Finance: Tim Moore

1. General
The management accounts for the month of December are attached. The first draft of the budget for 2013/14 is also attached.

2. Employees
The department is fully staffed to meet current requirements.

3. Income and expenditure
Income in December was £1,828k and expenditure was £1,631k, leaving an operating surplus of £197k. For the year to date, income is £14,148k and expenditure £14,503k leaving an operating deficit of £355k. This is £310k better than our reforecast. We have spent £1,086k in the 9 months to December in connexion with the GSCC transfer and invoiced the Department of Health for £1,070k to date.
The Department of Health has now paid all these invoices.
The cash balance at 31 December was £12.8M.
Deferred income at 31 December was £14.7M.

4. Funds under management
At the end of December 2012, £6.8M was held in short term accounts at Lloyds and NatWest, mostly earning 1.25%. The following have been invested for longer periods at fixed rates:
£2M in a Lloyds deposit account earning 3.25% (1 year to 13.08.13), £0.5M in a Nat West Bond at 3.0% (1 year to 27.03.13) 1.5M in a NatWest fixed term deposit at 3.00% (1 year to 10.07.13) and £2M in a Lloyds deposit account earning 2.60% (1 year to 28.10.13). We would like to open an account with Santander, who still offer reasonable rates. A paper on this matter is included in the agenda, which seeks Committee approval to open this account.

5. Audit
The NAO interim audit visit is for 2 weeks from 4 February.

Mazars will be undertaking an internal audit on our Bribery Act procedures on 25 January.

6. Flexiplan pension scheme
The second hearing in the court case on the Flexiplan Pension Scheme took place over 3 days from 9 October.
There is no news yet on the reserved judgement reported at the last meeting
We continue to pay £4,495 per month.

7. Procurement
The tender process for our print contract has reached a short list position and we are starting the tender process for our travel management company in January.