	-	(3,356,348)	(3,356,348)	-	(3,356,348)
Navigation Charges									
Hire Craft Tolls	-	(1,149,300)	(1,149,300)	-	(1,149,300)	(1,149,300)	-	(1,159,858)	(1,159,858)
Private Craft Tolls	-	(2,121,800)	(2,121,800)	-	(2,121,800)	(2,121,800)	-	(2,134,006)	(2,134,006)
Short Visit Tolls	-	(40,900)	(40,900)	-	(40,900)	(40,900)	-	(42,475)	(42,475)
Other Toll Income	-	(18,800)	(18,800)	-	(18,800)	(18,800)	-	(22,956)	(22,956)
Interest Received	(7,500)	(7,500)	(15,000)	(7,500)	(7,500)	(15,000)	(18,526)	(18,526)	(37,053)
INCOME TOTAL	(3,363,848)	(3,338,300)	(6,702,148)	(3,363,848)	(3,338,300)	(6,702,148)	(3,374,874)	(3,377,822)	(6,752,696)
OPERATIONS									
Construction & Maintenance Salaries	428,772	755,238	1,184,010	429,156	754,854	1,184,010	423,687	741,155	1,164,842
Equipment, Vehicles & Vessels	135,450	316,050	451,500	139,050	324,450	463,500	146,314	341,399	487,714
Water Management	5,000	98,000	103,000	5,000	98,000	103,000	4,719	87,333	92,052
Land Management	54,000	-	54,000	54,000	-	54,000	50,953	-	50,953
Practical Maintenance	75,000	429,200	504,200	75,000	429,200	504,200	85,871	434,181	520,052
Rangers Salaries	269,672	404,508	674,180	269,672	404,508	674,180	265,428	398,142	663,570
Ranger Services	31,992	116,888	148,880	31,992	116,888	148,880	42,703	135,868	178,571
Safety	59,032	101,358	160,390	59,032	101,358	160,390	57,831	98,480	156,311
Volunteers	45,810	30,540	76,350	45,810	30,540	76,350	44,625	29,750	74,376
Operational Premises	91,851	116,319	208,170	95,511	124,859	220,370	96,012	131,655	227,667
Management & Admin	81,914	40,346	122,260	81,914	40,346	122,260	76,179	37,521	113,700
Operations Income	(124,200)	(61,300)	(185,500)	(124,200)	(61,300)	(185,500)	(131,640)	(114,280)	(245,921)
OPERATIONS TOTAL	1,154,293	2,347,147	3,501,440	1,161,937	2,363,703	3,525,640	1,162,681	2,321,205	3,483,886
STRATEGIC SERVICES									
Development Management	478,715	4,091	482,805	478,715	4,091	482,805	421,179	4,108	425,286
Strategy & Projects Salaries	240,131	19,269	259,400	240,131	19,269	259,400	239,426	19,252	258,677
Biodiversity Strategy	10,000	-	10,000	10,000	-	10,000	11,118	-	11,118

Strategy & Projects	53,240	1,800	55,040	53,240	1,800	55,040	90,682	2,849	93,531
Human Resources	79,479	55,231	134,710	80,398	55,870	136,268	71,731	49,847	121,577
Waterways & Recreation Strategy	39,490	47,990	87,480	39,490	47,990	87,480	39,313	45,264	84,578
Project Funding	105,500	-	105,500	105,500	-	105,500	101,691	1,043	102,734
Communications	227,668	74,362	302,030	227,668	74,362	302,030	248,638	74,488	323,127
Visitor Centres & Yacht Stations	297,145	139,065	436,210	297,145	139,065	436,210	306,796	134,491	441,287
Collection of Tolls	-	134,180	134,180	-	134,180	134,180	-	128,184	128,184
ICT	206,956	101,934	308,890	206,956	101,934	308,890	224,444	110,547	334,992
Management & Admin	149,403	67,472	216,875	149,403	67,472	216,875	146,013	65,807	211,820
Strategic Services Income	(265,500)	(60,000)	(325,500)	(265,500)	(60,000)	(325,500)	(371,734)	(69,649)	(441,383)
STRATEGIC SERVICES TOTAL	1,622,227	585,393	2,207,620	1,623,147	586,031	2,209,178	1,529,296	566,231	2,095,527
CHIEF EXECUTIVE									
Legal	80,951	28,229	109,180	80,951	28,229	109,180	39,571	55,621	95,192
Governance	83,583	41,168	124,750	83,583	41,168	124,750	78,763	38,794	117,556
Premises Head Office	180,122	73,571	253,693	180,122	73,571	253,693	186,238	76,069	262,307
Finance & Insurance	192,200	169,960	362,160	192,200	169,960	362,160	195,460	172,785	368,245
Asset Management	64,407	72,674	137,080	64,407	72,674	137,080	71,188	65,087	136,276
Chief Executive	67,736	44,354	112,090	67,736	44,354	112,090	70,996	46,484	117,480
Chief Executive Income	(19,683)	(2,827)	(22,510)	(19,683)	(2,827)	(22,510)	(22,362)	(7,823)	(30,185)
CHIEF EXECUTIVE TOTAL	649,315	427,128	1,076,443	649,315	427,128	1,076,443	619,855	447,017	1,066,872
PROJECTS & CORPORATE ITEMS									
Heritage Lottery Fund	76,400	-	76,400	76,400	-	76,400	124,804	-	124,804
CANAPE	30,904	30,904	61,807	30,904	30,904	61,807	56,927	56,927	113,855
Pension Lump Sum Payments	45,600	30,400	76,000	45,600	30,400	76,000	45,600	30,400	76,000
Apprenticeship Levy	1,500	1,000	2,500	1,500	1,000	2,500	1,466	978	2,444
Contributions from Earmarked Reserves									
Property	-	(8,000)	(8,000)	-	(8,000)	(8,000)	-	(2,000)	(2,000)
Plant, Vessels & Equipment	(39,930)	(63,570)	(103,500)	(39,930)	(63,570)	(103,500)	(34,658)	(54,347)	(89,005)
Premises	(3,600)	(8,400)	(12,000)	(10,860)	(25,340)	(36,200)	(10,547)	(24,710)	(35,257)
Planning Delivery Grant	(75,925)	-	(75,925)	(75,925)	-	(75,925)	-	-	-
Heritage Lottery Fund	(26,400)	-	(26,400)	(26,400)	-	(26,400)	(74,804)	-	(74,804)
Upper Thurne	-	-	-	-	-	-	(97)	-	(97)
Catchment Partnership	-	-	-	-	-	-	(11,476)	-	(11,476)
CANAPE	(904)	(904)	(1,807)	(904)	(904)	(1,807)	(26,927)	(26,927)	(53,855)
Computer Software	-	-	-	-	-	-	(19,402)	(9,556)	(28,958)
CORPORATE ITEMS TOTAL	7,645	(18,570)	(10,925)	385	(35,510)	(35,125)	50,886	(29,235)	21,651
NET EXPENDITURE	3,433,480	3,341,098	6,774,578	3,434,783	3,341,353	6,776,136	3,362,718	3,305,218	6,667,936
(SURPLUS) / DEFICIT	69,632	2,798	72,430	70,935	3,053	73,988	(12,156)	(72,604)	(84,760)