



Report to: Joint Museums Committee, 6th October 2022

Report of: Head of Finance

Subject: Q1 Finance Report 2022/23

1. Recommendation

1.1 **That the Joint Committee reviews the financial monitoring details including budget variances for the 1st quarter ended 30th June 2022.**

2. Background

2.1 This report provides information on the following at Q1:

- Forecast Year end position as at Q1 30th June 2022
- Explanation of main variances
- Reserves

3. Information

3.1 Q1 Revenue Budget Performance

The forecast year-end position at Q1 is £36,992 surplus.

3.2 Table 1: 2022/23 Projected Year End Outturn as at 30th June 2022

Worcester City Hosting	2022/23 Budget	Year End 2022/23	Variance	Variance %
Museum and Art Gallery	230,685	221,819	-8,866	-4%
Commandery	108,770	114,982	6,212	6%
Joint Museums Collections Team	90,616	94,186	3,570	4%
Joint Museums Management Team	285,900	247,992	-37,908	-13%
Projects	-	-	-	-
Total (Surplus)	715,971	678,979	-36,992	-5%
Transfer to/from reserves	-	-	-	
Worcester City contribution	(497,578)	(497,578)	-	
Worcester County contribution	(218,393)	(218,393)	-	
Funding	(715,971)	(715,971)	-	

3.3 Table 2: Subjective Analysis 2022/2023

Worcester City Hosting	2022/23 Budget	Year End 2022/23	Variance	Variance %
Employees	788,565	751,566	-36,999	-5%
Premises	980	1,010	30	3%
Transport	2,132	2,132	-	-
Supplies & services	115,650	115,871	221	-
Third Party Payment	-	-	-	-
Fees & Charges	-82,600	-82,723	-123	-
Other Income	-62,576	-62,697	-121	-
Grants & Contributions	-762,151	-762,151	-	-
Total (Surplus)	-	-36,992	-36,992	

3.4 Table 3: 2022/23 Projected Outturn as at 30th June 2022

County Hosting	2022/23 Budget	Projected 2022/23	Variance	Variance %
Hartlebury Operations	238,421	227,871	-10,550	-4.42%

3.5 Table 4: Subjective Analysis 22/23

County Hosting	2022/23 Budget	Year End 2022/23	Variance	Variance %
Employees	260,490	247,475	-13,015	-5%
Premises	2,550	2,550	0	0
Transport	4,826	4,826	0	0
Supplies & services	36,061	38,526	2,465	6.84%
Income	-65,506	-65,506	0	0
Total (Surplus)	238,421	227,871	-10,550	-4.42%

Hartlebury Operations is hosted by the County Council.

3.6 Explanation of major variances

The main variance is in employee costs, reflecting delays in recruiting to a small number of posts and a maternity leave that is not fully backfilled. These delays were planned in, in order to give some flexibility in responding to the 22-23 pay award which is anticipated to be significantly higher than the inflation in contribution agreed in the service's budget set in November 2021. It is expected that this position will be better understood by the November meeting, with a separate report to the committee to propose any ongoing structural changes required.

3.7 Surplus/deficit split

Under the terms of the agreement, any variance to budget within 5%, will be transferred to the Joint Museum general reserve. The value of the reserve at the end of 2022/23 was **£142,423**.

There have been no transfers made from the general reserve in Q1.

3.8 Restricted Reserves

These funds are restricted to be used on specific projects and museum work: -

Project reserve **£122,316**

Project	Balance b/fwd 22/23
Commandery Arts project	16,773
Membership Scheme	2,432
Porcelain Commissions	23,796
What's on project	1,820
No One Left behind project	14,444
Culture Recovery	100
Volunteers at Home	453
Esme Fairbairn	29,011
Project	Balance b/fwd 22/23
Museums on the Move	6,562
Commandery Development	14,830
Culture Recovery 3	442
John Ellerman	5,214
Japanese Masters	6,439
Total	122,316

Ward(s): All
Contact Officer: Mark Baldwin – Tel 01905 722007
Email – mark.baldwin@worcester.gov.uk
Background Papers: None