

Alexandra Palace & Park Board **On 11th April 2005**

<p>Report Title: 11 MONTHS RESULT TO END OF FEBRUARY +FULL YEAR FORECAST 2005-6</p>
<p>Report of: Keith Holder, General Manager</p>
<p>1. Purpose 1.1 To advise the Board of the 11 months result to the end of February and forecast to the end of the year</p>
<p>2. Recommendations 2.1 That Members are asked to note the income and expenditure for 11 months to end of February 2005 contained in the report and summarised at Appendix I. The 11 + 1 forecast against budget is tabulated at Appendix II.</p>
<p>Report Authorised by: Keith Holder, General Manager.....</p>
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<p>3. Executive Summary 3.1 The 11 months result is tabulated against budget at Appendix I. The 11 + 1 forecast against budget is tabulated at Appendix II.</p>
<p>4. Reasons for any change in policy or for new policy development (if applicable) 4.1 N/A</p>
<p>5. Local Government (Access to Information) Act 1985 5.1 No specific background papers were used in compiling this report.</p>

6. Description

- 6.1 The actual cumulative results for the accounting period to February 2006 (11 months) show an overall saving over budget of £318K (14.4%) before development costs.(**Appendix I**).
- 6.2 The 12 months forecast comprising 11 months' actual results and the final month of the budget as shown in (**Appendix II**). The forecast result –after development costs-is an improvement on the previous forecast presented to the Board in February which comprised 8 months actual results and 4 months budget i.e.(£2,794) compared to (£2,836).

Comparison of actual to budget results for the 11 month period (Appendix1)

- 6.3 Overall net income was £1,166 K compared to a budget of £951K i.e. an increase of £215K (22.6 %). Detailed comments are as follows:
- Concession/ Leases : Actual results are £15K less than budget(15.8%) which as pointed out previously is attributable to over estimating of budgeted income within the budget period.
 - Net Ice Rink income: Comparison of net actual £774K with net budget of £559K shows an increase of £215K which is a gain of 38.5% on budget. Clearly this represents a very positive result.
 - Grants : The saving that arose of £10K is due to unbudgeted restricted grants from the Environment Agency for improvements to the lake..
 - Sundry The £5K saving against budget is mainly attributable to the receipt of insurance monies for the Great Hall lining claim.
- 6.4 Payroll and contracted services for the period show a saving of £20K over budget for the period (1.3%). This saving can be analysed as follows:
- Salaries: This shows a saving of £60K (14.7%) over budget for the period and arises mainly from vacancies within the ice rink and community events. This has been a continuing trend throughout the year. The remaining cost centres are broadly in line with budget and therefore warrant no further comment.
 - Wages/Casuals: A loss of £17K over budget arises for the period (11.6%) when the actual of £164K is compared to the budget of £147K and is entirely confined to the ice rink area. However this must be seen in the light of the savings in the ice rink salaries as pointed out above where the loss arising within wages/casuals for this area has been more than compensated by the saving in salaries.
 - Contracted services: This shows an increase over budget of £23K (2.5%) and arises within the park maintenance contract area. When the annual budget was established the need to apply the necessary escalation clause with Service Team was overlooked thus accounting for the excess .
 - Fixed overheads show an increase over budget of £20K for the period representing 5.5% of the budget £365K.This is mainly attributable to legal and insurance costs with savings arising in the remaining areas..

- Variable overheads show a favourable variance of £103K which represents 7.9% of the £1,312K budgeted figure for the period.
- Development costs show an increase over the 11 month period reflecting an excess over budget of £212K(46.3%). However it must be emphasised that this arises as the result of the arbitrary split of the budget development costs over a two year period and the actual incidence and phasing of expenditure within the financial year.

7. Consultation

7.1 N/A

8. Summary and Conclusions

8.1 The 11 months result is tabulated against budget at Appendix I. The 11 + 1 forecast is tabulated against budget at appendix II.

9. Recommendations

9.1 Members are asked to note the income and expenditure for the 11 months to the end of February 2006 contained in the report and summarised at Appendix I. The 11 + 1 forecast against budget is tabulated at Appendix II.

10. Legal and Financial Implications

10.1.1 The Trust's Solicitor and Director of Finance have been sent a copy of this report, . The Director of Finance has responded that the projected £318k positive variance against the deficit budget before development costs is noted.

11. Equalities Implications

11.1 There are no perceived equalities implications in this report.

12. Use of Appendices/Tables/Photographs

12.1 Appendix I – Summary of the budget versus actual for 11 months to February 2006.

12.2 Appendix II – Summary of the budget versus 11 + 1 forecast for 2005/06.