

General Meeting Thursday 22nd November 2018

Financial Report

This report provides an update on the financial position up to 31st October 2018.

Summary / Recommendation

It is RECOMMENDED that this report is noted, and that members continue to act on the medium term financial plan in order to maintain ADEPT as a going concern.

1. Membership Update

As a result of improved business systems, the process of collecting annual membership fees has improved substantially. In addition, we continue to add to the membership 'offer' to ensure we provide value for money.

We have exceeded the retention target, with only one authority and one Local Enterprise Partnership (LEP) member not renewing¹; and have made excellent progress towards achieving the authority recruitment target. In addition, we have recruited a combined authority, two sub-national transport bodies (STBs) and a Local Enterprise Partnership (LEP). Against the general trend, the number of Special Honorary Members (ex-authority now working in the private sector) is falling.

The latest membership details are as follows:

- Nine authorities², one LEP³, one combined authority⁴ and two STBs⁵ have become members this year.
- One new Corporate Partner has joined⁶, ensuring we remain on target for the number of Corporate Partners.

In summary we have 76 local authority members, 12 LEP members, 4 national members⁷, 16 Corporate Partners⁸, one combined authority and two STB members. The targets for 2018/19 are: 77 local authority members, 15 LEP members and 16 Corporate Partners. Achieving our recruitment targets for LEPs and Special Honorary Members looks vulnerable, but other memberships are on target. All existing members are asked to help in recruiting new members.

It is anticipated that the independent study into the impact of the Association (to be published January 2019) will help identify the Association's strengths and areas of challenge, and contribute to a refreshed business plan for next FY. We will continue to set challenging retention and recruitment targets.

¹ City of Stoke, Cornwall & the Isles of Scilly LEP

² Birmingham, Cheshire East, Cumbria, Herefordshire, Isle of Man, Peterborough, Reading, Sandwell, Wakefield

³ Enterprise M3

⁴ West of England Combined Authority

⁵ Transport for the North and Transport for the South East

⁶ WDM

⁷ TfL, CCS Wales, LEDNet, Department for Infrastructure Northern Ireland

⁸ Skanska, Ringway, Colas, Veolia, Kier, Atkins (member of the SNC Lavalin Group), FCC Environment, WSP, Jacobs, Amey, Highways Electrical Association, Tarmac, Penna, Telefonica O2, Burges Salmon, WDM

2. Income

As outlined above, good progress has been made with growing the authority membership, and maintaining the national and Corporate Partner memberships. However, it is questionable whether the recruitment targets for LEPs and Special Honorary Members will be achieved.

We have secured sponsorship for the 2018 Autumn Conference from: Ringway, Kier, WSP, Amey, Volker Highways, Atkins (member of the SNC Lavalin Group). We extend our grateful thanks to those sponsors, and to those who sponsored the Spring Conference and Annual Dinner in May.

With regard to new income streams, we have entered into an exclusive partnership with Proving Services Ltd. This provides access to best practice research clubs and benchmarking services for all ADEPT'S local authority members, at no cost or at a considerably reduced rate. We anticipate that we will achieve an additional income target of £3,750 this financial year.

3. Expenditure

Expenditure compared to the budget is on target, however, there are a few unbudgeted expense costs which it is anticipated will be met from reduced expenditure in other areas, and from our financial reserves.

Figures will be monitored closely to ensure that spend is on target to budget.

Expenditure to note:

- a) The income for the SMART Places research programme is included in the figures below. No expenditure has yet been received, but it is anticipated that this budget will be spent this financial year.
- b) The expenditure for the Policy Support Officer is slightly higher for the period but the Admin Support Officer is slightly underspent; therefore the overall affect is expected to meet budget.
- c) The independent assessment of ADEPT is an unbudgeted piece of research work, and will be paid for from our financial reserves.
- d) All other expenditure is expected to come in on budget or below.

Please see overleaf a financial breakdown of the Profit & Loss Account Forecast.

It is anticipated that, by the end of the financial year, the reserves will be £71,165 in the balance sheet, and as such it is felt that ADEPT has sufficient funds to meet all its liabilities.

June Meadows, ADEPT Finance Officer and Hannah Bartram, Chief Operating Officer

7th November 2018

ADEPT

Association of Directors of
Environment, Economy, Planning & Transport

Forecast Profit & Loss Account 2018/2019

	Full Year Forecast	Budget Full Year
Income		
Special Honorary Members	650	1,250
Authority Subscriptions	93,330	90,620
LEP Subscriptions	2,520	3,150
Corporate Partners	80,000	80,000
National Associations	12,000	12,000
STBs	2,000	0
Society Events	98,801	98,801
Proving Partnership	3,750	0
Research	25,000	25,000
Interest	4	60
Total Income	318,055	310,881
Expenditure		
Research	37,000	25,000
COO Salary	96,000	96,000
Support Officer	9,225	12,000
Policy Officer	23,996	22,000
Board Exp – Planning, Housing, Regen	1,500	1,500
Board Exp – Engineering	1,500	1,500
Board Exp – Environment	1,500	1,500
Board Exp – Leadership Team	2,000	2,000
Board Exp – Transport	1,500	1,500
President’s Expenses	500	500
COO Expenses	7,000	7,000
Software	339	0
Society Events	82,801	82,801
Presidents’ Meeting	600	0
Conference	54	0
External Admin & Events	17,000	17,000
Communications & PR	30,000	30,000
Website	1,000	1,000
Finance & Audit	6,292	7,520
Insurance & Tax Costs	824	824
Subscriptions	600	500
Misc.	2,000	0
Proving Partnership	1,200	0
Design & Print	1,200	0
Postage	42	0
Total Expenditure	325,673	310,145
Net Surplus/(Deficit):	(7,618)	736