

## **INCOME GENERATION ASSUMPTIONS**

### **VY Membership:**

- Original budget to March 2021: £325k
- Revised budget to March 2021: £180k
- 2021-2022 projected budget: £249k
- 2022-2023 projected budget: £249k

Basis for 2020-2021 revisions: A new membership sales process has been instituted with a more proactive approach to new membership together with more rigorous account management (20 new memberships were signed up in October).

Basis for 2021-2022 projections: A 50% loss of VY's attractions, accommodation, and food and drink members at a cost of £60k, balanced in part by 30 new members from the wider region generating £9k.

Basis for 2022-2023 projections: Maintaining this income level is the worst case position that the company would expect.

### **MIY Membership:**

- 2021-2022 projected budget: £50k
- 2022-2023 projected budget: £50k

Basis for 2021-2022 projections: This new revenue stream will target larger, anchor organisations and businesses seeking to be more involved in / contribute more to the future of the city.

Basis for 2022-2023 projections: Maintaining the same level of income is a prudent estimate.

### **VIC:**

- Original budget to March 2021: £833k
- Revised budget to March 2021: £81k
- 2021-2022 projected budget: £417k
- 2022-2023 projected budget: £639k

Basis for 2021-2022 projections: Potentially lower footfall to be balanced by a higher margin. New e-commerce site revenues to

come on stream but ticket and tours and York Pass revenues to reduce by 50%.

Basis for 2022-2023 projections: Maintaining margins and sales levels is prudent. A drop in direct sales from York Pass (in light of online sales) to be offset by increases in other sales.

Website advertising:

- Original budget to March 2021: £57k
- Revised budget to March 2021: £40k
- 2021-2022 projected budget: £77k
- 2022-2023 projected budget: £100k

Basis for 2021-2022: A proactive approach will be taken to sales targeting larger businesses. This forecast is based on current client feedback.

Basis for 2022-2023 projections: More focussed, professional digital marketing expertise has been employed by MIY in order to deliver this target.

York Pass (non-VIC sales):

- Original budget to March 2021: £693K
- Revised budget to March 2021: £161k
- 2021-2022 projected budget: £350k
- 2022-2023 projected budget: £519k

2020-2021: Income currently stands at £79k. The projection assumes average winter sales online and through the VIC

Basis for 2021-2022 projections: Reduced by 50% from the original forecast due to anticipated reduced footfall but balanced by higher market penetration through better promotion and use of affiliate distributors.

Basis for 2022-2023 projections: More proactive sales and better distribution potentially offset by attractions dropping out or ceasing trading.

### Publications:

- Original budget to March 2021: £299k
- Revised budget to March 2021: £100k
- 2021-2022 projected budget: £250K
- 2022-2023 projected budget: £250k

Basis for 2021-2022 projections: This is based on three key publications: Christmas, Mini Guide and Destination Guide - rather than the current five - a better quality product, and introducing a proper sponsorship and advertising strategy offering value to partners across the year. The estimate is also informed by discussions with target clients.

Basis for 2022-2023 projections: It will be prudent to retain the same budget until it is clear that the new print schedule is more commercially appealing.

### Shambles Market:

- Original budget to March 2021: £629k
- Revised budget to March 2021: £321k
- 2021-2022 projected budget: £795k
- 2022-2023 projected budget: £795k

Basis for 2020-2021 projections: Currently at £105k. A current average month is £48k. Taking into account half rents for January and February 2021 a further £288k is forecast. This is reduced by 25% on the basis that the market can trade in a socially distanced fashion at 75% capacity.

Basis for 2021-2022 projections: Includes an assumption that fees are standardised, delivering an additional £141k. Includes £25k new revenue stream from monthly early evening events, ticketed, with costs covered by sponsorship.

Basis for 2022-2023 projections: It will be prudent to forecast maintaining 21-22 levels.

### Other City Centre activity:

- Original budget to March 2021: £160k
- Revised budget to March 2021: £0
- 2021-2022 projected budget: £174k

- 2022-2023 projected budget: £174k

Basis for 2021-2022 projections: Projections based on specific, known events and commercial promotions: £50k commercial promotions (£5k per month excluding November and December because of the Christmas Market). A total of £110k generated from four events (Easter, May half-term, summer, Rugby World Cup) and £14k from two smaller events.

Basis for 2022-2023 projections: as 21-22.

#### Christmas:

- Original budget to March 2021: £875k
- Revised budget to March 2021: £0
- 2021-2022 projected budget: £656k
- 2022-2023 projected budget: £975k

Basis for 2021-2022 projections: shows a 25% reduction on 20/21's budget but includes potential for £50k of sponsorship. It does not include any revenues from additional spaces Minster, St Helen's Square and/or Museum Gardens. A lower gross profit margin has been assumed on sales given lower sales volumes and fixed costs.

Basis for 2022-2023 projections: with a return to confidence MIY expects Christmas activities to overtake pre-Covid levels as consumers return to busy shopping streets. The gross profit margin will revert to previous levels. There is potential for sponsorship deals delivering further income and an expectation that additional sites can be animated.