

**Report to Partnership Meeting of 8 October 2009**

**FINANCE**

**Final Outturn Revenue Budget Monitoring Report – 1 April 2008 to 31 March 2009**

**Report by Partnership Treasurer**

**SUMMARY**

This report sets out the final outturn revenue monitoring position for the year to 31 March 2009.

**1. BACKGROUND**

- 1.1 The annual budget is as approved at the Board Meeting held on 1 February 2008, amended for the recovery of the 2007/08 overspend of £17,555 approved at the Board meeting on 5 September 2008. The attached summary statement shows the final outturn financial position for the year ended 31 March 2009.
- 1.2 The Partnership returned a small underspend of £15,919 (1.7%) for the year ended 31 March 2009 out of a net budget of £922,000. The provisional outturn position, as reported to the June Board, estimated the Partnership to be underspent by £6,891.

**2. MAJOR MOVEMENTS**

- 2.1 There was no major movement in the provisional financial position as reported to the June Board, however the underspend increased by £9,028 as a result of a late accrual adjustment as part of the accounts closure process.

**3. NOTES ON VARIANCES**

- 3.1 Total income is ahead of budget, mainly as a result of receiving unbudgeted income of £32,446 in respect of reimbursement of maternity cover for Orkney Islands Council, contributions towards strategy development costs and interest on revenue balances.
- 3.2 Overall expenditure has come within budget, with savings on property costs meeting the shortfall on travel plan grant.
- 3.3 The publicity underspend has been utilised on further research and strategy development work.
- 3.4 Current legislation in respect of Regional Transport Partnerships does not allow them to retain reserves, however there is scope to carry forward small under and over spends on committed expenditure but not incurred at the end of the financial year. This allows HITRANS to meet its legal obligation of breaking even for 2008/09.

**4. STATEMENT OF ACCOUNTS**

- 4.1 Under Scottish Government legislation each Transport Partnership is required to produce

an annual statement of accounts by 30 June following the end of the financial year and presented for audit to their respected auditors, in HITRANS case, Audit Scotland. The statement of accounts must prescribe to all accounting standards and statements of recommended practice.

- 4.2 The Partnership's unaudited financial statements were submitted to the Controller of Audit on 24 June 2009 and an amended statement was submitted on 7 July 2009. This means that the deadline of 30 June was not met. The amended statement was issued as a result of incorporation, previously omitted, of the bus route development grant for the Inverness to Dalcross Airport bus service. With the removal of ring-fencing, the grant is now rolled up into the Highland Council overall grant settlement.
- 4.3 The audited accounts and Audit Scotland's Report will be considered in a later item on the agenda.

**5. RECOMMENDATION**

- 5.1 Board Members are asked to note the above information as well as the attached schedule showing the final outturn revenue monitoring position for the year ended 31 March 2009.

**HITRANS - SUMMARY****STATEMENT OF REVENUE OUTTURNS: 31ST MARCH 2009**

BUDGET HEADINGS	2008/2009			
	ANNUAL BUDGET		ACTUAL TO DATE	(OVER) / UNDER
<b>INCOME</b>				
Councils	(£200,000)		(£200,000)	£0
Scottish Executive - Match Funding	(£200,000)		(£200,000)	£0
Scottish Executive - Travel Plan	(£107,000)		(£107,000)	£0
Scottish Executive - Regional Transport Strategy	(£415,000)		(£415,000)	£0
Orkney Islands Council - Maternity Cover Income	£0		(£26,457)	£26,457
Other Misc Income	£0		(£5,802)	£5,802
Interest on Revenue Balances	£0		(£187)	£187
	<b>(£922,000)</b>		<b>(£954,446)</b>	<b>£32,446</b>
<b>DIRECT RUNNING COSTS</b>				
Director	£89,400		£89,369	£31
Programme Managers	£111,100		£112,484	(£1,384)
Office Managers	£49,500		£50,973	(£1,473)
Staff Travelling and Subsistence	£25,000		£24,875	£125
Members and Advisers Travel and Subsistence	£10,000		£8,420	£1,580
Partnership/Consultation Meetings	£25,000		£19,989	£5,011
Office Costs - Property	£50,000		£18,500	£31,500
Office Costs - Admin	£30,000		£28,548	£1,452
	<b>£390,000</b>		<b>£353,158</b>	<b>£36,842</b>
<b>PROGRAMME COSTS</b>				
Publicity	£25,000		£15,099	£9,901
Travel Plan Work	£107,000		£107,189	(£189)
Research & Strategy Development	£336,445		£346,190	(£9,745)
Orkney Islands Council - Maternity Cover Costs	£0		£25,055	(£25,055)
Loss of 2007/08 Travel Plan Grant	£0		£35,000	(£35,000)
2007/08 Deficit	£17,555		£17,555	£0
	<b>£486,000</b>		<b>£546,088</b>	<b>(£60,088)</b>
<b>Finance and Administrative Services</b>	<b>£46,000</b>		<b>£39,281</b>	<b>£6,719</b>
<b>TOTAL COSTS</b>	<b>£922,000</b>		<b>£938,527</b>	<b>(£16,527)</b>
<b>(UNDER) / OVERSPEND</b>	<b>£0</b>		<b>(£15,919)</b>	<b>£15,919</b>