

Finance Performance Report

Month 10 – period ended 31st January 2019

Section	Content
1	Summary and Key Headlines
2	Trust Income and Expenditure
3	Contribution Performance and Divisional Commentary
4	Trust Balance Sheet
	Annexes

1 SUMMARY AND KEY HEADLINES

The Trust remains ahead of plan YTD (year to date) as at month 10. The in-month deficit, (£1.8m), is (£1.5m) worse than plan, generated by an adverse variance on NHS Clinical Income. YTD the position is £1.8m better than plan, and £1.7m better than Control Total, supported by the £3.25m one-off gain released from the Balance Sheet in month 8.

The cash position decreased in-month by (£3.95m) to £21.05m, reflecting a month with five, rather than the usual four, payment runs (£2.8m). In addition, payments received for Embassy Private Patient debt were lower than usual.

Pay delivered on plan at £19.1m. December is an outlier for pay expenditure, so comparisons are against the average for October and November. Overall pay expenditure reduced by £0.3m, substantive reduced by £150k, agency reduced by £150k, and bank remained stable. Agency expenditure was £950k in month, £300k above the ceiling set by NHSI

Progress continues on the CIP programme. Delivery in-month £1.15m against a plan of £1.55m, a shortfall of (£0.4m). CIP delivery in-month is consistent with the YTD position, whilst the plan assumed CIP delivery would accelerate during the financial year. The Trust remains £1.05m behind planned CIPs YTD.

The EBITDA position for January 2019 was positive £0.7m, (£1.4m) worse than plan. This compares to a negative EBITDA of £1.3m for January 2018, with the same number of working days.

	Plan £000	Actual £000	Variance	Variance %	RAG	Trend
I&E	-21,753	-19,959	1,794	8.2%		↓
Control Total	-20,421	-18,699	1,722	8.4%		↓
Cash	18,487	21,050	2,563	13.9%		↓
Capex	14,200	8,431	-5,769	40.6%		↑
CIPs	12,890	11,826	-1,064	-8.3%		↓
Agency	-6,565	-8,468	-1,903	-29.0%		↑
NHSI Rating	3	3	0	-		↔
Forecast Deficit	-1,777	-1,777	0	0.0%		↔
Forecast Underlying Positior	-23,608	-23,608	0	0.0%		↔

The Trust has made a YTD deficit of (£19.95m), £1.8m favourable to plan. EBITDA is positive £4.9m YTD, £2.7m favourable to plan and £9.5m better than last year.

Performance against the control total is ahead of plan by £1.7m at (£18.7m) deficit, adverse to plan by (£1.5m) excluding the one-off gain.

The Trust is showing a Use of Resources rating of 3 in line with plan.

As at M10, £11.8m of CIP savings, £9.0m recurrent, £2.8m non-recurrent, had been identified and removed from YTD budgets, (£1.05m) behind plan. For the same period of the previous financial year the Trust generated £8.6m of recurrent CIP savings.

PSF has been earned and recognised year-to-date. It is anticipated that the Trust will achieve its underlying forecast deficit, but its control total, and therefore its full £11.5m allocation of base PSF (formerly STF), remains subject to an additional £20m revaluation of CFM, the timing and extent of which are both outside the Trust's control. In addition to the risk of timing regarding CFM, there may also be a risk associated with local property market conditions.

If the £20m revaluation of CFM cannot be recognised, the Q4 PSF of £4m will be forfeit so the total exposure is £24m or more if the revaluation on a safeguarded basis is below last year's value

The Forecast Underlying Position is our internal assessment, and includes core PSF funding as a recurrent benefit. The underlying position adjusts for the planned revaluation of CFM, non-recurrent CIP plans, and non-recurrent planned expenditure.

Additional risks associated with achievement of our forecast plan and control total are a shortfall against the CIP plan and non-payment in full for all NHS activity. Work to deliver existing CIP schemes and identify new opportunities is on-going, but any risk of shortfall should be mitigated by a pay under-spend generated by vacant posts in-year. Based on the strength of challenges received for this financial year, and successful management of commissioner challenges in prior financial years, both the YTD and forecast financial positions assume full payment for NHS activity

Capital Expenditure is £8.4m YTD, £5.8m behind plan, due to slippage on the Imaging Centre and the partnership with King's Health Partners (KHP), as well as an under-spend against Contingency. The forecast capital spend is £8.9m below plan due to slippage on the Imaging Centre project and Contingency.

2 TRUST INCOME AND EXPENDITURE

The table below shows the Trust-wide income and expenditure to month 10, compared to both the Board approved budget and the same period in 2017/18.

£m	M10			YTD Against Plan			YTD Against Prior Year		
	Budget	Actual	Variance	Budget	Actual	Variance	PY	Actual	Variance
NHS Clinical Income									
NHSE/ CCG/ Other NHS Commissioned	26.9	25.4	(1.5)	261.9	258.1	(3.7)	221.8	258.1	36.3
Provider Sustainability Funding	1.3	1.3	0.0	8.8	8.8	0.0	5.7	8.8	3.1
Pay Award Income	0.2	0.2	(0.0)	1.9	1.9	0.0	0.0	1.9	1.9
Trust to Trust & Other NHS	0.4	0.4	(0.1)	4.2	4.1	(0.1)	3.0	4.1	1.1
CIP Shortfall - Income	0.0	0.0	(0.0)	0.1	0.0	(0.1)	0.0	0.0	0.0
Income Contingency	(0.3)	(0.1)	0.1	(2.5)	(0.9)	1.6	0.3	(0.9)	(1.2)
Total NHS Clinical Income	28.7	27.2	(1.4)	274.4	272.0	(2.3)	230.9	272.0	41.1
Private Patient Income	3.7	3.9	0.2	33.6	34.6	1.0	27.1	34.6	7.5
Non Clinical Income	2.0	2.2	0.2	20.2	21.2	1.1	19.1	21.2	2.1
Total Income	34.4	33.4	(1.0)	328.1	327.9	(0.3)	277.1	327.9	50.8
Pay Costs									
Pay Costs	(19.3)	(19.1)	0.1	(192.5)	(189.3)	3.2	(163.7)	(189.3)	(25.6)
CIP Shortfall - Pay	0.1	0.0	(0.1)	(0.4)	0.0	0.4	0.0	0.0	0.0
Pay Contingency	0.0	0.0	(0.0)	0.0	0.0	(0.0)	(0.0)	0.0	0.0
Total Pay Costs	(19.1)	(19.1)	(0.0)	(192.8)	(189.3)	3.5	(163.7)	(189.3)	(25.5)
Non Pay Costs									
Drugs	(3.9)	(4.0)	(0.1)	(38.6)	(40.5)	(1.9)	(32.9)	(40.5)	(7.6)
Clinical Supplies	(5.3)	(4.9)	0.4	(53.9)	(50.7)	3.3	(46.7)	(50.7)	(4.0)
Other Costs	(4.1)	(4.6)	(0.5)	(39.6)	(42.6)	(3.0)	(38.4)	(42.6)	(4.1)
CIP Shortfall - Non-Pay	0.3	0.0	(0.3)	1.3	0.0	(1.3)	0.0	0.0	0.0
Non-Pay Contingency	(0.1)	0.0	0.1	(2.4)	(0.0)	2.4	(0.0)	(0.0)	(0.0)
Total Non Pay Costs	(13.2)	(13.6)	(0.4)	(133.2)	(133.7)	(0.6)	(118.0)	(133.7)	(15.7)
Total Expenditure	(32.3)	(32.7)	(0.4)	(326.0)	(323.0)	3.0	(281.8)	(323.0)	(41.3)
EBITDA	2.1	0.7	(1.4)	2.1	4.9	2.7	(4.7)	4.9	9.5
EBITDA Margin %	6.1%	2.0%		0.7%	1.5%		(1.7%)	1.5%	
Central Costs	(2.4)	(2.5)	(0.1)	(23.9)	(24.8)	(0.9)	(18.4)	(24.8)	(6.4)
Net Surplus/ (Deficit)	(0.3)	(1.8)	(1.5)	(21.8)	(20.0)	1.8	(23.1)	(20.0)	3.1
Net Margin %	(0.9%)	(5.5%)		(6.6%)	(6.1%)		(8.3%)	(6.1%)	

The headlines driving the in-month M10 position against plan are as follows.

NHS clinical income:

- NHS clinical income is (£1.5m) behind plan, (£0.7m) lower than the average for April to November, despite ECMO over-performance of £750k. ECMO income was £380k, or more, higher than any other month during this financial year. Critical Care income was (£0.8m) behind plan in-month, only partially explained by ECMO, as 50% of the under-performance was at Harefield.
- Inpatients is (£1.0m) behind plan, despite spells being over plan and consistent with previous months. This may reflect a change of casemix, but the position may be distorted by the estimated tariff for uncoded activity, should uncoded activity reflect more complex activity.
- Spell activity was 88 above plan at 3,379 spells, 146 spells higher than in January 2018.
- Within the reported position for each month is an income accrual for as yet uncoded activity based on an average income per spell by POD by specialty. Within the reported position for month 10 is an accrual of £3.6m for 1,179 uncoded spells; a significant reduction in spells compared to December £4.15m, of 1,269 spells. It should be noted, to charge commissioners we are required to have all activity coded by the Freeze Date, typically 6 weeks after the end of the month: to date the Trust has coded all activity by this deadline. Typically, there is a favourable variance between the income accrual and coded values.

PP income: £0.2m ahead of plan in-month, and £1.0m ahead of plan YTD. January PP income was driven by a single patient generating in excess of £0.5m, and £0.2m higher than January 2018.

Non-clinical income: This was favourable to plan by £0.2m in month, and favourable by £1.1m YTD.

Pay costs:

On plan in-month, leaving the YTD favourable variance at £3.5m. Pay expenditure reduced by £0.3m compared to the average of October and November, £19.1m in-month. Agency expenditure reduced by £150k, Bank remained stable, and substantive reduced by £150k.

Non-pay costs: Non-pay was (£0.4m) adverse to plan in-month, aligned to the normalised adverse variance for April to December, despite profiling of CIP schemes within the plan towards the later part of the financial year. Reduced expenditure on devices, associated with lower income, was offset by increased spend on drugs, ECMO consumables, and utilities.

EBITDA: £0.7m positive against a plan of positive £2.1m, (£1.4m) adverse.

Cost Improvement Programme: The entire 2018/19 £18m CIP programme is fully identified and, of the £1.55m planned for M10, £1.05m has been achieved, (£0.4m) adverse. The YTD position is now (£1.05m) behind plan with some pressures within the corporate areas and Lung Division. The adverse variance is increasing because the plan assumed growing CIP delivery during the year, whereas the run-rate CIP delivery has remained stable over the last 3 or 4 months.

Other headlines relating to the YTD position are:

NHS Clinical Income: Adverse to plan YTD by (£2.3m), after taking contingency into account. The key drivers of this position are:

- Critical Care is behind plan by (£4.3m), driven by under-performance at Brompton Heart (£3.65m), Harefield Heart (£0.2m) and Lung (£0.4m). There is also a favourable variance for VV ECMO of £2.2m at Brompton, their net reduction is driven by Paediatric Critical Care.
- Drugs & Devices costs are behind plan by (£1.2m), driven by under-performance at Brompton Heart (£1.3m), with Harefield Heart also behind plan by (£0.8m). Performance for Lung however exceeded plan by £0.9m.
- This was partially offset by over-performance on Inpatients of £0.2m (Royal Brompton Heart adverse (£0.3m), Lung favourable £1.65m, and Harefield Heart adverse (1.2m)) and Outpatients of £850k (Royal Brompton Heart favourable £0.4m, Harefield Heart adverse (£0.1m), and Lung favourable £0.5m).

PP Income: Private patient income £1.0m ahead of plan YTD, meeting or exceeding plan in every month since August.

Pay: Pay is underspent by £3.5m overall, despite pay CIP being behind plan. Underspends continue to be reflected within all substantive areas although agency/bank is being used to fill vacancy gaps.

Non-Pay: Non-pay was overspent (£0.6m) YTD, including the benefit of £2.0m contingency and £3.25m one-off gain.

3 DIVISIONAL PERFORMANCE

The performance for the three clinical divisions in January and YTD is given below.

Month Ten	RBH Heart			HH Heart			Lung			Total		
	Plan	Actual	Variance	Plan	Actual	Variance	Plan	Actual	Variance	Plan	Actual	Variance
NHSE/ CCG/ Other NHS Commissioned	10,528	9,923	(605)	8,061	6,714	(1,347)	7,395	7,765	369	25,984	24,402	(1,582)
Trust to Trust & Other NHS	118	115	(3)	101	106	5	7	9	2	227	230	3
Sub-total Patient Care Income	10,646	10,038	(608)	8,162	6,820	(1,342)	7,403	7,773	371	26,211	24,632	(1,579)
Private Patient Income	1,665	1,599	(67)	866	1,053	187	366	420	54	2,898	3,072	174
Non Clinical Income	117	95	(22)	58	62	4	27	112	85	202	269	66
Total Income	12,429	11,732	(697)	9,087	7,936	(1,151)	7,795	8,304	510	29,311	27,972	(1,339)
Pay Costs	(6,824)	(6,762)	62	(5,283)	(5,330)	(47)	(1,741)	(1,804)	(64)	(13,847)	(13,896)	(49)
Non Pay	(3,819)	(3,729)	89	(2,972)	(2,587)	385	(2,303)	(2,493)	(190)	(9,094)	(8,809)	284
Thoracic Surgery Recharge	180	180	0	395	395	0	(575)	(575)	0	0	0	0
Total Expenditure	(10,462)	(10,312)	151	(7,860)	(7,521)	338	(4,619)	(4,873)	(254)	(22,941)	(22,706)	235
Contribution	1,967	1,420	(547)	1,227	415	(813)	3,176	3,432	256	6,370	5,266	(1,104)
Direct contribution %	15.8%	12.1%	(3.7%)	13.5%	5.2%	(8.3%)	40.7%	41.3%	0.6%	21.7%	18.8%	(2.9%)
Indirect & Corporate Directorates										(4,281)	(4,589)	(309)
EBITDA										2,089	677	(1,412)

YTD	RBH Heart			HH Heart			Lung			Total		
	Plan	Actual	Variance	Plan	Actual	Variance	Plan	Actual	Variance	Plan	Actual	Variance
NHSE/ CCG/ Other NHS Commissioned	102,069	98,662	(3,407)	78,735	75,607	(3,127)	71,731	74,287	2,556	252,534	248,556	(3,979)
Trust to Trust & Other NHS	1,185	1,297	113	1,011	1,090	79	72	197	125	2,268	2,584	316
Sub-total Patient Care Income	103,253	99,959	(3,295)	79,746	76,697	(3,048)	71,803	74,483	2,681	254,802	251,140	(3,662)
Private Patient Income	15,424	15,230	(194)	7,377	6,914	(462)	3,305	3,610	304	26,106	25,754	(352)
Non Clinical Income	1,211	1,210	(1)	585	575	(10)	415	735	320	2,211	2,520	309
Total Income	119,888	116,398	(3,490)	87,707	84,187	(3,521)	75,523	78,829	3,305	283,119	279,414	(3,705)
Pay Costs	(69,071)	(67,382)	1,688	(53,444)	(52,042)	1,402	(17,437)	(17,912)	(475)	(139,952)	(137,337)	2,616
Non Pay	(38,188)	(37,038)	1,149	(29,996)	(30,427)	(431)	(22,091)	(24,009)	(1,918)	(90,274)	(91,474)	(1,200)
Recharge	955	955	0	2,270	2,270	0	(3,225)	(3,225)	0	0	0	0
Total Expenditure	(106,303)	(103,466)	2,838	(81,170)	(80,199)	971	(42,753)	(45,147)	(2,394)	(230,227)	(228,811)	1,415
Contribution	13,585	12,933	(652)	6,537	3,988	(2,549)	32,770	33,682	912	52,892	50,602	(2,290)
Contribution %	11.3%	11.1%	(0.2%)	7.5%	4.7%	(2.7%)	43.4%	42.7%	(0.7%)	18.7%	18.1%	(0.6%)
Indirect & Corporate Directorates										(50,749)	(45,750)	4,999
EBITDA										2,143	4,852	2,709

3.1 Brompton Heart

NHS Clinical Income was behind plan by (£0.6m) in month and YTD is behind plan by (£3.3m).

Within this position, paediatric services are behind plan by (£1.0m) in month and YTD by (£2.6m). This in-month position is largely case-mix driven, with fewer complex CHD cases coded compared to previous months. The average inpatient tariff as a result was £4,000 in month, compared to £5,300 previously.

Adult services were ahead of plan in-month by £0.4m, with a YTD underperformance of (£0.8m). This improved in-month position was due to extremely high levels of VV ECMO care, which was 167 bed days and £750K ahead of plan. Adult inpatient spells were lower than previous months' trend and behind plan by (£0.3m), particularly for CABG cases.

YTD income for adult contract-excluded drugs and devices is (£1.3m) behind plan. This includes shortfalls in ICD activity which are 52 devices behind plan, contributing a (£0.9m) shortfall.

Pay was underspent in month by £0.1m and YTD by £1.7m. Nursing budgets were overspent for the first time this year, by (£0.1m). This was due to the high levels of activity in adult critical care, including VV ECMO, as well as staff sickness on the unit, resulting in greater agency usage than previous months.

The division has (£0.1m) unachieved savings targets within the in-month position, relating to partially achieved cath lab and theatre efficiencies as well as unachieved reductions to surgical post-operative length of stay. YTD, the division has achieved £2.2m of its planned pay savings targets.

In month, non-pay was underspent by £0.1m and YTD by £1.1m. 23 ECMO devices were implanted in month, resulting in a (£0.1m) overspend. This is offset by continued low ICD activity as well as private TAVI activity, which implanted no devices in month and is behind plan by 22 devices YTD.

3.2 Harefield Heart

In January the overall reported NHS income is (£1.3m) behind plan. This is driven by low critical care and inpatient income, as well as low transplant and Drugs & Devices activity. Inpatient income was behind plan in month by (£0.4m) due to lower income per spell which may be impacted a high volume of un-coded spells; activity was only marginally lower than plan in Cardiac surgery (by 7 spells) and on plan in Cardiology. In month Critical Care income was behind plan by (£0.4m). Drugs and devices activity was behind plan in month by (£0.4m), this is due to low volumes of high-value VAD activity and ICDs. The Transplant & VAD contract also stood behind plan by (£0.3m); activity in month equated to 1 Heart, 5 Lungs and 0 VADs.

YTD, NHS income now stands at (£3.1m) behind plan. This is largely driven by under-performance in inpatient income (£1.2m), specifically within the cardiac surgery speciality, which is 91 spells adverse to plan (£1.0m). Cardiology inpatient activity is 86 spells behind plan (£0.2m), 70 of these seen in regular day admissions. Critical care income has fallen to (£0.2m) behind plan. Drugs and devices income is behind plan by (£0.8m) due to a lower than plan activity rate of ICDs and VAD implants, now 34 and 8 behind plan respectively. High levels of transplant drug usage and over performance in short-term VAD support partially offset the under-performance. The Transplant & VAD contract is behind plan by (£1.0m) due to lower than planned volumes of VAD transplants, lung transplants at 47 verses a plan of 55, and Heart & Lung transplants 0 versus plan of 5.

Private patient income for the month at £1.1m was ahead of plan by £0.2m and trend by £0.4m. Activity remained behind plan, but the recognition of a final billed invoice for a highly complex patient in month, as well as the general complexity of patients treated continues to drive the income position. YTD income remains behind plan by (£0.5m).

Pay is over-spent in the month by (£50k) (0.9%), and YTD underspent by £1.4m (2.6%).

Non-pay costs are underspent by £0.4m (13.0%). This is driven by an under-spend in clinical supplies, linked with lower volumes of device activity in-month, as discussed above. The YTD position is overspent by (£0.4m) (1.4%), this is largely driven by overspends in drugs of (£1.0m), half of which is offset by income, and the decontamination service (£0.5m), which is partially offset by an underspend within clinical supplies.

3.3 Lung

Due to unexpected absence, Lung Division commentary to be tabled at the Committee meeting

3.4 Private Patients

Total Private Patient Income

In month							
Income £000s	RBH Heart	HH Heart	Lung	Clinical Support	Wimpole St	Private Patients	Total
Budget	1,665	866	366	527	198	60	3,683
Actual	1,599	1,053	420	509	241	125	3,947
Variance	(67)	187	54	(18)	43	65	264
<i>Wimpole St NHS Variance</i>					(16)		(16)

The in-month position is £0.3m favourable to plan, excluding Wimpole St. NHS, this is due to over performance at Wimpole St, a rich international and device case-mix at RBH and a highly complex international patient at HH.

RBH Heart under achieved by (£67k), this comprises of, Cardiology £163k due to 5 ICDs. This is more than offset by Paediatrics (£37k) due to a poor case-mix, Imaging (£72k) and Surgery (£89k) due to critical care bed days at HH.

RBH inpatient Activity is behind by 37 cases in month, this comprises of 19 Cardiology, 13 Surgery, 4 Paediatrics. Outpatient attendances are over performing by 146, of this 31 are new and 115 follow-up

HH Heart has reported an overachievement position in month due to a complex international case-mix. However Inpatient activity is behind plan by 17 cases.

HH Outpatients are under performing by 120 attendances in-month and 971 YTD mainly due to non-delivery of the increased target agreed following the HH expansion.

Lung has over-achieved by £54k, this is predominantly at the RBH which comprises of £106k Thoracic Surgery offset by Respiratory Medicine (£24k), Thoracic HH (£9k), and Imaging (£21k).

Lung inpatient activity is under-performing by 33 cases in month. This comprises of HH 12 and RBH 21.

Total PP in month activity is behind of plan by 87 episodes, 29 behind plan at HH and 58 behind at RBH.

Year to Date							
Income £000s	RBH Heart	HH Heart	Lung	Clinical Support	Wimpole St	Private Patients	Total
Budget	15,424	7,377	3,305	4,879	1,862	562	33,409
Actual	15,230	6,914	3,610	5,345	2,785	688	34,572
Variance	(194)	(462)	304	466	923	127	1,164
<i>Wimpole St NHS Variance</i>					(279)		(279)

The YTD position is £1.2m ahead of plan, excluding Wimpole St. NHS. This consists of an underperformance in month 3 and 4, more than offset by a rich case-mix, over performance at Wimpole St, and increased charges for devices.

Wimpole Street	FY	Month			Year to Date		
£000s	Budget	Budget	Actual	Variance	Budget	Actual	Variance
NHS Income	1,480	126	110	(16)	1,235	955	(279)
PP Income	2,266	198	241	43	1,862	2,784	922
Pay	(2,062)	(172)	(170)	2	(1,718)	(1,646)	72
Non Pay	(2,627)	(217)	(204)	13	(2,193)	(2,210)	(17)
Grand Total	(943)	(66)	(23)	43	(814)	(116)	698

In month PP income has over achieved by £43k, Mainly due Imaging (CT, MRI & PET) £58k.

In month PP attendances are above plan by 229, of this 59 are new attendances and 170 are follow ups.

NHS income is behind plan by (£16k) in month and (£279k) YTD mainly due to a reduction in Imperial College NHS referrals.

4 BALANCE SHEET

4.1 Trust balance sheet at 31 January 2019

Balance Sheet as at 31 January 2019	£m	
Fixed Assets		300.6
Stocks	10.0	
Accrued Income & Prepayments	18.7	
Debtors	30.8	
Bank	21.0	
Current Assets	80.5	
Creditors	(17.7)	
Deferred Income	(10.3)	
Accruals & Other Creditors	(18.0)	
Accrued Dividend	(2.7)	
Provisions - Current	(2.8)	
Borrowings - Current	(5.6)	
Current Liabilities	(57.1)	
Net Current Assets (Liabilities)		23.4
Provisions - Non Current	(0.7)	
Borrowings - Non Current	(43.8)	
Non-Current Liabilities		(44.5)
Net Assets Employed		279.5
Capital	108.6	
I&E Reserve	116.3	
Revaluation Reserve	54.6	
Total Capital and Reserves		279.5

4.2 Balance sheet comments

	M10 vs. (M9)	Commentary
Cash (Annex F & G)	£21.1m (£25.0m)	The cash level of £21.1m at 31 January is equivalent to 19.1 days operating costs (31 December: 22.9 days) and represents a £3.9m decrease from 31 December. This reduction is largely driven by five creditor payment runs in the month, as well as lower payment of Embassy PP debt.
RCF Borrowing	£0m (£0m)	The Trust activated this facility in March and repaid it in July following the receipt of incentive/bonus STF for 2017/18. The facility has recently been extended with the current provider until September 2019.

Loan Borrowings	£49.3m (£49.5m)	<p>Total ITFF borrowing is now £42.2m after repayments in April, June, October and December.</p> <p>Monthly repayments on the loan for Wimpole Street continue, and the total outstanding balance is £7.1m.</p> <p>Loan borrowings includes £5.6m of repayments due within 12 months which are shown in Borrowings – Current.</p>
Liquidity (Annex G & H)	12.4 days (13.6 days)	There was a decrease of 1.2 days in M10, partly driven by the reduction in cash held.
Stock	£10.0m (£9.8m)	There was an increase of £0.2m in M10 (£0.2m above plan).
Trade Debtors (Annex I & J)	£31.1m (£31.4m)	<p>NHS debt totals £14.8m, a £2.6m decrease on M09. Within this figure, £5.3m is CCG debt (M09 – £4.6m), £5.5m is NHSE debt (M09 – £6.7m) and £4.0m (M08 – £6.1m) relates to other NHS organisations.</p> <p>There are disputes with two CCGs over payment for pre-transplant critical care (£0.5m in total); others have now paid the Trust for this service.</p> <p>Private patient debt totals £21.3m, an increase of £4.7m since the beginning of the financial year. Within this position the > 60 days debt value increased by £1.3m, the most significant changes being a £0.2m increase for KHO and £1.0m increase for the Qatar Embassy.</p> <p>See Annex J for Embassy Debt analysis for the last 12 months (please note that there are minor reconciliation differences due to self-funding elements).</p>
Trade Creditors	-£9.8m (-£9.2m)	The approved creditor balance is £1.0m above plan. Approved creditor invoices are only paid in line with maximum payment terms. The accounts payable team continue to work with managers to improve timeliness in approvals. The balance at 31 January is equivalent to 24.5 (31 December – 23.0) days' non-pay cost.
Capital spend (Annex L)	£8.4m YTD	<p>Expenditure to M10 is £8.4m, £8.3m behind plan. Spend in M10 was £0.9m, largely consisting of Imaging Centre and Equipment spend. The updated January forecasting exercise indicated a full-year spend of £13.6m,</p> <p>Current slippage requests amount to £8.9m, largely consisting of the Imaging Centre scheme (£6.5m) and contingency (£1.8m).</p>

Annex Ai – Detailed income and expenditure statement

Royal Brompton and Harefield NHS Foundation Trust Financial Reporting 2018/19 Corporate Financial Assessment - for the period ending 31st January 2019 (Month M10)						
Detailed Income & Expenditure Position						
Em	M10			M10 YTD		
	Budget	Actual	Variance	Budget	Actual	Variance
NHS Clinical Income						
NHSE/ CCG/ Other NHS Commissioned	26.9	25.4	(1.5)	261.9	258.1	(3.7)
Provider Sustainability Funding	1.3	1.3	0.0	8.8	8.8	0.0
Pay Award Income	0.2	0.2	(0.0)	1.9	1.9	0.0
NHS Other Income	0.0	(0.0)	(0.1)	0.0	0.3	0.3
Trust to Trust	0.4	0.4	0.0	4.2	3.8	(0.5)
CIP Shortfall - Income	0.0	0.0	(0.0)	0.1	0.0	(0.1)
Income Contingency	(0.3)	(0.1)	0.1	(2.5)	(0.9)	1.6
Sub-Total NHS Clinical Income	28.7	27.2	(1.4)	274.4	272.0	(2.3)
Non NHS Income						
Private Patient Income	3.7	3.9	0.2	33.6	34.6	1.0
Sub-Total Non NHS Income	3.7	3.9	0.2	33.6	34.6	1.0
Non Clinical Income						
Education & Training	0.4	0.5	0.1	4.5	4.8	0.4
Research & Development	0.5	0.9	0.4	5.3	6.1	0.8
Non Patient Services	0.1	0.1	0.0	1.0	0.8	(0.1)
Commercial- Parking, Accom, Catering	0.3	0.3	(0.1)	3.2	2.9	(0.3)
Other Income	0.2	0.0	(0.2)	2.1	2.4	0.3
Salary Recharges	0.1	0.1	(0.0)	1.3	1.5	0.1
Charitable Funds	0.3	0.3	(0.0)	2.8	2.7	(0.0)
Sub-Total Non Clinical Income	2.0	2.2	0.2	20.2	21.2	1.1
Total Income	34.4	33.4	(1.0)	328.1	327.9	(0.3)
Pay costs						
Consultants	(3.3)	(3.3)	0.1	(33.3)	(32.9)	0.4
Junior Doctors	(2.0)	(1.9)	0.0	(19.3)	(18.9)	0.4
Nursing	(6.9)	(6.9)	(0.0)	(69.3)	(68.4)	0.9
STT	(3.4)	(3.3)	0.1	(33.3)	(32.1)	1.3
Non Clinical staff	(3.7)	(3.7)	0.0	(37.3)	(37.0)	0.3
CIP Shortfall - Pay	0.1	0.0	(0.1)	(0.4)	0.0	0.4
Pay Contingency	0.0	0.0	(0.0)	0.0	0.0	(0.0)
Sub-Total Pay costs	(19.1)	(19.1)	(0.0)	(192.8)	(189.3)	3.5
Non pay costs						
Drugs	(3.9)	(4.0)	(0.1)	(38.6)	(40.5)	(1.9)
Clinical Supplies	(5.3)	(4.9)	0.4	(53.9)	(50.7)	3.3
General Supplies	(1.0)	(1.0)	(0.0)	(9.9)	(10.4)	(0.5)
Establishment	(1.4)	(1.7)	(0.3)	(12.9)	(13.2)	(0.3)
Premises	(1.0)	(1.3)	(0.3)	(9.6)	(11.1)	(1.4)
Legal & Professional Fees	(0.4)	(0.3)	0.1	(3.6)	(3.8)	(0.2)
Ambulance Services	(0.2)	(0.2)	(0.0)	(1.6)	(1.6)	0.0
Other Expenditure	(0.2)	(0.2)	(0.0)	(1.9)	(2.5)	(0.6)
CIP Shortfall - Non-Pay	0.3	0.0	(0.3)	1.3	0.0	(1.3)
Non-Pay Contingency	(0.1)	0.0	0.1	(2.4)	(0.0)	2.4
Sub-Total Non pay costs	(13.2)	(13.6)	(0.4)	(133.2)	(133.7)	(0.6)
Total Expenditure	(32.3)	(32.7)	(0.4)	(326.0)	(323.0)	3.0
EBITDA	2.1	0.7	(1.4)	2.1	4.9	2.7
EBITDA margin %	6.1%	2.0%		0.7%	1.5%	
Central Costs						
Depreciation	(1.6)	(1.7)	(0.1)	(16.5)	(17.4)	(0.9)
Capital Donation Receipts	0.1	0.0	(0.1)	0.6	0.7	0.1
Interest Payable	(0.1)	(0.1)	(0.0)	(1.2)	(1.2)	(0.0)
Interest Receivable	0.0	0.0	0.0	0.0	0.1	0.1
Restructuring Costs	0.0	0.0	0.0	0.0	(0.2)	(0.2)
Investment Property	0.0	0.0	0.0	0.0	0.0	0.0
PDC Dividend	(0.7)	(0.7)	(0.0)	(6.8)	(6.8)	0.0
Sub-Total Central Costs	(2.4)	(2.5)	(0.1)	(23.9)	(24.8)	(0.9)
Net Surplus/ (Deficit)	(0.3)	(1.8)	(1.5)	(21.8)	(20.0)	1.8
Net Margin %	(0.9%)	(5.5%)		(6.6%)	(6.1%)	

Annex B – Cost Improvement Programme

Royal Brompton and Harefield NHS Foundation Trust Financial Reporting 2018/19 Cost Improvement Programme

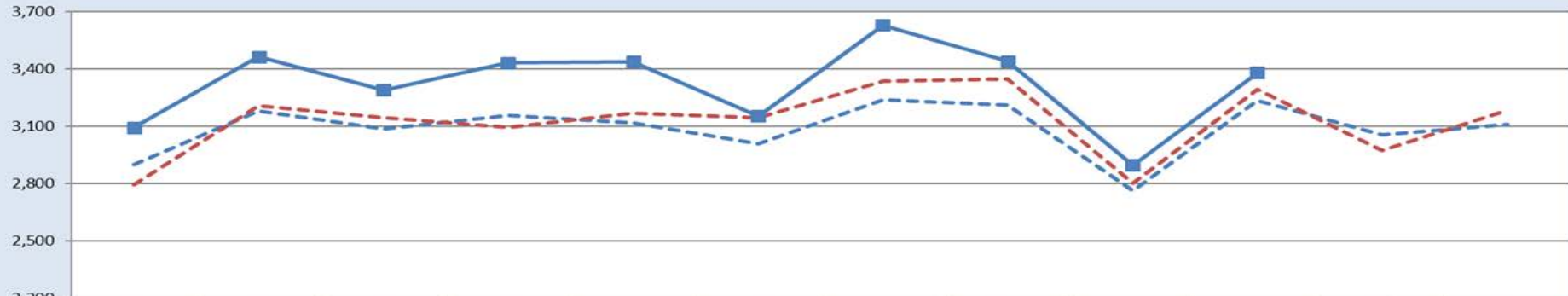
£000		2018/19 Plan	M10			YTD		
Division	Scheme		Target	Actual	Variance	Target	Actual	Variance
Royal Brompton Heart	Adult Ward Savings (Pre-assessment, LoS, DoP)	677	91	48	-43	495	453	-43
	Paediatric Ward (skill mix/agency)	937	78	78	0	781	781	0
	RBH Critical Care Margin	2,190	183	183	0	1,825	1,825	0
	RBH Cath Lab and Theatres Workstreams	400	67	8	-58	267	83	-183
	RBH Heart - Other	773	65	65	0	643	643	0
Subtotal Brompton Heart		4,977	483	382	-101	4,011	3,786	-226
Harefield Heart	Ward Bed Reduction and DoSA investment	1,382	98	98	0	1,187	1,187	0
	HH Cath Lab and Theatres Workstreams	400	67	0	-67	267	0	-267
	HH Other Darwin schemes	500	83	169	85	333	291	-43
	HH Heart - Other	111	9	9	0	92	92	0
Subtotal Harefield Heart		2,393	257	275	19	1,879	1,570	-309
Lung	Administration Consolidation and Outsourcing	203	20	0	-20	164	0	-164
	Consultant Productivity	269	28	14	-13	214	24	-190
	Ward reviews	191	16	12	-4	159	121	-38
	Lung - Radiology Review	150	25	0	-25	100	0	-100
	Lung - Other	371	31	14	-17	309	144	-165
Subtotal Lung		1,184	119	41	-78	946	289	-657
Clinical Support	Rehab Savings	630	53	53	1	525	525	0
	Lab Medicine Savings	309	26	26	0	257	257	0
	Pharmacy Savings	264	24	24	0	216	216	0
Subtotal Clinical Support		1,203	102	103	1	998	998	0
Private Patients	Management of Debtors (Non-Recurrent)	2,000	0	0	0	0	470	470
Subtotal Private Patients		2,000	0	0	0	0	470	470
Corporate & Other	Additional Procurement	600	100	41	-59	400	409	9
	Additional Non recurrent schemes	1,589	132	131	-1	1,324	2,105	781
	Procurement - Inverto	1,408	141	0	-141	1,125	0	-1,125
	CIO Schemes	904	75	21	-55	753	585	-168
	Estates CIP Schemes	506	42	43	1	421	430	8
	Finance Schemes	200	17	9	-8	167	87	-80
	HR Schemes	356	30	25	-4	297	253	-44
	Corporate/Central - other Schemes	680	57	84	28	567	844	277
Subtotal Corporate & Other		6,243	594	354	-240	5,055	4,713	-341
Total		18,000	1,555	1,156	-399	12,890	11,826	-1,064

Annex Cii – Staffing (Permanent & Temporary) – WTE

Staff Group	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Target March-2019
Consultant Locum	15.1	15.1	13.4	13.6	13.1	10.0	11.4	11.2	11.7	12.5	11.3	15.4	12.1	10.9	10.8	11.8
Consultant Substantive	215.6	214.8	218.4	220.4	223.0	223.3	223.5	222.7	225.1	223.1	221.2	223.9	224.8	222.6	223.2	229.8
Junior Doctor Locum	6.0	5.2	9.6	8.6	13.4	14.9	13.6	11.2	9.1	10.6	8.9	14.5	11.5	7.6	5.5	0.0
Junior Doctor Agency	0.6	0.2	0.4	0.3	0.0	0.9	0.8	4.3	1.2	2.3	5.0	6.1	5.2	2.3	1.5	0.0
Junior Doctors Substantive	279.7	282.1	275.6	276.9	269.2	259.1	254.1	261.0	257.7	262.4	280.5	290.3	284.4	284.6	279.0	296.7
Nursing Agency	48.1	44.0	58.4	69.2	69.9	51.3	57.8	59.9	73.3	48.3	60.3	59.9	59.3	44.4	60.2	0.0
Nursing Bank	90.0	80.9	101.5	118.6	132.0	122.0	106.0	104.8	107.2	106.8	111.5	97.0	138.9	102.6	95.2	15.7
Nursing Substantive	1,439.6	1,433.5	1,437.0	1,441.9	1,442.6	1,463.8	1,460.1	1,471.7	1,465.0	1,453.7	1,479.6	1,498.3	1,505.6	1,498.7	1,498.9	1,654.1
STT Agency	17.5	18.9	20.8	22.2	25.0	27.6	26.2	29.3	31.7	39.8	34.4	29.8	32.2	23.6	30.1	0.0
STT Bank	13.0	9.7	15.3	11.0	14.7	10.8	12.2	13.8	11.9	11.4	15.7	14.7	16.7	15.5	17.0	1.0
STT Substantive	628.9	615.9	611.9	614.5	612.7	607.8	604.8	603.4	616.0	617.7	614.0	604.4	610.3	615.5	620.0	701.1
Non Clinical Agency	31.1	36.5	49.5	41.5	65.3	48.2	47.5	47.5	56.7	55.2	62.1	73.2	71.4	59.1	52.7	1.8
Non Clinical Bank	32.9	29.2	40.1	37.7	56.1	45.8	44.5	47.8	49.2	59.1	51.6	43.6	43.3	36.7	42.6	14.1
Non Clinical Substantive	902.6	904.0	898.2	890.6	888.0	873.2	878.9	878.5	878.5	879.1	874.0	873.3	880.6	880.2	884.2	932.1
Agency	97.2	99.6	129.1	133.1	160.2	128.0	132.3	141.0	162.9	145.5	161.8	169.0	168.0	129.5	144.5	1.8
Bank	157.1	140.1	179.9	189.4	229.2	203.5	187.6	188.7	189.1	200.3	198.9	185.1	222.6	173.2	171.1	42.6
Substantive	3,466.3	3,450.3	3,441.2	3,444.2	3,435.5	3,427.2	3,421.3	3,437.2	3,442.3	3,436.1	3,469.3	3,490.2	3,505.7	3,501.7	3,505.2	3,813.8
Total	3,720.6	3,690.0	3,750.1	3,766.8	3,824.8	3,758.7	3,741.2	3,766.9	3,794.3	3,781.9	3,830.0	3,844.3	3,896.3	3,804.3	3,820.8	3,858.3
Agency	2.6%	2.7%	3.4%	3.5%	4.2%	3.4%	3.5%	3.7%	4.3%	3.8%	4.2%	4.4%	4.3%	3.4%	3.8%	0.0%
Bank	4.2%	3.8%	4.8%	5.0%	6.0%	5.4%	5.0%	5.0%	5.0%	5.3%	5.2%	4.8%	5.7%	4.6%	4.5%	1.1%
Substantive	93.2%	93.5%	91.8%	91.4%	89.8%	91.2%	91.4%	91.2%	90.7%	90.9%	90.6%	90.8%	90.0%	92.0%	91.7%	98.8%

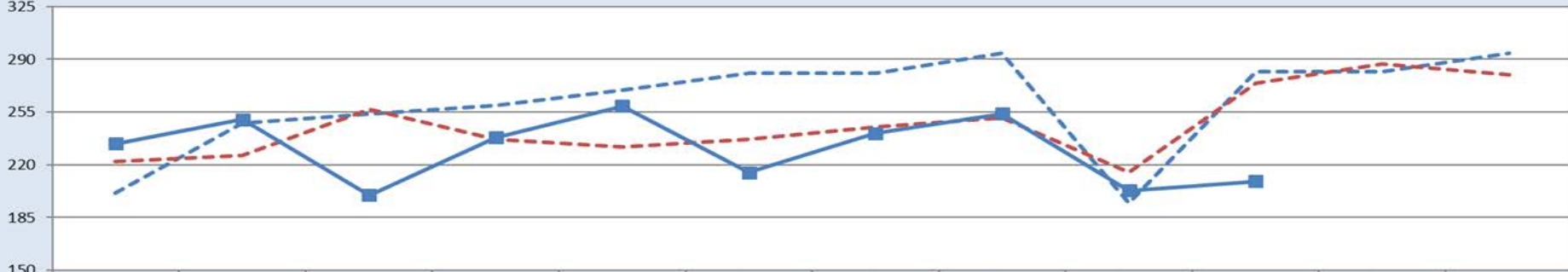
Annex D – Activity Reports

Total NHS Inpatient Spells



	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
NHS Target	2,900	3,180	3,084	3,156	3,116	3,006	3,239	3,211	2,763	3,233	3,056	3,107
Actual 2017/18	2,793	3,207	3,144	3,095	3,167	3,142	3,335	3,347	2,803	3,291	2,973	3,183
Actual 2018/19	3,092	3,462	3,288	3,431	3,436	3,153	3,627	3,438	2,895	3,379		

Total PP Inpatient Spells



	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PP Target	201	248	254	260	270	281	281	294	195	282	282	294
Actual 2017/18	222	226	257	237	232	237	245	251	215	274	287	280
Actual 2018/19	234	250	200	238	259	215	241	254	203	209		

Annex E – Balance Sheet

Balance Sheet as at 31 January 2019

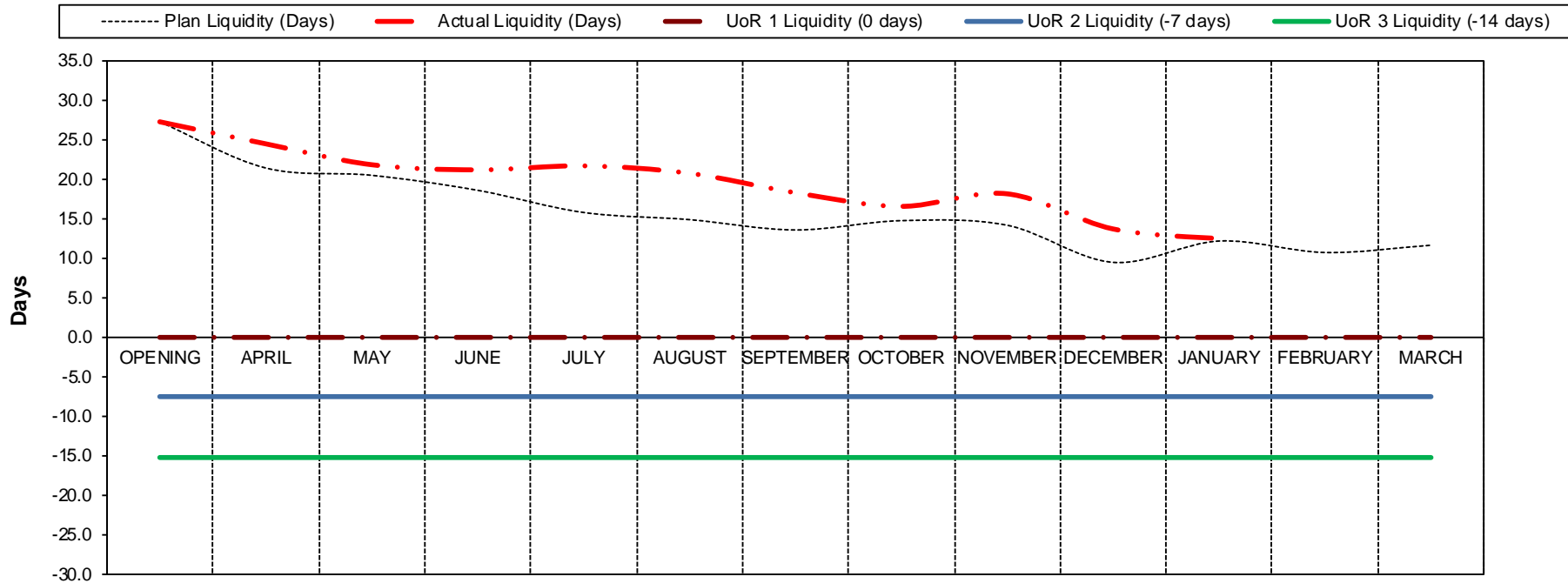
£m	Actual as at 01-04-18	Plan as at 31-01-19	Actual as at 31-01-19	Variance against Plan	Variance against Plan (%)
Land	123.1	123.1	123.1	(0.0)	0%
Buildings	141.2	138.4	133.1	(5.4)	-4%
Equipment	23.8	17.9	20.3	2.4	13%
Intangibles	13.5	11.4	11.6	0.2	0%
Leased Equipment	0.0	0.0	0.0	0.0	0%
Assets under Construction	8.0	19.0	12.6	(6.4)	-34%
Fixed Assets	309.5	309.8	300.6	(9.2)	-3%
Stocks	10.3	9.7	10.0	0.2	3%
Trade Debtors, net of Provisions	19.9	34.6	30.1	(4.5)	-13%
Prepayments	4.3	6.5	6.5	(0.0)	0%
Accrued Income	54.3	9.1	12.1	3.1	34%
Other Debtors	0.9	1.6	0.7	(0.8)	-53%
Bank & Cash	17.6	18.5	21.0	2.6	14%
Current Assets	107.2	80.0	80.5	0.6	1%
Trade Creditors	(9.2)	(8.8)	(9.8)	(1.0)	12%
Pay Creditors	(8.0)	(7.6)	(7.9)	(0.2)	3%
Deferred Income	(8.2)	(6.2)	(10.3)	(4.1)	66%
Accruals	(18.3)	(18.2)	(12.0)	6.2	-34%
Accrued Dividend	(0.2)	(2.7)	(2.7)	0.0	0%
Other Creditors	(6.6)	(6.1)	(6.0)	0.1	-2%
Provisions - Current	(1.6)	(1.7)	(2.8)	(1.1)	64%
Borrowings - Current	(15.4)	(5.7)	(5.6)	0.1	0%
Current Liabilities	(67.3)	(57.1)	(57.1)	0.0	0%
Net Current Assets (Liabilities)	39.9	22.8	23.4	0.6	3%
Provisions - Non Current	(0.7)	(0.6)	(0.7)	(0.1)	17%
Borrowings - Non Current	(49.2)	(54.3)	(43.8)	10.5	-19%
Non-Current Liabilities	(49.9)	(54.9)	(44.5)	10.4	-19%
Net Assets Employed	299.5	277.8	279.5	1.8	1%
PDC	108.6	108.6	108.6	(0.0)	0%
I&E Reserve	136.3	114.6	116.3	1.8	2%
Revaluation Reserve	54.6	54.6	54.6	0.0	0%
Total Capital and Reserves	299.5	277.8	279.5	1.8	1%

Annex F – Cash flow statement YTD

Cash Flow Statement (£m)	Actual as at 31-01-19
Cash flows from operating activities	
Operating income	328.6
Operating expenses of continuing operations	(340.5)
Operating surplus/ (deficit)	(11.9)
Non-operating and non-cash items in operating surplus/ (deficit)	
Depreciation & amortisation	17.4
Impairments	0.0
Reversals of impairments	0.0
(Gain)/ loss on disposal	0.0
Other movements in operating cash flows	0.0
	17.4
Operating cash flows before movements in working capital	5.5
(Increase)/ decrease in working capital	
(Increase)/ decrease in inventories	0.3
(Increase)/ decrease in trade & other receivables	(10.2)
(Increase)/ decrease in prepayments	(2.2)
(Increase)/ decrease in accrued income	41.9
(Increase)/ decrease in other debtors	0.2
Increase/ (decrease) in trade & other payables	0.7
Increase/ (decrease) in pay creditors	(0.1)
Increase/ (decrease) in deferred income	2.1
Increase/ (decrease) in accruals	(6.3)
Increase/ (decrease) in other payables	(0.6)
Increase/ (decrease) in provisions	1.2
	27.0
Net cash inflow/ (outflow) from operating activities	32.5
Cash flows from investing activities	
Interest received	0.1
Purchase of tangible & intangible assets	(8.5)
Sales of tangible & intangible assets & investment property	0.0
	(8.3)
Net cash inflow/ (outflow) before financing	24.2
Cash flows from financing activities	
Public dividend capital received	0.0
Loans received from Dept of Health	0.0
Other loans received	(0.0)
Loans repaid to Dept of Health	(3.9)
Other loans repaid	(11.2)
Interest paid	(1.2)
PDC dividend paid	(4.3)
Net cash generated from/ (used in) financing activities	(20.6)
Increase/ (decrease) in cash and cash equivalents	3.5
Cash & cash equivalents - 1 April	17.6
Cash & cash equivalents - 31 January	21.1

Annex H – Liquidity report

Liquidity as at 31 January 2019



Liquidity £m

	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
Original Plan	29.5	23.1	22.1	20.1	17.0	16.0	14.6	15.9	15.3	10.2	13.1	11.5	12.5
Actual	29.6	26.6	23.7	22.9	23.5	22.5	19.8	17.9	19.6	14.8	13.4		
UoR 1 (0 days)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
UoR 2 (-7 days)	(7.6)	(7.6)	(7.6)	(7.6)	(7.6)	(7.6)	(7.6)	(7.6)	(7.6)	(7.6)	(7.6)	(7.6)	(7.6)
UoR 3 (-14 days)	(15.2)	(15.2)	(15.2)	(15.2)	(15.2)	(15.2)	(15.2)	(15.2)	(15.2)	(15.2)	(15.2)	(15.2)	(15.2)
UoR 1 Surplus/ (Deficit)	29.6	26.6	23.7	22.9	23.5	22.5	19.8	17.9	19.6	14.8	13.4		
UoR 2 Surplus/ (Deficit)	37.2	34.2	31.3	30.5	31.1	30.1	27.4	25.5	27.2	22.4	21.0		
UoR 3 Surplus/ (Deficit)	44.8	41.8	38.9	38.1	38.7	37.7	35.0	33.1	34.8	30.0	28.6		

Annex I – Debtors

£m	Jan-19	Dec-18	Nov-18	Oct-18	Sep-18	Aug-18	Jul-18	Jun-18
NHS England	5.5	6.7	7.0	7.1	5.2	4.3	4.0	6.1
CCGs	5.3	4.6	3.8	3.1	4.0	4.3	3.9	2.4
Other NHS	4.0	6.1	4.2	4.6	3.8	3.5	3.6	4.7
Total NHS	14.8	17.4	15.0	14.7	12.9	12.0	11.5	13.2
Embassies & Overseas Patients	15.6	14.3	13.3	13.3	12.8	12.4	11.7	11.7
Insurance Companies	4.7	5.3	4.9	4.8	4.9	4.7	4.4	4.9
Other Private Patients	0.9	1.0	0.9	1.0	0.9	1.0	1.0	1.1
Total Private Patients	21.3	20.5	19.1	19.2	18.6	18.1	17.0	17.6
Other Debtors	4.3	3.6	3.5	4.4	4.1	3.3	3.1	3.3
Total Non NHS Debt	25.6	24.2	22.6	23.5	22.6	21.3	20.1	21.0
Total Trade Debtors	40.4	41.6	37.6	38.3	35.5	33.4	31.5	34.2
Less Provisions	(10.2)	(10.2)	(10.2)	(10.3)	(10.3)	(10.2)	(9.8)	(9.9)
Total Debtors (Net of Provision)	30.1	31.4	27.4	28.0	25.2	23.2	21.7	24.3

Large value debt over 60 days (>£0.2m)

NHS (£m) - over £200k	Total Balance January	Total Movement January	Over 60 days January	Over 60 days Movement Jan
NHS England	5.5	-1.1	4.0	-1.1
Royal Marsden NHS FT	0.8	0.0	0.7	0.0
Wales	0.4	-0.3	0.4	0.1
West London CCG	0.5	0.1	0.4	0.3
NHS Herefordshire CCG	0.3	0.0	0.3	0.0
Canden CCG	0.3	0.0	0.3	0.2
St Georges NHS FT	0.3	0.0	0.3	0.0
Trust Development Authority	0.3	0.0	0.2	0.0
Hammersmith & Fulham CCG	0.3	0.0	0.2	0.1
NHS Bristol, N Somerset & S Gloucester CCG	0.2	0.0	0.2	0.0
Total	9.0	-1.2	7.1	-0.4

PP Embassy or Insurer (£m) - over £200k	Total Balance January	Total Movement January	Over 60 days January	Over 60 days Movement Jan
Kuwait Health Office	6.5	0.2	5.4	0.4
Qatar Embassy	4.8	1.0	3.1	0.3
Kuwait Oil Company	1.6	0.1	1.4	0.6
Kuwait Military	1.2	0.1	1.2	0.0
UAE Medical Department	0.6	0.0	0.5	0.0
Libyan Embassy	0.3	0.0	0.3	0.0
BUPA	2.2	-0.4	1.0	0.0
AXA/PPP	1.3	0.1	0.5	0.1
Pru Health	0.3	0.0	0.1	0.0
Total	18.8	1.0	13.5	1.4

Annex J – Embassy Debt

PP Overseas Purchasers

	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	12 mth Sum
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
KMO													
Opening Debtors	1,273	1,331	1,456	1,387	1,391	1,401	1,396	1,404	1,432	1,180	1,184	1,192	1,273
Invoices	58	132	8	4	11	2	8	36	4	5	8	66	341
Payments	0	(6)	(77)	0	(3)	0	0	(8)	(254)	0	0	0	(348)
Closing Debtors	1,331	1,456	1,387	1,391	1,401	1,396	1,404	1,432	1,180	1,184	1,192	1,258	1,258
KHO													
Opening Debtors	5,946	6,161	5,767	5,838	5,550	5,615	5,856	5,583	5,820	6,057	5,478	6,289	5,946
Invoices	215	399	372	446	176	494	245	236	265	471	812	251	4,382
Payments	0	(794)	(301)	(734)	(110)	(254)	(519)	0	(28)	(1051)	0	(30)	(3821)
Closing Debtors	6,161	5,767	5,838	5,550	5,615	5,856	5,583	5,820	6,057	5,478	6,289	6,510	6,510
Qatar													
Opening Debtors	1,392	1,755	2,007	2,206	2,326	2,619	2,432	3,278	3,630	3,840	3,482	3,867	1,392
Invoices	365	497	412	792	298	180	955	500	541	637	384	1,278	6,839
Payments	0	(246)	(214)	(672)	(6)	(367)	(109)	(149)	(334)	(997)	0	(331)	(3425)
Closing Debtors	1,755	2,007	2,206	2,326	2,619	2,432	3,278	3,630	3,840	3,482	3,867	4,848	4,848
UAE Military													
Opening Debtors	186	186	188	188	253	231	109	105	106	102	105	104	186
Invoices	1	1	0	68	(2)	3	1	1	1	4	1	24	102
Payments	(1)	0	0	(3)	(10)	(124)	(5)	0	(4)	0	(2)	0	(150)
Closing Debtors	186	188	188	253	231	109	105	106	102	105	104	128	128
UAE Medical													
Opening Debtors	272	272	190	193	197	293	333	466	490	555	565	610	272
Invoices		1	3	5	87	42	133	107	66	10	129	4	586
Payments	0	(84)	0	0	0	(2)	0	(83)	0	(1)	(85)	0	(254)
Closing Debtors	272	190	193	197	293	333	466	490	555	565	610	614	614
Kuwait Oil													
Opening Debtors	545	591	612	483	536	625	755	769	640	797	1,344	1,480	545
Invoices	47	84	35	60	101	134	123	24	156	555	137	71	1,526
Payments	(1)	(63)	(164)	(7)	(12)	(4)	(109)	(152)	0	(7)	(1)	(17)	(537)
Closing Debtors	591	612	483	536	625	755	769	640	797	1,344	1,480	1,534	1,534
All Other Embassies													
Opening Debtors	521	526	531	545	562	555	557	558	567	578	595	684	521
Invoices	10	25	18	23	23	7	30	13	32	31	105	13	329
Payments	(5)	(19)	(6)	(6)	(31)	(5)	(33)	(4)	(23)	(11)	(14)	(7)	(164)
Closing Debtors	526	531	545	562	555	557	558	567	578	595	684	692	692
Total Embassies													
Opening Debtors	10,134	10,821	10,752	10,839	10,816	11,340	11,437	12,163	12,685	13,109	12,753	14,227	10,134
Invoices	697	1,138	847	1,397	694	861	1,495	918	1,064	1,712	1,575	1,706	14,105
Payments	(7)	(1213)	(762)	(1421)	(172)	(756)	(774)	(397)	(644)	(2066)	(103)	(385)	(8699)
Closing Debtors	10,821	10,752	10,839	10,816	11,340	11,437	12,163	12,685	13,109	12,753	14,227	15,584	15,584

Annex K – Better Payment Practice Code

BPPC 2018/19	M10		YTD	
	Number	£000	Number	£000
Non NHS				
Total bills paid in the year	8,953	19,852	77,951	165,257
Total bills paid within target	8,904	18,731	72,539	147,775
Percentage of bills paid within target	99%	94%	93%	89%
NHS				
Total bills paid in the year	141	4,176	1,738	40,881
Total bills paid within target	140	4,174	1,557	40,198
Percentage of bills paid within target	99%	100%	90%	98%
Total				
Total bills paid in the year	9,094	24,028	79,689	206,138
Total bills paid within target	9,044	22,905	74,096	187,973
Percentage of bills paid within target	99%	95%	93%	91%

The target for BPPC is that 95% of all valid & undisputed NHS and non-NHS trade invoices (by both value and volume) sent to the designated payment address are paid within 30 days of receipt, or by the due date, whichever is later.

Annex L – Capital report

Project Code (£m)	New Budget	Budget B/F	In Year Changes	Current Budget Total	Actual Spend to Date	Commitment Value at the Reporting Date	Balance of Budget	Actual Q1	Actual Q2	Actual Q3	Plan Q4	Full year plan
Estates Development	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Imaging Centre	10.5	0.0	0.0	10.5	2.7	4.7	3.1	0.1	0.4	1.8	1.6	4.0
Project Management	0.0	0.0	0.3	0.3	0.2	0.0	0.0	0.1	0.1	0.1	0.1	0.3
Estates Maintenance	2.1	0.2	0.0	2.3	1.4	0.3	0.6	0.3	0.5	0.5	0.7	2.0
IT/IS	1.0	0.0	0.3	1.3	1.0	0.2	0.2	0.3	0.3	0.3	0.4	1.4
Equipment	2.2	0.3	0.0	2.5	1.4	0.8	0.3	0.5	0.3	0.4	1.2	2.3
Service Development Programme	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Projects	2.0	0.3	0.5	2.8	1.0	0.1	1.7	0.3	0.2	0.3	1.8	2.7
Major Project - Fulham Road Safety	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Major Project - HH Developments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Major Project - RBH Developments	0.9	0.0	(0.1)	0.8	0.8	0.0	(0.0)	0.8	0.0	0.0	0.0	0.8
Major Project - Trust Wide Developments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Finance	0.0	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Procurement	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Contingency/Financing	3.3	(0.7)	(0.5)	2.1	0.0	0.0	2.1	0.0	0.0	0.0	0.3	0.3
TOTAL	22.0	0.1	0.6	22.7	8.4	6.2	8.1	2.3	1.8	3.4	6.1	13.6

Annex M – Finance Risk Register

Ref	Risk	Description	Risk level	Risk Owner	Next Review Date
1	Failure to maintain adequate liquidity	The impact of annual I&E deficits are placing significant pressure on the liquidity position of the Trust.	Moderate	Richard Paterson	31/03/2019
2	Failure to deliver annual plan	The accuracy of the annual plan forms part of NHS's assessment of actual and potential risk to the Trust's authorisation. Any significant risks for or apparent weaknesses in the planning process require NHS's review of annual plans to be more intense	Moderate	Richard Paterson	31/03/2019
3	Inadequate working capital management	Poor working capital management may create operational and cash flow difficulties and will affect the Trust's Use of Resources risk rating.	Moderate	Richard Paterson	31/03/2019
4	Failure to establish and maintain appropriate sources of borrowing	Inability to finance expenditure and capital programme, and unable to meet its financial obligations.	Low	Richard Paterson	31/03/2019
5	Commissioners will levy fines for missing contractual targets	Commissioners are looking to enforce fines for any failures to meet contractual targets. The Trust will provide for these on a monthly basis.	Moderate	Nick Hunt	31/03/2019
6	Annual capital expenditure failure to deliver planned returns	The benefits claimed from the investment are not realised. <input type="checkbox"/> Risk of financial/ opportunity loss to the Trust if overspends on capital expenditure.	Low	Jan McGuinness	31/03/2019
7	Capital is misallocated	Trust fails to allocate capital that balances short term needs with long term sustainability	Low	Jan McGuinness	31/03/2019
8	Failure to provide accurate and timely financial information to Board and other stakeholders	Trust Board and stakeholders may make incorrect decisions based on information, which is not complete, accurate or timely. <input type="checkbox"/> Material weaknesses in financial ledger, financial reporting and budgetary control procedures may affect the Trust's UoR risk rating.	Low	Richard Paterson	31/03/2019
9	Loss of financial oversight	Multiple projects running concurrently which require input from limited number of senior finance team members risks loss of oversight of core financial activities	Low	Richard Paterson	31/03/2019
10	Failure to capture all NHS revenues	Income may be lost through ineffective work measurement. Reduction in payments by Commissioners.	Low	Richard Paterson	31/03/2019
11	Failure to improve profitability with analysis from patient level costing data	Trust may fail to tackle underlying profitability issues through inadequate use of patient level costing data	Low	Richard Paterson	31/03/2019
12	Losses	Losses may arise from: <input type="checkbox"/> 1. Dishonesty (fraud/ theft); <input type="checkbox"/> 2. Inadequate record keeping; <input type="checkbox"/> 3. Best practice and guidance is not adhered to; and 4. Adequate security arrangements are not in place for the protection of staff and patients.	Low	Richard Paterson	31/03/2019
13	Change of regulation on VAT recovery	Trust had full inspection on VAT Recovery of contracted out services at the end of August 2015 and all transactions were approved. HMRC issued further guidance in October 2015 and the Trust has implemented that guidance from 1 December 2015. The annual potential impact of the revised guidance is now thought to have reduced the potential annual impact to the Trust from £2m to £150k.	Low	Richard Paterson	31/03/2019
14	Failure to collect all Commissioner debt in relation to payment of amounts due under Payment by Results and agreed local prices.	Increased risk due to financial pressures being experienced by our commissioners, and in particular significant over-performance on our specialist commissioning contract with NHSE	Moderate	Richard Paterson	31/03/2019
15	Failure to collect full payment for all Private Patient Debt	Historically Embassies in the past have paid their debt in full, though often much delayed, but even after mitigation by provision there remains a risk to the Trust.	Moderate	Richard Paterson	31/03/2019
16	Future Payment by Results tariff changes anticipated from April 2019	There will be changes from 2019/20 for tariff, specialist top-up, Market Forces Factor (MFF) and grouper; until we are informed of all elements of those changes, which will not be until 2018/19 Qtr 4, it is impossible to estimate the overall impact. We do know MFF will be adjusted with an estimated overall reduction of £200m for London providers phased over a 4 year period. Proposal, out for initial consultation, would reduce our MFF from 25.32% to 15.51%.	Moderate	Richard Paterson	31/03/2019