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# Report to Council of Governors

# CoG 13/2019

(Agenda item: 11)

**Financial Position 2019-20**

**April 2019, Month 1**

**For Information**

**Introduction**

This report summarises the financial performance of the Trust for April 2019.

**Performance to Date**

The Income Statement at month 1 is included at Appendix A.

The key financial results for April 2019 are:

* An Income and Expenditure deficit of **£0.9m** which is **£0.3m adverse** to plan.
* EBITDA (Earnings before interest, taxation, depreciation and amortisation) of **£0.2m**, **£0.3m** adverse to plan.
* After adjusting for items excluded from measuring performance against the Trust’s Control Total (mainly excluding Provider Sustainability Funding and Financial Recovery Funding) the underlying performance is a deficit of **£1.1m**, which is **£0.3m** adverse to the Trust’s Control Total.
* The operational pressures that the Trust experienced in 2018-19 have continued into the new financial year, particularly around Residential Care and the Oxfordshire CAMHS service.
* A period-end cash balance of **£8.9m** which is **£9.1m** worse than plan. This was driven by delays in receiving NHS England income, but these invoices have now been paid.
* At month 1 the Trust’s overall Use of Resources risk rating is a ‘4’, compared with a planned rating of ‘3’, due to the adverse variance against the Trust’s control total.

**Cost Improvement Programme**

The Trust has a cost improvement target of **£7.6m** for 2019-20. CIP themes have been identified and work is underway to deliver savings. These are planned to start from quarter 2 with most savings being delivered in the second half of the year. Work continues to accelerate delivery of these schemes.

**Capital Programme**

Capital expenditure in month 1 was **£0.3m, £0.2m** below plan.

**2019-20 Plan**

The full year plan is as follows:

* + - An Income & Expenditure position of breakeven
		- EBITDA of **£13.9m**
		- CIP delivery of **£7.6m**
		- A Use of Resources Rating of ‘3’
		- A year-end cash balance of **£13.1m**
		- Capital investment of **£17.3m**

**Recommendation**

The Council of Governors is asked to note the financial position of the Trust.

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**Appendix A**

**Income Statement 2019-20 – Month 1**

