

Report of the Chief Financial Officer - Month 12



Agenda Item No: 9.1

TRUST BOARD REPORT

Meeting Date:	30th April 2018
Title:	Report of the Chief Financial Officer - Month 12
Executive Summary	This paper reports the in-month, year-to-date and forecast financial position for the Trust as at Month 12. The paper also reports on delivery against financial targets.
Or Report of	
Action requested	<input type="checkbox"/> Make a decision <input type="checkbox"/> Approve <input checked="" type="checkbox"/> Receive for assurance <input type="checkbox"/> Received and noted If the item has already been approved by a body with delegated powers of approval from the Board such as a Committee of the Board, then the item would be received and noted.
For the attention of the Board	N/A
Assure	N/A
Advise	N/A
Alert	N/A
Author + Contact Details	Kevin Stringer, Chief Financial Officer - 01902 695954 kevin.stringer@nhs.net
Links to Trust Strategic Objectives	5. Maintain financial health – Appropriate investment to patient services
Resource implications	N/A
CQC Domains	Well-led: the leadership, management and governance of the organisation make sure it's providing high-quality care that's based around individual needs, that it encourages learning and innovation, and that it promotes an open and fair culture.
Equality and Diversity Impact	N/A
Risks: BAF/TRR	N/A
Risk: Appetite	N/A
Public or Private	Public
Other formal bodies involved	Finance and Performance Committee
References	N/A
NHS Constitution	In determining this matter, the Board should have regard to the Core principles contained in the Constitution of: Equality of treatment and access to services High standards of excellence and professionalism Service user preferences Cross community working Best Value Accountability through local influence and scrutiny

Report of the Chief Financial Officer

Finance Report
March 2018 - Month 12



Safe & Effective | Kind & Caring | Exceeding Expectation

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Summary - Key Messages

Financial Plan

The draft financial position for 2017/18 is set out in the table below:

	Planned surplus/ (deficit) £'000	Actual surplus/ (deficit) £'000	Variance £'000
Control total (excluding STF)	1,747	(4,220)	(5,967)
Add original STF	9,894	5,541	(4,353)
Control total (including STF)	11,641	1,321	(10,320)
Add redistributed STF	0	3,006	3,006
Performance against control total	11,641	4,327	(7,314)

Headlines:

The outturn position for the financial year is a surplus of £1.3m. This is £10.32m behind plan but is in line with the revised forecast that the Trust formally adopted at the end of December 2017. The revised forecast was made up of £6m adverse financial performance and a £4.35m shortfall on achieved STF.

NHSI has also released to all providers that signed up to the 2017/18 control total a share of the unallocated STF pot. The Trust has been notified that £3.006m has been made available and the Trust has been instructed to increase the year end position by that amount.

It should be noted that the final outturn position is subject to audit.

Financial Risks

On the last report to the Board it was reported that Trust was still carrying a number of financial risks. The final position on the risks is as follows:

- The MSFT transitional income (£6m) has been agreed by the DHSC at the lower value of £5.8m. The invoice has been paid but the Trust will continue to pursue the reason for the shortfall and intends to secure the outstanding £0.2m.
- The 16/17 year end invoice remains in dispute with host commissioner (£4.8m) awaiting arbitration.
- At month 11 there was a forecast £6.5m shortfall against the CIP plan. In the final month underspends of £4.5m were taken against this shortfall. This has not improved the outturn position as the underspends were already in the forecast.
- Agreement with the host commissioner for the re-investment of MRET/readmissions/fines and stranded costs has been reached and the stranded costs of £1.1m have been funded, along with a further £0.9m reinvestment of fines and readmissions.

CIP

In month 12 there has been an over recovery of £2.8m against the in-month CIP plan but the final position for CIP achievement of £24.9m CIP delivered against a £26.9m plan. Of the CIP delivered, there is a £7.8m recurrent full year effect. The non-delivery of recurrent and cash releasing CIP continues to be an issue and the risk of this moves into the new financial year.

Cash

The Trust had a year end cash balance of £16.98m which is £8.4m below the plan. However, despite being below plan, weekly cash monitoring resulted in distress financing not being required this financial year.

Charity

Reported in May.

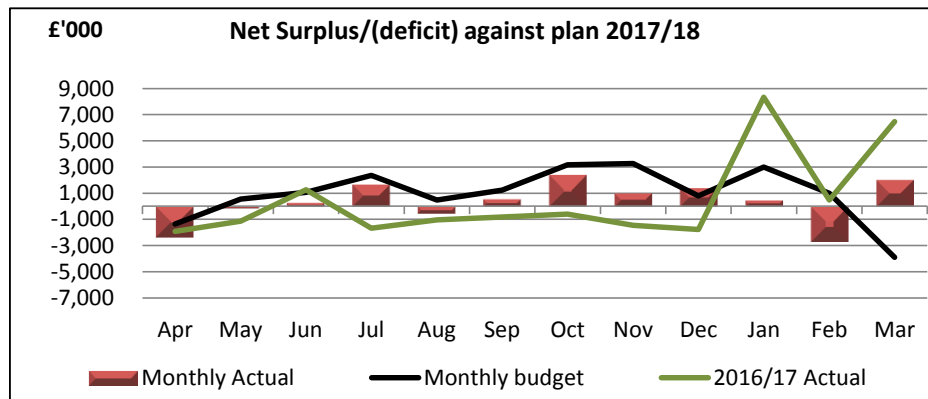
Footnote:

* 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

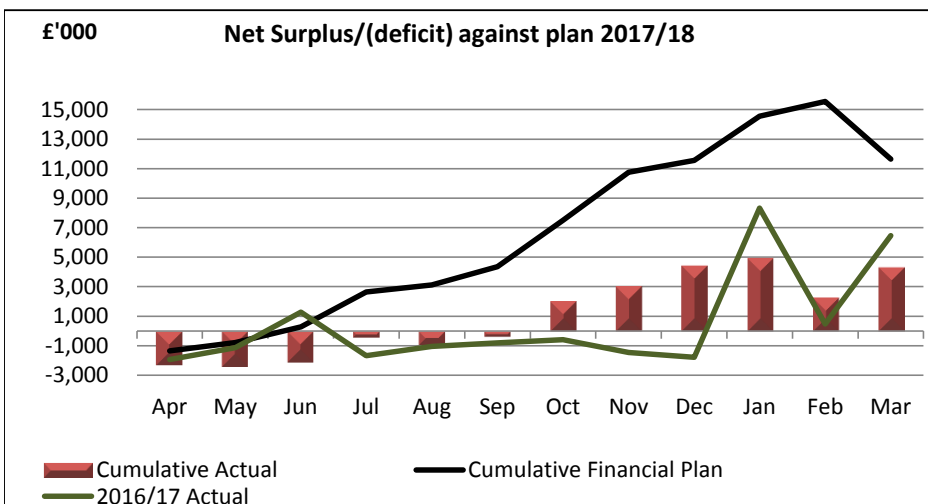
In-Month Net Surplus



In month twelve the Trust reported an in month surplus of £2.0m, against an in-month deficit plan of £4m, which is a favourable variance of £6.0m.

The favourable variance was driven by: Income was £2m better than plan. Although the in month patient income was £0.9m behind the plan, this was offset by £2.4m income contingency in month 12. There was also higher than planned education funding of £0.5m. The unexpected £3m of STF is also included in the month 12 surplus.

Expenditure - an adverse expenditure variance of £4.5m (partly driven by additional CIP of £2.8m taken non recurrently) was offset by the release of inflation, contingency and other reserves of £4.3m.

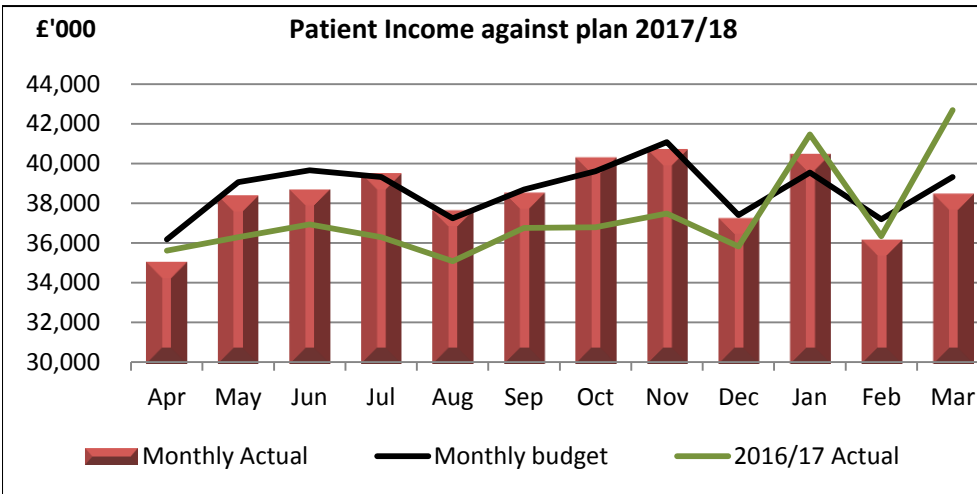


At the end of month twelve the Trust has a cumulative surplus of £4.327m. This position is in line with the revised forecast outturn of that the Trust adopted in December 2017.

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

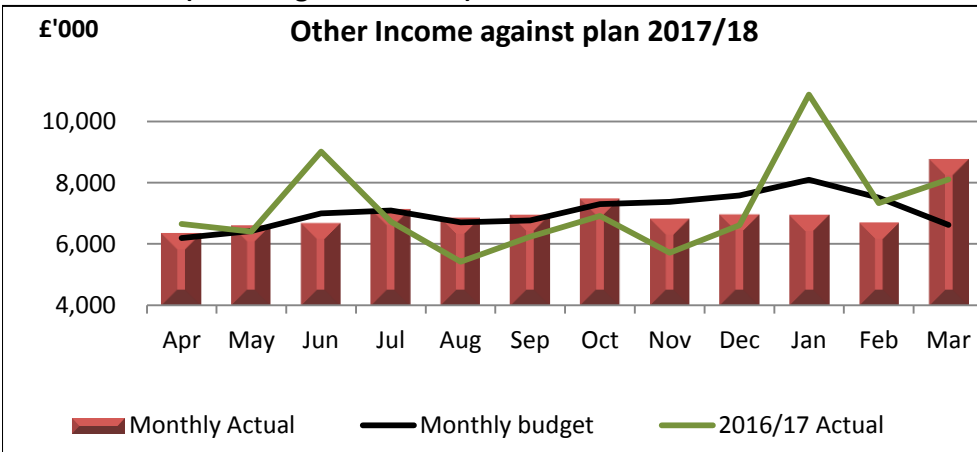
Patient Income*



In month twelve, patient contract income is showing an under-performance against plan of £0.8m, with a cumulative under-performance of £2.9m..

Further detail on patient income is on page 13.

Other Income (excluding CRN income)



Other income has over recovered in month twelve by £2.2m, mainly as a result of the unexpected £3m STF.

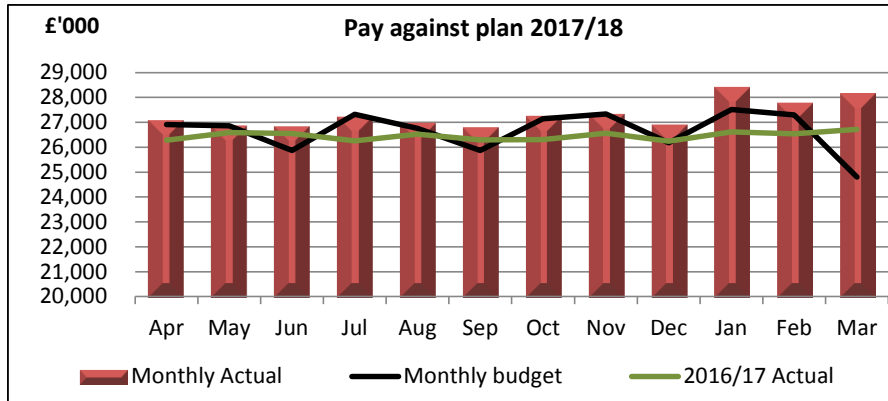
Footnote:

* 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

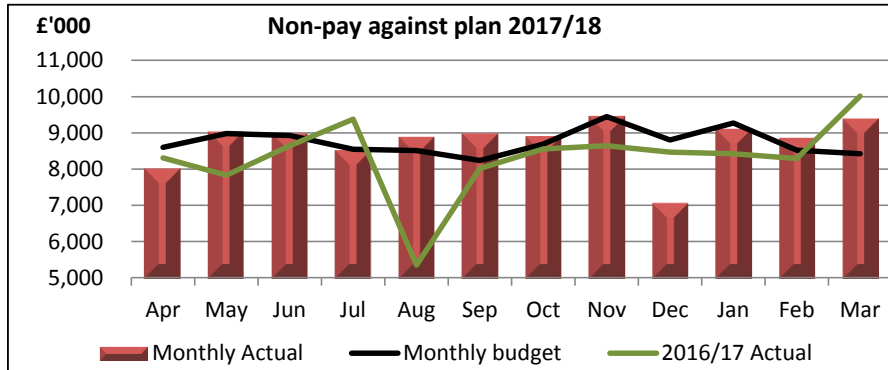


Pay costs are overspent in month by £3.4m against plan.

- Division 1 is overspent by £1.4m
- Division 2 is overspent by £0.4m
- Primary care is overspent by £0.1m
- Estate, facilities and corporate are overspent by £1.4m

In month twelve a substantial amount of CIP was recognised in terms of non recurrent underspends, the above variances are predominantly due to the taking of CIP .

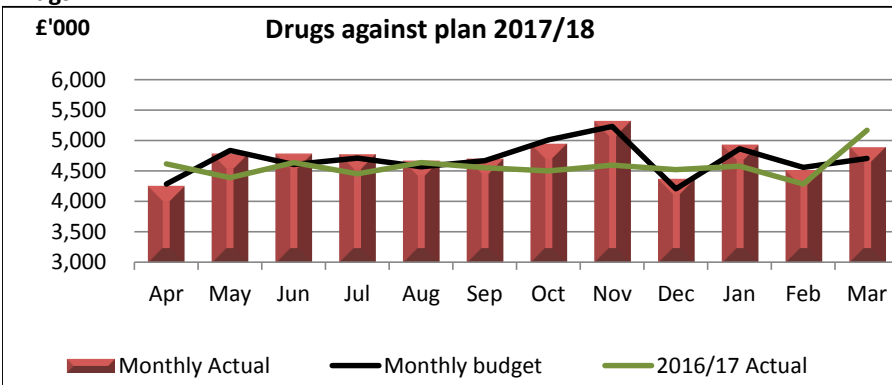
Non-pay



Non Pay budgets overspent against plan by £1.0m.

- Division 1 is overspent by £0.3m
- Division 2 is overspent by £0.3m
- Estate, Primary Care, facilities and corporate are overspent by £0.4m

Drugs

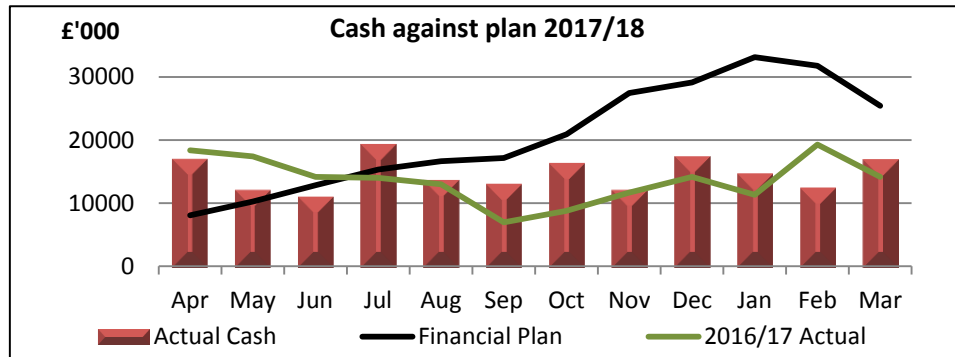


Drugs are underspent by £0.2m overspent in month.

- Division 1 is £0.1m overspent in month
- Division 2 is £0.1m overspent in month

Summary Charts - Cash and Capital

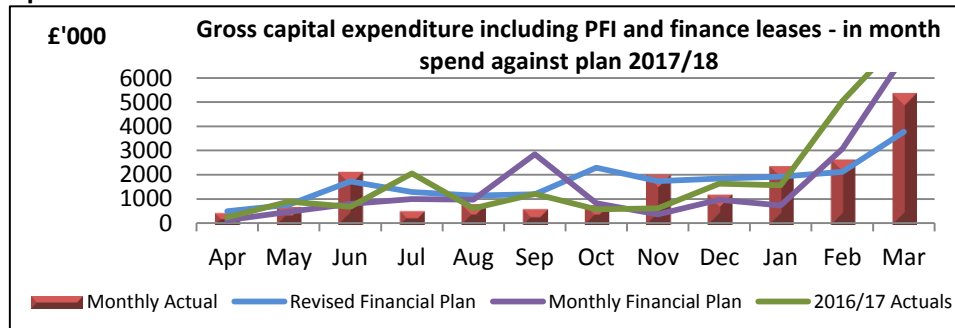
Cash



The cash balance as at 31st March 2018 is £17.0m and the cumulative position is £8.4m below the NHSI plan at month 12.

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 £5.4m, of which a significant amount relates to the settlement of 16/17 capital creditors. Details are shown in Appendix 3.

Capital

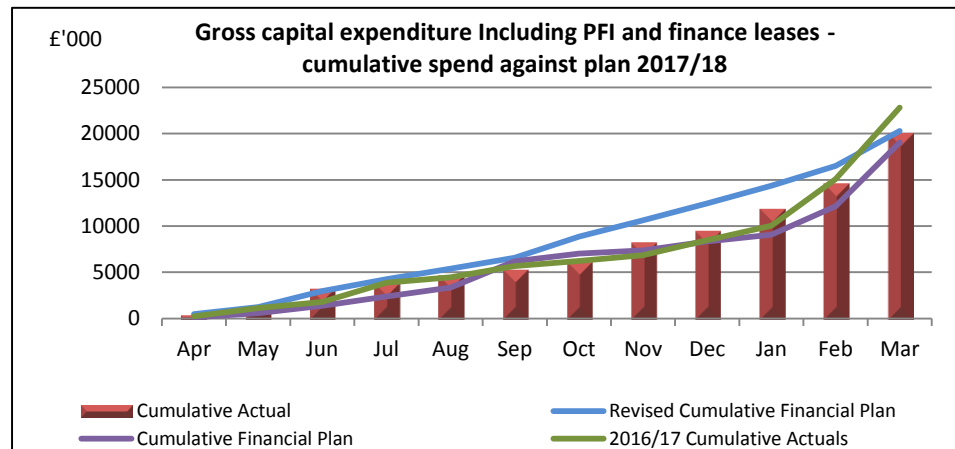


Capital expenditure as at 31st March 2018, including PFI & finance leases, is £19.9m against a revised plan of £20.1m. (NHSI plan remains at original year to date plan of £12.1m).

The capital resource limit, (CRL) is £20.1m; an increase of £2.1m 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, £0.9m in respect of approved central funding for A&E Streaming (AEC & Frailties), £0.4m approved central funding for WiFi secondary care and £0.1m central funding for cyber security.

The CRL figure is made up of planned estates development programmed spend of £18.7m and PFI additions of £1.4m.

Cumulative capital



In 2017/18 the Trust has a £159k underspend against CRL. In addition equipment purchases through charitable funding were £74k against a plan of £200k.

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

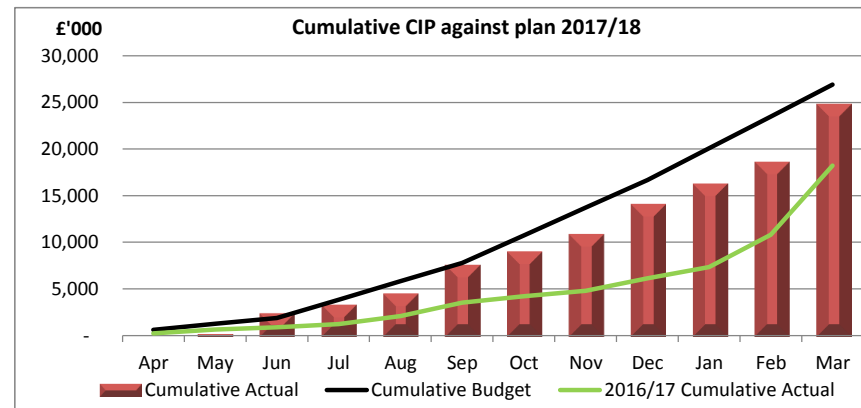
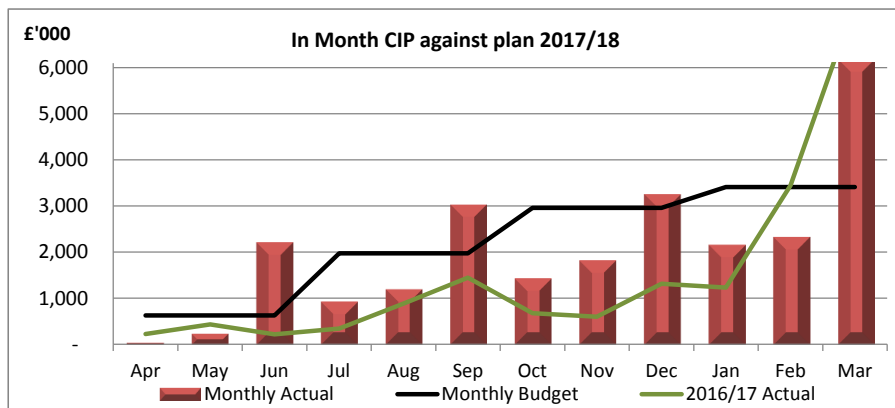
The cost improvement plan target for the year is £26.9m. The table below shows what has been identified and delivered:

CIP MONITORING	2017/18							Non recurrent element withdrawn from budget £000
	Annual Plan	Blue (withdrawn from budgets)	Still to be achieved					
			Categorised by Risk Rating					
2017/18 Schemes	£000	£000	Total £000	Green £000	Yellow £000	Amber £000	Red £000	£000
Corporate	1,922	2,949	(1,027)	0	0	0	(1,027)	2,371
Division 1	13,478	11,841	1,637	0	0	0	1,637	8,318
Division 2	8,832	7,918	915	0	0	0	915	6,141
Estates & Facilities	2,668	2,151	517	0	0	0	517	1,879
Total 2017/18 Schemes	26,900	24,858	2,042	0	0	0	2,042	18,709
Recurrent (FYE)	26,900	7,782	19,118	0	0	0	19,118	

- The final position, has resulted in £24.9m of annual budgets that have been removed which is an overall achievement of 92% of the annual target, with £7.8m being the 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:



- The final position for the Trust was an achievement of £24.9m of CIP savings, compared to a plan of £26.9m which is an achievement of 92% of the total target. However, it should be noted that the spikes in CIP delivery in months three, six and nine and twelve 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	2.002	2	2.002	2	Degree to which the provider generated income covers its financial obligations.
Liquidity rating	Days	-6.154	2	-10.466	3	-10.466	3	Cash plus trade debtors less trade creditors expressed as days of current year operating expenses.
I&E margin	%	2.1%	1	0.2%	2	0.2%	2	I&E surplus or deficit/ total revenue.
I&E margin: distance from financial plan	%	0%		-2%	3	-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	-3.0%	1	-3.0%	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:

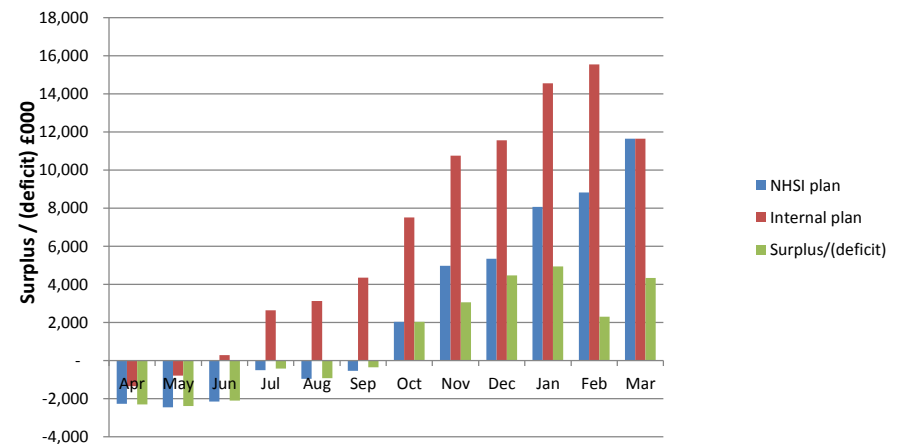
	Target (£'000)	Performance (£'000)	RAG
I&E target performance Month 12	11,641	4,327	RED
Performance against NHSI target Month 12	11,641	4,327	AMBER
CIP Target Month 12	26,900	24,859	AMBER
Capital Resource Limit (annual)	20,068	19,909	GREEN *
External Financing Limit (annual)	3,626	3,626	TBC **
Capital 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.

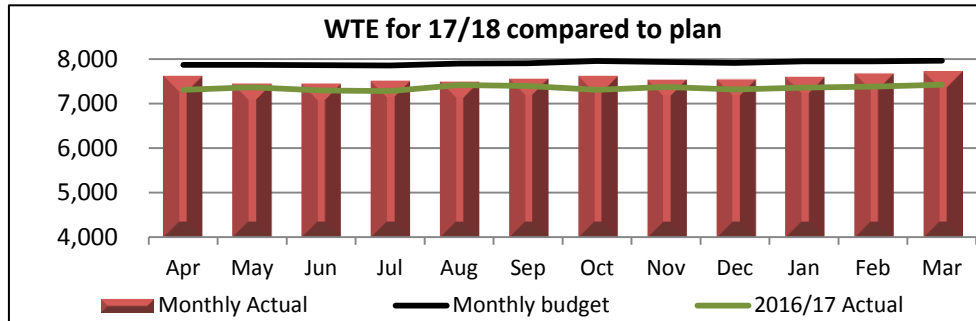
** A reconciliation of the EFL has been sent to the NHSI technical team and the Trust is expecting confirmation on this for year end.

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



Further Analysis - Pay

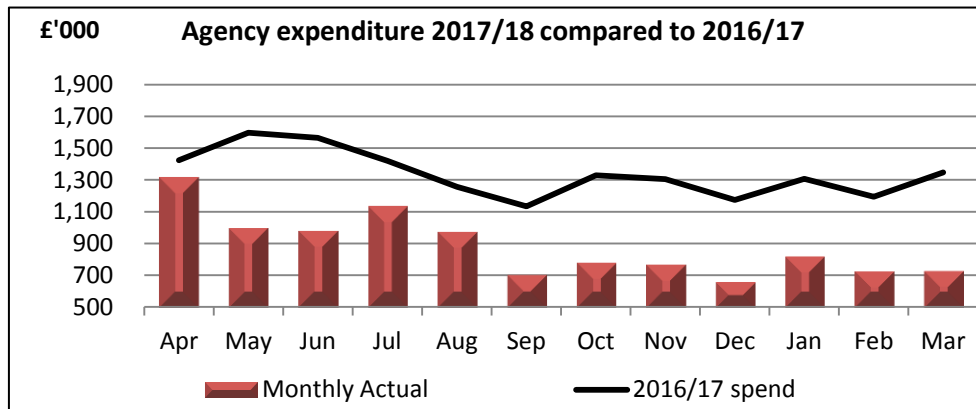
WTE



In month twelve there are 7,712 WTEs in post, against a plan of 7,960 WTE, which is an increase of 51 from month twelve.

There were 132 WTE vacant posts in Division 1 and 2 WTE vacant in Division 2. Estates and facilities has 78 WTE vacant and corporate has 51 WTE vacant.

Agency

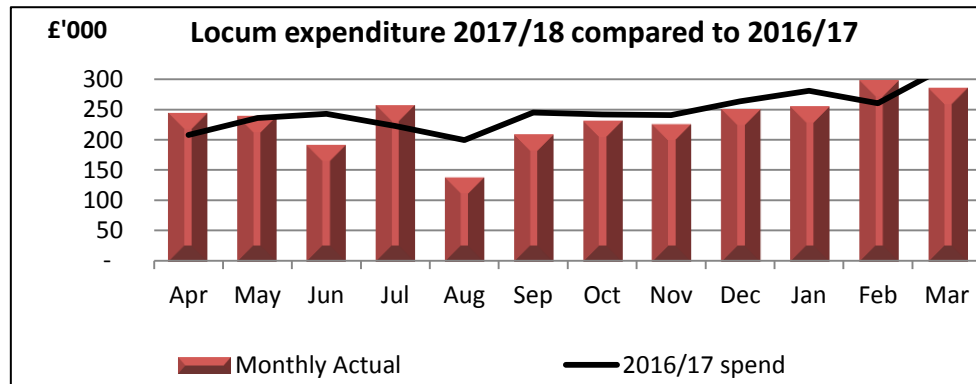


In month twelve agency expenditure of £731k was incurred which is a £2k increase compared to month eleven.

The key areas of spend were emergency services group (£243k), orthopaedics (£92k), critical care (£27k), general surgery (£26k), rehab & ambulatory (£54k), cardiothoracic (£37k), children's services (£38k), radiology (£43k), and Obs & Gynae (£26k) and Vertical Integration (£51k).

Across the year the Trust has seen a sustained reduction in agency spend. The full year expenditure of £10.6m is below the cap of £10.9m which is an achievement.

Locum

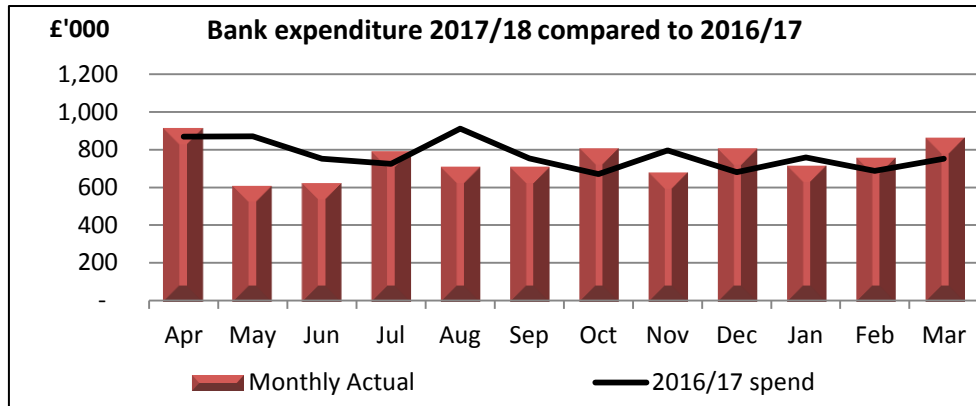


In month twelve locum expenditure was £285k, a decrease of £12k from month eleven.

The in month expenditure mainly occurred in Oncology & Haematology (£66k), Emergency Services (£53k), Rehab & Ambulatory (£16k), Medical Services (£22k), General Surgery (£22k), and Ophthalmology (£20k).

Further Analysis - Pay (2)

Bank



In month twelve bank expenditure was £865k, which was £107k higher than month eleven expenditure.

The main areas of expenditure are: Medical Services (£129k), Hotel Services (£146k), Emergency Services (£105k), Rehab & Ambulatory (£113k), General Surgery (£81k), critical care (£50k) and Orthopaedics (£43k).

Further Analysis - Patient Care Income

Patient income is showing an under performance of (£2.9m) less than plan, (£845k) under performance in-month.

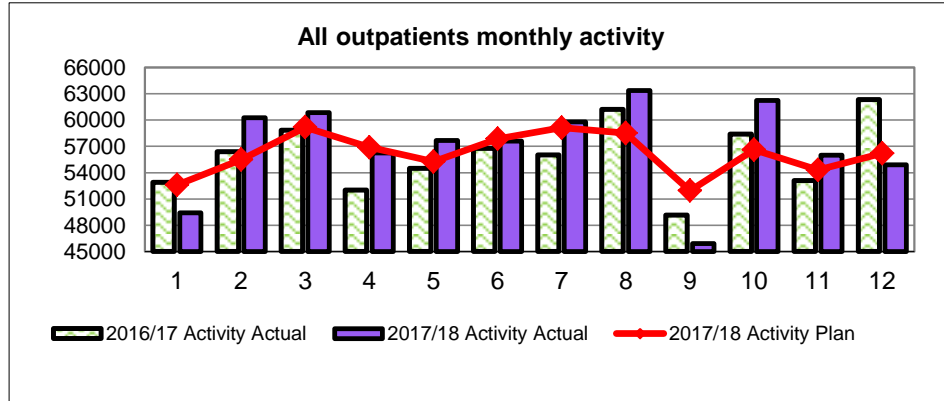
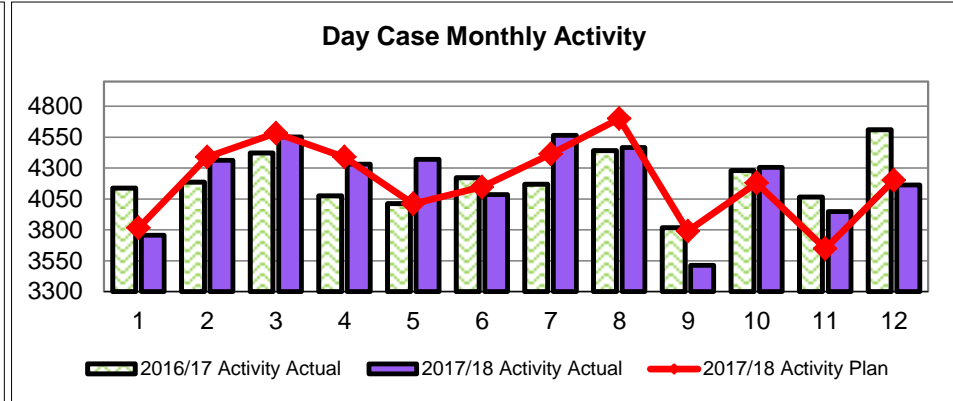
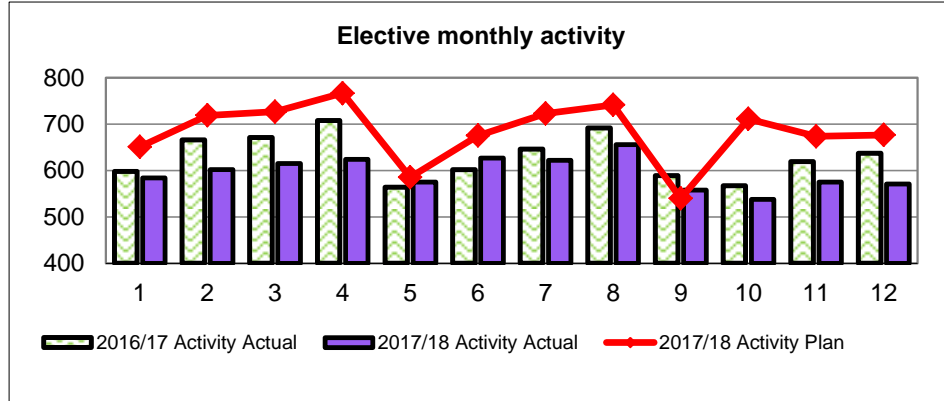
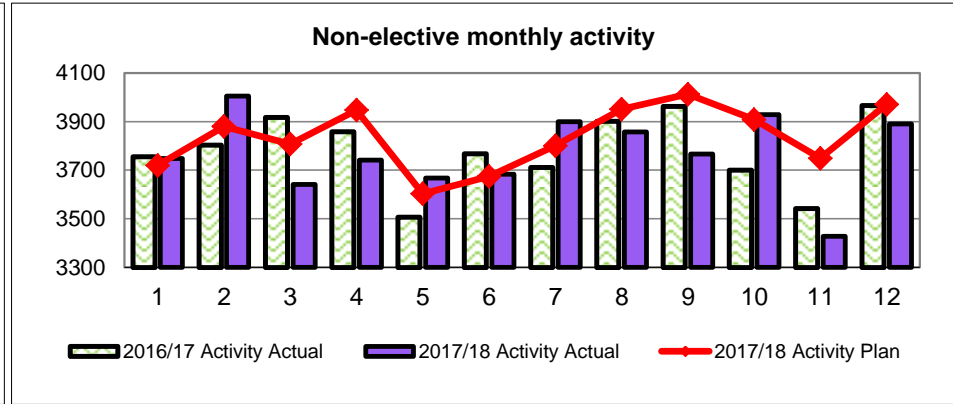
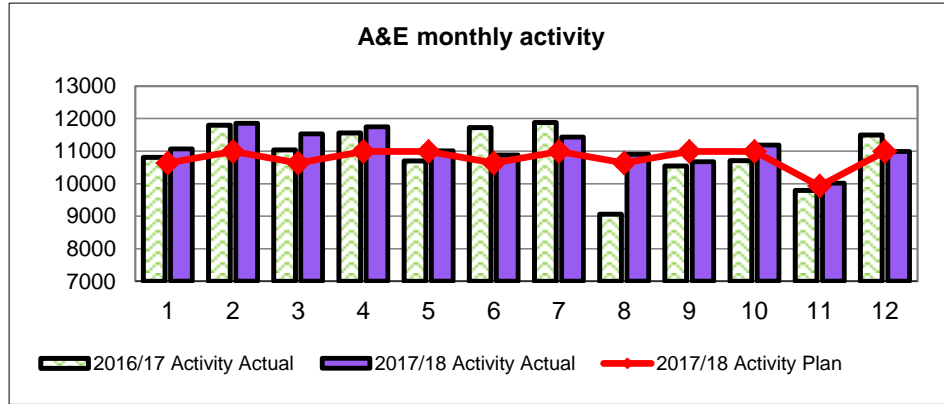
The table below sets out the directorates with significant variances* to plan with accompanying narrative.

Directorate	Month 12 YTD Plan £000's	Month 12 YTD Actual £000's	Month 12 YTD Variance to Plan £000's	In Month Movement to Plan £000's
Cardiothoracic Surgery	14,404	13,618	(785)	(123)
Critical Care	10,603	10,282	(320)	(190)
Obstetrics & Gynaecology	34,300	33,990	(310)	(211)
Orthopaedics	32,726	33,831	1,105	89
Variance of 8 Remaining Directorates	126,357	126,248	(109)	(99)
Division 1 Total	218,389	217,970	(419)	(534)
Care of the Elderly	14,101	13,123	(978)	(69)
Clinical Haematology	7,449	6,546	(903)	(111)
Diabetes	10,246	10,872	626	241
Emergency Department	26,823	26,637	(186)	199
General Medicine	4,611	5,015	404	(212)
Oncology	25,973	27,093	1,120	364
Rheumatology	7,543	7,003	(541)	(100)
Variance of 17 Remaining Directorates	93,077	92,403	(673)	(205)
Division 2 Total	189,823	188,692	(1,131)	107
Estates & Facilities Total	393	285	(108)	(7)
Nursing Directorate Total	1,424	1,417	(7)	(0)
Trust Wide Total	54,306	53,048	(1,258)	(411)
OVERALL Patient Income Total	464,335	461,411	(2,924)	(845)

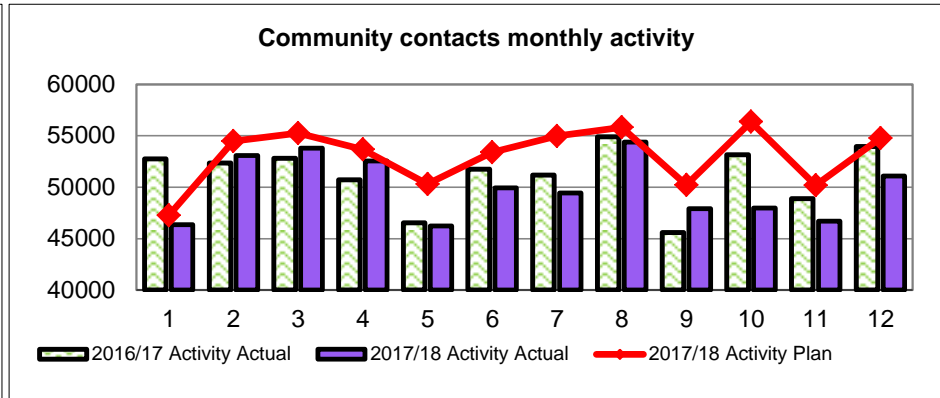
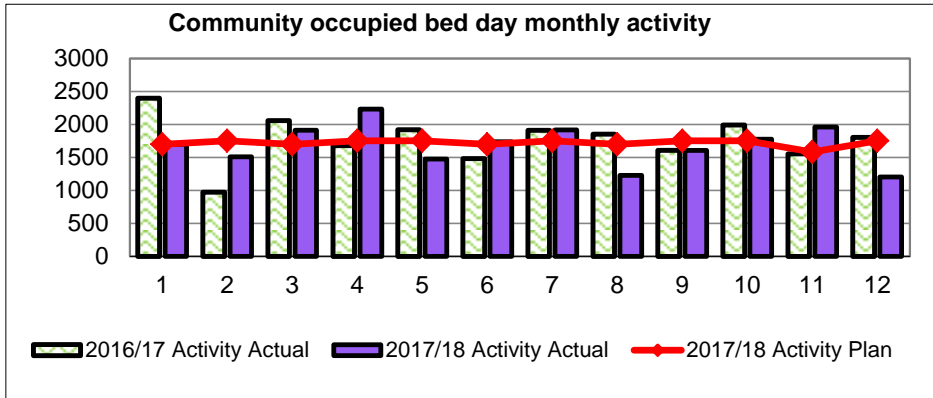
* Significant Variances of +/- £70k in Month or a cumulative total of +/-£70k per month (e.g. +/- £350k at Month 5)

M12 Reason for Significant Variances to Plan*
<p>Cardiothoracic Surgery: There is a large under performance in Elective activity of (£179k). This is off set by an over performance within Non Elective activity at £84k. Outpatient activity is under plan by (£16k) and HDU is also under plan by (£18k).</p>
<p>Critical Care: The Critical Care Bed days have under performed by (213) days at (£217k). This is off set by an over performance within Pain Management outpatient attendances.</p>
<p>Obstetrics & Gynaecology: The Elective activity has under performed by (49) spells at (£111k). Outpatient have under performed by (272) appointments at (£33k) and Non Electives have under performed at (37k) continue to show an under performance in March.</p>
<p>Orthopaedics: The elective activity within orthopaedics has over performed by 23 spells in March at £218k. This is off set by an under performance in Outpatient of (715) appointments at (£69k). Non Elective activity at (25) spells, (£30k) and Day Case activity (19) cases at (£19k).</p>
<p>Care of the Elderly: Non Elective activity in March is (35) spells under plan at (£53k). Outpatient activity has also under performed by (111) appointments, (£20k).</p>
<p>Clinical Haematology: There is an under performance across all areas. Day Case activity (84) cases at (£51k). Elective spells (15) at (£29k). Non Elective Spells (2) at (£23k). There are also small under performances in Outpatients and Chemotherapy.</p>
<p>Emergency Department: The main driver of the over performance is Non Elective activity at 103 spells, £188k.</p>
<p>General Medicine & Diabetes: The variances in these directorates off set as a Consultant had been set up as General Medicine that should have been under Diabetes.</p>
<p>Oncology: Fractions continue to over perform in March by 1,284 at £214k. Day Cases activity is 123 cases, £54k above plan and Outpatients are also above plan by 300 appointments at £32k.</p>
<p>Rheumatology: Outpatient activity is (410) appointments under plan at £80k. Day Case activity is also under plan by 61 cases at £12k.</p>
<p>Trust Wide Total: This section includes an element of the additional Winter Funding allocation as announced in the Chancellors budget. The section includes deduction for fines, readmissions and data reconciliation. CQUIN is also included within this line.</p>

Activity Charts - Acute performance against plan



Activity Charts - Community performance against plan



Appendix A:

Income and Expenditure Account

March 2018 - Month 12								
<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
Income								
447,583	39,325	38,479	(845)	Patient Activity Income	464,335	464,335	461,411	(2,924)
0	(2,400)	0	2,400	Patient Activity Contingency **	(2,400)	(2,400)	0	2,400
1,345	96	(23)	(120)	Other Patient Care Income	1,154	1,154	1,535	380
15,611	1,440	1,901	461	Education, Training & Research Income	15,920	15,920	16,294	374
29,115	2,498	2,498	0	CRN: West Midlands	27,385	27,385	27,385	0
1,232	64	48	(16)	Non Patient Care Other Income	329	329	207	(122)
1,059	180	178	(2)	Private Patient Income	1,143	1,143	1,174	31
28,457	3,586	3,675	89	Income on Directorate Budgets	31,259	31,259	31,907	648
524,401	44,789	46,756	1,967	Total Income	539,125	539,125	539,912	787
Expenditure								
(317,482)	(24,808)	(28,172)	(3,364)	Directorate Expenditure Budgets - Pay	(319,876)	(319,876)	(327,792)	(7,916)
(99,294)	(8,422)	(9,384)	(962)	Directorate Expenditure Budgets - Non Pay	(104,953)	(104,953)	(105,195)	(242)
(54,923)	(4,702)	(4,886)	(184)	Directorate Expenditure Budgets - Drugs	(56,222)	(56,222)	(56,835)	(612)
(29,115)	(2,498)	(2,498)	0	CRN: West Midlands	(27,385)	(27,385)	(27,385)	(0)
0	(1,158)	0	1,158	Activity Changes/Service Dev./Cost Pressures Reserves	(1,605)	(1,605)	0	1,605
0	(3,143)	0	3,143	Inflation and Contingency Reserves	(2,676)	(2,676)	0	2,676
0	(2,760)	0	2,760	Cost Improvement Savings	2,042	2,042	0	(2,042)
(500,813)	(47,490)	(44,939)	2,551	Total Expenditure	(510,676)	(510,676)	(517,206)	(6,530)
23,588	(2,701)	1,817	4,518	EBITDA Surplus/(Deficit)	28,449	28,449	22,706	(5,743)
44	0	0	0	Profit/(Loss) on Asset Disposals	0	0	31	31
(3,004)	(100)	3,160	3,260	Impairments of Fixed Assets	(300)	(300)	3,157	3,457
(14,885)	(1,388)	(1,314)	74	Depreciation	(15,455)	(15,455)	(15,236)	219
39	8	7	(2)	Interest Receivable	100	100	52	(48)
(1,609)	(141)	(154)	(13)	Interest Payable	(1,697)	(1,697)	(1,727)	(30)
(9,534)	(807)	(1,318)	(511)	PDC Dividends (Cost of Capital)	(9,680)	(9,680)	(10,191)	(511)
0	0	0	0	Unwinding of Discount	0	0	0	0
(5,360)	(5,129)	2,198	7,326	Net Surplus/(Deficit) before STF income	1,417	1,417	(1,210)	(2,627)
Adjustments as per NHSI reported position								
200	19	20	0	Depreciation on donated assets	229	229	221	(9)
(982)	(50)	(34)	16	Donated Asset Income	(200)	(200)	(74)	126
3,004	100	(3,160)	(3,260)	Remove Impairments	300	300	(3,157)	(3,457)
(3,138)	(5,059)	(976)	4,083	Adjusted Financial Performance as NHSI (before STF income)	1,746	1,746	(4,220)	(5,966)
10,004	1,154	3,006	1,852	STF Income	9,894	9,894	8,547	(1,347)
6,866	(3,905)	2,030	5,935	Adjusted Financial Performance as NHSI (after STF income)	11,640	11,640	4,327	(7,313)

Statement of Financial Position

Calculated Debtor Days for the year to date are:-

	M12 Actual	M12 Plan	M11 Actual
Total	14.11	12.65	17.06
Being:-			
NHS	14.62	13.37	18.38
Non NHS	11.12	9.02	9.88

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:

	M12 17/18	Cumulative
- Value	84%	78%
- Volume	77%	73%

	M11 17/18	Cumulative
- Value	82%	78%
- Volume	73%	72%

In February, despite continued active management of the cash position there was an increase in both in-month PSPP figures which has resulted in slight improvement in the cumulative PSPP.

	Mar 2018 Plan	Mar 2018 Actual	Feb 2018 Actual	Movement in Month	March 2017 Actual
	£000	£000	£000	£000	£000
NON CURRENT ASSETS					
Property, Plant and Equipment - Tangible Assets	312,795	331,382	307,482	23,900	306,710
Intangible Assets	671	1,115	882	233	979
Trade and Other Receivables Non Current	702	0	105	(105)	624
TOTAL NON CURRENT ASSETS	314,168	332,497	308,469	24,028	308,313
CURRENT ASSETS					
Inventories	6,749	6,357	6,527	(170)	6,337
Trade and Other Receivables	31,095	30,757	44,168	(13,411)	33,157
Other Current Assets	0	0	0	0	0
Cash and cash equivalents	25,413	16,982	12,548	4,434	14,180
TOTAL CURRENT ASSETS	63,257	54,096	63,243	(9,147)	53,674
Non Current Assets Held for Sale	0	800	800	0	800
TOTAL ASSETS	377,425	387,393	372,512	14,881	362,787
CURRENT LIABILITIES					
Trade & Other Payables	(61,358)	(54,367)	(59,671)	5,304	(52,211)
Liabilities arising from PFIs / Finance Leases	(1,948)	(1,979)	(1,921)	(58)	(2,123)
Provisions for Liabilities and Charges	(1,797)	(6,219)	(6,269)	50	(5,463)
TOTAL CURRENT LIABILITIES	(65,103)	(62,565)	(67,861)	5,296	(59,797)
NET CURRENT ASSETS / (LIABILITIES)	(1,846)	(8,469)	(4,618)	(3,851)	(6,123)
TOTAL ASSETS LESS CURRENT LIABILITIES	312,322	324,828	304,651	20,177	302,990
NON CURRENT LIABILITIES					
Other Liabilities	(6,862)	(5,299)	(5,569)	270	(6,037)
Provision for Liabilities and Charges	(631)	(581)	(594)	13	(594)
TOTAL NON CURRENT LIABILITIES	(7,493)	(5,880)	(6,163)	283	(6,631)
TOTAL ASSETS EMPLOYED	304,829	318,948	298,488	20,460	296,359
FINANCED BY TAXPAYERS EQUITY					
Public Dividend Capital	231,286	232,753	231,398	1,355	231,398
Retained Earnings	31,900	18,650	16,451	2,199	14,314
Revaluation Reserve	41,453	67,355	50,449	16,906	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	304,829	318,948	298,488	20,460	296,359

Cash Flow as at 31st March 2018

	March	March	March	March
	Plan £'000	Actual £'000	Variance £'000	In Month Movement £'000
OPERATING ACTIVITIES				
Total Operating Surplus/(Deficit)	22,586	16,167	(6,419)	3,660
Depreciation	15,455	15,236	(219)	1,313
Fixed Asset Impairments	300	(3,157)	(3,457)	(3,157)
Donated Assets received credited to revenue but non-cash	(200)	0	200	0
Interest Paid	(1,695)	(1,727)	(32)	(154)
Dividends Paid	(6,080)	(6,293)	(213)	(5,120)
Release of PFI /Deferred Credit	0	0	0	0
(Increase)/Decrease in Inventories	0	(20)	(20)	170
(Increase)/Decrease in Trade/Receivables	0	(751)	(751)	13,412
Increase/(Decrease) in Trade/Payables	3,700	4,730	1,030	(2,392)
Increase/(Decrease) in Provisions	0	743	743	(63)
NET CASH INFLOW/(OUTFLOW) FROM OPERATING	34,066	24,928	(9,138)	7,669
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	100	52	(48)	7
Payment for Property, Plant and Equipment	(15,925)	(21,361)	(5,436)	(4,385)
Payment for Intangible Assets	0	(26)	(26)	(0)
Proceeds of disposal of assets held for sale (PPE)	0	0	0	0
Proceeds from Disposals	0	31	31	0
NET CASH INFLOW/(OUTFLOW) FROM INVESTING	(15,825)	(21,304)	(5,479)	(4,378)
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING	18,241	3,624	(14,617)	3,291
FINANCING				
New Public Dividend Capital Received	0	1,355	1,355	1,355
Capital Element of Finance Lease and PFI	(2,330)	(2,178)	152	(212)
NET CASH INFLOW/(OUTFLOW) FROM FINANCING	(2,330)	(823)	1,507	1,143
INCREASE/(DECREASE) IN CASH	15,911	2,802	(13,109)	4,434
CASH BALANCES				
Opening Balance at 1st April 2018	8,702	14,180	5,478	
Opening Balance at 1st March 2018				12,548
Closing Balance at 31st March 2018	25,413	16,982	(8,431)	16,982