

**AGM05/2023**

## **Finance Vice Chair's REPORT TO AGM 2023**

**The Annual Accounts – 2022**

**Colleagues, one again I am pleased to report to you Napo's financial position for the year ended December 31<sup>st</sup>, 2022.**

**This report gives a brief summary of the audited annual accounts, which you will find a detailed make up of it contained in the annual report for your scrutiny.**

**The accounts include copies 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.**

**Again, I would like to thank my fellow Officers and Napo staff for their work in keeping expenditure in line with the set budgets.**

**I would like to express my enormous gratitude to Theresa Boorman, Napo Finance Official for the safekeeping and preparation of the accounts and associated reports. I am pleased that once again, we have had a successful audit and the Certification Officers, who are the Union Governing body, have approved the accounts and reports.**

**Needless to say, the ever-increasing cost of living means that Napo must continue to maximise income and make savings, where we can to enable us to balance the books. If each one of us goes out and recruits just 1 new member each, we will double our membership income, so let that be our goal for the coming year.**

## **2022 Financial Outcome**

**We are pleased that the Auditors have signed off the accounts with a clean bill of health and the Union can continue 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).**

**I invite AGM members with questions regarding the annual accounts to submit these in writing to: [events@napo.org.uk](mailto:events@napo.org.uk) no later than Tuesday October 10<sup>th</sup> 2023, to enable us to provide you with detailed answers during the accountability section of the AGM.**

### **Income**

**Subscription income for the year against the estimated budget of £1,099,702 came in at an increase of £43,775, a positive step in the right direction. The total income received from subscription was £1,143,477.**

**We have continued our support to the Welsh Government Project, and we have received the sum of £62,119 in grant payments from them and have expended the same amount giving a nil effect on the accounts.**

**The overall income received for the year was £1,213,207, a small increase of £7,321.00 upon last year's figure.**

**We have ended the financial year with a gross surplus of £109,247 but after allowing for £86,775 transfer to the members representation fund, this leaves a net surplus of £22,472.**

### **Expenditure**

**We have expended the sum of £1,216,995 for the year including £113,637 spent on members' representation for the year.**

**Compared to last year figure, staff costs went down by £60,072 due to frozen posts and delays in recruitment.**

### **Accommodation costs**

**This is £12,574 lower than last year's expenditure. This is due to the different way of working; Napo has made saving on the overall office running cost.**

### **Operating costs.**

**Spending in this area is overall £61,173 lower than last year; this is because last year's figure contained some of the spending in setting up the new HQ office. With the new working arrangements, spending in this area has decreased.**

**In line with accounting policies, we have depreciated our fixed assets by £16,298 for this year and charged it to expenditure for 2022.**

### **Committee, Conference and Affiliation costs.**

**This year, there is an increase of £19,463 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 largely in tune with the previous year spending.**

**Again, due to the high 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 an increase of £10,701 spending in this area compared to last year. This is due to AGM attendance.**

**The NEC had approved a deficit budget of £82,227 for the 2022 financial year. However, during the course of the year, with careful monitoring of expenditure throughout the year, we have managed to turn the deficit into a small surplus.**

### **Balance Sheet**

**The financial year began with Fixed and Current Assets of £1,584,245 and ended with £1,582,180. The overall net movement of funds for the year is £2,065.**

**The Union's liabilities at the end of the year amounts to £365,482. This figure includes £309,216 owing to HMRC in respect of capital gains tax on the sale of our old office and £56,266 owing to other creditors.**

### **Branches**

**Despite a claw back of £18,167 from branches last year, they have still ended the financial year with accumulated unspent monies totalling £38,208, which is still a substantial amount to be kept in branches' accounts.**

**The money taken as claw back is available to support those branches' who are struggling for money to support their local activities and attend national AGM.**

### **Recommendations to AGM:**

- 1) To approve the Report and Accounts for the year ended 31 December 2022.**
- 2) To appoint Sturgess Hutchinson (Leicester) Limited as Napo's auditors for the year ending 31 December 2023.**

**Carole Doherty  
National Vice Chair (Finance)**