



ALEXANDRA PARK AND PALACE CHARITABLE TRUST BOARD

27 MARCH 2024

Report Title: 2024/25 Budget

Report of: Richard Paterson, Director of Finance and Resources

Purpose: This report seeks approval of the 2024/25 Budget for Alexandra Park and Palace Charitable Trust.

Local Government (Access to Information) Act 1985 - N/A

1. Recommendations

1.1 To approve the budget position for 2024/25.

2. Alexandra Park and Palace Charitable Trust

2024/25 Budget

- 2.1 At the meeting on 26 February 2024, the Trustees were presented with a draft, outline Budget position of an in-year deficit of £1,012,000, £579,000 worse than is expected in 2023/24.
- 2.2 With this in mind, it was agreed that more work would be done to reduce the deficit and these figures would be represented to Trustees before the budget was approved.
- 2.3 A lot of work has taken place on both the Trust and the APTL budget and listed below are the changes that have been made in order to reduce the deficit.
- Fundraising target increased by £10,000.
 - Car Parking income increased by £100,000 (in line with the recommendation included in the Car Parking Charge paper).
 - Theatre School income included as this had been left out in error.
 - Staffing changes to reflect a rephasing of some posts (£43,000).
 - Utility costs reviewed:
 - Reduced due to the unit cost being forecasted to fall further from 1 October 2024 (£168,000).
 - Costs reallocated between the Trust and APTL to reflect consumption and demand (£233,000) more accurately.

2.4 This reduces the overall deficit by £544,000, to **£468,000** as per the table below.

Table 1: 2024/25 Trust Budget

TRUST	Original 2024/25 Budget	REVISED 2024/25 Budget	Variance
Grants	1,755,000	1,755,000	0
Gift Aid	2,000,000	2,000,000	0
Leases	246,319	246,319	0
AP Licence	300,000	300,000	0
Other Income	142,715	152,715	10,000
Turnover	4,444,034	4,454,034	10,000
Carparking and Donations	369,500	496,501	127,001
Cost of Events (Learning / Fundraising)	(16,350)	(76,000)	(59,650)
Interest Receivable		0	0
Salaries & Wages (admin)	(1,244,480)	(1,142,127)	102,353
Other Admin Expenses	(3,818,118)	(3,855,053)	(36,935)
Energy Costs	(746,500)	(345,400)	401,100
Total Overheads	(5,825,448)	(5,418,580)	406,868
Surplus / (Deficit)	(1,011,913)	(468,044)	543,869

3. Risks

3.1 The above doesn't come without risks:

- Car parking income doesn't hit the increased income target and the price increase encourages more visitors to use public or other means of transport.
- Ongoing inflationary pressures puts additional pressure on the cost base.
- Fundraising targets are not met due to pressures in the wider economy.
- Energy costs do not fall in line with forecasts.

4. **Legal Implications**

- 4.1 The Council's Head of Legal & Governance has been consulted in the preparation of this report and has no comments.

5. **Financial implications**

- 5.1 The Council's Chief Financial Officer has been consulted in the preparation of this report. The continued focus on diversifying income streams and reductions in costs are to be welcomed. Clearly the budget, like most any budget, is built on assumptions and these need to be monitored throughout the financial year.

6. **Appendices**

Appendix 1 – Cashflows

7. **Background Papers**

None

APPENDIX 1

Cashflow for Trust (including energy uplift and pay award)

