

Report of the Chief Financial Officer

Summary Finance Report – October 2015
(Month 7)



Contents & Summary Overview

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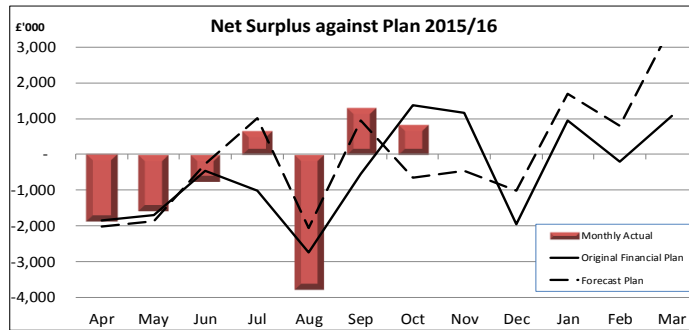
Summary Overview

Following the Trust Board agreeing a forecast outturn and the subsequent reporting of this forecast to the TDA, this report will be reporting any variance against this forecast. The Trust agreed an “adjusted” year end deficit of £0.3m. The Trust has a net deficit of £5.1m at month 7 which is £0.2m adverse to the agreed forecast. Both the original plan and the revised forecast are detailed on page 7.



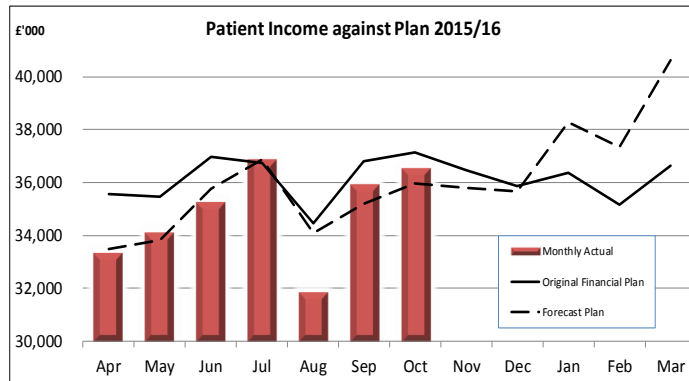
Summary Tables

Net Surplus



The Trusts Income and Expenditure position as at Month 7 is a deficit of (£5,141k) which is adverse by (£228k) to the plan. The Trust's operating position (Earnings before interest, taxation, depreciation and amortisation – EBITDA) is below plan by (£308k). The detail can be found on page 7.

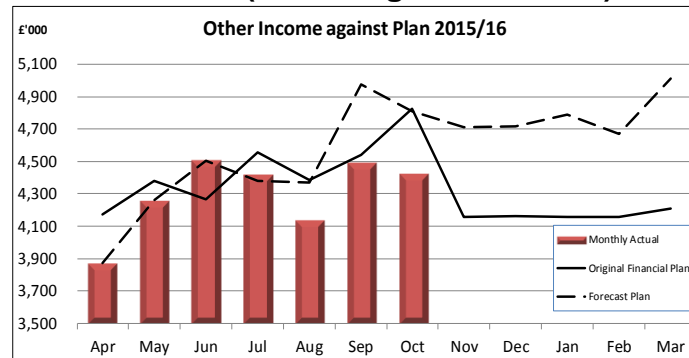
Patient Income



Patient activity at month 7, is showing a year-to-date deficit of (£848k). The detailed reasons for the variance in month are shown on page 12.

The main areas of underperformance are Ophthalmology (£725k), Clinical Haematology/Oncology (£436k) and Community (£344k). This underperformance is partial offset by an over performance in T&O £727k.

Other Income (excluding CRN income)

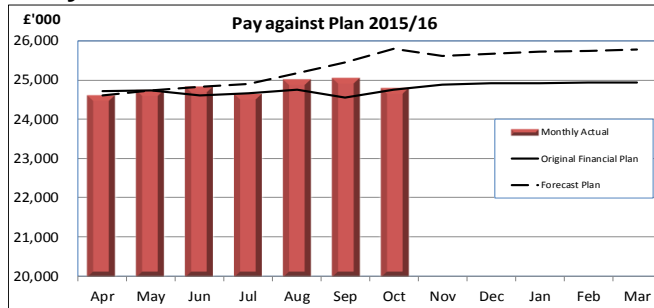


Directorate income has under-recovered by (£395k) year-to-date.

In addition, Education, Training and Research income has under-recovered by (£463k) year-to-date.

Summary Expenditure Tables

Pay

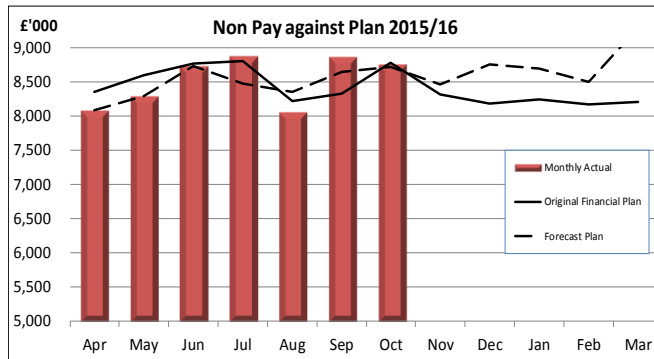


Pay continues to underspend with a cumulative underspend of £1,812k.

Against the new financial target Division 1 has a favourable pay variance of £767k due to continued vacancies.

Division 2 is underspent by £664k against the new financial target, due to continued vacancies across the Division.

Non Pay



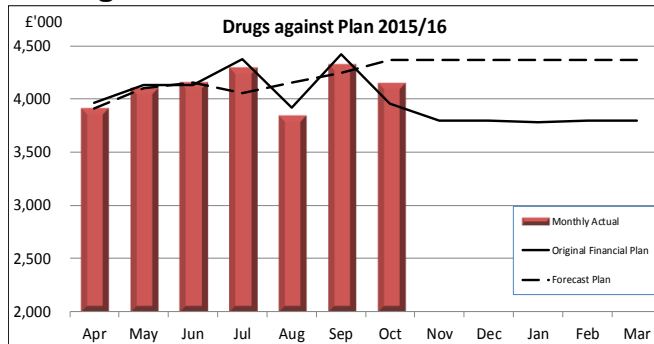
Non Pay was overspent overall by (£30k) in month, with a cumulative overspend of (£375k).

Division 1 is overspent by (£521k) across a number of Directorates. This is due mainly to increased Maternity Pathway charges from other providers and additional MRI scanner hire. There are also overspends on consumables relating to increased activity.

Division 2 is overspent in month by (£214k) year to date. This relates to higher than planned patients at the Renal satellite unit and patient activity related costs across several Directorates.

Estates & Facilities is underspent in month by £44k due mainly to reduced spend on utilities which are partially offset against overspends in postage and retail costs.

Drugs



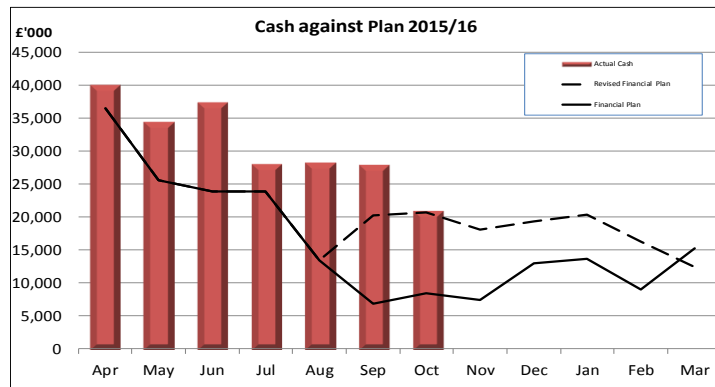
Drugs was underspent by £221k in month, with a cumulative underspend of £213k.

Division 1 is £167k adverse to the revised plan year to date. This relates to activity related costs in Ophthalmology.

Division 2 is underspent by £381k against the revised plan, this is mainly within Rheumatology.

Summary Tables – Capital, Cash & CIP

Cash



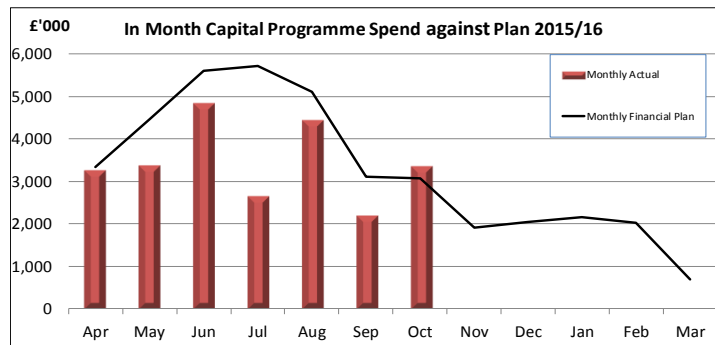
The Cash balance of £21,057k is slightly higher, £323k, than the Plan of £20,734k. Cash reduced by (£6,944k) in month, in line with the forecast Cash position within the recent Revised 2015/16 Plan submission to the TDA.

Within this position, however, it should be noted that:-

- Trade and Other Receivables, (Debtors), have increased by (£2,215k) in month, with a higher level of accrued income, mainly patient activity related, overall though Debtors are £1,302k lower than Plan.
- Revenue Payables, (Creditors), were (£2,090k) below the Plan, however, this was offset by the lower level of Capital payments, linked to Programme slippage.
- Stock has increased by (£699K) in month, mainly relating to Pharmacy, who are investigating the reasons for this level of change.

The Statement of Financial Activities, (Balance Sheet), and Cashflow are attached for information.

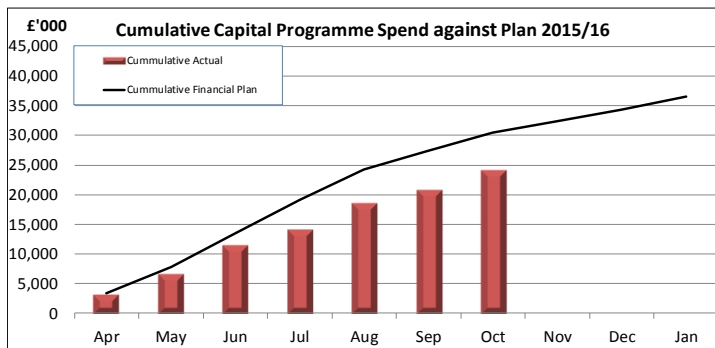
Capital



The Capital Resource Limit (CRL) is expected to be £40,824k, being the agreed Capital Programme of £39,294k plus PFI capital additions and an adjustment for asset disposal income.

Capital spend to date is £6,265k less than the Plan, being £24,173k against the Plan of £30,538k. Further information is provided in the report of the Head of Estates and Development presented to the Finance and Performance Committee.

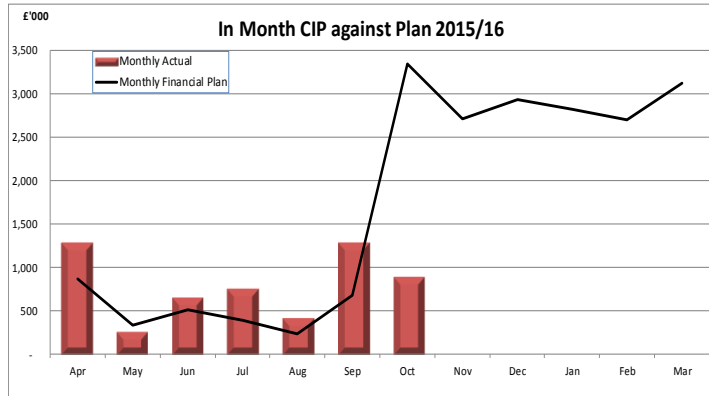
Capital (cumulative)



The Trust has reviewed its Capital Programme and is currently in discussions with the TDA regarding year end CRL.

Summary Tables – Capital, Cash & CIP

CIP

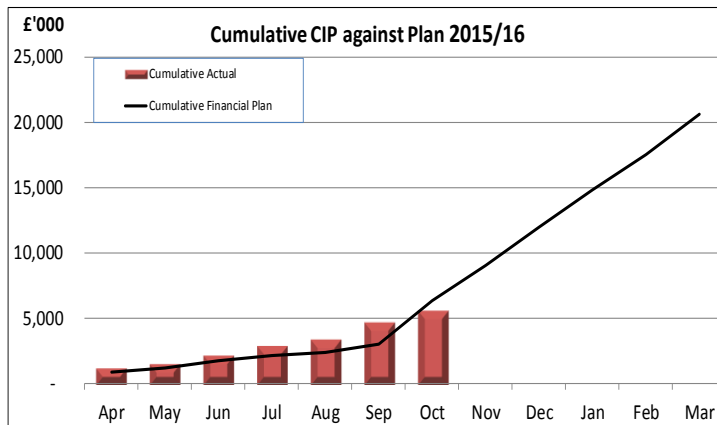


The original Trust CIP target for 2015/16 is £20.6m.

As at month 7 a total of £5.5m (Annual Budget) has been removed from budgets against the 2015/16 target of £20.6m, this represents 26.81% of the total annual amount. The recurrent element achieved is £2.5m, representing 12.04% of the annual target.

In month the target was £3.3m, the actual achieved was £883k. Year to date, the plan was to have removed £6.3m from budget, but actual achievement is adverse to plan by £5.5m

CIP Cumulative



Income & Expenditure Account

Current Month Plan	Current Month Actual	Current Month Variance		Annual Budget	Plan to Date	Actual to Date	Variance to Date	Annual Forecast "stretch" target	Forecast plan to date	Variance to forecast month 7
£'000	£'000	£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income										
37,142	36,547	(595)	Patient Activity Income	433,576	253,102	244,298	(8,804)	432,840	245,145	(848)
(251)	0	251	Patient Activity Contingency **	(3,010)	(1,756)	0	1,756			0
96	104	8	Other Patient Care Income	1,154	673	818	145	1,327	774	44
1,133	935	(198)	Education, Training & Research Income	13,203	7,923	7,593	(329)	13,844	8,056	(463)
2,515	2,515	0	CRN: West Midlands	30,643	18,073	18,073	0	30,636	17,871	202
111	78	(33)	Non Patient Care Other Income	514	347	142	(205)	734	426	(284)
80	86	6	Private Patient Income	917	546	432	(114)	732	445	(12)
3,406	3,201	(205)	Income on Directorate Budgets	36,174	21,636	21,080	(556)	38,436	21,475	(395)
44,232	43,466	(766)	Total Income	513,172	300,545	292,437	(8,108)	518,549	294,192	(1,755)
Expenditure										
(24,760)	(24,798)	(38)	Directorate Expenditure Budgets - Pay	(297,372)	(172,794)	(173,684)	(890)	(303,807)	(175,497)	1,812
(8,781)	(8,755)	26	Directorate Expenditure Budgets - Non Pay	(100,961)	(59,837)	(59,661)	177	(102,980)	(59,285)	(375)
(3,955)	(4,147)	(192)	Directorate Expenditure Budgets - Drugs	(47,867)	(28,898)	(28,782)	116	(50,837)	(28,995)	213
(2,515)	(2,515)	0	CRN: West Midlands	(30,643)	(18,073)	(18,073)	0	(30,636)	(17,871)	(202)
(1,197)	0	1,197	Activity Changes/Service Dev./Cost Pressures Reserves	(14,011)	(5,910)	0	5,910			0
(323)	0	323	Inflation and Contingency Reserves	(4,044)	(2,384)	0	2,384			0
1,633	0	(1,633)	Cost Improvement Savings - Current Year	15,089	1,148	0	(1,148)			0
(39,898)	(40,214)	(316)	Total Expenditure	(479,809)	(286,750)	(280,200)	6,550	(488,260)	(281,647)	1,447
4,334	3,252	(1,082)	EBITDA Surplus/(Deficit)	33,363	13,795	12,237	(1,558)	30,289	12,545	(308)
0	1	1	Profit/(Loss) on Asset Disposals	0	0	25	25	22	12	13
0	0	0	Impairments of Fixed Assets	(3,701)	(0)	0	0	(3,701)	0	0
(1,776)	(1,299)	476	Depreciation	(21,308)	(12,430)	(9,165)	3,265	(16,233)	(9,209)	44
8	8	(1)	Interest Receivable	100	58	68	9	100	63	5
(149)	(141)	7	Interest Payable	(1,784)	(1,041)	(974)	66	(1,665)	(973)	(2)
(1,049)	(1,020)	29	PDC Dividends (Cost of Capital)	(12,577)	(7,332)	(7,332)	0	(12,620)	(7,351)	19
0	0	0	Unwinding of Discount	0	0	0	0			0
1,369	800	(568)	Net Surplus/(Deficit)	(5,907)	(6,948)	(5,141)	1,807	(3,808)	(4,913)	(228)
Adjustments as per TDA reported position										
14	1	(13)	Depreciation on donated assets	168	98	119	21	168	121	(2)
0	0	0	Donated Asset Income	(400)	(20)	(20)	0	(400)	(20)	0
0	0	0	Remove Impairments	3,701	0	0	0	3,701		0
1,383	801	(581)	Adjusted Financial Performance as TDA	(2,438)	(6,870)	(5,042)	1,828	(339)	(4,812)	(230)

The shaded columns highlight the actual position at month 7 and the agreed revised forecast plan.

** Reserve set at budget setting for reduced income due to tariff rules on emergency readmissions and non elective cap

Financial Targets and Rating

TDA

TDA	TDA Plan £'000	YTD Actual £'000	YTD Variance £'000
Income	294,192	292,437	(1,755)
Expenditure	(299,105)	(297,578)	1,527
Net Surplus	(4,913)	(5,141)	(228)

Performance against Financial Targets

	Target	Performance	RAG
I & E Target Month 7	-£4,913k	-£5,943k	Yellow
Performance against TDA target Month 7	-£4,913k	-£5,943k	Yellow
CIP Target Month 7 YTD	£6,338k	£5,528k	Red
CRL (Year end)	£40,824k	£40,824k	Green
EFL (Year end)	£34,181k	£34,181k	Green
Capital Cost Absorption Rate (Year end)	3.50%	3.50%	Green

Note: Income in the table above includes Interest Receivable, and Expenditure includes Interest Payable and PDC Dividend

Financial Efficiency Rating							
Ratio KPIs	Annual Plan	Rating	Plan to Date	Rating	Actual to Date	Rating	Definitions/ notes
I&E Margin	(0.4) %	2	(2.3) %	1	(1.8) %	1	=Net Surplus/(Deficit)/Total Income
Variance in I&E margin	0.0 %	4	0.0 %	4	0.6 %	4	=Difference in I&E margin from plan/Total Income
Financial Efficiency Rating		3.0		2.5		2.5	
Continuity of Service Rating							
Ratio	Annual Plan	Rating	Plan To Date	Rating	Actual To Date	Rating	Definitions/ notes
Liquidity Ratio(days)	(12) days	2	(11) days	2	(10) days	2	Cash plus trade debtors less trade creditors plus expressed as days of current year operating expenses.
Capital Servicing Capacity (Times)	1.9 Times	3	1.3 Times	2	1.3 Times	2	The number of times the debt can be met by the surplus. = EBITDA+interest receivable/ Total Monthly debt payments.
Overall Continuity of Service Rating		2.5		2.0		2.0	
Overall Financial Sustainability Risk Rating		3.0		2.0		2.0	Average of all four ratios. If any KPI equals 1, maximum overall rating of 2

Note: The ratings have been updated to reflect the revised Monitor 'Financial Sustainability Risk Rating released in August, which include ratings for I&E margin and performance against financial plan. All ratings have a maximum score of 4.

Risks

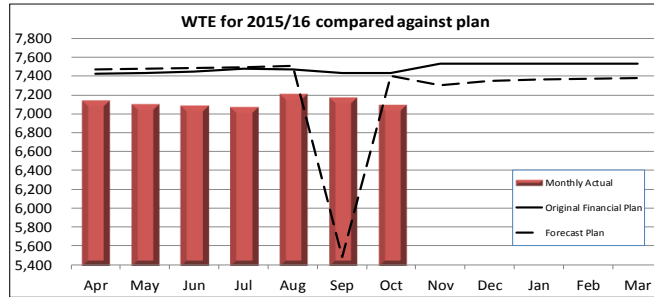
The level of financial risk and mitigations have been assessed. The main risks relate to CIP and contractual issues for which actions are being taken to mitigate against.

Risk	Likelihood of risk	Potential consequence rating	Risk	Current Risk £000's	Risk after Mitigation £000's	Mitigating Action
Cost Improvement Programme	Likely	Major	A4	7,885	4,700	The current forecast for CIP is an under achievement of £7.9m however, further schemes are being developed and verified.
Contract income issues- Fines, Readmissions, Emergency Threshold	Likely	Moderate	B3	3,541	1,275	Discussions have commenced with Commissioners in order to secure the return of funds. Meetings are on going to progress these disussions.

Risk Rating	Potential Consequence Rating				
	1. Insignificant	2. Minor	3. Moderate	4. Major	5. Catastrophic
A - Almost Certain					
B - Likely					
C - Possible					
D - Unlikely					
E - Rare					

Pay Analysis

WTE

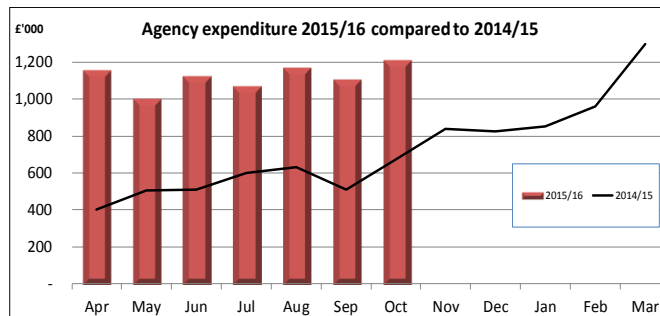


In month 7, there are 7,161 WTE's in post, against a forecast plan of 7,405.

WTE's have decreased by 4 since last month.

Note: The September forecast reduction is due to the need to correct the year to date to reflect the revised forecast.

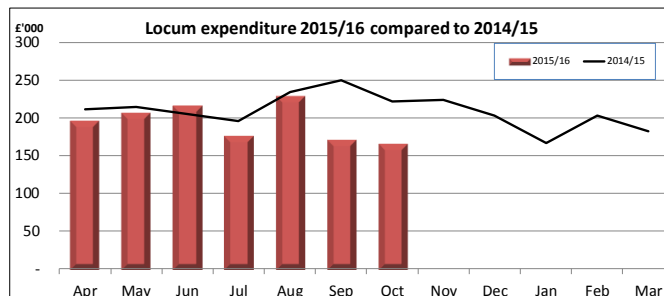
Agency



Agency expenditure in month 7 totals £1,209k, this is above the 2014/15 month 7 spend of £672k, an increase on month 6 expenditure of £105k. The main areas of agency usage in month are A&E £366k, Oncology & Haematology £161k, Rehabilitation & Ambulatory Group £143k, Critical Care £133k and Radiology £73k.

The Trust continues to monitor and manage agency expenditure, with the aim to reduce costs. All Trusts have been given a nurse agency spend cap, as a percentage of total spend. For RWT this is 3%, and nurse agency spend is 0.5% well within the target.

Locum

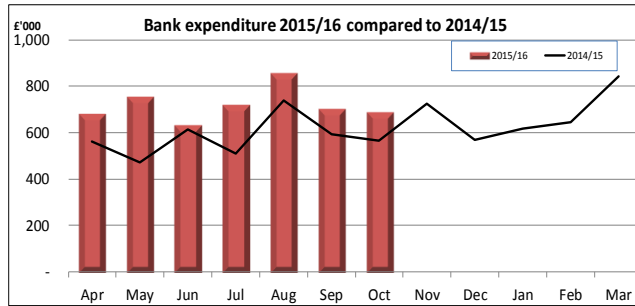


Locum expenditure in month 7 is £166k, and this is below the 2014/15 month 7 spend of £221k.

Locum expenditure mainly occurred in Oncology & Haematology £38k, General Surgery £21k.

Pay Analysis

Bank



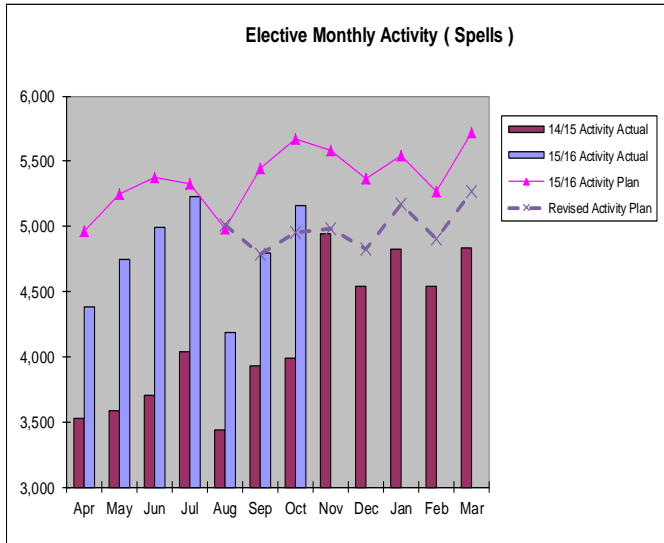
Bank expenditure in month 7 of £686k is higher than that incurred in October 2014 of £567k.

Patient Care Income - Variance

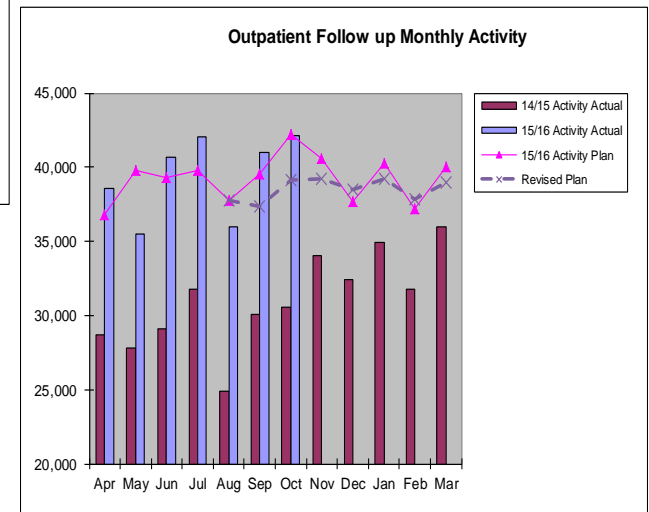
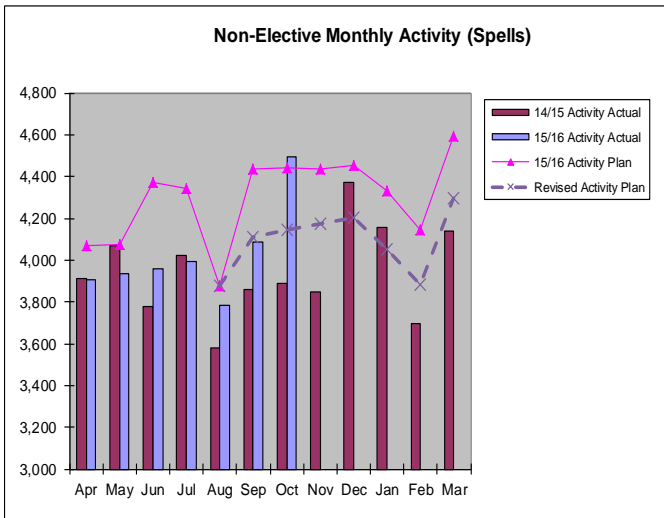
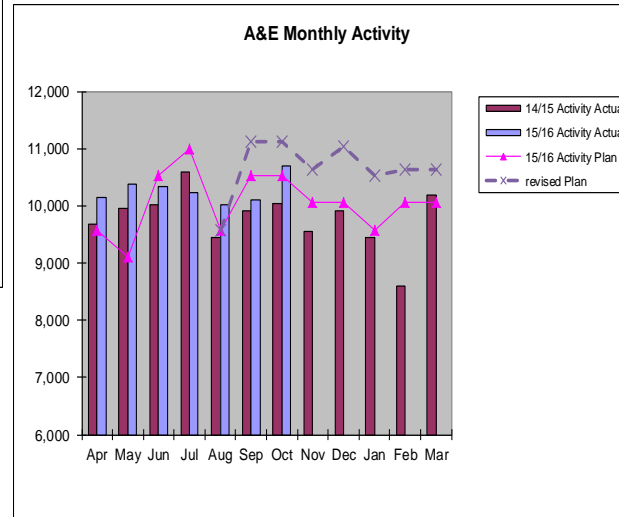
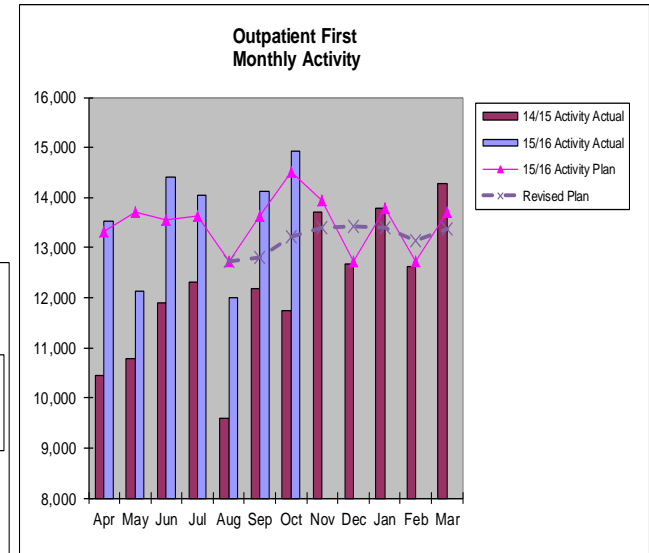
The patient activity income at month 7, is showing a deficit of (£848k) against plan. This is a favourable variance in month of £599k. The table below highlights the variances to date against the agreed forecast.

Month 7 YTD Variance to Revised Plan	In Month Movement to Revised Plan	Specialty	Reason for Variance to Revised Plan
245	165	Cardiology	Non-Elective activity is driving this over performance, with a favourable variance of £278k year to date, equating to 347 spells above plan. The in month improvement is due to the Non Elective activity being £130k above plan.
(231)	11	Cardiothoracic	Cardiothoracic activity is under performing, year to date, mainly due to Elective activity at (£207k) which equates to 28 spells. The in month improvement of £11k is due to a large over performance in Non Elective activity of £113k, which is offset by the continuing under performance of £93k in Elective activity.
(184)	11	Critical Care	Critical Care Bed Days are showing an adverse variance of (£184k). The performance is closely linked to the Cardiothoracic activity under performance, however, the in month variance is more favourable as Cardiothoracic activity continues to increase.
58	200	Obstetrics	The over performance is mainly due to the Antenatal pathways of £145k favourable variance in the month. Outpatient Procedures are also over performing.
(725)	(56)	Ophthalmology	The under performance in Ophthalmology of (£56k) is an improvement on the previous month performances which have been averaging an adverse variance of (£111k) each month.
264	138	Paediatrics	The main driver of the over performance relates to Non-Elective with both a year to date and an in month favourable variance of £235k (243 spells), and £123k (52 spells) respectively.
727	538	Trauma & Orthopaedics	Elective activity has increased further from last month leading to an over performance in month of £280k, with Day Care activity showing a further favourable variance in month against plan of £150k. Outpatients is also over plan by £94k.
(436)	(175)	Clinical Haematology/Oncology	The main underperformance year to date is due to Planned Same Day activity, with an underperformance of (£320k). The in month adverse variance of (£175k) relates mainly to Non-Elective activity being an adverse variance of (£128k).
(267)	14	General Medicine	There is an adverse variance of (£363k) year to date against the Non-Elective activity, however this is offset by £107k favourable variance in Day Cases.
198	106	Nephrology And Dialysis	Non Elective activity is over performing by £238k year to date, however, Outpatients activity is underperforming by (£43k) , which translates to (276) attendances. The in month over performance is due to a favourable variance of £107k in Non Elective activity.
(344)	(180)	Community	The under performance is in the main due to District Nursing at (£64k) under performing in Month 7. The remainder of the adverse variance is made up from a number of services with small variances, these include Community Children's Nursing, Community Matrons, Community Intermediate Care Team Rehab, Foot Health, Occupational Therapy, Physiotherapy and Speech and Language Therapy.
(153)	(174)	Other	This line includes fines, readmissions, the Specialised Services Threshold adjustment and any reconciliation agreed with the CCG.
(848)	599	Total	

Patient Care Activity Performance

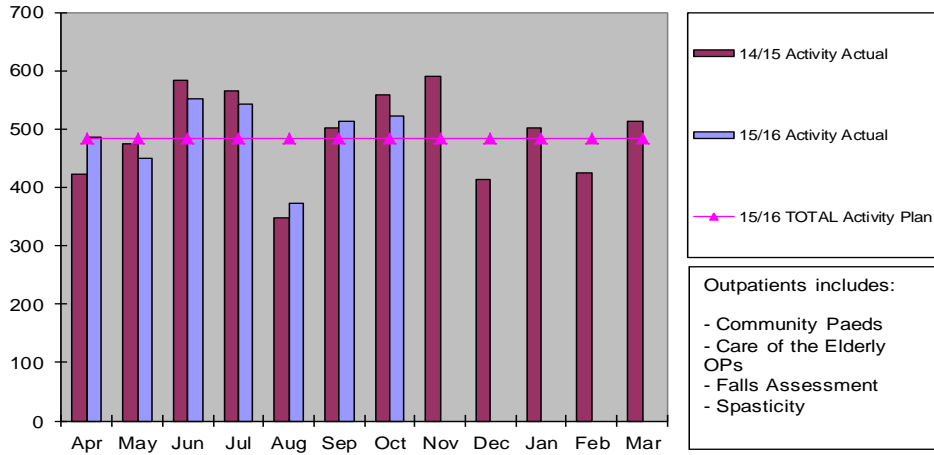


Note:- Activity now includes Cannock which did not occur until November 2014, so a comparison to April 2014 is not appropriate

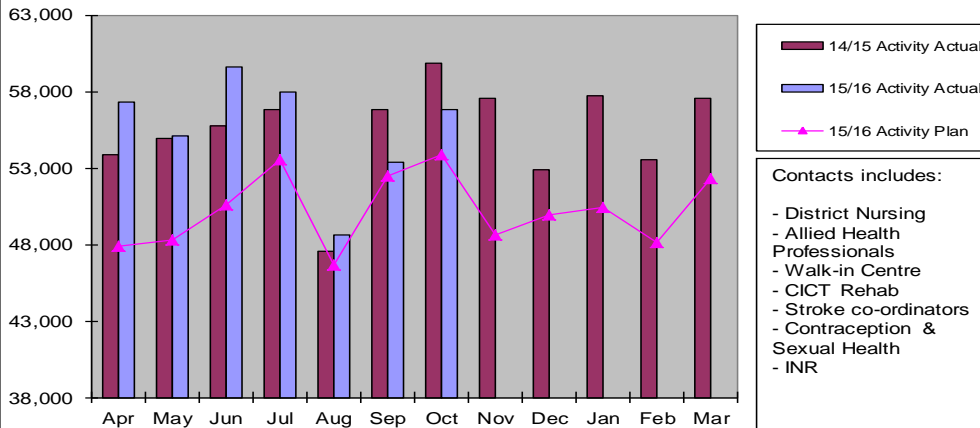


Community Performance against CCG Activity Plan

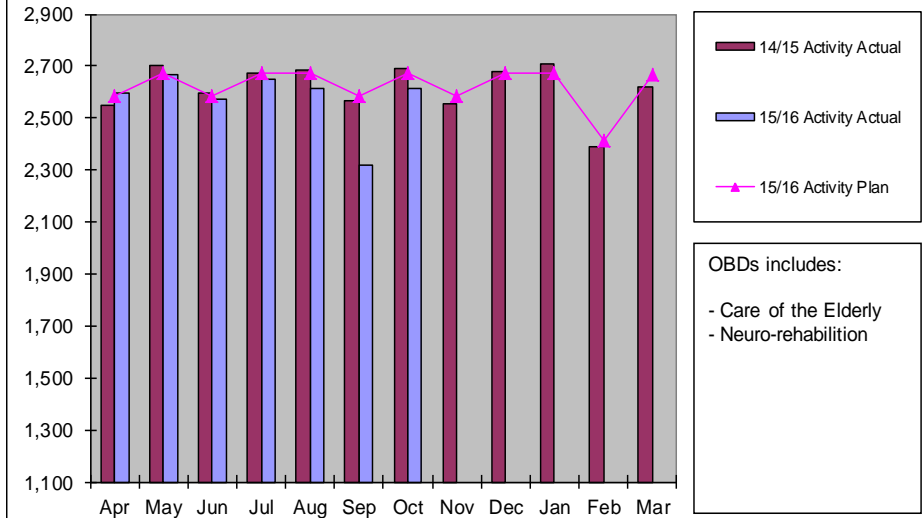
Community Outpatients Monthly Activity



Community Contacts Monthly Activity



Community Occupied Bed Days Monthly Activity (OBD's)



SLA and Income: Actual versus Contract Plan by Commissioner

	SLA Annual Plan	Anticipated Income Annual Plan	Plan to Date	Anticipated Income Plan to Date	Actual to date	Variance to Plan	% Variance
Commissioner	£000	£000	£000	£000	£000	£000	
Wolves CCG	147,558	2,069	86,024	(479)	84,723	(822)	-1.0%
Cannock CCG	27,608	7,486	16,125	4,931	21,737	681	4.2%
Walsall CCG	23,875	927	13,941	657	14,718	119	0.9%
South East Staffs & Seisdon CCG	22,501	2,165	13,137	1,334	14,175	(297)	-2.3%
Stafford & Surrounds CCG	19,775	(2,701)	11,561	(1,347)	10,188	(26)	-0.2%
Dudley CCG	6,512	(36)	3,799	(61)	3,719	(19)	-0.5%
Other CCG's	11,604	(774)	6,773	(465)	6,288	(21)	-0.3%
CCG Acute Services Total	259,433	9,137	151,361	4,572	155,549	(384)	-0.3%
Local Authorities	1,389	69	817	(110)	643	(64)	-7.8%
Shared Care and Maternity recharges to other providers	767	1,116	447	644	1,147	55	12.4%
Anticipated Income	22,043	(22,043)	13,397	(13,397)	0	0	0.0%
NCA & IFR	2,310	202	1,397	190	1,780	193	13.8%
Secondary Dental & Public Health	7,111	495	4,168	301	4,491	23	0.5%
Public Health England	1,957	(304)	1,141	(174)	1,040	72	6.3%
Specialised services	78,450	313	45,719	(705)	45,168	154	0.3%
Other Services (incl Fines)	4,101	9,586	1,870	282	1,739	(413)	-22.1%
Sub Total Acute Services	377,560	(1,429)	220,319	(8,398)	211,557	(364)	-0.17%
Community Services	48,396	312	28,299	125	28,080	(344)	-1.21%
Other Income	7,619	382	4,484	316	4,661	(140)	-2.91%
GRAND TOTAL	433,576	(736)	253,102	(7,957)	244,298	(847)	-0.33%

CIP Monitoring All Trust Schemes

The Trust CIP target is £20.6m. The table below summarises the target CIP for each Division and the actual achieved. The red risk of £7.8m (£11.2m recurrently) relates to where there are currently no plans. However, there are plans currently being validated to help achieve this shortfall. The position for October shows a withdrawal of CIP from annual budget of £5.5m representing 26.8% of the total. Actual CIP achieved in month was £883k.

CIP MONITORING	2015/16						
	Annual Plan	Blue (withdrawn from budgets)	Still to be achieved				
			Categorised by Risk Rating				
2015/16 Schemes	£000	£000	Total £000	Green £000	Yellow £000	Amber £000	Red £000
Corporate	1,718	987	731	0	238	0	493
Division 1	8,792	2,962	5,830	5	1,454	922	3,449
Division 2	8,171	1,351	6,820	0	1,284	2,220	3,316
Estates & Facilities	1,935	228	1,707	0	489	591	627
Total 2015/16 Schemes	20,617	5,528	15,089	5	3,465	3,734	7,885
Recurrent	20,617	2,482	18,135	(19)	5,753	1,153	11,248

Non recurrent element withdrawn from budget	£000
	348
	1,953
	734
	10
Total	3,046

Transactional

CIP MONITORING	2015/16						
	Annual Plan	Blue (withdrawn from budgets)	Still to be achieved				
			Categorised by Risk Rating				
Transactional	£000	£000	Total £000	Green £000	Yellow £000	Amber £000	Red £000
Corporate	1,034	926	108	0	55	0	53
Division 2	5,530	1,199	4,331	0	1,090	1,113	2,128
Estates & Facilities	1,427	166	1,261	0	43	591	627
Total 2015/16 Schemes	13,965	4,566	9,398	5	2,093	2,004	5,296
Recurrent	12,751	1,472	11,279	(19)	792	0	10,506

Non recurrent element withdrawn from budget	£000
	358
	752
	14
	0
Total	3,094

Transformational

CIP MONITORING	2015/16						
	Annual Plan	Blue (withdrawn from budgets)	Still to be achieved				
			Categorised by Risk Rating				
Transformational	£000	£000	Total £000	Green £000	Yellow £000	Amber £000	Red £000
Corporate	684	61	623	0	183	0	440
Division 2	2,641	152	2,489	0	194	1,107	1,188
Estates & Facilities	508	61	446	0	446	0	0
Unallocated		0	0	0	0	0	0
Total 2015/16 Schemes	6,652	962	5,690	0	1,372	1,729	2,588
Recurrent	7,866	1,010	6,856	0	4,961	1,153	742

Non recurrent element withdrawn from budget	£000
	(10)
	(18)
	(3)
	0
Total	(48)

Statement of Financial Position

2015/16 Balance Sheet as at 31st October 2015

Calculated Debtor Days for the year to date are:-

Total Being:-	M7 Actual	M7 Plan	M6 Actual
	7.06	9.11	8.39
NHS	7.06	9.68	8.14
Non NHS	7.01	5.34	9.69

The lower level of debtor days is due to the payment of invoices by DOH of £891k and a reduction in invoices raised as some items are invoiced quarterly but this is offset by an increase in NHS Accruals.

The Public Sector Payment Policy sets out a target for payment of 95%, in value and volume, to be paid within 30 days of receipt. The Trust's performance against this target is:

	M7	Cumulative
- Value	89%	91%
- Volume	90%	91%

M6 Cumulative

- Value	89%	91%
- Volume	90%	91%

The Trust's performance on volume continues to be affected by the volume of pharmacy invoices associated with the take on of Cannock Hospital. This transfer of workload came with no resources as MSFT already had an interface in place between their pharmacy system and their purchase ledger. Measures are being put in place to resolve this issue by the implementation of an interface by RWT. Pharmacy were hoping this would be implemented in October but the system now needs to be tested before implementation.

	Oct 2015 Plan	Oct 2015 Actual	Sep 2015 Actual	Movement in Month	March 2015 Actual
	£000	£000	£000	£000	£000
NON CURRENT ASSETS					
Property, Plant and Equipment - Tangible Assets	400,486	398,422	396,350	2,072	382,971
Intangible Assets	676	546	564	(19)	676
Other Non Current Assets	1,517	1,517	1,517	0	1,710
TOTAL NON CURRENT ASSETS	402,679	400,485	398,432	2,053	385,357
CURRENT ASSETS					
Inventories	5,642	6,311	5,596	715	6,291
Trade and Other Receivables	25,621	24,319	22,104	2,215	19,783
Other Current Assets	0	0	0	0	0
Cash and cash equivalents	20,734	21,057	28,001	(6,944)	41,598
TOTAL CURRENT ASSETS	51,997	51,686	55,701	(4,015)	67,672
Non Current Assets Held for Sale	800	800	800	0	800
TOTAL ASSETS	455,476	452,971	454,933	(1,961)	453,829
CURRENT LIABILITIES					
Trade & Other Payables	(54,191)	(52,101)	(57,444)	5,343	(52,498)
Liabilities arising from PFIs / Finance Leases	(1,882)	(1,885)	(1,885)	0	(1,885)
Provisions for Liabilities and Charges	(4,830)	(4,706)	(4,744)	38	(5,821)
TOTAL CURRENT LIABILITIES	(60,903)	(58,692)	(64,073)	5,381	(60,204)
NET CURRENT ASSETS / (LIABILITIES)	(8,906)	(7,006)	(8,372)	1,366	7,468
TOTAL ASSETS LESS CURRENT LIABILITIES	394,573	394,279	390,860	3,420	393,625
NON CURRENT LIABILITIES					
Other Liabilities	(4,975)	(4,948)	(5,107)	159	(5,943)
Provision for Liabilities and Charges	(648)	(648)	(629)	(19)	(648)
TOTAL NON CURRENT LIABILITIES	(5,623)	(5,596)	(5,736)	140	(6,591)
TOTAL ASSETS EMPLOYED	388,950	388,684	385,124	3,560	387,034
FINANCED BY TAXPAYERS EQUITY					
Public Dividend Capital	232,043	232,043	229,370	2,673	225,252
Retained Earnings	23,675	24,163	23,256	907	26,568
Revaluation Reserve	133,042	132,288	132,397	(109)	133,042
Donated Asset Reserve	0	0	0	(0)	1,982
Government Grant Reserve	0	0	0	0	0
Other Reserves	190	190	190	0	190
TOTAL TAXPAYERS EQUITY	388,950	388,684	385,213	3,471	387,034

Cash Flow Statement

	October Plan £'000	October Actual £'000	October Variance £'000
OPERATING ACTIVITIES			
Total Operating Surplus/(Deficit)	3,335	3,072	(263)
Depreciation	9,209	9,165	(44)
Fixed Asset Impairments	0		0
Interest Paid	(929)	(974)	(45)
Dividends Paid	(6,613)	(6,626)	(13)
(Increase)/Decrease in Inventories	649	(20)	(669)
(Increase)/Decrease in Trade/Receivables	(6,031)	(4,535)	1,496
Increase/(Decrease) in Trade/Payables	4,267	2,567	(1,700)
Increase/(Decrease) in Provisions	(991)	(1,115)	(124)
NET CASH INFLOW/(OUTFLOW) FROM OPERATING	2,896	1,533	(1,363)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	58	68	10
Payment for Property, Plant and Equipment	(29,605)	(27,861)	1,744
Payment for Intangible Assets	0	0	0
Payment for Other Assets	0	0	0
Proceeds from Disposals	12	25	13
NET CASH INFLOW/(OUTFLOW) FROM INVESTING	(29,535)	(27,768)	1,767
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING	(26,639)	(26,235)	404
FINANCING			
New Public Dividend Capital Received	6,791	6,791	0
Capital Element of Finance Lease and PFI	(1,016)	(1,096)	(80)
NET CASH INFLOW/(OUTFLOW) FROM FINANCING	5,775	5,695	(80)
INCREASE/(DECREASE) IN CASH	(20,864)	(20,540)	324
CASH BALANCES			
Opening Balance at 1st April 2015	41,598	41,598	0
Closing Balance at 31st October 2015	20,734	21,057	323