

Finance and Resources Committee – 19 March 2008

January 2008 Management Accounts

Executive summary and recommendations

**Introduction**

**Decision**

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

**Background information**

**Resource implications**

Nil

**Financial implications**

Nil

**Appendices**

**Date of paper**

7 March 2008

# HEALTH PROFESSIONS COUNCIL

## CONSOLIDATED MANAGEMENT ACCOUNTS FOR THE 10 MONTHS ENDED 31 JANUARY 2008 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 £234,736 compared to 2007's budgeted deficit of £128,763. The actual result for year to date was a surplus of £612,914 after unrealised gains; a favourable variance of £513,190.

Income totalled £9,609,956 with overheads at £9,054,478 thus giving the operating surplus before investments of £555,478.

### INCOME

Registration income was £827,760 below budget. £270K of the unfavourable variance related to renewal fee income and is 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 January. This difference is likely to reverse in future months.

£443K of this unfavourable variance related to international scrutiny fee income. About £50K of the unfavourable variance related to the 5 weeks implementation period for the fee rise and £98K 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 months. The remaining unfavourable variance is due to a down turn in the number of international applications being received. The difference is likely to remain a permanent difference.

Year to date investment income is more or less on budget.

### DEPARTMENTS

Total Departmental expenditure was £9,054,479 which was £1,423,602 below budget. There were under spends in Approvals and Monitoring, Council, Committees, Communications, Facilities, Policy, Projects and the Registration departments. However some of these under spends are likely to disappear in following months due to new/replacement staff being employed, meetings & hearings taking place, renewal cycles commencing and projects completing.

### OVERHEADS

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

#### Payroll costs

Payroll costs show a favourable variance (year to date £51k) due to some budgeted positions not being appointed in the prior year particularly in the following areas; The

Operations Offices, Registrations and Fitness to Practise 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.

#### Staff travelling and subsistence

This shows a favourable variance (year to date £63K). £18K of this variance relates to the Approvals and Monitoring department where the majority of their visits take place in the last half of the year. However, the number of visits is down on what was originally budgeted for and therefore this will be a permanent difference.

#### Council and committee expenses

This shows a favourable variance (year to date £280k). 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. There is also a favourable variance on the tax cost of £75K due to a budget estimation error. This is a permanent difference.

#### Property service

This shows a favourable variance of £111k. Of the variance £113K relates to building refurbishment which is due to take place in the next financial year.

#### Office services

This showed a favourable variance of £114K, mainly due to a favourable variance in Printing and Stationery. The under spend in Secretariat of £38K is due to a budget estimation error and likely to remain a permanent difference. The under spend of £37K in Policy for the printing of Standards of Proficiency is delayed until the next financial year and therefore a permanent difference. The Registration Department under spend of £36K will reverse when the remaining renewal forms are printed. There is an over spend in Room Hire of £51K due to a large number of FTP cases being held outside of Park House. There was an over spend in Other Office Services of £35K due to under budgeting the amount of office furniture which is being rented and also the storage cost of office furniture (22-26 Stannary St project related).

#### Computer Services

This shows a favourable variance of £48K. 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. £21k favourable relates to phasing error on IT Other Computer Services costs (22/26 Stannary St cabling) which will occur later in the financial year.

#### Communications

This shows a favourable variance of £396k. Of this variance, £19K related to over-accruing likely expense claims in March 2007 in relation to the Partner's conference in October 2006. The remaining under spends in campaigns, brochures, market research and listening events was due to timing differences and is expected to reverse later in the year.

#### Partners

The year to date accounts showed a favourable variance of £282k. Of this variance £34K related to panel costs which is due to a budget estimation error and is a permanent difference. There was also a favourable variance of £54K for approval visits and £21K for annual monitoring. Both of these are due to a lower than expected

number of visits done this year and is a permanent difference. There is also a favourable variance of £117K in assessor's fees due to the down turn in international applications.

#### Counter Fraud Solutions

This shows a favourable variance of 72K. This is now being delayed until the next financial year and will be a permanent difference.

#### Legal expenses

This shows an unfavourable variance of £320K. Of this £294K relates to FTP cases with the major due to higher disbursements charged by Kinsley Napley due to the number of cases held away from Park house.

#### Miscellaneous Expenses

This shows an unfavourable variance of £26K which relates to payments made to Portman Travel (Amex card) where we have not received the invoices. This will offset against the favourable variance for both staff and partners travel expenses.

#### Other Professional Fees

This shows an unfavourable variance of £29K. Of this overspend £19K relates to the Chief Executive department and legal advice which has been received in relation to the section 60 order. A separate legal advice code has been set up and these costs will be recoded in future months. There is also an overspend of £15K in the HR department due to the mis-posting of reward data invoices.

### **PROJECTS**

There is a favourable operating variance of £328K relating to Business as usual (BAU) projects, On-boarding of a New Profession, 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. Of the £328k, £205K relates to the new profession budget.

There has been capital expenditure (capex) on 10 projects so far this year, totalling £204K. 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 2007 projects. The Renewal forms spend arose as a result of CPD where we needed to change the renewals form for the start of the renewal cycle.

Year to date, £94K capex has been spent on the CPD project. This was timed for later in the year, but DSL resources became available sooner than expected and the overspend of £9K is due to a budget estimation error and is a permanent difference. There was an under spend for the Professional Qualifications Directive (PQD) project of £40K which is not due to be spent until after the year end and therefore is a permanent difference. We have implemented a workaround in the interim. £30K has been spent on the application server upgrade and £15K has been spent on the call recording budget. £8K has been spent in relation to the Lisa Access rights project. £28K has been spent on the new Finance System with the overspend of £9K due to a budget estimation error. This is a permanent difference.

### **BALANCE SHEET**

The main movements in the balance sheet since the beginning of the year were a decrease in Prepayments, decrease in Creditors and an increase in deferred income

the net impact of these movements was a small decrease in the cash balance of £2K.

£816K was spent in relation to the Stannary Street project with the remaining budget due to be spent later in the year, on a progress-billed basis. The favourable variance of £799K is a budget phasing error, due to a 12 week delay in the project. There was an under spend on hardware & equipment capital expenditure of £70K, with £35K actual spent to date. The remaining budget is likely to be spent later in the year. Except for the £43K relating to the purchase of equipment for Stannary St which now can not be capitalised due to the cost of the desks being less than £1K each.

Working capital was £2,697K 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 £3,195K including the Accumulated Fund of £2,544K and the Revaluation Reserve of £652K. The Accumulated Fund comprised £1,931K 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 £2K from 1<sup>st</sup> April 2007 to the end of January 2008. At the end of January we budgeted a cash balance of £2,986K (including investments) and £1,200K excluding investments. The actual balance was £5,696K, including investments and £4,046K excluding investments. Excluding investments, the favourable variance was £2,846K. Of this £799K relates to the Stannary Street project, which has not been spent. £443K Cash inflow has not been received in relation to International Security Fees.

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, the January year to date results showed a higher surplus than budgeted - an operating surplus of £555K against a budgeted deficit of £46K. HPC continues to be in a stable financial position.

**Charlotte Milner**  
**Financial Controller**  
**February 2008**

# **HEALTH PROFESSIONS COUNCIL**

## **Consolidated Management Accounts For the 10 months ended 31st January 2008**

HEALTH PROFESSIONS COUNCIL

CONSOLIDATED ACCOUNTS TO 31 JANUARY 2008  
DETAILED SUMMARY

	Actual £	Budget £	Variance £	Variance %	Annual Budget £
<b>INCOME</b>					
<b>Professions</b>					
Arts Therapists	40,927	129,368	(88,441)	(68.36)	155,664
Biomedical Scientists	1,191,918	1,376,913	(184,995)	(13.44)	1,655,611
Chiropodists	645,360	656,316	(10,956)	(1.67)	788,686
Clinical Scientists	232,640	242,140	(9,500)	(3.92)	291,107
Dietitians	462,106	357,151	104,955	29.39	429,950
Occupational Therapists	1,565,376	1,720,809	(155,433)	(9.03)	2,070,085
Operating Department Practitioners	425,117	434,565	(9,448)	(2.17)	523,091
Orthoptists	77,007	71,445	5,562	7.79	86,298
Paramedics	695,886	746,394	(50,508)	(6.77)	897,554
Physiotherapists	2,230,300	2,341,818	(111,518)	(4.76)	2,819,586
Prosthetists & Orthotists	46,860	51,025	(4,165)	(8.16)	61,343
Radiographers	1,352,782	1,588,066	(235,284)	(14.82)	1,911,678
Speech and Language Therapists	637,931	715,960	(78,029)	(10.90)	861,074
<b>Registration Income</b>	9,604,210	10,431,970	(827,760)	(7.93)	12,551,727
<b>Department of Health Capital Grant Released</b>	0	0	0	0.00	0
<b>Miscellaneous Income</b>	5,746	0	5,746	0.00	0
<b>TOTAL INCOME</b>	<b>9,609,956</b>	<b>10,431,970</b>	<b>(822,014)</b>	<b>(7.88)</b>	<b>12,551,727</b>
<b>EXPENDITURE</b>					
<b>Departments</b>					
Approvals & Monitoring	349,322	524,609	175,287	33.41	657,017
Chief Executive	227,843	213,680	(14,163)	(6.63)	256,414
Committees & PLG	132,430	336,250	203,820	60.62	396,192
Communications	590,995	918,766	327,771	35.68	1,016,454
Council	235,297	352,686	117,389	33.28	423,008
Facilities Management	670,361	833,414	163,053	19.56	981,195
Finance	454,158	373,707	(80,451)	(21.53)	448,271
Fitness to Practise	3,169,400	2,938,217	(231,183)	(7.87)	3,591,583
Human Resources & Partners	502,713	408,954	(93,759)	(22.93)	490,744
IT Department	693,258	690,794	(2,464)	(0.36)	844,074
Operations Office	216,851	216,097	(754)	(0.35)	259,316
Policy & Standards	207,006	358,939	151,933	42.33	430,727
President	28,378	39,917	11,539	28.91	47,900
Projects	43,872	338,735	294,863	87.05	353,213
Registration	1,319,784	1,706,787	387,003	22.67	2,021,818
Secretariat	212,811	226,528	13,717	6.06	274,065
<b>Operating Expenses</b>	9,054,478	10,478,080	1,423,602	13.59	12,491,991
<b>SURPLUS / (DEFICIT) - Excl. Unrealised Gains/(Losses)</b>	<b>555,478</b>	<b>(46,110)</b>	<b>601,588</b>	1,304.68	<b>59,736</b>
<b>Taxation</b>	0	0	0	0.00	0.00
<b>Investment Income - Excl. Unrealised Gains/(Losses)</b>	189,037	145,834	43,203	29.63	175,000
<b>Investment - Unrealised Gains / (Losses)</b>	(131,602)	0	(131,602)	0.00	0
<b>SURPLUS / (DEFICIT)</b>	<b>612,914</b>	<b>99,724</b>	<b>(513,190)</b>	514.61	<b>234,736</b>

HEALTH PROFESSIONS COUNCIL

CONSOLIDATED ACCOUNTS TO 31 JANUARY 2008

CONSOLIDATED DETAILED SUMMARY

	Actual £	Budget £	Variance £	Variance %	Annual Budget £
<b>Consolidated Income</b>					
Registration fees	309,898	0	309,898	0.00	0
Registration fees (part year)	0	0	0	0.00	0
Readmission fees	87,500	171,000	(83,500)	(48.83)	205,200
Renewal fees	8,398,982	8,979,825	(580,843)	(6.47)	10,775,787
International scrutiny fees	454,555	897,334	(442,779)	(49.34)	1,076,800
Confirmation letter fees	0	0	0	0.00	0
Grandparenting scrutiny fees & other	-15	0	(15)	0.00	0
UK scrutiny fee/Graduated < 2 years	353,290	383,811	(30,521)	(7.95)	493,940
	<u>9,604,210</u>	<u>10,431,970</u>	<u>(827,760)</u>	<u>(7.93)</u>	<u>12,551,727</u>
	0	0	0		

## HEALTH PROFESSIONS COUNCIL

## CONSOLIDATED ACCOUNTS TO 31 JANUARY 2008

CODE	INVESTMENT & OTHER INCOME				Annual Budget £
	Finance Director				
BUDGET MANAGER	Actual £	Budget £	Variance £	Variance %	
<b>Consolidated Income</b>					
Bank interest - Business Reserve	10,867	16,667	(5,800)	(34.80)	20,000
Bank interest - SIBA	66,187	77,500	(11,313)	(14.60)	93,000
Bond interest	44,854	0	44,854	0.00	0
Portfolio income	57,848	51,667	6,181	11.96	62,000
P & L on disposal of investments (Realised)	9,280	0	9,280	0.00	0
	<u>189,037</u>	<u>145,834</u>	<u>43,203</u>	29.63	<u>175,000</u>
P & L on disposal of investments (Unrealised)	(131,602)	0	(131,602)	0.00	0

0

## HEALTH PROFESSIONS COUNCIL

## CONSOLIDATED ACCOUNTS TO 31 JANUARY 2008

## OVERHEAD TOTAL

	Actual £	Budget £	Variance £	Variance %	Annual Budget £
<b>Payroll</b>					
Basic	2,262,804	2,504,786	241,982	9.66	3,005,328
Overtime	22,396	24,063	1,667	6.93	28,875
National Insurance	241,627	297,835	56,208	18.87	357,401
Pension costs	233,025	179,056	(53,969)	(30.14)	214,867
Medical insurance	1,789	1,000	(789)	(78.94)	1,200
Staff recruitment	191,209	77,083	(114,126)	(148.06)	92,500
Temporary staff	369,529	259,072	(110,457)	(42.64)	310,887
Other payroll expense	2,750	33,333	30,583	91.75	40,000
	<b>3,325,129</b>	<b>3,376,228</b>	<b>51,099</b>	<b>1.51</b>	<b>4,051,058</b>
<b>Staff travelling and subsistence</b>					
Fares	64,874	87,483	22,609	25.84	107,090
Car expenses and car park	260	1,018	758	74.46	1,222
Subsistence	33,009	63,781	30,772	48.25	79,265
Entertaining	2,212	1,250	(962)	(76.93)	1,500
Conferences	998	10,583	9,585	90.57	10,000
	<b>101,352</b>	<b>164,115</b>	<b>62,763</b>	<b>38.24</b>	<b>199,077</b>
<b>Council and committee expenses</b>					
Fees	155,416	223,968	68,552	30.61	275,320
Travelling and subsistence	96,393	201,834	105,441	52.24	253,422
Tax Cost (NI ER and PAYE)	23,553	99,537	75,984	76.34	119,444
Conference expenses	2,948	36,640	33,692	91.95	39,640
Training	13,424	10,080	(3,344)	(33.18)	10,080
	<b>291,734</b>	<b>572,059</b>	<b>280,325</b>	<b>49.00</b>	<b>697,906</b>
<b>Property services</b>					
Business rates	83,377	78,043	(5,334)	(6.84)	93,652
Water	1,570	2,423	853	35.19	3,120
Electricity	34,669	30,625	(4,044)	(13.20)	36,750
Gas	5,433	6,327	894	14.13	7,592
Cleaning contractors	23,803	25,661	1,858	7.24	31,716
Cleaning materials	3,649	7,708	4,059	52.66	9,250
Waste disposal	9,217	10,446	1,229	11.77	14,675
Repairs and maintenance	21,755	13,646	(8,109)	(59.43)	16,376
Maintenance contracts	6,188	19,226	13,038	67.81	23,072
Security	19,567	19,583	16	0.08	26,020
Building Refurbishment	0	113,535	113,535	100.00	113,535
Property depreciation	35,000	28,750	(6,250)	(21.74)	34,500
	<b>244,229</b>	<b>355,973</b>	<b>111,744</b>	<b>31.39</b>	<b>410,258</b>

<b>OVERHEAD TOTAL</b>
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	Actual £	Budget £	Variance £	Variance %	Annual Budget £
<b>Office services</b>					
Printing and stationery	457,424	587,893	130,469	22.19	696,831
Photocopying	4,477	6,000	1,523	25.38	7,200
Microfilming	0	0	0	0.00	500
Postage	50,452	81,717	31,265	38.26	98,060
Telephone	20,994	28,915	7,921	27.39	34,908
Mobile telephone	4,521	8,626	4,105	47.58	10,700
Fax	5,000	0	(5,000)	0.00	0
Couriers	5,784	4,375	(1,409)	(32.20)	5,250
Office equipment < £1000	5,447	12,333	6,886	55.84	14,800
Office equipment rental	3,664	3,727	63	1.68	4,650
Staff catering	5,003	6,800	1,797	26.42	7,800
Other office services	50,968	16,317	(34,651)	(212.36)	19,580
Room Hire	238,507	187,724	(50,783)	(27.05)	215,570
Office equipment depreciation	24,328	46,268	21,940	47.42	55,521
	<b>876,570</b>	<b>990,695</b>	<b>114,125</b>	<b>21</b>	<b>1,171,370</b>
<b>Computer services</b>					
Hardware < £1000	5,840	8,333	2,493	29.91	10,000
Hardware maintenance	11,726	12,500	774	6.19	15,000
Software Licences	22,549	15,000	(7,549)	(50.33)	18,000
Software support & maintenance	35,170	27,666	(7,504)	(27.12)	33,200
IT systems external support	83,838	110,000	26,162	23.78	132,000
New IT Software Systems	4,511	12,500	7,989	63.91	15,000
Managed Web/Internet services	126,832	96,988	(29,844)	(30.77)	115,000
Internet/3G	8,692	443	(8,249)	(1,862.07)	532
IT Consummerables	9,776	15,000	5,224	34.82	18,000
Disaster contingency plan	10,110	10,833	723	6.67	13,000
Computer training	10,000	8,333	(1,667)	(20.00)	10,000
IT Security - Backup Offsite etc	36	833	797	95.67	1,000
Other computer services costs	334	21,667	21,333	98.46	26,000
IT Other Professional Fees	7,672	24,167	16,495	68.25	29,000
IT Hardware Disposals	157	0	(157)	0.00	0
Hardware depreciation	105,046	126,023	20,977	16.65	151,227
	<b>442,290</b>	<b>490,286</b>	<b>47,996</b>	<b>9.79</b>	<b>586,959</b>
<b>Communications</b>					
Campaigns	101,533	180,000	78,467	43.59	180,000
Annual Reports (Design, Distribute)	7,866	11,750	3,884	33.06	12,500
Brochures (Design, Distribute)	14,975	52,333	37,358	71.39	53,500
Listening Events	18,729	36,000	17,271	47.97	36,000
Market Research	21,180	90,000	68,820	76.47	100,000
Translations	562	3,000	2,439	81.28	3,150
Public Affairs & Stakeholder	17,642	45,000	27,358	60.80	45,000
Standards of Proficiency (Design,Prod,Dist)	1,713	15,000	13,287	88.58	18,000
Web Site Design	8,771	41,740	32,969	78.99	41,740
Annual Conference	(17,744)	0	17,744	0.00	0
Marketing & Promotions	6,854	13,800	6,946	50.33	13,800
Conference Attendance	13,262	13,200	(62)	(0.47)	19,800
General Events (Internal & External)	14,503	45,768	31,265	68.31	50,322
Media Relations	42,525	50,000	7,475	14.95	60,000
General Public Literature	8,520	45,000	36,480	81.07	45,000
Internal Communications	29,617	33,500	3,883	11.59	34,500
Bi-Annual Opinion polling	49,147	60,000	10,853	18.09	60,000
	<b>339,654</b>	<b>736,091</b>	<b>396,438</b>	<b>825.99</b>	<b>773,312</b>

<b>OVERHEAD TOTAL</b>
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	Actual £	Budget £	Variance £	Variance %	Annual Budget £
<b>Partners</b>					
Partners Recruitment	2,355	16,333	13,978	85.58	19,600
Partners Training	26,168	42,098	15,930	37.84	50,517
Registration Assessors	13,639	32,640	19,001	58.21	39,170
Panels (Allowance & Travel )	557,833	592,019	34,186	5.77	710,423
Approvals (Previously Visits)	54,156	107,835	53,679	49.78	154,260
Assessors fees (All Professions)	175,636	293,400	117,764	40.14	352,080
Test of Competence (All Professions)	9,985	13,500	3,515	26.04	16,200
Annual Monitoring	7,085	27,900	20,815	74.61	34,400
Major/Minor Change	3,509	6,700	3,191	47.62	10,050
	<b>850,367</b>	<b>1,132,425</b>	<b>282,058</b>	<b>24.91</b>	<b>1,386,700</b>
<b>Project Costs</b>					
MP2 - CPD	9,622	66,984	57,362	85.64	77,400
MP7 - Fee rise	0	0	0	0.00	0
MP5 - Equality & Diversity	6,820	39,063	32,243	82.54	43,125
MP2 - New profession	27,430	232,688	205,258	88.21	232,688
BAU Projects	21,524	54,275	32,751	60.34	64,275
	<b>65,396</b>	<b>393,010</b>	<b>327,614</b>	<b>316.73</b>	<b>417,488</b>
<b>Specific departmental expenses</b>					
Archive storage	15,986	9,675	(6,311)	(65.23)	27,020
Auditors' fees	34,117	31,667	(2,450)	(7.74)	38,000
Bank charges	53,733	44,885	(8,848)	(19.71)	53,862
Books and publications	296	417	121	29.11	500
Conselling	0	4,500	4,500	100.00	6,000
Council Elections	69,302	79,790	10,488	13.14	79,790
Counter fraud Solutions	5,605	78,498	72,893	92.86	84,198
General insurance	27,467	35,833	8,366	23.35	43,000
Health and safety	7,156	18,233	11,077	60.75	21,880
Miscellaneous Expenses	25,888	0	(25,888)	0.00	0
Internal Audit	40,760	22,500	(18,260)	(81.16)	27,000
Legal advice	243,617	221,976	(21,641)	(9.75)	273,931
Legal expenses	1,517,813	1,196,824	(320,989)	(26.82)	1,496,189
Legal insurance	26,250	42,350	16,100	38.02	50,820
Legal -Transcript Writer	157,781	180,548	22,767	12.61	216,657
Other professional fees	71,489	42,917	(28,572)	(66.57)	56,810
Pension administration	16,270	16,667	397	2.38	20,000
Personal Performance Consultancy	4,681	6,710	2,029	30.23	8,052
Professional Liaison Groups	31,114	53,753	22,639	42.12	64,504
ISO 9001 Certification	4,316	5,353	1,037	19.37	6,424
Reward Data	0	7,083	7,083	100.00	8,500
Subscriptions to professional bodies	28,178	14,208	(13,970)	(98.32)	33,432
Taxation advice	7,453	3,333	(4,120)	(123.62)	4,000
Training	128,486	149,478	20,992	14.04	177,294
	<b>2,517,757</b>	<b>2,267,198</b>	<b>(250,559)</b>	<b>(11.05)</b>	<b>2,797,863</b>
<b>OVERHEAD TOTAL</b>	<b>9,054,479</b>	<b>10,478,080</b>	<b>1,423,602</b>	<b>13.59</b>	<b>12,491,991</b>

**HEALTH PROFESSIONS COUNCIL  
CONSOLIDATED BALANCE SHEET  
as at 31 January 2008**

	31 January 2008		Actual 31 March 2007	
	£	£	£	£
<b>FIXED ASSETS</b>				
<b>Tangible fixed assets</b>				
Land & buildings, at cost or valuation	4,040,505		3,224,656	
Depreciation	<u>(77,000)</u>		<u>(42,000)</u>	
Net book value		3,963,505		3,182,656
Computer Equipment, at cost	2,582,693		2,354,123	
Depreciation	<u>(1,985,047)</u>		<u>(1,885,259)</u>	
Net book value		597,646		468,864
Office furniture and equipment, at cost	382,805		395,249	
Depreciation	<u>(342,801)</u>		<u>(332,823)</u>	
Net book value		40,004		62,426
		<hr/>		<hr/>
<b>Total tangible fixed assets</b>		<b>4,601,155</b>		<b>3,713,946</b>
<b>Investments</b>		<b>1,649,116</b>		<b>1,848,266</b>
<b>TOTAL FIXED ASSETS</b>		<hr/> <b>6,250,270</b>		<hr/> <b>5,562,212</b>
<b>CURRENT ASSETS</b>				
Debtors	110,736		42,694	(68,042)
Prepayments	126,174		197,462	71,288
Bank balances and cash	<u>4,046,710</u>		<u>4,049,524</u>	2,814
	4,283,621		4,289,680	
<b>CURRENT LIABILITIES</b>				
<b>Amounts falling due within one year</b>				
Creditors and accrued expenses	1,586,057		1,840,472	(254,415)
<b>WORKING CAPITAL</b>		<b>2,697,564</b>		<b>2,449,208</b>
<b>DEFERRED INCOME</b>				
Registration fees in advance	161,595		61,624	
Retention fees in advance	<u>5,590,513</u>		<u>5,366,983</u>	
		<b>(5,752,108)</b>		<b>(5,428,607)</b>
<b>NET ASSETS</b>		<hr/> <b>3,195,727</b>		<hr/> <b>2,582,813</b>
<b>Represented by:</b>				
General Funds		1,930,624		1,695,560
Revaluation reserve		652,189		652,189
Surplus/(Deficit) for the period		<u>612,914</u>		<u>235,064</u>
		<hr/> <b>3,195,727</b>	<b>(0)</b>	<hr/> <b>2,582,813</b>

**HEALTH PROFESSIONS COUNCIL  
CONSOLIDATED ACCOUNTS TO 31 JANUARY 2008**

**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 Stannery Street.	815,849	1,614,654	(798,805)	1,639,800
	Sub Total	815,849	1,614,654	(798,805)	1,639,800
<u>Minor Investment (less than £50K individually)</u>					
Information Technology	Server for Fax server installation	0	5,000	(5,000)	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	2,000	(2,000)	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	4,242	8,000	(3,758)	8,000
	New computers and laptops for employees	15,241	15,000	241	20,000
	6 Blackberry devices £200 each max	0	1,200	(1,200)	1,200
	HP Procurve Switch	1,998	0	1,998	0
	Memory Driver	1,504	0	1,504	0
	Replacement Server	3,290	0	3,290	0
Office Services	Replacement B & W Copier	0	5,500	(5,500)	5,500
	Security - CCTV system	0	9,000	(9,000)	9,000
	36 Desks for 22-26 Stannery Street	0	43,800	(43,800)	43,800
	Dishwasher - Council Chamber	1,906	0	1,906	0
		34,556	105,500	(70,944)	110,500
Contingency		0	0	0	0
<u>LISA IT Projects</u>		204,622	216,664	(12,042)	250,000
<b>Total Capital Expenditure</b>		<b>1,055,028</b>	<b>1,936,818</b>	<b>(881,790)</b>	<b>2,000,300</b>
		0			

**HEALTH PROFESSIONS COUNCIL  
CONSOLIDATED ACCOUNTS TO 31 JANUARY 2008**

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

<u>Project number</u>		<b>Actual £</b>	<b>YTD Budget £</b>	<b>Variance £</b>	<b>Annual Budget £</b>
<u>Capital Expenditure</u>					
MP2	CPD	94,271	56,664	37,607	85,000
MP3	Practitioner Psychologists	13,872	-	13,872	-
MP25	Application Server Upgrade	29,249	30,000	(751)	30,000
MP26	Professional qualifications Directive	0	40,000	(40,000)	40,000
	Registrations Trends Analysis	0	2,000	(2,000)	2,000
MP27	Replacement of Finance system	27,576	19,000	8,576	19,000
	Call recording	15,358	20,000	(4,642)	20,000
	MIS Presentation	4,200	19,000	(14,800)	19,000
MP28	Change in Lisa access rights	8,174	30,000	(21,826)	35,000
	Renewals forms	4,171	-	4,171	-
	Online Trust Register	5,034	-	5,034	-
	ePasslist	2,717	-	2,717	-
		-	-	-	-
<b>Total Capital Expenditure</b>		<b>204,622</b>	<b>216,664</b>	<b>(12,042)</b>	<b>250,000</b>
<u>Operating Expenditure</u>					
MP2	CPD	9,622	66,984	(57,362)	77,400
MP7	Fee Rise	0	0	0	0
MP5	Equality & Diversity	6,820	39,063	(32,243)	43,125
MP3	On-boarding of Practitioner Psychologists	27,430	232,688	(205,258)	232,688
	Registrations Trends Analysis	8,225	24,525	(16,300)	24,525
	Call Recording	12,079	8,000	4,079	8,000
	Certificates Review	0	3,625	(3,625)	3,625
	MIS presentation	0	11,500	(11,500)	11,500
MP26	Professional Qualifications Directive	0	6,625	(6,625)	6,625
	FTP Trend Analysis Project	1,220	0	1,220	10,000
<b>Total Operating Expenditure</b>		<b>65,396</b>	<b>393,010</b>	<b>(327,614)</b>	<b>417,488</b>
		0	0		

# HEALTH PROFESSIONS COUNCIL

## CONSOLIDATED ACCOUNTS TO 31 JANUARY 2008

### CASH FLOW STATEMENT

From 1st April 2007 - 31 March 2008

	£	
Surplus /(deficit) over expenditure	555,478	
Depreciation charge for the year of tangible fixed assets	144,767	
(Increase)/decrease in debtors & prepayments	3,245	
Increase/(decrease) in creditors (CGT and VAT Tax not included)	(254,415)	
Increase /(decrease) in deferred income	323,501	
<b>Net cash In/(out)flow from operating activities</b>	<b>772,576</b>	
<b>Return on investments and servicing of finance</b>		
Investment Income (Excluding realised gains & losses)	179,757	
<b>Capital expenditure and financial investments</b>		
Purchase of tangible assets	(1,055,028)	
Disposal of tangible assets	23,054	
Purchase of investments	(215,607)	
Proceeds from sale of investments	292,434	
<b>Increase/(decrease) in Cash</b>	<b>(2,814)</b>	
Cash at 31 March 2007	4,049,524	
Cash at 31 January 2008	4,046,710	
Cash Movement	<b>(2,814)</b>	(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
<b>Opening Balance 1st</b>		4,049,524	3,620,399	3,032,867	2,521,613	2,885,897	2,964,389	4,129,354	4,641,182	4,270,131	4,029,974	4,046,710	4,046,710	
<b>Receipts</b>														
Registration Income		834,762	925,929	818,102	994,137	1,049,128	950,293	1,192,506	716,830	1,135,336	987,187			
Investment Income		2,683	7,533	43,932	4,221	4,693	44,068	4,957	5,339	13,437	48,896			
Investment Sales		0	20,160	83,600	148	26,542	0	24,992	90,132	16,994	29,866			
Deferred Income Movements		(29,496)	(694,801)	(447,059)	270,590	(37,428)	1,187,576	356,202	(95,724)	(248,100)	61,741			
Bank Loan									5,746	0	0			
Miscellaneous Income				19,649	(19,649)									
<b>Total Cash Receipts</b>		807,949	258,821	518,224	1,249,447	1,042,935	2,181,937	1,578,657	722,323	917,667	1,127,690	0	0	10,405,649
<b>Payments</b>														
<b>Operational</b>														
Expenditure		589,888	995,629	926,648	862,887	920,498	972,804	844,696	1,186,828	750,834	1,003,767			
Depreciation		(14,695)	(14,428)	(17,129)	(2,912)	(16,873)	(12,081)	(16,401)	(16,980)	(16,980)	(16,288)			
Aged Cred / Accrual Movements		664,359	(170,909)	50,554	15,923	(12,303)	(44,676)	46,422	(382,788)	314,149	(226,316)			
Debtor Movements		(31,106)	(15,183)	3,125	(34,044)	1,985	49,598	(2,501)	42,553	(48,278)	30,606			
Payments to Creditors		1,208,446	795,109	963,198	841,854	893,307	965,646	872,215	829,613	999,725	791,769	0	0	9,160,882
<b>Exceptional</b>														
Capital Expenditure		0	35,306	33,927	57,650	71,136	28,940	128,361	238,238	141,354	320,116			
Capital Write-off		0	0	0	(14,350)	0	(4,481)	(3,291)	0	0	(932)			
Investment Purchases		28,628	15,938	32,353	9	0	26,867	69,544	25,523	16,745	0			
Loan Repayments		0	0	0	0	0	0	0	0	0	0			
<b>Total Payments</b>		1,237,074	846,353	1,029,478	885,163	964,443	1,016,972	1,066,829	1,093,374	1,157,824	1,110,953	0	0	10,408,463
<b>Closing Balance</b>	<b>4,049,524</b>	<b>3,620,399</b>	<b>3,032,867</b>	<b>2,521,613</b>	<b>2,885,897</b>	<b>2,964,389</b>	<b>4,129,354</b>	<b>4,641,182</b>	<b>4,270,131</b>	<b>4,029,974</b>	<b>4,046,710</b>	<b>4,046,710</b>	<b>4,046,710</b>	<b>(2,814)</b>
Aged Creditors	800,652	918,928	1,089,837	1,039,283	1,023,360	1,035,663	1,080,339	1,033,917	1,416,705	1,102,556	1,328,872	1,328,872	1,328,872	1,328,872
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