

CBF BUDGETS & FORECASTS - STATEMENT OF FINANCIAL ACTIVITIES (SOFA)	2023/24 full year	2024/25 full year			2025/26	2026/27	2027/28	2028/29	2025/26
		original budget	latest approved budget	forecast	Budget	Forecast	Forecast	Forecast	budget vs 2024/25 forecast variance
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Charitable activities - Tower Bridge	10.5	9.7	9.7	10.3	11.1	11.3	11.7	12.1	0.8
Investment income:									
- Property investments	24.1	25.0	25.0	24.1	26.3	30.0	30.5	30.7	2.2
- Financial investments	3.6	3.1	3.1	4.5	4.2	4.3	4.3	3.0	(0.3)
- Interest receivable	-	0.7	0.7	-	0.4	0.4	0.4	0.4	0.4
- Social Investment income	-	0.3	0.3	0.1	0.0	0.0	0.0	0.0	(0.1)
Total Investment income	28.8	29.0	29.0	28.6	30.9	34.7	35.2	34.1	2.2
Other income	0.7	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.0
<b>Total income</b>	<b>40.0</b>	<b>39.0</b>	<b>39.0</b>	<b>39.2</b>	<b>42.3</b>	<b>46.3</b>	<b>47.2</b>	<b>46.5</b>	<b>3.0</b>
Raising funds:									
- Property Investments	(9.9)	(11.5)	(11.5)	(10.6)	(9.5)	(9.6)	(9.6)	(9.7)	1.1
- Financial Investments	(5.2)	(5.2)	(5.2)	(5.5)	(5.3)	(5.4)	(5.5)	(5.5)	0.2
<b>Total expenditure on raising funds</b>	<b>(15.0)</b>	<b>(16.7)</b>	<b>(16.7)</b>	<b>(16.1)</b>	<b>(14.8)</b>	<b>(15.0)</b>	<b>(15.2)</b>	<b>(15.2)</b>	<b>1.3</b>
Charitable activities:									
- Repair & maintenance of bridges	(12.5)	(20.6)	(20.6)	(12.2)	(36.8)	(33.9)	(30.0)	(30.0)	(24.6)
- Tower Bridge tourism	(8.1)	(7.3)	(7.6)	(7.8)	(8.3)	(8.3)	(8.5)	(8.7)	(0.5)
- Grants to voluntary organisations	(78.6)	(80.6)	(80.6)	(92.9)	(42.2)	(28.0)	(26.3)	(26.3)	50.7
- Grant & social investment costs	(4.5)	(4.0)	(4.2)	(4.0)	(4.6)	(3.9)	(3.6)	(3.3)	(0.6)
Total expenditure on charitable activities	(103.6)	(112.5)	(113.0)	(116.9)	(91.9)	(74.0)	(68.4)	(68.3)	25.0
Other expenditure - pension costs	(0.1)	(3.0)	(3.0)	(3.0)	(3.0)	(3.1)	(3.1)	(3.2)	-
Other expenditure - enabling services	-	(7.3)	(8.0)	(6.3)	(5.9)	(5.8)	(5.8)	(5.8)	0.4
Other expenditure - uncommitted contingency	-	(4.0)	(3.1)	(3.1)	(4.3)	(4.3)	(4.3)	(4.3)	(1.2)
<b>Total expenditure</b>	<b>(118.8)</b>	<b>(143.5)</b>	<b>(143.7)</b>	<b>(145.4)</b>	<b>(119.9)</b>	<b>(102.1)</b>	<b>(96.6)</b>	<b>(96.8)</b>	<b>25.5</b>
<b>Net income/(expenditure)</b>	<b>(78.8)</b>	<b>(104.5)</b>	<b>(104.7)</b>	<b>(106.2)</b>	<b>(77.6)</b>	<b>(55.9)</b>	<b>(49.5)</b>	<b>(50.3)</b>	<b>28.6</b>
Gains/(losses) on property investments	(73.8)	1.6	1.6	(46.4)	-	-	-	-	46.4
Gains/(losses) on financial investments	68.0	50.4	50.4	50.4	54.4	49.4	47.5	53.5	4.0
Gains/(losses) on pension scheme	2.9	-	-	-	0.5	0.5	0.5	0.5	0.5
Social Investments	-	-	-	(0.2)	-	-	-	-	0.2
Net movement in funds	(81.7)	(52.5)	(52.7)	(102.4)	(22.7)	(5.9)	(1.5)	3.6	79.7
Funds brought forward at 01 April	1,613.4	1,531.7	1,531.7	1,531.7	1,429.4	1,406.7	1,400.8	1,399.3	(102.4)
Total funds carried forward	<b>1,531.7</b>	<b>1,479.3</b>	<b>1,479.0</b>	<b>1,429.4</b>	<b>1,406.7</b>	<b>1,400.8</b>	<b>1,399.3</b>	<b>1,403.0</b>	<b>(22.7)</b>
<b>Funds of the charity:</b>									
Endowment funds	904.3	927.3	927.3	879.5	896.2	916.6	937.5	958.5	
Restricted funds	-	-	-	-	-	-	-	-	
Designated funds:									
- Bridges repairs	52.8	41.7	60.0	60.6	160.7	150.0	150.0	150.0	
- Bridges replacement	-	-	-	-	-	-	-	-	
- Grant-making	130.1	65.9	73.3	48.4	28.9	29.3	29.0	29.0	
- Social investment fund	22.1	22.1	22.3	22.3	22.3	21.0	15.0	15.0	
- Climate action	15.0	14.0	15.0	13.6	11.2	10.5	7.5	7.5	
- Property dilapidations/service charges	0.7	0.7	0.4	0.6	0.6	0.7	0.7	0.7	
Total designated funds	220.7	144.3	171.0	145.5	223.6	211.5	202.2	202.2	
General funds	408.2	417.0	390.1	408.5	293.3	281.8	271.4	256.6	
Pension reserve	(1.5)	(9.3)	(9.3)	(4.1)	(6.6)	(9.2)	(11.8)	(14.4)	
Total general funds	406.7	407.6	380.7	404.4	286.7	272.5	259.6	242.2	
<b>Total charity funds</b>	<b>1,531.7</b>	<b>1,479.3</b>	<b>1,479.0</b>	<b>1,429.4</b>	<b>1,406.7</b>	<b>1,400.8</b>	<b>1,399.3</b>	<b>1,403.0</b>	

CBF: By Team 25/26 Budget and Forecasts		2023/24 Full year £'000	2024/25		2024/25 Forecast £'000	2025/26 Budget £'000	2026/27 Forecast £'000	2027/28 Forecast £'000	2028/29 Forecast £'000
			2024/25 Original Budget £'000	2024/25 Latest Approved Budget £'000					
Tower Bridge tourism Income	[1]	10,509	9,708	9,708	10,308	11,071	11,292	11,673	12,069
Tower Bridge tourism Expenditure	[2]	(6,917)	(7,257)	(7,558)	(7,751)	(8,283)	(8,271)	(8,486)	(8,708)
		<b>3,591</b>	<b>2,451</b>	<b>2,150</b>	<b>2,557</b>	<b>2,788</b>	<b>3,021</b>	<b>3,187</b>	<b>3,360</b>
Property investments Income	[3]	24,062	24,971	24,971	24,120	26,272	29,956	30,478	30,694
Property investments Expenditure	[4]	(8,466)	(11,508)	(11,510)	(10,642)	(9,526)	(9,573)	(9,620)	(9,668)
		<b>15,596</b>	<b>13,463</b>	<b>13,461</b>	<b>13,478</b>	<b>16,746</b>	<b>20,384</b>	<b>20,858</b>	<b>21,025</b>
Financial investments Income	[5]	4,494	3,768	3,768	4,230	4,400	4,488	4,577	3,274
Financial investments Expenditure	[6]	(5,163)	(5,210)	(5,165)	(5,484)	(5,319)	(5,426)	(5,534)	(5,481)
		<b>(670)</b>	<b>(1,442)</b>	<b>(1,396)</b>	<b>(1,254)</b>	<b>(920)</b>	<b>(938)</b>	<b>(957)</b>	<b>(2,207)</b>
Social Investments Income	[7]	257	280	280	279	236	215	171	155
Social Investments Expenditure	[8]	-	(67)	(67)	(26)	(34)	(33)	(33)	(34)
		<b>257</b>	<b>213</b>	<b>213</b>	<b>252</b>	<b>202</b>	<b>183</b>	<b>137</b>	<b>121</b>
Philanthropy & Corporate Volunteering Income	[9]	702	270	270	270	271	331	338	344
Philanthropy & Corporate Volunteering Expenditure	[10]	(463)	(527)	(527)	(511)	(331)	(349)	(356)	(363)
		<b>239</b>	<b>(257)</b>	<b>(257)</b>	<b>(241)</b>	<b>(60)</b>	<b>(18)</b>	<b>(18)</b>	<b>(18)</b>
Tower Bridge operational Expenditure	[11]	(4,323)	(5,657)	(5,667)	(4,001)	(5,346)	(4,712)	(4,805)	(4,901)
Bridges	[12]	(7,584)	(14,970)	(14,970)	(8,224)	(31,494)	(29,167)	(25,195)	(25,099)
Funding Expenditure	[13]	(81,766)	(84,572)	(84,718)	(96,911)	(46,726)	(31,825)	(29,864)	(29,548)
Managing Director/COO	[14]	(1,875)	(2,055)	(2,444)	(2,093)	(2,657)	(2,446)	(2,493)	(2,542)
CBF & Charities Finance Team	[15]	(1,125)	(765)	(961)	(959)	(862)	(878)	(900)	(923)
Communications	[16]	(761)	(794)	(895)	(779)	(942)	(963)	(993)	(942)
CBF central recharges *	[17]	(245)	(1,614)	(1,614)	(1,616)	(999)	(1,019)	(1,039)	(1,060)
Uncommitted Contingency	[18]	-	(3,963)	(3,089)	(3,089)	(4,256)	(4,256)	(4,256)	(4,256)
Climate Action Strategy	[19]	(201)	(1,534)	(1,534)	(316)	(110)	(165)	-	-
Net pension scheme costs	[20]	(42)	(3,000)	(3,000)	(3,000)	(3,000)	(3,060)	(3,121)	(3,184)
<b>Income</b>		<b>40,023</b>	<b>38,997</b>	<b>38,997</b>	<b>39,207</b>	<b>42,250</b>	<b>46,282</b>	<b>47,237</b>	<b>46,536</b>
<b>Expenditure</b>		<b>(118,932)</b>	<b>(143,493)</b>	<b>(143,719)</b>	<b>(145,402)</b>	<b>(119,885)</b>	<b>(102,142)</b>	<b>(96,697)</b>	<b>(96,708)</b>
Net gains/(losses) on property investments		(73,799)	1,600	1,600	(46,397)	-	-	-	-
Net gains/(losses) on financial investments		67,824	50,400	50,400	50,400	54,440	49,430	47,480	53,485
Net gains/(losses) on pension scheme assets		91	-	-	-	500	510	520	531
Net gain/(loss) on social investments		-	-	-	(161)	-	-	-	-
<b>Total gains/(losses)</b>		<b>(5,883)</b>	<b>52,000</b>	<b>52,000</b>	<b>3,842</b>	<b>54,940</b>	<b>49,940</b>	<b>48,000</b>	<b>54,015</b>
Net Movements in Funds		(84,793)	(52,496)	(52,722)	(102,354)	(22,695)	(5,920)	(1,460)	3,843

## By Team Variance Commentary

- [1] Tower Bridge tourism income in 2025/26 reflects the new pricing strategy and is based on average visitor numbers from the prior 12 months, with a 50% yield. The potential impact of TBIM on visitor numbers is not currently reflected in the future year forecast income.
- [2] The increase in the Tower Bridge expenditure budget is mainly due to utilities cost increases (the contract is subject to negotiation but the budget reflects the current estimate) and cleaning budgets not included in 2024/25, together with the Tower Bridge website upgrade. TBIM costs not yet approved are reflected within the Contingency budget below.
- [3] Property Investment Income is expected to increase by £1.3m in 2025/26 reflecting higher expected rents following the letting of vacant space at 120 Cannon Street and end of the rent free period in the lease for 84 Moorgate 2025/26. This is partly offset by a decrease in the rental estimate for 36/38 New Bridge St where additional space will become vacant.
- [4] The budgeted decrease in Property expenditure of £2m reflects lower business rates expenditure of £1.4m due to the letting of vacant space at 120 Cannon St and 30 New Bridge St, partly offset by vacancies at 35/38 New Bridge St & 24-25 New Bond St.
- [5] Financial Investment Income yields are expected to decline in 2025/26 following the decline in investment balances due to drawdowns needed to support cashflow requirements for the charity. Future income estimates reflect fund manager projections.
- [6] Within financial investments costs, fund management charges are based on net average value over the past 3 years, meaning a delay in the decline in management costs. Internal recharges reflect higher staffing costs.
- [7] Social investment income reflects the changes in classification of certain assets to Impact Investments. Future investments not yet approved have not been reflected in the budget, although we should expect social investments to increase.
- [8] Lower social investment expenditure reflects legal fees moving to the COO budget and a decrease in professional fees. Social investment costs allocation and reporting will be revisited within 2025/26 as certain costs are currently reflected in the grants administration line.
- [9] Philanthropy recharge income reflects new arrangements for Charities and Natural Environment support.
- [10] Philanthropy budgeted costs are budgeted to reduce following staffing changes within Philanthropy, and the likely movement of climate / responsible business activity out of this cost centre (currently these costs have been moved to Contingency).
- [11] The Tower Bridge operational expenditure budget for 2025/26 reflects spend on operational properties (BMH, Engine Rooms & HJH), mainly for services provided by City Surveyors. The main areas of spend expected in 2025/26 are the yard roof replacement, fire sprinklers, and safety and access works to the Engine Rooms Accumulator Tower.
- [12] The increase in the Bridges maintenance budget request is due to deferred activity on major projects including repainting of both Blackfriars and Millennium Bridges and operating systems upgrade, fire suppression and mud tanks projects at Tower Bridge, together with estimated HVM costs.
- [13] The variance in the funding expenditure budget is mainly due to the decrease in grants expenditure; most of the £200m uplifts has been committed, £27.2m of the remainder is expected to be spent in 2025/26 and £1.7m in 2026/27, alongside future funding policy allocations expected to be £15m (plus administration cost) in the first partial year 2025/26 and £26.25m thereafter.
- [14] The COO cost centre reflects an increase in budgeted expenditure in HR to deliver the CBF People Plan in 2025/26.
- [15] Finance function costs reflects expanded capacity to better support the needs of the charity including investments analysis.
- [16] The 2025//26 Comms and engagement budget increase includes additional Comms activity associated with the implementation of the Future Funding Policy, including website updates.
- [17] The balance of central recharges not allocated to one of main activities of the charity is budgeted to reduce by £0.6m as CBF provides most of these support services within the charity itself.
- [18] Uncommitted contingency includes a £850k central provision, £1.2m revenue expenditure provision for the Tower Bridge long term strategic plan, and £1m for new posts not yet approved. Certain consultancy budgets have also been moved from enabling service departments to be accessed subject to need, business case approval and financial sustainability considerations.
- [19] Climate Action Strategy revenue expenditure of £0.1m is CBF's allocation for CoL's CAS work.
- [20] Net pension scheme costs are budgeted at £3m for both 2024/25 and 2025/26 with 2% inflation increases for the remainder of the forecast period to 2028/29.

Capital Projects

		2024/25 Latest Approved Budget £'000	2025/26 Budget £'000	2026/27 Forecast £'000	2027/28 Forecast £'000
<b>Investment Property Refurbishment</b>					
4/5 Chiswell Street - £1.1m		-	1,100	-	-
35/38 New Bridge Street - £2m		-	2,000	-	-
24/25 New Bond Street - £0.5m		-	500	-	-
		-	3,600	-	-
<b>Climate Action Strategy (CBF Contribution)</b>					
Capital Projects (Design Standards)		-	17	-	-
Financial Investments		-	-	-	-
Investment Properties		-	1,823	1,710	-
Purchased Goods and Services		-	-	-	-
Resilient Buildings		-	610	408	-
Strategic Implementation Support		-	-	-	-
		-	2,450	2,118	-
<b>Contribution to COLC-wide projects</b>					
LAN Refresh City of London	8%	45	-	-	-
Personal Device Replacement	8%	1	-	-	-
HR, Payroll, Finance ERP (Sapphire)	5%	203	638	421	-
IT Security	8%	1	-	-	-
IT - BMS Wired Network.	8%	5	-	-	-
IT - HR System Portal for ERP.	8%	2	-	-	-
IT Member Device Refresh 2022	8%	16	-	-	-
JNRP (Cap) - CoL Recharge	8%	45	-	-	-
OPN Replacement	15%	92	-	-	-
IT - BMS Wired Network	8%	5	-	-	-
IT - HR System Portal for ERP	8%	2	-	-	-
Guildhall Cooling Plant Repl	8%	173	-	-	-
Guildhall Complex Fire Alarm Replacement	8%	3	-	-	-
Corporate Device Stock Replacement	8%	20	40	-	-
Network Contract - Support and Refresh	3%	128	122	-	-
Audio Visual Equipment	8%	11	-	-	-
Public Switched Telephone Network (PSTN) Replace	5%	25	100	-	-
		777	900	421	-
<b>Tower Bridge in Motion (TBIM) - Capital elements</b>					
Education Centre		-	250	-	-
Changing Places		-	17	-	-
3b Fit Out		-	100	-	-
North Tower Mezzanine Level		-	500	-	-
Ticket Office Refurbishment/Location Change		-	400	-	-
		-	1,267	-	-
<b>Total Capital Spend</b>		<b>777</b>	<b>8,217</b>	<b>2,539</b>	<b>-</b>
<b>Funding</b>					
Permanent Endowment Fund (UTR)		-	3,600	-	-
Unrestricted Income fund		777	2,167	421	-
Designated Fund (Climate)		-	2,450	2,118	-
		777	8,217	2,539	-

[1] Where in-year Tourism surplus is generated, it will fund TBIM capital and revenue project spend with the balance from reserves. TBIM capital spend is subject to approval of Gateway 2 paper.

[2] Investment Property Spend against the Climate Designated Fund will need a further adjustment in the Endowment.

**Funds Movements**

	<b>2024/25 Forecast Closing Balance £'000</b>	<b>2025/26 Budget Income £'000</b>	<b>2025/26 Budget Expenditure £'000</b>	<b>2025/26 Budget Gains/(Los ses) £'000</b>	<b>2025/26 Budget Transfers £'000</b>	<b>2025/26 Budget Closing Balance £'000</b>
Endowment funds	879,503	26,272	(9,526)	-	-	896,249
Restricted funds	-	-	-	-	-	-
Designated funds:						
- Bridges repairs	60,600	-	(36,840)	-	136,959	160,719
- Grant-making	48,370	-	(45,974)	-	26,516	28,912
- Social investment fund	22,300	-	(34)	-	-	22,266
- Climate action	13,600	-	-	-	(2,450)	11,150
- Property dilapidations/service charges	600	-	-	-	-	600
<b>Total designated funds</b>	<b>145,470</b>	<b>-</b>	<b>(82,848)</b>	<b>-</b>	<b>161,025</b>	<b>223,647</b>
Unrestricted Income	408,521	15,978	(27,511)	54,940	(158,525)	293,403
Pension reserve	(4,100)	-	-	-	(2,500)	(6,600)
<b>Total general funds</b>	<b>404,421</b>	<b>15,978</b>	<b>(27,511)</b>	<b>54,940</b>	<b>(161,025)</b>	<b>286,803</b>
<b>Total charity funds</b>	<b>1,429,394</b>	<b>42,250</b>	<b>(119,885)</b>	<b>54,940</b>	<b>-</b>	<b>1,406,699</b>