

Finance and Resources Committee 24 November 2011

Six Month Reforecast

Executive summary and recommendations

Introduction

The six month reforecast is prepared to take account of changes that have occurred since the original budget was set for the financial year. This is prepared down to account level within departments and is completed to allow reporting by function and activity.

Decision

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

Background information

The Executive review the management accounts on a monthly basis and compare actual results to the original budget set for the financial year. As actual costs are incurred the Executive works to ensure that, where practical, the overall original budget net position is maintained. To this end a formal review to the year-end prepared at the six month, and later in the year the month, period of the financial year.

The net position expected to the end of the financial year is for a deficit of £109k compared to an original budgeted deficit of £88k.

Resource implications

Nil

Financial implications

Nil

Appendices

Appendix 1 – Six month reforecast

Date of paper

24 November 2011

Income and Expenditure Account - By Function

	Year End Position			
	6 Month Forecast	Budget	Variance	Variance
	£'000	£'000	£'000	%
Income by Profession				
Arts Therapists	220	220	0	0.0%
Biomedical Scientists	1,758	1,800	(42)	(2.3%)
Chiropodists	979	992	(13)	(1.3%)
Clinical Scientists	352	354	(2)	(0.6%)
Dietitians	585	586	(1)	(0.2%)
Hearing Aid Dispensers	131	133	(2)	(1.5%)
Occupational Therapists	2,505	2,553	(48)	(1.9%)
Operating Department Practitioners	806	820	(14)	(1.7%)
Orthoptists	98	101	(3)	(3.0%)
Paramedics	1,232	1,282	(50)	(3.9%)
Physiotherapists	3,602	3,570	32	0.9%
Practitioner Psychologists	1,412	1,471	(59)	(4.0%)
Prosthetists & Orthotists	69	70	(1)	(1.4%)
Radiographers	2,202	2,214	(12)	(0.5%)
Speech and Language Therapists	1,028	1,043	(15)	(1.4%)
Registration Income	16,979	17,209	(230)	(1.3%)
Cheque/credit card write offs	0	3	(3)	
Total Income	16,979	17,212	(233)	(1.4%)
Expenditure by Function				
Chair	66	71	5	7.0%
Chief Executive	347	312	(35)	(11.2%)
Committee	101	106	5	4.7%
Council	170	233	63	27.0%
Communications	1,049	1,096	47	4.3%
Depreciation	502	660	158	23.9%
Education	773	785	12	1.5%
Facilities Management	963	919	(44)	(4.8%)
Finance	586	654	68	10.4%
Fitness to Practise	7,581	7,494	(87)	(1.2%)
Human Resources	401	447	46	10.3%
Human Resources Partners	391	405	14	3.5%
IT Department	1,060	1,152	92	8.0%
Major Projects	194	83	(111)	(133.7%)
Operations Office	470	445	(25)	(5.6%)
Policy	261	285	24	8.4%
Registration	1,895	1,908	13	0.7%
Secretariat	292	245	(47)	(19.2%)
Operating expenditure	17,102	17,300	198	1.1%
Operating Surplus/(Deficit)	(123)	(88)	(35)	
Costs relating to GSCC	(291)	0	(291)	
Income from GSCC	287	0	287	
Investment income	18	0	18	
Total surplus/(deficit)	(109)	(88)	(21)	

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Notes to the Income and Expenditure Account - by Function	
Note	Narrative
1	Lower costs compare to budget for PLG's. Decrease in tax provision.
2	Lower depreciation due to delay in FtP project implementation.
3	Expected refund of costs incurred in current financial year on CPM pension scheme.
4	Lower than budgeted legal costs. Re-phase of taking on additional member of staff.
5	Extra spend on Major projects compared to budget as additional work required to deliver projects. Items such as PCI/DSS project required changes to telephone numbers.
6	Higher number of FOI requested than originally budgeted.

Income and Expenditure Account - By Activity

	Year End Position				
	6 Month Forecast	Budget	Variance	Variance	
	£'000	£'000	£'000	%	
Income by Activity					
Graduate Registration fees	793	631	162	25.7%	
Readmission fees	177	606	(429)	(70.8%)	A
Renewal fees	14,842	14,966	(124)	(0.8%)	B
International scrutiny fees	577	389	188	48.3%	B
Grandparenting fees	89	142	(53)	(37.3%)	
UK scrutiny fees	499	475	24	5.1%	
Registration Income	16,977	17,209	(232)	(1.3%)	
Cheque/credit card write offs	2	3	(1)	(33.3%)	
Total Income	16,979	17,212	(233)	(1.4%)	
Expenditure by Activity					
Payroll	5,884	5,839	(45)	(0.8%)	
Travel and subsistence	205	217	12	5.5%	
Council and committee expenses	320	352	32	9.1%	C
Property services	478	458	(20)	(4.4%)	
Office services	1,139	1,158	19	1.6%	
Computer services	1,092	1,352	260	19.2%	D
Communications	534	609	75	12.3%	E
Partners	2,711	2,684	(27)	(1.0%)	
Professional fees	3,970	3,954	(16)	(0.4%)	
Projects	275	163	(112)	(68.7%)	F
Specific departmental costs	494	514	20	3.9%	
Operating expenditure	17,102	17,300	198	1.1%	
Operating Surplus/(Deficit)	(123)	(88)	(35)		
Costs relating to GSCC	(291)	0	(291)		
Income from GSCC	287	0	287		
Investment income	18	0	18		
Total surplus/(deficit)	(109)	(88)	(21)		

Notes to the Income and Expenditure Account - by Activity	
Note	Narrative
A	Actual Readmission income lower than originally budgeted as Finance department included registrants readmitting within one month of being lapsed. No readmission fee due.
B	Forecast increased as there has been a higher number of applications in the first six months.
C	See Note 2.
D	Lower costs due to depreciation costs relating to CMS and FTP projects.
E	and listening event costs
F	See note 5.