

## 2024/25 Financial Position at 31 May 2024

### 1. Executive Summary

1.1 The overall position at May 31<sup>st</sup> was a deficit of £45k against a forecast deficit of £37K. This consisted of a £40k deficit in Regulatory Activity and £5k deficit in Accredited Registers. The planned deficit for Regulatory Activity for 2024/25 is £290k (£290k returned to regulators).

1.2 The main drivers for the additional £8k deficit are:

- Overspend on staff costs.
- Overspend in S29 legal costs. These have increased due to the increased number of cases and higher legal costs.
- Delayed implementation costs of the new HR and payroll system.

## 2. Income and Expenditure Corporate Summary as at 31<sup>st</sup> May 2024

Table 1

	2024/25 Budget	2024/25 Actual YTD	2024/25 Budget YTD	2024/25 Actual/ Budget YTD variance
	£'000	£'000	£'000	£'000
<b>Income</b>				
Fees Income	4,869	811	811	0
Operating Income	127	47	21	26
Accredited registers	691	106	115	(9)
<b>Total Income</b>	<b>5,687</b>	<b>964</b>	<b>947</b>	<b>17</b>
<b>Expenditure</b>				
Staff costs	4,022	675	669	(6)
Administration costs	1,671	297	281	(16)
Accredited registers	202	37	34	(3)
<b>Total expenditure</b>	<b>5,895</b>	<b>1,009</b>	<b>984</b>	<b>(25)</b>
<b>Surplus/ (deficit)</b>	<b>(208)</b>	<b>(45)</b>	<b>(37)</b>	<b>(8)</b>

### 3. Sectoral summary - Regulatory Activity

#### 3.1 Income and expenditure breakdown.

Table 2

Income and expenditure	2024/25 Budget	2024/25 Actual YTD	2024/25 Budget YTD	2024/25 Actual/ Budget YTD variance
	£'000	£'000	£'000	£'000
Fee Income from regulators	4,869	811	811	0
<b>Operating Income</b>				
S29 cost recoveries	119	39	20	19
Investment interest	8	8	1	7
Conferences income	0	0	0	0
<b>Total Income</b>	<b>4,996</b>	<b>858</b>	<b>832</b>	<b>26</b>
<b>Staff costs</b>	<b>3,615</b>	<b>601</b>	<b>602</b>	<b>1</b>
Recruitment costs	15	7	3	(4)
Training and Conferences	73	9	12	3
HR and payroll costs	14	19	2	(17)
Staff travel	10	1	2	1
Occupancy costs	324	50	54	4
Audit costs	68	12	11	(1)
IT costs	136	20	23	3
Board appointments	100	8	17	9
Board remuneration/ expenses	145	20	24	4
Depreciation/C apital costs	50	12	8	(4)
Conferences	45	2	8	6
Policy development	75	5	13	8
Public affairs	45	1	8	7

Publications	109	0	18	18
Direct S29 legal costs and case review	369	110	62	(48)
Other costs	93	21	16	(5)
<b>Total admin costs</b>	<b>1,671</b>	<b>297</b>	<b>281</b>	<b>(16)</b>
<b>Surplus/(deficit)</b>	<b>(290)</b>	<b>(40)</b>	<b>(51)</b>	<b>11</b>

3.2 £17k overspend in HR and payroll costs are due to delayed implementation costs for the new payroll and HR system which is live from June 2024.

3.3 Board appointments underspend is a timing issue is expected to be spent later in the year.

3.4 Conferences, policy development, public affairs and publications underspends are also a timing issue as the costs are usually realised in the second part of the year.

3.5 £48k overspend in direct legal costs is due to an increased number of Section 29 appeals and higher legal costs.

#### 4. Sectoral summary – Accredited Registers

Table 3

Income & expenditure	2024/25 Budget	2024/25 Actual YTD	2024/25 Budget YTD	2024/25 Actual/Budget YTD variance
	£'000	£'000	£'000	£'000
Registers	691	106	115	(9)
Staff costs	407	74	67	(7)
<b>Admin Costs</b>				
Comms costs	43	6	7	1
Overheads	149	29	25	(4)
Other	10	2	2	0
<b>Surplus/(deficit)</b>	<b>82</b>	<b>(5)</b>	<b>14</b>	<b>19</b>

#### 5. Staff costs

Table 4

Income and expenditure	2024/25 Budget	2024/25 Actual YTD
	£'000	£'000
Salaries	3,115	527
Social security	366	52
Pension	541	92
Temp Agency	0	4
<b>Total staff costs</b>	<b>4,022</b>	<b>675</b>

## 6. Capital

Table 5

Capital Expenditure	2024/25 Budget	2024/25 Actual YTD	2024/25 Budget YTD	2024/25 Actual/ Budget YTD variance
	£'000	£'000	£'000	£'000
<b>Capital commitments</b>				
Intangible	0	0	0	0
IT Equipment	40	1	7	6
F&F	10	0	2	2
<b>Total Capital costs</b>	<b>50</b>	<b>1</b>	<b>9</b>	<b>8</b>

## 7. Statement of Financial Position

Table 6

	2024/25 Budget	2024/25 Actual
	£'000	£'000
<b>Non-current assets</b>		
Intangible assets	92	84
Property, plant & equipment	68	64
Right of use asset – property lease	475	608
<b>Total</b>	<b>635</b>	<b>756</b>
<b>Current assets</b>		
Trade and other receivables	516	306
Cash and cash equivalents	7,657	7,268
<b>Total assets</b>	<b>8,173</b>	<b>7,574</b>
Trade and other payables	(6,225)	(5,337)
Lease liability	(202)	(202)
Provisions	(23)	(23)
<b>Total</b>	<b>(6,450)</b>	<b>(5,562)</b>
Lease liability	(291)	(458)
<b>Net assets</b>	<b>2,067</b>	<b>2,310</b>
<b>Reserves*</b>		
Unrestricted	889	802
Restricted	1,178	1,508
<b>Total reserves</b>	<b>2,067</b>	<b>2,310</b>

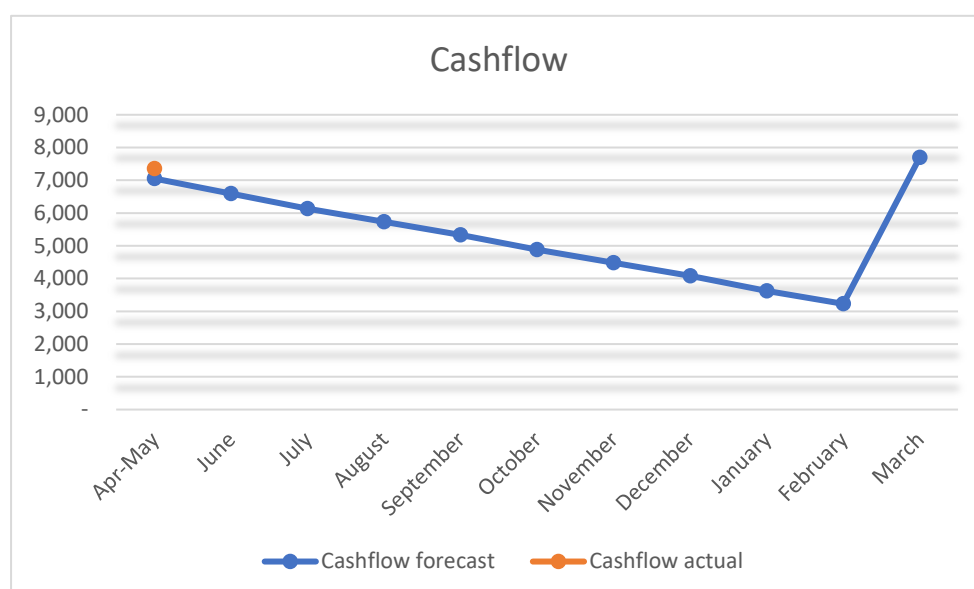
\* Required reserves (according to the policy) for 2024/25 are £1.29m (0.86m restricted and 0.43m unrestricted)

## 8. Cashflow

(movement of money in and out of the organisation)

Table 7

<b>Cash and investments as at 01/04/2024</b>	<b>£'000</b> £ 7,907	<b>£'000</b> £7,907
<b>Income</b>	<b>Projected (Full year)</b>	<b>Actual (Year to date)</b>
Fees income	4,869	0
Accredited registers	691	230
Interest	8	8
Section 29	119	35
Other		0
<b>Total Income</b>	<b>5,687</b>	<b>273</b>
<b>Outgoings</b>		
Payroll	(4,022)	(675)
Administration costs	(1,873)	(146)
<b>Total Outgoings</b>	<b>(5,895)</b>	<b>(821)</b>
	<b>31/3/2025</b>	<b>31/03/2025</b>
<b>Cash and investments</b>	<b>7,699</b>	<b>7,359</b>



The required reserves for 2024/25 are £1.29m (£0.86m restricted and £0.43m unrestricted)