

Report of the Chief Financial Officer December 2017 - Month 9



Agenda Item No: 9.1

Report of the Chief Financial Officer

Finance Report
December 2017 - Month 9



Safe & Effective | Kind & Caring | Exceeding Expectation

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Summary - Key Messages

Financial Plan

The reported year to date I&E position (against the internal and NHSI plan*) is as follows:

	Target	Unachieved STF	Restated Target	Performance	Variance
	(£'000)	(£'000)	(£'000)	(£'000)	(£000)
Performance against NHSI Month 9	5,345	891	4,454	4,459	5
I&E target performance Month 9	11,552	891	10,661	4,459	(6,201)

Main issues:

- 1) Income is behind plan by £1.5m with the main driver being patient income which is behind plan by £2m.
- 2) Expenditure is £4.7m over plan. This is predominately due to overspends on pay (£3.2m), drugs (£0.4m) and a CIP shortfall (£2.5m). These adverse variances are offset by a non-pay underspend (£0.9m) and unutilised reserves (£0.5m).
- 3) The Trust has also not delivered the full STF payment for quarter three due to not achieving the A&E target. The Trust intends to appeal against the phased target but has not at this stage build that income in. This does reduce the NHSI target by £0.9m as per the table above and so in performance monitoring terms the overall variance to plan is £5k. However, it should be noted that the Trust has lost £891k of cash that would have been received had the full STF been delivered.

Financial Risks

There are a number of financial risks that the Trust is actively managing:
 MSFT transitional income (£6m).
 Challenging CIP target (estimated £9m shortfall against plan).
 STF income risk (£4.4m).
 16/17 year end invoice in dispute with host commissioner (£4.8m).

CIP

In month nine there has been an over recovery of £0.3m against the in-month CIP plan but the year to date position is CIP achievement of £14.2m against a £16.7m plan. The Q4 plan is to deliver a further £10.2m but only a further £1.8m has been identified taking the full year CIP forecast to £18.5m. The detail of the forecast is not within this report but can be seen in the FRB report.

Recurrent CIP delivery continues to be a challenge and the reliance on non-recurrent CIP in 2017/18 will have an adverse impact on budget setting for 2018/19.

Forecast

The Trust commenced a dialogue with NHSI in December about the forecast outturn. The control total for the year is a £1.7m surplus (excluding SFT), however, the Trust has agreed with NHSI that given the pressures and risks that it will deliver a £4.3m deficit (excluding STF funding). There are risks within the forecast position which have been discussed in detail with the Finance and Performance Committee. The monthly report to the Board will now include an update on the forecast outturn position.

Cash

The Trust had a cash balance of £17.4m as at 31st December 2017 which is £11.7m below the plan. However, despite being below plan, weekly cash monitoring is in place and it is not anticipated that distress financing will be required this financial year.

Charity

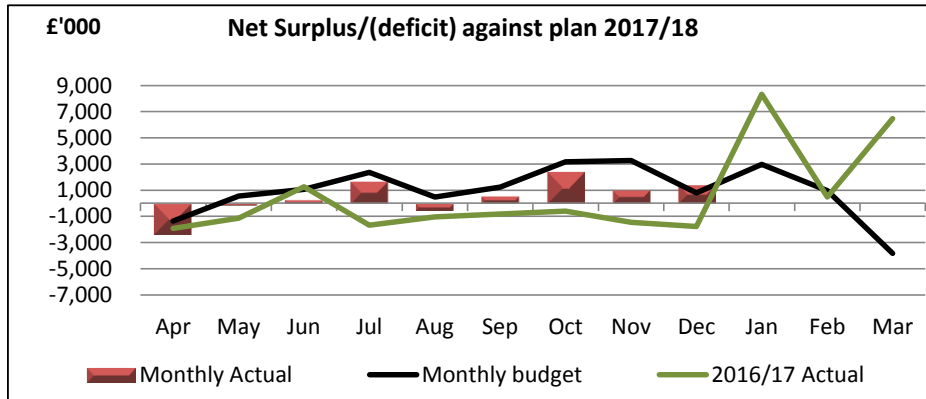
Charitable Fund balances are circa £2.6m for quarter end December 2017. Further information is on page 15.

Footnote:

* The phased delivery of the I&E surplus in the NHSI plan is different to the Trust's internal plan which is due to the timing of when each plan was finalised.
 Unless otherwise stated, in this report I&E variances are against the internal plan whilst performance on the balance sheet and cash flow is only measured against the NHSI plan.

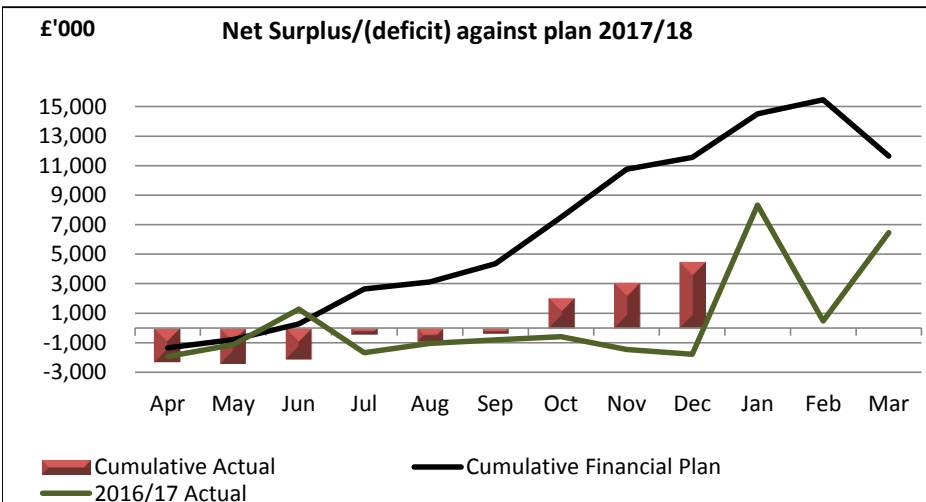
Summary Charts - Surplus/ Deficit

In-Month Net Surplus



In month nine the Trust reported an in month surplus of £1.4m, against an in month surplus plan of £0.8m, which is an favourable variance of £0.6m

The favourable variance was driven by a number of one-off items being included in the position at month nine. With regard to income, there was £1.4m of winter pressures money and £0.5m released provisions/ accruals. With regard to expenditure, there was £1.2m of balance sheet write backs, £0.35m released provisions/ accruals and £0.5m of unplanned benefit on a commercial contract.



At the end of month nine the Trust has a cumulative surplus of £4.5m.

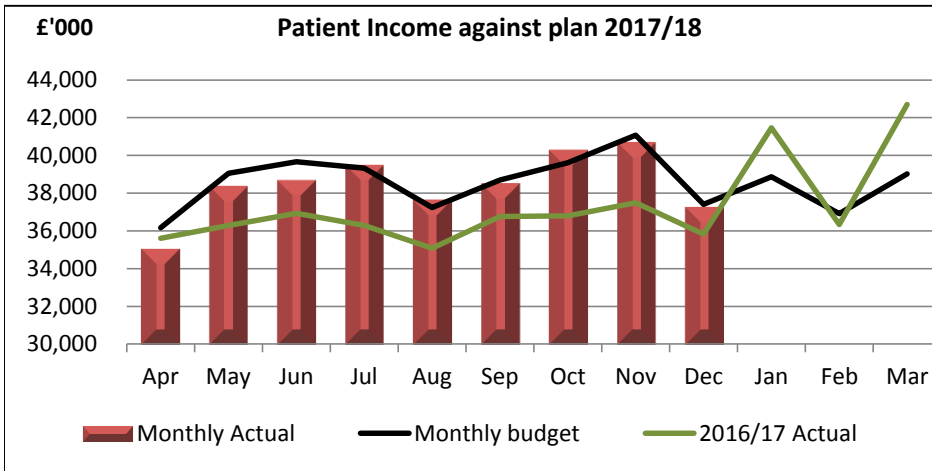
As a result of the one-off benefits identified above the Trust hit the £4.5m surplus control total and will receive the financial element of the STF money for quarter three (£2.1m).

The Board should note that there is very little remaining financial flexibility and in agreement with NHSI the Trust has formally reported that the control total of £1.747m (excluding STF) will not be achieved in 2017/18. The Trust has forecast a £4.3m deficit, which improves to a £1.3m surplus with the £5.5m of STF money that has been achieved. The forecast does contain a number of material risks, the majority of which are know and are detailed in the summary to this report, and some of which are evolving such as the full impact of winter.

A detailed view of the in-month and year-to-date performance figures can be found in the I&E account in appendix one.

Summary Charts - Income

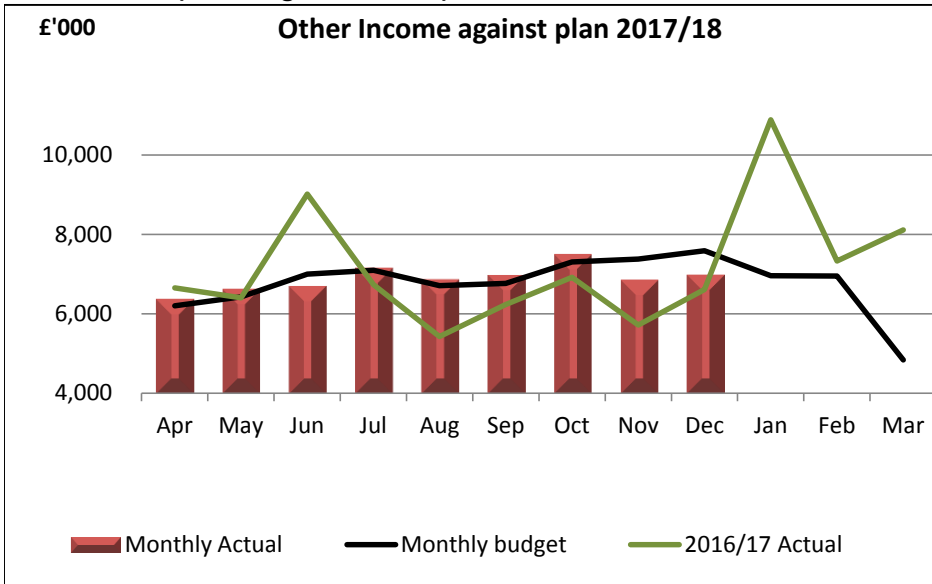
Patient Income*



In month nine, patient contract income is showing an under-recovery against plan of £0.1m, moving from a cumulative under-recovery of £1.9m at month eight to a cumulative under recovery of £2m at month nine.

Further detail on patient income is on page 13.

Other Income (excluding CRN income)



Other income has under recovered in month nine by £0.6m.

Income on directorate budgets is exceeding plan in month £0.1m, and STF income** is behind plan by (£0.3m) due to undelivered A&E targets. Education income is behind plan by (£0.5m) due to a tariff adjustment in line with revised Learning and Development Schedule 3 received in January 18.

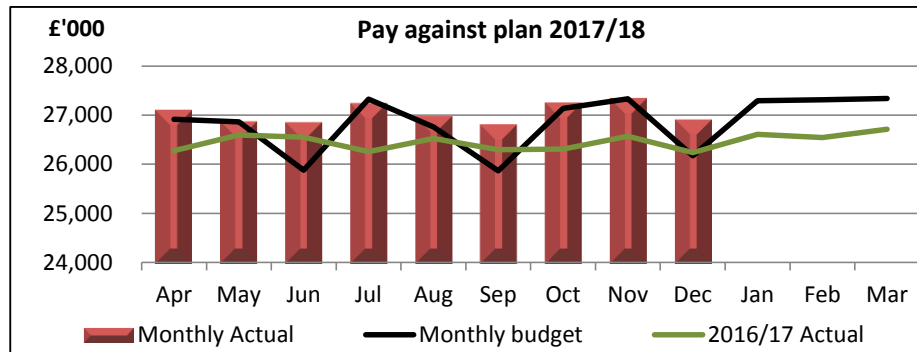
Footnote:

* There will be budgetary adjustments made every month to fund variances on pass through items such as drugs and devices. Budgetary adjustments will also be made in relation to contract variations that are made in year.

** The STF budget is phased with 15% in Q1, 20% in Q2, 30% in Q3 and 35% in Q4. This has been profiled equally across each month of the relevant quarter and is in line with the achievement of STF. The STF achievement is split against finance and performance elements, with finance being 70% and A&E performance being 30%.

Summary Charts - Expenditure

Pay

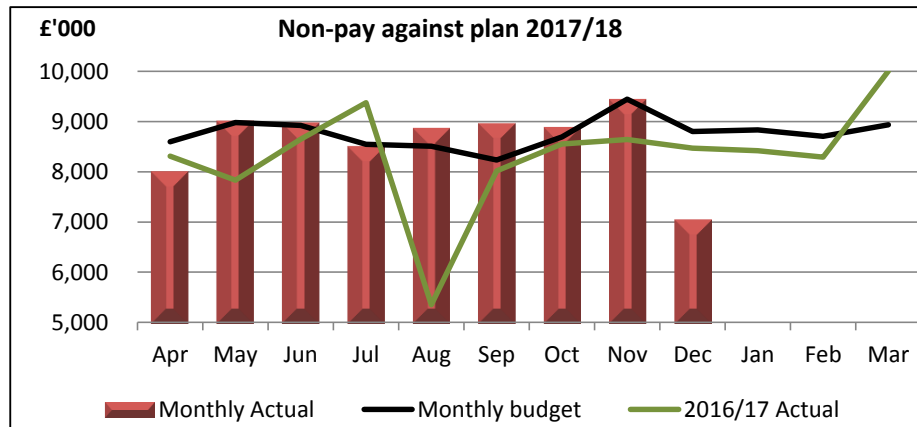


Pay costs are overspent in month by £745k against plan.

- Division 1 is overspent by £666k
- Division 2 is overspent by £207k
- Primary care is overspent by £60k.
- Estate, facilities and corporate are underspent by £187k.

The Division 1 overspend is due to previous underspends being offset against CIP in month nine, creating an adverse variance on pay and a favourable variance on CIP.

Non-pay

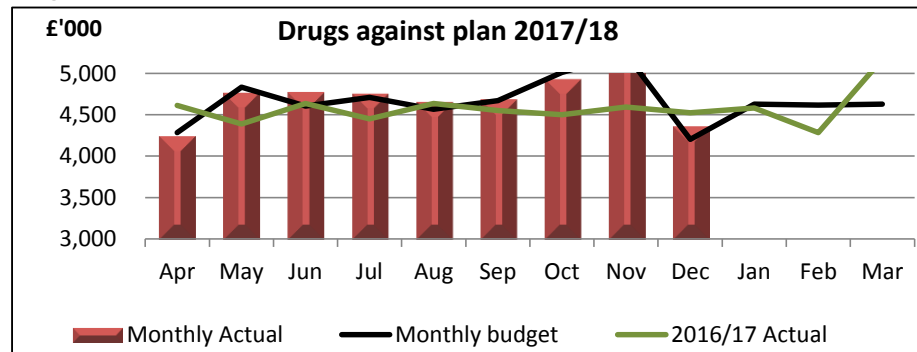


Non Pay is underspent by £1.7m in month.

- Division 1 is overspent by £0.1m in month.
- Division 2 is overspent by £0.1m in month
- Estates, corporate and primary care are underspent by £0.4m.
- Trust wide £1.4m underspent

There have been several favourable one off benefits in month. Within Estates & Facilities an old year water provision for £0.3m has now been released following a review. Within Trust Wide there has been the release of old GRN provisions £0.7m, a provision for the receipt of a credit from sterilisation services for previous over charges £0.5m, and recovery of VAT of £0.3m.

Drugs

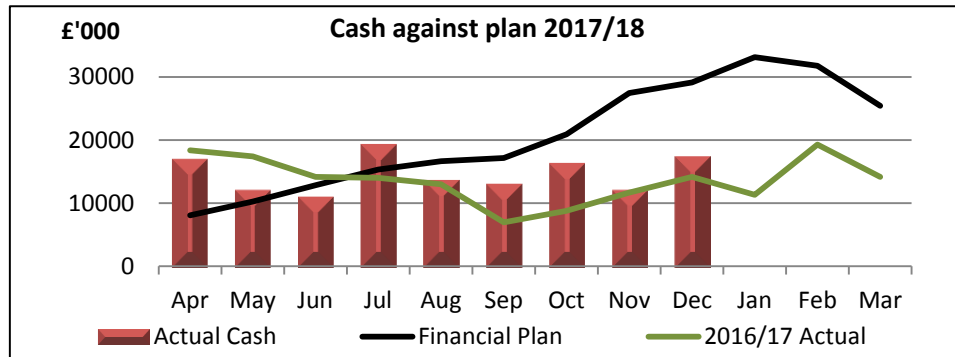


Drugs are overspent by £161k overspent in month.

- Division 1 is £54k overspent
- Division 2 is £116k overspent in month
- Estate, facilities and corporate are £7k underspent.

Summary Charts - Cash and Capital

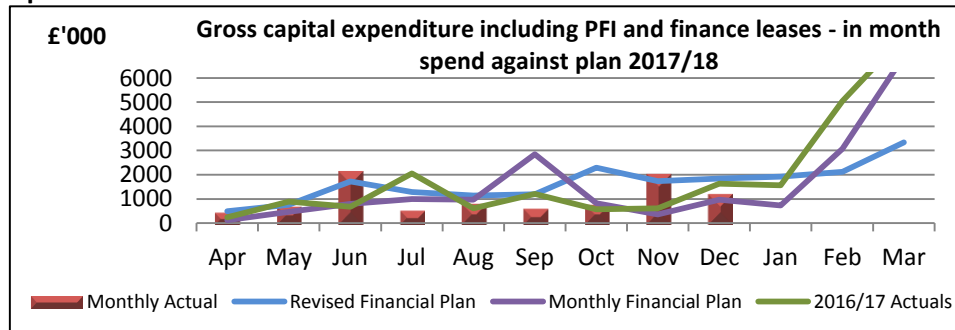
Cash



The cash balance as at 31st December is £17.4m and the cumulative position is £11.7m below the NHSI plan at month nine.

YTD adverse variance against plan is driven by a number of factors. The Trust had an improved opening cash position of £5.5m, this was mainly due to a greater than planned capital creditors balance. There has then been an in year movement against cash plan for capital of £7.5m, of which a significant amount relates to the settlement of 16/17 capital creditors. Additionally in year there is a £10.5m increase in receivables cash movement netted of by a £6.6m decrease in payables cash movement. Details are shown in Appendix 3

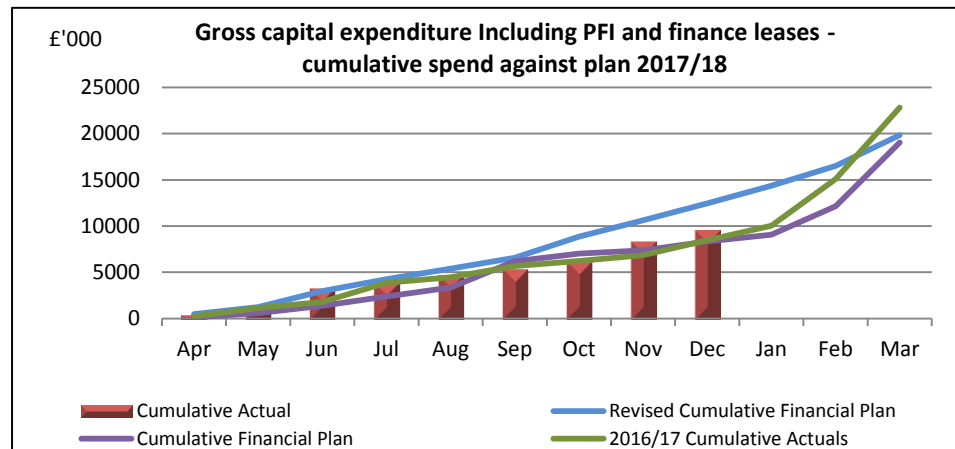
Capital



Capital expenditure as at 31st December 2017, including PFI & finance leases, is £9.5m against a revised plan of £12.5m. (NHSI plan remains at original year to date plan of £8.3m).

The required capital resource limit, (CRL) is now forecast to be £19.6m; an increase of £1.6m compared to NHSI plan of £18m. The increase is made up of PFI equipment brought forward, £0.4m, an increase of £0.3m due to the pressure on the Trust's capital programme, and £0.9m in respect of approved central funding for A&E Streaming (AEC & Frailties). The Trust intends to use working capital to fund the increase that is not centrally funded.

Cumulative capital



The forecast CRL figure is made up of estates development programmed spend of £18.2m and PFI additions of £1.4m. In addition to the estates development is planned charitable funding of £0.2m for donated medical equipment.

Further detail on capital performance and plan is provided in the report of the Head of Estates Development, presented to the Finance and Performance Committee.

Cost Improvement Plan

Annual Plan

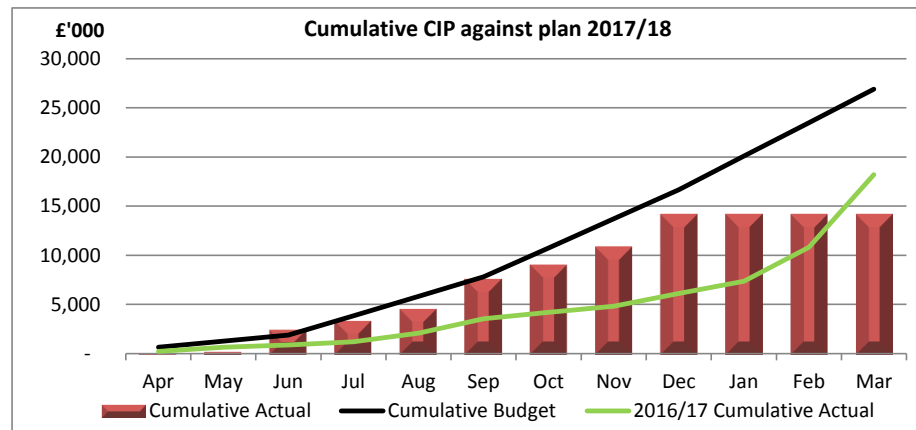
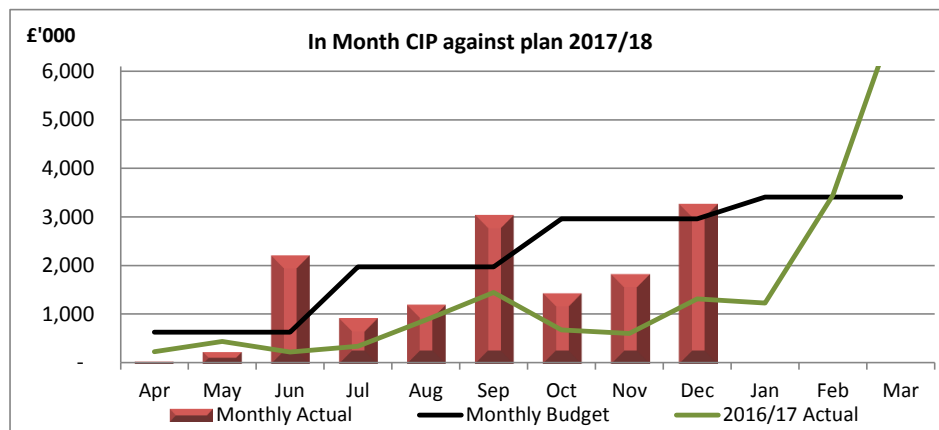
The cost improvement plan target for the year is £26.9m. The table below shows what has been identified and delivered to date and how much is outstanding:

CIP MONITORING	2017/18							Non recurrent element withdrawn from budget £000
	Annual Plan £000	Blue (withdrawn from budgets) £000	Still to be achieved Categorised by Risk Rating					
			Total £000	Green £000	Yellow £000	Amber £000	Red £000	
2017/18 Schemes	£000	£000	£000	£000	£000	£000	£000	
Corporate	1,922	1,597	514	0	122	25	366	1,033
Division 1	13,478	7,802	5,518	0	685	1,965	2,869	4,230
Division 2	8,832	5,955	3,219	0	562	432	2,225	4,185
Estates & Facilities	2,668	851	1,443	0	73	0	1,370	586
Total 2017/18 Schemes	26,900	16,205	10,695	0	1,442	2,422	6,830	10,034
Recurrent (FYE)	26,900	7,522	19,378	0	1,095	475	17,807	

- To date, £16.2m of annual budgets have been removed which is an overall achievement of 60% of the annual target, with a £7.5m is recurrent full year effect.

Year-to-Date Delivery

The charts below show the in-month and cumulative delivery of CIP against the month-on-month plan:



- At month nine, the Trust has achieved £14.2m of CIP savings, compared to a plan of £16.7m which is an achievement of 85% of the year to date target. However, it should be noted that the spikes in CIP delivery in months three, six and nine are in the main due to the removal of underspent budgets on a non-recurrent basis.

- The Trust has profiled its CIP internally to achieve 7% in Q1, 22% in Q2, 33% in Q3 and 38% in Q4.

Financial Targets

1) Single Oversight Framework

With the submission of a revised forecast outturn the forecast achievement has deteriorated in both the I&E margin metric and the I&E margin: distance from plan metric.

	Measure	Annual Plan		YTD achievement		Forecast achievement		Definitions:
		Performance	Rating	Performance	Rating	Performance	Rating	
Capital Service Cover rating	Multiples	2.805	1	2.369	2	2.038	2	Degree to which the provider's generated income covers its financial obligations.
Liquidity rating	Days	-6.154	2	-4.294	2	-10.219	3	Cash plus trade debtors less trade creditors expressed as days of current year operating expenses.
I&E margin	%	2.1%	1	1.1%	1	0.2%	2	I&E surplus or deficit/ total revenue.
I&E margin: distance from financial plan	%	0%		0%	2	-2%	3	Year to date actual I&E surplus or deficit/ year to date planned I&E surplus or deficit.
Agency rating	%	42.9%	3	1.6%	2	0.0%	1	Distance from provider's agency cap.
Overrides			None	0.0%	None	0	None	
Overall risk rating after any overrides			2	0	2	0	2	

2) Performance Against Financial Limits

The performance against financial limits is set out below:

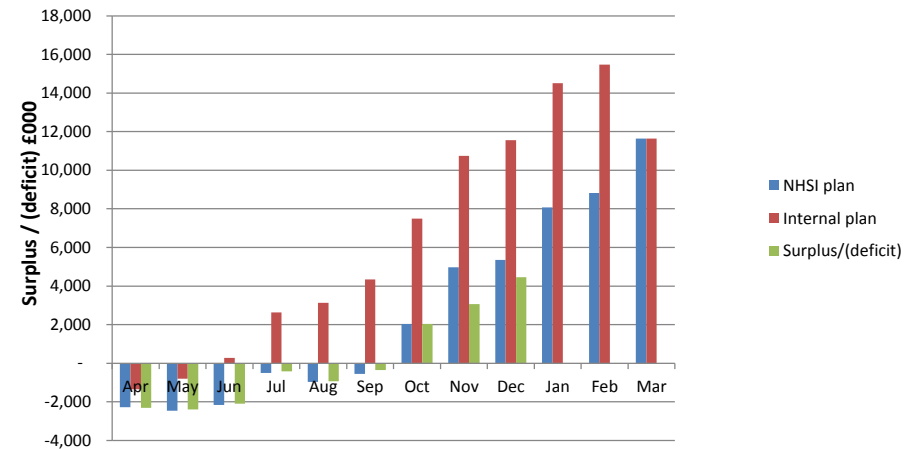
	Target (£'000)	Performance (£'000)	RAG
I&E target performance Month 9	10,661	4,459	RED
Performance against NHSI target Month 9	4,454	4,459	GREEN
CIP Target Month 9	5,829	4,639	AMBER
Capital Resource Limit (annual)	18,033	19,638	GREEN*
External Financing Limit (annual)	19,041	17,821	TBC**
Capital Cost Absorption Rate (annual)	3.5%	3.5%	GREEN

Note: Limits reports are awaited to confirm CRL and EFL in 17/18 plan.

* Variances reported to NHSI in year are not considered to be an issue.

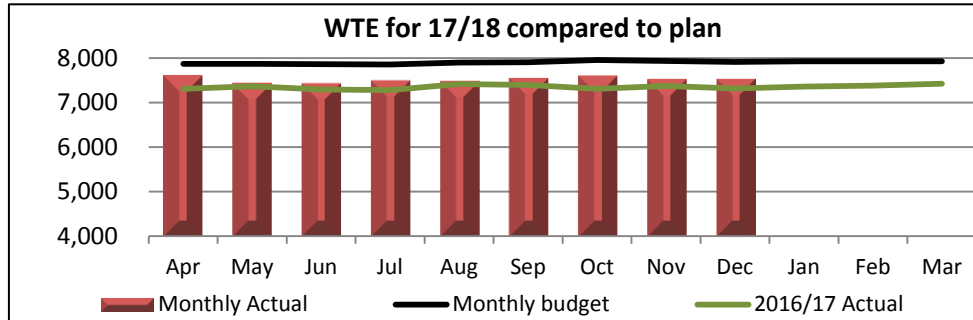
** The impact of the forecast outturn change on the EFL will be discussed and agreed with the NHSI technical team in the coming weeks.

Surplus/ (deficit) compared to NHSI plan and the internal plan:



Further Analysis - Pay

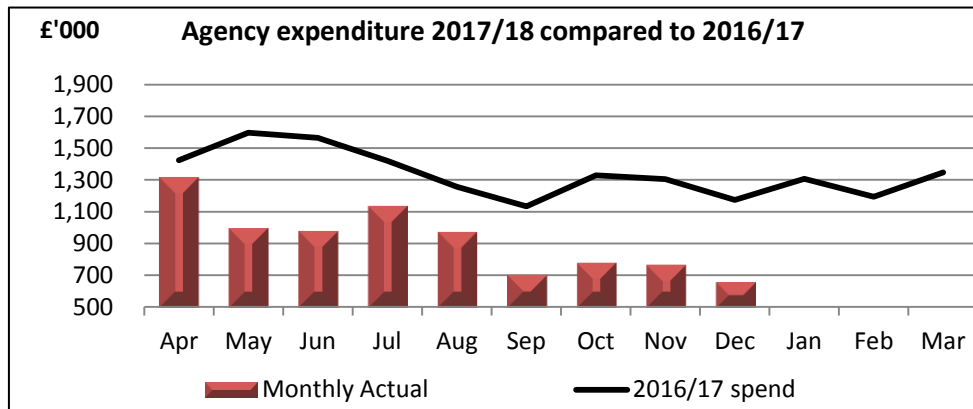
WTE



In month nine there are 7,530 WTEs in post, against a plan of 7,911 WTE, which is an increase of 9 from month eight.

There were 176 WTE vacant posts in Division 1 and 91 WTE vacant in Division 2. Estates and facilities has 102 WTE vacant and corporate has 46 WTE vacant.

Agency

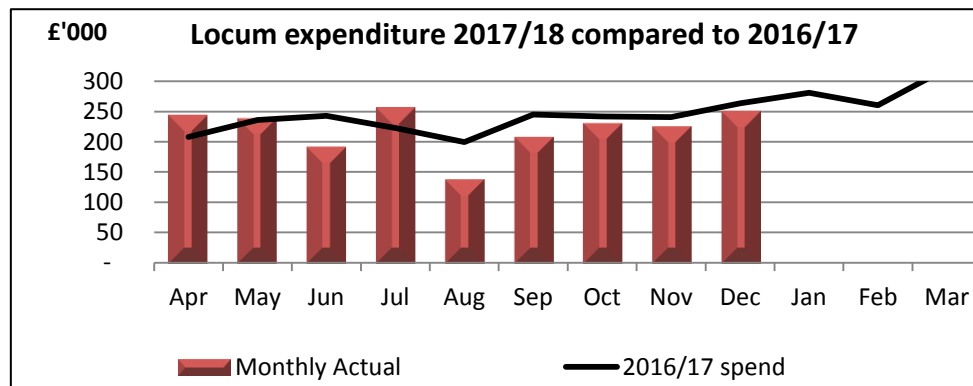


In month nine agency expenditure of £660k was incurred which is a £109k decrease compared to month eight.

The key areas of spend were critical care (£119k), general surgery (£26k), emergency services group (£216k), rehab & ambulatory (£50k), orthopaedics (£61k), cardiothoracic (£9k), children's services (£55k), radiology (£63k), and Obs & Gynae (£64k).

NHSI have increased the Trust's agency cap from £10.2m to £10.9m to take account of the GP locum costs that are being incurred in the primary care directorate. the Trust is forecasting to be within the agency cap.

Locum

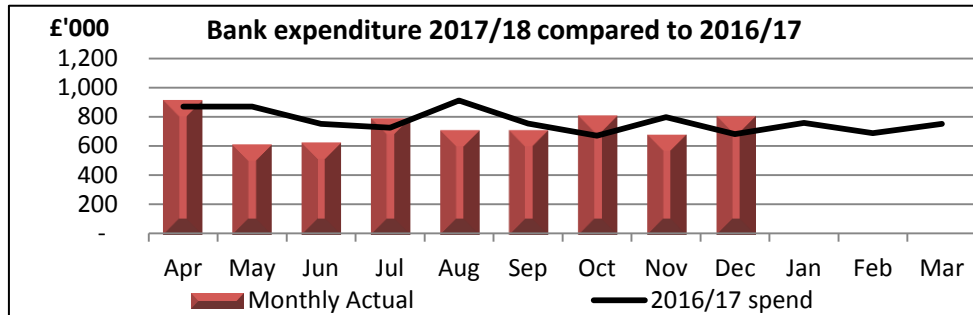


In month nine locum expenditure was £251k, an increase of £25k from month eight.

The in month expenditure mainly occurred in Oncology & Haematology (£61k), Emergency Services (£41k), Rehab & Ambulatory (£22k), Medical Services (£14k), General Surgery (£41k), and Ophthalmology (£17k).

Further Analysis - Pay (2)

Bank



In month nine bank expenditure was £806k, which was £126k higher than month eight expenditure.

The main areas of expenditure are: Medical Services (£145k), Hotel Services (£129k), Emergency Services (£95k), Rehab & Ambulatory (£91k), General Surgery (£76k), Obstetrics & Gynaecology (£40k) and Orthopaedics (£39k).

Further Analysis - Patient Care Income

Patient income is showing an under performance of £2.0m against YTD plan and a £122k under performance in-month.

The table below sets out the directorates with significant variances* to plan with accompanying narrative.

Directorate	Month 9 YTD Plan £000's	Month 9 YTD Actual £000's	Month 9 YTD Variance to Plan £000's	In Month Movement to Plan £000's
Head & Neck	11,032	10,911	(121)	(227)
Orthopaedics	24,474	25,203	730	53
Variance of 10 Remaining Directorates	128,047	127,538	(509)	(561)
Division 1 Total	163,553	163,652	99	(735)
Care of the Elderly	10,619	9,586	(1,033)	(143)
Clinical Haematology	5,587	5,001	(586)	(125)
Dermatology	3,171	2,728	(442)	(103)
Gastro & Endoscopy	11,816	11,704	(112)	(229)
General Medicine	3,472	3,799	328	(97)
Oncology	19,333	19,727	394	208
Respiratory	10,441	10,840	399	(240)
Variance of 17 Remaining Directorates	78,166	77,209	(957)	(323)
Division 2 Total	142,604	140,594	(2,010)	(1,052)
Estates & Facilities Total	295	211	(83)	(13)
Nursing Directorate Total	1,067	1,062	(5)	(1)
Trust Wide Total	40,747	40,715	(32)	1,678
OVERALL Patient Income Total	348,266	346,235	(2,030)	(122)

* Significant Variances of +/- £70k in Month or a cumulative total of +/-£70k per month (e.g. +/- £350k at Month 5)

Head & Neck: There has been a movement of (£103k) to CiP in relation to ENT activity. The Elective activity is (7) spells under plan at (£94k) adverse. Non Elective activity is also under plan by (23) spells at (£61k).

Orthopaedics: The year to date variance in Orthopaedics is a favourable £730k. The main drivers are Elective activity at 79 spells, £631k, Day Cases at £308k and Non Elective at £289k.

Care of the Elderly: The Non Elective activity has underperformed by (56) spells at (£118k). The Care of the Elderly Rehab Bed Days have also under performed by (211) days at (£46k).

Clinical Haematology: The Day Case activity is under by (83) case at (£62k). Non Elective activity has also under performed by (7) spells at (£45k).

Dermatology: Outpatient Procedures are under performing by (628) at (£58k). Day case activity is also under performing by (47) cases at (£26k). The under performance is due to vacancies within the department, recruitment is ongoing.

Gastro & Endoscopy: There has been (£49k) of income taken toward to CiP. Non Elective Activity has under performed by (13) spells at (£104k). Outpatient activity has also under performed by (£40k) in Month 9.

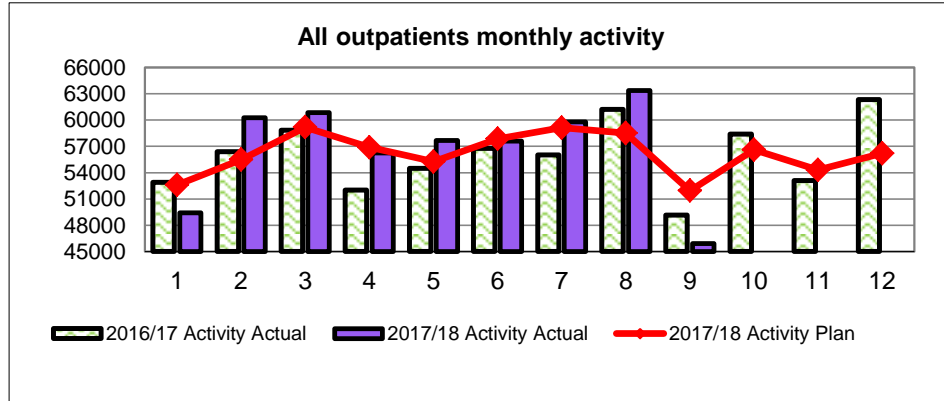
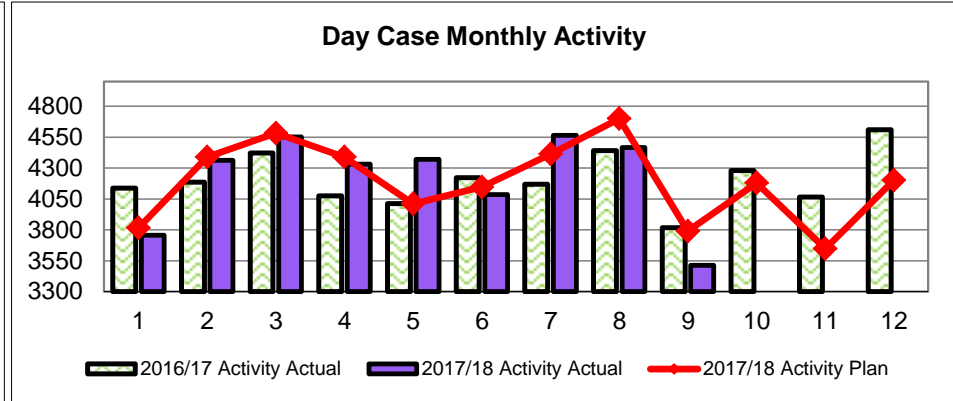
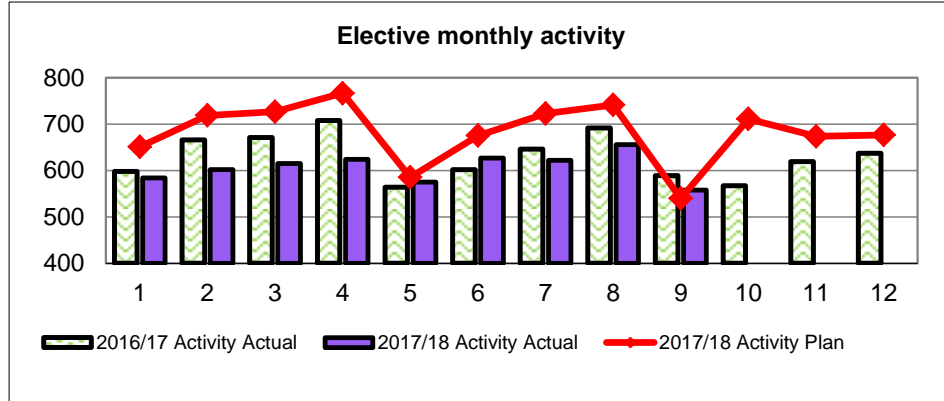
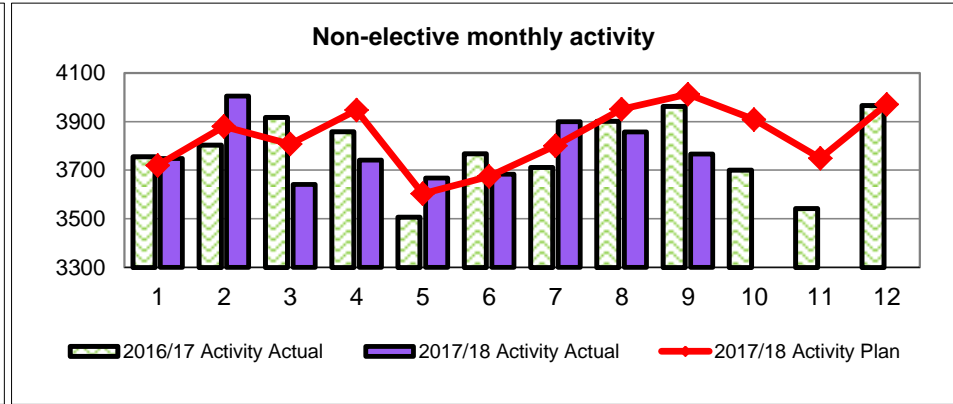
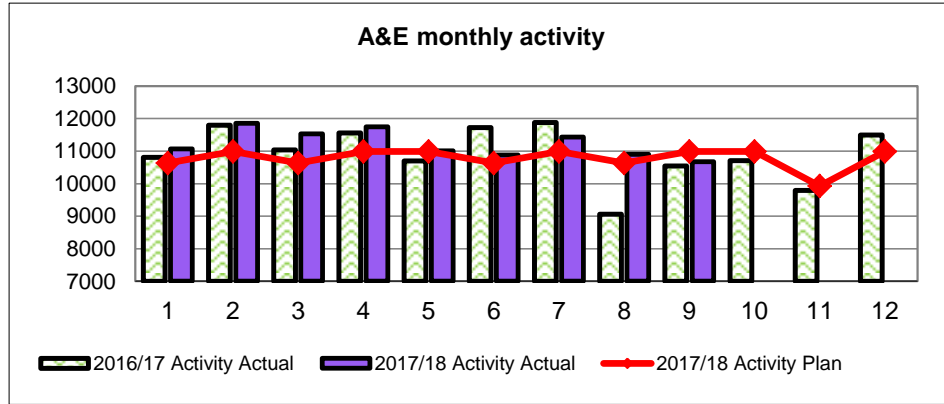
General Medicine: The Non Elective activity is (29) spells under plan at (£90k)

Oncology: Fractions have over performed by 559 at £80k. Day Case activity is above plan by 39 cases at £37k. Elective activity is 8 spells above plan at £31k and Chemotherapy activity is above plan by £29k. Non Elective and Outpatient activity are also above plan.

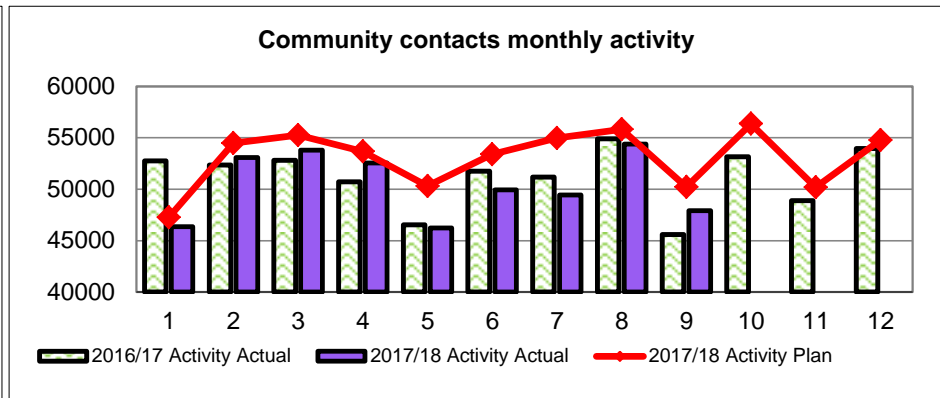
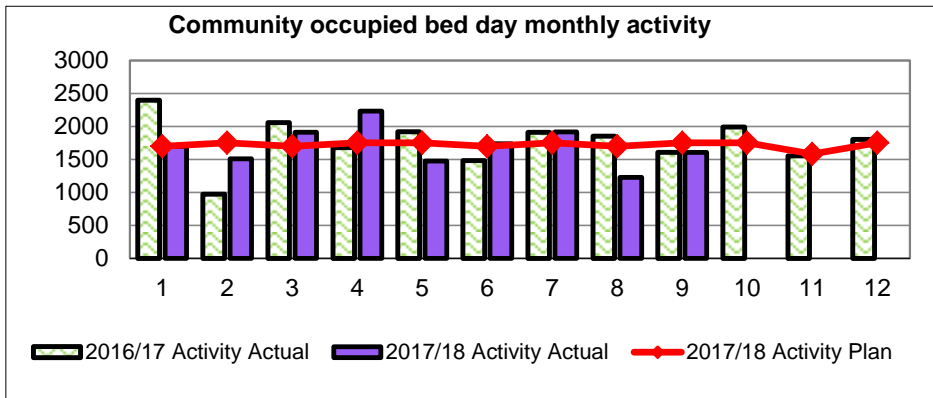
Respiratory: The whole adverse variance is due to (£300k) being taken towards CiP in Month 9.

Trust Wide Total: This section includes an element of the additional Winter Funding allocation as announced in the November budget. The section includes deduction for fines, readmissions and dates reconciliation. CQUIN is also included within this line.

Activity Charts - Acute performance against plan



Activity Charts - Community performance against plan





Charitable Funds for Period Ending 31 December 2017

2017/18 Q3 Information

The table below shows a draft summary for information relating to the value and movement in The Royal Wolverhampton NHS Trust Charity Funds for the period 1st October 2017 to 31st December 2017. The more significant spend and income items over £1k have been detailed below along with a comparative summary table for the previous 12 months.

Opening balance 1 July 2017 £'000	Donations £'000	Investment Income £'000	Expenditure £'000	Realised Gains/(Losses) as at 30 September 2017 £'000	Closing balance 30 September 2017 £'000
2,570	151	21	(124)	7	2,626

INCOME	EXPENDITURE	PREVIOUS 12 MONTHS AT A GLANCE				
<ul style="list-style-type: none"> • Cardiac – £12k Donation for Research • Paediatric – £4k Weekly Pub Quizzes • Renal – £54k KPA Dissolution • CCH Gen Purpose Legacies – £10k Estate • Paediatric – £2k Sold Racing Pigeons • Various Funds – £4k Just Giving Website 	<ul style="list-style-type: none"> • Deanesly – Replacement Waiting Areas Tables and Chairs £13k • Cardiac – Cardiac Investigations V Scan £5k • Rheumatology – 2 Comfort Therapy Chairs £7.5 • West Park – 3 Cura Legacy Manual Chairs £9k • Neo Natal – Premature Anne Simulator £6k • Deanesly – Aromatherapist £5k • Vascular – Treadmill re Tolerance Treatments 2k Apportioned Costs • Trust Administration and Fundraising Recharge - £21k 	Summary	2016/17 Q3	2016/17 Q4	2017/18 Q1	2017/18 Q2
		Opening Balance Bfwd	3,145	3,131	2,464	2,471
		Income	162	115	98	214
		Expenditure	(179)	(1,089)	(95)	(115)
		Gains/Losses	3	307	4	0
		Closing Balance Cfwd	3,131	2,464	2,471	2,570

Appendix A:

Income and Expenditure Account

December 2017 - Month 9									
<i>Adverse in (brackets)</i>									
2016/17 Actual to date	Current Month Plan	Current Month Actual	Current Month Variance		Annual Budget	Plan to Date	Actual to Date	Variance to Date	
£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000	£'000
				Income					
327,076	37,402	37,280	(122)	Patient Activity Income	463,069	348,266	346,235	(2,030)	
0	0	0	0	Patient Activity Contingency **	(2,400)	0	0	0	
991	96	215	119	Other Patient Care Income	1,154	866	1,202	336	
11,321	1,367	914	(453)	Education, Training & Research Income	15,183	11,950	11,772	(178)	
21,805	2,315	2,315	(0)	CRN: West Midlands	27,385	20,323	20,323	(0)	
2	56	6	(50)	Non Patient Care Other Income	298	248	141	(107)	
696	93	98	5	Private Patient Income	940	750	867	117	
20,157	2,666	2,750	83	Income on Directorate Budgets	28,738	21,885	22,234	350	
382,048	43,996	43,579	(418)	Total Income	534,367	404,287	402,774	(1,512)	
				Expenditure					
(237,613)	(26,173)	(26,918)	(745)	Directorate Expenditure Budgets - Pay	(322,202)	(240,255)	(243,425)	(3,171)	
(72,572)	(8,806)	(7,070)	1,736	Directorate Expenditure Budgets - Non Pay	(105,217)	(78,740)	(77,846)	894	
(40,889)	(4,203)	(4,365)	(161)	Directorate Expenditure Budgets - Drugs	(55,976)	(42,104)	(42,524)	(421)	
(21,805)	(2,315)	(2,315)	0	CRN: West Midlands	(27,385)	(20,323)	(20,323)	0	
0	(68)	0	68	Activity Changes/Service Dev./Cost Pressures Reserves	(2,671)	(736)	0	736	
0	36	0	(36)	Inflation and Contingency Reserves	(3,162)	243	0	(243)	
0	(299)	0	299	Cost Improvement Savings	10,695	2,476	0	(2,476)	
(372,879)	(41,828)	(40,668)	1,160	Total Expenditure	(505,918)	(379,439)	(384,119)	(4,680)	
9,168	2,168	2,911	743	EBITDA Surplus/(Deficit)	28,449	24,848	18,655	(6,192)	
33	0	0	0	Profit/(Loss) on Asset Disposals	0	0	21	21	
(13)	0	0	0	Impairments of Fixed Assets	(300)	(200)	0	200	
(12,237)	(1,388)	(1,270)	118	Depreciation	(15,455)	(11,291)	(11,357)	(65)	
30	8	11	2	Interest Receivable	100	75	32	(43)	
(1,212)	(141)	(158)	(16)	Interest Payable	(1,697)	(1,273)	(1,298)	(25)	
(9,851)	(807)	(807)	0	PDC Dividends (Cost of Capital)	(9,680)	(7,260)	(7,260)	(0)	
0	0	0	0	Unwinding of Discount	0	0	0	0	
(14,080)	(160)	687	847	Net Surplus/(Deficit) before STF income	1,417	4,898	(1,206)	(6,104)	
				Adjustments as per NHSI reported position					
133	19	18	(1)	Depreciation on donated assets	229	172	165	(7)	
0	(50)	0	50	Donated Asset Income	(200)	(150)	(40)	110	
13	0	0	0	Remove Impairments	300	200	0	(200)	
(13,934)	(191)	706	896	Adjusted Financial Performance as NHSI (before STF income)	1,746	5,120	(1,081)	(6,202)	
4,726	989	693	(297)	STF Income	9,894	6,431	5,541	(890)	
(9,208)	799	1,398	600	Adjusted Financial Performance as NHSI (after STF income)	11,640	11,552	4,459	(7,092)	

Statement of Financial Position

Calculated Debtor Days for the year to date are:-

	M9 Actual	M9 Plan	M8 Actual
Total	13.14	12.65	15.35
Being:-			
NHS	14.36	13.37	16.54
Non NHS	6.60	9.02	8.86

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:

	M9 17/18	Cumulative
- Value	71%	80%
- Volume	55%	71%
	M8 17/18	Cumulative
- Value	69%	81%
- Volume	63%	76%

In December, continued active management of the cash position has seen a further decrease in the cumulative PSPP, both for value and volume.

	Dec 2017 Plan	Dec 2017 Actual	Nov 2017 Actual	Movement in Month	March 2017 Actual
	£000	£000	£000	£000	£000
NON CURRENT ASSETS					
Property, Plant and Equipment - Tangible Assets	308,016	304,903	304,901	2	306,710
Intangible Assets	749	940	970	(30)	979
Trade and Other Receivables Non Current	702	105	105	0	624
TOTAL NON CURRENT ASSETS	309,467	305,948	305,976	(28)	308,313
CURRENT ASSETS					
Inventories	6,749	6,376	6,290	86	6,337
Trade and Other Receivables	31,095	40,487	45,039	(4,552)	33,157
Other Current Assets	0	0	0	0	0
Cash and cash equivalents	29,135	17,449	12,186	5,263	14,180
TOTAL CURRENT ASSETS	66,979	64,312	63,515	797	53,674
Non Current Assets Held for Sale	800	800	800	0	800
TOTAL ASSETS	377,246	371,060	370,291	769	362,787
CURRENT LIABILITIES					
Trade & Other Payables	(65,277)	(56,691)	(55,932)	(759)	(52,211)
Liabilities arising from PFIs / Finance Leases	(1,948)	(1,924)	(1,925)	1	(2,123)
Provisions for Liabilities and Charges	(1,797)	(5,503)	(6,515)	1,012	(5,463)
TOTAL CURRENT LIABILITIES	(69,022)	(64,118)	(64,372)	254	(59,797)
NET CURRENT ASSETS / (LIABILITIES)	(2,043)	194	(857)	1,051	(6,123)
TOTAL ASSETS LESS CURRENT LIABILITIES	308,224	306,942	305,919	1,023	302,990
NON CURRENT LIABILITIES					
Other Liabilities	(7,219)	(5,660)	(6,012)	352	(6,037)
Provision for Liabilities and Charges	(631)	(594)	(594)	0	(594)
TOTAL NON CURRENT LIABILITIES	(7,850)	(6,254)	(6,606)	352	(6,631)
TOTAL ASSETS EMPLOYED	300,374	300,688	299,313	1,375	296,359
FINANCED BY TAXPAYERS EQUITY					
Public Dividend Capital	231,286	231,398	231,398	0	231,398
Retained Earnings	25,713	18,647	17,272	1,375	14,314
Revaluation Reserve	43,185	50,453	50,453	0	50,457
Donated Asset Reserve	0	0	0	0	0
Government Grant Reserve	0	0	0	0	0
Other Reserves	190	190	190	0	190
TOTAL TAXPAYERS EQUITY	300,374	300,688	299,313	1,375	296,359

Cash Flow as at 31st December 2017

	December	December	December	December
	Plan £'000	Actual £'000	Variance £'000	In Month Movement £'000
OPERATING ACTIVITIES				
Total Operating Surplus/(Deficit)	13,575	12,840	(735)	2,334
Depreciation	11,289	11,357	68	1,270
Fixed Asset Impairments	200	0	(200)	0
Donated Assets received credited to revenue but non-cash	(150)	0	150	0
Interest Paid	(1,266)	(1,298)	(32)	(158)
Dividends Paid	(1,240)	(1,173)	67	0
Release of PFI /Deferred Credit	0	0	0	0
(Increase)/Decrease in Inventories	0	(39)	(39)	(86)
(Increase)/Decrease in Trade/Receivables	0	(10,478)	(10,478)	4,548
Increase/(Decrease) in Trade/Payables	5,200	6,606	1,406	(11)
Increase/(Decrease) in Provisions	0	40	40	(1,012)
NET CASH INFLOW/(OUTFLOW) FROM OPERATING	27,608	17,855	(9,753)	6,885
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	75	32	(43)	11
Payment for Property, Plant and Equipment	(5,533)	(12,983)	(7,450)	(1,279)
Payment for Intangible Assets	0	0	0	0
Proceeds of disposal of assets held for sale (PPE)	0	0	0	0
Proceeds from Disposals	0	21	21	0
NET CASH INFLOW/(OUTFLOW) FROM INVESTING	(5,458)	(12,930)	(7,472)	(1,268)
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING	22,150	4,925	(17,225)	5,617
FINANCING				
New Public Dividend Capital Received	0	0	0	0
Capital Element of Finance Lease and PFI	(1,717)	(1,652)	65	(354)
NET CASH INFLOW/(OUTFLOW) FROM FINANCING	(1,717)	(1,652)	65	(354)
INCREASE/(DECREASE) IN CASH	20,433	3,273	(17,160)	5,263
CASH BALANCES				
Opening Balance at 1st April 2017	8,702	14,180	5,478	
Opening Balance at 1st December 2017				12,186
Closing Balance at 31st December 2017	29,135	17,449	(11,686)	17,449