

Treasurer Report AGM 2025

Bank accounts:

Current Account balance 28/02/2025 £ 13,527.14

Reserve Account balance 28/02/2025 £ 75,225.85 (IOP Refinement £46,605)

The accounts have not been sent to the accountants yet because I need them for the end of the tax year tasks which I now must do since moving to the payroll system. However, this is always a problem for us as our AGM is very close to our financial year end, so it is difficult for accountants to look over our accounts in a short space of time.

The attached is a provisional view for a guide only of our accounts for 2024-2025.

The uncategorized income relates to expenses paid from LOCSU for helping with the constitution. Unfortunately, our expenses did exceed our income last year. I am not too concerned as our income has increased in recent months however this means we will not be able to increase our fees without increasing the levy at the moment. However, as our expenses may reduce this year due to the reduction in LOCSU's fees (see below) and the sight test fee will hopefully increase (or is that wishful thinking!) we may be able to increase our fees later in the year. I have attached a form showing our income over the last few years.

LOCSU have advised all LOCs to keep some money back for emergencies. It has been recommended that we hold in reserve about 6 months money which works out approximately to £25K. There is also £46,605 from the IOP refinement project which must be kept for Glaucoma/education related projects. The reserve account therefore holds our emergency fund and the IOP refinement money.

The reserve account does have a small amount of interest added to it each month which is around £70. The current account does not have interest added to it, so I tend to keep the amount in the current account fairly low as it is now easy for me to transfer money between these two accounts.

PAYE

We are still using a central payroll system, called Locumkit, set up by LOCSU which is free for us. However, LOCSU do pay a monthly fee per person in the LOC that is registered on the system. This means if a LOC committee member does not intend to make any expense claims then please let me know as it still costs LOCSU money to be on the system. The Locumkit team comprise of accounting and optometric professionals. Mohammad Chaudhry is both a chartered accountant and optometrist and he is also the treasurer for Ealing and Hounslow LOC. Since May 2023 we have switched over to the PAYE system run by Locumkit.

PAYE is deducted on time for meetings, administration, honorariums etc. but it does not need to be deducted from expenses eg travel, parking etc. This means expenses can be paid directly.

To enable me to pay expense claims I need the following information, Name and Address, Date of Birth, NI number. Without this information I will not be able to process the claims.

Levy

The levy is still 1.25% and has been at this level for many years.

LOCSU

From 1st April 2016 we were paying LOCSU 0.5% of our levy. LOCSU have gradually increased their support to LOCs over the years and some of this money pays for our PAYE system. I therefore think we should continue to pay LOCSU. LOCSU asked LOC's to have their share of the Levy paid directly to them several years ago. I was reluctant to do this at the time as there were so many issues with PSCE, so I opted to pay them myself once we had received our Levy money. Some LOCs decided direct payment would be easier for them as it would be one less payment to sort out. As a result of this LOCSU have been able to improve their cash flow and they have reduced their levy to 0.4% from April 2025. However, they have asked that all LOC's now have the payment paid directly to them so they can maintain this lower fee. Although there are still some issues with PCSE, it is now running much smoother than when it was originally set up so I see no reason now not to have their share of the Levy money sent directly to LOCSU. Secondly, the LOC's who have had issues with PCSE, had them resolved by LOCSU. I therefore suggest we pay LOCSU directly unless anyone on the committee objects to this.

Fees

Our fees are £45 per hour from 1st April 2023.

The secretary fees have always been linked to the sight test fees. The secretary fees are currently £36.45 per hour which will change if there is an increase in sight test fees.

Accountants

Ashby's has been taken over by Johnsons now and it is not so easy for me to use them. I have asked another accountant called Numbers in Wendover to look at our accounts for us.

Expenses

Please can I remind everyone to submit their claim forms within three months. I have never refused a claim but it does take me considerably longer to process old claims now with the new PAYE system. Also, it makes it more difficult to compare our expenses to previous years if I am paying for claims in a different financial year. All claims received by 5th day of the month will hopefully be paid by the 25th day of the month. Any later claims will be paid by 25th day of the following month.

LOCSU Treasurer Forum

Recently, Locsu held their first face to face treasurer forum in London which I did attend. It was a very useful day and I was able to talk to other treasurers about various topics. I learnt that our area is fairly large compared with some areas. Smaller areas have more problems

setting the Levy as there are fewer optical practices contributing to the levy. In these smaller areas the Levy seems to be about 2%, however in larger areas it is nearer to 1%.

The amount paid to the members varies and we are now currently on the lower side as some areas are paying nearer to £60 per hour. Other treasurers have had many issues over changing the Levy amount which have resulted in LOCSU helping out.

There were also other treasurers who thought that it was important to prepare for succession. I think that LOCSU did say they were going to try and put together a template to help with succession.

We also compared notes with the accountancy software we all use. Locsu are working on this as well to hopefully produce something that would be ideal for the needs of the LOC. Currently, we are using Quickbooks but it is not ideal to continue to use this due to various changes to this type of Software, it also does far more than we actually need however it is very easy to use.

I currently email P60 and payslips that are password protected. It was decided at the meeting to change the password used to a persons NI number as we thought it would be easier for people to remember. The NI number format being used is all the letters are in capitals and there are no spaces between the characters. I am now using NI numbers to password protect payslips and P60's. All committee members should have received their P60 from me now so please let me know if you have not received one yet.

I propose that:

- 1 The statutory levy remains 1.25%
- 2 The LOC committee has the ability to increase or reduce the levy by up to 0.5%.
- 3 The LOC continues to support LOCSU and pay them directly. Without their support we would have to sort out our own PAYE system.
- 4 Numbers review the accounts.

Alison