



Association of  
**Democratic Services**  
Officers

---

# Finance Report

ADSO Annual General Meeting: 24<sup>th</sup> November 2016

Report of the ADSO Director for Finance

---

## 1. INTRODUCTION

The Association was formally established as a company on 5<sup>th</sup> November 2009 and registered for VAT on 30<sup>th</sup> November 2009. It has been trading continuously since formal designation and the Articles of Association of the Company require the accounts to be submitted to AGM each year. However, the accounting period for the submission of accounts to Companies House is the calendar year.

1.2 The sixth set of audited accounts were approved by the ADSO Board earlier this year and circulated to the membership for information.

1.3 As the full and audited accounts for the Association for 2016 will not be ready until early 2017, this report will attempt to bring members up to date with finances as at 31<sup>st</sup> October 2016.

1.4 A full copy of the audited accounts of the Association will be placed on the members' only part of the website when they are ready by the accountants in early 2017.

## 2. COMMENTARY ON THE 2015 ACCOUNTS

2.1 The 2015 accounts presented to the membership shows that the organisation continues to grow year on year and has a sound financial position. The Association is a virtual organisation in that it does not own or rent any premises, does not employ any staff and relies heavily on Directors and others to carry out the work of the business on a voluntary basis.

2.2 From 1<sup>st</sup> January 2016 book-keeping and VAT returns for the association have been undertaken by Caroline Wood from Lupton Wood and Partners. She works closely with myself and is able to provide up to date financial information to the board on a regular basis. The new arrangement of Caroline dealing with the day to day financial arrangements has proved invaluable. Steele Robertson Goddard continue

to provide our audited accounts each year.

2.3 Turnover for 2015 was £178,902, which was slightly down on 2014, but our direct costs were half of what they were in 2014. After taking into account interest from our fixed rate bonds and taxation this gave us a profit of £121,645 for 2015 compared with £85,803 in 2014.

2.4 The Board has agreed to freeze the price of membership for the coming year together with continuing to offer the discounts based on the numbers of members joining from an authority.

2.5 In terms of the membership figures quoted below for the period 1<sup>st</sup> August 2015 – 31<sup>st</sup> July 2016, this relates to a total of 982 members across the country. Of these 195 were new members, 1 member was swapped with a previous member, 787 were renewals and 79 were new members who joined during the three month free period. For the 2016/17 period 81 new members have joined during the free three month period. Membership renewals have now been sent out to all members and it would be helpful if these could be paid as quickly as possible.

2.6 Set out below is a snapshot of the income for the Association (all figures exclude VAT) for the period 1<sup>st</sup> January 2016 to 31<sup>st</sup> October 2016.

### **Membership**

Sales	£39,113.39
Expenses	£19,205.72

Includes:

AEA £8,444.00  
IIMC £1,648.80  
AEA £9,112.92\*

Profit	£19,907.67
--------	------------

\*During April 2016 Oadby & Wigston paid an AEA invoice to ADSO by mistake. The funds were received into membership and then transferred directly to AEA.

### **Job Adverts**

Sales	£30,140.00
Expenses	-

Profit	£30,140.00
--------	------------

### **Training**

Sales	£14,634.00
-------	------------

Expenses (trainer fees, catering, travel, hotels etc.)	£9,195.86
---	-----------

Profit	£5,438.14
--------	-----------

### **Training courses**

8 of the 12 courses this year have been profitable. 4 have run at a loss. Expenses include 2 x administration fee for management by Nottingham City Council.

The sales figure for training courses includes the Structures and Functions sales fees invoiced up to 28<sup>th</sup> October 2016. No expenses have been received for these courses yet. Therefore the overall training profit will be lower than the current figure.

### **Sponsorship**

Sales	£6,605
-------	--------

Includes:

Link Support Services Ltd	£695.00
Nuway Audio Visual Ltd	£805.00
XSSL	£4,190.00
Public I Group	£915.00

Expenses	-
----------	---

Profit	£6,605
--------	--------

### **Conference**

Sales	£24,969.00
-------	------------

Expenses	£14,814.98
----------	------------

Includes:

Hilton	£9,166.67
Rooms	£983.31
Matt Forde	£2,000.00
Invoicing	£665
Other expenses(taxis, drinks reception etc)	£2,000
Profit	£10,154.02

### **General expenditure**

Travel, hotels and subsistence	£ 4,533.89
Internet, telephone and computer charges	£ 3,721.29

Includes:

Zodiac	£2,835.00
--------	-----------

Barbank £750.00

Advertising £ 750.00  
All LGA conference stand share

Professional fees £21,127.50

Includes:

LB Islington £10,000.00

SRG £3,400.00

LWAP £6,727.50

Wayne Chandai £500

Leanne McPherson £500

Insurance £ 1,204.50

Bank charges £ 155.51

Bank interest received (£1,697.85)

**HMRC** £15,805.46

Includes:

VAT Oct – Dec 2015 £7,576.98

VAT Jan – Mar 2016 £1,286.72

VAT Apr – Jun 2016 £1,235.92

VAT Jul – Sep 2016 £5,173.04

Corporation tax 2015 £532.80

## 2.7 QUALIFICATIONS INCOME

The majority of the income we receive from Qualifications covers the cost of the advisors, assessment centres and running costs generally.

## 2.8 SAVINGS

The Association uses an online Business Account with Barclays to keep costs low. However this does not pay any interest on funds in our accounts.

We have, therefore, made use of Fixed Rate Bonds, where possible, given that interest rates generally are very low for businesses. We are also conscious to ensure any savings/investments we make are as secure as possible and therefore each of our savings are within the Financial Services Compensation Scheme limit of £75,000.

We currently have £75,000 invested in a Fixed Rate Bond with Raphaels Bank until 27<sup>th</sup> March 2017 which will pay 2.05% AER. We also have £75,000 invested in a Business Savings Account with Aldermore until 31<sup>st</sup> December 2017 which will pay 2.02% AER.

## 3. RECOMMENDATION:

That the AGM note the Finance Report.

**John Lynch**  
**Finance Director**  
**3<sup>rd</sup> November 2016**