

Report to Board of Directors

27th May 2015

Financial Position – April (Month 1) 2015/16

For Information

Introduction

This report summarises the financial performance of the Trust for the year-to date.

Performance to date

The key financial results for the period ending 30thApril 2015 are:

- EBITDA (Earnings before interest, taxation, depreciation and amortisation) of **£0.9m**, which is **£0.1m** behind plan).

The position is mainly driven by the following:

- shortfall in delivery of cost improvement plans partly offset by,
- favourable operational variances
- An Income and Expenditure deficit of **£31k**, is **£14k** ahead of plan.
- The position is driven by the lower than planned EBITDA as outlined above offset by profit on disposal of asset in month.
- A cash balance of **£7.9m**.
- Monitor's regulatory framework establishes a Continuity of Services Risk Rating (CoSRR). At month 1 the Trust has achieved a CoSRR of '3'

This is based on the Monitor scale of financial risk, where 1 means a high risk and 4 means lowest risk.

Cost improvement programme

- The Trust has a cost improvement target of **£5.2m** for this financial year;
- Cost improvements of **£0.2m** have been delivered for the year-to-date, **£0.2m** behind plan. Plans are still being developed and it expected that the position will be recovered over the coming months.

Capital programme

Capital expenditure of **£0.2m** has been incurred for the year-to-date, in line with plan.

Recommendation

The Board is asked to note the financial position of the Trust.

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