

**Finance and Resources Committee - Tuesday 20 November 2007**

September 2007 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**

8 November 2007

# HEALTH PROFESSIONS COUNCIL

## CONSOLIDATED MANAGEMENT ACCOUNTS FOR THE 6 MONTHS ENDED 30 SEPTEMBER 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 £234,736 compared to 2007's budgeted deficit of £128,763. The actual result for year to date was a surplus of £436,208 after unrealised gains; a favourable variance of £478,488.

Income totalled £5,572,351 with overheads at £5,268,354 thus giving the operating surplus before investments of £303,997.

### INCOME

Registration income was £621,036 below budget. £268K 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 September. This difference is likely to reverse in future months.

£322K 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 £5,268,354 which was £1,054,814 below budget. There were under spends in Approvals and Monitoring, Committees, Facilities, Policy, Projects and the Registration departments. However, 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 project commencing.

### 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 £49k) 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 shows a favourable variance (year to date £44K). £12K 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 £173k). 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 £23k was due to budget phasing error with the PLG's being held later than originally expected. There is also a favourable variance on the tax cost of £47K due to a budget estimation error. This is a permanent difference.

#### Property services

This shows a favourable variance of £117k. Of the variance £114K relates to building refurbishment which is due to take place later on in the year.

#### Office services

This showed a favourable variance of £62K, 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 is an over spend in Room Hire of £38K due to a large number of FTP cases being held outside London. There was an over spend in Other Office Services of £24K 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 an favourable 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. £13k 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 £135k. 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 campaigns, brochures, market research, standards of proficiency 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 £179k. Of this variance £43K related to panel costs which is due to a budget estimation error and is a

permanent difference. There was also a favourable variance of £28K for approval visits and £13K for annual monitoring. Both of these are due to a lower than expected number of visits done in the first half of the year and is a permanent difference. There is also a favourable variance of £70K in assessor's fees due to the down turn in international applications.

#### Counter Fraud Solutions

This shows a favourable variance of £67K. This was due to a timing difference and will reverse later in the year.

#### Legal expenses

This shows an unfavourable variance of £191K. Of this £166K related to FTP cases and is a timing difference, as more cases took place during the first half of the year than were forecast. This difference will reverse later in the year as the cost for FTP legal expenses is fixed for the year.

#### Legal Advice

This shows an unfavourable variance of £29K. This mainly relates to FTP advice taken for high court appeals and training the new starters.

#### Training

This shows a favourable variance of £42k, of which £27k relates to Registrations training will now happen later in the year.

### **PROJECTS**

There is a favourable operating variance of £340K 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 £340k, £232K relates to the new profession budget.

There has been capital expenditure (capex) 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. 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, £43K capex 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 (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. There is an under spend of £30K on the Application Server Upgrade which is due to a phasing error.

### **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 (income received in advance). The net impact of these movements was an increase in the cash balance of £80K.

£150K 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. The favourable variance of

£734K is a budget phasing error, due to a delay in the project. There was an under spend on hardware & equipment capital expenditure of £22K, with £19K actual spent to date. The remaining budget is likely to be spent later in the year.

Working capital was £3,006K 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 £3,019K including the Accumulated Fund of £2,367K 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 increase in cash of £80K from 1<sup>st</sup> April 2007 to the end of September 2007. At the end of September we budgeted a cash balance of £4,470K (including investments) and £2,684K excluding investments. The actual balance was £5,976K, including investments and £4,129K excluding investments. Excluding investments, the favourable variance was £1,786K. Of this £73K related to computer equipment and £690K relates to the Stannary Street project, which has not been spent. £322K 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 September year to date results showed a higher surplus than budgeted - an operating surplus of £304K against a budgeted deficit of £129K. HPC continues to be in a stable financial position.

**Charlotte Milner**  
**Management Accountant**  
**November 2007**

# **HEALTH PROFESSIONS COUNCIL**

## **Consolidated Management Accounts For the 6 months ended 30th September 2007**

HEALTH PROFESSIONS COUNCIL

CONSOLIDATED ACCOUNTS TO 30 SEPTEMBER 2007  
DETAILED SUMMARY

	Actual £	Budget £	Variance £	Variance %	Annual Budget £
<b>INCOME</b>					
<b>Professions</b>					
Arts Therapists	95,744	76,774	18,970	24.71	155,664
Biomedical Scientists	687,508	819,517	(132,009)	(16.11)	1,655,611
Chiropodists	380,973	391,577	(10,604)	(2.71)	788,686
Clinical Scientists	135,710	144,204	(8,494)	(5.89)	291,107
Dietitians	201,348	211,551	(10,203)	(4.82)	429,950
Occupational Therapists	879,645	1,022,255	(142,610)	(13.95)	2,070,085
Operating Department Practitioners	242,732	257,513	(14,781)	(5.74)	523,091
Orthoptists	42,515	42,677	(162)	(0.38)	86,298
Paramedics	384,074	444,075	(60,001)	(13.51)	897,554
Physiotherapists	1,307,114	1,386,281	(79,167)	(5.71)	2,819,586
Prosthetists & Orthotists	26,322	30,391	(4,069)	(13.39)	61,343
Radiographers	827,829	940,841	(113,012)	(12.01)	1,911,678
Speech and Language Therapists	360,837	425,731	(64,894)	(15.24)	861,074
<b>Registration Income</b>	5,572,351	6,193,387	(621,036)	(10.03)	12,551,727
<b>Department of Health Capital Grant Released</b>	0	0	0	0.00	0
<b>Miscellaneous Income</b>	0	0	0	0.00	0
<b>TOTAL INCOME</b>	<b>5,572,351</b>	<b>6,193,387</b>	<b>(621,036)</b>	<b>(10.03)</b>	<b>12,551,727</b>
<b>EXPENDITURE</b>					
<b>Departments</b>					
Approvals & Monitoring	217,613	308,604	90,991	29.48	657,017
Chief Executive	135,167	128,208	(6,959)	(5.43)	256,414
Committees & PLG	60,710	193,110	132,400	68.56	396,192
Communications	295,499	383,328	87,829	22.91	1,016,454
Council	153,893	234,940	81,047	34.50	423,008
Facilities Management	401,877	546,047	144,170	26.40	981,195
Finance	233,771	223,317	(10,454)	(4.68)	448,271
Fitness to Practise	1,882,198	1,772,159	(110,039)	(6.21)	3,591,583
Human Resources & Partners	342,125	245,377	(96,748)	(39.43)	490,744
IT Department	435,873	414,478	(21,395)	(5.16)	844,074
Operations Office	118,559	129,658	11,099	8.56	259,316
Policy & Standards	91,508	215,364	123,856	57.51	430,727
President	14,920	23,950	9,030	37.70	47,900
Projects	5,955	305,936	299,981	98.05	353,213
Registration	742,427	1,061,718	319,291	30.07	2,021,818
Secretariat	136,257	136,973	716	0.52	274,065
<b>Operating Expenses</b>	5,268,354	6,323,167	1,054,813	16.68	12,491,991
<b>SURPLUS / (DEFICIT) - Excl. Unrealised Gains/(Losses)</b>	<b>303,997</b>	<b>(129,780)</b>	<b>433,777</b>	<b>334.24</b>	<b>59,736</b>
<b>Taxation</b>	0	0	0	0.00	0.00
<b>Investment Income - Excl. Unrealised Gains/(Losses)</b>	114,479	87,500	26,979	30.83	175,000
<b>Investment - Unrealised Gains / (Losses)</b>	17,732	0	17,732	0.00	0
<b>SURPLUS / (DEFICIT)</b>	<b>436,208</b>	<b>(42,280)</b>	<b>(478,488)</b>	<b>(1,131.71)</b>	<b>234,736</b>

HEALTH PROFESSIONS COUNCIL

CONSOLIDATED ACCOUNTS TO 30 SEPTEMBER 2007

CONSOLIDATED DETAILED SUMMARY

	Actual £	Budget £	Variance £	Variance %	Annual Budget £
<b>Consolidated Income</b>					
Graduate Renewal Fees	203,382	0	203,382	0.00	0
Registration fees (part year)	0	0	0	0.00	0
Readmission fees	35,630	102,600	(66,970)	(65.27)	205,200
Renewal fees	4,916,706	5,387,896	(471,190)	(8.75)	10,775,787
International scrutiny fees	215,993	538,400	(322,407)	(59.88)	1,076,800
Confirmation letter fees	0	0	0	0.00	0
Grandparenting scrutiny fees & other	200	0	200	0.00	0
UK scrutiny fee/Graduated < 2 years	200,440	164,491	35,949	21.85	493,940
	<u>5,572,351</u>	<u>6,193,387</u>	<u>(621,036)</u>	<u>(10.03)</u>	<u>12,551,727</u>
	0	0	0		



## HEALTH PROFESSIONS COUNCIL

## CONSOLIDATED ACCOUNTS TO 30 SEPTEMBER 2007

CODE	INVESTMENT & OTHER INCOME				Annual Budget £
	Finance Director				
BUDGET MANAGER	Actual £	Budget £	Variance £	Variance %	
<b>Consolidated Income</b>					
Bank interest - Business Reserve	6,909	10,000	(3,091)	(30.91)	20,000
Bank interest - Money Market	66,187	46,500	19,687	42.34	93,000
Bond interest	0	0	0	0.00	0
Portfolio income	34,034	31,000	3,034	9.79	62,000
P & L on disposal of investments (Realised)	7,349	0	7,349	0.00	0
	<u>114,479</u>	<u>87,500</u>	<u>26,979</u>	30.83	<u>175,000</u>
P & L on disposal of investments (Unrealised)	17,732	0	17,732	0.00	0

HEALTH PROFESSIONS COUNCIL

CONSOLIDATED ACCOUNTS TO 30 SEPTEMBER 2007

OVERHEAD TOTAL

	Actual £	Budget £	Variance £	Variance %	Annual Budget £
<b>Payroll</b>					
Basic	1,308,832	1,503,012	194,180	12.92	3,005,328
Overtime	10,561	14,438	3,877	26.85	28,875
National Insurance	139,680	178,705	39,025	21.84	357,401
Pension costs	134,448	107,436	(27,012)	(25.14)	214,867
Medical insurance	1,209	600	(609)	(101.56)	1,200
Staff recruitment	142,317	46,250	(96,067)	(207.71)	92,500
Temporary staff	236,934	155,444	(81,490)	(52.42)	310,887
Other payroll expense	2,750	20,000	17,250	86.25	40,000
	<b>1,976,732</b>	<b>2,025,885</b>	<b>49,153</b>	<b>2.43</b>	<b>4,051,058</b>
<b>Staff travelling and subsistence</b>					
Fares	34,524	53,614	19,090	35.61	107,090
Car expenses and car park	260	611	351	57.45	1,222
Subsistence	19,374	39,011	19,637	50.34	79,265
Entertaining	472	750	278	37.02	1,500
Conferences	377	5,250	4,873	92.82	10,000
	<b>55,008</b>	<b>99,236</b>	<b>44,228</b>	<b>44.57</b>	<b>199,077</b>
<b>Council and committee expenses</b>					
Fees	74,432	130,169	55,737	42.82	275,320
Travelling and subsistence	51,012	107,717	56,705	52.64	253,422
Tax Cost (NI ER and PAYE)	12,967	59,722	46,755	78.29	119,444
Conference expenses	1,245	18,320	17,075	93.20	39,640
Training	12,633	10,080	(2,553)	(25.33)	10,080
	<b>152,290</b>	<b>326,008</b>	<b>173,718</b>	<b>53.29</b>	<b>697,906</b>
<b>Property services</b>					
Business rates	57,303	46,826	(10,477)	(22.37)	93,652
Water	1,173	1,560	387	24.82	3,120
Electricity	18,572	18,375	(197)	(1.07)	36,750
Gas	3,017	3,796	779	20.52	7,592
Cleaning contractors	16,342	15,858	(484)	(3.05)	31,716
Cleaning materials	542	4,625	4,083	88.28	9,250
Waste disposal	4,513	6,268	1,755	28.01	14,675
Repairs and maintenance	3,652	8,188	4,536	55.40	16,376
Maintenance contracts	2,620	11,536	8,916	77.29	23,072
Security	13,116	11,750	(1,366)	(11.62)	26,020
Building Refurbishment	0	113,535	113,535	100.00	113,535
Property depreciation	21,000	17,250	(3,750)	(21.74)	34,500
	<b>141,848</b>	<b>259,567</b>	<b>117,719</b>	<b>45.35</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	236,950	327,558	90,608	27.66	696,831
Photocopying	1,248	3,600	2,352	65.34	7,200
Microfilming	0	0	0	0.00	500
Postage	45,000	49,030	4,030	8.22	98,060
Telephone	10,545	17,454	6,909	39.58	34,908
Mobile telephone	1,677	5,175	3,498	67.60	10,700
Fax	0	0	0	0.00	0
Couriers	2,788	2,625	(163)	(6.22)	5,250
Office equipment < £1000	4,245	7,400	3,155	42.64	14,800
Office equipment rental	1,410	2,325	915	39.35	4,650
Staff catering	3,006	3,900	894	22.91	7,800
Other office services	34,121	9,790	(24,331)	(248.53)	19,580
Room Hire	151,892	114,037	(37,855)	(33.19)	215,570
Office equipment depreciation	15,963	27,761	11,798	42.50	55,521
	<b>508,845</b>	<b>570,655</b>	<b>61,810</b>	<b>68</b>	<b>1,171,370</b>
<b>Computer services</b>					
Hardware < £1000	3,953	5,000	1,047	20.94	10,000
Hardware maintenance	6,352	7,500	1,148	15.30	15,000
Software Licences	14,434	9,000	(5,434)	(60.38)	18,000
Software support & maintenance	32,322	16,600	(15,722)	(94.71)	33,200
IT systems external support	42,610	66,000	23,390	35.44	132,000
New IT Software Systems	4,158	7,500	3,342	44.56	15,000
Managed Web/Internet services	84,757	58,655	(26,102)	(44.50)	115,000
Internet/3G	2,224	266	(1,958)	(736.11)	532
IT Consummerables	5,892	9,000	3,108	34.53	18,000
Disaster contingency plan	6,066	6,500	434	6.68	13,000
Computer training	10,000	5,000	(5,000)	(100.00)	10,000
IT Security - Backup Offsite etc	36	500	464	92.79	1,000
Other computer services costs	261	13,000	12,739	97.99	26,000
IT Other Professional Fees	1,998	14,500	12,503	86.22	29,000
IT Hardware Disposals	21	0	(21)	0.00	0
Hardware depreciation	59,963	75,614	15,651	20.70	151,227
	<b>275,047</b>	<b>294,635</b>	<b>19,588</b>	<b>6.65</b>	<b>586,959</b>
<b>Communications</b>					
Campaigns	11,911	65,291	53,380	81.76	180,000
Annual Reports (Design, Distribute)	15,513	10,250	(5,263)	(51.35)	12,500
Brochures (Design, Distribute)	12,357	28,000	15,643	55.87	53,500
Listening Events	12,560	18,000	5,440	30.22	36,000
PR Advisors	0	0	0	0.00	0
Market Research	21,180	47,500	26,320	55.41	100,000
Registrant Comms & Internal	0	0	0	0.00	0
Translations	0	3,000	3,000	100.00	3,150
Public Affairs & Stakeholder	10,966	0	(10,966)	0.00	45,000
Standards of Proficiency (Design,Prod,Dist)	1,433	9,000	7,567	84.08	18,000
Web Site Design	7,303	15,520	8,217	52.95	41,740
Annual Conference	(17,968)	0	17,968	0.00	0
Marketing & Promotions	838	12,700	11,862	93.40	13,800
Conference Attendance	7,235	6,600	(635)	(9.62)	19,800
General Events (Internal & External)	2,080	13,661	11,581	84.78	50,322
Media Relations	33,689	30,000	(3,689)	(12.30)	60,000
General Public Literature	799	0	(799)	0.00	45,000
Internal Communications	26,513	22,000	(4,513)	(20.51)	34,500
Bi-Annual Opinion polling	44	0	(44)	0.00	60,000
	<b>146,453</b>	<b>281,522</b>	<b>135,069</b>	<b>544.68</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	9,800	7,445	75.96	19,600
Partners Training	17,237	25,259	8,022	31.76	50,517
Legal Assessors	0	0	0	0.00	0
Registration Assessors	10,535	19,584	9,049	46.20	39,170
Panels (Allowance & Travel )	311,798	355,212	43,414	12.22	710,423
Screening - Panels (Allow & Travel)	0	0	0	0.00	0
Approvals (Previously Visits)	40,958	68,754	27,796	40.43	154,260
Assessors fees (All Professions)	106,395	176,040	69,645	39.56	352,080
Test of Competence (All Professions)	6,684	8,100	1,416	17.48	16,200
Annual Monitoring	6,870	20,199	13,329	65.99	34,400
Major/Minor Change	1,495	0	(1,495)	0.00	10,050
	<b>504,329</b>	<b>682,948</b>	<b>178,619</b>	<b>26.15</b>	<b>1,386,700</b>
<b>Project Costs</b>					
MP2 - CPD	1,789	46,150	44,361	96.12	77,400
MP7 - Fee rise	0	0	0	0.00	0
MP5 - Equality & Diversity	4,166	27,098	22,932	84.62	43,125
MP2 - New profession	0	232,688	232,688	100.00	232,688
BAU Projects	8,225	47,775	39,550	82.78	64,275
	<b>14,180</b>	<b>353,711</b>	<b>339,531</b>	<b>363.53</b>	<b>417,488</b>
<b>Specific departmental expenses</b>					
Archive storage	7,784	7,800	16	0.20	27,020
Auditors' fees	14,250	19,000	4,750	25.00	38,000
Bank charges	23,911	26,931	3,020	11.21	53,862
Books and publications	0	250	250	100.00	500
Conselling	0	3,000	3,000	100.00	6,000
Council Elections	67,179	79,790	12,611	15.81	79,790
Counter fraud Solutions	0	67,098	67,098	100.00	84,198
General insurance	16,585	21,500	4,915	22.86	43,000
Health and safety	2,939	10,940	8,001	73.14	21,880
Miscellaneous Expenses	2,897	0	(2,897)	0.00	0
Internal Audit	13,500	13,500	0	0.00	27,000
Legal advice	158,459	128,963	(29,496)	(22.87)	273,931
Legal expenses	908,719	718,095	(190,624)	(26.55)	1,496,189
Legal insurance	15,750	25,410	9,660	38.02	50,820
Legal -Transcript Writer	102,496	108,329	5,833	5.38	216,657
Other professional fees	47,815	25,750	(22,065)	(85.69)	56,810
Pension administration	9,081	10,000	919	9.19	20,000
Personal Performance Consultancy	3,241	4,026	785	19.49	8,052
Professional Liaison Groups	9,298	32,252	22,954	71.17	64,504
ISO 9001 Certification	3,505	3,212	(293)	(9.14)	6,424
Reward Data	0	4,250	4,250	100.00	8,500
Subscriptions to professional bodies	16,848	7,526	(9,322)	(123.86)	33,432
Taxation advice	2,125	2,000	(125)	(6.25)	4,000
Training	67,239	109,378	42,139	38.53	177,294
	<b>1,493,622</b>	<b>1,429,000</b>	<b>(64,622)</b>	<b>(4.52)</b>	<b>2,797,863</b>
<b>OVERHEAD TOTAL</b>	<b>5,268,353</b>	<b>6,323,167</b>	<b>1,054,814</b>	<b>16.68</b>	<b>12,491,991</b>

**HEALTH PROFESSIONS COUNCIL  
CONSOLIDATED BALANCE SHEET  
as at 30 SEPTEMBER 2007**

	<b>30 September 2007</b>		<b>Actual 31 March 2007</b>	
	£	£	£	£
<b>FIXED ASSETS</b>				
<b>Tangible fixed assets</b>				
Land & buildings, at cost or valuation	3,374,260		3,224,656	
Depreciation	<u>(63,000)</u>		<u>(42,000)</u>	
Net book value		3,311,260		3,182,656
Computer Equipment, at cost	2,425,091		2,354,123	
Depreciation	<u>(1,940,761)</u>		<u>(1,885,259)</u>	
Net book value		484,330		468,864
Office furniture and equipment, at cost	382,805		395,249	
Depreciation	<u>(334,436)</u>		<u>(332,823)</u>	
Net book value		48,369		62,426
		<hr/>		<hr/>
<b>Total tangible fixed assets</b>		<b>3,843,959</b>		<b>3,713,946</b>
<b>Investments</b>		<b>1,846,689</b>		<b>1,848,266</b>
<b>TOTAL FIXED ASSETS</b>		<hr/> <b>5,690,648</b>		<hr/> <b>5,562,212</b>
<b>CURRENT ASSETS</b>				
Debtors	33,561		42,694	
Prepayments	180,970		197,462	
Bank balances and cash	<u>4,129,354</u>		<u>4,049,524</u>	
		4,343,886		4,289,680
<b>CURRENT LIABILITIES</b>				
<b>Amounts falling due within one year</b>				
Creditors and accrued expenses	1,337,524		1,840,472	
<b>WORKING CAPITAL</b>		<b>3,006,362</b>		<b>2,449,208</b>
<b>DEFERRED INCOME</b>				
Registration fees in advance	51,815		61,624	
Retention fees in advance	<u>5,626,174</u>		<u>5,366,983</u>	
		<b>(5,677,989)</b>		<b>(5,428,607)</b>
<b>NET ASSETS</b>		<hr/> <b>3,019,021</b> <hr/>		<hr/> <b>2,582,813</b> <hr/>
<b>Represented by:</b>				
General Funds		1,930,624		1,695,560
Revaluation reserve		652,189		652,189
Surplus/(Deficit) for the period		<u>436,208</u>		<u>235,064</u>
		<hr/> <b>3,019,021</b> <hr/>		<hr/> <b>2,582,813</b> <hr/>

**HEALTH PROFESSIONS COUNCIL  
CONSOLIDATED ACCOUNTS TO 30 SEPTEMBER 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.	149,604	883,676	(734,072)	1,639,800
Sub Total	149,604	883,676	(734,072)	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	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
Blackberry server	0	0	0	0
New computers and laptops for employees	6,837	10,000	(3,163)	20,000
6 Blackberry devices £200 each max	0	0	0	1,200
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	43,800
Dishwasher - Council Chamber	1,906	0	1,906	0
	19,360	41,500	(22,140)	110,500
Contingency	0	0	0	0
<u>LISA IT Projects</u>	54,703	89,500	(34,797)	250,000
<b>Total Capital Expenditure</b>	<b>223,668</b>	<b>1,014,676</b>	<b>(791,008)</b>	<b>2,000,300</b>

**HEALTH PROFESSIONS COUNCIL  
CONSOLIDATED ACCOUNTS TO 30 SEPTEMBER 2007**

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

		<b>Actual</b>	<b>YTD</b>	<b>Variance</b>	<b>Annual</b>
		<b>£</b>	<b>Budget</b>	<b>£</b>	<b>Budget</b>
			<b>£</b>	<b>£</b>	<b>£</b>
<u>Project number</u>					
<u>Capital Expenditure</u>					
MP2	CPD	42,781	-	42,781	85,000
MP25	Application Server Upgrade	0	30,000	(30,000)	30,000
MP26	Professional qualifications Directive	0	40,000	(40,000)	40,000
	Registrations Trends Analysis	0	-	0	2,000
MP27	Replacement of Finance system	0	9,500	(9,500)	19,000
	Call recording	0	-	0	20,000
	MIS Presentation	0	-	0	19,000
MP28	Change in Lisa access rights	0	10,000	(10,000)	35,000
	Renewals forms	4,171	-	4,171	-
	Online Trust Register	5,034	-	5,034	-
	ePaslist	2,717	-	2,717	-
			-		
<b>Total Capital Expenditure</b>		<b>54,703</b>	<b>89,500</b>	<b>(34,797)</b>	<b>250,000</b>
<u>Operating Expenditure</u>					
MP2	CPD	1,789	46,150	(44,361)	77,400
MP7	Fee Rise	0	0	0	0
MP5	Equality & Diversity	4,166	27,098	(22,932)	43,125
MP3	On-boarding of Applied Psychologists	0	232,688	(232,688)	232,688
	Registrations Trends Analysis	8,225	24,525	(16,300)	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	5,000	(5,000)	10,000
<b>Total Operating Expenditure</b>		<b>14,180</b>	<b>353,711</b>	<b>(339,531)</b>	<b>417,488</b>

# HEALTH PROFESSIONS COUNCIL

## CONSOLIDATED ACCOUNTS TO 30 SEPTEMBER 2007

### CASH FLOW STATEMENT

From 1st April 2007 - 31 March 2008

	£
Surplus /(deficit) over expenditure	303,997
Depreciation charge for the year of tangible fixed assets	78,118
(Increase)/decrease in debtors & prepayments	25,625
Increase/(decrease) in creditors (CGT and VAT Tax not included)	(502,948)
Increase /(decrease) in deferred income	249,382
<b>Net cash In/(out)flow from operating activities</b>	<b>154,173</b>
<b>Return on investments and servicing of finance</b>	
Investment Income (Excluding realised gains & losses)	107,130
<b>Capital expenditure and financial investments</b>	
Purchase of tangible assets	(226,959)
Disposal of tangible assets	18,831
Purchase of investments	(103,795)
Proceeds from sale of investments	130,450
<b>Increase/(decrease) in Cash</b>	<b>79,830</b>
Cash at 31 March 2007	4,049,524
Cash at 30 September 2007	4,129,354
<b>Cash Movement</b>	<b>79,830</b>



**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	4,129,354	4,129,354	4,129,354	4,129,354	4,129,354	
<b>Receipts</b>														
Registration Income		834,762	925,929	818,102	994,137	1,049,128	950,293							
Investment Income		2,683	7,533	43,932	4,221	4,693	44,068							
Investment Sales		0	20,160	83,600	148	26,542	0							
Deferred Income Movements		(29,496)	(694,801)	(447,059)	270,590	(37,428)	1,187,576							
Bank Loan														
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	0	0	0	0	0	0	6,059,313
<b>Payments</b>														
<b>Operational</b>														
Expenditure		589,888	995,629	926,648	862,887	920,498	972,804							
Depreciation		(14,695)	(14,428)	(17,129)	(2,912)	(16,873)	(12,081)							
Aged Cred / Accrual Movements		664,359	(170,909)	50,554	15,923	(12,303)	(44,676)							
Debtor Movements		(31,106)	(15,183)	3,125	(34,044)	1,985	49,598							
Payments to Creditors		1,208,446	795,109	963,198	841,854	893,307	965,646	0	0	0	0	0	0	5,667,560
<b>Exceptional</b>														
Capital Expenditure		0	35,306	33,927	57,650	71,136	28,940							
Capital Write-off		0	0	0	(14,350)	0	(4,481)							
Investment Purchases		28,628	15,938	32,353	9	0	26,867							
Loan Repayments		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	0	0	0	0	0	0	5,979,483
<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>4,129,354</b>	<b>4,129,354</b>	<b>4,129,354</b>	<b>4,129,354</b>	<b>4,129,354</b>	<b>4,129,354</b>	<b>79,830</b>

Aged Creditors	800,652	918,928	1,089,837	1,039,283	1,023,360	1,035,663	1,080,339	1,080,339	1,080,339	1,080,339	1,080,339	1,080,339	1,080,339	1,080,339
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