

Report Title: **2 MONTHS RESULTS TO THE END OF MAY 2008 AND FULL YEAR FORECAST 2008/9.**

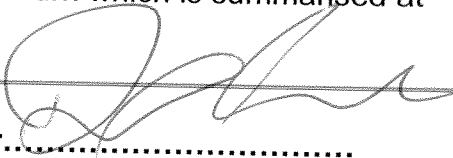
Report of: **David Loudfoot, General Manager, Alexandra Palace & Park**

**1. Purpose**

- 1.1 To advise the Board of the 2 months result to the end of May 2008.
- 1.2 To advise the Board of the projected full year out-turn.

**2. Recommendations**

- 2.1 The Board are asked to note the income and expenditure for 2 months to end of May 2008 which are summarised at Appendix I.
- 2.2 The Board are asked to note the projected year end out-turn which is summarised at Appendix II.

Report Authorised by: **David Loudfoot, General Manager**.....

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**3. Executive Summary**

- 3.1 The 2 months result is tabulated against budget at Appendix I.
- 3.2 The full year forecast is tabulated at Appendix II.

**4. Reasons for any change in policy or for new policy development (if applicable)**

4.1 N/A

**5. Local Government (Access to Information) Act 1985**

- 5.1 No specific background papers were used in compiling this report.

## 6. Description

- 6.1 The Board at its meeting on 26th February 2008 agreed to set its net budget estimate for 2007/08 at £1,681,826. This estimate reflected the activity of the charity (post the transfer of the ice rink into APTL) and mainly comprised the maintenance of the Palace building, the through road, the other buildings within the park and contracts for provision of building security, planned preventative Maintenance services, legal and professional fees associated with the management of the Charity and the costs of the maintenance of the Park.
- 6.2 The Local Authority has agreed providing the necessary support to the charity and has made provision for the sum of £1.7 million for the current financial year.
- 6.3 The tabulation at Appendix II summarises the projected end of year out-turn which is forecast to be a deficit of £1.686 million.
- 6.4 Expenditure at the 2 months point is broadly in line with budget with minor variances in income and compensatory savings between the various expenditure heads. Total deficit is £ 463K against a budget of £459 K a current overspend of £4K or 1%
- 6.5 Prime costs (consisting of payroll, and contracted maintenance contracts) of £246 K have been incurred against a budget provision of £219 K a variance of 26K which equates to an 11% overspend.
- 6.6 The new parks maintenance contractor has been appointed and represents a minor saving against the original budget estimate; however it should be noted that the payment schedule will be biased towards the summer months when more work is undertaken.
- 6.7 Fixed overheads comprising items such as NNDR, Insurances and costs associated with Governance are £64K against a budget provision of £66K, a variance of 3% underspent
- 6.8 Variable overheads amounting to repairs and maintenance of the buildings and equipment, professional fees etc amounts to £178k at the two month point against a budget provision of £200K which equates to an 11% underspend.
- 6.9 APTL has requested several small capital purchases of computers and improved networking capability for the sales team.
- 6.10 A new programme of the refreshing of paintwork and decoration has been planned and this has already been implemented in several areas including the great hall, marble staircase and roman bar, these costs will flow through future management accounts but it should be noted that they have all been provided for out of existing budgets.

- 6.11 The programme of works will be further implemented throughout the year depending upon budget availability with the aim of ensuring that subject to the predicted deed of covenant from the trading company being in line with original expectations, the charity should not exceed the overall budget as set on 26<sup>th</sup> February 2008.
- 6.12 The budget allows for some additional costs in respect of further work progressing the development ,however, there is sufficient uncertainty over this process to require close review in the future to ensure the overall budget position is not affected.

## **7. Consultation**

- 7.1 N/A

## **8. Summary and Conclusions**

- 8.1 The 2 months result is tabulated against budget at Appendix I.
- 8.2 The full year projection is tabulated at Appendix II.

## **9. Recommendations**

- 9.1 The Board are asked to note the income and expenditure for the 2 months to the end of May 2008 contained in the report and summarised at Appendix I.
- 9.2 The Board are asked to note the projected out-turn summarised in Appendix II.

## **10. Legal and Financial Comments**

- 10.1 The LBH Chief Financial Officer has been provided with a copy of this report and his comments have been sent on a separate sheet alongside this report. The Trust's Solicitor has been sent a copy of this report.

## **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 2 months to May 2008.
- 12.2 Appendix II- Full year forecast 2008/9.

**ALEXANDRA PALACE  
BUDGET VERSUS ACTUAL  
2008-09  
£000's**

	Cumulative BUDGET MONTH 2	Cumulative ACTUAL MONTH 2	VARIANCE
Concessions/Leases	21	22	1
Community events	5	3	(2)
Sundry	1	0	(1)
<b>TOTAL INCOME</b>	<b>27</b>	<b>25</b>	<b>(2)</b>
<b>NET INCOME</b>	<b>27</b>	<b>25</b>	<b>-2</b>
Salaries	(44)	(56)	(11)
Wages/Casuals	0		0
Contracted services	(175)	(190)	(15)
<b>PAYROLL &amp; CONTRACTED SERVICES</b>	<b>(219)</b>	<b>(246)</b>	<b>(26)</b>
<b>COSTS BEFORE OVERHEADS</b>	<b>(193)</b>	<b>(221)</b>	<b>(28)</b>
Fixed Overheads	(66)	(64)	3
Variable Overheads	(200)	(178)	22
<b>total</b>	<b>(459)</b>	<b>(463)</b>	<b>(4)</b>
<b>TOTAL TRUST OPERATION</b>	<b>(459)</b>	<b>(463)</b>	<b>(4)</b>

**ALEXANDRA PALACE  
BUDGET VERSUS ACTUAL  
2008-09  
£000's**

	Cumulative BUDGET MONTH 12	Cumulative PROJECTED MONTH 12	VARIANCE
Concessions/Leases	252		(252)
Community events	53		(53)
Sundry	12		(12)
<b>TOTAL INCOME</b>	<b>317</b>	<b>0</b>	<b>(317)</b>
Salaries	(261)		261
Wages/casuals			0
Contracted services	(1,048)		1,048
<b>PAYROLL &amp; CONTRACTED SERVICES</b>	<b>(1,309)</b>	<b>0</b>	<b>1,309</b>
<b>COSTS BEFORE OVERHEADS</b>	<b>(993)</b>	<b>0</b>	<b>993</b>
Fixed Overheads	(397)		398
Variable Overheads	(1,292)		1,292
<b>Total</b>	<b>(2,682)</b>	<b>0</b>	<b>2,682</b>
APTL budgeted covenant	1,000	1,000	0
<b>TOTAL TRUST OPERATION</b>	<b>(1,682)</b>	<b>1,000</b>	<b>2,682</b>

**Comments of the London Borough of Haringey Chief Financial Officer:**

**Gerald Almeroth LBH CFO has been supplied a copy of this report and provided the following comment:**

**“The Chief Financial Officer notes the projected financial position that shows the trust to be within budget at the end of the year”**