

1. General

The management accounts for the month of June are attached.

2. Income and expenditure

Income in June was £2,031k and expenditure was £1,769k, leaving an operating surplus of £262k. This is £372k better than budget for the year to date.

The cash balance at 30 June was £12.7M.

Deferred income at 30 June was £13.5M.

3. Funds under management

At the end of June 2013, £5.2M was held in short term accounts at Lloyds and NatWest, earning 1.25% and 0.5%. 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), 1.5M in a NatWest fixed term deposit at 3.00% (1 year to 10.07.13), £2M in a Lloyds deposit account earning 2.60% (1 year to 28.10.13) and £2M in a Santander deposit account earning 2.5% (1 year to 03.02.14).

4. Annual report and accounts

The Annual Report and Accounts for 2013 has now been approved by Council and signed by the Comptroller and Auditor General.

Management Accounts

Tim Moore, Director of Finance

31 May 2013

to Executive Management Team

Management Accounts

June 2013

Index

Income and expenditure	1
Statement of financial position	2
Capex and projects	3
Cash flow	4
Cash flow graph	5
I&E graphs	6

Income and Expenditure

Accounting Period

[Period 3 13-14](#)

Cost Centre Name

[All Cost Centres](#)

Department Name

[All Departments](#)

	Movement	Movement YTD	Budget YTD	Variance YTD	% Variance YTD
Graduate Registration fees	86,259	254,464	88,866	(165,599)	-186%
Readmission fees	18,745	48,075	77,498	29,423	38%
Renewal fees	1,808,450	5,416,188	5,561,453	145,265	3%
International scrutiny fees	71,180	227,840	128,384	(99,456)	-77%
Grandparenting fees	420	420	0	(420)	
UK scrutiny fees	44,308	100,541	239,633	139,092	58%
Registration Income	2,029,362	6,047,529	6,095,834	48,306	1%
Cheque/credit card write offs	1,693	1,564	0	(1,564)	
Total Income	2,031,056	6,049,093	6,095,834	46,741	1%
Chair	8,591	19,156	18,957	(199)	-1%
Chief Executive	25,061	96,138	93,936	(2,202)	-2%
Committee	0	282	29,178	28,896	99%
Council	12,704	30,553	18,569	(11,984)	-65%
Communications	71,634	238,103	294,670	56,567	19%
Depreciation	55,795	167,721	170,670	2,949	2%
Education	58,003	248,876	288,106	39,230	14%
Facilities Management	118,107	399,239	363,263	(35,976)	-10%
Finance	58,433	174,432	185,727	11,294	6%
Fitness to Practise	861,782	2,566,026	3,259,833	693,807	21%
Human Resources	28,662	95,080	142,065	46,985	33%
Human Resources Partners	47,414	93,377	131,589	38,212	29%
IT Department	102,941	313,582	353,835	40,254	11%
Major Projects	7,602	53,167	73,171	20,004	27%
Operations Office	45,316	138,772	180,330	41,558	23%
Policy	37,901	89,913	99,952	10,039	10%
Registration	206,323	543,637	538,868	(4,769)	-1%
Secretariat	22,783	67,708	70,982	3,273	5%
Operating expenditure	1,769,053	5,335,765	6,313,701	977,937	15%
Operating Surplus/(Deficit)	262,003	713,328	(217,867)	(931,195)	427%
Payroll costs for secondment to DOH	0	6,244	0	(6,244)	
Investment Income	17,974	53,165	0	(53,165)	
Total surplus/(deficit)	279,977	760,249	(217,867)	(978,116)	449%

Commentary for Core Departments					
Income & Expenditure YTD June 2013.					
Income					
Department	Movement YTD	Budget YTD	Variance	%	Comments
Total Income	6,049,093	6,095,834	46,741	(0.01)	Minor variance, income in line with budget.
Expenditure					
Department	Movement YTD	Budget YTD	Variance	%	Comments on key variances
Chair	19,156	18,957	(199)	(0.01)	Phasing on fares & subsistence.
Chief Executive	96,138	93,936	(2,202)	(0.02)	(£4k) overspend on branded stationery for staff away day. (£6.4k) EMT training £4k Phasing on travel & subsistence and payroll (£5k) Legal advice.
Committee	30,835	47,747	16,912	0.35	Savings on committee cost.
Communications	238,103	294,670	56,567	0.19	£5.5k payroll, staff vacancies £2.6k Travel & Subsistence, phasing differences £5.6k Phasing on office service £24.3k Phasing across communication cost.
Depreciation	167,721	170,670	2,949	0.02	Minor Variance
Education	248,876	288,106	39,230	0.14	£13k Savings on staff seconded to projects & 1 vacant Executive Officer role £2k Phasing on Travel & Subsistence £1k Phasing office services (£1k) Partners (£2k) Training booked earlier than expected.
Facilities Management	399,239	363,263	(35,976)	(0.10)	£5.4k, 1 additional FTE included in budget from 1 April (post being covered by security staff) £3.4 phasing office services. £7.6k Utilities £21.5k Building refurbishment £18.3k Refund on Business rates £5.8k Cleaning contractors. (£14.4k) Phasing on property Stannary street (£80.9k) repairs & maintenance to 186 Kennington Park Road (£6k) Security cover 186 Kennington Park Road.
Finance	174,432	185,727	11,294	0.06	Minor Variance.
Fitness to Practise	2,566,026	3,259,833	693,807	0.21	£264k Partners: Lower case numbers in April than budgeted for, this has picked up in May and is expected to even out by the end of the second quarter of the financial year. £43.6k Payroll, to be used in the financial year to cover maternity cost. £76k professional fees covering legal advice and expenses, due to phasing. £30k permanent savings on Legal Insurance. £51k phasing on training.
Human Resources	95,080	142,065	46,985	0.33	£13.4k phasing staff recruitment £2.5k payroll contingency phasing £6.2k professional fees £9.2k organisational training, slow start to first few months of financial year.
Human Resources Partners	93,377	131,589	38,212	0.29	Lower than budgeted recruitment and training cost of partners. Expected to even out in June.
IT Department	313,582	353,835	40,254	0.11	£5.2k Delays in recruitment of staff budgeted to commence from 1 April. £17.5k computer cost (savings on managed web internet services due to project work in areas such as Education Build and remedial testing of web, unpredictable phasing to be revisited at 6 months reforecast). (£8.5k) small project cost on fibre cable joining Stannary street to 184 Kennington Park Road. (£3k) Training, phasing variance.
Major Projects	53,167	73,171	20,004	0.27	Minor Variance.
Operations Office	138,772	180,330	41,558	0.23	£16.5k payroll, 2 vacancies (Personal Assistant and Business Analyst). £8k ISO 27001 Security. Phasing of budget, expenditure expected in June. £8.5k Subscription, phasing of budget.
Policy	89,913	99,952	10,039	0.10	£6.3k Permanent savings on salary due to secondment to DOH on one member of staff. £2.2k Travel & subsistence phasing of budget. £2.9k phasing office service £3k phasing on legal and departmental cost.
Registration	543,637	538,868	(4,769)	(0.01)	Minor Variance.
Secretariat	67,708	70,982	3,273	0.05	Minor Variance.
Operating expenditure	5,335,765	6,313,701	977,937	0.15	

Statement of Financial Position

Account by Category

[All Categories](#)

Accounting Period

[Period 3 13-14](#)

	Balance	Prior Year Balance To Close
Non-Current Assets		
Land & buildings, at cost or valuation	3,997,500	3,196,590
Land & Buildings Depreciation	(7,000)	(0)
	<u>3,990,499</u>	<u>3,196,590</u>
Computer Equipment, at cost	321,872	321,871
Computer equipment Depreciation	(256,603)	(247,291)
	<u>65,268</u>	<u>74,580</u>
Office furniture and equipment, at cost	298,863	245,798
Office Equipment Depreciation	(189,779)	(179,275)
	<u>109,084</u>	<u>66,524</u>
Intangible assets	4,809,308	4,731,600
Intangible Depreciation	(3,654,293)	(3,513,389)
	<u>1,155,014</u>	<u>1,218,211</u>
Total Non-current Assets	<u>5,319,866</u>	<u>4,555,905</u>
Current Assets		
Other current assets	715,140	542,581
Cash & Cash Equivalents	12,750,296	15,583,979
	<u>13,465,436</u>	<u>16,126,560</u>
Total Assets	<u>18,785,302</u>	<u>20,682,465</u>
Current Liabilities		
Trade and other payables	702,302	954,302
Other Liabilities	1,553,322	1,423,848
Deferred Income	13,479,657	16,137,527
	<u>15,735,280</u>	<u>18,515,677</u>
Total Assets Less Liabilities	<u>1,050,022</u>	<u>2,166,788</u>
General fund b/fwd	(2,166,788)	(1,920,740)
This Periods Profit/Loss	(760,249)	(7,649)
Grant Income	(122,908)	(238,399)
General fund c/fwd	<u>(3,050,022)</u>	<u>(2,166,788)</u>
Rev Res - Land & Building	0	0
Rev Res - Investments	0	0
Revaluation reserve	<u>0</u>	<u>0</u>
Total	<u>(3,050,022)</u>	<u>(2,166,788)</u>

Management Accounts to 30 June 2013
Summary of Capital Expenditure

Property

Purchase of Whitefield House- 186 Kennington
 Project 186 Kennington (consultancy & Design)
 Project 186 Kennington (not allocated)

Office Equipment

Coffee machines
 Installation Air Condition Stannary Street
 CCTV
 Access Control Whitefield House
 Cable

 Switches

Information Technology

Software Licences
 Hardware replacement (servers, switches & drives)
 Hardware new services & starters

Major Projects

Total Capital Expenditure

	Actual £	Budget 2013/14 £	Variance £
	725,000	725,000	-
	75,909	534,392	458,482
		345,608	345,608
	800,909	1,605,000	804,091

	17,718	97,099	79,381
		92,000	92,000
		103,510	103,510
	17,718	292,609	274,891

	59,990	1,152,129	1,092,139
--	---------------	------------------	------------------

	931,682	3,197,738	2,266,056
--	----------------	------------------	------------------

Summary of Project Expenditure

Capital expenditure
 MP63 HR & Partners System & Process Review Phase 1
 MP64 Education System Build Project
 MP67 NetRegulate Changes 2013
 MP68 Annotation of the register
 MP70 Project 186 Kennington
 MP71 Fees Review
 Other Project Expenditure

	Actual £ YTD	Budget 2013/14 £ YTD	Variance £
		36,888	36,888
	29,801	101,115	71,314
	8,532		(8,532)
	21,658	24,840	
		100,000	
		2,300	
		886,986	886,986
	59,990	1,152,129	986,656

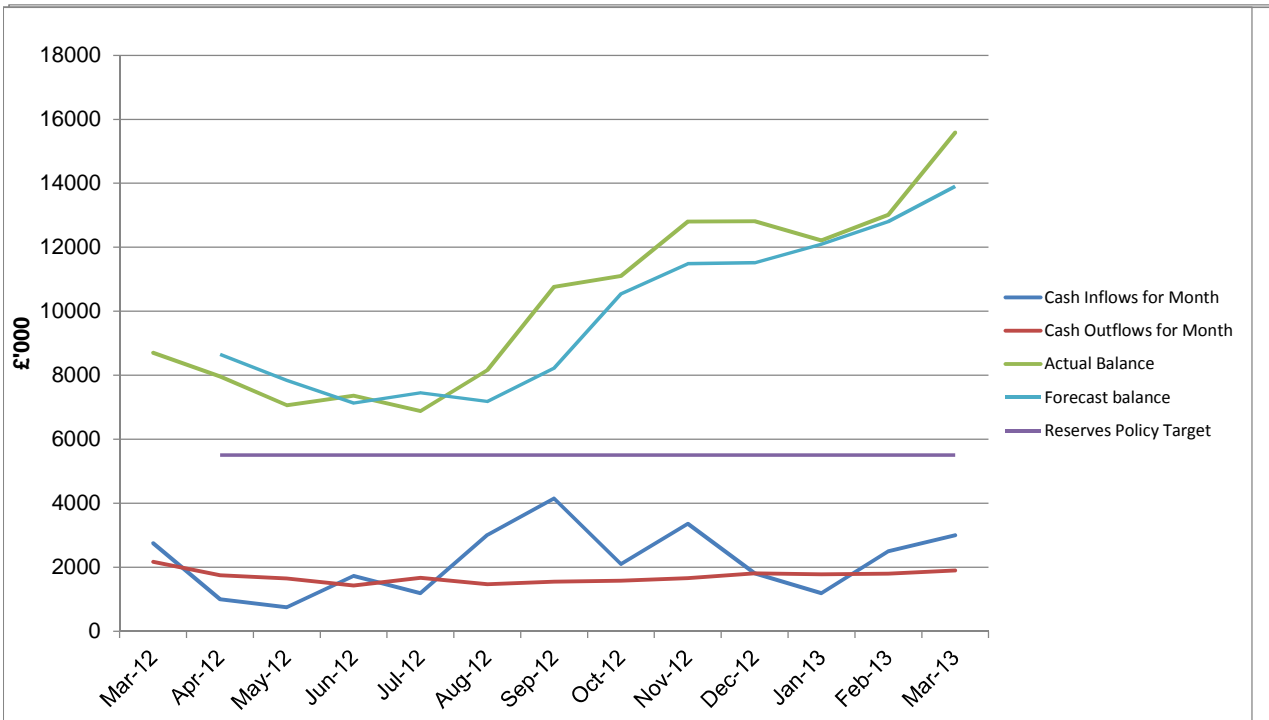
Management Accounts to 30th June 2013

Cash Flow Statement

From 1st April 2013

	Forecast £	Actual £
Operating Surplus/(Deficit)		713,404
Payroll costs for secondment to DOH		(6,244)
Depreciation charge for the year of non-current assets		167,721
Decrease/(Increase) in debtors & prepayments		(172,558)
Increase/(Decrease) in creditors		(122,526)
(Decrease)/Increase in deferred income		(2,657,870)
Net cash In/(out)flow from operating activities	(2,429,275)	(2,078,075)
Return on investments and servicing of finance		
Investment Income		53,165
Taxation		
Capital expenditure and financial investments		
Purchase of tangible assets	(858,467)	(931,682)
Financing		
Income from DOH		122,908
Increase in Cash	(3,287,742)	(2,833,682)
Cash at 31 March 2013	15,583,979	15,583,979
Cash at 31st May 2013	12,296,237	12,750,296
Cash Movement	(3,287,742)	(2,833,683)

Actual Cashflow 2012/13.



Cashflow 2013/14, Actual April-May, Forecast Jun-Mar.

