

Annual Income and Expenditure Report: 2017/18
Report by Chief Financial Officer

Summary: This report sets out a summary of the Authority's income and expenditure for the 2017/18 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 2017/18

- 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 2018. 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 2017/18 was a surplus of £50,493 for Navigation compared with a budgeted LAB deficit for the year of £8,915. The original budget was for a surplus of £766. The final forecast outturn reported to the Committee was a surplus of £81,313. (Item 12, 19/04/2018).
- 2.3 Total core income for the year was £3,260,730, which was £81,230 above budget, principally due to favourable variances within the Hire Craft Tolls, Private Craft, Short Visit Tolls and interest budget lines.
- 2.4 There has been some considerable success in bringing in additional, unbudgeted income during the year, and this has had an impact on the overall Directorate figures (additional income above budget of £56,366 for Operations and £12,099 for Strategic Services). Some expenditure has also been funded from the Authority's earmarked reserves. Items funded from the Plant, Vessels & Equipment Reserve include; linkflotes (£78,086), replacement of two vehicles (£12,735), concrete pump deposit (£6,300). It also includes some income from the sale of old equipment (£5,597). Items funded from the Premises Reserve include; the repairs to Irstead Boat House (£5,374) and the

Dockyard Billet (£14,134). The Property Reserve includes income from the land rental at Mutford lock (£1,538).

2.5 Total net navigation expenditure in 2017/18 was £3,210,237.

3 Summary

3.1 The total Navigation surplus for 2017/18 was higher than budgeted but lower than forecast. The reason for the variance against forecast is due to legal fees including a higher number of navigation prosecutions than originally budgeted for and the creation of a Computer Software Reserve. This reserve was created to reduce the pressure on future years' budgets when expensive software requires replacement such as the Microsoft Office licences in 2018/19. Annual contributions for future years will need to be considered at the next budget setting. As a result the balance of the navigation reserve at the end of 2017/18 was £367,662. This is above the recommended minimum reserve balance of 10% at 11.5%. The higher than predicted balance will help cushion any fluctuations that may arise in the 2018/19 toll collection.

Background Papers: Nil

Author: Emma Krelle
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Broads Plan Objectives: None

Appendices: APPENDIX 1 – Navigation Actual Income and Expenditure 2017/18

The Broads Authority – General and Navigation Income and Expenditure 2017/18

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 2018. 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 2017/18 are due to be audited 29 May to 8 June 2018 with the Final Statement of Accounts due to be considered by the Authority on 27 July 2018

DIRECTORATE	Original Budget 2017/18			Latest Available Budget 2017/18			Actual Income and Expenditure 2017/18		
	General	Navigation	Consolidated	General	Navigation	Consolidated	General	Navigation	Consolidated
INCOME									
National Park Grant	(3,299,595)	-	(3,299,595)	(3,299,595)	-	(3,299,595)	(3,299,595)	-	(3,299,595)
<i>Navigation Charges</i>									
Hire Craft Tolls	-	(1,073,400)	(1,073,400)	-	(1,073,400)	(1,073,400)	-	(1,116,132)	(1,116,132)
Private Craft Tolls	-	(2,040,000)	(2,040,000)	-	(2,040,000)	(2,040,000)	-	(2,070,213)	(2,070,213)
Short Visit Tolls	-	(39,800)	(39,800)	-	(39,800)	(39,800)	-	(43,816)	(43,816)
Other Toll Income	-	(18,800)	(18,800)	-	(18,800)	(18,800)	-	(19,280)	(19,280)
Interest Received	(7,500)	(7,500)	(15,000)	(7,500)	(7,500)	(15,000)	(11,289)	(11,289)	(22,577)
INCOME TOTAL	(3,307,095)	(3,179,500)	(6,486,595)	(3,307,095)	(3,179,500)	(6,486,595)	(3,310,884)	(3,260,730)	(6,571,613)
OPERATIONS									
Construction & Maintenance Salaries	424,038	744,102	1,168,140	424,038	744,102	1,168,140	399,923	721,583	1,121,506
Equipment, Vehicles & Vessels	149,250	348,250	497,500	150,451	351,050	501,500	156,912	366,128	523,040
Water Management	35,000	112,500	147,500	35,000	112,500	147,500	34,776	109,671	144,447
Land Management	54,000	-	54,000	54,000	-	54,000	44,033	-	44,033
Practical Maintenance	75,000	368,700	443,700	75,000	371,265	446,265	74,657	430,926	505,583
Rangers Salaries	249,368	374,052	623,420	252,289	378,432	630,721	256,565	384,848	641,413
Ranger Services	36,748	122,622	159,370	36,748	122,622	159,370	40,222	136,094	176,316
Safety	43,919	84,671	128,590	43,919	84,671	128,590	54,514	87,226	141,740
Volunteers	41,880	27,920	69,800	41,880	27,920	69,800	39,423	26,282	65,705
Operational Premises	81,451	136,719	218,170	78,856	130,664	209,520	68,270	102,948	171,218
Management & Admin	76,212	41,828	118,040	78,855	43,130	121,985	72,516	38,823	111,340
Operations Income	(144,922)	(73,043)	(217,965)	(144,922)	(73,043)	(217,965)	(184,540)	(129,409)	(313,949)
OPERATIONS TOTAL	1,121,944	2,288,321	3,410,265	1,126,113	2,293,312	3,419,425	1,057,272	2,275,120	3,332,392
STRATEGIC SERVICES									
Development Management	335,270	-	335,270	338,120	-	338,120	340,436	-	340,436
Strategy & Projects Salaries	282,320	26,635	308,955	282,320	26,635	308,955	295,620	27,224	322,844
Biodiversity Strategy	10,000	-	10,000	10,400	-	10,400	10,845	-	10,845
Strategy & Projects	121,700	-	121,700	121,700	-	121,700	135,705	-	135,705
Human Resources	77,048	53,542	130,590	77,638	53,952	131,590	67,471	46,887	114,358
Waterways & Recreation Strategy	38,710	47,210	85,920	38,710	47,210	85,920	38,608	44,152	82,760
Project Funding	105,500	-	105,500	105,500	-	105,500	104,418	1,013	105,431

DIRECTORATE	Original Budget 2017/18			Latest Available Budget 2017/18			Actual Income and Expenditure 2017/18		
	General	Navigation	Consolidated	General	Navigation	Consolidated	General	Navigation	Consolidated
Communications	247,517	80,813	328,330	260,647	80,813	341,460	260,572	81,479	342,051
Visitor Centres & Yacht Stations	305,805	135,765	441,570	305,805	135,765	441,570	295,273	137,463	432,736
Collection of Tolls	-	128,550	128,550	-	128,550	128,550	-	137,656	137,656
ICT	204,256	100,604	304,860	204,256	100,604	304,860	236,095	116,285	352,380
Management & Admin	146,392	65,953	212,345	146,392	65,953	212,345	138,716	62,580	201,296
Strategic Services Income	(248,679)	(58,856)	(307,535)	(248,679)	(58,856)	(307,535)	(340,385)	(70,955)	(411,340)
STRATEGIC SERVICES TOTAL	1,625,839	580,216	2,206,055	1,642,809	580,626	2,223,435	1,583,372	583,784	2,167,157
CHIEF EXECUTIVE									
Legal	79,477	27,503	106,980	79,477	27,503	106,980	61,886	51,496	113,382
Governance	83,375	41,065	124,440	108,375	41,065	149,440	111,635	45,489	157,124
Premises Head Office	171,602	70,091	241,693	171,602	70,091	241,693	173,056	70,685	243,741
Finance & Insurance	176,840	164,840	341,680	176,840	164,840	341,680	180,137	166,311	346,449
Asset Management	67,173	74,937	142,110	68,463	78,352	146,815	59,689	66,307	125,997
Chief Executive	67,059	43,911	110,970	67,059	43,911	110,970	69,527	45,535	115,062
Chief Executive Income	(19,550)	(2,670)	(22,220)	(19,550)	(2,670)	(22,220)	(24,845)	(9,679)	(34,524)
CHIEF EXECUTIVE TOTAL	625,976	419,677	1,045,653	652,266	423,092	1,075,358	631,087	436,144	1,067,230
PROJECTS & CORPORATE ITEMS									
Heritage Lottery Fund	50,000	-	50,000	50,000	-	50,000	80,343	-	80,343
CANAPE	-	-	-	-	-	-	9,646	9,646	19,292
Pension Lump Sum Payments	36,000	24,000	60,000	36,000	24,000	60,000	36,000	24,000	60,000
Apprenticeship Levy	10,080	6,720	16,800	10,080	6,720	16,800	1,025	683	1,708
Contributions from Earmarked Reserves									
Property	-	(6,500)	(6,500)	-	(6,500)	(6,500)	-	1,538	1,538
Plant, Vessels & Equipment	(39,300)	(91,700)	(131,000)	(39,300)	(91,700)	(131,000)	(46,033)	(91,524)	(137,557)
Premises	(18,000)	(42,000)	(60,000)	(18,865)	(41,135)	(60,000)	(9,640)	(19,508)	(29,149)
Planning Delivery Grant	(63,500)	-	(63,500)	(63,500)	-	(63,500)	(11,075)	-	(11,075)
Section 106 Agreements	-	-	-	-	-	-	(7,550)	-	(7,550)
Heritage Lottery Fund	-	-	-	-	-	-	(30,282)	-	(30,282)
Upper Thurne	-	-	-	-	-	-	2,660	-	2,660
Catchment Partnership	-	-	-	-	-	-	3,890	-	3,890
CANAPE	-	-	-	-	-	-	(9,646)	(9,646)	(19,292)
CORPORATE ITEMS TOTAL	(24,720)	(109,480)	(134,200)	(25,585)	(108,615)	(134,200)	19,338	(84,811)	(65,473)
NET EXPENDITURE	3,349,039	3,178,734	6,527,773	3,395,603	3,188,415	6,584,018	3,291,068	3,210,237	6,501,305
(SURPLUS) / DEFICIT	41,944	(766)	41,178	88,508	8,915	97,423	(19,815)	(50,493)	(70,308)