



Summary of Financial Strategy to support the FPH strategy 2019 – 2025

Finance is a key enabler for a successful and sustainable organisation. We have identified some key challenges and opportunities for FPH. Through modelling we have identified that income will fall over the strategic period if current membership trends continue. We have proposed some principles which should underpin the strategy and some actions which will address these adverse trends.

It is accepted that the vision of the FPH strategy should be the primary driver for decision making and therefore it should not be finance-led but rather a financial strategy should both enable us to evaluate what policy goals are probably unrealistic and how a prudent financial approach can help enable a desired realistic strategy to be implemented.

The Board has agreed the following key principles and actions aimed at improving our financial position.

Key Principles

- Plan to have balanced budgets each year
- Increase our reserves
- Actively plan for the future
- Prudent, realistic budgeting
- Ethical investing

Actions

- Increase efficiency to reduce expenditure
- Increase non-member income
- Minimise loss and increase obligatory member income including tightening rules on membership and fellowship categories
- Increase retired member income through greater retention of obligatory retiring members
- Increase non-obligatory member income through a targeted approach at groups likely to find our offer attractive
- Rationalise number of membership categories