Chris Walker
Interim Chief Executive
Royal Armouries Museum
Armouries Drive
Leeds
LS10 1LT

04 April 2013

<u>By Email</u>

Dear Chris

REVISED FUNDING 2013-2015

I am writing to inform you of a change to the Royal Armouries' allocations for the financial years 2012-13 to 2014-15. This letter replaces any previous notifications.

Following the Budget announcement on 20th March 2013 a budget cut of 1.09% and 1.06% has been applied to your resource (near cash) baselines for 2013-14 and 2014-15 respectively. Ministers are clear that spending on frontline services should continue to be prioritised, and that you should actively identify and implement the most cost-effective ways of delivering public services. We have corresponded previously on the need to set and maintain contingency plans to help you cope with budgetary reductions within and between Spending Review periods.

The amended control totals against which net expenditure will be monitored and the grant in aid that the Department will pay are as set out in the table below. The control totals are shown in the shaded columns and incorporate any other changes that have previously been agreed with you.

£m	Resource Budget			Capital Budget			
	Programme (near-cash)	Programme depreciation	Total Resource (DEL) Budget (A+B)	Core capital	Reserves	Total Capital (DEL) Budget (D+E)	Grant in Aid (A+D)
Year	A	B	C	D	E	G	H
2012-13	7.501	1.975	9.476	1.272	0.000	1.272	8.773
2013-14	7.235	2.000	9.235	0.285	0.000	0.285	7.520
2014-15	7.141	2.054	9.195	0.297	0.000	0.297	7.438

Guidance on the budgeting rules within which you are expected to operate has previously

been circulated and can be found in the Treasury's Consolidated Budgeting Guidance.

If you have any questions about the content of this letter, or would like to discuss your contingency plans, then please get in touch with your usual relationship manager in the finance team.

Yours sincerely,

SAMANTHA FOLEY
Finance and Commercial Director

cc: Wesley Paul
        Malcolm Duncan