

Treasurer's Report – AGM 22nd September 2020

This report is for the financial period 1st April 2019 to 31st March 2020 and the accounts have been independently audited by Tacconi and Green, Accountants, St Ives, Cambridgeshire.

Overall summary of Accounts

Total income for this reporting period was £144900, a increase of 7.6% year on year. Expenditure for the same period was £141438, a decrease of 1.1% year on year an excess of income over expenditure of £3462. This gave us an end of year balance on the 31st March 2019 of £114425(last year £110963).

How do explain the accounts?

The financial climate and government policy during the 12 months period covering these accounts has once again seen continued pressure on pharmacy remuneration for all contractors. Therefore, as an LPC committee we have endeavoured to demonstrate once again due diligence in the way we have managed LPC finances both in the way we have received and spent your money as contractors in this LPC area. There have been occasions when we have had to make difficult choices on how to spend money but when faced with the choices we have always tried to carry out that which we believe is both correct to support you in delivering your business on a day on day basis and for the profession as a whole in Cambridgeshire and Peterborough. This can be demonstrated in the way we supported you, our contractors in the events we ran across the year, feedback from which was extremely positive. The finance process for the LPC started with the agreeing of a budget at the beginning of the year and carried through to the end of the year when we can demonstrate that we delivered on that budget. The last two months of the year showed a significant decrease in expenditure due to the early impact of the Covid-19 virus and this explained why we ended with a surplus of income over expenditure.

Income

The primary source of our income(98.7% TY compared with 98% LY) as an LPC continues to be from the PPD levy charges collected from our contractors. In addition this period we continued to seek sponsorship for our events. If you were to examine our expenditure on events you would notice that there is a

decrease in expenditure of 67.3%. This does not indicate that we carried out a decrease in events but demonstrates how successful our team of employees were at gaining sponsorship. We are also glad to report that we were successful in gaining additional income from Public Health for visits made to pharmacies within our LPC area by our employees in support of their agenda for pharmacy. This amounted to £1000 for the year.

Expenditure

As stated in the introduction we have worked diligently again this year to ensure that we deliver real value for money for you our contractors. The four main areas of expenditure remain the same as in previous years namely employees, PSNC levy, office rent and the running of the full committee. This totalled £133925 or 94.7% of total expenditure. This represents an increase on last year of 4% which is accounted for by the fact that this year we were fully staffed, unlike last year where we had a vacancy for part of the year, and the resulting increase in base salary costs and the associated costs namely NI contributions and Work Place pension costs. In addition, our employers pension contributions increased as we were required by the government to pay an additional 1% contribution due to length the scheme has been in place. Despite all of this we continue to believe that the level of staff employed is correct if we are to meet the demands of the agenda we set out at the start of the year. To compensate for this increase in our base costs we decreased the costs of locum cover by 32.6%. This was achieved by making more use of the opportunities of holding virtual meeting and having less frequent meetings in general. This also enabled us to reduce travel costs by a similar percentage (32.3%). The PSNC levy remained the same as the previous year at £41442. Therefore this year I believe once again that financially as an LPC we have demonstrated diligence in the use of your money and therefore I commend this budget to you as contractors as one that has supported you to deliver the outstanding care for the patients of Cambridgeshire and Peterborough that you continue to do whilst being supported by your LPC in giving you the representation and training to do so. We do however accept that we can always improve and will continue to strive to that end and so we are open to any ideas and challenges and are happy to discuss all expenditure with any contractor should they wish.

I would like to offer my personal thanks to my Finance sub-group and also every committee member who this year have once again given me their total support and co-operation without which I would not have been able to carry out the function and duties of LPC Treasurer. I would also like to express my

thanks to our Governance sub-group who have ensured that we act in a transparent and correct manner in all things financial.
Copies of this report and the annual accounts will be available on the LPC website if you would like to have a copy.

I invite any questions.

Andrew Jones
Treasurer,
Cambridgeshire and Peterborough LPC