

Trust Board

Agenda Item	6c.	Date: 28.06.17																																																			
Title of Report	Finance report M2																																																				
Purpose of the report and the key issues for consideration/decision	For the Board to receive and note for discussion.																																																				
Prepared by: Name & Title	Finance team																																																				
Presented by:	Rob Forster, Director of Finance and Informatics																																																				
Action Required (please X)	Approve		Adopt		Receive for information x																																																
Strategic/Corporate Objective(s) supported by this paper	BAF Objective: to achieve two year budget stability																																																				
Is this on the Trust's risk register?	No	On the BAF	Yes		If Yes, Score																																																
Which Standards apply to this report?	<table border="1"> <tr> <td>CQC</td> <td>x</td> </tr> <tr> <td>NHSLA</td> <td>x</td> </tr> <tr> <td>BAF Objectives</td> <td>x</td> </tr> <tr> <td>WWL Wheel</td> <td>x</td> </tr> </table>					CQC	x	NHSLA	x	BAF Objectives	x	WWL Wheel	x																																								
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Have all implications related to this report been considered?	<table border="1"> <thead> <tr> <th></th> <th>Yes/No/NA</th> <th>Any Action Required</th> <th></th> <th>Yes/No/NA</th> <th>Any Action Required</th> </tr> </thead> <tbody> <tr> <td>Finance Revenue & Capital</td> <td>Y</td> <td></td> <td>Equality & Diversity</td> <td>Na</td> <td>Na</td> </tr> <tr> <td>National Policy/Legislation</td> <td>Y</td> <td></td> <td>Patient Experience</td> <td>Na</td> <td>Na</td> </tr> <tr> <td>NHS Contract</td> <td>Y</td> <td></td> <td>Governance & Risk Management</td> <td>Y</td> <td></td> </tr> <tr> <td>Human Resources</td> <td>Na</td> <td>Na</td> <td>Terms of Authorisation</td> <td>Y</td> <td></td> </tr> <tr> <td>Consultation/Communication</td> <td>Na</td> <td>Na</td> <td>Human Rights</td> <td>Na</td> <td>Na</td> </tr> <tr> <td>Other:</td> <td>Na</td> <td>Na</td> <td>Carbon Reduction</td> <td>Na</td> <td>Na</td> </tr> <tr> <td colspan="6">If action required please state:</td> </tr> </tbody> </table>						Yes/No/NA	Any Action Required		Yes/No/NA	Any Action Required	Finance Revenue & Capital	Y		Equality & Diversity	Na	Na	National Policy/Legislation	Y		Patient Experience	Na	Na	NHS Contract	Y		Governance & Risk Management	Y		Human Resources	Na	Na	Terms of Authorisation	Y		Consultation/Communication	Na	Na	Human Rights	Na	Na	Other:	Na	Na	Carbon Reduction	Na	Na	If action required please state:					
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Previous Meetings

Please insert the date the paper was presented next to the relevant group

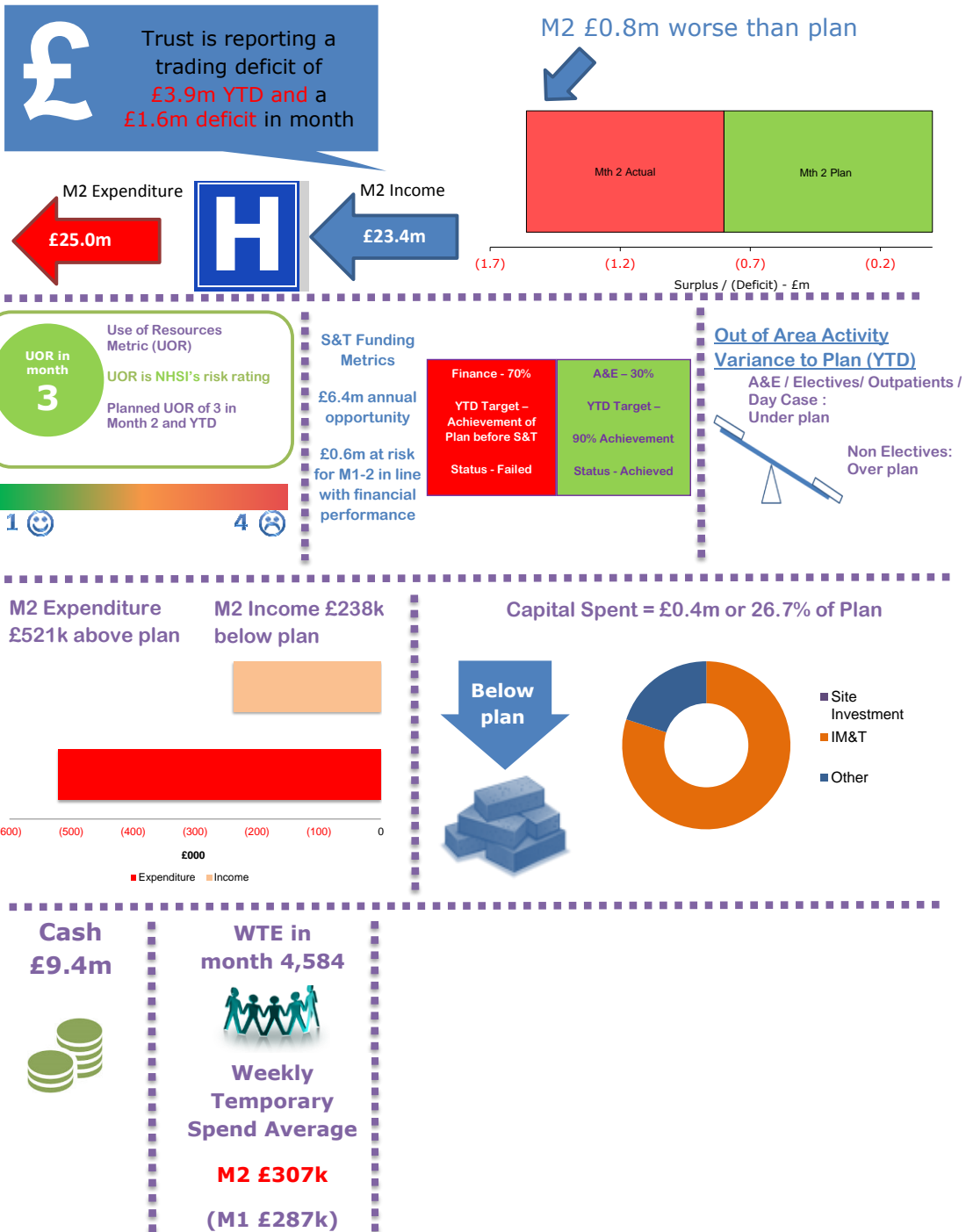
ECC	Audit Committee	Quality & Safety Committee	Finance & Investment Committee	Management Board	IM&T Strategy Committee	HR Committee	NED	Other
Na	Na	Na	20.06.17	Na	Na	Na	Na	Na

Finance Report

Financial Position for the period
ending 31 May 2017

Monthly Summary Infographic

Financial Performance – May 2017



Contents

1. Executive Summary	4
2. Capital Expenditure & Statement of Financial Position.....	4
3. Cash, Liquidity and UOR.....	4
Appendix 1 – I&E Summary	5
Appendix 2 – Statement of Financial Position	6
Appendix 3 – Cash Flow Statement	7

1. Executive Summary

1.1. The Trust is reporting a year to date deficit of £3.9m which is £0.8m worse than plan.

Key Metrics	Month - £000			Year to Date - £000		
	Actual	Plan	Var	Actual	Plan	Var
UOR	3	3	0	3	3	0
Surplus / (Deficit)	(1,561)	(802)	(759)	(3,864)	(3,114)	(750)
Capital Expenditure	230	801	(571)	402	1,504	(1,102)
Cash	9,388	7,590	1,798	9,388	7,590	1,798
CIP	610	655	(46)	925	1,304	(379)

1.2. Cumulative income of £45.3m is £0.2m worse than plan.

1.3. Cumulative operational expenditure is £47.3m which is £0.6m worse than plan.

1.4. The UOR rating for the Trust in month 2 is a 3 which on plan.

1.5. The Income & Expenditure summary can be seen at Appendix 1.

2. Capital Expenditure & Statement of Financial Position

2.1. The Trust has spent £0.4m on capital expenditure versus planned expenditure of £1.5m.

2.2. The statement of financial position can be found in Appendix 2.

3. Cash, Liquidity and UOR

3.1. The cash balance is £9.4m, which is £1.8m higher than the planned balance.

3.2. The UOR rating is a 3 against a plan of 3.

3.3. The cash flow statement can be found in Appendix 3.

Appendix 1 – I&E Summary

	In Month			Year to Date		
	Actual	Plan	Var	Actual	Plan	Var
£000s						
Income						
A & E Attendances	936	949	(12)	1,862	1,887	(25)
Daycase	2,718	2,840	(122)	5,071	5,276	(205)
Elective	2,370	2,609	(239)	4,564	4,851	(287)
Non Electives	3,938	3,819	119	8,040	7,719	321
Outpatients	3,432	3,641	(209)	6,316	6,753	(437)
Other	9,989	9,765	225	19,408	18,994	414
Total Income	23,384	23,622	(238)	45,262	45,479	(217)
Expenditure						
Pay	(16,231)	(15,843)	(388)	(32,305)	(31,676)	(629)
Non Pay	(7,817)	(7,674)	(142)	(15,029)	(15,103)	74
Total Expenditure	(24,048)	(23,517)	(530)	(47,335)	(46,780)	(555)
EBITDA	(664)	105	(769)	(2,073)	(1,300)	(772)
<i>EBITDA %</i>	<i>(2.8)%</i>	<i>0.4%</i>	<i>(3.3)%</i>	<i>(4.6)%</i>	<i>(2.9)%</i>	<i>(1.7)%</i>
Financing	(896)	(907)	11	(1,791)	(1,814)	22
Surplus / (Deficit)	(1,560)	(802)	(758)	(3,864)	(3,114)	(750)
<i>Surplus / (Deficit) %</i>	<i>(6.7)%</i>	<i>(3.4)%</i>	<i>(3.3)%</i>	<i>(8.5)%</i>	<i>(6.8)%</i>	<i>(1.7)%</i>
Impairment	0	0	0	0	0	0
Tech Surplus/ Def	(1,560)	(802)	(758)	(3,864)	(3,114)	(750)

Appendix 2 – Statement of Financial Position

Opening as at 01.04.17 £'000		Actual as at 31.05.17 £'000	Actual as at 30.04.17 £'000	Movement in Month £'000	Plan as at 31.05.17 £'000	Variance to Plan £'000	Plan 31.03.18 £'000
	Non-current assets						
148,658	Property, plant and equipment	147,991	148,294	(303)	173,317	(25,326)	173,408
2,413	Intangibles	2,288	2,352	(64)	2,229	59	1,596
169	Trade and other non-current receivables	178	156	22	425	(247)	425
151,240		150,457	150,802	(345)	175,971	(25,514)	175,429
	Current assets						
4,121	Inventories	4,276	4,159	117	4,810	(534)	4,810
25,180	Trade and other receivables	23,201	23,932	(731)	13,186	10,015	11,886
11,669	Cash and cash equivalents	9,388	11,719	(2,331)	7,590	1,798	8,209
40,970		36,865	39,810	(2,945)	25,586	11,279	24,905
192,210	Total assets	187,322	190,612	(3,290)	201,557	(14,235)	200,334
	Current liabilities						
(28,661)	Trade and other payables	(28,291)	(28,848)	557	(25,856)	(2,435)	(25,977)
(4,124)	Borrowings	(4,421)	(4,421)	0	(2,538)	(1,883)	(2,538)
(329)	Provisions	(475)	(556)	81	(1,127)	652	(1,517)
(1,535)	Other liabilities	(1,295)	(2,375)	1,080	(2,031)	736	(2,031)
(34,649)		(34,482)	(36,200)	1,718	(31,552)	(2,930)	(32,063)
6,321	Net current assets/(liabilities)	2,383	3,610	(1,227)	(5,966)	8,349	(7,158)
157,561	Total assets less current liabilities	152,840	154,412	(1,572)	170,005	(17,165)	168,271
	Non-current liabilities						
(26,115)	Borrowings	(25,632)	(25,632)	0	(27,439)	1,807	(23,279)
(3,154)	Provisions	(2,927)	(2,938)	11	(2,820)	(107)	(2,820)
(300)	Other liabilities	(150)	(150)	0	(150)	0	(150)
(29,569)		(28,709)	(28,720)	11	(30,409)	1,700	(26,249)
127,992	Total assets employed	124,131	125,692	(1,561)	139,596	(15,465)	142,022
	Financed by						
	Taxpayers' equity						
95,806	Public dividend capital	95,806	95,806	0	95,806	0	95,806
22,823	Revaluation reserve	22,823	22,823	0	32,410	(9,587)	32,410
9,363	Retained earnings	5,502	7,063	(1,561)	11,380	(5,878)	13,806
127,992	Total taxpayers' equity	124,131	125,692	(1,561)	139,596	(15,465)	142,022

Appendix 3 – Cash Flow Statement

Cash Flow Statement	Month			Year to Date			Full Year
	Actual	Plan	Variance	Actual	Plan	Variance	Plan
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Opening cash	11,719	9,360	2,359	11,669	9,422	2,247	9,423
Operating activities							
<i>Technical surplus / (deficit)</i>	(1,561)	(802)	(759)	(3,864)	(3,114)	(750)	(687)
Net interest accrued	34	32	2	67	64	3	384
PDC dividend expense	263	346	(83)	526	692	(166)	4,153
Unwinding of discount	4	4	0	8	8	0	48
<u>Operating surplus / (deficit) per annual accounts</u>	(1,260)	(420)	(840)	(3,263)	(2,350)	(913)	3,898
Depreciation and amortisation	597	648	(51)	1,194	1,296	(102)	7,767
Non cash donations/grants credited to income	0	(10)	10	0	(20)	20	(120)
Changes in working capital	(1,439)	(1,191)	(248)	372	1,001	(629)	
Investing activities							
Interest received	2	2	0	4	5	(1)	30
Purchase of non-current assets	(231)	(799)	568	(403)	(1,502)	1,099	(7,330)
Financing activities							
Loan principal repaid	0	0	0	(185)	(262)	77	(4,422)
Interest paid	0	0	0	0	0	0	(438)
PDC dividend paid	0	0	0	0	0	0	(4,153)
<u>Total net cash inflow / (outflow)</u>	(2,331)	(1,770)	(561)	(2,281)	(1,832)	(449)	(1,215)
Closing cash	9,388	7,590	1,798	9,388	7,590	1,798	8,208