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> dcms department for culture, media

> > and sport

Beth McKillop Acting Director Victoria and Albert Museum South Kensington London SW7 2RL

5 August 2011

<u>By Email</u>

Dear Beth

## **REVISED FUNDING 2011-12**

I am writing to inform you of a change to the Victoria and Albert Museum's allocation for 2011-12. This letter replaces any previous notifications relating to 2011/12.

The Secretary of State has agreed to provide the V&A with a budget of £1.9m to use its reserves for capital expenditure in 2011/12. The approach taken has been to allocate 95% of the budget that organisations requested, enabling the Department to remain within the budget set for it by the Treasury and substantially grant the access to reserves requested by its Arm's Length Bodies. Please advise me promptly if, at any point in the year, you find that your organisation will not need to access this much of its reserves. Arrangements for access to reserves in future years will be confirmed separately.

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.



£m

Resource Budget		Total	Capital Budget			Total	Total grant
Resource (near- cash)	Ring fenced depreciation	Resource (DEL) Budget	Core capital	Projects	Reserves cover	Capital (DEL) Budget	in aid (A+D+E)
		(A+B)				(D+E+F)	
А	В	С	D	Е	F	G	н
39.637	8.993	48.630	1.718	0.000	1.900	3.618	41.355

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 then you can discuss them with either your normal Finance Team contact or with me.

Yours sincerely,

SAMANTHA FOLEY Head of Finance

cc: Sian Williams, Director of Finance