

## Finance Department – June 2009 Report

### General

Since the last Committee Meeting, the Finance department has produced the April and May 2009 Management Accounts and is working on the June YTD Management Accounts.

### Supplier payments

At the end of May, 84% by value of the £725k Creditor payments (May Aged Creditor Listing) were in the 30 days or less category.

### Fee adjustments and income receipts handling

At 14 July, there was no backlog in Registrant direct debit cancellations and amendments against a 2 day backlog target. We had no processing backlog on rejected payments/refunds against a two day backlog target and no backlog on mid-cycle lapsing of Registrants. The banking of Registrant cheques is up to date and there is no backlog on credit card reconciliations against a two day backlog target.

### Income Collection cycle

Direct debit collections of Registrants' fees (cover 83% of registrants) are done by the Finance Dept, with collections made two months in advance. OR, PA & RA collections occurred in early July. SL, CS, PO & PYL collections are scheduled for early August. Most of the income comprises Renewal fees collected.

### Funds under Management

At 14 July, the Business Reserve account balance was £0.6M, earning an interest rate of 0.065% per annum. £0.95M was invested in the NatWest Special Interest-bearing Account (SIBA) on a rolling monthly basis, earning 0.48% per annum. £1.5M is invested in a Barclays money market account earning 1.82% for 6 months and £1M in a Lloyds TSB money market account earning 0.9% for 1 month.

The investment portfolio (excluding £143k portfolio cash) at the end of May was valued at £1.5M. The investment portfolio value including cash & money market instruments was £1.64M. This compares with £1.9M at 31 May 2008.

### Pensions

In June, there were 56 active members in the Friends Provident Scheme and no active members in the Capita Flexiplan Scheme, excluding the 6 "notional" members.

### Employee training and staffing levels

There are seven full-time permanent employees in the dept with one additional permanent post to be filled. Temporary staff are periodically hired to cover for staff on annual or sick leave and to help achieve Finance dept service level targets.

### Sage system support and development

As mentioned previously we are replacing our previous Sage accounting package support vendor (BDE Group Ltd.) We are currently in the process of signing contracts with a new support vendor (TSG) and getting them familiar with our organisational requirements.

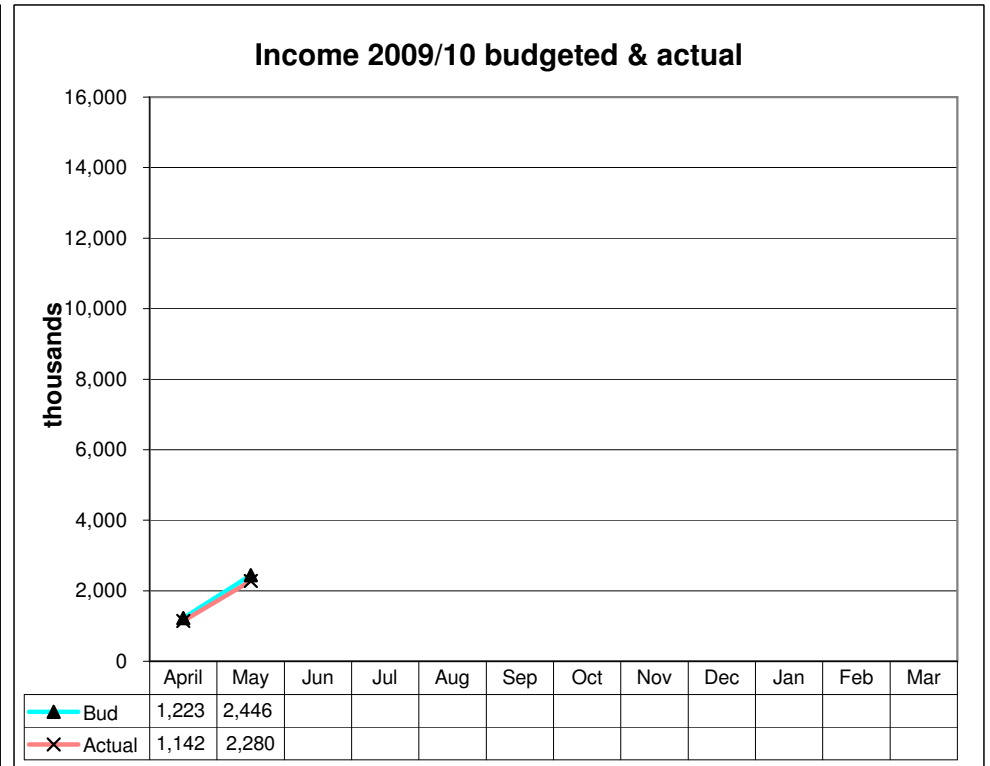
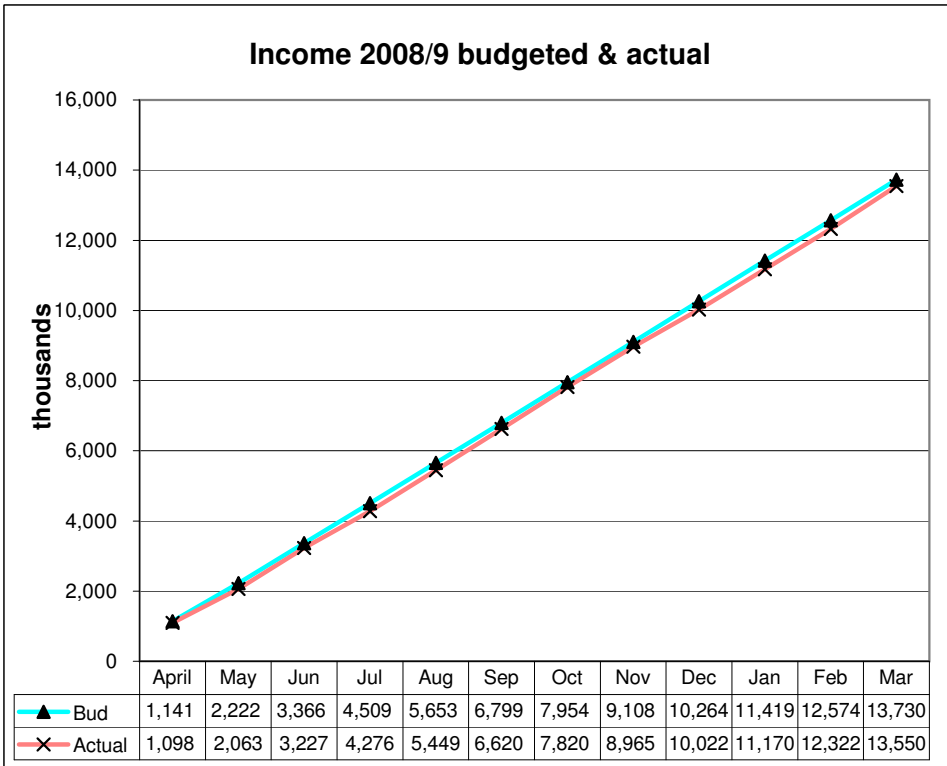
### Significant Financial Projects/Issues (next few months)

- Complete the Annual Report and Statutory Accounts process for tabling in Parliament in July, as per the timetable,
- Prepare and complete the IFRS financial statements to 31 March 2009 for audit in August,
- Commence the Fees Project 2011.

	2009						2010						Actual YTD £000	Budget YTD £000	Variance £000	Annual Budget £000
	April	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar				
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000				
<b>INCOME</b>																
Registration Income	1,142	1,138											2,280	2,446	(165)	15,559
Cheaque/credit card write off	0	3											(3)	0	(3)	0
<b>TOTAL INCOME*</b>	<b>1,142</b>	<b>1,141</b>											<b>2,278</b>	<b>2,446</b>	<b>(168)</b>	<b>15,559</b>
<b>EXPENDITURE</b>																
Chief Executive	20	21											41	54	13	322
Council & Committees	(34)	96											62	56	(5)	448
Communications	28	108											137	88	(49)	1,076
Depreciation	38	26											64	75	11	453
Education	59	77											136	133	(3)	766
Facilities Management	53	70											123	188	65	912
Finance	(25)	114											89	100	11	636
Fitness to Practise	140	717											856	862	6	5,582
Human Resources & Partners	48	83											131	170	39	743
IT Department	(50)	174											124	121	(4)	944
Operations Office	29	38											67	67	(0)	451
Policy & Standards	25	13											39	55	16	417
President	2	5											8	8	1	49
Major Projects	(54)	42											(11)	23	35	420
Registration	49	119											168	262	94	2,024
Secretariat	16	23											39	49	10	304
<b>TOTAL EXPENDITURE</b>	<b>345</b>	<b>1,727</b>											<b>2,072</b>	<b>2,310</b>	<b>238</b>	<b>15,547</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>807</b>	<b>(586)</b>											<b>206</b>	<b>136</b>	<b>70</b>	<b>12</b>

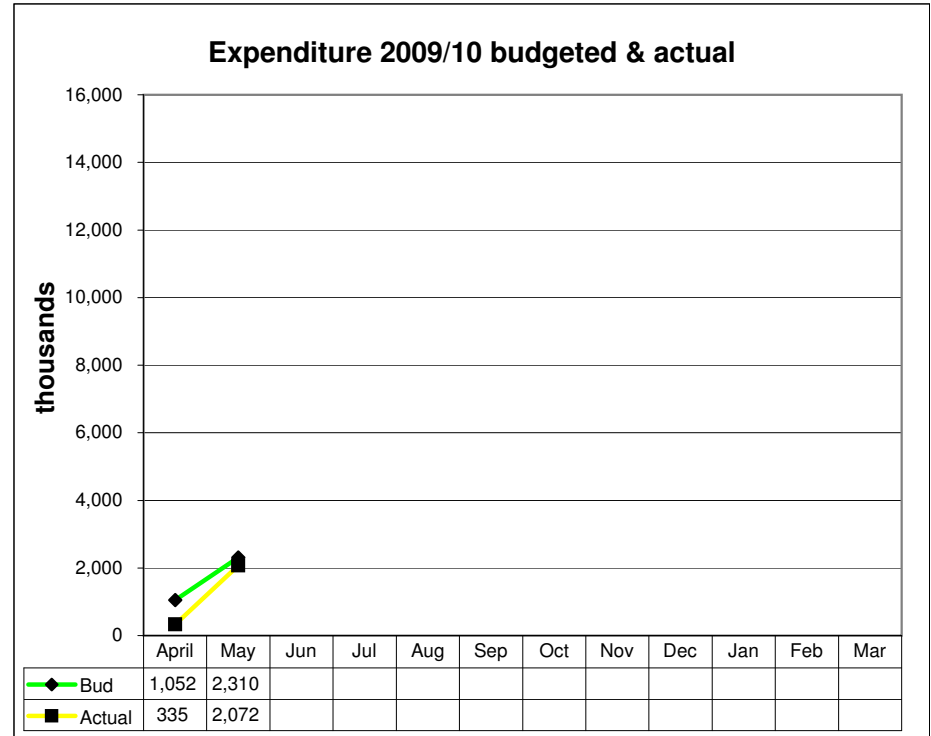
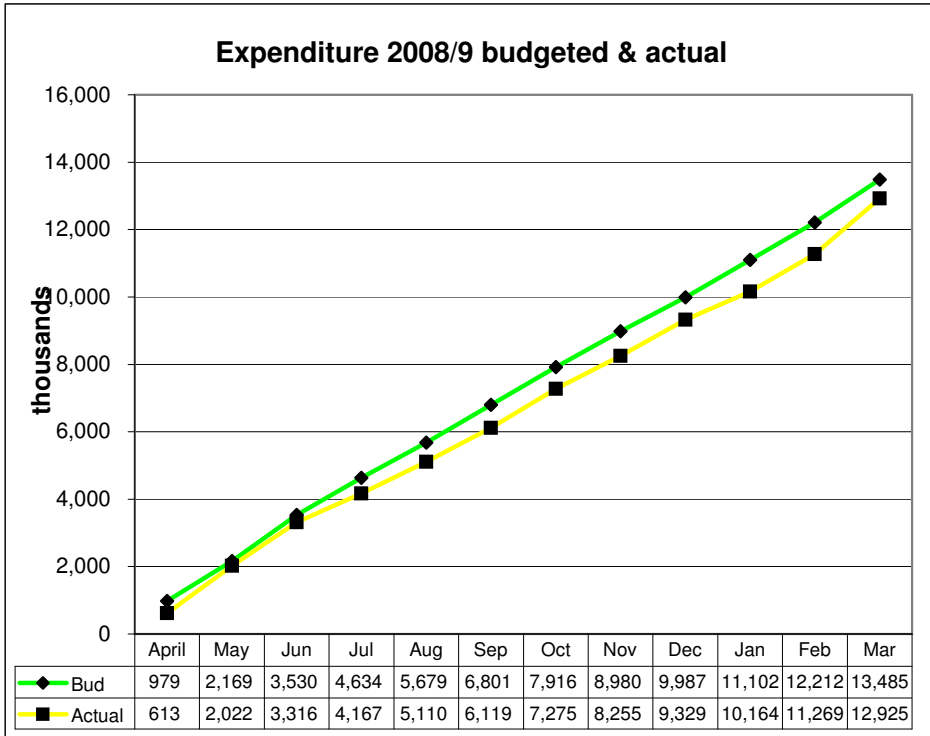
\* Total Income is excluding investment income

Note: No accruals have been posted for April



	2008										2009		
	April	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	
<b>Bud</b>	1,141	2,222	3,366	4,509	5,653	6,799	7,954	9,108	10,264	11,419	12,574	13,730	
<b>Actual</b>	1,098	2,063	3,227	4,276	5,449	6,620	7,820	8,965	10,022	11,170	12,322	13,550	

	2009					2010						
	April	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
<b>Bud</b>	1,223	2,446										
<b>Actual</b>	1,142	2,280										



	2008									2009		
	April	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
<b>Bud</b>	979	2,169	3,530	4,634	5,679	6,801	7,916	8,980	9,987	11,102	12,212	13,485
<b>Actual</b>	613	2,022	3,316	4,167	5,110	6,119	7,275	8,255	9,329	10,164	11,269	12,925

	2009		2010									
	April	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
<b>Bud</b>	1,052	2,310										
<b>Actual</b>	335	2,072										

	2009		2010										Actual YTD £000	Budget YTD £000	Total Expenditure £000	
	April	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar				
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000				
<b>EXPENDITURE</b>																
Chief Executive	7	6												13	54	41
Council & Committees	59	(65)												(5)	56	62
Communications	4	(52)												(49)	88	137
Depreciation	(38)	49												11	75	64
Education	6	(10)												(3)	133	136
Facilities Management	67	(3)												65	188	123
Finance	74	(63)												11	100	89
Fitness to Practise	293	(287)												6	862	856
Human Resources & Partners	(1)	39												39	170	131
IT Department	110	(113)												(4)	121	124
Operations Office	3	(3)												(0)	67	67
Policy & Standards	(1)	17												16	55	39
President	2	(1)												1	8	8
Major Projects	62	(27)												35	23	(11)
Registration	65	28												94	262	168
Secretariat	6	4												10	49	39
<b>TOTAL BUDGET VARIANCE</b>	<b>717</b>	<b>(480)</b>												<b>238</b>	<b>2,310</b>	<b>2,072</b>
<b>TOTAL MONTHLY BUDGET</b>	<b>1,052</b>	<b>1,258</b>														<b>2,310</b>
<b>TOTAL EXPENDITURE</b>	<b>335</b>	<b>1,737</b>														<b>2,072</b>

\* Total Income is excluding investment income

	<i>Actual Mar 09 £000</i>	2009											<i>Budget Mar 10 £000</i>	
		April £000	May £000	Jun £000	Jul £000	Aug £000	Sep £000	Oct £000	Nov £000	Dec £000	2010 Jan £000    Feb £000    Mar £000			
<b>Non-current Assets</b>														
Property, Plant and Machinery	2,810	2,770	2,797											6,179
Intangible assets	784	727	808											1,329
<b>TOTAL FIXED ASSETS</b>	<b>3,594</b>	<b>3,497</b>	<b>3,605</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,508</b>
<b>CURRENT ASSETS</b>														
Other current assets	354	432	387											182
Financial assets	1,347	1,450	1,502											1,329
Bank & Cash	5,342	4,559	3,951											5,052
	7,043	6,441	5,840	0	0	0	0	0	0	0	0	0	0	6,563
<b>CURRENT LIABILITIES</b>														
Trade and other payables	(945)	(403)	(671)											(936)
Other Liabilities	(1,670)	(677)	(1,282)											(1,787)
Deferred income	(7,106)	(7,058)	(6,229)											(8,759)
	(9,721)	(8,138)	(8,182)	0	0	0	0	0	0	0	0	0	0	(11,482)
<b>Total assets less liabilities</b>	<b>916</b>	<b>1,800</b>	<b>1,263</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,589</b>
Represented by:														
Revaluation Reserve	214	214	214											652
Income and expenditure account	702	1,005	1,049											1,937
	<b>916</b>	<b>1,219</b>	<b>1,263</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,589</b>

\* Balance sheet includes investment income

	Actual Mar 08 £000	2009							2010				Total £000	
		April £000	May £000	Jun £000	Jul £000	Aug £000	Sep £000	Oct £000	Nov £000	Dec £000	Jan £000	Feb £000		Mar £000
<b>Opening Balance</b>	<b>4,434</b>	5,341	4,556	3,951	3,951	3,951	3,951	3,951	3,951	3,951	3,951	3,951	3,951	
Registration Income	1183	1,142	1,136											2,278
Investment Income	17	0	7											7
Investment Sales	5	23	24											47
Deferred Income Movements	942	48	(924)											(876)
Department of Health funding	0	0	0											0
<b>Total Cash Receipts</b>	<b>2,147</b>	<b>1,213</b>	<b>243</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,456</b>
Expenditure	1621	353	1,718											2,071
Depreciation	-33	(33)	(32)											(65)
Asset disposal / writeoff	0	0	0											0
Aged Cred / Accrual Movements	(907)	1,535	(873)											662
Debtor Movements	89	75	(42)											33
<b>Payments to Creditors</b>	<b>770</b>	<b>1,930</b>	<b>771</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,701</b>
Capital Expenditure	472	46	30											76
Capital write-off	0	0	0											0
Investment Purchases	(2)	22	47											69
Interest payable	0	0	0											0
<b>Other Payments</b>	<b>470</b>	<b>68</b>	<b>77</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>145</b>
<b>Closing Balance</b>	<b>5,341</b>	<b>4,556</b>	<b>3,951</b>	<b>3,951</b>	<b>3,951</b>	<b>3,951</b>	<b>3,951</b>	<b>3,951</b>	<b>3,951</b>	<b>3,951</b>	<b>3,951</b>	<b>3,951</b>	<b>3,951</b>	

\* Cash flow includes investment income