



» Financial Review

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improving lives

Financial Review

April 2010 – March 2011

| STATEMENT OF COMPREHENSIVE INCOME | 2010/11 £'000 | 2009/10 £'000 (restated) |
|--|------------------|--------------------------------|
| Operating income | 159,209 | 158,350 |
| Operating expenses | (152,848) | (152,482) |
| OPERATING SURPLUS | 6,361 | 5,868 |
| Finance costs | | |
| Finance income | 471 | 347 |
| Finance expenses | (660) | (649) |
| Public Dividend Capital – dividend payable | (2,310) | (2,479) |
| SURPLUS / (DEFICIT) FOR THE YEAR | 3,862 | 3,087 |
| Other comprehensive income revaluation gains / (losses) etc | - | (481) |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | 3,862 | 2,606 |

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STATEMENT OF FINANCIAL POSITION

| | 31 st March 2011 £'000 | 31 st March 2010 £'000 (restated) |
|---|---|---|
| Non current assets | 96,976 | 98,001 |
| Current assets | | |
| Inventories | 121 | 117 |
| Trade receivables | 2,709 | 1,745 |
| Non-current asset for sale | 220 | 0 |
| Cash | 56,849 | 47,225 |
| Current liabilities | (27,604) | (22,161) |
| NET CURRENT ASSETS | 32,295 | 26,926 |
| TOTAL ASSETS LESS CURRENT ASSETS | 129,271 | 124,927 |
| Non current liabilities | (9,191) | (9,187) |
| TOTAL ASSETS EMPLOYED | 120,080 | 115,740 |
| | | |
| Public Dividend Capital | 67,620 | 67,284 |
| Revaluation reserve | 41,050 | 41,639 |
| Other reserves | 1,359 | 1,217 |
| Income & Expenditure Reserve | 10,051 | 5,600 |
| TOTAL TAX PAYERS EQUITY | 120,080 | 115,740 |

Capital expenditure

| | £.m |
|------------------------------|-----|
| Capital Expenditure | 1.8 |
| Major Projects: | |
| Bracton | 1.4 |
| Spend on maintenance capital | .4 |

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| CASH FLOW | 2010/11 | 2009/10 |
|--|---------------|---------------------|
| | £'000 | £'000 (restated) |
| Cash flow from operations | 6,361 | 5,868 |
| Depreciation / impairments | 2,363 | 3,535 |
| Cash flow from changes in payables / receivables | 4,791 | 2,832 |
| Net interest received / paid | (162) | (271) |
| Dividend paid | (2,468) | (2,464) |
| Net capital spend | (1,597) | (2,606) |
| Public Dividend Capital received | 336 | - |
| INCREASE IN CASH | 9,624 | 6,894 |
| OPENING CASH | 47,225 | 40,331 |
| CLOSING CASH | 56,849 | 47,225 |

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PRUDENTIAL BORROWING LIMIT

Total approval

Actual borrowed

£43.8m

£8.0m

BETTER PAYMENT PRACTICE CODE

Target

Actual

95%

97%



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| FINANCIAL RISK RATING | <u>Metric</u> | <u>Rating</u> |
|------------------------------|----------------------|----------------------|
| EBITDA * Margin | 5.8% | 3 |
| EBITDA * Achieved | 113.5% | 5 |
| Return on Assets | 5.4% | 4 |
| I&E surplus margin | 2.6% | 4 |
| Liquidity Ratio | 103.8 days | 5 |
| Weighted average rating | | 4 |



*EBITDA – Earnings Before Interest Taxation Depreciation and Amortisation

Financial outlook

- National and local economic situation
- Effect on NHS
- Effect on Oxleas
- Our process for managing the uncertainty.

