

Historic Scotland Board

From: Kathleen Gibb
Date: 15 February 2007**January 2007 Finance Report**

1. Forecast income and expenditure is shown below:

	<u>HS Budget</u> <u>(SE Approved)</u>	<u>HS Forecast</u>	<u>Variance</u>
Funding:			
SE Funding	41,622	41,622	-
PIC Income	24,467	24,323	(144)
Other Income	704	623	(81)
Total Funding	66,793	66,568	(225)
Expenditure:			
Administration Costs	31,797	31,739	(58)
Programme Current	29,086	29,002	(84)
Heritage Capital	4,308	4,340	32
Operational Capital	1,602	1,486	(116)
Total Expenditure	66,793	66,567	(226)
Forecast Agency Outturn	-	1	1
Non-cash expenditure: capital charges	3,607	2,607	(1,000)

2. As a result of changes in forecasts since the last Board report, we are showing a position very close to break even for the Agency as a whole. Since EYF is unlikely this year, we will continue to monitor forecasts to ensure we maintain this position.

3. Major Projects group are currently showing a forecast underspend of £170k, this underspend will be used to cover overspends being forecast in other areas of PIC.

4. The underspend on the non cash expenditure line remains at £1 million since we are not forecasting any major impairments on capital projects for this year. However this position may be affected by the valuation policy applied to Stanley Mills and Edinburgh Castle Visitor Centre and is also dependent on the programme of property valuations which form part of the year end process.

Income Outturn

5. The income results for the year including the January trading period are shown below:

YEAR TO DATE	Budget	Actual	%+/- Bgt	%+/- Ly	Annual Budget	Year End Reforecast
Visitor Numbers	2,689,815	2,893,045	8	7	2,910,000	3,124,856
Admissions	9,568,695	9,174,166	(4)	5	10,761,338	10,289,166
Site SEPS & Membership	1,082,671	1,173,130	8	31	1,145,064	1,242,130
Retail	5,470,864	5,335,698	(2)	6	5,938,576	5,764,438
Tourism & Membership	4,874,614	4,800,517	(2)	7	5,335,022	5,273,228
VSBD INCOME	20,996,844	20,483,511	(2)	7	23,180,000	22,568,962
Other Income	289,084	364,713	26	(6)	352,700	439,695
Total Commercial Income (KPT)	21,285,928	20,848,223	(3)	7	23,532,700	23,008,656

6. Year to date, PIC income is ahead of last year by 7%, but down 3% on budget. The year end forecast is £23,009k, which is £518k short of budget but 7% up on last year. The majority of our top 10 sites saw a decline in both visitor numbers and income during January.

7. Overall, the majority of business areas continue to show excellent year on year growth with both site and HQ reporting 7% average increases on last year.

Grants

8. The commitments for 2006-07 are shown below:

	No	Value
Total Committed Funds	96	£10,789,181
Total Indicatives	10	£523,357
Total Estimates	9	£461,568
Regeneration Fund		£350,000
Total	115	£12,124,106
Grants Budget		£11,966,000

9. The overall level of commitment for 2006-07 has been reviewed and there are sufficient levers in the system to ensure a full spend against this line.

10. The future grants commitments for 2007-08 to 2010-11 are as follows:

Status	2007-08	2008-09	2009-10	2010-11	Total
Firm Offer	£1,933,603	£0	-	-	£1,933,603
Indicative Authorisations	£3,153,496	£1,202,259	-	-	£4,355,755
POW Scheme	£204,784	£2,500,000	£2,500,000	£2,500,000	£7,704,784
Recurring	£3,852,964	£4,562,163	£4,762,163	£4,966,163	£18,143,453
Total Committed Funds	£9,144,847	£8,264,422	£7,262,163	£7,466,163	£32,137,595
<i>Excess of demand from previous yr</i>	<i>£158,106</i>				<i>£158,106</i>
Demand from batching 1	£1,000,000	£3,000,000	£3,000,000	£3,000,000	£10,000,000
Regeneration Projects/Fund	£1,000,000	£2,500,000	£2,000,000	£2,500,000	£8,000,000
Estimates	£5,613,224	£2,909,574	£368,333	-	£8,891,131
Total	£16,916,177	£16,673,996	£12,630,496	£12,966,163	£59,186,832
Budget (projected)	£12,966,000	£12,966,000	£12,966,000	£12,966,000	£51,864,000

11. These figures will be discussed at the meeting on 26/27 February 2007.

Kathleen Gibb
Chief Accountant

15 February 2007