

**YORKSHIRE DALES NATIONAL PARK AUTHORITY
FINANCE & RESOURCES COMMITTEE**

15th May 2006

DRAFT FINANCIAL OUTTURN REPORT, YEAR ENDED MARCH 2006

Purpose of the Report

To provide Members with information on the financial performance of the National Park Authority ('the Authority') for the financial year ended 31st March 2006. These results are reported here as 'draft' because they have yet to be subject to external audit; this work, by the Audit Commission, will be undertaken between now and July 2006.

Strategic Planning Framework

The information contained in this report is consistent with the Authority's approved and adopted strategic planning framework:

- *Best Value Performance Plan*

"Plan and manage all aspects of the Authority's business so as to make the most effective use of our resources."

1. Performance

1.1 Overall Performance

The Authority's overall performance against budget for the financial year 2005/06 is summarised in the table below. 'Primary Funding' is the amount of the annual grant awarded by central government (DEFRA), and 'Other Income' includes all earned income (retail, car parks etc.), grants for individual projects (from a wide range of sources) and allocations from previous year's reserves.

Summary Income and Expenditure Statement

	REVISED ANNUAL BUDGET £000's	CUMULATIVE TO 31 MARCH 20065		
		ACTUAL £000's	VARIANCE FAV/(ADV) £000's	
Total Expenditure	7534.7	7207.6	327.1	F
Total Other Income	(2827.8)	(2742.2)	(85.6)	A
Total Primary Funding	(4706.9)	(4706.9)	-	-
Total	0.0	(241.5)	(241.5)	F

Favourable variances reflect lower than budgeted expenditure or higher than budgeted income, against the original budget set at the start of the year.

Delegations approved in the quarter ended 31st March 2006

Description	Approved By	Date
To authorise the Interpretation Officer to place an order for CRoW leaflet and computer display units with Mr D Bushby. Four quotes had been requested (estimate for work was £10k), but only two received, of which Mr Bushby's was the lowest (at £5.4k).	CEO	14/02/06
To authorise the Pennine Way Ranger to accept a quote for work on drainage on existing subsoil path and additional sub-soiling to a few sections on Fountains Fell, Pennine Way. Three quotations had been requested, but only two received before the deadline stated in quotation request. Lowest of the two quotations received (at £4.9k) was accepted.	CEO	06/03/06
Approval for acceptance of quotation 'other than the lowest' of the three obtained, for the purchase of HP file servers. The lowest quotation received was for £16,571, the next lowest for £16,623, a difference of £52. The lowest quotation did not follow the format of the specification, and the technical presentation of the marginally higher quote and the response to queries about alternative specifications and the benefits of optional components was far higher from that supplier.	CEO	22/03/06

**YORKSHIRE DALES NATIONAL PARK AUTHORITY
INCOME AND EXPENDITURE STATEMENT BY COST CENTRE**

1 APRIL 2005 TO 31 MAR 2006

ANNUAL BUDGET	QUARTER 4		
	BUDGET	ACTUAL	VARIANCE
	£000's	£000's	FAV/(ADV) £000's

CONSERVATION OF THE NATURAL ENVIRONMENT

Employees (A100)	Expenditure	362.6	362.6	347.2	15.4	F	Underspend largely due to vacant conservation advisers post
	Income	(44.5)	(44.5)	(47.5)	3.0	F	
Trees & Woodlands (A200)	Expenditure	96.8	96.8	82.6	14.2	F	This underspend is due to a number of planned projects which were more effectively delivered in conjunction with YDMT
	Income	(0.5)	(0.5)	0.0	(0.5)	A	
Farmed Land (A300)	Expenditure	23.4	23.4	19.3	4.1	F	
	Income	0.0	0.0	0.0	0.0	-	
Limestone Country (A400)	Expenditure	126.0	126.0	60.0	66.0	F	This underspend relates to timing of expenditure on the Limestone Country project - offset by a corresponding decrease in grant
	Income	(66.0)	(66.0)	0.0	(66.0)	A	
Ecology (A500)	Expenditure	144.7	144.7	126.2	18.5	F	£12k of the underspend relates to the tender for the Habitat Survey being less than anticipated
	Income	(3.0)	(3.0)	(3.0)	0.0	-	
Total Expenditure		753.5	753.5	635.3	118.2	F	
Total Income		(114.0)	(114.0)	(50.5)	(63.5)	A	
NET EXPENDITURE		639.5	639.5	584.8	54.7	F	

CONSERVATION OF CULTURAL HERITAGE

Employees (B100)	Expenditure	147.7	147.7	152.1	(4.4)	A	
	Income	(12.0)	(12.0)	(12.0)	0.0	-	
Archaeology (B200)	Expenditure	50.0	50.0	50.1	(0.1)	A	
	Income	(4.0)	(4.0)	(47.6)	43.6	F	
Building Conservation (B300)	Expenditure	46.4	46.4	59.0	(12.6)	A	Additional Project Income Overspend on PSPP Project some of which cannot be recovered from EU Also £5k not spent required 06/07 - so real figure = £17.5k over
	Income	(17.4)	(17.4)	(25.3)	7.9	F	
Community & Heritage (B500)	Expenditure	0.0	0.0	45.4	(45.4)	A	Langcliffe Quarry Spend - funded by Yorkshire Forward
	Income	0.0	0.0	(45.4)	45.4	F	
Total Expenditure		244.1	244.1	306.6	(62.5)	A	
Total Income		(33.4)	(33.4)	(130.3)	96.9	F	
NET EXPENDITURE		210.7	210.7	176.3	34.4	F	

**YORKSHIRE DALES NATIONAL PARK AUTHORITY
INCOME AND EXPENDITURE STATEMENT BY COST CENTRE**

1 APRIL 2005 TO 31 MAR 2006

ANNUAL BUDGET	QUARTER 4		
	BUDGET	ACTUAL	VARIANCE
£000's	£000's	£000's	FAV/(ADV) £000's

RECREATION MANAGEMENT

Employees (C100)	Expenditure	625.9	625.9	672.0	(46.1)	A	Overspend due to additional post funded by grant Funding for additional Cycle Project Officer
	Income	(48.2)	(48.2)	(85.8)	37.6	F	
Car Parks & Contracts (C200)	Expenditure	352.2	352.2	363.9	(11.7)	A	This overspend on Contracts is offset by corresponding underspend in Rangers Contracts Additional Income on Car Parks and Agreements
	Income	(458.1)	(458.1)	(468.5)	10.4	F	
Estates Maintenance (C210)	Expenditure	42.2	42.2	34.5	7.7	F	
Pennine Bridleway (C300)	Expenditure	316.0	316.0	172.3	143.7	F	Timing Delays on Project fully funded by Countryside Agency Grant Reduction in Grant due to timing delays on expenditure
	Income	(321.0)	(321.0)	(182.2)	(138.8)	A	
Ranger Services	Expenditure	237.0	237.0	297.1	(60.1)	A	Additional Expenditure for Pennine Way funded by Grant and additional Green Lane Spend Countryside Agency Grant for Pennine Way Delivery of CROW Implementation by Volunteers means that there is a corresponding overspend in the Volunteers Budget
	Income	0.0	0.0	(53.9)	53.9	F	
CROW (C810)	Expenditure	134.0	134.0	124.2	9.8	F	
	Income	0.0	0.0	(5.2)	5.2	F	
Access & Recreation (C820)	Expenditure	13.0	13.0	13.7	(0.7)	A	
	Income	0.0	0.0	0.0	0.0	-	
Definitive Map (C900)	Expenditure	25.0	25.0	23.6	1.4	F	
	Income	(4.0)	(4.0)	(11.6)	7.6	F	
Total Expenditure		1745.3	1745.3	1701.3	44.0	F	
Total Income		(831.3)	(831.3)	(807.2)	(24.1)	A	
NET EXPENDITURE		914.0	914.0	894.1	19.9	F	

PROMOTING UNDERSTANDING

Employees (D100 & D200)	Expenditure	539.3	539.3	552.3	(13.0)	A	Overspend due to inability to achieve Vacancy Factor and additional hours required to cover sickness
	Income	(19.8)	(19.8)	(19.8)	0.0	-	
National Park Centres	Expenditure	111.6	111.6	77.9	33.7	F	This underspend is offset by a corresponding overspend in the related Dales Countryside Museum Cost Centre
	Income	(18.5)	(18.5)	(10.5)	(8.0)	A	
Sustainable Tourism	Expenditure	26.2	26.2	15.8	10.4	F	Underspend due to project delays
	Income	0.0	0.0	0.0	0.0	-	
Retail - Running Costs (D300)	Expenditure	73.0	73.0	67.8	5.2	F	Overhead costs largely fixed
Retail - Cost of Goods Sold (D350)	Expenditure	169.3	169.3	135.2	34.1	F	Underspend in Costs of Goods Sold as a result of below budget sales
Retail - Sales (D350)	Income	(282.2)	(282.2)	(217.5)	(64.7)	A	Retail Services Income is significantly below budget and a full report will be taken to August F&R
<i>Sub Total - Retail - Gross Profit before Running Costs (D350)</i>		<i>(112.9)</i>	<i>(112.9)</i>	<i>(82.3)</i>	<i>(30.6)</i>	<i>A</i>	
Interpretation (D400)	Expenditure	69.0	69.0	40.7	28.3	F	The majority of this underspend (£24.8k) is due to timing of spend on the Barden Moor Project and is requested as a first call on the underspend in 2006/07
	Income	(1.0)	(1.0)	(1.8)	0.8	F	
Dales Countryside Museum (D500)	Expenditure	184.5	184.5	195.6	(11.1)	A	This overspend is offset by a corresponding underspend in NPC's cost centre This is due to a decrease in admissions (£5k) and grant funding budget incorrectly allocated to this code (£10k)
	Income	(71.0)	(71.0)	(50.9)	(20.1)	A	
Publications (D600)	Expenditure	21.2	21.2	23.1	(1.9)	A	
	Income	0.0	0.0	(5.9)	5.9	F	
Web Based Services (D650)	Expenditure	9.5	9.5	9.6	(0.1)	A	
	Income	0.0	0.0	0.0	0.0	-	
Media (D700)	Expenditure	9.0	9.0	4.7	4.3	F	
	Income	0.0	0.0	0.0	0.0	-	
Education (D800)	Expenditure	16.0	16.0	15.1	0.9	F	
	Income	(2.0)	(2.0)	(1.6)	(0.4)	A	
Outreach (D850)	Expenditure	62.4	62.4	35.3	27.1	F	The Majority of this underspend relates to timing of the Beyond the Boundary Project funded by grant Countryside Agency grant not due as expenditure not incurred
	Income	(48.5)	(48.5)	(23.9)	(24.6)	A	
Total Expenditure		1291.0	1291.0	1173.1	118.7	F	
Total Income		(443.0)	(443.0)	(331.9)	(111.1)	A	
NET EXPENDITURE		848.0	848.0	841.2	7.6	F	

**YORKSHIRE DALES NATIONAL PARK AUTHORITY
INCOME AND EXPENDITURE STATEMENT BY COST CENTRE**

1 APRIL 2005 TO 31 MAR 2006

ANNUAL BUDGET	QUARTER 4		
	BUDGET	ACTUAL	VARIANCE
£000's	£000's	£000's	FAV/(ADV) £000's

**YORKSHIRE DALES NATIONAL PARK AUTHORITY
INCOME AND EXPENDITURE STATEMENT BY COST CENTRE**

1 APRIL 2005 TO 31 MAR 2006

ANNUAL BUDGET	QUARTER 4		
	BUDGET	ACTUAL	VARIANCE
£000's	£000's	£000's	FAV/(ADV) £000's

TRAFFIC & TRANSPORT

Employees (E100)	Expenditure	42.2	42.2	38.2	4.0	F	
	Income	(5.1)	(5.1)	0.0	(5.1)	A	
Public Transport (E200)	Expenditure	33.7	33.7	20.3	13.4	F	Underspend due to planned projects which did not happen due to lack of matched funding
	Income	(8.7)	(8.7)	(2.2)	(6.5)	A	
Total Expenditure		75.9	75.9	58.5	17.4	F	
Total Income		(13.8)	(13.8)	(2.2)	(11.6)	A	
NET EXPENDITURE		62.1	62.1	56.3	5.8	F	

RANGERS ESTATES & VOLUNTEERS

Employees (F100)	Expenditure	278.3	278.3	276.2	2.1	F	
	Income	0.0	0.0	0.0	0.0	-	
General (F200)	Expenditure	57.7	57.7	38.3	19.4	F	This is offset by a corresponding overspend in C200
	Income	0.0	0.0	(3.4)	3.4	F	
Area Actions	Expenditure	5.0	5.0	4.8	0.2	F	
	Income	0.0	0.0	0.0	0.0	-	
Volunteers (F400)	Expenditure	54.7	54.7	66.4	(11.7)	A	Overspend on Volunteer Expenses - re Open Access and other projects
	Income	(5.4)	(5.4)	(5.0)	(0.4)	A	
Total Expenditure		390.7	390.7	385.7	10.0	F	
Total Income		(5.4)	(5.4)	(8.4)	3.0	F	
NET EXPENDITURE		385.3	385.3	377.3	13.0	F	

PLANNING

Employees (G100)	Expenditure	589.7	589.7	551.7	38.0	F	Underspend due to a number of vacancies earlier in the year
	Income	(108.8)	(108.8)	(110.1)	1.3	F	
General (G200)	Expenditure	27.6	27.6	40.1	(12.5)	A	Additional Expenditure funded by Planning Development Grant Income
	Income	(138.0)	(138.0)	(147.7)	9.7	F	
Total Expenditure		617.3	617.3	591.8	25.5	F	
Total Income		(246.8)	(246.8)	(257.8)	11.0	F	
NET EXPENDITURE		370.5	370.5	334.0	36.5	F	

**YORKSHIRE DALES NATIONAL PARK AUTHORITY
INCOME AND EXPENDITURE STATEMENT BY COST CENTRE**

1 APRIL 2005 TO 31 MAR 2006

ANNUAL BUDGET	QUARTER 4		
	BUDGET	ACTUAL	VARIANCE
£000's	£000's	£000's	FAV/(ADV) £000's

FORWARD PLANNING

Employees (H100 & H101)	Expenditure	110.9	110.9	118.5	(7.6)	A
	Income	0.0	0.0	0.0	0.0	-
Plans (H200)	Expenditure	6.6	6.6	6.5	0.1	F
	Income	0.0	0.0	0.0	0.0	-
State of the Park (H300)	Expenditure	11.0	11.0	9.2	1.8	F
	Income	0.0	0.0	0.0	0.0	-
Sustainable Development (H400)	Expenditure	211.1	211.1	210.9	0.2	F
	Income	(200.0)	(200.0)	(200.0)	0.0	-
National Park Management Plan (H500)	Expenditure	10.0	10.0	10.0	0.0	-
	Income	0.0	0.0	0.0	0.0	-
Total Expenditure		349.6	349.6	355.1	(5.5)	A
Total Income		(200.0)	(200.0)	(200.0)	0.0	-
NET EXPENDITURE		149.6	149.6	155.1	(5.5)	A

CORPORATE MANAGEMENT

Employees (J100)	Expenditure	804.8	804.8	829.1	(24.3)	A	Largely due to additional costs incurred on agency staff and inability to achieve vf
	Income	(21.6)	(21.6)	(21.6)	0.0	-	
Support Services (J200)	Expenditure	262.7	262.7	270.5	(7.8)	A	
	Income	(121.0)	(121.0)	(148.6)	27.6	F	Additional Investment Income
Legal Services (J250)	Expenditure	15.3	15.3	21.6	(6.3)	A	
	Income	0.0	0.0	0.0	0.0	-	
Office Accommodation (J300)	Expenditure	144.8	144.8	156.8	(12.0)	A	Overspend largely due to additional expenditure recovered by Insurance Claims
	Income	0.0	0.0	(7.8)	7.8	F	Insurance Claims - to cover additional costs
Health and Safety (J350)	Expenditure	4.5	4.5	4.8	(0.3)	A	
	Income						
Member Costs (J400)	Expenditure	132.0	132.0	123.3	8.7	F	
	Income	0.0	0.0	0.0	0.0	-	
YDMT (J500)	Expenditure	45.0	45.0	45.0	0.0	-	
	Income	0.0	0.0	0.0	0.0	-	
IT Development (J600)	Expenditure	99.3	99.3	85.3	14.0	F	Underspend on IT Development as most funded by IEG
	Income	0.0	0.0	0.0	0.0	-	
Implementing E Government (J700)	Expenditure	100.0	100.0	86.8	13.2	F	£21.6k of IEG Spend is in Salaries above
	Income	(100.0)	(100.0)	(78.4)	(21.6)	A	This relates to IEG Income applied to salaries in 05/06
Total Expenditure		1608.4	1608.4	1623.2	(14.8)	A	
Total Income		(242.6)	(242.6)	(256.4)	13.8	F	
NET EXPENDITURE		1365.8	1365.8	1366.8	(1.0)	A	

**YORKSHIRE DALES NATIONAL PARK AUTHORITY
INCOME AND EXPENDITURE STATEMENT BY COST CENTRE**

1 APRIL 2005 TO 31 MAR 2006

ANNUAL BUDGET	QUARTER 4		
	BUDGET	ACTUAL	VARIANCE
£000's	£000's	£000's	FAV/(ADV) £000's

TRAINING

General (K200)	Total Expenditure	49.0	49.0	38.5	10.5	F
	Total Income	0.0	0.0	0.0	0.0	-
NET EXPENDITURE		49.0	49.0	38.5	10.5	F

In addition to this £18k of Training Expenditure in 2005/06 has been funded by IEG Grant

Surplus carried forward from 03/04 and 04/05	Total Income	(697.5)	(697.5)	(697.5)	0.0	-
Opportunity Fund	Total Expenditure	71.4	71.4	0.0	71.4	F
Contingency Fund	Total Expenditure	338.5	338.5	338.5	0.0	-
NET EXPENDITURE		(287.6)	(287.6)	(359.0)	71.4	F

PRIMARY FUNDING

NPG		(4706.9)	(4706.9)	(4706.9)	0.0	-
TOTAL PRIMARY FUNDING		(4706.9)	(4706.9)	(4706.9)	0.0	-

TOTAL		0.0	0.0	(241.5)	241.5	F
--------------	--	------------	------------	----------------	--------------	----------

SUMMARY

TOTAL EXPENDITURE	7534.7	7534.7	7207.6	327.1	F
TOTAL INCOME	(2827.8)	(2827.8)	(2742.2)	(85.6)	A
TOTAL PRIMARY FUNDING	(4706.9)	(4706.9)	(4706.9)	0.0	-
TOTAL	0.0	0.0	(241.5)	241.5	F

Income is denoted by brackets

Underspends on expenditure and more income than budget are favourable variances.

Variances due to more spend or less income than budget are adverse variances and are shown in brackets.

VIREMENT REPORT - Detailing changes to the original budget.

1 APRIL 2005 TO 31 MARCH 2006

New virements are shown in bold and italicised.

ORIGINAL BUDGET £000's	MOVEMENT	REVISED BUDGET £000's
301.3	(229.9)	71.4

OPPORTUNITY FUND

Opportunity Fund

Transfers to Fund

£20k Release of Network Rail Creditor 2003/04
 £45k anticipated underspend on CROW budget in 2005/06
 £20k Other net Underspends in 05/06
 £57.5 budget transferred from Corporate Management Salaries - re Solicitor and Corporate Support
 £30.6k release of creditors for datastream provision
 £23.6k released from Balance Sheet - re Legacy received in 04/05

Transfers from Fund

£60k to Ecology for Habitat Survey as agreed November F & R
 £5k to National Park Management Plan as agreed Nov F & R
 £3k to Sustainable Development for National Economic Value of National Parks Exercise
 £3.7k to Sustainable Tourism for National NPA Tourist Branding Exercise
 £200k to Contingency Reserve re Northern Office
 £39.9k to Corporate Management for Northern Office Furniture
 £1k to Ranger Services re Stone Dykes Barn
 £5k to Limestone Country re Limestone Country Beef Marketing
 £5k to Ecology re Aggregates Levy
 £1.1k to Volunteers for Volunteers Training
 £0.6k to Volunteers for Volunteers - Facilitator
 £5k to Traffic and Transport for Target Project
 £6k to Interpretation for Interpretation Boards at Bolton Abbey
 £3.5k to Building Conservation for Public Spaces, Private Places
 £5k to Building Conservation for Milestones Project
 £1k to Archaeology for Historic Environment Days
 £2.5k to Interpretation for Guided Walks Booklet
 £17k to Estates Maintenance for the refurbishment of Hawes Toilets
 £5k budget transferred to Corporate Management re NPAPA and KLoE
 £1.9k to Secretariat for Catering and Meeting Rooms
 £4.2k transferred to Media for Press Cuttings Agency work
 £9.1k transferred to Corporate Management for increased Audit Commission Fees
 £7k transferred to Legal Salaries re Monitoring Officer Duties
 £5k to Recreation Management for Netconstruct web site costs
 £0.8k transferred to Rangers for Volunteers Budget
 £5k transferred to Forward Planning re State of the Park England Day Visitor Survey
 £1.3k to Corporate Management for Maintenance and Installation of Flexi machines
 £0.5k to transferred to Forward Planning re RDC Joint Residents Panel
 £0.5k to Forward Planning for Affordable Rural Housing Logc
 £2k to Corporate Management re Removal of Files to Offsite storage
 £20k transferred to Conservation of Natural Environment funded by release of legacy

VIREMENT REPORT - Detailing changes to the original budget.

1 APRIL 2005 TO 31 MARCH 2006

New virements are shown in bold and italicised.

CONS OF NATURAL ENVIRONMENT

-£5k Aggregates Levy bid to Forward Planning

£60k to Ecology for Habitat Survey as agreed November F & R
 £5k from Opportunities Fund re Limestone Country Beef Marketing
 £5k from Opportunities Fund re Aggregates Levy

	ORIGINAL BUDGET £000's	MOVEMENT	REVISED BUDGET £000's
Total Expenditure	668.5	85.0	753.5
Total Income	(114.0)		(114.0)

CONS OF CULTURAL HERITAGE

£3.5k to Building Conservation for Public Spaces, Private Places
 £5k to Building Conservation for Milestones Project
 £1k to Archaeology for Historic Environment Days

Total Expenditure	234.6	9.5	244.1
Total Income	(33.4)		(33.4)

RECREATION MANAGEMENT

£45k from CROW to the Opportunity Fund - expected underspend in 2005/06
 £17k to Estates Maintenance from the Opportunities Fund for the refurbishment of Hawes Toilets
 £1k to Ranger Services from the Opportunities Fund re Stone Dykes Barn trailer

Total Expenditure	1772.3	(27.0)	1745.3
Total Income	(831.3)		(831.3)

PROMOTING UNDERSTANDING

£3.7k to Sustainable Tourism for National NPA Tourist Branding Exercise
 £6k to Interpretation from the Opportunities Fund re Interpretation Boards at Bolton Abbey
 £2.5k to Interpretation from Opportunities Fund for Guided Walks Booklet
 £5k to Publications for Netconstruct web site costs
 £4.2k transferred to Media for Press Cuttings Agency work

Total Expenditure	1269.6	21.4	1291.0
Total Income	(443.0)		(443.0)

TRAFFIC & TRANSPORT

£5k from Opportunities Fund for Target Project

Total Expenditure	70.9	5.0	75.9
Total Income	(13.8)		(13.8)

RANGERS ESTATES & VOLUNTEERS

£1.1k to Volunteers for Volunteers Training
 £0.6k to Volunteers for Volunteers - Facilitator
 £0.8k transferred to Rangers for Volunteers Budget

Total Expenditure	388.2	2.5	390.7
Total Income	(5.4)		(5.4)

VIREMENT REPORT - Detailing changes to the original budget.

1 APRIL 2005 TO 31 MARCH 2006

New virements are shown in bold and italicised.

PLANNING

	ORIGINAL BUDGET £000's	MOVEMENT	REVISED BUDGET £000's
Total Expenditure	589.8	27.5	617.3
Total Income	(219.3)	(27.5)	(246.8)

FORWARD PLANNING

Total Expenditure	330.6	19.0	349.6
Total Income	(200.0)		(200.0)

£5k Aggregates Levy bid from Ecology

£3k transferred to Sustainable Development for national Economic Value of National Parks Project
 £5k to National Park Management Plan as agreed November F & R
 £5k transferred to Forward Planning re State of the Park England Day Visitor Survey
 £0.5k to transferred from Opportunity Fund re RDC Joint Residents Panel
 £0.5k from Opportunity Fund for Affordable Rural Housing Logc

CORPORATE MANAGEMENT

Total Expenditure	1599.7	8.7	1608.4
Total Income	(242.6)		(242.6)

£39.9k to Corporate Management for Northern Office Furniture
 £57.5k budget transferred to Opportunities Fund - re Solicitor and Corporate Support savings
 £5k budget transferred from Opportunity Fund re NPAPA and KLoE
 £1.9k to Secretariat from Opportunity Fund for Catering and Meeting Rooms
 £9.1k transferred to Corporate Management for increased Audit Commission Fees
 £7k transferred to Legal Salaries re Monitoring Officer Duties
 £1.3k to Corporate Management for Maintenance and Installation of Flexi machines
 £2k to Corporate Management re Removal of Files to Offsite storage

TRAINING

Total Expenditure	49.0		49.0
Total Income	0.0		0.0

PRIMARY FUNDING

Total Primary Funding	(4706.9)		(4706.9)
-----------------------	----------	--	----------

CONTINGENCY FUND FROM SURPLUS 02/03 and 03/04 (includes £200k re Northern Office)

	138.5	200.0	338.5
	(249.3)	0.0	(249.3)

REALLOCATED FROM SURPLUS 04/05

	(354.0)	(94.2)	(448.2)
--	---------	--------	---------

Key points to note are:

- The net balance for the year, of **£241.5k** of which **£71.4k** relates to the unallocated Opportunities Fund, leaving a 'true' in-year figure of **£170.1k**.
- Actual Expenditure was below budget by £327.1k some of which is matched by a corresponding adverse variance in income (£85.6k).
- The details of the variances that have contributed to the underspend are found in **Appendix 2**.

Virements

Appendix 1 lists all virements that have been made within the 2005/06 financial year; those made within the last three months, post-dating the previous quarterly report on financial performance, are shown in **bold**.

1.2 Detailed Performance

Appendix 2 provides a detailed picture of performance by cost centre. Where a material variance (favourable or unfavourable, of £10k or more) has arisen, an explanation has been provided by the budget manager of that particular cost centre and is included under 'comments'.

1.3 Expenditure

Because of time constraints, a re-analysis of Appendix 2, in terms of expenditure type, has not been included with this report. However, as in previous reports, the explanations for material variances would be the same as those within Appendix 2.

1.4 Income

Because of time constraints, a re-analysis of Appendix 2, in terms of income type, has not been included with this report. However, as in previous reports, the explanations for material variances would be the same as those within Appendix 2.

1.5 Cash-flow

As at 31st March 2006, the cash balance in the bank and investment account was £2.976m . This balance is attributed to specific requirements, as follows:

Cash Analysis	£'000
NPG Grant 06/076 Paid in Advance	1377
Surplus (remaining) 2003/4 (now allocated to 05/06) and contingency reserve	71
Net outturn on 2004/05	170
Yorkshire Forward - Redundant Buildings Grant	56
Net position Debtors, Creditors and Commitments (includes income in advance)	1302
Total	2976

1.6 The Opportunities Fund

As at 31st December 2005, the balance on the fund stood at £71k before the year end underspend figure has been added. This amount has now been released to form part of the operational reserve for 2006/07.

It is **recommended** that the full amount of the balance on the Income and Expenditure account (**£241k**) be allocated to the 2006/07 Opportunities Fund at this stage. There are four areas where additional funds may be required, and on which recommendations will be made to the next meeting of this committee (7th August 2006):

- A number of revisions to the budget that have been identified by Department Heads subsequent to the setting of the 2006/07 budget. Such revisions are normal practice, and are dealt with through the virements process.
- Clarification of the final cost of the Northern Office project (see separate item on the agenda of this meeting).
- Due to changes in the classification of creditors at the year end there are a number of projects for which the organisation has planned the expenditure necessary for meeting the objectives of these projects but where their completion spanned the year end. Bids for additional budget will be made during 2006/07 to ensure that these objectives are met.
- Projected budgeted overspend within the 2006/07 budget. This budget was included within the budget paper approved by this committee on 14th November 2005, and, as in previous years, identified a potential overspend (£35k), which was to have been managed by future budget savings.

Finally, members will be aware that the finance officers are preparing a long term projection of the Authority's salary costs and project spending with a view to ensuring that these remain affordable. This work may identify some additional immediate costs or the need to increase reserves to balance any medium term mismatch between income and expenditure.

2. Additional Financial Information

2.1 Delegations

In the period from the date of the last quarterly report until that of the present one, four delegations (that the Authority's Financial Regulations require additional approval for) were approved. Details are included at **Appendix 3**.

RECOMMENDATIONS

Members are asked to:

- note the year-end position against the 2005/2006 budget;
- to allocate the revenue reserve from 2005/06 (**£241k**) to the Opportunities Fund for 2006/07, and to reserve consideration of the detailed allocation of the latter for the next meeting of this committee.

IRENE BRANNON
SENIOR FINANCE OFFICER

2nd May 2006