

**General Practice
Task Force
Derbyshire**



**Derby &
Derbyshire
LMC**



ANNUAL REPORT

for

Derbyshire LMC

**Derby and Derbyshire Local Medical
Committee Ltd**

GP Task Force (GPTF) Ltd

2019-2020

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Treasurer's Report

This Treasurer's Report refers to matters up to 31 March 2020.

Until last year, the Treasurer's Report contained a detailed history of how DDLMC, DDLMC Ltd and GPTF Ltd finances and corporate structures had evolved over time. In order to keep annual reports more succinct, a decision was taken to limit the comments to factors that are relevant to the current year. The historical context can be found in previous years' reports.

The accounts of Derby and Derbyshire Local Medical Committee (the unincorporated body) and Derby and Derbyshire Local Medical Committee Limited (the limited company set up to enact the business of the committee) should be read in tandem. The accounts of General Practice Task Force (GPTF) Ltd should be considered separately.

The Company accounts (DDLMC Ltd and GPTF Ltd) have been prepared in accordance with micro-entity provisions in accordance with FRS105: The Financial Reporting Standard applicable to the Micro-entities Regime. The company is entitled to exemption from full audit under s.477 Companies Act 2006 and on your behalf under s.476 the directors decided NOT to obtain an audit of its financial statements for reasons of financial economy. Should members of the company wish this to change next year then they should make the directors aware and in the meantime the accounts and more detailed information required for the Company Tax return are available for inspection at the DDLMC Office by any levy payer.

Derby and Derbyshire Local Medical Committee and Derby and Derbyshire Local Medical Committee Limited

The DDLMC accounts contain only the expenses that are directly attributable to the LMC (insurance, accountancy and bank charge), the monthly feed into DDLMC Ltd to run the bulk of the activity and our annual subvention to the GPDF levy. The DDLMC Ltd company accounts show the rest of the operating expenses.

Taking all our activities together the DDLMC group made a surplus totaling £140417 in 2019/20. This represents a significant increase over the £66179 from 2018/2019 and it is only the second time since 2014 that our expenditure has not exceeded our income. Our real reserves, as a percentage of our operating expenditure, now stand at 80%. See below for an explanation of this. Although there is still some way to go, this is a positive move towards our stated policy of maintaining reserves at 100% of the LMC annual operating expenses.

This increase in reserves has been achieved through the continued delivery of the measures I outlined in the last two annual reports and these are reproduced below for ease of reference:

- Directors' salaries. We have recently reduced the time commitment of both Chair and Treasurer.
- Staff Costs. Medium term reshaping of the staff structure.
- Last year I reported that DDLMC/DDLMC Ltd had been subsidizing staff costs for GPTF Ltd and that in future years we will be far more robust in ensuring that all staff costs attributable to projects that we have been commissioned to run, will be correctly allocated to GPTF Ltd rather than the LMC. This year's figures begin to demonstrate that trend.
- Premises costs will be significantly reduced for the 5-year rent free period and these monies will be allocated directly to reserves at the start of the year.
- The directors and the members of the LMC resolved that the LMC levy which is both tax allowable and built into NHS costings will rise automatically by the November CPI annually as a minimum.

- Difficulties in communications with GPDF during 2018/2019 resulted in an overpayment of the GPDF Levy in 2017/18 £75k against a correct figure of c£60k. This was corrected and also, we received in common with all LMCs a one off rebate.

We continue to monitor our expenditure closely to ensure we continue to rebuild our reserves. The decisions by the General Practice Defence Fund to pay a rebate to LMCs during the 2019 calendar year (from 6p per patient to 5.4p per patient) and reduce further the levy to 4p per patient for 2020 is helping the DDLMC finances.

The past 6 years combined DDLMC and DDLMC Ltd out turns are as follows (brackets indicate a loss):

Year ending	31/03/2020	31/03/2019	31/03/2018	31/03/2017	31/03/2016	31/03/2015
LMC	£103859	£57653	(£43667)	(£97637)	(£102098)	(£3767)
D&DLMCLtd	£36558	£8526	(£25147)	£71631	£13305	(£80104)
TOTAL	£140417	£66179	(£68814)	(£26006)	(£88793)	(£83871)

The table below shows the level of our reserves for the period 2014-2020 and starkly illustrates that the 2018/19 turnaround maintained and increased during 2019/2020 has reversed the unsustainable losses of the previous years, which with no action would have resulted in DDLMC becoming insolvent within 4 years:

Y/E March	31st	DLMC	D&DLMC Ltd	Total	% Annual expenditure
2014		£360770	£161718	£522588	136%
2015		£357003	£82107	£439110	85.54%
2016		£254905	£95412	£350381	65.24%
2017		£157268	£167043	£324311	58.98%
2018		£113601	£141896	£255497	46.8%
2019		£122128	£199549	£321677	63.6%
2020		£225987	£236107	£462094	118.3%*

The improvement in our reserves* is flattered by 3 items. 1. We received a rebate of £51190 from the GPDF and this is unlikely to be repeated. 2. As a consequence of the serious inconvenience which the LMC suffered with our landlords we negotiated a significant rent holiday which will expire in 2022. We are putting sums equivalent to the rent into our reserves as a matter of financial discipline. 3. Recharges to GPTF are now calculated with greater precision. Therefore, we are temporarily not spending as much AND we are saving monies. Deeper examination of underlying costs of activity leave no room for complacency but provide assurance that we are being prudent. Taking these factors into account our reserves stand somewhere in the region of 80-85% of annual LMC related expenditure. We have yet to see the consequences of Covid-19 upon our finances or savings from the reduction of meetings now that there is one PCT.

Servicing our responsibilities

To service such responsibilities Derbyshire LMC has its office base at Norman House, Heritage Gate, Derby, DE1 1NU. As at 31 March 2020 we employed 4.6 whole time equivalent members of staff consisting of a Chief Executive, a Chief Operating Officer, a Head of Communications, a Head of Business Support, a PA/Office Manager, an Administrative Assistant and an office apprentice.

Corporate financial governance

We are advised on technical and taxation matters by our accountants Smith Cooper and Partners at their Ashbourne office with partner Nicola Roberts taking the lead. In 2018 we revised and streamlined our financial controls, and these continue to work well with virtually all transactions completed electronically. Authorizations for transactions remain the same requiring the authorization of one of the 5 directors, the Chief Executive or the Chief Operating Officer up to the value of £5000 with two signatories required for amounts over £5000. No officer signs any authorization payable to themselves or their practice and the Treasurer and directors review expenditure on a monthly basis.

Value for money?

The high level of satisfaction that is regularly communicated with the operational team and the committee, shows that DDLMC remains highly valued by GPs across Derbyshire and is also held in the highest esteem on the national stage with GPC recognizing the DDLMC for the quality of its work and expertise available. We would remind you that paying the LMC levy continues to be a tax allowable expense and is recognized in the annual GMS/PMS GP contract negotiations between NHSE and GPC.

Unfortunately, there is still a small minority of practices in Derbyshire that choose not to pay the DDLMC Levy and we reiterate that these colleagues who fail to pay the levy are not only

- Making your individual LMC levy greater than it need be and freeloading on you, but also
- Pocketing monies that have been incorporated into their funding streams on the basis that the LMC, as a statutory body, should be financially supported.

General Practice Task Force (GPTF) Limited

Derby and Derbyshire LMC Services Ltd was incorporated on 4 October 2013 and renamed General Practice Task Force (GPTF) Limited on 19th April 2018 in order to aid clarity in conversation and communication. It was established with the same legal structures, safeguards and constitution as Derby and Derbyshire Local Medical Committee Limited, thus placing the ultimate control of the company and its directors firmly in the hands of the elected LMC members.

GPTF Limited activity is not linear in that the income is derived mostly from “soft” budget monies for support to general practice through the various General Practice Forward View and other NHSE funding streams. This money is streamed through CCGs, NHSE and HEE. The income for 2019 amounted to £171975 and increased to £483680 in year ending 31 March 2020. Indications are that funding for 2020/2021 will be significantly increased however the impact of Covid-19 is not yet known. Although the accounts this year show a loss of £13790, since its inception, GPTF Ltd has been cost neutral to the LMC and continues to be managed to ensure future support to general practice with minimal operational or financial risk to the LMC.

As predicted in previous reports, the investment in training and upskilling the LMC secretariat and change facilitators employed by GPTF Ltd reaped dividends, as we were commissioned to deliver significant support to practices through the various funding streams. It was precisely for this eventuality that GPTF Ltd was established in order to deliver business and management education, pastoral, coaching and mentoring support to practices.

The establishment of GP Aspire supports recruitment and retention, Derbyshire Medical Chambers supports both practices and locums through the provision of known locum GPs. Derbyshire Education Network provides educational opportunities to sessional GPs. In addition, we continued to deliver significant support through the GP Resilience and Practice Manager Development programmes. Details of these schemes and the excellent support these initiatives have provided to general practice in Derbyshire can be found on the GPTF website.

Summary

In this report, I have shown you that DDLMC (through both DDLMC Ltd and GPTF Ltd) continues to represent excellent value for money in providing support to all GPs, ensuring that GPs are properly valued, and their skills properly utilized. We have taken positive steps to stabilise our financial position and protect the future provision of support to general practice. In the ever-changing world of general practice, particularly with the birth of PCNs and the uncertain spectre of Covid-19 we believe you continue to need your LMC like never before. The LMC Officers wish to thank all those practices for their continuing co-operation during these times of unprecedented threat to the very future of our profession.

Peter Holden

**Treasurer and Director
Derbyshire Local Medical Committee
Derby & Derbyshire Local Medical Committee Ltd
GPTF Ltd**

List of Levy Paying Practices

Derby and Derbyshire LMC wishes to thank the following practices for their contributions to the voluntary levy:-

Alvaston Medical Centre	Hannage Brook Medical Centre
Appletree Medical Practice	Hartington Surgery
Arden House Medical Practice	Hasland Medical Centre
Arthur Medical Centre	Haven Medical Centre - Osmaston Road
Ashbourne Medical Practice	Heartwood Medical Practice
Ashover Medical Centre	Hollybrook Medical Centre
Avenue House & Hasland Partnership - Avenue House	Horizon HealthCare Derby
Bakewell/Tideswell (Peaks and Dales)	Imperial Road Surgery
Barlborough Medical Practice	Ivy Grove Surgery
Baslow Health Centre	Jessop Medical Practice - Greenhill Surgery
Blue Dykes Surgery - Royal Primary Care	Kelvingrove
Brailsford & Hulland Medical Practice	Killamarsh Medical Practice
Brimington Surgery	Lime Grove Medical Centre
Brook Medical Centre	Lister House at Chellaston
Brooklyn Medical Practice	Lister House Surgery
Buxton Medical Practice	Littlewick Medical Centre
Calow and Brimington Practice	Macklin Street Surgery
Chapel Street Medical Centre	Melbourne & Chellaston
Chatsworth Road Medical Centre	The Park Medical Practice - Chaddesden
Chesterfield Medical Partnership - Ashgate	Mickleover Medical Centre
Clay Cross Medical Centre	Mickleover Surgery
College Street Medical Practice	Moir Medical Centre
Crags Health Care - Whitwell Health Centre	Newbold Surgery
Crich Medical Practice	Newhall Surgery
Darley Dale Medical Centre (Credas Medical)	North Wingfield Medical Centre
DCHS - Castle Street Medical Centre	Old Station Surgery
DCHS - Creswell and Langwith Surgery	Osmaston Surgery
DCHS - Ripley Medical Centre	Overdale Medical Practice
Derby Family Medical Centre	Park Farm Medical Centre
Dr Purnell & Partners - Ilkeston Health Centre	Park Lane Surgery
Dr Webb & Partners - Ilkeston Health Centre	Park View Medical Centre
Dronfield Medical Practice	Parkside Surgery
Eden Surgery	Peartree Medical Centre
Elmwood Medical Centre	Riversdale Surgery
Emmett Carr Surgery	Royal Primary Care - Inkersall Family Health
Evelyn Medical Centre	Sett Valley Medical Centre
Eyam Surgery	Shires Health Care
Friar Gate Surgery	Somercotes Medical Centre
Friendly Family Surgery	St Lawrence Road Surgery
Gladstone House Surgery	St Thomas Road Surgery
Golden Brook Practice	Staffa Health - Holmewood
Goyt Valley Medical Centre	Stewart Medical Centre
Gresleydale Healthcare Centre	Stubley Medical Centre

Swadlincote Surgery
The New Parkfields Surgery
The Park Surgery
The Springs Health Centre
The Surgery - Ashbourne
The Surgery - Wingerworth - Dr Chawla
The Surgery at Wheatbridge
The Valleys - Moss Valley Medical Practice
Thornbrook Surgery
The Vernon Street Medical Centre
Village Surgery
Welbeck Road Health Centre
Wellbrook Medical Centre
West Hallam Medical Centre
Whitemoor Medical Centre
Whittington Moor Surgery
Willington Surgery
Wilson Street Surgery
Woodville Surgery

Appendix 1 DDLMC Ltd Balance Sheet

DERBY & DERBYSHIRE LOCAL MEDICAL COMMITTEE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2020

	2020		2019	
	£	£	£	£
Fixed assets		7,386		6,035
Current assets	313,365		235,798	
Prepayments and accrued income	3,673		4,113	
Creditors: amounts falling due within one year	(88,317)		(46,397)	
Net current assets		228,721		193,514
Total assets less current liabilities		236,107		199,549
Net assets		236,107		199,549
Reserves		236,107		199,549

Notes to the financial statements

1 Employees

The average number of persons, including directors, employed by the company during the year was as follows:

	2020 Number	2019 Number
Employees	16	15

Derby & Derbyshire Local Medical Committee Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Heritage Gate, Norman House, Ground Floor, Friar Gate, Derby, Derbyshire, DE1 1NU.

For the year ended 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

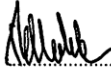
These financial statements have been prepared in accordance with the micro-entity provisions and in accordance with FRS 105 'The Financial Reporting Standard applicable to the Micro-entities Regime' and the provisions applicable to companies subject to the small companies regime.

DERBY & DERBYSHIRE LOCAL MEDICAL COMMITTEE LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2020

The financial statements were approved by the board of directors and authorised for issue on
and are signed on its behalf by:


.....
Dr P J P Howard Director
Treasurer
Derby & Derbyshire LMC Ltd

.....
Dr P Williams
Director

.....
Dr G S Crowley
Director

.....
Dr S M Rackham
Director

.....
Dr G M Walton
Director

Company Registration Number 06203380

Appendix 2 DLMC Balance Sheet

DERBYSHIRE LOCAL MEDICAL COMMITTEE

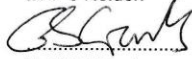
BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020		2019	
		£	£	£	£
Current assets					
Other debtors		-		41,959	
Cash at bank and in hand		300,892		186,873	
		<u>300,892</u>		<u>228,832</u>	
Current liabilities					
Trade creditors		15,018		46,950	
Other creditors		59,887		59,754	
		<u>74,905</u>		<u>106,704</u>	
Net current assets			<u>225,987</u>		<u>122,128</u>
Accumulated fund	1		<u>225,987</u>		<u>122,128</u>

In accordance with the engagement letter dated 29 October 2019, we approve the accounts set out on pages 2 to 4. We acknowledge our responsibility for the accounts and for providing Smith Cooper Limited with all information and explanations necessary for their compilation.

.....
Dr P J Holden



.....
Dr G S Crowley

.....
Dr P Williams

.....
Dr S M Rackham

.....
Dr G M Walton

Date :

Appendix 3 GPTF Balance Sheet

GENERAL PRACTICE TASK FORCE (GPTF) LIMITED

BALANCE SHEET

AS AT 31 MARCH 2020

	2020		2019	
	£	£	£	£
Current assets	1,202,117		277,702	
Creditors: amounts falling due within one year	(1,212,021)		(273,816)	
Net current (liabilities)/assets		(9,904)		3,886
Net (liabilities)/assets		<u>(9,904)</u>		<u>3,886</u>
Reserves		<u>(9,904)</u>		<u>3,886</u>

Notes to the financial statements

1 Employees

The average number of persons, including directors, employed by the company during the year was as follows:

	2020	2019
	Number	Number
Employees	<u>5</u>	<u>5</u>

General Practice Task Force (GPTF) Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Heritage Gate, Norman House, Ground Floor, Friar Gate, Derby, Derbyshire, DE1 1NU.

For the year ended 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the micro-entity provisions and in accordance with FRS 105 'The Financial Reporting Standard applicable to the Micro-entities Regime' and the provisions applicable to companies subject to the small companies regime.

GENERAL PRACTICE TASK FORCE (GPTF) LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2020

The financial statements were approved by the board of directors and authorised for issue on
and are signed on its behalf by:

 **Director & Treasurer**
GPTF Ltd
.....
Dr P J P Holden **Director** Dr P Williams
Director

.....
Dr G Crowley **Director** Dr S Rackham
Director

.....
Dr G Walton
Director

Company Registration Number 08719490