

Finance and Resources Committee 18 September 2007

July 2007 Management Accounts

Executive summary and recommendations

1. Introduction

2. Decision

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

3. Background information

4. Resource implications

Nil

5. Financial implications

Nil

6. Background papers

7. Appendices

Nil

8. Date of paper

6 September 2007

HEALTH PROFESSIONS COUNCIL
CONSOLIDATED MANAGEMENT ACCOUNTS
FOR THE 4 MONTHS ENDED 31 JULY 2007
VARIANCE COMMENTARY

INTRODUCTION

These accounts were compared to budget version 7, which was agreed by the Council on 29th March 2007. The format of the management accounts is the same as last financial year except that this year includes a sheet related to project reporting.

DETAILED SUMMARY

At the end of the financial year, we budgeted an operating surplus, after unrealised gains, of £45,526 compared to 2007's budgeted deficit of £128,763. The actual result for year to date was a surplus of £284,789 after unrealised gains; a favourable variance of £167,540.

Income totalled £3,572,930 with overheads at £3,375,052 thus giving the operating surplus of £197,878.

INCOME

Registration income was £501,165 below budget. £368K of the unfavourable variance related to renewal fee income and due to the timing of the fee rise, as the income is split over 12 months therefore a portion of the new fees was included within the budget for April to August. This difference is likely to reverse in future months.

£202K of this unfavourable variance related to international scrutiny fee income. About a third of the unfavourable variance related to the 5 weeks implementation period for the fee rise and 2/3 related to a budget error. Scrutiny fees at the higher rate were budgeted for the whole 12 months of the budget year instead of 10. The difference is likely to remain a permanent difference.

Year to date investment income is more or less on budget, except for an unrealised gain of £24K as the market value of the portfolio had increased.

DEPARTMENTS

Total Departmental expenditure was £3,375,052 which was £640,128 below budget. There were under spends in Approvals and Monitoring, Fitness to Practise, Committees and the Registration departments. However, these under spends are likely to disappear in following months due to new/replacement staff being employed, meetings and hearing taking place and renewal cycles commencing.

OVERHEADS

Below is an explanation of some of the main favourable variances as well as any unfavourable variances:

Payroll costs

Payroll costs showed a favourable variance (year to date £61k) due to some budgeted positions not being appointed in the prior year particularly in the following areas; The Operations Offices, Registrations, Fitness to Practise and Policy & Standards. The time to effect some dept restructures (consultation time) also delayed some hiring. Some of the favourable variance was offset by temporary staff hired during the recruitment process and the average cost to recruit new employees being higher than budgeted (both placement fee and staff hire frequency).

Staff travelling and subsistence

This showed a favourable variance (year to date £37K). £12K of this variance related to the Approvals and Monitoring department where the majority of their visits take place in the last half of the year. This variance is likely to reverse in the second half of the year.

Council and committee expenses

This showed a favourable variance (year to date £136k). This was due budget phasing error and actual meeting & conference attendance being lower than budgeted for (a permanent difference). Chairmen meeting costs were budgeted for, but to date were held on the same day as the Council meeting, therefore no additional cost incurred. The PLG favourable variance of £22k was due to budget phasing error - the timing of the SETs, Continuing FTP and Applied Psychologists SOP's was not finalised at the time the Budget was approved and now timed for later in the year. Likely claims for Council and Committee attendance were accrued.

Property services

This showed an unfavourable variance of £3k. There was an overspend of £7K in business rates due to rates invoices received for 22-26 Stannary St relating to previous years, which were not accrued for at the year end. This difference is likely to remain for the rest of the year in respect of rates.

Office services

This showed a favourable variance of £57K, mainly due to a favourable variance in Printing and Stationery. This variance is likely to reverse in the remainder of the year, as departments spend their various budgets including the Secretariat (£15k under spent but future meetings may have greater numbers of papers), and in the Registration Department when the renewal forms are printed. There was an over spend in Room Hire of £18K due to a large number of cases being held outside London in May. There was an over spend in Other Office Services of £19K due to under budgeting the amount of office furniture to rent (22-26 Stannary St project related) and £3k misposting of room hire costs.

Computer Services

This showed an unfavourable variance of £20K. Of this £15K related to an invoice received for StarNet relating to last year (increasing data capacity from 2mb/s to 10mb/s). No accrual was made at the year end. £10k favourable relates to phasing error on IT Other Professional fees (penetration testing) which will occur later in the year. £7k unfavourable relates to IT legal advice and £7k unfavourable relates to phasing error on IT training. Both are expected to reverse later in the year.

Communications

This showed a favourable variance of £56k. Of this variance, £19K related to over-accruing likely expense claims in March 2007 in relation to the Partner's conference last October. The under spend in brochures, market research, standards of proficiency and listening events was due to timing differences i.e. expected to reverse later in the year.

Partners

The year to date accounts showed a favourable variance of £119k. Of this variance £19K related to panel costs which were due to over accruing partner allowance and travel claims at 31st March 2007. There was also a favourable variance of £23K for approval visits and £9K for annual monitoring. These are timing differences, as the majority of these visits take place in the second half of the year.

Counter Fraud Solutions

This showed a favourable variance of £61K. This was due to a timing difference and will reverse later in the year.

Legal expenses

This showed an unfavourable variance of £85K. Of this £70K related to FTP cases and is a timing difference, as more cases took place during July than were forecast. This difference will reverse later in the year.

Other professional fees

This showed an unfavourable variance of £16K. £12k relates to under budgeting the amount of BDB legal advice in the Chief Executive's Office (EC Directives, FTP Forum, Revalidation, Regulation of New Professions etc). A further £9K unbudgeted related to a salary survey done to support a Committee paper.

Training

This is showing a favourable variance of £29k of which £21k Registrations training will now happen later in the year, a timing difference.

PROJECTS

There was an operating favourable variance of £81K relating to BAU projects, CPD and Equality and Diversity projects. This was due to a phasing error and is likely to reverse later in the year when the projects take place. The 7 BAU projects are as follows; MIS presentation, Call recording, PQD, Registration Trends Analysis, Certificate and FTP Trend Analysis.

There has been capital expenditure spent on 4 projects so far this year, totalling £55K. Of this £12K was spent on Renewal forms, Online Trust register the ePasslist projects. There was no budget for these projects - Online Trust Register and ePasslist was spending to complete 2005 projects, while for Renewal forms, as a result of CPD, we needed to change the renewals form in the current financial year rather than the following year. Year to date, £42K has been spent on the CPD project. This was timed for later in the year, but DSL resources became available sooner than expected. There was an under spend for the Professional Qualifications Directive project of £20K due a phasing error (we had expected legislative guidance from DOH sooner enabling the project spend to occur). The entire project spend is now expected to occur after March 2008 and we have implemented a workaround in the interim.

BALANCE SHEET

The main movements in the balance sheet since the beginning of the year were a decrease in Prepayments, decrease in Creditors and a decrease in deferred income (income received in advance). The net impact of these movements was a decrease in the cash balance of £1,163K.

£64K was spent in relation to the Stannary Street project with the remaining budget due to spent later in the year, on a progress-billed basis. There was an under spend on hardware & equipment capital expenditure of £18K, with only £8K actual spent to date. The remaining budget is likely to be spent later on in the year.

Working capital was £1,768,300 showing HPC continues to be in a stable financial position, although not if Deferred Income (fees received in advance) had to be repaid. The Net Assets were £2,867,602 including the Accumulated Fund of £2,215,413 and the Revaluation Reserve of £652,189. The Accumulated Fund comprised £1,930,624 at the beginning of the financial year plus the net surplus for the year to date.

CASH FLOW

The Cash Flow statement indicated a net decrease in cash of £1,164K from 1st April 2007 to the end of July 2007. At the end of July we budgeted a cash balance of £4,099K (including investments) and £2,313K excluding investments. The actual balance was £4,735K, including investments and £2,885K excluding investments. Excluding investments, the favourable variance was £572K. Of this £41K related to computer equipment and £220K relates to the Stannary Street project, which has not been spent.

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

After four months of the year the following permanent differences were known:

International Security Fee	£202K (unfavourable)
Partners conference	£19K (favourable)
Rates	£7K (Unfavourable)
Software support (Star)	£15K (unfavourable)
Net difference	<u>£205K</u> (unfavourable)

Note that permanent differences to date may change in future, for example, further under spends may occur and additional types of permanent difference (between actuals and budget) may arise. To best understand the likely year end out turn position, an accounting forecast will be done, after 6 months and 9 months of the financial year have occurred.

Overall, the 31st July 2007 year to date results showed a higher surplus than budgeted - an operating surplus of £197K against a budgeted surplus of £59K. HPC continues to be in a stable financial position.

Charlotte Milner
Management Accountant
August 2007

HEALTH PROFESSIONS COUNCIL

Consolidated Management Accounts For the 4 months ended 31st July 2007

HEALTH PROFESSIONS COUNCIL

CONSOLIDATED ACCOUNTS TO 31 JULY 2007
DETAILED SUMMARY

	Actual £	Budget £	Variance £	Variance %	Annual Budget £
INCOME					
Professions					
Arts Therapists	57,137	50,478	6,659	13.19	155,664
Biomedical Scientists	455,420	540,818	(85,398)	(15.79)	1,655,611
Chiropodists	246,905	259,208	(12,303)	(4.75)	788,686
Clinical Scientists	84,820	95,236	(10,416)	(10.94)	291,107
Dietitians	129,322	138,752	(9,430)	(6.80)	429,950
Occupational Therapists	575,542	672,978	(97,436)	(14.48)	2,070,085
Operating Department Practitioners	159,419	168,986	(9,567)	(5.66)	523,091
Orthoptists	26,386	28,293	(1,907)	(6.74)	86,298
Paramedics	246,615	292,915	(46,300)	(15.81)	897,554
Physiotherapists	814,413	908,513	(94,100)	(10.36)	2,819,586
Prosthetists & Orthotists	16,235	20,072	(3,837)	(19.12)	61,343
Radiographers	526,988	617,229	(90,241)	(14.62)	1,911,678
Speech and Language Therapists	233,728	280,617	(46,889)	(16.71)	861,074
Registration Income	3,572,930	4,074,095	(501,165)	(12.30)	12,551,727
Department of Health Capital Grant Released	0	0	0	0.00	0
Miscellaneous Income	0	0	0	0.00	0
TOTAL INCOME	3,572,930	4,074,095	(501,165)	(12.30)	12,551,727
EXPENDITURE					
Departments					
Approvals & Monitoring	156,603	228,216	71,613	31.38	657,017
Chief Executive	93,727	85,473	(8,254)	(9.66)	256,414
Committees & PLG	30,916	135,115	104,199	77.12	396,192
Communications	182,681	201,460	18,779	9.32	1,016,454
Council	126,105	206,616	80,511	38.97	423,008
Facilities Management	268,211	287,369	19,158	6.67	981,195
Finance	153,196	148,292	(4,904)	(3.31)	448,271
Fitness to Practise	1,104,799	1,168,259	63,460	5.43	3,591,583
Human Resources & Partners	247,433	163,581	(83,852)	(51.26)	490,744
IT Department	306,090	276,316	(29,774)	(10.78)	844,074
Operations Office	72,614	86,439	13,825	15.99	259,316
Policy & Standards	58,675	143,575	84,900	59.13	430,727
President	10,753	15,967	5,214	32.66	47,900
Projects	3,224	41,233	38,009	92.18	353,213
Registration	486,612	730,537	243,925	33.39	2,021,818
Secretariat	73,413	96,732	23,319	24.11	274,065
Operating Expenses	3,375,052	4,015,180	640,128	15.94	12,491,991
SURPLUS / (DEFICIT) - Excl. Unrealised Gains/(Losses)	197,878	58,915	138,963	(235.87)	59,736
Taxation	0	0	0	0.00	0.00
Investment Income - Excl. Unrealised Gains/(Losses)	62,484	58,334	4,150	7.11	175,000
Investment - Unrealised Gains / (Losses)	24,427	0	24,427	0.00	0
SURPLUS / (DEFICIT)	284,789	117,249	(167,540)	142.89	234,736

HEALTH PROFESSIONS COUNCIL

CONSOLIDATED ACCOUNTS TO 31 JULY 2007

CONSOLIDATED DETAILED SUMMARY

	Actual £	Budget £	Variance £	Variance %	Annual Budget £
Consolidated Income					
Registration fees	84,676	0	84,676	0.00	0
Registration fees (part year)	0	0	0	0.00	0
Readmission fees	21,630	68,400	(46,770)	(68.38)	205,200
Renewal fees	3,223,231	3,591,930	(368,699)	(10.26)	10,775,787
International scrutiny fees	156,593	358,934	(202,341)	(56.37)	1,076,800
Confirmation letter fees	0	0	0	0.00	0
Grandparenting scrutiny fees & other	0	0	0	0.00	0
UK scrutiny fee/Graduated < 2 years	86,800	54,831	31,969	58.30	493,940
	<u>3,572,930</u>	<u>4,074,095</u>	<u>(501,165)</u>	<u>(12.30)</u>	<u>12,551,727</u>
	0	0	0		

HEALTH PROFESSIONS COUNCIL

CONSOLIDATED ACCOUNTS TO 31 JULY 2007

CODE	INVESTMENT & OTHER INCOME				Annual Budget £
	Actual £	Budget £	Variance £	Variance %	
BUDGET MANAGER	Finance Director				
Consolidated Income					
Bank interest - Business Reserve	2,804	6,667	(3,863)	(57.94)	20,000
Bank interest - Money Market	33,816	31,000	2,816	9.08	93,000
Bond interest	0	0	0	0.00	0
Portfolio income	21,749	20,667	1,082	5.24	62,000
P & L on disposal of investments (Realised)	4,114	0	4,114	0.00	0
	<u>62,484</u>	<u>58,334</u>	<u>4,150</u>	<u>7.11</u>	<u>175,000</u>
P & L on disposal of investments (Unrealised)	24,427	0	24,427	0.00	0

HEALTH PROFESSIONS COUNCIL

CONSOLIDATED ACCOUNTS TO 31 JULY 2007

OVERHEAD TOTAL

	Actual £	Budget £	Variance £	Variance %	Annual Budget £
Payroll					
Basic	855,248	1,002,122	146,874	14.66	3,005,328
Overtime	4,502	9,626	5,124	53.23	28,875
National Insurance	91,320	119,134	27,814	23.35	357,401
Pension costs	85,567	71,623	(13,944)	(19.47)	214,867
Medical insurance	1,209	400	(809)	(202.34)	1,200
Staff recruitment	102,662	30,833	(71,829)	(232.96)	92,500
Temporary staff	146,283	103,629	(42,654)	(41.16)	310,887
Other payroll expense	2,750	13,333	10,583	79.37	40,000
	1,289,541	1,350,700	61,159	4.53	4,051,058
Staff travelling and subsistence					
Fares	19,982	38,286	18,304	47.81	107,090
Car expenses and car park	260	407	147	36.12	1,222
Subsistence	13,946	29,745	15,799	53.11	79,265
Entertaining	305	500	195	39.00	1,500
Conferences	377	2,833	2,456	86.69	10,000
	34,870	71,771	36,901	51.41	199,077
Council and committee expenses					
Fees	55,472	100,894	45,422	45.02	275,320
Travelling and subsistence	30,302	77,997	47,695	61.15	253,422
Tax Cost (NI ER and PAYE)	11,160	39,815	28,655	71.97	119,444
Conference expenses	1,196	18,320	17,125	93.47	39,640
Training	12,493	10,080	(2,413)	(23.94)	10,080
	110,621	247,106	136,485	55.23	697,906
Property services					
Business rates	38,670	31,217	(7,453)	(23.88)	93,652
Water	1,173	863	(310)	(35.90)	3,120
Electricity	16,939	12,250	(4,689)	(38.27)	36,750
Gas	1,520	2,531	1,011	39.94	7,592
Cleaning contractors	10,926	9,803	(1,123)	(11.46)	31,716
Cleaning materials	159	3,083	2,924	94.85	9,250
Waste disposal	2,156	4,178	2,022	48.40	14,675
Repairs and maintenance	2,618	5,458	2,840	52.03	16,376
Maintenance contracts	2,201	7,690	5,489	71.37	23,072
Security	9,095	7,833	(1,262)	(16.11)	26,020
Building Refurbishment	0	0	0	0.00	113,535
Property depreciation	14,000	11,500	(2,500)	(21.74)	34,500
	99,457	96,406	(3,051)	(3.16)	410,258

OVERHEAD TOTAL

	Actual £	Budget £	Variance £	Variance %	Annual Budget £
Office services					
Printing and stationery	154,729	212,041	57,312	27.03	696,831
Photocopying	1,248	2,400	1,152	48.01	7,200
Microfilming	0	0	0	0.00	500
Postage	15,026	32,687	17,661	54.03	98,060
Telephone	4,942	11,461	6,519	56.88	34,908
Mobile telephone	1,331	3,451	2,120	61.44	10,700
Fax	0	0	0	0.00	0
Couriers	2,009	1,750	(259)	(14.82)	5,250
Office equipment < £1000	3,555	4,933	1,378	27.94	14,800
Office equipment rental	949	1,402	453	32.31	4,650
Staff catering	2,058	2,900	842	29.04	7,800
Other office services	25,916	6,527	(19,389)	(297.06)	19,580
Room Hire	84,397	66,420	(17,977)	(27.07)	215,570
Office equipment depreciation	11,680	18,507	6,827	36.89	55,521
	307,840	364,479	56,639	35	1,171,370
Computer services					
Hardware < £1000	8,134	3,333	(4,801)	(144.06)	10,000
Hardware maintenance	4,855	5,000	145	2.89	15,000
Software Licences	11,257	6,000	(5,257)	(87.61)	18,000
Software support & maintenance	14,917	11,066	(3,851)	(34.80)	33,200
IT systems external support	41,369	44,000	2,631	5.98	132,000
New IT Software Systems	4,158	5,000	842	16.85	15,000
Managed Web/Internet services	63,961	38,510	(25,451)	(66.09)	115,000
Internet/3G	1,688	177	(1,511)	(853.73)	532
IT Consummerables	3,803	6,000	2,197	36.61	18,000
Disaster contingency plan	4,044	4,333	289	6.67	13,000
Computer training	10,000	3,333	(6,667)	(200.03)	10,000
IT Security - Backup Offsite etc	0	333	333	100.00	1,000
Other computer services costs	214	8,667	8,453	97.53	26,000
IT Hardware Disposals	0	0	0	0.00	0
Hardware depreciation	37,834	50,409	12,575	24.95	151,227
	206,234	186,161	(20,073)	(10.78)	557,959
Communications					
Campaigns	197	0	(197)	0.00	180,000
Annual Reports (Design, Distribute)	0	9,500	9,500	100.00	12,500
Brochures (Design, Distribute)	56	15,333	15,277	99.64	53,500
Listening Events	7,343	18,000	10,657	59.20	36,000
PR Advisors	0	0	0	0.00	0
Market Research	6,169	28,250	22,081	78.16	100,000
Registrant Comms & Internal	0	0	0	0.00	0
Translations	0	1,500	1,500	100.00	3,150
Public Affairs & Stakeholder	5,272	0	(5,272)	0.00	45,000
Standards of Proficiency (Design,Prod,Dist)	780	6,000	5,220	87.00	18,000
Web Site Design	6,862	0	(6,862)	0.00	41,740
Annual Conference	(18,529)	0	18,529	0.00	0
Marketing & Promotions	962	0	(962)	0.00	13,800
Conference Attendance	5,507	3,300	(2,207)	(66.89)	19,800
General Events (Internal & External)	3,756	9,107	5,351	58.76	50,322
Media Relations	33,689	20,000	(13,689)	(68.45)	60,000
General Public Literature	799	0	(799)	0.00	45,000
Internal Communications	24,032	22,000	(2,032)	(9.23)	34,500
Bi-Annual Opinion polling	0	0	0	0.00	60,000
	76,894	132,990	56,096	438.20	773,312

OVERHEAD TOTAL

	Actual £	Budget £	Variance £	Variance %	Annual Budget £
Partners					
Partners Recruitment	2,355	6,533	4,178	63.95	19,600
Partners Training	13,972	16,839	2,867	17.03	50,517
Legal Assessors	0	0	0	0.00	0
Registration Assessors	7,873	13,056	5,183	39.70	39,170
Panels (Allowance & Travel)	188,020	236,808	48,788	20.60	710,423
Screening - Panels (Allow & Travel)	0	0	0	0.00	0
Approvals (Previously Visits)	39,817	62,496	22,679	36.29	154,260
Assessors fees (All Professions)	89,502	117,360	27,858	23.74	352,080
Test of Competence (All Professions)	5,403	5,400	(3)	(0.05)	16,200
Annual Monitoring	4,023	13,033	9,010	69.13	34,400
Major/Minor Change	1,624	0	(1,624)	0.00	10,050
	352,589	471,525	118,936	25.22	1,386,700
Project Costs					
MP2 - CPD	1,029	27,734	26,705	96.29	77,400
MP7 - Fee rise	0	0	0	0.00	0
MP5 - Equality & Diversity	2,195	13,499	11,304	83.74	43,125
MP2 - New profession	0	0	0	0.00	232,688
BAU Projects	0	42,775	42,775	100.00	64,275
	3,224	84,008	80,784	280.03	417,488
Specific departmental expenses					
Archive storage	6,054	3,375	(2,679)	(79.37)	27,020
Auditors' fees	0	12,667	12,667	100.00	38,000
Bank charges	17,918	17,954	36	0.20	53,862
Books and publications	0	167	167	100.00	500
Conselling	0	3,000	3,000	100.00	6,000
Council Elections	56,836	79,790	22,954	28.77	79,790
Counter fraud Solutions	0	61,398	61,398	100.00	84,198
General insurance	11,276	14,333	3,057	21.33	43,000
Health and safety	2,239	7,293	5,054	69.30	21,880
Miscellaneous Expenses	9,901	0	(9,901)	0.00	0
Internal Audit	939	9,000	8,061	89.57	27,000
Legal advice	54,853	87,010	32,157	36.96	273,931
Legal expenses	564,089	478,730	(85,359)	(17.83)	1,496,189
Legal insurance	10,500	16,940	6,440	38.02	50,820
Legal -Transcript Writer	46,163	72,219	26,056	36.08	216,657
Other professional fees	43,189	26,834	(16,355)	(60.95)	85,810
Pension administration	4,548	6,667	2,119	31.78	20,000
Personal Performance Consultancy	2,017	2,684	667	24.85	8,052
Professional Liaison Groups	0	21,501	21,501	100.00	64,504
ISO 9001 Certification	1,483	2,141	658	30.74	6,424
Reward Data	0	2,833	2,833	100.00	8,500
Subscriptions to professional bodies	15,636	6,683	(8,953)	(133.96)	33,432
Taxation advice	125	1,333	1,208	90.62	4,000
Training	46,016	75,482	29,466	39.04	177,294
	893,782	1,010,034	116,252	11.51	2,826,863
OVERHEAD TOTAL	3,375,052	4,015,180	640,128	15.94	12,491,991

HEALTH PROFESSIONS COUNCIL
CONSOLIDATED BALANCE SHEET
as at 31 JULY 2007

	31 July 2007		Actual 31 March 2007	
	£	£	£	£
FIXED ASSETS				
Tangible fixed assets				
Land & buildings, at cost or valuation	3,288,554		3,224,656	
Depreciation	<u>(56,000)</u>		<u>(42,000)</u>	
Net book value		3,232,554		3,182,656
Computer Equipment, at cost	2,415,204		2,354,123	
Depreciation	<u>(1,923,092)</u>		<u>(1,885,259)</u>	
Net book value		492,111		468,864
Office furniture and equipment, at cost	382,805		395,249	
Depreciation	<u>(330,153)</u>		<u>(332,823)</u>	
Net book value		52,652		62,426
		<hr/>		<hr/>
Total tangible fixed assets		3,777,317		3,713,946
Investments		1,849,826		1,848,266
TOTAL FIXED ASSETS		<hr/> 5,627,143		<hr/> 5,562,212
CURRENT ASSETS				
Debtors	25,508		42,694	
Prepayments	137,440		197,462	
Bank balances and cash	<u>2,885,897</u>		<u>4,049,524</u>	
		3,048,845		4,289,680
CURRENT LIABILITIES				
Amounts falling due within one year				
Creditors and accrued expenses	1,280,545		1,840,472	
WORKING CAPITAL		1,768,300		2,449,208
DEFERRED INCOME				
Registration fees in advance	33,019		61,624	
Retention fees in advance	<u>4,494,822</u>		<u>5,366,983</u>	
		(4,527,841)		(5,428,607)
NET ASSETS		<hr/> 2,867,602		<hr/> 2,582,813
Represented by:				
General Funds		1,930,624		1,695,560
Revaluation reserve		652,189		652,189
Surplus/(Deficit) for the period		<u>284,789</u>		<u>235,064</u>
		<hr/> 2,867,602	0	<hr/> 2,582,813

**HEALTH PROFESSIONS COUNCIL
CONSOLIDATED ACCOUNTS TO 31 JULY 2007**

**CAPITAL EXPENDITURE
From 1st April 2007 - 31 March 2008**

	Actual £	Budget YTD £	Variance £	Annual Budget £	
<u>Major Investment (£50K+ Individual Item)</u>					
Office Services	Renovation work to 22-26 Stannary Street. Figures are based on a quantity surveyors estimations and the work will go out to tender early in the new financial year. £851,000 + VAT.	63,898	288,275	(224,377)	1,639,800
Sub Total		63,898	288,275	(224,377)	1,639,800
<u>Minor Investment (less than £50K individually)</u>					
Information Technology	Server for Fax server installation	0	0	0	5,000
	Server for Lotus Notes Environment, move from Krusty LISA server	0	5,000	5,000	5,000
	Google appliance for user searching across network	0	0	0	2,000
	Replacement Tape unit for LISA (existing is near end of life and under capacity)	6,376	11,000	4,624	11,000
	Replacement phones for Registrations dept	0	0	0	8,000
	Blackberry server	0	0	0	0
	New computers and laptops for employees	0	5,000	5,000	20,000
	5 Blackberry devices £200 each max	0	0	0	1,200
			0		
Office Services	Replacement B & W Copier	0	5,500	5,500	5,500
	Security - CCTV system	0	0	0	9,000
	36 Desks for 22-26 Stannary Street	0	0	0	9,000
	Dishwasher - Council Chamber	1,906	0	(1,906)	9,000
		8,282	26,500	18,218	84,700
Contingency		0	0	0	50,795
<u>LISA IT Projects</u>		54,703	20,000	34,703	25,000
Total Capital Expenditure		126,883	334,775	(171,455)	1,749,500

**HEALTH PROFESSIONS COUNCIL
CONSOLIDATED ACCOUNTS TO 31 JULY 2007**

**Project reporting
From 1st April 2007 - 31 March 2008**

		Actual £	YTD Budget £	Variance £	Annual Budget £
<u>Project number</u>					
<u>Capital Expenditure</u>					
MP2	CPD	42,781	-	42,781	85,000
MP25	Application Server Upgrade	0	-	0	30,000
MP26	Professional qualifications Directive	0	20,000	(20,000)	40,000
	Registrations Trends Analysis	0	-	0	2,000
MP27	Replacement of Finance system	0	-	0	19,000
	Call recording	0	-	0	20,000
	MIS Presentation	0	-	0	19,000
MP28	Change in Lisa access rights	0	-	0	35,000
	Renewals forms	4,171	-	4,171	-
	Online Trust Register	5,034	-	5,034	-
	ePaslist	2,717	-	2,717	-
		-	-	-	-
Total Capital Expenditure		54,703	20,000	34,703	250,000
<u>Operating Expenditure</u>					
MP2	CPD	1,029	27,734	(26,705)	77,400
MP7	Fee Rise	0	0	0	0
MP5	Equality & Diversity	2,195	13,499	(11,304)	43,125
MP3	On-boarding of Applied Psychologists	0	0	0	232,688
	Registrations Trends Analysis	0	24,525	(24,525)	24,525
	Call Recording	0	8,000	(8,000)	8,000
	Certificates Review	0	3,625	(3,625)	3,625
	MIS presentation	0	-	0	11,500
MP26	Professional Qualifications Directive	0	6,625	(6,625)	6,625
	FTP Trend Analysis Project	0	0	0	10,000
Total Operating Expenditure		3,224	84,008	(80,784)	417,488

HEALTH PROFESSIONS COUNCIL

CONSOLIDATED ACCOUNTS TO 31 JULY 2007

CASH FLOW STATEMENT

From 1st April 2007 - 31 March 2008

	£	
Surplus /(deficit) over expenditure	197,878	
Depreciation charge for the year of tangible fixed assets	49,164	
(Increase)/decrease in debtors & prepayments	77,208	
Increase/(decrease) in creditors (CGT and VAT Tax not included)	(559,927)	
Increase /(decrease) in deferred income	(900,766)	
Net cash In/(out)flow from operating activities	(1,136,443)	
Return on investments and servicing of finance		
Investment Income (Excluding realised gains & losses)	58,369	
Capital expenditure and financial investments		
Purchase of tangible assets	(126,883)	
Disposal of tangible assets	14,350	
Purchase of investments	(76,928)	
Proceeds from sale of investments	103,908	
Increase/(decrease) in Cash	(1,163,627)	
Cash at 31 March 2007	4,049,524	
Cash at 31 July 2007	2,885,897	
Cash Movement	(1,163,627)	0

HPC CONSOLIDATED Cash Flow: April 07 - March 08

	Mar-06	APRIL	MAY	JUNE	JULY	AUGUST	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	Total 12 Mths
Opening Balance 1st		4,049,524	3,620,399	3,032,867	2,521,613	2,885,897	2,885,897	2,885,897	2,885,897	2,885,897	2,885,897	2,885,897	2,885,897	
Receipts														
Registration Income		834,762	925,929	818,102	994,137									
Investment Income		2,683	7,533	43,932	4,221									
Investment Sales		0	20,160	83,600	148									
Deferred Income Movements		(29,496)	(694,801)	(447,059)	270,590									
Bank Loan														
Miscellaneous Income				19,649	(19,649)									
Total Cash Receipts		807,949	258,821	518,224	1,249,447	0	0	0	0	0	0	0	0	2,834,441
Payments									0					
Operational														
Expenditure		589,888	995,629	926,648	862,887									
Depreciation		(14,695)	(14,428)	(17,129)	(2,912)									
Aged Cred / Accrual Movements		664,359	(170,909)	50,554	15,923									
Debtor Movements		(31,106)	(15,183)	3,125	(34,044)									
Payments to Creditors		1,208,446	795,109	963,198	841,854	0	0	0	0	0	0	0	0	3,808,607
Exceptional														
Capital Expenditure		0	35,306	33,927	57,650									
Capital Write-off		0	0	0	(14,350)									
Investment Purchases		28,628	15,938	32,353	9									
Loan Repayments		0	0	0	0									
Total Payments		1,237,074	846,353	1,029,478	885,163	0	0	0	0	0	0	0	0	3,998,068
Closing Balance	4,049,524	3,620,399	3,032,867	2,521,613	2,885,897	2,885,897	2,885,897	2,885,897	2,885,897	2,885,897	2,885,897	2,885,897	2,885,897	(1,163,627)
Aged Creditors	800,652	918,928	1,089,837	1,039,283	1,023,360	1,023,360	1,023,360	1,023,360	1,023,360	1,023,360	1,023,360	1,023,360	1,023,360	1,023,360
Accruals	782,635													0
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.