



London Borough of Hammersmith & Fulham

WORMWOOD SCRUBS CHARITABLE TRUST COMMITTEE 11 December 2013

WORMWOOD SCRUBS CHARITABLE TRUST FINANCIAL FORECAST 2013/14

Report of the Director for Finance and Resources, ELRS

Open Report

Classification: For Information

Key Decision: No

Wards Affected:

College Park and Old Oak

Accountable Executive Director: Lyn Carpenter, Executive Director for ELRS

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1. EXECUTIVE SUMMARY

- 1.1. This report sets out the financial forecast for Wormwood Scrubs Charitable Trust for the financial year 2013/14.

2. FINANCIAL FORECAST 2013/14

- 2.1. The financial performance of Wormwood Scrubs Charitable Trust ("the Trust") for 2012/13 and the forecast for 2013/14 as at the end of October 2013 is summarised overleaf and detailed in Appendix A.

Activity	Outturn 2012/13	YTD 2013/14	Forecast 2013/14	Movement between years	Last Reported (August)
Pay and Display Parking Meters	313,378	156,706	305,334	-3%	326,804
Hammersmith Hospital Car Park Licence	226,000	113,000	226,000	0%	226,000
Other income from activities for generating funds	6,823	1,768	6,717	-2%	6,717
Total Incoming Resources from Generated Funds	546,201	271,474	538,051	-1%	559,521
Grounds Maintenance	667,200	667,743	667,743	0%	667,743
Contribution to Linford Christie Stadium	31,812	0	31,517	-1%	31,517
Other Expenditure	18,841	300	18,841	0%	18,841
Total Resources Expended	717,854	668,043	718,101	0%	718,101
Net Incoming Resources	(171,652)	(396,569)	(180,050)	5%	(158,580)

- 2.2. In 2012/13 expenditure exceeded income, resulting in a drawdown from the Trust's cash balances of £171,652.
- 2.3. The opening cash balance for 2013/14 is £411,403 and the forecast at the end of October anticipates a drawdown of £180,050 (44% of the current cash balance). This would give a cash balance of £231,353 to carry forward to 2014/15.
- 2.4. This is a £21,470 adverse movement from the last reported position (as at the end of August), which is wholly due to a decrease in forecast pay and display income from the car park. Year to date income is now broadly in line with the same period last year (£497/0.32% less), when in the previous report receipts had been running slightly higher than last year. This gives rise to an adverse movement of £21,470 since the last reported position.
- 2.5. There has been a general reduction in parking activity in the borough in recent months. Parking income is always difficult to forecast due to the numerous factors which affect the demand for parking spaces. Pay and display income has been volatile in recent years and has varied between £402,414 in 2008/09 and £313,378 in 2012/13. Given that pay and display income is the anchor income for the Trust, this will be closely monitored and reported.
- 2.6. The Trust contributes to the up-keep of the Linford Christie athletic stadium located on the Trust grounds, in furtherance of the objectives of the Trust to support recreation. Whilst the Charity contributes to the running costs of the stadium, the Council does not seek to generate a profit from this arrangement and only draws down from the Trust any year end budget variance on the Linford Christie account. For 2013/14 a commitment has been made to the committee that everything will be done to ensure the contribution will not exceed £32,000 (the contribution reported to the last committee). This may require some expenditure on non-essential stadium items to be scaled back this year.

3. TARGETED ACTION TO ADDRESS THE SHORTFALL

- 3.1. Given the significant forecast draw down from the Trusts cash balances this year and the resulting reduced cash balance to carry forward to next year, Council officers are focussing on actions to reduce the net operating cost of the Trust in the short, medium and long term.
- 3.2. Actions to reduce the net expenditure of the Trust are detailed in the Management report also going to the Committee in December 2013.

Appendix A

As at Period 7			
Wormwood Scrubs Charitable Trust			
Statement of Financial Activities for Year ended 31 March 2014			
Income and Expenditure	2013/14 YTD	2013/14 PROJECTI ON	2012/13
		£	£
Incoming Resources from Generated Funds			
Pay and Display Parking Meters	156,706	305,334	313,378
Hammersmith Hospital Car Park Licence	113,000	226,000	226,000
Other income from activities for generating funds	1,768	4,703	4,703
Interest Receivable	0	2,014	2,120
Total Incoming Resources from Generated Funds	271,474	538,051	546,201
Resources Expended			
Costs of generating Parking Income	0	0	0
Contribution to Linford Christie Stadium	0	31,517	31,812
Non Routine Maintenance of Wormwood Scrubs	0	900	900
Routine Grounds Maintenance of Wormwood Scrubs	667,743	667,743	667,200
Charitable activities	0	0	0
Audit Fees	300	12,000	12,000
Legal Fees	0	22	22
Administration (Finance & Governance)	0	5,919	5,919
Governance costs	300	17,941	17,941
Other resources expended	0	0	0
Total Resources Expended	668,043	718,101	717,854
Net Outgoing Resources	(396,569)	(180,050)	(171,652)
Reconciliation of Funds			
Total funds brought forward		5,399,404	5,571,056
Total funds carried forward		5,219,354	5,399,404
WSCT Cash balance at end of 2012/13		411,403	
Anticipated 2012/13 drawdown		(180,050)	
Cash balance to be carried forward to 2014/15		231,353	