

Historic Scotland Board

Copy to: Jennie Smith, Acting Chief Accountant

January Finance Report

Forecast Position

1. We are forecasting an overspend of £0.9 million (December £0.8 million).

HS Internal Budgets	Original HS Budget	Revised Budget	Forecast	Variance
Income:	£000	£000	£000	£000
SE Funding	48,064	47,903	47,903	-
PIC Estate Income	25,586	23,354	23,479	125
Other Receipts	681	906	906	-
TOTAL INCOME	74,331	72,163	72,288	125
Expenditure:			-	
Grants	13,452	13,188	13,120	68
Policy	1,578	1,547	1,615	(68)
Heritage Planning Unit	35	-	-	-
Policy Group	15,065	14,735	14,735	-
Inspectorate	5,906	6,040	6,116	(76)
TCG	2,630	2,767	2,811	(44)
Conservation	16,395	16,439	16,474	(35)
VSBD	12,207	12,624	12,655	(31)
PIC Central	2,356	281	290	(9)
Major Projects	3,135	2,805	2,748	57
Joint Capital Projects		942	967	(25)
U&A	2,528	2,706	2,697	9
PIC	36,621	35,797	35,831	(34)
Chief Executive Group	565	582	577	5
Finance	2,109	2,369	2,369	-
Reserves	1,390	334	334	-
Human Resources	3,756	3,646	3,618	28
Direct Cost of Sales	3,242	3,242	3,156	86
Capital Charges	3,607	3,607	3,607	-
TOTAL EXPENDITURE	74,891	73,119	73,154	(35)
TOTAL AGENCY OUTTURN	(560)	(956)	(866)	90

2. The income forecast has improved against last month by £0.125 million and is now £23,694 million including income efficiencies. This is the first improvement against budget this financial year. However we cannot tell whether this will be maintained for the rest of the year or indeed promises an improved outlook for 2009-10.

3. We are now showing significant slippage on the Stirling Castle project of £0.9 million. However pressures within the grants and other group programmes have meant that this has had little impact on the overall forecast. There is a risk of further slippage within the project although that the contractor has stated that they may catch up and increase expenditure by £0.4 million.

4. There is a projected underspend on the non-cash impairment budget of between £0.8 and £1 million. This will cover almost all of the cash overspend and we may achieve a technical break-even position. However it is difficult to forecast the outturn and there is a real risk that the Agency will have an overall overspend

Commercial Income

5. The year to date and forecast position as at the end of January is shown below.

6. PIC has circulated a paper on the income outturn.

Table 2

Visitor Numbers	Budget	Actual	%+/- Bgt	%+/- Ly	Yr End Bgt	Yr End FC	%+/- Bgt	+/- Bgt
All Sites	2,838,500	2,682,919	-5%	-8%	3,077,744	2,918,018	-5%	- 159,726
Site Sales	Budget	Actual	%+/- Bgt	%+/- Ly	Yr End Bgt	Yr End FC	%+/- Bgt	+/- Bgt
Admissions	£11,828,881	£10,161,372	-14%	-10%	£13,101,019	£11,316,378	-14%	-1,784,641
Retail	£5,717,071	£5,470,769	-4%	0%	£6,240,950	£5,974,391	-4%	- 266,559
Day Catering	£411,200	£385,902	-6%	0%	£443,000	£416,102	-6%	- 26,898
Eve Catering	£346,000	£270,241	-22%	-20%	£379,000	£294,241	-22%	- 84,759
Corporate	£701,331	£585,175	-17%	-14%	£799,731	£659,675	-18%	- 140,056
Weddings	£366,900	£322,797	-12%	-13%	£405,832	£333,297	-18%	- 72,535
Events	£282,000	£274,356	-3%	-11%	£285,000	£277,356	-3%	- 7,644
Membership	£954,777	£1,008,653	6%	13%	£1,089,722	£1,151,734	6%	62,012
Travel Trade	£2,382,000	£2,310,748	-3%	1%	£2,561,000	£2,460,748	-4%	- 100,252
HQ Sales	£0	£186,736	0%	-	-	£232,736	0%	-
Total VSBD	£22,990,160	£20,976,749	-9%	-5%	£25,305,254	£23,116,658	-9%	-2,188,596
Other Income	£495,822	£500,909	1%	-	£573,741	£577,999	1%	4,258
TOTAL PIC	£23,485,982	£21,477,658	-9%	-4%	£25,878,995	£23,694,657	-8%	-2,184,338

Grants

7. Year to date spend is just over £11 million against an annual budget of £12.5 million. This includes the additional funding of £0.3 million. The total value of grants is £14.4 million but virtually all projects are on site. We still expect grants to come in on budget but there is a risk of overspend. If this occurs we will have to ask the Scottish Government for assistance.

Table 3

Position Summary as at: 20 February 2009	No of Cases	2008-09	Same point in 2007-08
Building Repair	57	£5,258,326	£5,285,971
Places of Worship	26	£1,423,364	£1,083,058
City Heritage Trust / NTS / Town Schemes etc.	15	£5,950,294	£8,922,558
Conservation Area Regeneration Scheme	14	£1,476,503	£1,311,950
Total Committed Funds (Firm)	112	£14,108,487	£16,603,537
Fast Track	3	£107,892	n/a
Total Firm and Definite Site Starts	115	£14,216,379	£16,603,537
Building Repair	2	£8,826	£70,000
Places of Worship	2	£62,500	£179,770
Total Indicatives	4	£71,326	£249,770
Building Repair	2	£0	£1,190,993
Places of Worship	0	£0	£0
Total Estimates	2	£0	£1,190,993
Building Repair	3	£121,542	£0
Total Supplementaries (possible)	3	£121,542	£0
Total	124	£14,409,247	£18,044,300

Grant Budget

£12,513,758

£16,713,900

PIC Capital Spend

8. Table 4 overleaf details the spend against PIC capital budgets. Clearly Stirling represents the greatest risk with an underspend at end of January of £0.9 million and close to £2 million to spend before year-end. The forecast underspend has been factored into the overall agency forecast.

Table 4 PIC Capital Spend	Annual Budget	Ytd Budget	YTD Spend	Variance
Major Projects				
Edinburgh Castle:				
Visitor Reception Project	25	25	39	(14)
Edinburgh Castle -Gift Shop Refit, Helpdesk & Roof	50	50	40	10
Stirling Castle:				
Palace Project	2,624	1,551	665	886
Tapestries	191	149	166	(17)
Stanley Mills:				
Bell Mill Project	75	61	119	(58)
North and East Range	20	11	1	10
Maes Howe	20	16	17	(1)
Major Projects	3,005	1,863	1,047	816
PIC Joint Capital Projects				
Kisimul Castle Services Installation	325	325	325	-
Tormiston Mill - Vehicular Management	24	24	7	17
Castle Campbell - Shop Roof	30	30	2	28
St Vigeans Representation/Interpretation	159	159	177	(18)
Stirling Castle Visitor Reception Project	20	20	-	20
Caerlaverock Castle New Car/Coach Park)	10	-	-	-
Dumbarton & Caerlaverock Toilets	14	14	12	2
Mavisbank				-
Access for All (DDA)	104	104	76	28
Health & Safety	21	16	-	16
Information Technology (Retail & Admissions)	-	-	-	-
Information Technology (HERMAN)	20	20	-	20
First Impressions				-
Site Presentation - Staffed Sites	51	10	5	5
Site Presentation - Free Sites	85	85	17	68
IU Signage Project	82	82	45	37
Joint Capital Projects	945	889	666	223
Other PIC Capital Budgets				
Conservation & Maintenance	385	276	256	20
Understanding & Access	91	68	69	(1)
Visitor Services & Business Development	481	201	106	95
PIC HQ	15	-	-	-
Other PIC Capital	972	545	431	114
Overall Totals	4,922	3,297	2,144	1,153
Balance to spend against annual budget.				2,778

Laura Petrie
Director of Finance
23 February 2009