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# Report to Council of Governors

**RR/App\_CoG 04/2021**

(Agenda item: 15)

**Financial Position 2020-21**

**March 2021, Month 12**

**For Information**

**Introduction**

This report summarises the financial performance of the Trust for the financial year 2020-21.

**Performance at Month 12**

The Income Statement at month 12 is included at Appendix A.

The key financial results for the year ending 31st March 2021 are:

* An Income and Expenditure position of a **£3.9m** surplus, **£2.1m** adverse to plan. This includes an impairment charge of **£3.6m**. Excluding this and other allowable items the adjusted financial performance reported to NHSE/I is a deficit of **£0.2m**, **£1.7m** favourable to plan.
* The YTD position includes **£21.6m** costs relating to Covid-19 and retrospective top up payments/Covid-19 allocation from NHSE/I of **£22.9m**. It also includes Covid-19 vaccination costs of **£4.0m** and an accrual of **£4.0m** for a retrospective top up payment to cover these costs.
* The position includes a holiday pay provision of **£1.0m**, an accrual for outstanding annual leave to be paid in April of **£0.6m** and a provision for the recognition day awarded to all staff to be taken in FY22 of **£1.0m**. It also includes income of **£0.4m** from NHSE/I to cover the movement in the holiday pay provision from the previous year.
* EBITDA (Earnings before interest, taxation, depreciation and amortisation) of **£10.0m**, **£0.4m** adverse to plan.
* The closing cash position at the end of March was **£55.7m**.

**Cost Improvement Programme**

* Since the Covid-19 pandemic there has not been a national requirement to make CIPs. In the planning process for months 7- there was no requirement to include a certain percentage efficiency saving as there has been in previous planning processes. The Trust submitted a plan which included **£1.2m** of CIP savings which reflects the continuation of YTD savings made at month 6.
* For internal purposes CIP savings continue to be monitored against the original plan of **£6.8m**. **£2.6m** of CIP savings have been made at year-end which is **£4.2m** below the original plan.

**Capital Programme**

* Capital expenditure at year-end was **£9.6m, £1.9m** below plan due to delays on Estates projects caused by the Covid-19 situation. The original plan was updated to reflect the delay in the CAMHS PICU scheme and the cancellation of the LD LSU scheme.

**Recommendation**

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

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 **Appendix A**

**Income Statement 2020-21 – Month 12**

