

Finance report M01 – April 2011

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Summary:

- The Trust is on plan at Month 1 with a surplus of £0.3m.
- The position includes accrued non recurring income of £1.6m, being 1/12th of the Non recurring income needed in 2011/12 (total £19.8m). Discussions continue with the PCTs and SHA on the source of this funding. The appropriateness of this accrual will be reviewed at Month 2 reflecting the status of those discussions.
- The underlying position is a £1.3m deficit.
- Risks are mainly from the non receipt of the £19.8m funding and a potential savings shortfall of £1.6m, but risks from overspending in divisions also need to be managed.
- The Trust did not repay the last part of its working capital loan in 2010/11. The balance of the loan outstanding at 31 March 2011 was £4.5m – the revised repayment schedule has yet to be agreed with the Department of Health.

Trust Board Agenda Item: 5.1

Action: The Board is asked to note and accept this report

Trust objective:

Please list number and statement. this paper relates to.

Notes:

Priority 3: Develop an effective organisation:

Deliver 2011/12 breakeven position

Deliver 4% savings target

Legal: What are the legal considerations & implications linked to this item? Please name relevant Act

NHS Trust financial performance is subject to Schedule 5 of the NHS Act 2006 which provides the “breakeven duty”. The Trust breached this in 2007/08 and has since received “permission to spend” by virtue of the loan settlement agreement issued by DoH in March 2008. Legal aspects impact on individual parts of spend and income according to the nature of the spend & source of income but no other material disclosures are appropriate.

Regulation: What aspect of regulation applies and what are the outcome implications? This applies to any regulatory body.

Financial information is reported according to IFRS (International Financial Reporting Standards) and NHS conventions in guidance. The Audit Commission reviews compliance in its audit activities and it's opinion of the Accounts. Data here is presented in an EBITDA format to allow comparison with Monitor metrics.

Contents

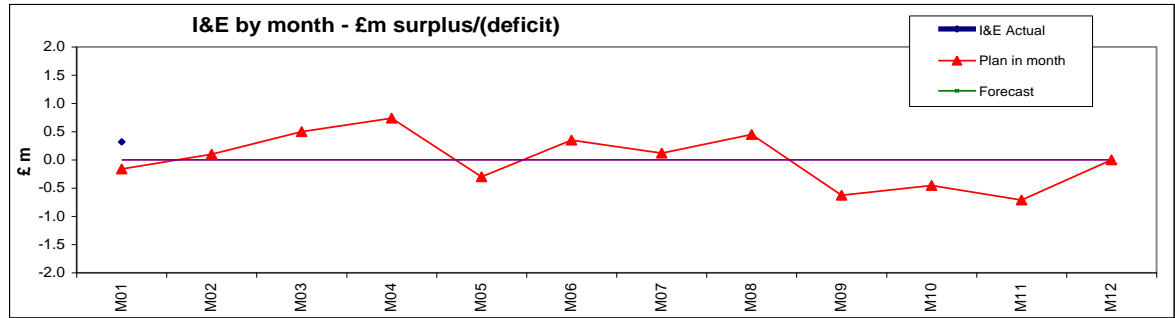
- Key financial indicators
- Comprehensive income (income & expenditure) Position
- Statement of financial position (balance sheet) & cashflow

Key financial indicators: M01 2011/12

Key financial indicators at Month 1

	Plan/ target (£m)	Actual/ forecast (£m)	Var (adv/ fav) (£m)	Traffic light
1 In month surplus/(deficit)	0.3	0.3	0.0	green
2 YTD surplus/(deficit)	0.3	0.3	0.0	green
3 Forecast outturn surplus/(deficit)*	0.0	0.0	0.0	green
4 YTD recurrent surplus/(deficit)		(1.3)		red
5 Risk assessment fav/(adv)		(21.4)		red
6 Cash position (in month)		3.7		green
7 Liquidity ratio (days)		-13		red
8 Forecast capital outturn	13.0	13.0	0.0	green
9 Return on assets	3.5%	3.5%	0.0%	green
BPPC: cum overall (volume)	95%	91%	(4)%	amber
BPPC: cum overall (value)	95%	91%	(4)%	amber
11 Performance rating in month	Performing#			green

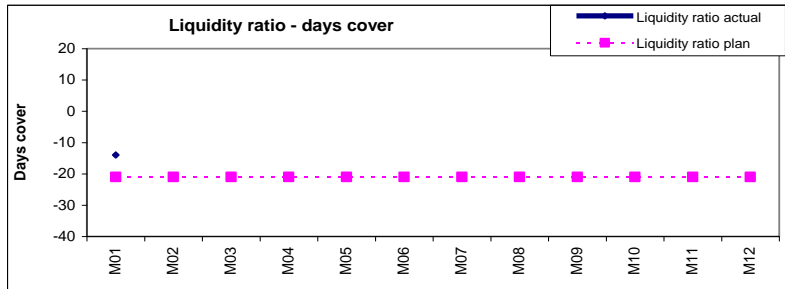
#NB: The performance rating is a Trust estimate



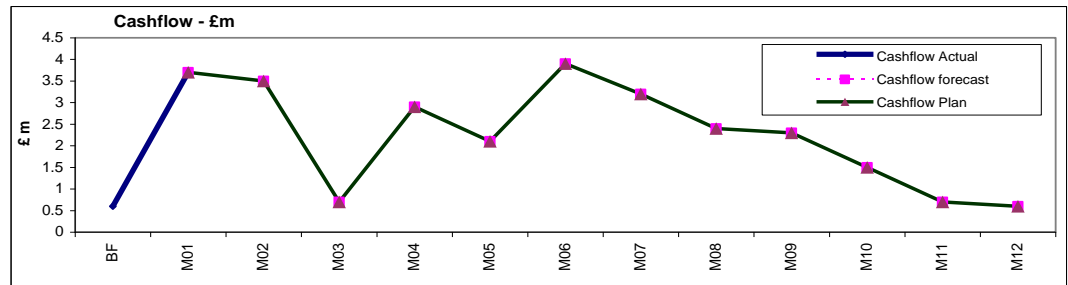
The Trust is on plan at Month 1 with a £0.3m surplus, but with the accrual of £1.6m in respect of the first 1/12 of the £19.8m non recurrent externally sourced income incorporated in the Trust plan. This income is not yet agreed and discussions continue - depending on the outcome, the appropriateness of this accrual will be reviewed at M02. The forecast remains breakeven.

Risks are primarily from non receipt of the £19.8m and a potential savings shortfall risk of £1.6m. Risk from Division overspending requires management, particularly around use of escalation areas and the cost of delivering the 18 week management plan is being reviewed.

The phasing of the plan is currently being reviewed, after delays in the Contract process (the income profile will alter the plan) and will show a different profile at M02.(and as submitted to DoH).



The liquid ratio gives a better view of the Trust's working capital position than just looking at cash. The poor performance is the price of the Trust's past deficits and the Trust will remain, significantly below the 15 day cover benchmark until it can reinvest cash in the balance sheet. The position in this month is improved because of the cash balance at this point and reclassification of the loan repayment.



The Trust's cash management plan required the delay of some receivables at the end of 2010/11 to deliver its external finance limit, but also recognising the cash risk the Trust faces from the delay in sourcing the £19.8m non recurrent income referred to above. That cash cover runs to August 2011 and if the Trust does not receive the funding, cash will run out in that month.

The cash plan factors in planned savings for both pay and non-pay and includes proceeds from the disposal of surplus property (Kibblewhite, £0.5m). The Trust does not, currently, intend to overpay on its working capital loan.

Contents

- Key financial indicators
- Comprehensive income (income & expenditure) Position
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Net surplus/(deficit) from comprehensive income (income & expenditure) statement to 30 April 2011

Year to Date vs Budget (figures in £m)

	2011/12 <i>budget</i>	2011/12 <i>actual</i>	2011/12 <i>var (adv)/fav</i>	% var <i>(adv)/fav</i>	Perf indicator %
Income from PCT contract	15.7	15.6	(0.1)	-0.6%	
Contract Income - NHS	15.7	15.6	(0.1)	-0.6%	
Impairment			-		
Other operating income	1.2	1.2	0.0	0.0%	
Non-rec income			-		
Other income			-		
Total Income	16.9	16.8	(0.1)	-0.6%	
Expenses					
Pay (incl agency)	(11.3)	(11.2)	0.1	0.9%	
Non-Pay (excl Depreciation)	(4.5)	(4.5)	-	0.0%	
	(15.8)	(15.7)	0.1	0.6%	
EBITDA (pre-exceptionals)	1.1	1.1	0.0	0.0%	
Contingency removed			-		
					EBITDA margin
EBITDA (post-exceptionals)	1.1	1.1	0.0	0.0%	6.5%
					% of income
Profit/ Loss on Asset Disposals			-		
Interest Receivable	-	-	-		
Interest Payable	-	-	-		
Depreciation	(0.5)	(0.5)	-	0.0%	
Impairment	-	-	-		
PDC	(0.3)	(0.3)	-	0.0%	
	(0.8)	(0.8)	-	0.0%	
Net Surplus/ (Deficit)	0.3	0.3	0.0	0.0%	YTD Op Perf: 0.0%
					(adv)/fav to plan
Memoranda					
Net reported surplus		0.3			
Plan surplus YTD		0.3			
Variance (fav)/adv to target		0.0			
Net surplus		0.3			
Non recurrent items		(1.6)			Underlying position
Adjusted recurrent position		(1.3)			(1.7)%

Summary

The Trust is on plan at Month 1 with a £0.3m surplus, but with the accrual of £1.6m in respect of the first 1/12 of the £19.8m non recurrent externally sourced income incorporated in the Trust plan. This £19.8m is described in the Budget paper submitted to the March Board and represents the support required by the Trust while it considers and, when agreed, implements service changes to deliver a long term financially sustainable position. As described below, Contract discussions overall have only recently been completed and this support has not been agreed. Discussions continue and the position will be reviewed ahead of M02 to consider whether this accrual remains appropriate. The underlying position is therefore a £1.3m deficit, after deducting the £1.6m.

Contract income is slightly below plan and one Division (Medicine) has overspending on escalation beds covered by allocation of reserves. Savings are £0.1m adverse (against £0.4m planned). The main performance issue being discussed with Divisions is management of nursing budgets, which includes escalation beds. Agency costs are nearly 30% lower than a year ago.

Contract position.

Although the Trust has signed a "Heads of Agreement" with PCTs (which provides an overall financial settlement) and the details of the Contract performance schedules have been agreed, the full Contract, and PCT profiled activity, currently has not been received. This has caused a delay in setting the detail Trust income plan and for this reason the detail income analysis is not provided in this report.

Another key aspect is around the management of 18 week referral to treatment performance and the Trust expects to reach agreement with PCTs shortly on proceeding with the plan agreed with the NHS Intensive Support team to deal with the backlog of patients and the root cause of that backlog (an excess of demand over Trust capacity).

Plan profile

The position above with the Contract also impacts on the profiling of the overall Trust financial plan, and the version reported on the key financial indicators page is that submitted to the DoH (the FIMS (Financial Information Management System) plan) in March, and before Contract negotiations were finalised. This will be resubmitted at the end of May to the SHA - the FIMS plan was a small deficit at M01, which will be adjusted to the £0.3m surplus reported here.

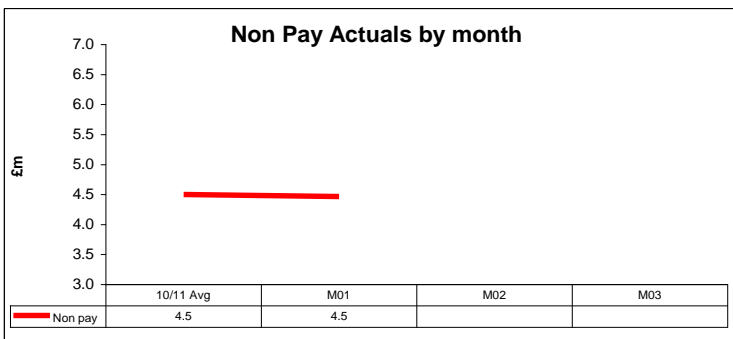
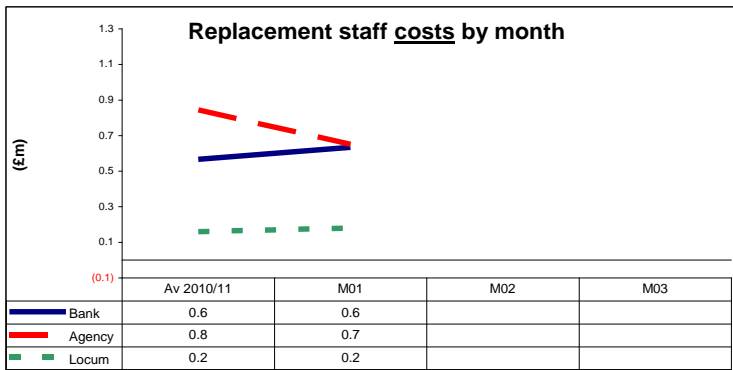
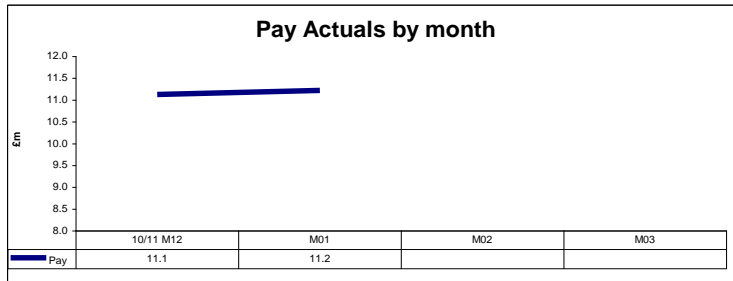
Comprehensive income (income & expenditure) recurrent position

		YTD @ M01	
		£m	£m
Net Surplus/(deficit)			0.3
Deduct N/R income	i) non rec income support	1.6	
	ii)		
	iii)		
	iv)		
	Total N/R income		(1.6)
	i)		
	ii)		
	iii)		
	iv)		
	Total N/R spend		-
Deduct N/R savings	i)		
	ii)		
	iii)		
	iv)		
	Total N/R savings		-
Recurrent Surplus/(deficit)			(1.3)

Recurrent position

- The table describes how the recurrent position (the underlying surplus/(deficit) after adjustment for one-off items) is calculated.
- The in-month position fluctuates according to the actual balance of income and expenditure.
- At month 1 the underlying deficit is £1.3m reflecting the accrued non recurring income.
- The underlying position at the year end is projected to be £17.8m.

Financial performance – operating spend YTD



Key points:

1) Pay costs overall have increased slightly compared to the March costs, with a small reduction in temporary staff costs being offset by an increase in permanent staff spend as a result of recruiting into vacancies. Nursing and healthcare assistant spend on the wards is adverse to plan, partly because of escalation bed usage and overspending on wards in the Surgical Division.

2) Temporary staff: costs for nursing agency staff have decreased from M12 last year, and are nearly 30% lower than this time last year, with reductions across many areas. Nursing usage continues to be high in escalation areas, ED and ICU, reflecting continued operation pressures. The reductions in agency staff in nursing has been offset by an increase in bank and permanent staff costs. Medical staff costs have remained relatively static compared to March.

3) Non pay costs: Non pay costs have remained comparable to the average of 2010/11 spend and are overall on budget.

Cost type variances year to date	YTD Spend Vs BUDGET			YTD Var fav/(adv) (%)
	YTD Budget (£m)	YTD Actual (£m)	YTD Var fav/(adv) (£m)	
Pay costs	11.3	11.2	0.1	0.6%
Drugs	0.8	0.9	(0.1)	-15.6%
Clinical supplies	1.5	1.6	(0.1)	-6.3%
General supplies	0.1	0.2	(0.1)	-50.1%
Establishment	0.3	0.3	0.0	9.1%
Premises & utilities	0.3	0.3	0.0	2.5%
Healthcare recharges	0.7	0.6	0.1	12.5%
Fees & consultancy	0.5	0.5	(0.0)	-6.5%
Misc	0.3	0.0	0.2	
Recharges	0.0	(0.0)	0.0	
Total non pay spend	4.5	4.5	0.0	0.2%

Total operating spend **15.8** **15.7** **0.1** **0.8%**

Pay costs year to date	YTD Spend Vs BUDGET			YTD Var fav/(adv) (%)
	YTD Budget (£m)	YTD Actuals (£m)	YTD Var fav/(adv) (£m)	
Pay costs (incl. bank/agency)				
Consultants	1.7	1.5	0.1	3.6%
Other medical	1.6	1.5	0.1	7.7%
Nursing & Midwifery	4.4	4.6	(0.2)	-4.1%
Healthcare assistants	0.6	0.7	(0.1)	-8.9%
AHPs	1.1	1.2	(0.0)	-1.3%
Directors & NEDs	0.1	0.1	0.1	42.1%
Senior mgrs (8a+)	0.4	0.3	0.0	2.9%
Admin & clerical	1.3	1.3	0.1	4.3%
Estates & FM	0.1	0.1	0.0	16.7%
Total Pay spend	11.3	11.2	0.1	0.6%

Agency costs YTD to this month	2010/11 YTD Actuals (£m)	2011/12 YTD Actuals (£m)	Var fav/(adv) (£m)	Var fav/(adv) (%)
Agency costs	0.9	0.7	0.3	27.8%

I&E – Divisional analysis

- This analysis provides a view of Divisional performance – please note that some income is incorporated in the Divisions' budgets and is not shown separately here.

Key points

- Reserves of £0.2m have been released to offset the escalation pressures (although these reserves are not allocated specifically to Medicine and Medicine is therefore reporting an adverse variance, with a favourable variance on the reserves line).
- Exception reports are not provided this month as, and recognising the set off described above for Medicine, Divisions are within their overspend tolerance.
- The Board will be aware of work with Divisions to ensure accountability. All Divisions are expected to:
 - Maintain forecasts and update them each month;
 - Deliver their savings, identifying contingencies to compensate for non delivery
 - Operate risk assessments with contingency plans to manage those risks
 - Operate formal accountability processes with budget managers within Divisions.

Directorate analysis (I&E)	11/12 ANNUAL BUDGET £000'S	YTD BUDGET £000's	YTD ACTUALS £000's	VAR YTD £000's (adv)/fav	YTD Variance % (adv)/ fav
Income (excl Directorate income)					
Contract income (incl MFF)	184,066	15,503	15,407	(96)	(0.6)%
CQUINS income	2,438	203	203	0	0.0%
Bad debt provision	(81)	(7)	(7)	0	0.0%
Donated Assets	220	16	16	0	0.0%
Other Income	6,634	553	546	(7)	(1.3)%
Total income	193,277	16,268	16,165	(103)	(0.6)%
Directorates (inc Directorate income)					
Surgical	52,724	4,386	4,378	8	0.2%
Medical	38,446	3,209	3,344	(135)	(4.2)%
WaCH	20,928	1,743	1,702	41	2.4%
CSS	25,763	2,175	2,192	(18)	(0.8)%
E&F	11,574	1,043	1,055	(12)	(1.1)%
HR	2,896	241	237	4	1.8%
CEO	1,081	94	92	1	1.5%
Restructuring and PMO	2,000	0	0	0	0.0%
Finance	3,298	281	264	17	6.1%
Nursing	3,013	279	267	12	4.4%
IMT	2,211	193	202	(9)	(4.5)%
Overheads	9,168	764	729	35	4.6%
Other Central	600	47	48	(1)	(1.1)%
High Cost Drugs	6,072	495	511	(15)	(3.1)%
Excluded devices	506	42	30	12	28.2%
Unbundling	0	0	0	0	#DIV/0!
CQUINS costs	500	42	42	0	0.0%
Unallocated reserves	5,921	188		188	100.0%
Amber savings	(1,435)	0		0	0.0%
Red savings	(1,565)	0		0	0.0%
Total Directorate I&E	183,701	15,222	15,091	131	0.9%
Post EBITDA					
P/L on Asset Disposals	0	0	0	0	0.0%
loan interest payable	309	26	26	0	0.0%
interest receivable	(18)	(2)	(2)	0	0.0%
Depreciation	5,967	456	456	0	0.0%
Depreciation - donated	220	16	16	0	0.0%
PDC	3,061	255	255	0	0.0%
unwinding of discounts	37	3	3	0	0.0%
Total post EBITDA	9,576	754	754	0	0.0%
Net Surplus / (Deficit)	0	292	320	28	9.5%

Financial performance: savings

Savings	Annual Target £000's	Month target £000's	Month actuals £000's	Variance at Month £000's	Variance Fav/(adv) %
<u>By Transformation Programme Workstream</u>					
Modernising Pathways (Chief Operating Officer)	1,371	85	79	(6)	(7%)
CSS (Chief Operating Officer)	825	43	30	(13)	(30%)
Outpatients (Director of Strategy and Transformation)	0	0	0	0	0%
Estates and Facilities (Director of Information and Facilities)	232	19	17	(3)	(16%)
Medical Staffing (Chief Medical Officer)	836	57	34	(23)	(40%)
Nursing and Midwifery (Chief Nurse)	762	60	46	(14)	(23%)
Corporate (Chief Financial Officer)	272	23	23	0	0%
Procurement (Chief Financial Officer)	959	67	26	(41)	(61%)
Income and Provision (Chief Financial Officer)	312	18	5	(13)	(74%)
OD and Strategy (Director of Strategy and Transformation)	0	0	0	0	0%
Unidentified and KPMG savings	2,132	0	0	0	
TOTALS	7,700	372	260	(112)	(30%)
<u>By Directorate</u>					
Surgical	1,444	109	85	(24)	(22%)
Medical	865	60	39	(21)	(35%)
WaCH	521	33	25	(7)	(22%)
CSS	823	43	30	(13)	(30%)
E&F	232	19	17	(3)	(16%)
Corporate	272	23	23	1	4%
Sub total	4,157	287	219	(67)	(23%)
Procurement savings	400	17	0	(17)	(102%)
Trustwide savings (incl KMPG target)	1,578	69	41	(28)	(41%)
Unallocated savings	1,565	0	0	0	
TOTALS	7,700	372	260	(112)	(30%)

Key points


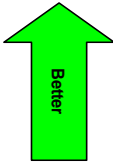

The Savings target for 2011/12 is £7.7m (4% of turnover)

At M01 achieved savings were £0.3m, £0.1m adverse to plan.

Delivery is monitored by the Programme Management Office as part of the Trust's transformation programme.

KPMG are supporting the Trust in further work to reduce the savings risk, which is estimated at £1.6m against the £2.1m reported in the table, representing unidentified savings. It should be noted that KPMG's contract requires delivery of savings to support their fee.

Risks and mitigation

	Annual (risk)/ benefit (£m)	Change from Budget	Notes	Action points	Who
Risks					
Income:					
Non Recurring Income	(19.8)		No change to risk identified against budget. This £19.8m is described in the Budget paper submitted to the March Board and represents the support required by the Trust while it considers and, when agreed, implements service changes to deliver a long term financially sustainable position. As described below, Contract discussions overall have only recently been completed and this support has not been agreed. Discussions continue and the position will be reviewed ahead of M02 to consider whether this accrual remains appropriate.	Discussion with PCTs and SHA. Situation report to be provided to Board at Month 2	Chief Financial Officer
Net Risk	(19.8)				
Savings/recovery Plan					
Unidentified element of savings plan	(1.6)		Improvement from risk identified in budget. The current gap in identified savings is £1.6m. Consultants have been contracted to support the Trust in identifying further savings.	i) Delivery of savings is monitored through the PMO and action sits with Divisions and cost centres over delivery (ongoing) ii) All Divisions expected to look for further savings to balance the position (ongoing)	Divisional Chiefs
Net savings plan risk	(1.6)				
Costs:					
Divisional overspends and escalation costs	(1.3)		Risks carrying over from 2010/11 are around escalation usage in the Trust (the use of additional beds to cope with emergency cases arriving through the Emergency Department (ED) that cannot be accommodated on existing wards), and is the main overspending at Month 1. This is covered by reserves in the month but that cannot continue. The cost of delivering the 18 weeks backlog is under review now that the Trust is close to agreeing the implementation of the backlog management plan with PCTs.	i) Divisions to implement action plans and contingencies to control/or recover overspending ii) 18 weeks management plan, validation of activity profile and review of available resources internally to be completed by M02.	Chief Operating Officer
18 weeks costs	?				
Mitigating actions and planning for escalation/recovery actions	1.3				
	-				
Total risks	(21.4)				
Surplus/(deficit) risk forecast	(21.4)				

Other Finance risks in the risk register

- **Liquidity problem: Rating** (likelihood * impact): **25** (risk register 1134). This risk is visible in the balance sheet's working capital position and the liquidity ratio reported on the KFI page (p4). The cash injection required to deliver the 15 day liquid ratio target is about £24.0m, which the Trust has no source for.
- **Fraud** (likelihood * impact): **4** (risk register 1020). Generic risk applicable to all Trusts.

Contents

- ❑ Key financial indicators
- ❑ Comprehensive income (income & expenditure) Position
- ❑ Statement of financial position (balance sheet)
- ❑ The Liquidity Position and Cash Requirement
- ❑ Statement of Cash Flow

Statement of Financial Position (Balance sheet)

Statement of Financial Position - This is presented on a later page.

Property, Plant and Equipment - Capital Programme - The Trust is awaiting confirmation of its Capital Resource Limit for the year 2011-12 of £13m. The Capital report outlines the current position.

Aged Receivables (Debtors) - April's overdue debt appears very high in comparison with March because of the planned delay (for cash management reasons) of the payment in response to an invoice raised to West Sussex PCT for non-recurrent funding of £2.2m accrued in 2010/11, and which has now been settled.

	Within term	1-30 days	1 month over due	2 month over due	3 month over due	APRIL	MARCH	FEBRUARY
			31-60 days	61-90 days	over 90 days	Over 30 days	Over 30 days	Over 30 days
SUMMARISED AGED DEBTORS	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
NHS PCTS	390	3,076	112	18	206	3,413	767	942
NHS TRUST	76	84	59	11	45	200	361	417
OTHER DEBTORS	100	193	96	40	558	887	760	732
Total Debts	566	3,353	268	69	810	4,499	1,888	2,091

Payables (Creditors)

- The initial position for the Better Payment Practice Code is shown below, with a comparison to the 2010/11 year end position. The April position against target is favourable because of the availability of cash in the first month of the year and (mainly) the fact that the majority of invoices approved on time related to the current year. This position is unlikely to continue.

Key Financial Indicators: Apr 11

	Plan/ target	Actual 11-12	Var (adv)/ fav	Actual 10-11
BPPC: cum overall (value)	95%	91%	(4)%	55%
BPPC: cum overall (volume)	95%	91%	(4)%	54%

Statement of Financial Position (Balance Sheet) at 30 April 2011

	30-Apr-11		31-Mar-11		Movement
	£m	£m	£m	£m	£m
<u>NON CURRENT ASSETS</u>					
Property, Plant and Equipment		101.3		101.8	(0.5)
Intangible Assets		2.2		2.3	(0.1)
Trade & Other Receivables		4.4		4.4	-
Assets Held for Sale		0.7		0.7	-
<u>CURRENT ASSETS</u>					
Inventories		3.8		3.8	-
Trade & Other Receivables		8.8		7.2	1.6
Prepayments and Accrued Income		2.9		2.4	0.5
Cash and Cash Equivalents		3.7		0.6	3.1
Other		0.2		0.1	0.1
		<u>19.4</u>		<u>14.1</u>	<u>5.3</u>
<u>CURRENT LIABILITIES</u>					
Trade Payables		(11.4)		(8.9)	(2.5)
Other Payables		(2.9)		(1.9)	(1.0)
Accruals		(7.3)		(6.5)	(0.8)
Other Liabilities		(1.3)		(1.2)	(0.1)
Net Current Assets		(3.5)		(4.4)	0.9
Total Assets Less Current Liabilities		<u>105.1</u>		<u>104.8</u>	<u>0.3</u>
<u>NON-CURRENT LIABILITIES</u>					
Borrowings		(8.7)		(8.7)	-
Deferred income		(3.5)		(3.5)	-
Provisions		(1.5)		(1.5)	-
Total Net Assets Employed		<u>91.4</u>		<u>91.1</u>	<u>0.3</u>
<u>TAX PAYERS EQUITY</u>					
PDC		118.0		118.0	-
Revaluation Reserve		18.3		18.3	-
Donated Asset Reserve		1.5		1.5	-
I&E Reserve		(46.7)		(46.7)	-
I&E Current		0.3		-	0.3
Total Taxpayers Equity		<u>91.4</u>		<u>91.1</u>	<u>0.3</u>

- Working Capital has improved slightly from the previous month [year] as initial uncertainties around cash receipts resulted in less creditors being paid against plan and consequently a high cash balance.

- Non-recurrent income from West Sussex PCT of £2.2m (for 2010/11) was received in May clearing the debtor for this amount.

Cash flow 2010/11

	Apr-11 (Actual)	May-11 (Forecast)	Jun-11 (Forecast)	Jul-11 (Forecast)	Aug-11 (Forecast)	Sep-11 (Forecast)	Oct-11 (Forecast)	Nov-11 (Forecast)	Dec-11 (Forecast)	Jan-12 (Forecast)	Feb-12 (Forecast)	Mar-12 (Forecast)	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Cash Flow Balance B/fwd	0.6	3.7	3.5	0.7	2.9	2.1	3.9	3.2	2.4	2.3	1.5	0.7	0.6
Cash Inflow (SLA, Non-NHS)	16.0	15.4	14.6	14.9	14.9	15.7	14.9	15.0	15.7	14.9	14.9	18.4	185.3
Non-Recurrent Funding - Central				2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	19.8
Non-Rec Funding - West Sussex PCT		2.2											2.2
Sale of KibbleWhite												0.5	0.5
Total Cash Inflow	16.0	17.6	14.6	17.1	17.1	17.9	17.1	17.2	17.9	17.1	17.1	21.1	207.8
Cash Outflows:													
Non Pay Cash Flow	-3.0	-5.3	-5.3	-3.6	-6.5	-3.4	-5.3	-5.3	-5.3	-5.3	-5.3	-6.3	-59.9
Pay Cash Flow	-9.5	-10.7	-10.7	-10.3	-10.5	-10.5	-11.2	-11.2	-11.2	-11.2	-11.2	-11.3	-129.5
Capital Cash Outflow	-0.4	-1.8	-1.4	-1.0	-0.9	-0.5	-1.0	-1.5	-1.5	-1.4	-1.4	-1.6	-14.4
PDC						-1.5						-1.5	-3.0
Loan Repayments (int + principal)						-0.2	-0.3					-0.5	-1.0
Total Cash Outflow	-12.9	-17.8	-17.4	-14.9	-17.9	-16.1	-17.8	-18.0	-18.0	-17.9	-17.9	-21.2	-207.8
Cash Flow Balance C/fwd	3.7	3.5	0.7	2.9	2.1	3.9	3.2	2.4	2.3	1.5	0.7	0.6	0.6
Balance C/fwd - without £19.8m	3.7	3.5	0.7	0.7	-2.3	-2.7	-5.6	-8.6	-10.9	-13.9	-16.9	-19.2	-19.2

- The cash plan (left) is based on the receipt of non recurrent funding of £19.8m, with the first cash receipt in July 2011. This describes a balanced cash plan for the year, but requires (as in past years) the maintenance of a substantial backlog of creditors (£5.1m as 31 March 2011). There is no assumption yet included in respect of any additional cash payments to deal with the underlying liquidity problem, which remains.
- The very bottom line shows the same cash flow plan without the £19.8m receipts. This describes the Trust running out of cash in August 2011.
- The liquidity ratio for April is **-13 days**.