

Item:  
**3**



## Report to Partnership Meeting of 8 February 2013

### FINANCE

#### Revenue Budget Monitoring Report – 1 April 2012 to 31 December 2012

#### SUMMARY

This report sets out the revenue monitoring position for the period to 31 December 2012 and the projected year end position.

#### 1. Current Position

- 1.1 The annual budget is as approved at the Board Meeting held on 3 February 2012, subsequently amended for the inclusion of the 2011/12 underspend of £20,158. The attached summary statement shows the financial position to 31 December 2012. In total income and expenditure is broadly in line with the budget out-turn target.

#### 2. Year End Projection

- 2.1 The year to date actual figures represent the transactions for the nine months ended 31 December 2012 and are in line with management expectations. At present officers are not aware of any anomalies that will distort the overall financial position.
- 2.2 Board Members will note that based on the financial performance to date, it is predicted that at the end of the financial year the budget will deliver a balanced budget.

#### 3. Major Issues and Variances

- 3.1 Included in miscellaneous income is income recovered from 1 Architects (£221) for their share of the property costs at Inverness Airport, and £250 from Waterfront Conference Company by way of reimbursement of expenses.
- 3.2 Salary costs will be underspent by £1,500 at the end of the financial year. This is due to the staffing changes on the retiral of the Partnership Director, and the temporary employment of a graduate through the Centre of Scottish Public Policy "Adopt an Intern" Programme approved at the HITRANS June Board meeting.
- 3.3 Members and advisers travel and subsistence and partnership/consultation meetings cumulatively are expected to be £10,000 underspent at the year end. The reduction is due to the Board's decision to hold one fewer Board meeting during the year.
- 3.4 Property costs are expected to be £2,500 overspent at the year end, due to increases in rates, utility charges, small repairs and insurance.

- 3.5 Office administration costs will be overspent by £3,000 at the end of the financial year. As a result of the underspends highlighted above, an opportunity was taken to purchase a new laptop computer for the office.
- 3.6 There are a number of significant invoices awaited, and also commitments made for research & strategy development, Conon Railway Station project work and publicity costs. These amounts are shown in the "Committed" column in the financial monitoring statement.
- 3.7 Finance and administrative services comprises audit fee and charges from Councils for the provision of financial, personnel, legal and administrative services. The amount paid to Highland Council for financial services will be underspent by £3,344 this financial year. A rebate of £593 from Audit Scotland on their 2011/12 fee has increased the underspend to nearly £4,000.
- 3.8 Statute requires HITRANS to deliver a balanced budget by the end of the financial year, and based on the financial information to date, this requirement will be fulfilled.

#### **4. Recommendation**

- 4.1 Board Members are asked to note the above information as well as the attached schedule showing the revenue monitoring position for the period to 31 December 2012.

**Report by:** Mike Mitchell  
**Designation:** Partnership Treasurer  
**Date:** 28th January 2013

| <b>HITRANS - SUMMARY</b>                   |   |                           |                   |                   |                 |                   |                   |
|--|---|---------------------------|-------------------|-------------------|-----------------|-------------------|-------------------|
| <b>STATEMENT OF REVENUE MONITORING TO:</b> |   | <b>31ST DECEMBER 2012</b> |                   |                   |                 |                   |                   |
| 2011/2012                                  |   | 2012/2013                 |                   |                   |                 |                   |                   |
| ACTUAL                                     | BUDGET HEADINGS                                   | ANNUAL BUDGET             | BUDGET TO DATE    | ACTUAL TO DATE    | COMMITTED       | TO GO             | PROJECTED OUTTURN |
|  | <b>INCOME</b>                                     |                           |                   |                   |                 |                   |                   |
| (£200,000)                                 | Councils  | (£200,000)                | (£200,000)        | (£200,000)        | £0              | £0                | (£200,000)        |
| (£200,000)                                 | Scottish Government - Match Funding               | (£200,000)                | (£150,000)        | (£150,000)        | £0              | (£50,000)         | (£200,000)        |
| (£322,750)                                 | Scottish Government - Regional Transport Strategy | (£322,750)                | (£70,592)         | (£70,592)         | £0              | (£252,158)        | (£322,750)        |
| (£96,000)                                  | Scottish Government - Conon Railway Station       | £0                        | £0                | £0                | £0              | £0                | £0                |
| (£14,000)                                  | Other Misc Income                                 | £0                        | £0                | (£471)            | £0              | (£29)             | (£500)            |
| (£126)                                     | Interest on Revenue Balances                      | £0                        | £0                | £0                | £0              | £0                | £0                |
| (£33,552)                                  | 2011/12 Surplus                                   | (£20,158)                 | (£20,158)         | (£20,158)         | £0              | £0                | (£20,158)         |
| <b>(£866,428)</b>                          |   | <b>(£742,908)</b>         | <b>(£440,750)</b> | <b>(£441,221)</b> | <b>£0</b>       | <b>(£302,187)</b> | <b>(£743,408)</b> |
|  | <b>DIRECT RUNNING COSTS</b>                       |                           |                   |                   |                 |                   |                   |
| £95,796                                    | Director  | £97,000                   | £72,750           | £77,696           | £0              | £23,804           | £101,500          |
| £116,391                                   | Partnership Managers                              | £120,000                  | £90,000           | £80,941           | £0              | £32,059           | £113,000          |
| £54,349                                    | Office Managers                                   | £56,000                   | £42,000           | £42,549           | £0              | £14,451           | £57,000           |
| £19,540                                    | Staff Travelling and Subsistence                  | £25,000                   | £18,750           | £18,134           | £0              | £6,866            | £25,000           |
| £10,091                                    | Members and Advisers Travel and Subsistence       | £10,000                   | £7,500            | £3,463            | £0              | £4,537            | £8,000            |
| £18,456                                    | Partnership/Consultation Meetings                 | £20,000                   | £15,000           | £6,789            | £0              | £5,211            | £12,000           |
| £14,430                                    | Office Costs - Property                           | £15,000                   | £11,250           | £13,800           | £0              | £3,700            | £17,500           |
| £22,926                                    | Office Costs - Admin                              | £20,000                   | £15,000           | £17,452           | £0              | £5,548            | £23,000           |
| <b>£351,979</b>                            |   | <b>£363,000</b>           | <b>£272,250</b>   | <b>£260,824</b>   | <b>£0</b>       | <b>£96,176</b>    | <b>£357,000</b>   |
|  | <b>PROGRAMME COSTS</b>                            |                           |                   |                   |                 |                   |                   |
| £11,606                                    | Publicity   | £12,500                   | £2,208            | £2,423            | £5,000          | £2,577            | £10,000           |
| £345,535                                   | Research & Strategy Development                   | £326,408                  | £36,003           | £53,487           | £267,293        | £16,128           | £336,908          |
| £99,880                                    | Conon Railway Station Project Work                | £0                        | £0                | £0                | £2,500          | £0                | £2,500            |
| £0   | Other Costs                                       | £0                        | £0                | £0                | £0              | £0                | £0                |
| <b>£457,021</b>                            |   | <b>£338,908</b>           | <b>£38,211</b>    | <b>£55,910</b>    | <b>£274,793</b> | <b>£18,705</b>    | <b>£349,408</b>   |
| <b>£37,270</b>                             | <b>Finance and Administrative Services</b>        | <b>£41,000</b>            | <b>£17,083</b>    | <b>£0</b>         | <b>£37,000</b>  | <b>£0</b>         | <b>£37,000</b>    |
| <b>£846,270</b>                            | <b>TOTAL COSTS</b>                                | <b>£742,908</b>           | <b>£327,544</b>   | <b>£316,734</b>   | <b>£311,793</b> | <b>£114,881</b>   | <b>£743,408</b>   |
| <b>(£20,158)</b>                           | <b>(UNDER) / OVERSPEND</b>                        | <b>£0</b>                 | <b>(£113,206)</b> | <b>(£124,487)</b> | <b>£311,793</b> | <b>(£187,306)</b> | <b>£0</b>         |