Dear Contractor

RE: Community Pharmacy Arden (Coventry & Warwickshire LPC) Accounts voting 2025-2026

The CPA accounts balance at end of year 2025-2026 was **£209,271** (levy related funds including accruals), with an expenditure of **£279,210** against a planned budget of **£288,840** and income of **£293,105** (including **£198,367** Levy income, **£38,655** wages & office costs cross charges from CPHW and **£45,508** MOU NHS Funds subsidy for some staff, resources, training and events). This resulted in a surplus of £13,894 at end of March 2026. Note 1 month Levy holiday was provided in April 2025, to bring reserves down (usual annual LPC Levy £216,400). NB: Money in bank on 31st March 2026: £211,459.

We had some funding from NHSEI against MOUs – whilst much of this is for additional activities – some things such as Contractor engagement / training and service support activity would have been undertaken anyway at the CPA's own expense. An overview of NHS MOU funding allocation is shared separately within the Annual Report.

Budget for 2026-2027 £331,556.20 (monthly average £27,629.73) (including £84,852 Levy payable to CPE a 6% increase on 25-26) (including £16,000+ from NHS MOU Funds). NB: the staffing costs have increased as there is a period of handover from outgoing CEO and incoming CEO, a new deputy role and a member of staff returning from sabbatical, these have been partly offset by a member of the team leaving and not being replaced.

Contingency Held for 26-27 of £44,102 to mitigate risks (LPC closure costs, MOU contribution to staff costs)

Levy Accounts end March 2026: £209,271

Reserves are £209,271 – 44,102 contingencies = £165,169

Against a budget of £331,556.20

Reserves held are therefore at 50% of budget

(NB this budget assumes that £216,400 received in Contractor levies and approximately £83,000* in cross charges from CPHW and £16,000 from MOU Funds). NB: *CEO (contracted) and deputy (employed) will be funded by CPA and 45/40% cross charged to CPHW. Outgoing CEO was employed directly by each LPC separately.

Points of note on the accounts:

- The employee wages line includes the joint team, 40% of which is cross charged to our partner CPL CPHW.
- Note the CPHW share of the rent and Office & Support team costs for 25-26 are shown as cross charge income.
- To support the increased engagement and service support, we previously invested in a Services Lead, who is part funded by NHS Funds, which will be available for 2026-2027 and possibly some retained for 2027 – 2028. At this point the LPCs will have to cover the full cost from Levy funds.
- There are some accruals and pre-payments remain on the 'books'

We hope that these suggestions meet with your approval if you have any queries, please contact the CPA office in the first instance and we will be happy to explain further. ahwlpc@gmail.com