

## **Finance Vice Chair's REPORT TO AGM 2024**

### **The Annual Accounts – 2023**

This report gives a summary of the audited accounts for the year ended December 31<sup>st</sup>, 2023. A detailed breakdown of the figures are set out in the annual report which comprised of, the Income and Expenditure Account, Balance Sheet, Movement of Funds Summary, supported by explanatory notes including a summary of significant accounting policies that governs the makeup and auditing of the annual returns.

The accounts are prepared in line with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard (FRS) 102.

Once again, I would like to thank my fellow Officers and staff for their contributions in keeping expenditure in line with the set budgets and also the Finance Sub-Committee for their commitments and due diligence in assisting with setting the annual budget for the year.

I would also like to express my thanks especially to Theresa Boorman, Napo Finance Official and Cynthia Griffith, Administrator for their work in safekeeping and preparation of the accounts and associated reports.

I am pleased to report that once again, we have had a successful audit and the Certification Officers, who are the Union's Governing body, have approved the accounts and reports.

The ongoing increase in cost of living has impacted on the Union's finances. At times, the NEC have had to make difficult financial decisions to enabled us in balancing the books.

My fellow members, needless I remind you that the more members we can recruit and retain, the stronger the Union will be.

We are pleased that the Auditors have signed off the accounts with a clean bill of health and the Union continues to operate as a going concern for another year.

If members require further information regarding the accounts, they can obtain this by writing to Theresa Boorman at Napo, 65 Mortlake High Street, SW14 8HL or by email to [tboorman@napo.org.uk](mailto:tboorman@napo.org.uk).

We invite AGM members with questions regarding the audited accounts to submit these in writing to: {events@napo.org.uk} no later than Monday October 7<sup>th</sup>, 2024, to enable us to provide you with detailed answers during the accountability section of the annual report.

## Income

Subscription income for the year came in at £36,485 above the estimated budget of £1,207,100. This is another positive step in the right direction. The total income received from subscription was £1,243,585.

We have maintained our ongoing support to the Welsh Government Project, and we have received the sum of £60,700 in grant payments from them and have expended the same amount giving a zero effect on the accounts.

The overall income received for the year was £1,328,188, including the Welsh Government funds.

We have ended the fiscal year with a gross surplus of £170,471 but after transferring £85,761 to the members representation fund, this leaves a net surplus of £84,710 which is a welcoming step in the right direction.

## Expenditure

We have expended the sum of £1,262,393 for the year including £106,646 spent on members' representation and £60,700 on the Welsh Project.

Staff costs went up by £54,833, this is partly due to the recruitment of one full time administrator post and an increase in staff travelling throughout the year.

## Accommodation costs

This is £2,109 higher than last year's expenditure due to the increases in utility bills and insurance. With the current working arrangements, spending in this area has reduced.

## Operating costs.

Spending in this area is overall £3,470 lower than last year. The current staff working arrangements have reduced expenditure in this area.

In line with accounting policies, we have depreciated our fixed assets by £15,696 and charged it to expenditure for 2023.

## Committee, Conference and Affiliation costs.

This year, there is an increase of £11,353 up on last year's spending. The bulk of this is on AGM costs.

Subscription & Affiliations, Donation, Campaign/Media, Parliamentary work, and Financial Costs.

These expenditure headings were in line with set budget and in tune with the previous year spending.

Again, due to the elevated level of financial work undertaken each year in-house, we have managed to continue keeping our audit bill down to the bare minimum and have held costs at the same rate for several years.

### Branch Expenditure

There is a reduction of £12,558 in spending compared to last year. It must be noted that branch expenditure fluctuated from year to year.

### Balance Sheet

We commenced the fiscal year with Fixed and Current Assets of £1,582,180 and ended with £1,642,657. The overall net movement in funds for the year is £60,477.

The Union's liabilities at the end of the year amounts to £373,351. This figure includes £309,216 owing to HMRC in respect of capital gains tax on the sale of our old office and £64,135, owing to other creditors. The capital gains tax will be paid in the 2024 fiscal year.

### Branches

Branches have ended the fiscal year with accumulated unspent monies totalling £26,964, which is a sizeable sum to be kept in branches' bank accounts.

### **Recommendations to AGM:**

- 1) To approve the Report and Accounts for the year ended 31 December 2023.
- 2) To appoint Sturgess Hutchinson (Leicester) Limited as Napo's auditors for the year ending 31 December 2024.

Carole Doherty  
National Vice Chair (Finance)