

CONFIDENTIAL TEXT IN RED

**INTERIM FINANCIAL INFORMATION FOR DEFRA  
MANAGEMENT ACCOUNTS  
NOVEMBER 2013  
Report by the Finance Director**

**1.0 INTRODUCTION**

- 1.1 The report provides an explanation of:
- results for the six months to September 2013 and the F6 full year forecast;
  - the cash position and forecast;
  - an update on the negotiations for a revolving credit facility and overdraft.

**2.0 RECOMMENDATION**

- 2.1 The report is for information and Defra are asked to note and comment on this report.
- 2.2 Commercially confidential material removed

**3.0 INCOME AND EXPENDITURE**

- 3.1 The schedule overleaf shows **contribution** by activity area for:
- the actual results for the six months to September 2013,
  - the F6 forecast for the full year to 31<sup>st</sup> March 2014;
- (the F6 forecast is compared with the Plan and also the previous F4 forecast so that changes since the last forecast can be seen).
- 3.2 The full management accounts booklet (Blue Book) is available on request.
- 3.3 A summary of the results is shown overleaf.

- 3.4 The main points to note in the F6 full year forecast are listed below.

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- 3.5 Overall Net Incoming Resources are forecast to be £3.4m better than Plan with a further £2m still held in the contingency for unforeseen adverse events. On the strength of this £2.5m of additional waterway major works expenditure has been approved of which £0.5m is being applied for early mobilisation of off-side vegetation works during the winter period. In the F6 forecast only £2m of this additional expenditure is shown. Additional funding of vegetation expenditure on top of this may be possible and will be considered when the F8 is prepared, if there are no other calls on the funds.
- 3.6 Within Charitable Activities £1m has been transferred from Waterway Maintenance and Repairs to Major Works to fund Priority One projects through the major works delivery method.
- 3.7 Appendix A shows the full income statement including Income by activity area.

#### 4.0 CASH POSITION

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#### 5.0 BORROWING FACILITIES

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**June 14**

# Appendix A – 6 month period to 30<sup>th</sup> Sept 2013 and F6 forecast

Figures in £k

<b>Income</b>								
<b>Generated Funds and Investment Income</b>								
Investment Property	17,480	17,392	88	35,694	35,841	(147)	35,690	4
Boating and Moorings	16,415	15,662	753	32,487	31,763	724	31,955	533
Utilities	11,836	12,350	(514)	23,977	23,900	77	23,936	41
Marinas Subsidiary	3,354	3,677	(323)	6,829	7,302	(473)	6,999	(170)
CRT Share of Joint Ventures	5,473	5,602	(128)	16,532	15,398	1,133	17,077	(546)
Voluntary Income and Fundraising	347	695	(348)	1,088	1,450	(362)	1,323	(235)
<b>Total Generated Funds and Investment Income</b>								
Governance	5	6	(1)	5	12	(7)	12	(7)
National Teams	1,011	1,036	(26)	2,210	1,891	319	2,177	33
<b>Total Income</b>								
Defra Funding	19,500	19,500	-	39,000	39,000	-	39,000	-
<b>Charitable Activities</b>								
Waterway Maintenance and Repair	2,713	2,282	432	5,155	4,375	780	4,775	380
Major Works	116	-	116	316	-	316	304	12
Enterprise (Third Party Funded Projects)	2,525	4,261	(1,736)	9,214	9,090	124	9,042	172
Museums and Attractions	857	938	(82)	1,182	1,266	(84)	1,194	(12)
<b>Total Charitable Activities</b>								
Total Income	59,132	57,490	1,642	118,532	114,255	4,277	114,255	208
<b>Contribution</b>								
<b>Generated Funds and Investment Income</b>								
Investment Property	13,542	13,478	65	28,588	28,591	(3)	28,557	31
Boating and Moorings	12,936	11,644	1,292	24,415	23,813	602	24,082	333
Utilities	10,992	10,992	0	22,202	22,043	159	22,094	109
Marinas Subsidiary	288	634	(346)	888	1,259	(370)	1,036	(148)
CRT Share of Joint Ventures	(120)	(198)	77	1,232	270	961	1,006	226
Voluntary Income and Fundraising	(232)	(474)	243	(349)	(492)	143	(461)	112
Net Interest	1,492	1,551	(59)	2,531	2,667	(136)	2,653	(122)
<b>Total Generated Funds and Investment Income</b>								
Governance	(306)	(334)	29	(644)	(665)	21	(661)	17
National Teams	(14,285)	(15,369)	1,084	(28,447)	(30,453)	2,006	(30,257)	1,810
<b>Total Governance and National Teams</b>								
Pension Deficit Funding	(2,500)	(2,500)	0	(7,000)	(7,000)	-	(7,000)	-
Contingency	-	-	-	(2,000)	(2,000)	-	(2,000)	-
<b>Total Pension Deficit Funding and Contingency</b>								
Defra Funding	19,500	19,500	-	39,000	39,000	-	39,000	-
<b>Total Available Resources</b>								
Charitable Activities	(28,139)	(29,797)	1,659	(59,108)	(60,181)	1,073	(60,173)	1,065
Major Works	(9,339)	(10,190)	850	(21,652)	(18,552)	(3,100)	(18,652)	(3,000)
Enterprise (Third Party Funded Projects)	(833)	(1,032)	198	(1,690)	(1,795)	104	(1,795)	104
Museums and Attractions	(549)	(548)	(1)	(1,599)	(1,505)	(94)	(1,650)	51
<b>Total Charitable Activities</b>								
Total Available Resources	10,605	16,011	5,406	18,641	19,777	1,136	19,777	1,136

## Appendix B

### Investment Capital Cash Flow Plan £m's 31st October 2013

	13/14 YTD (Actuals)	13/14 To go (Latest)	13/14 Total Plan (Amended)	14/15 Total Plan (Amended)	15/16 Total Plan (Amended)
<b>Receipts</b>					
<b>Property disposals</b>					
Completed	8.5	0.4	8.8	-	-
Residential Completions	1.0	-	1.0	-	-
Contracted Unconditional	-	0.3	0.3	9.1	-
Contracted - JV sale option	-	1.6	1.6	1.3	1.8
Contracted Subject to Planning (Conditional)	-	-	-	0.5	-
Not Contracted - Offer received	-	-	-	-	-
Not Contracted	-	7.8	7.8	23.0	27.4
Residential Not Contracted	-	1.6	1.6	-	-
Contingency	-	(5.0)	(5.0)	(6.0)	(5.0)
Delayed disposals from prior year	-	-	-	2.5	2.5
<b>Total receipts</b>	<b>9.5</b>	<b>6.6</b>	<b>16.1</b>	<b>30.3</b>	<b>26.7</b>
<b>Receipts and (Payments) with JVs</b>					
Isis	3.9	(6.7)	(2.7)	(0.5)	3.3
Wood Wharf	8.3	-	8.3	15.5	16.0
BW Marinas Limited	0.6	-	0.6	-	-
City Road Basin	-	(0.0)	(0.0)	(0.0)	(0.0)
BW reinsurance	-	-	-	-	-
H2O Urban	-	-	-	-	-
Small Hydro	-	-	-	-	-
	<b>12.8</b>	<b>(6.7)</b>	<b>6.1</b>	<b>15.0</b>	<b>19.2</b>
<b>Acquisitions / costs</b>					
Property Investments	(12.2)	(21.8)	(34.1)	(20.1)	(25.6)
Boating/Regen Investments	-	(0.2)	(0.2)	(1.9)	(2.0)
Deferred Acquisition payments	-	(0.2)	(0.2)	-	-
Diversification Portfolio	-	-	-	(15.5)	(16.0)
<b>Other items</b>					
Cost of Sales	(0.9)	(1.0)	(1.9)	(2.6)	(0.6)
Capital Gains Tax	-	-	-	-	-
POLP Loan Repayment	-	-	-	-	-
Scotland	(1.8)	(1.8)	(3.7)	(3.7)	(1.8)
Dowry asset repairs	-	(0.7)	(0.7)	-	-
Non-capital CIC items	(0.2)	-	(0.2)	-	-
<b>Total payments</b>	<b>(2.4)</b>	<b>(32.4)</b>	<b>(34.8)</b>	<b>(28.7)</b>	<b>(26.8)</b>
<b>Net Cash Flow</b>	<b>7.1</b>	<b>(25.8)</b>	<b>(18.7)</b>	<b>1.6</b>	<b>(0.0)</b>
Opening cash balances	20.7	27.9	20.7	2.0	3.6
Closing cash balance	<b>27.9</b>	<b>2.0</b>	<b>2.0</b>	<b>3.6</b>	<b>3.6</b>