

Finance and Resources Committee – 17 November 2008

September 2008 Management Accounts

Executive summary and recommendations

Introduction

Decision

The Council/Committee is requested to note the document. No decision is required.

Background information

Nil

Resource implications

Nil

Financial implications

Nil

Appendices

Consolidated Management Accounts for the 6 months ended 30 September 2008.

Variance Commentary

Summary of Management accounts for the 6 months ended 30 September 2008

Date of paper

5 November 2008

HEALTH PROFESSIONS COUNCIL

CONSOLIDATED MANAGEMENT ACCOUNTS FOR THE 6 MONTHS ENDED 30 SEPTEMBER 2008 VARIANCE COMMENTARY

INTRODUCTION

These accounts were compared to budget version 7, which was agreed by the Council on 27th March 2008. The format of the management accounts is the same as the last financial year.

DETAILED SUMMARY

At the end of the financial year, we budgeted an operating surplus, after unrealised gains, of £245,872 compared to 2008's budgeted surplus of £234,736. The actual result for year to date was a surplus of £610,229 after unrealised gains; a favourable variance of £525,470.

Income totalled £6,620,237 with overheads at £6,118,629 thus giving the operating surplus before investments of £501,608.

INCOME

Registration income was £181,466 below budget. Of this, the renewal fee was £357,132 below budget. The main reason for the renewal fee unfavourable variance was that at the beginning of the current year we budgeted registrant numbers of 180,160 compared to an actual of 178,715, a difference of 1445 registrants. Also, £83K of income relating to the Dietitians renewal fee was recognised in the prior financial year due to an error in the income model. To elaborate, income had been recognised a month early in 2007/08 and therefore 3 months Dietitians renewal fee income relating to 2008/09 was recognised in the previous financial year. The income is reconciled to NetRegulate on a monthly basis, in accordance with the Audit Findings Report. The £83K is a permanent difference and will remain unchanged for the rest of the year.

There was an £87K unfavourable variance relating to international scrutiny fee income. This is likely to remain a permanent difference. We budgeted for 2,057 applications to be received this year where as the actual number received is to be around 1,610.

Year to date investment income was £25K above budget. There is also an unfavourable variance of £4K relating to the unrealised gain or loss on investment value.

DEPARTMENTS

Total Departmental expenditure was £6,118,628 which was £682,835 below budget. The main under spends were in: Information Technology, Fitness to Practise, Facilities, Communications and the Registration departments.

OVERHEADS

Below is an explanation of some of the main favourable and unfavourable variances:

Payroll costs

Payroll costs show a favourable variance of £127K. Basic Pay shows a favourable variance of £61K and national insurance shows a favourable variance of £47K. This is due to some budgeted positions being vacant during the period due to staff leaving or positions not being appointed in the prior year. For example, in the Registrations, Secretariat, Communications and Fitness to Practise departments. There is a favourable difference in the Education department's basic pay due to the delay of recruiting 3 new positions until the next financial year. This is due to the delay in the onboarding of the Practitioner Psychologists and at the year end will be a permanent difference of £28K. The under spend in Temporary staff of £32K is mainly due to the Director of Operations now appointed as a permanent member of staff.

Staff travelling and subsistence

This shows an unfavourable variance (year to date £16K). This is mainly due to under budgeting overseas travel by the chief executive and director of operations and conferences attended by the chief executive.

Council and committee expenses

This shows a favourable variance (year to date £41K). There is an under spend of £25K in council and committee fees and £18K in travelling and subsistence. This is due to lower meeting attendance than expected and is approximately a £7K permanent difference. The remaining under spend is a timing difference which will reverse in the future months.

Property services

This shows a favourable variance of £69K. Of this, £26K relates to business rates following the recent re-rating of HPC premises by the valuation office on behalf of Lambeth Council. There is also a favourable variance of £35K in Electricity. This is due to a refund received of £35K from the electricity company in respect to overpayments made in the previous financial year.

Office services

This shows an unfavourable variance of £6K, mainly due to variances in office equipment <£1,000 of £12K, other office services of £6K and Room hire of £9K. The over spend in other office services and office equipment <£1,000 are due to the delay in completing the 22-26 Stannary Street project and the purchase of equipment for the new building. The overspend in room hire of £9K is due to storage costs not budgeted for and is a permanent difference. The under spend of £26K in printing and stationery is a timing difference and will reverse in future months.

Computer Services

This shows a favourable variance of £5K. Of this £15K relates to unfavourable variance in other computer services. These are costs relating to the cabling for 22-26 Stannary Street, which were budgeted in the previous financial year. This is offset against a favourable variance of £16K in managed web/internet services which is due to a timing difference and will reverse in future months. The depreciation overspend of £22K is a budget calculation error and is a permanent difference.

Communications

This shows a favourable variance of £63K. The residual budget of £18K in Annual reports will not be spent this year and therefore will be a permanent difference. The under spend of £32K in Brochures is due to a timing difference and will reverse in future months.

Partners

The year to date accounts showed a favourable variance of £122K. The favourable variance in assessors fees of £61K is due to less applications being received and is a permanent difference. There is an under spend of £20K in partner recruitment due to a budget estimation error and therefore is permanent difference. The under spend of £19K in partners training is a timing difference and will reverse in future months.

Legal – Transcript Writers

The year to date accounts show a favourable variance of £86K. This is due to hearings being shorter than budgeted for and therefore their time required in hearings is shorter.

PROJECTS

There is a favourable operating expense variance of £33K relating to major projects. Of the total, £41K relates to the Independent Safeguarding Authority project which has been delayed into the next financial year. There is a £11K favourable variance which relates to the Fees Rise 2009 project. There is also an unfavourable variance of £26K which has been spent in respect to legal advice for the on-boarding of the Practitioner Psychologists and Hearing Aid Dispensers (timing difference).

Note that funding of £74K from the Department of Health, for the Practitioner Psychologists project has been received in June 2008 and is shown within the general funds on the balance sheet.

There has been capital expenditure of £157K in relation to NetRegulate Access Rights, Online Renewals, FTP statuses, Equality and Diversity and the new Finance System Upgrade projects. The over spend of £9K on the NetRegulate Access Rights project was due to a delay in the scheduling of the Application Server project. To elaborate, the entire budget for the NetRegulate Access Rights project was approved in the previous financial year. The remaining overspends are due to timing differences.

£242K has been spent this year in relation to the 22-26 Stannary Street project phase 1, which was delayed from the previous financial year. The total spend on this project is £1,461K against a budget of £1,639K. The remaining budget is due to be spent in this financial year. There was an over spend of £14K in relation to the CCTV, due to the delay in the building project and the budget being allocated in the prior financial year.

BALANCE SHEET

The main movements in the balance sheet since the beginning of the year were a decrease in Creditors and an increase in deferred income. The net impact of these movements was an increase in the cash balance of £778K.

Working capital was £4,160K showing HPC continues to be in a stable financial position. The Net Assets were £2,109K including the Accumulated Fund of £1,688K and the Revaluation Reserve of £421K. The Accumulated Fund comprised £1,003K at the beginning of the financial year plus the net deficit for the year to date plus the funding from the Department of Health.

CASH FLOW

The Cash Flow statement indicates a net increase in cash of £778K from 1 April 2008 to the end of September 2008. This is mainly due to the decrease in creditors and increase in deferred income during the period and the additional costs spent this year in relation to the 22-26 Stannary Street project. The project costs were budgeted for in the previous financial year.

The net increase or decrease in cash when compared to the accounting surplus or deficit can be significantly different. To arrive at the cash movement, non cash items such as depreciation are removed and balance sheet movements taken into consideration.

CONCLUSION

Overall, at the end of the period to 30 September 2008 we had an operating surplus of £502K against a budgeted deficit of £2K. HPC continues to be in a stable financial position.

Charlotte Milner
Financial Controller
November 2008

HEALTH PROFESSIONS COUNCIL

Consolidated Management Accounts For the 6 months ended 30th September 2008

HEALTH PROFESSIONS COUNCIL

CONSOLIDATED ACCOUNTS TO 30 SEPTEMBER 2008
DETAILED SUMMARY

	Actual £	Budget £	Variance £	Variance %	Annual Budget £
INCOME					
Professions					
Arts Therapists	88,086	83,836	4,250	5.07	171,671
Biomedical Scientists	823,724	892,051	(68,327)	(7.66)	1,784,103
Chiropodists	429,092	448,673	(19,581)	(4.36)	897,345
Clinical Scientists	163,012	138,578	24,434	17.63	277,156
Dietitians	167,675	239,467	(71,792)	(29.98)	478,934
Occupational Therapists	1,110,941	1,106,936	4,005	0.36	2,213,873
Operating Department Practitioners	281,552	287,332	(5,781)	(2.01)	574,664
Orthoptists	52,720	46,314	6,406	13.83	92,631
Paramedics	481,956	485,586	(3,630)	(0.75)	971,173
Physiotherapists	1,581,118	1,589,475	(8,357)	(0.53)	3,266,870
Prosthetists & Orthotists	30,104	32,757	(2,653)	(8.10)	65,514
Radiographers	966,029	1,029,542	(63,513)	(6.17)	2,099,320
Speech and Language Therapists	441,248	418,174	23,074	5.52	836,348
Registration Income	6,617,257	6,798,722	(181,466)	(2.67)	13,729,602
Department of Health Capital Grant Released	0	0	0	0.00	0
Miscellaneous Income	2,980	0	2,980	0.00	0
TOTAL INCOME	6,620,237	6,798,722	(178,486)	(2.63)	13,729,602
EXPENDITURE					
Departments					
Approvals & Monitoring	277,244	295,881	18,638	6.30	660,872
Chief Executive	200,587	134,387	(66,200)	(49.26)	277,563
Council, Committees & PLG	190,083	228,788	38,705	16.92	547,387
Communications	410,627	452,270	41,644	9.21	1,020,074
Facilities Management	444,438	494,806	50,368	10.18	909,684
Finance	316,358	295,748	(20,610)	(6.97)	570,454
Fitness to Practise	2,190,309	2,474,077	283,768	11.47	4,621,621
Human Resources & Partners	336,485	381,185	44,700	11.73	662,423
IT Department	437,042	566,675	129,633	22.88	1,136,657
Operations Office	197,435	196,124	(1,311)	(0.67)	375,095
Policy & Standards	179,464	196,430	16,966	8.64	384,074
President	25,948	24,462	(1,486)	(6.08)	49,433
Projects	31,689	64,207	32,518	50.64	262,631
Registration	766,520	853,341	86,821	10.17	1,714,259
Secretariat	114,400	143,081	28,681	20.05	292,536
Operating Expenses	6,118,629	6,801,463	682,834	10.04	13,484,762
SURPLUS / (DEFICIT) - Excl. Unrealised Gains/(Losses)	501,608	(2,741)	504,349	18,400.92	244,840
Impairment of Freehold Land and Buildings	0	0	0	0.00	
Taxation	0	0	0	0.00	0.00
Investment Income - Excl. Unrealised Gains/(Losses)	112,880	87,500	25,380	(29.01)	175,000
Investment - Unrealised Gains / (Losses)	(4,259)	0	(4,259)	0.00	0
SURPLUS / (DEFICIT)	610,229	84,759	(525,470)	619.96	419,840

HEALTH PROFESSIONS COUNCIL

CONSOLIDATED ACCOUNTS TO 30 SEPTEMBER 2008

CONSOLIDATED DETAILED SUMMARY

	Actual £	Budget £	Variance £	Variance %	Annual Budget £
Consolidated Income					
Registration fees	354,292	233,381	120,911	51.81	466,766
Registration fees (part year)	90	0	90	0.00	0
Readmission fees	108,402	132,248	(23,846)	(18.03)	264,495
Renewal fees	5,493,641	5,850,772	(357,132)	(6.10)	11,833,699
International scrutiny fees	333,047	419,796	(86,749)	(20.66)	839,592
Confirmation letter fees	0	0	0	0.00	0
Grandparenting scrutiny fees & other	-215	0	(215)	0.00	0
UK scrutiny fee/Graduated < 2 years	328,000	162,525	165,475	101.82	325,050
	<u>6,617,257</u>	<u>6,798,722</u>	<u>(181,466)</u>	<u>(2.67)</u>	<u>13,729,602</u>

HEALTH PROFESSIONS COUNCIL

CONSOLIDATED ACCOUNTS TO 30 SEPTEMBER 2008

INVESTMENT & OTHER INCOME

CODE

BUDGET MANAGER

Finance Director

	Actual £	Budget £	Variance £	Variance %	Annual Budget £
Consolidated Income					
Bank interest - Business Reserve	7,076	10,000	(2,924)	(29.24)	20,000
Bank interest - SIBA	83,780	46,500	37,280	80.17	93,000
Bond interest	0	0	0	0.00	0
Portfolio income	35,486	31,000	4,486	14.47	62,000
P & L on disposal of investments (Realised)	(13,462)	0	(13,462)	0.00	0
	<u>112,880</u>	<u>87,500</u>	<u>25,380</u>	29.01	<u>175,000</u>
 Gain or loss on unrealised investments	 (4,259)	 0	 (4,259)	 0.00	 0

0

OVERHEAD TOTAL

	Actual £	Budget £	Variance £	Variance %	Annual Budget £
Payroll					
Basic	1,800,994	1,862,582	61,588	3.31	3,724,470
Overtime	19,844	25,527	5,683	22.26	40,220
National Insurance	191,746	238,442	46,696	19.58	476,998
Pension costs	167,439	153,255	(14,183)	(9.25)	306,649
Medical insurance	1,328	600	(728)	(121.32)	1,200
Staff recruitment	87,605	81,429	(6,176)	(7.58)	135,215
Temporary staff	133,215	165,248	32,033	19.38	383,916
Payroll Contingency	2,750	5,000	2,250	45.00	15,000
	2,404,920	2,532,083	127,163	5.02	5,083,668
Staff travelling and subsistence					
Fares	66,441	51,200	(15,241)	(29.77)	93,492
Car expenses and car park	580	750	170	22.67	1,500
Subsistence	23,667	31,610	7,943	25.13	61,180
Entertaining	2,384	0	(2,384)	0.00	500
Conferences	15,111	8,770	(6,341)	(72.31)	19,850
	108,183	92,330	(15,853)	(17.17)	176,522
Council and committee expenses					
Fees	72,985	98,339	25,354	25.78	219,542
Travelling and subsistence	52,798	71,349	18,551	26.00	159,112
Tax Cost (NI ER and PAYE)	13,700	13,500	(200)	(1.48)	36,000
Conference expenses	10,235	12,696	2,461	19.38	25,400
Training	466	2,788	2,322	83.29	7,840
Professional Liaison Groups	(4,011)	0	4,011	0.00	59,400
Elections and Appointments	60,661	46,900	(13,761)	(29.34)	76,900
Annual General Meeting	0	3,000	3,000	100.00	3,000
	206,833	248,571	41,738	16.79	587,194
Property services					
Business rates	28,407	54,000	25,593	47.39	108,000
Water	1,345	1,056	(289)	(27.36)	2,120
Electricity	(12,664)	22,500	35,164	156.28	45,000
Gas	8,660	3,996	(4,664)	(116.71)	8,000
Cleaning contractors	23,030	23,496	466	1.98	47,000
Cleaning materials	1,870	1,644	(226)	(13.74)	3,300
Waste disposal	8,277	7,500	(777)	(10.36)	15,000
Repairs and maintenance	9,225	10,284	1,059	10.30	20,576
Maintenance contracts	8,928	13,290	4,362	32.82	26,596
Security	12,364	14,650	2,286	15.60	32,300
Building Refurbishment	59,575	65,680	6,105	9.29	67,360
Property disposals	0	0	0	0.00	0
Property depreciation	21,100	21,000	(100)	(0.48)	42,000
	170,118	239,096	68,978	105	417,252

OVERHEAD TOTAL

	Actual £	Budget £	Variance £	Variance %	Annual Budget £
Office services					
Printing and stationery	228,925	255,183	26,258	10.29	463,023
Photocopying	3,013	1,800	(1,213)	(67.41)	3,600
Microfilming	0	0	0	0.00	0
Postage	20,153	29,718	9,565	32.19	59,447
Telephone	24,812	17,454	(7,358)	(42.16)	34,908
Mobile telephone	4,774	4,604	(169)	(3.68)	10,746
Couriers	6,221	3,000	(3,221)	(107.38)	6,000
Office equipment < £1000	26,819	15,000	(11,819)	(78.80)	15,000
Office equipment rental	3,929	2,154	(1,775)	(82.41)	4,317
Catering	24,944	27,593	2,649	9.60	55,454
Other office services	28,692	22,350	(6,342)	(28.37)	44,700
Room Hire	90,765	81,381	(9,384)	(11.53)	125,301
Office equipment depreciation	15,641	12,600	(3,041)	(24.14)	25,198
Video Conferencing	0	2,250	2,250	100.00	7,500
	478,689	472,837	(5,852)	(394)	855,193
Computer services					
Hardware < £1000	(1,978)	5,200	7,178	138.04	10,400
General Hardware support and maintenance	4,757	6,100	1,343	22.02	25,000
Software Purchases	4,992	19,000	14,008	73.72	39,000
General Software support & maintenance	40,769	32,750	(8,019)	(24.49)	57,500
NetRegulate Software support and maintenance	62,102	66,996	4,894	7.30	134,000
New IT Software Systems	0	0	0	0.00	0
Managed Web/Internet services	65,516	82,356	16,840	20.45	156,000
Internet/3G	4,196	4,377	181	4.14	8,774
IT Consumerables	2,021	6,002	3,981	66.33	14,000
HPC Computer training	9,694	10,000	306	3.06	10,000
Other computer services costs	15,027	0	(15,027)	0.00	0
Offsite tape data archive	2,481	504	(1,977)	(392.35)	1,000
Specialist external support	(1,175)	2,500	3,675	147.00	5,000
IT Other Professional Fees	0	246	246	100.00	0
IT Hardware Disposals	0	1	1	100.00	0
Hardware depreciation	105,640	83,736	(21,904)	(26.16)	167,469
Secure hardware disposal	637	0	(637)	0.00	1,000
	314,679	319,768	5,089	239	629,143
Communications					
Campaigns	43,839	51,884	8,045	15.50	180,000
Annual Reports (Design, Distribute)	2,131	19,752	17,621	89.21	19,752
Brochures (Design, Distribute)	11,693	44,000	32,307	73.43	44,000
Listening Events	10,105	11,000	895	8.14	45,000
Market Research	10,599	15,000	4,401	29.34	65,000
Translations	10,932	10,000	(932)	(9.32)	10,000
Public Affairs & Stakeholder	14,409	14,850	441	2.97	65,000
Standards of Proficiency (Design,Prod,Dist)	300	0	(300)	0.00	0
Web Site Design	9,186	10,700	1,514	14.15	10,700
Marketing & Promotions	13,791	9,000	(4,791)	(53.23)	9,000
Conference Attendance	13,628	14,166	538	3.80	55,000
General Events (Internal & External)	0	5,000	5,000	100.00	25,000
Media Relations	2,129	2,000	(129)	(6.46)	30,000
Registrant Welcome Pack	0	0	0	0.00	15,000
General Public Literature	0	0	0	0.00	40,000
Internal Communications	37,518	36,000	(1,518)	(4.22)	36,000
Bi-Annual opinion polling	109	0	(109)	0.00	0
	180,368	243,352	63,093	263.31	659,452
Partners					

OVERHEAD TOTAL

	Actual	Budget	Variance	Variance	Annual Budget
	£	£	£	%	£
Partners Recruitment	21,996	41,580	19,584	47.10	70,420
Partners Training	54,615	73,380	18,765	25.57	120,000
Panels (Allowance & Travel)	386,489	381,188	(5,301)	(1.39)	776,306
Witness	14,518	38,502	23,984	62.29	77,000
Approvals	49,464	39,372	(10,092)	(25.63)	103,610
Assessors fees (All Professions)	97,330	158,415	61,085	38.56	287,980
Test of Competence (All Professions)	4,918	7,962	3,044	38.23	15,928
Registration Appeals	11,463	10,640	(823)	(7.74)	22,800
Annual Monitoring	4,256	6,684	2,428	36.32	16,710
Major/Minor Change	2,585	6,048	3,463	57.26	11,200
CPD assessments	24,924	28,480	3,556	12.49	71,200
Aptitude tests	0	2,172	2,172	100.00	5,792
	672,559	794,423	121,864	15.34	1,578,946
Project Costs					
Major Projects	31,689	64,207	32,518	50.64	262,631
Small Projects	22,668	98,500	75,832	76.99	150,570
	54,358	162,707	108,349	127.63	413,201
Specific departmental expenses					
Archive storage	14,739	10,700	(4,039)	(37.75)	22,400
Auditors' fees	25,871	24,378	(1,493)	(6.12)	48,760
Bank charges	33,039	24,561	(8,478)	(34.52)	55,000
Books and publications	9	246	238	96.54	500
Conselling	1,197	1,500	303	20.23	3,000
Disaster contingency plan	8,316	12,000	3,684	30.70	12,000
EMT Training	2,174	2,500	326	13.03	7,500
General insurance	16,230	22,602	6,372	28.19	45,200
Health and safety	6,888	7,380	492	6.67	14,770
Miscellaneous Expenses	6,879	0	(6,879)	0.00	0
Internal Audit	10,450	14,310	3,860	26.97	28,620
Legal advice	173,597	155,374	(18,223)	(11.73)	299,260
Legal expenses	970,800	1,022,613	51,813	5.07	1,762,500
Legal insurance	15,750	19,998	4,248	21.24	40,000
Legal -Transcript Writer	89,478	175,484	86,006	49.01	351,627
Other professional fees	25,075	14,600	(10,475)	(71.74)	35,200
Other legal costs	16,665	45,000	28,335	62.97	110,000
Pension administration	6,926	12,600	5,674	45.03	25,200
Personal Performance Consultancy	0	7,000	7,000	100.00	7,000
ISO 9001 Certification	1,475	3,100	1,625	52.43	6,200
Reward Data	6,815	4,440	(2,375)	(53.49)	9,000
Subscriptions to professional bodies	12,644	13,862	1,218	8.79	34,304
Taxation advice	10,223	2,001	(8,222)	(410.87)	2,000
Training	72,683	100,047	27,364	27.35	164,150
	1,527,921	1,696,296	168,375	9.93	3,084,191
OVERHEAD TOTAL	6,118,628	6,801,463	682,835	10.04	13,484,762

HEALTH PROFESSIONS COUNCIL
CONSOLIDATED BALANCE SHEET
as at 30 September 2008

	30 September 2008		Actual 31 March 2008	
	£	£	£	£
FIXED ASSETS				
Tangible fixed assets				
Land & buildings, at cost or valuation	3,364,096		3,090,000	
Depreciation	<u>(21,100)</u>		<u>0</u>	
Net book value		3,342,996		3,090,000
Computer Equipment, at cost	2,828,360		2,658,339	
Depreciation	<u>(2,137,734)</u>		<u>(2,032,094)</u>	
Net book value		690,626		626,245
Office furniture and equipment, at cost	406,348		387,804	
Depreciation	<u>(363,477)</u>		<u>(347,835)</u>	
Net book value		42,871		39,969
		<hr/>		<hr/>
Total tangible fixed assets		4,076,493		3,756,214
Investments		1,639,855		1,528,047
		<hr/>		<hr/>
TOTAL FIXED ASSETS		5,716,347		5,284,260
CURRENT ASSETS				
Debtors	50,389		80,898	
Prepayments	152,647		132,307	
Bank balances and cash	<u>5,676,731</u>		<u>4,899,109</u>	
		<hr/>		<hr/>
				5,112,314
CURRENT LIABILITIES				
Amounts falling due within one year				
Creditors and accrued expenses	1,719,960		2,102,639	
		<hr/>		<hr/>
WORKING CAPITAL		4,159,807		3,009,675
DEFERRED INCOME				
Registration fees in advance	246,291		175,734	
Retention fees in advance	<u>7,520,580</u>		<u>6,693,458</u>	
		<hr/>		<hr/>
		(7,766,871)		(6,869,191)
		<hr/>		<hr/>
NET ASSETS		2,109,283		1,424,744
 Represented by:				
General Funds		1,077,308		1,979,272
Revaluation reserve		421,746		421,746
Surplus/(Deficit) for the period		<u>610,229</u>		<u>(976,274)</u>
		<hr/>		<hr/>
		2,109,283		1,424,744
		<hr/>		<hr/>
		-0		

HEALTH PROFESSIONS COUNCIL
CONSOLIDATED ACCOUNTS TO 30 SEPTEMBER 2008

CAPITAL EXPENDITURE
From 1st April 2008 - 31 March 2009

Major Investment (£50K+ Individual Item)

Office Services	Renovation work to 22-26 Stannery Street. Phase 1	
	Renovation work to 22-26 Stannery Street. Phase 2	
	Sub Total	

Actual £	Budget YTD £	Variance £	Annual Budget £
242,415	0	(242,415)	0
31,681	31,302	(379)	422,875
274,096	31,302	(242,794)	422,875

Minor Investment (less than £50K individually)

Information Technology	PC/technology refresh	
	Server replacements/upgrades	
	Upgrade switches	
	New/replacement laptops	
Office Services	Replacement B & W Copier	
	CCTV	

	0	0	45,000
	0		0
	3,000	3,000	6,000
	0		0
5,227	6,225	998	20,000
	0		0
7,391	4,000	(3,391)	12,000
	0		
	0		
	0		
	0		
4,488	6,000	1,512	6,000
14,055	0	(14,055)	0
31,161	19,225	11,936	89,000
0	0	0	0
157,401	120,188	(37,213)	552,088
462,658	170,715	(268,071)	1,063,963

Total Capital Expenditure

Note: Total 22-26 Stannery Street project spend is £1,461,721 compared to a total budget of £1,639,000 (total spent in 2007-08 £1,219,306)

**HEALTH PROFESSIONS COUNCIL
CONSOLIDATED ACCOUNTS TO 30 SEPTEMBER 2008**

**Project reporting
From 1st April 2008 - 31 March 2009**

<u>Project number</u>		Actual £	YTD Budget £	Variance £	Annual Budget £
<u>Capital Expenditure</u>					
MP34	Online renewals	63,926	40,000	(23,926)	300,000
MP30	Fees Rise 2009	2,000	2,000	0	2,000
MP32	Equality & Diversity	34,372	20,000	(14,372)	30,000
MP3	Registration of the Practitioner Psychologists	3,660	-	(3,660)	15,000
MP4	Registration of Hearing Aid dispensers	-	-	0	15,000
	Independent Safeguarding Authority	0	21,000	21,000	21,000
MP33	FTP registrations system statuses rationalisation	36,354	31,900	(4,454)	63,800
	Contingency	-	-	0	100,000
MP27	Finance System Upgrade	8,006	5,288	(2,718)	5,288
MP28	NetRegulate Access Rights	9,083	-	(9,083)	-
		-	-	0	-
		-	-	0	-
		-	-	0	-
		-	-	0	-
		-	-	0	-
Total Capital Expenditure		157,401	120,188	(37,213)	552,088
<u>Operating Expenditure</u>					
MP34	Online renewals	70	6,000	5,930	22,100
MP30	Fees Rise 2009	1,175	12,000	10,825	14,500
MP32	Equality & Diversity	0	5,332	5,332	9,528
MP3	Registration of the Practitioner Psychologists	26,036	0	(26,036)	156,468
MP4	Registration of Hearing Aid dispensers	0	0	0	19,160
	Independent Safeguarding Authority	0	40,875	40,875	40,875
MP33	FTP registrations system statuses rationalisation	0	0	0	-
MP27	Finance System Upgrade	4,409	0	(4,409)	-
MP28	NetRegulate Access Rights	0	0	0	-
Total Operating Expenditure		31,690	64,207	32,517	262,631

HEALTH PROFESSIONS COUNCIL

CONSOLIDATED ACCOUNTS TO 30 SEPTEMBER 2008

CASH FLOW STATEMENT

From 1st April 2008 - 31 March 2009

	£	
Surplus /(deficit) over expenditure	501,608	
Depreciation charge for the year of tangible fixed assets	142,381	
(Increase)/decrease in debtors & prepayments	10,168	
Increase/(decrease) in creditors (CGT and VAT Tax not included)	(382,680)	
Increase /(decrease) in deferred income	897,680	
Net cash In/(out)flow from operating activities	1,169,158	
Return on investments and servicing of finance		
Investment Income (Excluding realised gains & losses)	126,342	
Capital expenditure and financial investments		
Purchase of tangible assets	(462,661)	
Disposal of tangible assets	0	
Purchase of investments	(339,580)	
Proceeds from sale of investments	210,055	
Financing		
Income from DOH	74,307	
Increase/(decrease) in Cash	777,621	
Cash at 31 March 2008	4,899,109	
Cash at 30 September 2008	5,676,731	
Cash Movement	777,621	(0)

HPC CONSOLIDATED Cash Flow: April 08 - March 09

	Mar-08	APRIL	MAY	JUNE	JULY	AUGUST	SEPT	OCT	NOV	DEC	JAN	FEB	MAR
Opening Balance 1st		4,899,109	5,098,357	4,307,764	3,785,816	4,579,333	4,287,567	5,676,731	5,676,731	5,676,731	5,676,731	5,676,731	5,676,731
Receipts													
Registration Income		1,097,883	964,828	1,164,492	1,048,614	1,174,160	1,167,481						
Investment Income		2,894	1,155	17,173	44,732	6,223	54,165						
Investment Sales		34,557	44,098	38,427	39,360	3,613	50,000						
Deferred Income Movements		502,815	(476,522)	(393,029)	588,402	(403,725)	1,079,741						
Bank Loan		0	0	0	0	0	0						
Miscellaneous Income		0	0	0	0	0	2,980						
Total Cash Receipts		1,638,149	533,359	827,063	1,721,108	780,271	2,354,367	0	0	0	0	0	0
Payments													
Operational													
Expenditure		607,778	1,416,461	1,291,553	851,018	944,310	1,007,508						
Depreciation		(24,477)	(24,676)	(24,196)	(25,323)	(25,247)	(18,462)						
Aged Cred / Accrual Movements		292,023	(21,602)	168,837	69,779	(69,628)	(56,728)						
Debtor Movements		225,068	(61,848)	(92,719)	(10,571)	(28,012)	(42,086)						
Payments to Creditors		1,100,392	1,308,335	1,343,475	884,903	821,423	890,232	0	0	0	0	0	0
Exceptional													
Capital Expenditure		201,444	(16,892)	36,136	10,984	92,722	138,267						
Capital Write-off		0	0	0	0	0	0						
Investment Purchases		137,065	32,509	43,706	31,704	157,892	(63,296)						
Loan Repayments		0	0	0	0	0	0						
DOH Income		0	0	(74,307)	0	0	0						
Total Payments		1,438,901	1,323,952	1,349,010	927,591	1,072,037	965,203	0	0	0	0	0	0
Closing Balance	4,899,109	5,098,357	4,307,764	3,785,816	4,579,333	4,287,567	5,676,731	5,676,731	5,676,731	5,676,731	5,676,731	5,676,731	5,676,731

Aged Creditors	800,652	1,291,264	1,312,866	1,144,029	1,074,250	1,143,878	1,200,606	1,200,606	1,200,606	1,200,606	1,200,606	1,200,606	1,200,606
Accruals	782,635												
Budgeted Expenditure 05/06													

Deferred Income Movements - () Some income from deferred income and cash has already been received. If positive, cash received in advance and not recognised as income in current month.

Depreciation - Cash paid for fixed assets incurred in previous months make depreciation a non cash item, so is taken off the current month expenditure.

Aged Creditor Movements - () Denotes an increase in aged creditors from the previous month and is taken off the current month expenditure as they haven't been paid. Vice versa for a positive figure.

Debtor Movements - If positive, debtors/prepayments have been paid without all being recognised in the I & E Account, so must be added to the expenditure for the month, Vice versa for a negative figure.

Health Professions Council
Year ended 31 March 2009
Summary of Management Accounts for 6 months to 30 September 2008

	£ YTD
	6 months
Budgeted deficit	(2,741)
Actual surplus	501,608
Difference	<u>(504,349)</u>
Difference made up of:	
Permanent differences	90,384
Timing differences	410,985

<u>Summary of Permanent differences to date:</u>	
	£
Income	(169,790)
Expenditure	<u>260,174</u>
	<u>90,384</u>

Outlook for year ended 31 March 2009

	£	
Budgeted surplus of the year	244,840	
Permanent differences to date	90,384	
Adjusted surplus for the year	<u>335,224</u>	0
Adjusted budgeted income for the year	13,559,812	
Adjusted budgeted expenditure for the year	13,224,588	
Adjusted surplus for the year	<u>335,224</u>	
Future permanent differences - Income	117,995	
Future permanent differences - Expenditure	156,506	
	<u>609,725</u>	

Income

	£YTD
	6 months
Budgeted income	6,798,722
Actual income	<u>6,617,257</u>
Difference	<u>(181,465)</u>
Difference made up of:	
Permanent differences	(169,790)
Timing differences	(11,675)

<u>Outlook for year ending 31 March 2009:</u>	
	£
Budgeted income for the year	13,729,602
Permanent differences to date	<u>(169,790)</u>
Adjusted budgeted income	<u>13,559,812</u>
Future Permanent differences	117,995
6 month forecast expenditure	<u>13,677,807</u>

Summary of permanent income differences to date:

<u>Income Category</u>	<u>Description</u>	£
Renewal Fee	Dietians income recognised in 2007/08	(83,041)
International security fee	Downturn in international applications	<u>(86,749)</u>
	Reduction in income	<u>(169,790)</u>

Expenditure

	£YTD
	6 months
Budgeted expenditure	6,801,463
Actual expenditure	<u>6,118,629</u>
Difference	<u>682,834</u>
Difference made up of:	
Permanent differences	260,174
Timing differences	422,660

<u>Outlook for year ending 31 March 2009</u>	
	£
Budget for the year	13,484,762
Permanent differences to date	260,174
Adjusted budgeted expenditure	<u>13,224,588</u>
Future Permanent differences	156,506
6 month forecast expenditure	<u>13,068,082</u>

Summary of permanent expenditure differences to date:

<u>Expenditure Category</u>	<u>Description</u>	£
Basic pay & NI	Delay in recruitment of 3 employees in education	28,261
Temporary Staff costs	Director of Operations now a permanent employee	26,515
Temporary Staff costs	UAT Testing shown in capital expenditure	36,739
Staff conferences	Chief Executive additional travel and conferences	(15,293)
Council & Committee expenses	Lower attendance than expected	7,000
Business rates	Re-rating of premises	25,593
Electricity	Refund from Electricity company	35,164
Office equipment <£1000	Replacement of old office chairs	(11,819)
Other office services	Office moves for 22-26 Stannary Street due to delay in project	(6,219)
Room hire	Additional storage costs not budgeted for	(4,296)
Other computer services costs	Cabling for 22-26 Stannary Street	15,027
Computer equipment depreciation	Budget miscalculation	(21,904)
Annual reports	Producing the annual report	17,621
Assessor fees	Downturn in International Applications	61,085
Partner recruitment	Budget miscalculation	15,000
Major project costs	Independent Safeguarding Authority project delayed to 2009/10	40,875
Major project costs	Fee rise project consultation	10,825
	Net reduction in expenditure	<u>260,174</u>