

PAPER
MC 15/2011

Report to the Meeting of the Members' Council

For Assurance

10 May 2011

Finance Report

Year-End (month 12) Position 2010/11

Financial Targets

The 2010/11 financial year ended on 31st March 2011 and the Trust has produced its statutory annual accounts in accordance with national requirements. The accounts are currently subject to audit.

The accounts show that the Trust has met its key financial targets for the year:

- An Income and Expenditure surplus of **£4.7m**, which is **£0.6m** above plan
- EBITDA (earnings before interest, taxation, depreciation and amortisation) of **£12.6m**
- A year-end cash balance of **£17.3m**
- A financial risk rating of '4', which is in line with plan

The achievement of the income & expenditure surplus is important as this is a key way by which the Trust funds its capital investment programme.

Cost Improvement Plan

The achievement of the income and expenditure surplus was dependant upon the delivery of the Trust's cost improvement plan, which has been closely monitored throughout the year.

Efficiency savings of **£5.5m** had been achieved during the year against a target of **£5.6m**.

Despite the overall healthy financial position, the Trust experienced financial pressures during the year in the following areas:

- Buckinghamshire – pressures on the budget for referring patients to external service providers and slippage on cost improvement plans
- Oxfordshire – income shortfall on PICU beds and slippage on cost improvement schemes
- Forensics – cost per case under-performance and risk on the Berkshire Low Secure beds contract
- CAMHS – cost pressures on drugs, out of area placements and contract under-performance
- Oxford Pharmacy Store – lower than planned trading volumes

Executive Director: Gareth Kenworthy, Acting Director of Finance

Date: 4 May 2011