

Meeting title:	Trust Board	Public Trust Board paper L1
Date of the meeting:	Thursday 5 th May 2022	
Title:	2021/22 Month 12 Financial Performance	
Report presented by:	Jonathan Shuter - Director of Operational Finance	
Report written by:	Sean Ceres - Deputy Director of Finance (Financial Management)	

Action – this paper is for:	Decision/Approval		Assurance	x	Update	X
Where this report has been discussed previously						

To your knowledge, does the report provide assurance or mitigate any significant risks? If yes, please detail which
This paper updates the Trust Board on the financial performance of the Trust at Month 12 of 2021/22.

Impact assessment
<p>The contents of this paper will impact on the following:</p> <ul style="list-style-type: none"> • Patients • Workforce • Services • Finance • Reputation/Legal

Purpose of the Report:

This paper updates the Trust Board on the financial performance of the Trust at Month 12 of 2021/22.

Recommendation:

The Trust Board is asked to **note** the year end position.

Summary:

Performance against the Trust's 2021/22 Control Total is a surplus of £4.1m, including a technical prior period adjustment to income and expenditure of £6.6m relating to 2019/20 and 2020/21. This position is subject to audit.



Financial Performance Report

March 2022

One team shared values



Executive Summary

- The Trust has reported a year end position of a £10.7m surplus. The Month 12 position was a surplus of £4.5m which was a £5.6m favourable variance to forecast. This position is subject to audit. The £5.6m favourable variance to forecast is summarised below:

	£k
Excluded Drugs and Devices	792.0
Vanguard VAT credit	590.0
Rates rebate	656.0
Credit notes re utilities	300.0
YTD reconciliation of Waste, Food etc	620.0
Annual leave accrual movement	893.6
WTD	406.2
DHSC procured stock	1,224.0
Other	115.0

Movement from forecast

5,596.8

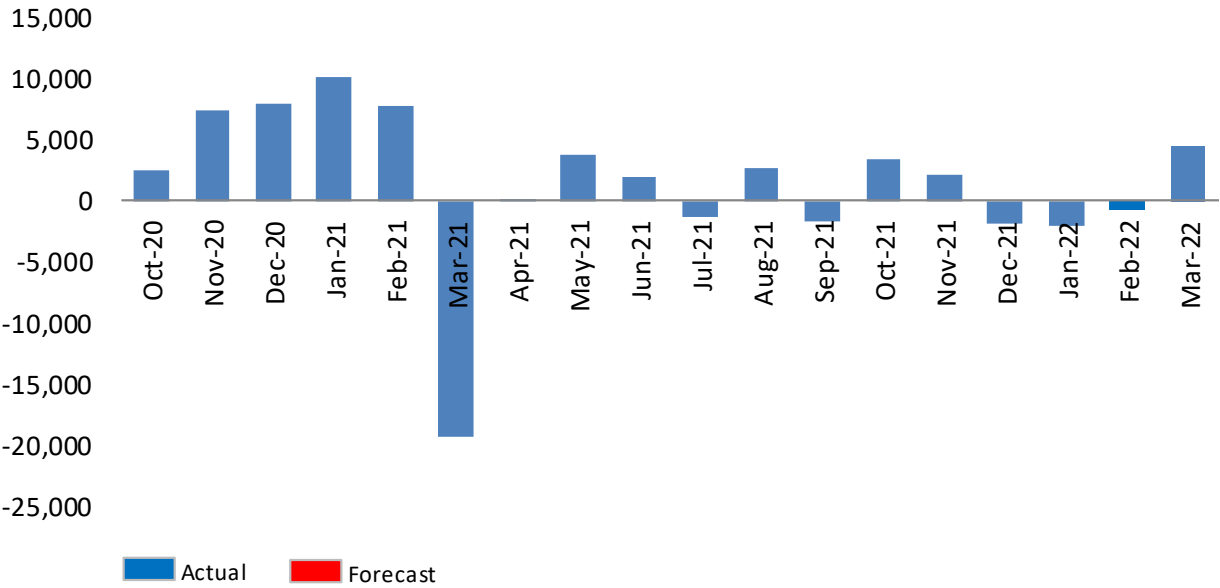
- Performance against the Trust's 2021/22 Control Total is a surplus of £4.1m, including a technical prior period adjustment to income and expenditure of £6.6m relating to 2019/20 and 2020/21. The details of this adjustment will be reported to the Audit Committee on 9th May 2022.

	£m
M12 Reported Surplus	10.7
19/20 & 20/21 PPA	-6.6
<u>Revised Control Total Performance</u>	<u>4.1</u>

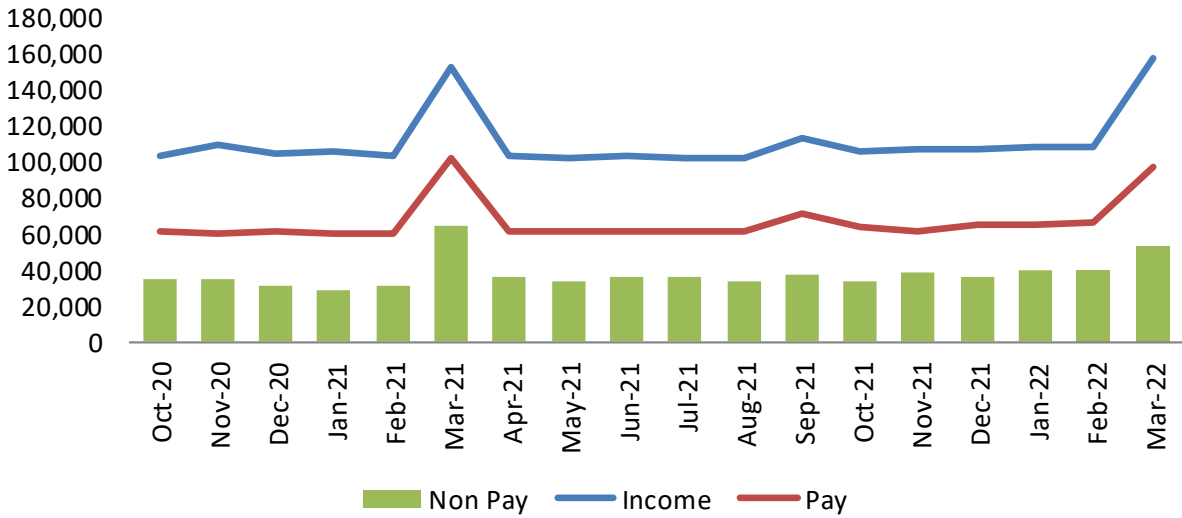
- During M12 the Trust accounted for £30m of income and pay expenditure related to employer pension contributions of 6.3%. The Trust has reported a year to date CIP cash releasing position of £17.1m against a £12.8m CIP target (see page 10 for details CIP delivery).
- The Trust's cash position at the end of March was £110m which reduced by £16.9m compared to the previous month, reflecting creditor payments and payment of the PDC dividend.

Month 12 Dashboard

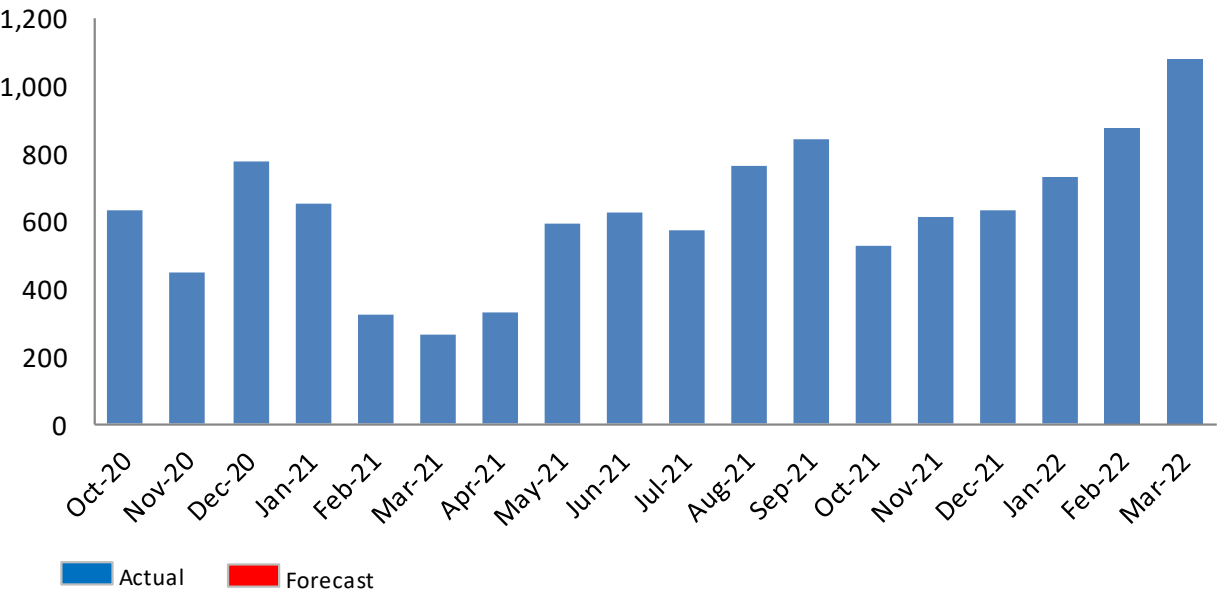
Monthly Surplus/(Deficit) £k



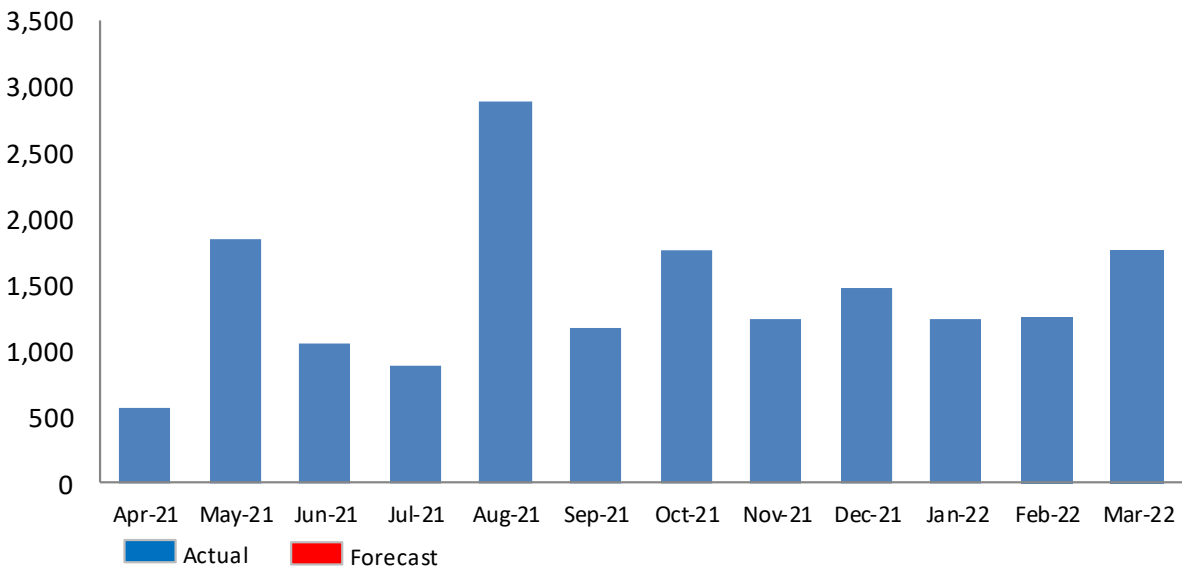
Monthly Income/Pay/Non Pay £k



Premium Pay £k

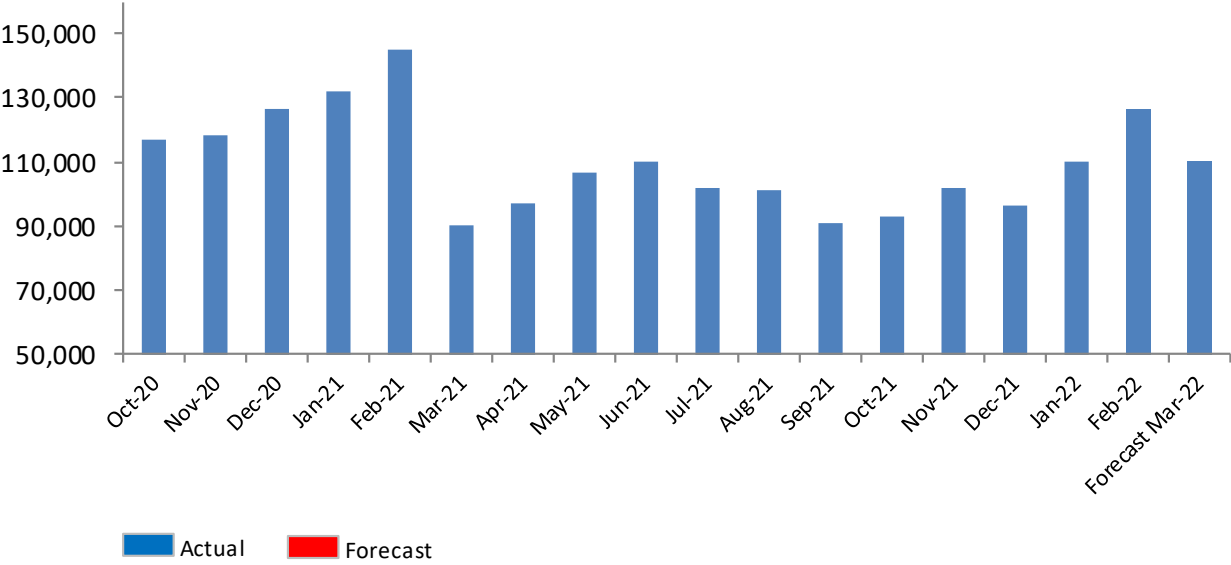


CIP Risk Adjusted Delivery £k

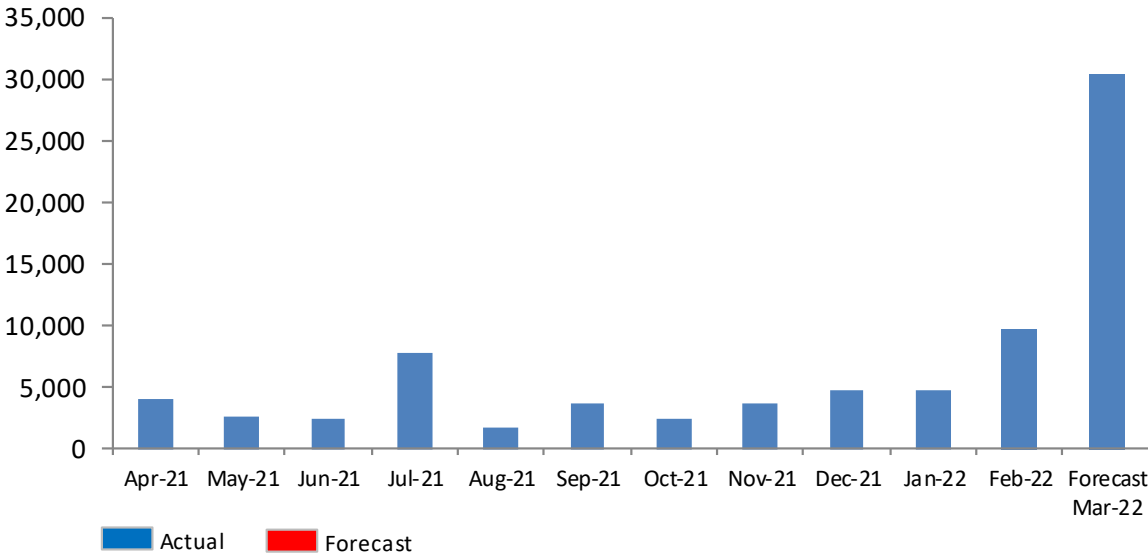


Month 12 Dashboard

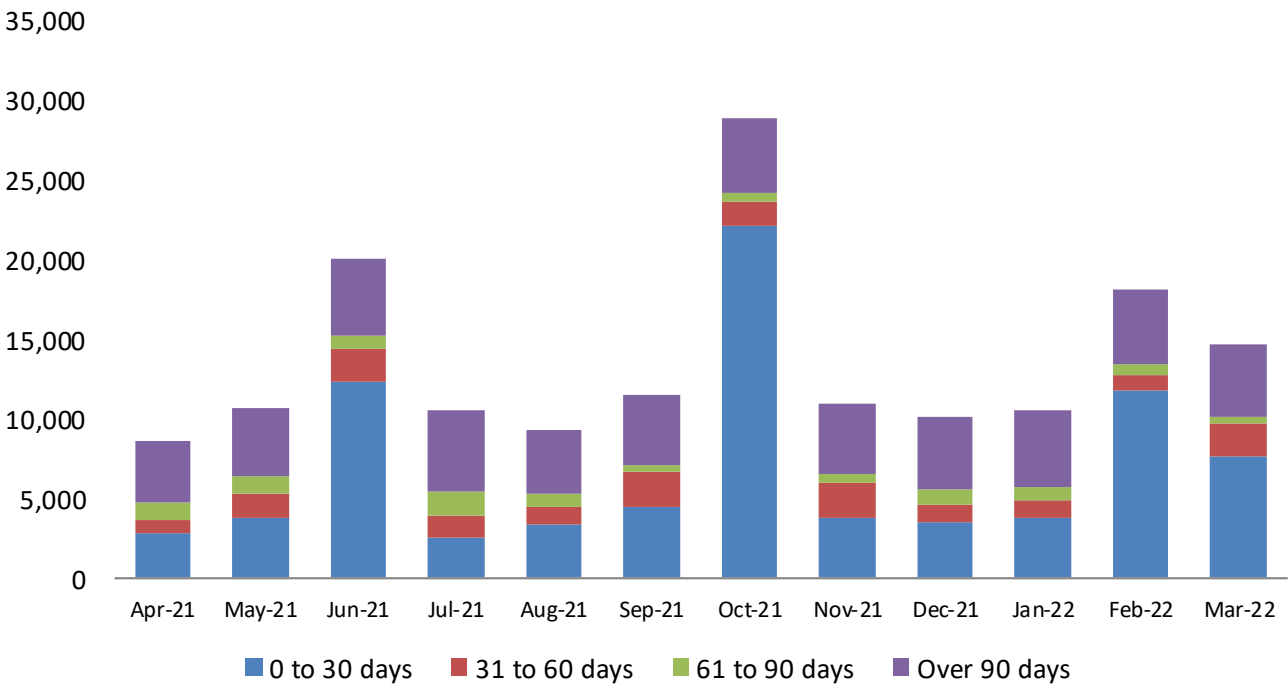
Cash Balance £k



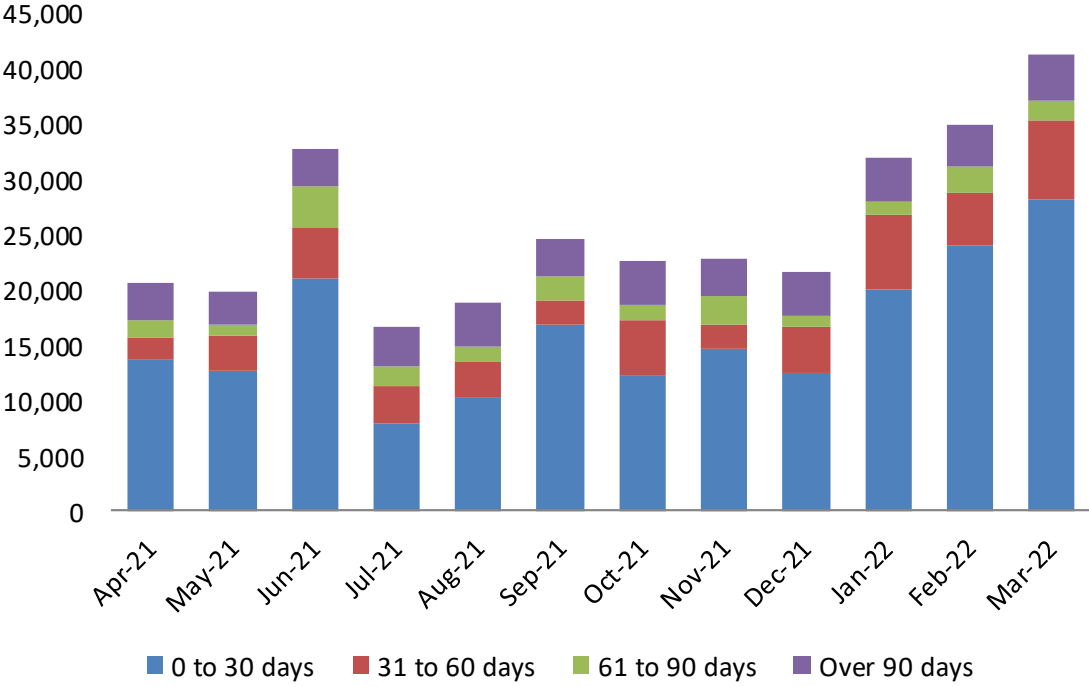
Capital Spend £k



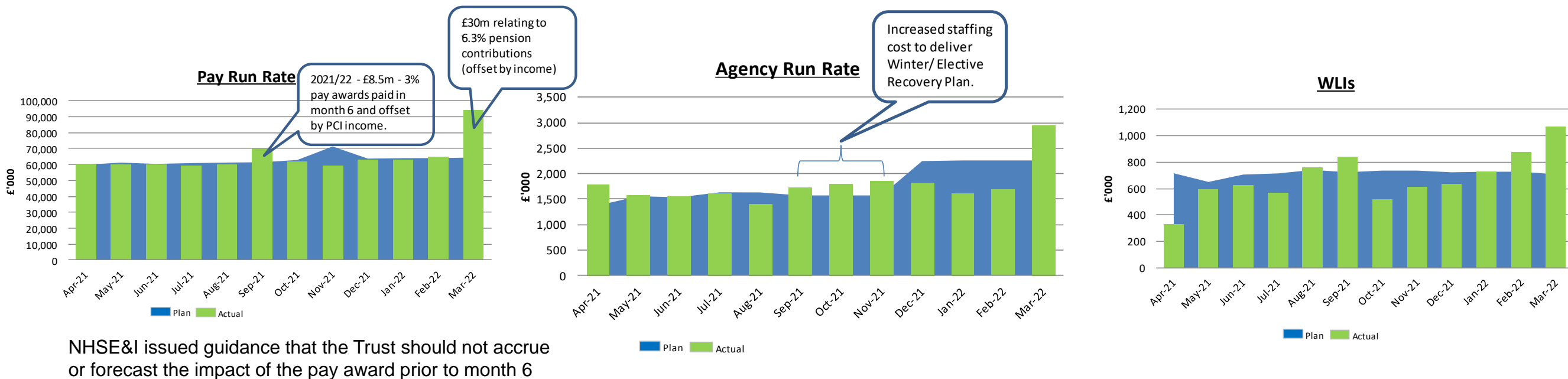
Debtors £k



Creditors £k



Key Highlights



CMG – Worked WTE - Revised Month 12 Workforce Actuals/Forecast

	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22
Total - Worked WTEs												
Substantive	14,178	14,106	14,120	14,070	14,131	14,056	14,126	14,162	14,285	14,193	14,338	14,428
Bank	778	759	710	765	783	832	894	893	936	931	995	1,136
Agency	371	305	290	301	321	305	331	347	386	345	323	333
Total	15,327	15,169	15,120	15,136	15,235	15,193	15,352	15,401	15,608	15,470	15,656	15,897
Budgeted Posts	15,850	15,959	16,045	16,082	16,108	16,113	16,085	16,085	16,561	16,665	16,708	16,727

In month		
Actual M11	Actual M12	Variance
14,338	14,428	90
995	1,136	141
323	333	9
15,656	15,897	240

Summary Financial Position

	In month			YTD - M1-M12		
	Forecast	Actual	Variance	Forecast	Actual	Variance
	£000	£000	£000	£000	£000	£000
Patient Care Income	109,263	111,531	2,268	1,136,914	1,139,182	2,268
Other Income	9,945	45,553	35,608	144,185	179,793	35,608
Total Income	119,208	157,084	37,876	1,281,099	1,318,975	37,876
Pay Costs	(66,278)	(96,897)	(30,619)	(764,812)	(795,431)	(30,619)
Non-Pay Costs	(49,829)	(52,685)	(2,856)	(451,263)	(454,120)	(2,856)
Total Costs	(116,107)	(149,582)	(33,475)	(1,216,076)	(1,249,550)	(33,475)
EBITDA	3,101	7,502	4,401	65,024	69,425	4,401
Non-Operating Costs	(4,092)	(3,900)	191	(57,353)	(57,162)	191
Retained Surplus/(Deficit)	(990)	3,602	4,592	7,670	12,263	4,592
Donated Assets	(76)	928	1,004	(2,118)	(1,114)	1,004
Net Surplus/(Deficit)	(1,067)	4,530	5,597	5,552	11,149	5,597
Surplus/(Deficit)	(1,067)	4,530	5,597	5,552	11,149	5,597
Less Profit On Disposal	0	0	0	(450)	(450)	0
Control Total Surplus/(Deficit)	(1,067)	4,530	5,597	5,102	10,699	5,597

Comments – In Month – Variance & Year To Date (YTD) - Variance

- Income is £37.9m favourable to forecast. This is due to £33m from NHSEI for employer pension contribution at 6.3% (£30m – offset by pay) and £3m relating to Covid-19 PPE stock income. Additionally, there is £1.69m relating to Nightingale income above forecast (offset by expenditure), £0.6m for specialised/excluded drugs and devices, Health Education England income of £0.7m, £0.4m relating to private/overseas patients, increased commercial and grant R&I income of £0.7m and LPT income of £0.2m (offset by expenditure).
- The Pay cost variance from forecast reflects the £30m employer pension contribution at 6.3%. Agency pay costs were £1m higher than expected and relate to ESM nursing £0.3m, Vanguard expenditure realignment from non-pay to pay £0.4m and additional E&F agency staff used for the LPT contract £0.2m (offset by income).
- Non pay variance of £2.9m includes Excluded Drugs and Devices £792k , Vanguard VAT credit £590k , Rates rebate £656k , Credit notes re utilities £300k , YTD reconciliation of Waste, Food etc £620k . The donated assets variance against forecast relates to adjusting for £0.5m depreciation based on year end asset register review, £0.3m Hope Charity income and donated ventilators from DHSC £0.2m.

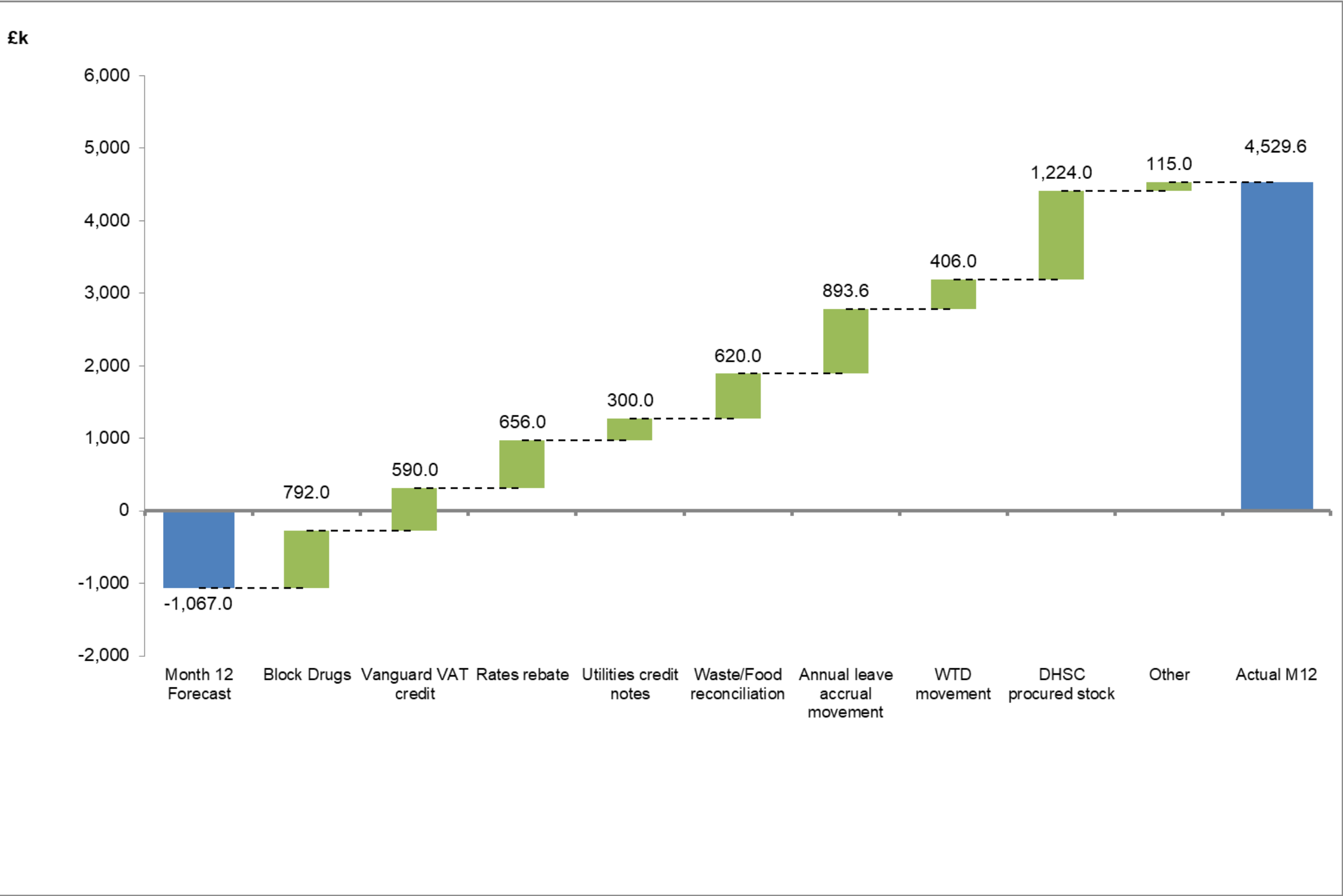
2021/22 Actuals

	H1 - Actuals							H2 - Actuals					H2 In month (March)			Full Year M1-M12		
	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	H1 Total	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Forecast	Actual	Variance	Forecast	Actuals	Variance
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Patient Care Income	81,516	79,970	111,758	90,805	90,906	100,450	555,405	94,004	94,369	93,481	95,456	94,937	109,263	111,531	2,268	1,136,914	1,139,182	2,268
Other Income	21,114	22,597	(8,211)	11,329	11,000	12,350	70,179	12,220	12,781	12,953	12,316	13,792	9,945	45,553	35,608	144,185	179,793	35,608
Total Income	102,630	102,567	103,547	102,134	101,906	112,799	625,583	106,224	107,149	106,434	107,772	108,729	119,208	157,084	37,876	1,281,099	1,318,975	37,876
Pay Costs	(61,744)	(61,297)	(61,107)	(60,841)	(61,330)	(71,639)	(377,958)	(63,831)	(60,907)	(64,778)	(64,827)	(66,233)	(66,278)	(96,897)	(30,619)	(764,812)	(795,431)	(30,619)
Non-Pay Costs	(35,854)	(33,905)	(36,108)	(36,541)	(33,469)	(37,235)	(213,112)	(34,140)	(39,048)	(36,519)	(39,367)	(39,247)	(49,829)	(52,685)	(2,856)	(451,263)	(454,120)	(2,856)
Total Costs	(97,598)	(95,202)	(97,215)	(97,382)	(94,799)	(108,874)	(591,069)	(97,972)	(99,955)	(101,297)	(104,194)	(105,481)	(116,107)	(149,582)	(33,475)	(1,216,076)	(1,249,550)	(33,475)
EBITDA	5,033	7,365	6,332	4,752	7,107	3,926	34,514	8,252	7,194	5,136	3,578	3,249	3,101	7,502	4,401	65,024	69,425	4,401
Non-Operating Costs	(4,934)	(3,359)	(4,375)	(5,403)	(4,722)	(5,624)	(28,416)	(5,051)	(5,231)	(5,728)	(4,896)	(3,940)	(4,092)	(3,900)	191	(57,353)	(57,162)	191
Retained Surplus/(Deficit)	99	4,006	1,956	(651)	2,386	(1,698)	6,098	3,201	1,963	(592)	(1,318)	(691)	(990)	3,602	4,592	7,670	12,263	4,592
Donated Assets	47	108	32	(698)	228	65	(219)	272	152	(1,261)	(800)	(186)	(76)	928	1,004	(2,118)	(1,114)	1,004
Net Surplus/(Deficit)	145	4,114	1,989	(1,349)	2,613	(1,633)	5,879	3,473	2,115	(1,854)	(2,118)	(877)	(1,067)	4,530	5,597	5,552	11,149	5,597
Surplus/(Deficit)	145	4,114	1,989	(1,349)	2,613	(1,633)	5,879	3,473	2,115	(1,854)	(2,118)	(877)	(1,067)	4,530	5,597	5,552	11,149	5,597
Profit On Disposal	0	(450)	0	0	0	0	(450)	0	0	0	0	0	0	0	0	(450)	(450)	0
Control Total Surplus/(Deficit)	145	3,664	1,989	(1,349)	2,613	(1,633)	5,429	3,473	2,115	(1,854)	(2,118)	(877)	(1,067)	4,530	5,597	5,102	10,699	5,597

The outturn (M1-M12) includes the following:

- £9.1m of System income to fund elective recovery and winter schemes.
- £6.9m additional income and expenditure in Month 12 for costs relating to Nightingale Surge Hub.
- £9.9m is included in the outturn relating to Trust wide non-recurrent spend to save expenditure.

Bridge from M12 Forecast to M12 Actuals - £k



Outturn Analysis

		M1-M12 Forecast @ M11 £'000							M1-M12 Actuals							M1-M12 - Actuals/FOT Variance @ M11 £'000						
		Covid-19	R&R	Winter	CIP Rec	CIP Non Rec	Baseline	Total	Covid-19	R&R	Winter	CIP Rec	CIP Non Rec	Baseline	Total	Covid-19	R&R	Winter	CIP Rec	CIP Non Rec	Baseline	Total
I&E	NHS Patient Income	11	0	0	214	0	1,136,689	1,136,914	11	0	0	202	0	1,138,970	1,139,182	(0)	0	0	(12)	0	2,280	2,268
	Other Operating Income	6,733	0	0	405	1,996	135,051	144,185	6,629	0	0	402	2,033	170,729	179,793	(105)	0	0	(3)	37	35,678	35,608
	Total Income	6,744	0	0	618	1,996	1,271,740	1,281,099	6,640	0	0	604	2,033	1,309,699	1,318,975	(105)	0	0	(15)	37	37,959	37,876
	Non Agency Pay	(3,275)	(195)	(1,878)	3,779	1,655	(744,520)	(744,433)	(3,313)	(195)	(1,753)	3,837	1,674	(774,269)	(774,019)	(38)	0	125	58	19	(29,750)	(29,586)
	Agency Pay	(1,977)	0	(353)	302	(1)	(18,350)	(20,379)	(2,012)	0	(337)	279	(1)	(19,340)	(21,412)	(35)	0	15	(23)	0	(991)	(1,033)
	Non-pay	(4,899)	(2,801)	(1,921)	4,927	2,962	(449,532)	(451,263)	(4,878)	(2,378)	(1,934)	5,010	3,641	(453,580)	(454,120)	20	423	(13)	83	680	(4,048)	(2,856)
	Total Operating Costs	(10,151)	(2,996)	(4,152)	9,008	4,616	(1,212,401)	(1,216,076)	(10,203)	(2,573)	(4,025)	9,126	5,314	(1,247,190)	(1,249,550)	(52)	423	127	118	699	(34,789)	(33,475)
	EBITDA	(3,406)	(2,996)	(4,152)	9,626	6,612	59,339	65,024	(3,563)	(2,573)	(4,025)	9,730	7,348	62,509	69,425	(157)	423	127	104	735	3,170	4,401
	Non Operating Costs	0	0	0	0	0	(57,353)	(57,353)	0	0	0	0	0	(57,162)	(57,162)	0	0	0	0	0	191	191
	Retained Surplus/(Deficit)	(3,406)	(2,996)	(4,152)	9,626	6,612	1,986	7,670	(3,563)	(2,573)	(4,025)	9,730	7,348	5,347	12,263	(157)	423	127	104	735	3,361	4,592
	Donated Assets	0	0	0	0	0	(2,118)	(2,118)	0	0	0	0	0	(1,114)	(1,114)	0	0	0	0	0	1,004	1,004
	Net Surplus/(Deficit)	(3,406)	(2,996)	(4,152)	9,626	6,612	(133)	5,552	(3,563)	(2,573)	(4,025)	9,730	7,348	4,233	11,149	(157)	423	127	104	735	4,366	5,597
Profit On Disposal	0	0	0	0	0	(450)	(450)	0	0	0	0	0	(450)	(450)	0	0	0	0	0	0	0	
Control Total Surplus/(Deficit)	(3,406)	(2,996)	(4,152)	9,626	6,612	(583)	5,102	(3,563)	(2,573)	(4,025)	9,730	7,348	3,783	10,699	(157)	423	127	104	735	4,366	5,597	
		YTD Forecast @ M12 £'000							YTD Actuals @ M12 £'000							YTD - Actuals/FOT Variance @ M11 £'000						
		Covid-19	R&R	Winter	CIP Rec	CIP Non Rec	Baseline	Total	Covid-19	R&R	Winter	CIP Rec	CIP Non Rec	Baseline	Total	Covid-19	R&R	Winter	CIP Rec	CIP Non Rec	Baseline	Total
I&E	NHS Patient Income	11	0	0	214	0	1,136,689	1,136,914	11	0	0	202	0	1,138,970	1,139,182	(0)	0	0	(12)	0	2,280	2,268
	Other Operating Income	6,733	0	0	405	1,996	135,051	144,185	6,629	0	0	402	2,033	170,729	179,793	(105)	0	0	(3)	37	35,678	35,608
	Total Income	6,744	0	0	618	1,996	1,271,740	1,281,099	6,640	0	0	604	2,033	1,309,699	1,318,975	(105)	0	0	(15)	37	37,959	37,876
	Non Agency Pay	(3,275)	(195)	(1,878)	3,779	1,655	(744,520)	(744,433)	(3,313)	(195)	(1,753)	3,837	1,674	(774,269)	(774,019)	(38)	0	125	58	19	(29,750)	(29,586)
	Agency Pay	(1,977)	0	(353)	302	(1)	(18,350)	(20,379)	(2,012)	0	(337)	279	(1)	(19,340)	(21,412)	(35)	0	15	(23)	0	(991)	(1,033)
	Non-pay	(4,899)	(2,801)	(1,921)	4,927	2,962	(449,532)	(451,263)	(4,878)	(2,378)	(1,934)	5,010	3,641	(453,580)	(454,120)	20	423	(13)	83	680	(4,048)	(2,856)
	Total Operating Costs	(10,151)	(2,996)	(4,152)	9,008	4,616	(1,212,401)	(1,216,076)	(10,203)	(2,573)	(4,025)	9,126	5,314	(1,247,190)	(1,249,550)	(52)	423	127	118	699	(34,789)	(33,475)
	EBITDA	(3,406)	(2,996)	(4,152)	9,626	6,612	59,339	65,024	(3,563)	(2,573)	(4,025)	9,730	7,348	62,509	69,425	(157)	423	127	104	735	3,170	4,401
	Non Operating Costs	0	0	0	0	0	(57,353)	(57,353)	0	0	0	0	0	(57,162)	(57,162)	0	0	0	0	0	191	191
	Retained Surplus/(Deficit)	(3,406)	(2,996)	(4,152)	9,626	6,612	1,986	7,670	(3,563)	(2,573)	(4,025)	9,730	7,348	5,347	12,263	(157)	423	127	104	735	3,361	4,592
	Donated Assets	0	0	0	0	0	(2,118)	(2,118)	0	0	0	0	0	(1,114)	(1,114)	0	0	0	0	0	1,004	1,004
	Net Surplus/(Deficit)	(3,406)	(2,996)	(4,152)	9,626	6,612	(133)	5,552	(3,563)	(2,573)	(4,025)	9,730	7,348	4,233	11,149	(157)	423	127	104	735	4,366	5,597
Profit On Disposal	0	0	0	0	0	(450)	(450)	0	0	0	0	0	(450)	(450)	0	0	0	0	0	0	0	
Control Total Surplus/(Deficit)	(3,406)	(2,996)	(4,152)	9,626	6,612	(583)	5,102	(3,563)	(2,573)	(4,025)	9,730	7,348	3,783	10,699	(157)	423	127	104	735	4,366	5,597	
		M12 Forecast @ M11 £'000							M12 Actuals £'000							M12 Forecast Variance £'000						
		Covid-19	R&R	Winter	CIP Rec	CIP Non Rec	Baseline	Total	Covid-19	R&R	Winter	CIP Rec	CIP Non Rec	Baseline	Total	Covid-19	R&R	Winter	CIP Rec	CIP Non Rec	Baseline	Total
I&E	NHS Patient Income	1	0	0	29	0	109,233	109,263	1	0	0	17	0	111,513	111,531	(0)	0	0	(12)	0	2,280	2,268
	Other Operating Income	482	0	0	34	86	9,344	9,945	377	0	0	31	122	45,022	45,553	(105)	0	0	(3)	37	35,678	35,608
	Total Income	483	0	0	63	86	118,577	119,208	378	0	0	48	122	156,535	157,084	(105)	0	0	(15)	37	37,959	37,876
	Non Agency Pay	(225)	(20)	(627)	188	105	(63,778)	(64,357)	(263)	(20)	(503)	247	124	(93,528)	(93,943)	(38)	0	125	58	19	(29,750)	(29,586)
	Agency Pay	(120)	0	(85)	30	0	(1,746)	(1,921)	(155)	0	(70)	7	0	(2,736)	(2,954)	(35)	0	15	(23)	0	(991)	(1,033)
	Non-pay	(291)	(253)	(486)	409	28	(49,236)	(49,829)	(271)	169	(499)	492	708	(53,285)	(52,685)	20	423	(13)	83	680	(4,048)	(2,856)
	Total Operating Costs	(636)	(273)	(1,198)	627	133	(114,760)	(116,107)	(689)	149	(1,071)	746	832	(149,549)	(149,582)	(52)	423	127	118	699	(34,789)	(33,475)
	EBITDA	(153)	(273)	(1,198)	691	219	3,816	3,101	(310)	149	(1,071)	794	954	6,986	7,502	(157)	423	127	104	735	3,170	4,401
	Non Operating Costs	0	0	0	0	0	(4,092)	(4,092)	0	0	0	0	0	(3,900)	(3,900)	0	0	0	0	0	191	191
	Retained Surplus/(Deficit)	(153)	(273)	(1,198)	691	219	(275)	(990)	(310)	149	(1,071)	794	954	3,086	3,602	(157)	423	127	104	735	3,361	4,592
	Donated Assets	0	0	0	0	0	(76)	(76)	0	0	0	0	0	928	928	0	0	0	0	0	1,004	1,004
	Net Surplus/(Deficit)	(153)	(273)	(1,198)	691	219	(352)	(1,067)	(310)	149	(1,071)	794	954	4,014	4,530	(157)	423	127	104	735	4,366	5,597
Profit On Disposal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Control Total Surplus/(Deficit)	(153)	(273)	(1,198)	691	219	(352)	(1,067)	(310)	149	(1,071)	794	954	4,014	4,530	(157)	423	127	104	735	4,366	5,597	

Update on CIP

Planned	Planned £'000												Year to Date £'000	Forecast Outturn
1. CIP Budget Reduction - Current year new schemes	477	575	654	534	596	650	974	999	1,009	1,026	1,022	1,035	9,552	9,552
2. CIP Budget Reduction - Prior Year Full Year Effect	78	79	80	81	81	81	68	68	63	62	62	62	864	864
5. Other Run Rate Reduction	98	169	185	105	129	149	554	297	288	138	138	141	2,392	2,392
Total Cash Releasing	653	823	919	720	807	880	1,597	1,364	1,361	1,226	1,222	1,238	12,808	12,808
3. Cost Avoidance	143	16	23	23	23	23	23	24	23	23	23	23	391	391
4. Productivity Improvement	58	59	62	63	64	67	564	90	90	90	90	90	1,387	1,387
Total Non - Cash Releasing	201	76	85	86	87	90	587	115	113	113	113	113	1,778	1,778
Total All	854	898	1,004	806	894	970	2,184	1,478	1,474	1,339	1,335	1,351	14,586	14,586

Actual / Forecast (Risk Adjusted)	Actual / Forecast (Risk Adjusted) £'000												Year to Date £'000	Forecast Outturn
1. CIP Budget Reduction - Current year new schemes	222	1,447	559	563	737	757	1,087	771	846	977	1,007	791	9,764	9,764
2. CIP Budget Reduction - Prior Year Full Year Effect	80	75	77	77	77	78	62	65	60	59	59	59	829	829
5. Other Run Rate Reduction	254	321	410	242	2,066	332	605	399	564	206	190	897	6,487	6,487
Total Cash Releasing	556	1,843	1,046	882	2,879	1,167	1,753	1,236	1,470	1,242	1,256	1,748	17,079	17,079
3. Cost Avoidance	187	31	44	33	66	17	16	138	74	86	85	87	863	863
4. Productivity Improvement	-	-	361	190	163	163	960	265	258	456	211	327	3,354	3,354
Total Non - Cash Releasing	187	31	405	223	229	180	975	403	333	542	297	414	4,217	4,217
Total All	743	1,874	1,452	1,105	3,108	1,346	2,729	1,638	1,803	1,784	1,553	2,162	21,296	21,296

Variance to Plan (Risk Adjusted)	Variance to Plan (Risk Adjusted) £'000												Total FY £'000	Total FY £'000
1. CIP Budget Reduction - Current year new schemes	(256)	872	(95)	30	140	107	113	(228)	(163)	(49)	(15)	(244)	212	212
2. CIP Budget Reduction - Prior Year Full Year Effect	2	(3)	(3)	(4)	(4)	(4)	(6)	(3)	(3)	(2)	(2)	(2)	(35)	(35)
5. Other Run Rate Reduction	157	152	225	136	1,937	183	50	103	276	68	52	756	4,094	4,094
Total Cash Releasing	(97)	1,021	128	162	2,073	287	157	(128)	109	16	34	510	4,271	4,271
3. Cost Avoidance	43	14	22	10	43	(6)	(7)	114	51	63	62	64	472	472
4. Productivity Improvement	(58)	(59)	299	127	99	96	396	175	168	366	121	237	1,967	1,967
Total Non - Cash Releasing	(14)	(45)	320	137	142	90	388	288	220	429	184	301	2,440	2,440
Total All	(111)	976	448	299	2,215	377	545	160	329	445	217	811	6,710	6,710

Statement of Financial Position

	28-Feb-22	30-Mar-22	In month Movement
Non current assets	£000	£000	£000
Intangible assets	6,835	6,593	(242)
Property, plant and equipment	624,061	657,601	33,540
Other non-current assets	4,600	3,445	(1,155)
Total non-current assets	635,496	667,638	32,142
Current assets			
Inventories	21,867	21,126	(741)
Trade and other receivables	23,342	36,834	13,492
Cash and cash equivalents	126,840	109,960	(16,880)
Total current assets	172,049	167,920	(4,129)
Current liabilities			
Trade and other payables	(107,240)	(128,604)	(21,364)
Borrowings / leases	(7,089)	(7,016)	72
Accruals	(18,077)	(21,873)	(3,796)
Deferred income	(6,213)	(3,799)	2,414
Dividend payable	(8,141)	(0)	8,141
Provisions < 1 year	(16,357)	(15,434)	923
Total current liabilities	(163,117)	(176,726)	(13,610)
Net current assets / (liabilities)	8,932	(8,806)	(17,739)
Non-current liabilities			
Borrowings / leases	(13,996)	(15,823)	(1,827)
Provisions for liabilities & charges	(5,870)	(4,903)	967
Total non-current liabilities	(19,866)	(20,725)	(860)
Total assets employed	624,563	638,107	13,543
Public dividend capital	751,978	760,831	8,853
Revaluation reserve	189,145	184,878	(4,267)
Income and expenditure reserve	(316,560)	(307,603)	8,958
Total taxpayers equity	624,563	638,107	13,543

The Statement of Financial Position (SOFP) at 31st March 2022 is presented in the table opposite. The balance sheet fully reflects the impact of 2020/21 draft Accounts adjustments that are being finalised for audit review. The key movements in the balance sheet at M12 were as follows:

- **Non Current Assets**
PPE and intangible assets have increased by £33.1m driven M12 capital spend and partially offset by a depreciation charge.
- **Working Capital**
Trade and other Receivables – Increased by £13.5m, reflecting the timing of income received by the Trust.

Cash Balances – reduced by £16.9m, which is explained in the cash flow slide.

Trade and other payables and accruals – increased by £21.4m, driven mainly by goods received but not invoiced (£10.5m), Supply Chain (£3m) with the remainder made up of various other suppliers. The increase in GRNI was largely driven by the increase in capital works, as the Trust committed over £30m of capital spend in March.

Deferred Income balances – Reduced by £2.4m as LDA income received in previous months was released in M12 to match expenditure.

PDC Dividend – The provision reduced by £8.1m in line with the payment of the second bi-annual payment.

- **Reserves**
I&E reserve - The 2021/22 cumulative deficit on the I&E reserve improved by £8.9m driven by the month 12 surplus and the transfer between the revaluation reserve and the I&E reserve of historical cost depreciation of £5.6m.

Public Dividend Capital - The increase in PDC reflects the cash drawdown of agreed PDC funding in support of the capital programme.

Cash Flow

M12 Actual YTD								
Monthly cash flow(£000)	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
	"£000"	"£000"	"£000"	"£000"	"£000"	"£000"	"£000"	"£000"
Block payments-Other CCG	1,596	1,713	1,896	1,750	1,733	1,931	1,931	1,931
Block payments-Leic City CCG	12,741	15,719	21,824	17,058	20,325	24,810	29,586	18,429
Block payments-Leic West CCG	13,214	15,103	16,864	15,278	15,075	17,221	15,588	14,441
Block payments-Leic East CCG	12,644	14,346	15,906	15,188	13,902	16,209	14,852	15,317
Block payments-NHS England	32,303	33,629	33,433	21,500	30,388	30,597	32,151	29,263
System Top Up	10,218	10,218	6,467	10,218	11,517	10,800	10,800	10,800
COVID-19 top up	3,839	3,839	4,957	3,839	0	0	0	0
Health education payments	0	0	0	16,469	0	0	0	7,060
Other NHS income	673	2,833	3,219	3,950	3,189	3,832	3,704	4,511
Research	2,187	2,334	2,187	2,187	2,161	2,187	2,187	2,411
Capital Receipts	0	0	0	0	0	0	0	0
TMP	3,412	3,966	3,078	3,893	3,250	3,441	4,086	2,551
PDC Drawdown			0	2,577			6,584	8,853
Other non-NHS income	7,390	4,204	4,380	4,290	5,075	6,822	5,015	5,253
Total receipts	100,217	107,904	114,211	118,197	106,615	117,850	126,484	120,820
Salaries and wages	(58,335)	(64,895)	(65,465)	(60,802)	(62,356)	(62,451)	(62,736)	(63,981)
Creditor payments	(39,838)	(41,763)	(43,719)	(45,232)	(45,553)	(39,327)	(43,558)	(59,552)
PDC dividend	0	(7,572)	0	0	0	0	0	(9,441)
NHSE/I								0
TMP	(2,458)	(4,478)	(3,066)	(3,284)	(4,289)	(2,855)	(3,279)	(3,045)
Total payments	(100,631)	(118,708)	(112,250)	(109,318)	(112,198)	(104,633)	(109,573)	(136,019)
Month end balance	(414)	(10,804)	1,961	8,879	(5,583)	13,217	16,911	(15,199)
Cash in transit and cash in hand adjustment	146	260	276	127	(26)	80	0	(1,681)
Balance brought forward	101,810	101,542	90,997	93,234	102,240	96,632	109,929	126,840
Balance carried forward	101,542	90,997	93,234	102,240	96,632	109,929	126,840	109,959

The Trust maintained a cash position at the end of March of £110m.

Cash reserves reduced by £16.9m in March, driven by £120.8m receipts less £136m of outgoing payments.

Receipts were £5.7m lower than the prior month reflecting reduced CCG income received £11.2m lower than previous month due to head room funding received in M11), offset by health education payments received.

Purchase ledger payments of £59.6m were higher in March compared with February (£43.6m). The increases in payables was driven by various payables which became due between February and March, including capital commitments and specific contract payments.

The Trust's Cash Committee is meeting on a bi-weekly basis. Each meeting receives a cash report which:

- Summarises the cash position against the forecast position.
- Reconciles the cash balance to the Trust's underlying cash balance , after adjusting for non recurrent items.

The cash report is being enhanced through the use of sensitivity analysis for key assumptions and inputs to show the potential cash flow impact of key variables.

Working Capital

	Total	0 to 30 days	31 to 60 days	61 to 90 days	Over 90 days	Percentage over 90 days
March 2022	£000	£000	£000	£000	£000	%
Non-NHS receivables	10,050	3,884	1,637	336	4,193	42%
NHS receivables	4,592	3,784	331	103	374	8%
Total receivables	14,642	7,668	1,968	439	4,567	31%
Non-NHS payables	37,883	26,808	6,291	1,616	3,168	8%
NHS payables	3,277	1,341	898	202	836	26%
Total payables	41,160	28,149	7,189	1,818	4,004	10%

February 2022	£000	£000	£000	£000	£000	%
Non-NHS receivables	7,930	2,589	734	387	4,220	53%
NHS receivables	10,137	9,192	262	226	457	5%
Total receivables	18,067	11,781	996	613	4,677	26%
Bad debt provision						
Non-NHS payables	29,072	20,862	3,557	2,239	2,414	8%
NHS payables	5,756	3,192	1,150	216	1,198	21%
Total payables	34,828	24,054	4,707	2,455	3,612	10%

	Target	Mar-21	Q1	Q2	Q3	Jan-22	Feb-22	Mar-22
BPPC (cumulative)								
Value %	95%	92%	93%	94%	94%	94%	94%	94%
Volume %	95%	91%	88%	91%	92%	93%	93%	93%

BPPC (SMEs) paid within 30 days								
Value %	100%	79%	82%	91%	91%	83%	60%	72%
Volume %	100%	86%	84%	83%	86%	81%	69%	63%

BPPC (SMEs) paid within 5 days								
Value %	90%	17%	25%	21%	14%	20%	2%	4%
Volume %	90%	22%	27%	29%	24%	27%	9%	8%

Aged Debt (Sales Ledger)

Sales Ledger Receivables

Sales Ledger Receivables

Overall sales ledger debt reduced by £3.4m, reflecting the recovery of debt.

Purchase Ledger Payables

Despite the increase in payments in March, in month trade payables increased by £6.3m due to invoices being received in month.

BPPC

Cumulative end of year performance was 94% for value and 93% for volume of invoices processed was achieved in March, against the target of 95%.

The Trust has implemented a ‘No PO, No Pay Policy’ from 1st April 2022, which will strengthen financial controls and improve the efficiency of the purchase to pay process, supported by the use of a more automated 3 way matching process. The objectives of the improvement plan reflect the current challenges of the procurement to payment process, especially in the invoice processing stages.

Capital Programme

	Actual
	31/03/2022
	Year ending
	£'000
Gross capital expenditure including IFRS impact	77,657
Less: Book value of asset disposals	(10,229)
Less: Capital grants received	0
Less: Capital donations received	(2,570)
Charge against the Capital Resource Limit (CRL) incl IFRS impact	64,858
Capital Resource Limit (CRL) incl IFRS impact	65,029
Under/(over) spend against CRL	171

The Trust has delivered gross capital expenditure of £77.7m in 2021/22, which represents a small underspend of £171k against its capital resource limit (CDEL). This required the Trust to deliver over £30m of capital commitments in March 2022.