

Meeting:	NuLeAF Annual General Meeting, 29 Oct 2008
Agenda Item:	4
Subject:	Finances
Author:	Fred Barker
Purpose:	To provide a financial statement for 07-08, and report on the prospects for future funding

Introduction

This report provides a financial statement for 07-08. It also outlines prospects for future funding and proposals for increasing the level of payments from contributing authorities.

Recommendations

It is recommended that the AGM agree:

- 1 the out-turn statement for 2007-08
- 2 to increase requested payments from contributing authorities by 10%

Out-turn for Financial Year 2007-08

The out-turn statement for FY 2007-08 is attached. This shows an expenditure of £136,161,66 and income of £129,315.45. Subtracting the deficit of £6846.21 from the reserves brought forward of £88,083.17 produces reserves carried forward of £81,236.96.

Estimates for FY 08-09

The attached table also shows the estimated expenditure and income for FY 08-09

The estimated expenditure for 2008-09 is £131,880.00, which is slightly lower than in 07-08. This reflects the decision of the AGM last year not to appoint a Project Officer, but to increase the allocation for consultancy work.

The estimated income is £128,000.00, including:

- A contribution of £50,000 from the NDA.
- An anticipated income of £25,000 from member authorities which represents an increase in the number of contributing authorities to 22
- A contribution of £50,000 from DEFRA in recognition of the input made on the MRWS programme.
- An anticipated income of £1,500 from registration fees from non-contributing members and other bodies at the December seminar.

The anticipated deficit for the year of £3,880.00 can be met from reserves. Taking into account the redundancy reserve contingency this generates an end of year reserve of £67,356.96.

Payments from Contributing Authorities in 09-10

It is proposed to increase the level of requested payments from contributing authorities in 09-10 by approximately 10% to reflect the increasing value and impact of NuLeAF work.

Population	Annual Contribution 08-09	Proposed Contribution 09-10
Up to 100k	£605	£665
100k-200k	£905	£995
200k-500k	£1210	£1330
500k-1m	£1850	£2035
Above 1m	£2420	£2660

Estimates for FY 09-10

The estimated expenditure and income is £137,744.00 and £110,575.00 respectively. The estimate for income has been reduced compared to 08-09 to take into account the possibility that the NDA will split funding between NuLeAF and a re-launched Scottish group, SCORRS.

The resulting deficit of £27,169.00 can be met from reserves. The estimated reserve at the end of 09-10, once the redundancy contingency has been taken into consideration, would be £40,187.96.

Accounting Authority and Auditing of Accounts

During the FY 07-08 the role of accounting authority was transferred from Manchester City Council to Suffolk County Council. At the end of that financial period, the accounts were audited by Suffolk County Council Audit Team. The outcome was reported to the Steering Group in April 2008. The cost for the audit at £1180 was greater than anticipated at the start of the FY because additional work was carried out in preparing an Income and Expenditure statement.

During the FY 08-09, Suffolk County Council has changed its accounting system. Whilst there have been some initial teething problems, this will allow NuLeAF to have greater financial reporting capability and budgetary information. An audit will be carried out again this year with an expected cost of £900.00 which will be incurred in FY 09-10. NuLeAF will produce its own Income and Expenditure statement, thus reducing the audit cost.

NuLeAF out-turn for FY 2007/08 and projections for 2008/09 and 2009/10

	2007/08 actual	2008/09 Estimates	2009/10 Estimates ¹
EXPENDITURE			
Salaries and wages ²	117,416.57	96,000.00	100,800.00
Travel expenses, accommodation and subsistence	11,844.48	14,500.00	15,330.00
Conference and meeting attendance ³	1,363.15	1,500.00	1,575.00
Consultancy ⁴	1,145.30	10,000.00	10,000.00
Roomhire and catering ⁵	2,528.91	5,000.00	5,250.00
Hospitality ⁶	69.60	200.00	210.00
Printing, postage & stationery	900.91	2,000.00	2,100.00
Staff office costs and expenses ⁷	892.74	1,500.00	1,575.00
Audit costs	-	1,180.00	900.00
TOTAL	136,161.66	131,880.00	137,744.00
INCOME			
NDA ⁸	50,000.00	50,000.00	30,000.00
Direct recharge to Manchester City Council ⁹	13,463.43		
Local authorities ¹⁰	13,852.02	25,000.00	27,500.00
Defra ¹¹	50,000.00	50,000.00	50,000.00
Regional seminars ¹²	2,000.00	1,500.00	1,500.00
Reimbursements for conf/meeting ¹³		1,500.00	1,575.00
TOTAL	129,315.45	128,000.00	110,575.00
Balance b/fwd	88,083.17	81,236.96	77,356.96
Less: Deficit for financial year	(6,846.21)	(3,880.00)	(27,169.00)
Reserves c/fwd	81,236.96	77,356.96	50,187.96
Redundancy reserve contingency	NA	10,000.00	10,000.00
Available reserve	NA	67,356.96	40,187.96

¹ 2009/10 figures are based on the 2008/09 estimates, with an allowance of 5% for inflation as per the Governor of the Bank of England, with the exception of travel expenses which are due to rise by 6% in January 2009. A second budgetary exercise is proposed for January 2009 which will be based on 9 months expenditure in FY 2008-09 and will be reported to the February SG.

² Includes all 'on-costs' i.e. National Insurance and pension contributions and advertising costs for PA post.

³ Costs for attendance which are reimbursed by meeting organisers

⁴ Figure for 2007/08 includes final instalment to Hetherington Nuclear Consulting of £1,145.30. Figure for 2008/9 adjusted downwards from original estimate for the year.

⁵ Includes expenditure for Steering Group and Regional Seminars.

⁶ For 2007-08, covers costs of evening meal for speakers NuLeAF/LGA Conference. Modest provision is made for hospitality costs in 2008-09 and 2009-10.

⁷ Included in office costs are telephone charges, mobile calls, website costs and sundry expenses.

⁸ Estimated figure for 2009-10 has been reduced as it is anticipated that funding will be split between NuLeAF and SCORRS. Funding bids have to be made each year.

⁹ For 07-08, this income received from Manchester City Council whilst it was NuLeAF's accounting authority to cover staff costs and general expenditure. This item will not occur in 08-09.

¹⁰ Given the success of the membership drive in the preceding two years, it is considered unlikely that there will be a big gain in membership in 2009/10.

¹¹ Defra funding for 2008/09 is being paid as per previous years, in three tranches, August & November 08 and February 09. Funding bids have to be made each year.

¹² Income from seminars for 2008/09 adjusted downwards to £1,500 as it is probable only one seminar will be held this year.

¹³ Monies refunded to NuLeAF for expenses incurred by the Executive Director in attending meetings (eg MoD, NDA)