

# INDEPENDENT TRUST FINANCING FACILITY

## APPLICATION

Name of Trust: The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust

Amount Proposed: £8,000,000

Date of application: 4th December 2013

Former Strategic Health Authority:	West Midlands			
Main Commissioners: (£'000)	(2013)	Shropshire County PCT	£19,164	21.57%
		Welsh Assembly Government (incl	£15,262	17.18%
		Telford And Wrekin PCT	£3,758	4.23%
		Birmingham East And North PCT	£2,909	3.27%
		Western Cheshire PCT	£2,204	2.48%
		Others	£45,535	51.26%
		Total Income	£88,832	100.00%

	Limit	Drawn	Maturity	Rate
Existing Loans (Finance Leases)	£100,000	£100,000	N/A	N/A
(DH)	£225,000	£225,000	N/A	N/A
Total Existing:	£325,000	£325,000		
Amounts Proposed:	£8,000,000			
Total:	£8,325,000		14.83%	Tier 1

Purpose of new loan(s):

To finance a new Surgical Services Unit including four new theatres, admissions unit, 15 hour recovery ward, discharge area and High Dependency Unit as a replacement for existing facilities.

Term of new loan(s): 10 years

Repayment programme: Equal instalments of principal

Interest rate: National Loan Fund Rate currently 1.86%

Fees: Nil

Security/Covenants: Negative pledge

Estimated Debt Capacity:

Long Term (2.5% debt service:revenue)	Tier 1	£56,150,237	Beds:	183
Working Capital (30 days OpEx)		£7,412,795		

Date of Authorisation: Trust Type: Acute and specialist trust

Monitor Published Rating: Finance 3  
Governance Green

Care Quality Commission Rating: Meets all standards

Reference Cost Index (2010/11) 108 (MFF adjusted) 102 (Non-adjusted)

Ratios:	Required (Tier 1)	Projected (max)
Minimum dividend cover	>1x	3.96
Minimum interest cover	>3x	32.77
Minimum debt service cover	>2x	5.14
Maximum debt service / net revenue	<2.5%	1.11%
Debt / net assets		16%

# The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS FT ("RJAH")

## Introduction

RJAH has requested an £8,000,000 loan repayable over ten years to finance a new Surgical Services Unit including four new theatres, admissions unit, 15 hour recovery ward, discharge area and High Dependency Unit as a replacement for existing facilities.

In March 2009 the Trust Board agreed to develop fast track surgery. At the time this was designed to provide the theatre capacity required to deliver the 18 week Referral to Treatment targets and meet increasing underlying demand, in particular for day case surgery.

As part of this strategy, the Trust agreed a five year operating lease on two laminar flow theatres and a minor surgery theatre complete with integrated admission, recovery and discharge facilities. These became operational in September 2009, bringing the total number of theatres to 10 and creating the Menzies Unit. This is currently recognised as the Trust's primary day case unit.

The additional theatre capacity generated from the Menzies development has been essential to the Trust in the delivery of its contracted activity as referrals have been growing year on year and are expected to increase further.

The need for the proposed investment is driven by three main factors:

1. Quality and Efficiency – The disparate location of current surgical services leads to patients following different pathways of care. The new development is required to facilitate full integration and co-location of services supporting the entire inpatient surgical services pathway and in doing so improve the patient experience and realise efficiency opportunities.
2. Business Continuity - The current lease agreement on the Menzies Unit expires in September 2014. This unit provides 30% of the Trust's theatre capacity. Maintaining sufficient theatre capacity is an essential element of the Trust's ability to sustainably achieve national waiting time targets and remain a viable business.
3. Estate Strategy - Theatre 7 and HDU are located in a suspended modular building purchased by the Trust following an initial lease period around nine years ago. The infrastructure of this building is now becoming increasingly expensive to maintain given the temporary nature of the original installation. A requirement to re-provide these facilities in a new build has been a pre-requisite of the Trust's recently approved Estates Strategy.

## Background

RJAH is one of the UK's five specialist orthopaedic hospitals providing specialist, routine orthopaedic and related care to patients locally, regionally and nationally. The hospital is an elective surgical centre for routine orthopaedics, and, in addition, a specialist centre for complex orthopaedic surgery for both adults and children, a regional spinal injuries centre, and a national centre for bone tumour surgery.

The Trust is based on a single site in Oswestry, close to the border with Wales. The surrounding geographical area includes Shropshire, Wales, Cheshire and the Midlands. As such, it serves the people of both England and Wales, as well as a wider national catchment. It also hosts some local services which support the communities in and around Oswestry.

The hospital has eight inpatient wards, including a private patient ward, and ten operating theatres, including a short stay surgery unit and full outpatient and diagnostic facilities. The Trust provides outreach clinics and treatments in neighbouring hospitals in order to ensure our specialist services are provided as close to people's homes as is possible.

## Capital Plan

### *Theatre Capacity*

Base capacity provided by the 10 theatres is 116 operating sessions per week utilising core operating hours of 9am – 5pm Monday to Friday supplemented by partial extended working on certain evenings and weekends of some theatres. Capacity from the private sector has also been used to support the clearance of long wait patients but this carries a high premium cost of around one third above the internal costs of delivery. The intention is therefore to provide sufficient flexible capacity to eliminate this requirement.

The surgical activity levels undertaken through the existing Theatres over the last five years are shown in the table below. The large increases in both 2009/10 and 2010/11 reflect the increased capacity created from the opening of the Menzies Unit and the repatriation of activity previously undertaken in the private sector.

NHS Theatre cases over last 5 years				
2008/09	2009/10	2010/11	2011/12	2012/13
9,181	9,887	10,936	11,267	10,940

The steady state over the last three years is representative of capacity constraints as opposed to referrals as supported by recent waiting list management challenges. The table below shows the number of weekly theatre sessions required over the next five years based on expected demand, current theatre utilisation and expected shift to a more complex casemix associated with the Specialist Commissioning agenda.

Weekly Theatre Session requirement in the future					
	2013/14	2014/15	2015/16	2016/17	2017/18
<b>NHS Cases</b>	10,800	9,887	10,936	11,267	10,940
<b>Cases per session</b>	2.3	2.2	2.1	2.1	2.1
<b>Operating weeks</b>	50	50	50	50	50
<b>Unutilised sessions (5%)</b>	1.05	1.05	1.05	1.05	1.05
<b>Unutilised minutes (10%)</b>	1.10	1.10	1.10	1.10	1.10
<b>NHS sessions required</b>	108	118	126	128	130

<b>Private sessions required</b>	7	7	7	7	7
<b>Spinal injuries/other</b>	1	1	1	1	1
<b>Weekly sessions required</b>	116	126	134	136	138

Initial scoping has suggested that this can be provided under a ten operating theatre configuration but with the need to generate additional capacity that can be created by the following opportunities:

- Improved utilisation of theatres (sessions and minutes)
- Increased extended working – adopting a weekday 8.30am -6.30pm model
- Incorporation of a clean air procedure room to remove non- surgical injections from main theatres.

Beyond the five years forward look, the Trust would need to consider expansion of its theatre base and the design of the new development will facilitate this.

#### *Admissions*

Patients are currently admitted via three portals as follows:

- Menzies Unit (day cases)
- ADOS (Admission on the Day of Surgery) for both day cases and inpatients
- Wards (inpatients and day cases) – 60% of admissions to Kenyon Ward are day cases.

This configuration can be confusing for patients and equally does not facilitate the most efficient workforce model as currently one third of day surgery patients are managed outside of the day case pathway as they are scheduled on to a mixed list in Theatres.

Mixed lists are helpful for maximising utilisation of Theatre minutes as day surgery patients may be used as fillers between more complex cases and the focus of the new development will be to standardise the admissions and discharge arrangements in a single location for all day surgery patients operated on across the full theatre base.

#### *High Dependency Unit*

The High Dependency Unit accommodates those patients who need intensive nursing and monitoring post-surgery. This could be as a result of complex specialist surgery or as result of co-morbidity conditions identified pre surgery.

The unit is currently staffed to operate five beds (including 1 side room) and is located in the same modular building as Theatre 7 that as previously stated is expensive to maintain and is in need of replacement.

Current utilisation of the unit is highest in the middle of the week which can lead for a need to reschedule operating lists (and delay Theatre start time) to ensure a HDU bed will be available post-surgery. The unit operates at full capacity around 50% of the time but is much quieter at weekends. The increasingly complex case mix predicted for the future is expected

to result in an increased demand for HDU beds and the new unit will enable HDU capacity to be flexed up and down more effectively to accommodate theatre scheduling requirements.

### *Discharge / Beds*

The Menzies unit contains its own recovery and discharge facilities for day surgery patients so that they may be managed as part of a day case pathway and avoid an overnight stay. However, currently 17% of day case patients admitted to Menzies are transferred to another Ward before their discharge, many of which end up staying in hospital overnight. The planned solution is the introduction of a 15 hour recovery ward for day surgery patients.

### **Preferred Option**

This has generated three possible options as follows:

Option 1 – Extend Menzies Unit Lease - Pursue an extension of the current Menzies lease upon its expiry in September 2014. Current cost £819k (RPI linked).

Option 2 – Integrated Surgical Services unit - New build linked to existing main Theatres and comprising centralised admissions and discharge facilities that would accommodate all day cases and inpatients.

Option 3 – Standalone Surgical Services unit - As option 2 but without links to existing Theatres. This option would require two separate structures; one to re-provide the Menzies facilities and a separate one to re-provide HDU adjacent to main Theatres.

The preferred option is Option 2, as a means of addressing both capacity and pathway issues at a cost slightly less than Option 3.

<b>Capital cost and funding of options</b>		
	<b>Option 2 £'000</b>	<b>Option 3 £'000</b>
Building	10,721	11,349
Furniture & Equipment	1,326	1,376
<b>Total Investment</b>	<b>12,047</b>	<b>12,725</b>
Loan over 10 years	8,000	8,000
Charitable Donations	1,000	1,000
Trust Capital (Depreciation)	3,047	3,725
<b>Total Funding</b>	<b>12,047</b>	<b>12,725</b>
<i>Footprint m<sup>2</sup></i>	<i>2,600</i>	<i>2,700</i>

## Trust Performance

The Trust became a Foundation Trust quite recently in August 2011 and made a surplus of £1.2 million in 2012/13, net of impairments of £3.8m. The impairment arose from a full revaluation of the Trusts estate.

During the course of the year the Trust failed to meet its Referral to Treatment (RTT) targets for either inpatients or outpatients for the first two quarters. This was anticipated as part of a recovery plan and Monitor were kept fully informed of the plans and the actions which the Trust was taking to put its delivery of the RTT targets on a sustainable footing. There was a further breach of the inpatient target in March when the Trust prioritised the longest waiting patients. In addition the Trust has not met the “open pathway” waiting time target of 92%. An agreement has been reached with commissioners to deliver this target early in 2013/14.

Monitor subsequently decided that the Trusts governance risk rating should be shown as amber/red and launched an investigation in July 2013 to understand the delay in reducing the backlog of patients waiting for treatment. On 27th November 2013, however, Monitor announced that it has closed this investigation, stating that the trust had fixed the issues that caused patients to wait more than 18 weeks for treatment. The Trust's governance rating is now “Green”.

The additional work which was required to meet the Referral to Treatment (RTT) targets placed a strain on the Trust's resources and caused the Trust to reduce its planned surplus from £1.5 million to £1.2 million (pre-impairment). This shortfall was mirrored in the CIP achieved, which, at £2.7 m was £400k short of the original plan. The financial risk rating remained as a 3.

### *Monitor Financial Risk Assessment Ratios*

	<b>Annual Plan</b>	<b>Outturn</b>	<b>Monitor Risk Assessment</b>
EBITDA Margin	6.1%	5.6%	3
EBITDA Achieved	100%	93.8%	4
Return on Assets	1.3%	0.8%	3
I&E Surplus margin	1.4%	1.4%	3
Liquidity ratio (Days)	32	31	4
<b>Overall Risk Assessment</b>	<b>3</b>	<b>3</b>	<b>3</b>

Reference costs have dropped significantly in recent years.

### *Reference Costs*

	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Annual Reference Cost Index	141	129	116	108	105	106

## **Recommendation**

RJAH is a small specialist Trust specialising in orthopaedics. Recent difficulties with targets would appear to result from constraints of capacity, which this investment will address.

Nevertheless increasing demand may well mean that a similar problem reappears in the future, and reference is made in the business case to ensuring that this investment is made in such a way as to support any future expansion needs.

The reconfiguration proposed is intended to address the management of pathways, as well as capacity and is well founded in terms of the specialised nature of the Trust. It should also be noted that the cost of the operating lease for the Menzies Theatres was £819k in 2012/13, and this saving will help to underpin the new investment.

Commissioner income is reasonably well spread with both local and national streams, and a significant proportion received from Wales. Private income is also a source that might be available should other income come under threat.

This investment is core to the Trust's future and the loan is affordable. The loan is recommended for approval.

NR/02.12.2013

	2010/11	2011/12	2012/13
	£'000	£'000	£'000
<b>INCOME STATEMENT</b>			
Operating Income from continuing operations	0	57,447	88,832
Operating Expenses of continuing operations	0	(55,635)	(90,189)
<b>OPERATING SURPLUS / (DEFICIT)</b>	<b>0</b>	<b>1,812</b>	<b>(1,357)</b>
<b>FINANCE COSTS</b>			
Finance income	0	32	36
Finance expense - financial liabilities	0	(22)	(30)
Finance expense - unwinding of discount on provisions	0	0	0
PDC Dividends payable	0	(780)	(1,245)
<b>NET FINANCE COSTS</b>	<b>0</b>	<b>(770)</b>	<b>(1,239)</b>
Share of Profit / (Loss) of Associates/Joint Ventures accounted for using the equity method	0	0	0
Gain/(loss) from transfer by absorption	0	0	0
Movement in fair value of investment property and other investments	0	0	0
Corporation tax expense	0	0	0
Surplus/(Deficit) from continuing operations	0	1,042	(2,596)
Surplus/(deficit) of discontinued operations and the gain/(loss) on disposal of discontinued operations	0	0	0
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>	<b>0</b>	<b>1,042</b>	<b>(2,596)</b>
<b>Other comprehensive income</b>			
Impairments	0	0	(2,728)
Revaluations	0	2,196	4,774
Transfer to retained earnings on disposal of assets	0	0	0
Movements arising from classifying non current assets as Assets Held for Sale	0	0	0
Other recognised gains and losses	0	0	0
Actuarial gains/(losses) on defined benefit pension schemes	0	0	0
Other reserve movements	0	0	0
<b>TOTAL COMPREHENSIVE INCOME / (EXPENSE) FOR THE PERIOD</b>	<b>0</b>	<b>3,238</b>	<b>(550)</b>
Prior period adjustments	0	0	0
Merger adjustments	0	0	0
<b>TOTAL COMPREHENSIVE INCOME / (EXPENSE) FOR THE YEAR</b>	<b>0</b>	<b>3,238</b>	<b>(550)</b>

	2010/11	2011/12	2012/13
	£'000	£'000	£'000
<b>BALANCE SHEET</b>			
<b>Non-current assets</b>			
Intangible assets	0	84	102
Property, plant and equipment	0	50,352	48,910
Investment Property	0	0	0
Investments in associates (and joined controlled operations)	0	0	0
Other Investments	0	0	0
Trade and other receivables	0	570	509
Other financial assets	0	0	0
Other assets	0	0	0
<b>Total non-current assets</b>	<b>0</b>	<b>51,006</b>	<b>49,521</b>
<b>Current assets</b>			
Inventories	0	1,453	1,378
Trade and other receivables	0	3,752	4,701
Other financial assets	0	0	0
Non-current assets for sale and assets in disposal groups	0	0	0
Cash and cash equivalents	0	5,274	4,197
<b>Total current assets</b>	<b>0</b>	<b>10,479</b>	<b>10,276</b>
<b>Current liabilities</b>			
Trade and other payables	0	(7,346)	(6,843)
Borrowings	0	(72)	(82)
Other financial liabilities	0	0	0
Provisions	0	(476)	(197)
Other liabilities	0	(744)	(579)
Liabilities in disposal groups	0	0	0
<b>Total current liabilities</b>	<b>0</b>	<b>(8,638)</b>	<b>(7,701)</b>
<b>Total assets less current liabilities</b>	<b>0</b>	<b>52,847</b>	<b>52,096</b>
<b>Non-current liabilities</b>			
Trade and other payables	0	0	0
Borrowings	0	(330)	(243)
Other financial liabilities	0	0	0
Provisions	0	(380)	(266)
Other liabilities	0	0	0
<b>Total non-current liabilities</b>	<b>0</b>	<b>(710)</b>	<b>(509)</b>
<b>Total assets employed</b>	<b>0</b>	<b>52,137</b>	<b>51,587</b>
<b>Financed by</b>			
Minority Interest	0	0	0
Public Dividend Capital	0	31,220	31,220
Revaluation reserve	0	13,001	14,885
Available for sale investments reserve	0	0	0
Other reserves	0	0	0
Merger reserve	0	0	0
Income and expenditure reserve	0	7,916	5,482
<b>Total taxpayers' and others' equity</b>	<b>0</b>	<b>52,137</b>	<b>51,587</b>

	2010/11	2011/12	2012/13
	£'000	£'000	£'000
<b>CASHFLOW STATEMENT</b>			
Operating surplus/(deficit) from continuing operations	0	1,812	(1,357)
Operating surplus/(deficit) of discontinued operations	0	0	0
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>1,812</b>	<b>(1,357)</b>
Depreciation and amortisation	0	1,965	3,247
Impairments	0	50	3,450
Reversals of impairments	0	(316)	(266)
<b>EBITDA</b>	<b>0</b>	<b>3,511</b>	<b>5,074</b>
(Gain)/Loss on disposal	0	0	622
Non-cash donations/grants credited to income	0	0	0
Interest accrued and not paid	0	0	0
Dividends accrued and not paid or received	0	0	0
Amortisation of government grants	0	0	0
Amortisation of PFI credit	0	0	0
(Increase)/Decrease in Trade and Other Receivables	0	1,380	(891)
(Increase)/Decrease in Other Assets	0	0	0
(Increase)/Decrease in Inventories	0	80	75
Increase/(Decrease) in Trade and Other Payables	0	1,859	(490)
Increase/(Decrease) in Other Liabilities	0	(1,909)	(165)
Increase/(Decrease) in Provisions	0	206	(393)
Tax (paid) / received	0	0	0
Movements in operating cash flow of discontinued operations	0	0	0
Movements in operating cash flow in respect of Transforming Community Services transaction	0	0	0
Other movements in operating cash flows	0	0	0
<b>NET CASH GENERATED FROM/(USED IN) OPERATIONS</b>	<b>0</b>	<b>5,127</b>	<b>3,832</b>
<b>Cash flows from investing activities</b>			
Interest received	0	32	36
Purchase of financial assets	0	0	0
Sales of financial assets	0	0	0
Purchase of intangible assets	0	0	0
Sales of intangible assets	0	0	0
Purchase of Property, Plant and Equipment	0	(4,100)	(3,597)
Sales of Property, Plant and Equipment	0	0	0
Cash flows attributable to investing activities of discontinued operations	0	0	0
Cash from acquisitions of business units and subsidiaries	0	0	0
Cash from (disposals) of business units and subsidiaries	0	0	0
<b>Net cash generated from/(used in) investing activities</b>	<b>0</b>	<b>(4,068)</b>	<b>(3,561)</b>
<b>Cash flows from financing activities</b>			
Public dividend capital received	0	0	0
Public dividend capital repaid	0	0	0
Loans received from the Foundation Trust Financing Facility	0	0	0
Loans received from the Department of Health	0	0	0
Other loans received	0	0	0
Loans repaid to the Foundation Trust Financing Facility	0	0	0
Loans repaid to the Department of Health	0	(50)	(50)
Other loans repaid	0	0	0
Capital element of finance lease rental payments	0	(17)	(27)
Other capital receipts	0	0	0
Capital element of Private Finance Initiative Obligations	0	0	0
Interest paid	0	(15)	(17)
Interest element of finance lease	0	(12)	(13)
Interest element of Private Finance Initiative obligations	0	0	0
PDC Dividend paid	0	(1,246)	(1,241)
Cash flows from (used in) other financing activities	0	0	0
<b>Net cash generated from/(used in) financing activities</b>	<b>0</b>	<b>(1,340)</b>	<b>(1,348)</b>
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>0</b>	<b>(281)</b>	<b>(1,077)</b>
<b>Cash and Cash equivalents at 1 April</b>	<b>0</b>	<b>0</b>	<b>5,274</b>
Cash and Cash equivalents at start of period for new FTs	0	5,555	0
Cash and Cash equivalents changes due to transfers by absorption	0	0	0
<b>Cash and Cash equivalents at 31 March and 31 March</b>	<b>0</b>	<b>5,274</b>	<b>4,197</b>

	2010/11	2011/12	2012/13
	£'000	£'000	£'000
<b>RATIOS</b>			
EBITDA Margin	#DIV/0!	6.11%	5.71%
Surplus Margin	#DIV/0!	1.35%	0.66%
Average Return on Assets		2.98%	1.13%
Current Ratio	#DIV/0!	121%	133%
Cashflow Ratio (Op Cash / Depreciation + Dividend)	#DIV/0!	128%	113%
Capex Ratio (Capex / Depreciation)	#DIV/0!	207%	110%
Gearing (LT Liabs / Net Assets)	#DIV/0!	1%	1%
Liquidity (Days OpCosts)	#DIV/0!	3	5
Debt Coverage Ratio	#DIV/0!	2.62	3.76
Liquidity Rating	#DIV/0!	4	4
Debt Coverage Rating	#DIV/0!	4	4
Overall Rating	#DIV/0!	4	4



## The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust

	2010/11	2011/12	2012/13	2010/11	2011/12	2012/13	
Operating Costs as % of Revenues	£'000	£'000	£'000	£'000	£'000	£'000	
<b>Total Revenues</b>	-	<b>57,447</b>	<b>88,832</b>				<b>All FTs</b>
Employee Expenses	-	30,632	48,295	#DIV/0!	53.32%	54.37%	62.12%
Redundancy & Early Retirement	-	-	-	#DIV/0!	0.00%	0.00%	0.31%
R & D	-	354	714	#DIV/0!	0.62%	0.80%	0.53%
<b>Pay Costs</b>	-	<b>30,986</b>	<b>49,009</b>	<b>#DIV/0!</b>	<b>53.94%</b>	<b>55.17%</b>	<b>62.96%</b>
Services from NHS Bodies	-	70	29	#DIV/0!	0.12%	0.03%	1.62%
Purchase of healthcare from non NHS bodies	-	-	11	#DIV/0!	0.00%	0.01%	0.78%
<b>Purchase of External Services</b>	-	<b>70</b>	<b>40</b>	<b>#DIV/0!</b>	<b>0.12%</b>	<b>0.05%</b>	<b>2.40%</b>
Supplies and services - clinical (excluding drug costs)	-	10,526	5,995	#DIV/0!	18.32%	6.75%	7.55%
Supplies and services - general	-	970	811	#DIV/0!	1.69%	0.91%	1.75%
Inventories consumed (excluding drugs)	-	-	12,213	#DIV/0!	0.00%	13.75%	0.71%
Drug Costs	-	3,771	5,698	#DIV/0!	6.56%	6.41%	7.25%
<b>Supplies and Services</b>	-	<b>15,267</b>	<b>24,717</b>	<b>#DIV/0!</b>	<b>26.58%</b>	<b>27.82%</b>	<b>17.26%</b>
Establishment	-	770	1,162	#DIV/0!	1.34%	1.31%	1.38%
Premises	-	3,036	3,147	#DIV/0!	5.28%	3.54%	4.58%
Rentals under operating leases	-	938	1,642	#DIV/0!	1.63%	1.85%	0.80%
Loss on Disposal	-	-	622	#DIV/0!	0.00%	0.70%	0.06%
<b>Premises</b>	-	<b>4,744</b>	<b>6,573</b>	<b>#DIV/0!</b>	<b>8.26%</b>	<b>7.40%</b>	<b>6.82%</b>
Consultancy costs	-	426	293	#DIV/0!	0.74%	0.33%	0.50%
Professional Fees	-	91	83	#DIV/0!	0.16%	0.09%	0.18%
Clinical negligence	-	475	938	#DIV/0!	0.83%	1.06%	1.27%
<b>Professional Costs</b>	-	<b>992</b>	<b>1,314</b>	<b>#DIV/0!</b>	<b>1.73%</b>	<b>1.48%</b>	<b>1.95%</b>
Provisions & Write Downs	0	480	399	#DIV/0!	0.84%	0.45%	0.11%
Other	-	1,081	1,440	#DIV/0!	1.88%	1.62%	0.00%
<b>Provisions and Other</b>	-	<b>1,561</b>	<b>1,839</b>	<b>#DIV/0!</b>	<b>2.72%</b>	<b>2.07%</b>	<b>0.11%</b>
Total Cash OpCosts	-	53,620	83,492	#DIV/0!	93.34%	93.99%	93.74%
EBITDA	-	3,827	5,340	#DIV/0!	6.66%	6.01%	6.26%
<b>Total Revenues</b>	-	<b>57,447</b>	<b>88,832</b>	<b>#DIV/0!</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>
Depreciation	-	1,948	3,224	#DIV/0!	3.39%	3.63%	2.70%
Amortisation	-	17	23	#DIV/0!	0.03%	0.03%	0.14%
Impairments	-	50	3,450	#DIV/0!	0.09%	3.88%	1.78%
<b>Net Non-Cash</b>	-	<b>2,015</b>	<b>6,697</b>	<b>#DIV/0!</b>	<b>3.51%</b>	<b>7.54%</b>	<b>4.62%</b>
<b>Operating Surplus / Deficit before Financing Costs</b>	-	<b>1,812</b>	<b>- 1,357</b>	<b>#DIV/0!</b>	<b>3.15%</b>	<b>-1.53%</b>	

# The Robert Jones and Agnes Hunt (

## Planned Quarterly Income Statement for RJAH

### Appendix 2

	Actual for	Plan for	Plan for	Plan for
	Year ending 31-Mar-13	Year ending 31-Mar-14	Year ending 31-Mar-15	Year ending 31-Mar-16
<b>Operating</b>				
NHS Clinical Revenue				
NHS Ambulance activity Income, Total	0.000	0.000	0.000	0.000
NHS Community activity revenue				
NHS Community activity revenue, Total	0.000	0.000	0.000	0.000
NHS Mental Health activity Income, Total	0.000	0.000	0.000	0.000
NHS Acute Activity Income, Total	77.420	75.524	76.349	76.049
Sub-total NHS Clinical Revenue	77.420	75.524	76.349	76.049
Contract penalties or adjustments not included above		0.000		
NHS Clinical Revenue, Total	77.420	75.524	76.349	76.049
Non Mandatory/Non protected revenue				
Private patient revenue	3.790	3.855	3.855	3.855
Other Non Mandatory/Non protected clinical revenue	1.057	0.987	0.987	0.987
Non Mandatory/Non protected revenue, Total	4.847	4.842	4.842	4.842
Other Operating revenue, Total	5.565	5.222	5.272	5.272
Operating Revenue, IFRS, Total	88.565	86.288	87.163	86.363
Operating Expenses				
Raw Materials and Consumables Used				
Raw Materials and Consumables Used, Total	(33.122)	(32.282)	(31.804)	(30.521)
Ambulance trusts vehicle operating expenses, Total	0.000	0.000	0.000	0.000
Cost of Secondary Commissioning of mandatory services		0.000		
Employee Expenses [ was "Pay"]				
Employee expenses, permanent staff	(47.876)	(47.601)	(48.673)	(49.066)
Employee expenses, agency & contract staff	(1.021)	(0.455)	(0.128)	0.000
Employee Expenses, Total	(48.897)	(48.055)	(48.801)	(49.066)
Research & Development expense	(0.112)	(0.130)	(0.131)	(0.132)
Education and training expense	(0.315)	(0.274)	(0.277)	(0.280)
Consultancy expense	(0.293)	(0.179)	(0.181)	(0.183)
Misc. other Operating expenses		0.000	0.000	0.000
(Increase)/decrease in Provisions, Current and Non-Current, net	0.232	(0.035)	(0.035)	(0.036)
(Increase)/decrease in Impairment of receivables, Current and Non-Current, net	(0.363)	(0.200)	(0.202)	(0.204)
PFI operating expenses				
PFI unitary payment		0.000		
IFRIC12 revenue/(expense) adjustment		0.000		
Other PFI expenses		0.000		
PFI operating expenses, total	0.000	0.000	0.000	0.000
Operating Expenses within EBITDA, Total	(82.870)	(81.156)	(81.432)	(80.422)
Depreciation and Amortisation				
Depreciation and Amortisation - purchased/constructed assets	(2.804)	(2.386)	(2.386)	(2.519)
Depreciation and Amortisation - donated/granted assets	(0.442)	(0.437)	(0.437)	(0.437)
Depreciation and Amortisation - owned assets	(3.246)	(2.823)	(2.823)	(2.956)
Depreciation and Amortisation - assets held under finance leases		0.000		
Depreciation and Amortisation - PFI assets		0.000		
Depreciation and Amortisation, Total	(3.246)	(2.823)	(2.823)	(2.956)
Impairment (Losses) / Reversals net - purchased/constructed assets	(2.947)	0.000		
Impairment (Losses) / Reversals net - donated/granted assets	(0.503)	0.000		
Impairment (Losses) / Reversals net (on non-PFI assets)	(3.450)	0.000	0.000	0.000
Impairment (Losses)/ Reversals net on PFI assets		0.000		
Restructuring Costs		0.000		
Operating Expenses excluded from EBITDA, Total	(6.696)	(2.823)	(2.823)	(2.956)
Operating Expenses IFRS, Total	(89.566)	(83.979)	(84.255)	(83.378)
Surplus (Deficit) from Operations	(1.001)	2.309	2.907	2.985
<b>Non Operating</b>				
Non-Operating income				
Finance Income [for non-financial activities], Total	0.000	0.000	0.000	0.000
Other Non-Operating income, Total	(0.356)	0.000	0.000	0.000
Non-Operating income, Total	(0.356)	0.000	0.000	0.000
Non-Operating expenses				
Finance Costs [for non-financial activities], Total	(1.239)	(1.308)	(1.333)	(1.383)
Other Non-Operating expenses, Total	0.000	0.000	0.000	0.000
Non-Operating expenses, Total	(1.239)	(1.308)	(1.333)	(1.383)
Surplus (Deficit) before Tax	(2.596)	1.001	1.574	1.602
Income Tax (expense)/ refund		0.000		
Surplus (Deficit) After Tax	(2.596)	1.001	1.574	1.602
Profit/(loss) from discontinued Operations, Net of Tax		0.000		
Surplus (Deficit) After Tax from Continuing Operations	(2.596)	1.001	1.574	1.602

# The Robert Jones and Agnes Hunt (

## Planned Quarterly Income Statement for RJAH

### Appendix 2

#### Operating

##### Elements of Comprehensive Income

Share of comprehensive income from associates and joint ventures

Revaluation gains/(losses) of donated/granted assets straight to reval reserve

Revaluation gains/(losses) of purchased/constructed assets straight to reval reserve

**Revaluation gains/(losses) straight to revaluation reserve**

(Impairments)/reversals of purchased/constructed assets straight to reval reserve

(Impairments)/reversals of donated/granted assets straight to reval reserve

**Impairments/(reversals) straight to revaluation reserve**

Fair Value gains/(losses) straight to reserves

Additions/(reduction) in "Other reserves"

Other recognised gains and losses

Actuarial gains/(losses) on defined benefit pension schemes

**Elements of Comprehensive Income, Total**

**Total Comprehensive Surplus/(Deficit)**

##### Memorandum lines

Total Revenue

Total Expenses

Total Operating Revenue for EBITDA

Total Operating Expenses for EBITDA

EBITDA (for FRR calculation)

Operating Surplus (Deficit)

Surplus (Deficit) After Tax (for FRR calculation)

Return After Financing (for FRR calculation)

#### OTHER INFORMATION

##### Revenue Generation Programmes

Revenue Generation, net

##### Cost Improvement Programmes

Pay Expense savings CIP recurrent

Pay Expense savings CIP non-recurrent

**Pay Expense savings CIP, TOTAL**

Drugs expense savings CIP recurrent

Drugs expense savings CIP non-recurrent

**Drugs expense savings CIP, TOTAL**

Clinical Supplies expense savings CIP recurrent

Clinical Supplies expense savings CIP non-recurrent

**Clinical Supplies expense savings CIP**

Non-clinical Supplies expense savings CIP recurrent

Non-clinical Supplies expense savings CIP non-recurrent

**Non-clinical Supplies expense savings CIP**

Misc. Other Operating Expenses CIP recurrent

Misc. Other Operating Expenses CIP non-recurrent

**Misc. Other Operating Expenses CIP**

Other expense savings CIP, recurrent

Other expense savings CIP non-recurrent

**Other expense savings CIP**

**Cost Improvement Programmes, Total**

##### MEMORANDUM lines

Private Patient Income, YTD, Total

Proxy for Patient Related Income, YTD, Total

Private Patient Income, YTD, %

##### PBC Calculations

Revenue available for debt service

Planned debt Interest expense (excl Bridging loans)

PDC dividend payable

Revenue

CIP% of Op.Exp. less PFI Exp.

	Actual for	Plan for	Plan for	Plan for
	Year ending	Year ending	Year ending	Year ending
	31-Mar-13	31-Mar-14	31-Mar-15	31-Mar-16
Share of comprehensive income from associates and joint ventures		0.000		
Revaluation gains/(losses) of donated/granted assets straight to reval reserve	3.026	0.000		
Revaluation gains/(losses) of purchased/constructed assets straight to reval reserve	1.748	0.000		
<b>Revaluation gains/(losses) straight to revaluation reserve</b>	<b>4.774</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
(Impairments)/reversals of purchased/constructed assets straight to reval reserve	(2.271)	0.000		
(Impairments)/reversals of donated/granted assets straight to reval reserve	(0.457)	0.000		
<b>Impairments/(reversals) straight to revaluation reserve</b>	<b>(2.728)</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
Fair Value gains/(losses) straight to reserves		0.000		
Additions/(reduction) in "Other reserves"		0.000		
Other recognised gains and losses		0.000		
Actuarial gains/(losses) on defined benefit pension schemes		0.000		
<b>Elements of Comprehensive Income, Total</b>	<b>2.046</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Total Comprehensive Surplus/(Deficit)</b>	<b>(0.550)</b>	<b>1.001</b>	<b>1.574</b>	<b>1.602</b>
<b>Memorandum lines</b>				
Total Revenue	88.209	86.288	87.163	86.363
Total Expenses	(90.805)	(85.287)	(85.588)	(84.761)
Total Operating Revenue for EBITDA	87.832	85.588	86.463	86.163
Total Operating Expenses for EBITDA	(82.870)	(81.156)	(81.432)	(80.422)
EBITDA (for FRR calculation)	4.962	4.432	5.030	5.741
Operating Surplus (Deficit)	(1.001)	2.309	2.907	2.985
Surplus (Deficit) After Tax (for FRR calculation)	(2.596)	1.001	1.574	1.602
Return After Financing (for FRR calculation)	0.477	0.301	0.874	1.402
<b>OTHER INFORMATION</b>				
<b>Revenue Generation Programmes</b>				
Revenue Generation, net	0.364	0.215		
<b>Cost Improvement Programmes</b>				
Pay Expense savings CIP recurrent	1.051	1.509	1.000	1.000
Pay Expense savings CIP non-recurrent		0.000		
<b>Pay Expense savings CIP, TOTAL</b>	<b>1.051</b>	<b>1.509</b>	<b>1.000</b>	<b>1.000</b>
Drugs expense savings CIP recurrent		0.030		
Drugs expense savings CIP non-recurrent		0.000		
<b>Drugs expense savings CIP, TOTAL</b>	<b>0.000</b>	<b>0.030</b>	<b>0.000</b>	<b>0.000</b>
Clinical Supplies expense savings CIP recurrent	0.755	0.754	1.300	1.350
Clinical Supplies expense savings CIP non-recurrent		0.000		
<b>Clinical Supplies expense savings CIP</b>	<b>0.755</b>	<b>0.754</b>	<b>1.300</b>	<b>1.350</b>
Non-clinical Supplies expense savings CIP recurrent	0.556	0.451	0.700	0.650
Non-clinical Supplies expense savings CIP non-recurrent		0.000		
<b>Non-clinical Supplies expense savings CIP</b>	<b>0.556</b>	<b>0.451</b>	<b>0.700</b>	<b>0.650</b>
Misc. Other Operating Expenses CIP recurrent		0.000		
Misc. Other Operating Expenses CIP non-recurrent		0.000		
<b>Misc. Other Operating Expenses CIP</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
Other expense savings CIP, recurrent		0.000		
Other expense savings CIP non-recurrent		0.000		
<b>Other expense savings CIP</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Cost Improvement Programmes, Total</b>	<b>2.362</b>	<b>2.744</b>	<b>3.000</b>	<b>3.000</b>
<b>MEMORANDUM lines</b>				
Private Patient Income, YTD, Total	3.790	3.855	3.855	3.855
Proxy for Patient Related Income, YTD, Total	82.267	80.366	81.191	80.891
Private Patient Income, YTD, %	4.6%	4.8%	4.7%	4.8%
<b>PBC Calculations</b>				
Revenue available for debt service	5.961	5.132	5.730	5.941
Planned debt Interest expense (excl Bridging loans)	-0.030	-0.029	-0.054	-0.104
PDC dividend payable	-1.245	-1.291	-1.291	-1.291
Revenue	87.832	85.588	86.463	86.163
CIP% of Op.Exp. less PFI Exp.	2.8%	3.3%	3.6%	2.8%

# The Robert Jones and Agnes

## Planned Quarterly Statement of Position for RJAH

Appendix 2

	Actual at 31-Mar-13	Plan for 31-Mar-14	Plan for 31-Mar-15	Plan for 31-Mar-16
<b>Assets</b>				
<b>Assets, Non-Current</b>				
Intangible Assets, Net, Donated or granted		0.000		
Intangible Assets, Net, Purchased or created	0.103	0.080	0.057	0.034
<b>Intangible Assets, Net</b>	<b>0.103</b>	<b>0.080</b>	<b>0.057</b>	<b>0.034</b>
Property, Plant and Equipment, Net, Donated or granted	12.154	12.417	12.680	12.443
Property, Plant and Equipment, Net, Purchased or constructed	36.756	38.253	40.490	43.094
<b>Property, Plant and Equipment, Net</b>	<b>48.910</b>	<b>50.670</b>	<b>53.170</b>	<b>55.537</b>
<b>On balance sheet PFI assets, Non-Current, Total</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
Investment Property		0.000		
<b>Investments, Non-Current, Total</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
Deferred Tax Assets		0.000		
<b>Trade and Other Receivables, Net, Non-Current, Total</b>	<b>0.509</b>	<b>0.509</b>	<b>0.509</b>	<b>0.509</b>
<b>Prepayments, Non-Current</b>				
Prepayments, Non-current, PFI related (eg lifecycle assets)		0.000		
Prepayments, Non-current, non-PFI related		0.000		
<b>Prepayments, Non-Current</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Other Financial Assets, Non-Current, Total</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Off balance sheet PFI assets, Non-Current, Total</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Other Assets, Non-Current, Total</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Assets, Non-Current, Total</b>	<b>49.522</b>	<b>51.259</b>	<b>53.736</b>	<b>56.080</b>
<b>Assets, Current</b>				
Inventories	1.378	1.378	1.378	1.378
Current Tax Receivables	0.102	0.102	0.102	0.102
<b>Trade and Other Receivables, Net, Current, Total</b>	<b>2.591</b>	<b>1.891</b>	<b>1.891</b>	<b>1.891</b>
<b>Other Financial Assets, Current, Total</b>	<b>1.263</b>	<b>1.217</b>	<b>1.217</b>	<b>1.217</b>
<b>Prepayments, Current, Total</b>	<b>0.744</b>	<b>0.761</b>	<b>0.761</b>	<b>0.761</b>
<b>Cash and Cash Equivalents, Total</b>	<b>4.197</b>	<b>3.492</b>	<b>4.870</b>	<b>6.052</b>
<b>Other Assets, Current, Total</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Assets, Current, Total</b>	<b>10.275</b>	<b>8.841</b>	<b>10.219</b>	<b>11.401</b>
<b>ASSETS, TOTAL</b>	<b>59.797</b>	<b>60.100</b>	<b>63.955</b>	<b>67.481</b>
<b>Liabilities</b>				
<b>Liabilities, Current</b>				
Interest-Bearing Borrowings, Current, Total	(0.050)	(0.050)	(0.300)	(0.550)
Non-Interest-Bearing Borrowings, Current		0.000		
Deferred Income, Current	(0.579)	(0.529)	(0.529)	(0.529)
Deferred Grant Income, Current		0.000		
Provisions, Current	(0.197)	(0.172)	(0.172)	(0.172)
Post-Employment Benefit Obligation, Current		0.000		
Current Tax Payables		0.000		
<b>Trade and Other Payables, Current, Total</b>	<b>(3.390)</b>	<b>(3.740)</b>	<b>(3.740)</b>	<b>(3.740)</b>
<b>Other Financial Liabilities, Current, Total</b>	<b>(3.485)</b>	<b>(2.587)</b>	<b>(2.567)</b>	<b>(2.560)</b>
<b>Other Liabilities, Current, Total</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Liabilities, Current, Total</b>	<b>(7.701)</b>	<b>(7.078)</b>	<b>(7.308)</b>	<b>(7.551)</b>
<b>NET CURRENT ASSETS (LIABILITIES)</b>	<b>2.574</b>	<b>1.763</b>	<b>2.911</b>	<b>3.850</b>
<b>Liabilities, Non-Current</b>				
Interest-Bearing Borrowings, Non-Current, Total	(0.175)	(0.125)	(2.200)	(3.900)
Non-Interest-Bearing Borrowings, Non-Current		0.000		
Deferred Income, Non-Current		0.000		
Deferred Grant Income, Non-Current		0.000		
Provisions, Non-Current	(0.266)	(0.266)	(0.266)	(0.266)
Post-Employment Benefit Obligation, Non-Current		0.000		
Deferred Tax liabilities		0.000		
<b>Trade and Other Payables, Non-Current, Total</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Other Financial Liabilities, Non-Current, Total</b>	<b>(0.068)</b>	<b>(0.043)</b>	<b>(0.018)</b>	<b>0.000</b>
<b>Other Liabilities, Non-Current, Total</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Liabilities, Non-Current, Total</b>	<b>(0.509)</b>	<b>(0.434)</b>	<b>(2.484)</b>	<b>(4.166)</b>
<b>TOTAL ASSETS EMPLOYED</b>	<b>51.587</b>	<b>52.588</b>	<b>54.163</b>	<b>55.764</b>
<b>Taxpayers' and Others' Equity</b>				
Non Controlling interest (was Minority Interest)		0.000		
<b>Taxpayers Equity</b>				
Public dividend capital	31.220	31.220	31.220	31.220
Retained Earnings (Accumulated Losses)	5.482	6.483	8.058	9.659
Charitable Funds		0.000		
<b>Other Reserves, Total</b>	<b>14.885</b>	<b>14.885</b>	<b>14.885</b>	<b>14.885</b>
<b>TAXPAYERS EQUITY, TOTAL</b>	<b>51.587</b>	<b>52.588</b>	<b>54.163</b>	<b>55.764</b>
<b>TOTAL ASSETS EMPLOYED</b>	<b>51.587</b>	<b>52.588</b>	<b>54.163</b>	<b>55.764</b>
	TRUE	TRUE	TRUE	TRUE
<b>Memorandum lines</b>				
<b>Working Capital Facility</b>				
Committed Working capital facility in place	6.000	6.000	6.000	6.000

# The Robert Jones and Agnes Hunt Orthopaedic

## Planned Quarterly Cash Flow Statement for RJAH

### Appendix 2

	Actual for Year ending 31-Mar-13	Plan for Year ending 31-Mar-14	Plan for Year ending 31-Mar-15	Plan for Year ending 31-Mar-16
<b>Surplus/(deficit) after tax</b>	<b>(2.596)</b>	<b>1.001</b>	<b>1.574</b>	<b>1.602</b>
<b>non-cash flows in operating surplus/(deficit)</b>				
Tax expense		0.000	0.000	0.000
<b>Finance income/charges</b>	<b>(0.006)</b>	<b>0.017</b>	<b>0.042</b>	<b>0.092</b>
Share of profit/(loss) from equity accounted investments net of cash distributions received		0.000		
Donations & Grants received of PPE & intangible assets (not cash)		0.000		
Other operating non-cash movements		0.000		
Depreciation and amortisation, total	3.246	2.823	2.823	2.956
Impairment losses/(reversals)	3.450	0.000	0.000	0.000
Unrealised (gains)/losses on foreign currency exchange		0.000		
Gain/(loss) on disposal of property plant and equipment	0.622	0.000		
Gain/(loss) on disposal of intangible assets		0.000		
Share of profit/(loss) loss from investments		0.000		
PDC dividend expense	1.245	1.291	1.291	1.291
Other increases/(decreases) <b>to reconcile to profit/(loss) from operations</b>	<b>(0.266)</b>	<b>0.000</b>		
<b>Non-cash flows in operating surplus/(deficit), Total</b>	<b>8.291</b>	<b>4.131</b>	<b>4.156</b>	<b>4.339</b>
<b>Operating Cash flows before movements in working capital</b>	<b>5.695</b>	<b>5.132</b>	<b>5.730</b>	<b>5.941</b>
<b>Increase/(Decrease) in working capital</b>				
(Increase)/decrease in inventories	0.074	0.000	0.000	0.000
(Increase)/decrease in tax receivable	(0.027)	0.000	0.000	0.000
(Increase)/decrease in NHS Trade Receivables	(0.620)	0.400	0.000	0.000
(Increase)/decrease in Non NHS Trade Receivables	0.197	0.200	0.000	0.000
(Increase)/decrease in other related party receivables	0.012	0.000	0.000	0.000
(Increase)/decrease in other receivables	(0.694)	0.100	0.000	0.000
(Increase)/decrease in accrued income	0.274	0.000	0.000	0.000
(Increase)/decrease in other <b>financial assets</b>	0.004	0.000		
(Increase)/decrease in prepayments	(0.060)	(0.017)	0.000	0.000
(Increase)/decrease in <b>Other assets</b> (non chartable assets)		0.000		
Increase/(decrease) in <b>Deferred Income</b> (excl. Govt Grants.)	(0.165)	(0.050)	0.000	0.000
Increase/(decrease) in <b>Deferred Income</b> (Govt. Grants)		0.000		
Increase/(decrease) in Current provisions	(0.279)	(0.025)	0.000	0.000
Increase/(decrease) in post-employment benefit obligations		0.000		
Increase/(decrease) in tax payable		0.000		
Increase/(decrease) in Trade Creditors	0.210	0.350	0.000	0.000
Increase/(decrease) in Other Creditors	(0.029)	0.000	0.000	0.000
Increase/(decrease) in accruals	(0.670)	(0.898)	0.000	0.000
Increase/(decrease) in other <b>Financial liabilities</b>	0.002	0.000		
Increase/(decrease) in <b>Other liabilities</b> (non charitable assets)		0.000		
<b>Increase/(Decrease) in working capital, Total</b>	<b>(1.771)</b>	<b>0.060</b>	<b>0.000</b>	<b>0.000</b>
Increase/(Decrease) in Non-current Provisions	(0.114)	0.000	0.000	0.000
<b>Net cash inflow/(outflow) from operating activities</b>	<b>3.810</b>	<b>5.192</b>	<b>5.730</b>	<b>5.941</b>
<b>Net cash inflow/(outflow) from investing activities</b>				
Property - new land, buildings or dwellings	(0.892)	(2.150)	(4.000)	(4.000)
Property - maintenance expenditure	(0.737)	(0.650)	(1.000)	(1.000)
Plant and equipment - Information Technology	(0.214)	(0.400)	(0.300)	(0.300)
Plant and equipment - Other	(0.965)	(0.500)	0.000	0.000
Property, plant and equipment - other expenditure	(0.776)	(0.860)	0.000	0.000
Proceeds on disposal of property, plant and equipment		0.000	0.000	0.000
Purchase of investment property		0.000	0.000	0.000
Proceeds on disposal of investment property		0.000	0.000	0.000
Purchase of intangible assets		0.000	0.000	0.000
Proceeds on disposal of intangible assets		0.000	0.000	0.000
Expenditure on capitalised development		0.000	0.000	0.000
Increase/(decrease) in Capital Creditors		0.000	0.000	0.000
Payments for other capitalised costs		0.000		
Government grants received		0.000		
Purchase of investments & deposits made		0.000		
Proceeds on disposal of investments & withdrawals		0.000		
Other cash flows from investing activities		0.000		
<b>Net cash inflow/(outflow) from investing activities, Total</b>	<b>(3.584)</b>	<b>(4.560)</b>	<b>(5.300)</b>	<b>(5.300)</b>
<b>Net cash inflow/(outflow) before financing</b>	<b>0.226</b>	<b>0.632</b>	<b>0.430</b>	<b>0.641</b>

# The Robert Jones and Agnes Hunt Orthopaedic

## Planned Quarterly Cash Flow Statement for RJAH

### Appendix 2

	Actual for Year ending 31-Mar-13	Plan for Year ending 31-Mar-14	Plan for Year ending 31-Mar-15	Plan for Year ending 31-Mar-16
<b>Net cash inflow/(outflow) from financing activities</b>				
Public Dividend Capital received	0.000	0.000		
Public Dividend Capital repaid	0.000	0.000		
PDC Dividends paid	(1.241)	(1.291)	(1.291)	(1.291)
Interest (paid) on bridging loans	0.000	0.000		
Interest (paid) on commercial loans	0.000	0.000	(0.027)	(0.080)
Interest (paid) on non-commercial loans	(0.017)	(0.010)	(0.008)	(0.005)
Interest (paid) on bank overdrafts	0.000	0.000		
Interest element of finance lease rental payments - <i>other</i>	(0.013)	(0.019)	(0.019)	(0.019)
Interest element of finance lease rental payments - <i>On-balance sheet PFI</i>	0.000	0.000		
Capital element of finance lease rental payments - <i>other</i>	(0.032)	(0.025)	(0.038)	(0.025)
Capital element of finance lease rental payments - <i>On-balance sheet PFI</i>	0.000	0.000		
Interest received on cash and cash equivalents	0.036	0.012	0.012	0.012
Movement in Other grants/Capital received	0.000	0.000		
Donations received in cash	0.000	0.000		
Drawdown of bridging loans	0.000	0.000		
Repayment of bridging loans		0.000		
Drawdown of non-commercial loans		0.000		
Repayment of non-commercial loans	(0.050)	(0.050)	(0.050)	(0.050)
Drawdown of commercial loans		0.000	2.500	2.500
Repayment of commercial loans		0.000	(0.125)	(0.500)
(Increase)/decrease in non-current receivables	0.020	0.000		
Increase/(decrease) in non-current payables		0.000		
Other cash flows from financing activities		0.046	0.000	0.000
<b>Net cash inflow/(outflow) from financing activities, Total</b>	<b>(1.297)</b>	<b>(1.337)</b>	<b>0.954</b>	<b>0.542</b>
<b>Net increase/(decrease) in cash</b>	<b>(1.071)</b>	<b>(0.705)</b>	<b>1.384</b>	<b>1.183</b>
<b>Opening cash</b>	<b>5.265</b>	<b>4.194</b>	<b>3.489</b>	<b>4.874</b>
<b>Effect of exchange rates</b>		0.000		
<b>Closing cash</b>	<b>4.194</b>	<b>3.489</b>	<b>4.874</b>	<b>6.056</b>
<i>Closing cash from SoFP</i>	4.194	3.489	4.867	6.049
<i>Variance</i>	0.000	0.000	0.007	0.007
	TRUE	TRUE	TRUE	TRUE
<b>Opening Cash and Cash equivalents</b>		4.197	3.492	4.877
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>		(0.705)	1.384	1.183
<b>Closing Cash and Cash equivalents</b>		<b>3.492</b>	<b>4.877</b>	<b>6.059</b>
<i>Closing Cash and Cash equivalents from SP</i>		3.492	4.870	6.052
<i>Variance</i>		0.000	0.007	0.007
		TRUE	TRUE	TRUE
<b>MEMORANDUM lines</b>				
Debt Capital repayments		-0.075	-0.213	-0.575
Drawdown / (Repayment) of overdraft		0.000	0.000	0.000
Drawdown / (Repayment) of working capital facility		0.000	0.172	0.000
Sale / (Purchase) of current asset investments		0.000	0.000	0.000
Change in Current Receivables		0.700	0.000	0.000
Change in Current Payables		0.350	0.000	0.000
Capital expenditure (cash basis)		-4.560	-5.300	-5.300
Asset sale proceeds		0.000	0.000	0.000
Net interest		-0.017	-0.042	-0.092
Movement in loans		-0.050	2.325	1.950
Capital expenditure (accruals basis)		-4.560	-5.300	-5.300

**The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS FT**  
**2014 (and 2015, 2016) Plan for RJAH**

**Summary of key assumptions**

Staff Numbers (Avg WTEs)			WTEs	WTEs	WTEs	WTEs		
			2012/13	2013/14	2014/15	2015/16		
New	Clinical	WTEs	763.5	758.0	-0.73%	750.8	-0.94%	751.8
New	Non-Clinical	WTEs	381.5	379.2	-0.58%	370.8	-2.24%	360.8
New	Permanent Staff	WTEs	1,067.0	1,053.1	-1.30%	1,035.0	-1.72%	1,025.0
New	Temporary, Agency, Locum	WTEs	67.8	70.0	3.22%	72.6	3.79%	73.6
Ambulance overall revenue change YoY			from 2012/13 to 2013/14		from 2013/14 to 2014/15		From 2014/15 to 2015/16	
New	A&E		0.00%		0.00%		0.00%	
New	PTS from PCTs		0.00%		0.00%		0.00%	
New	PTS not from PCTs		0.00%		0.00%		0.00%	
New	Other		0.00%		0.00%		0.00%	
MH Revenue overall revenue change YoY			from 2012/13 to 2013/14		from 2013/14 to 2014/15		From 2014/15 to 2015/16	
New	High Cost Low Volume Activity Income		0.00%		0.00%		0.00%	
New	Short term episodic treatment Income		0.00%		0.00%		0.00%	
New	Block Contract 1		0.00%		0.00%		0.00%	
New	Block Contract 2		0.00%		0.00%		0.00%	
New	Block Contract 3		0.00%		0.00%		0.00%	
New	Block Contract 4		0.00%		0.00%		0.00%	
New	Clinical Partnerships (incl. S31 agreements)		0.00%		0.00%		0.00%	
New	Clinical income for Secondary Commissioning		0.00%		0.00%		0.00%	
Acute contracted revenue change due to activity change (volume) YoY			from 2012/13 to 2013/14		from 2013/14 to 2014/15		From 2014/15 to 2015/16	
New	High Cost Low Volume Activity Income		£m	0.000	0.000		0.000	
New	Short term episodic treatment Income		£m	0.000	0.000		0.000	
New	Block Contract 1		£m	0.000	0.000		0.000	
New	Block Contract 2		£m	0.000	0.000		0.000	
New	Block Contract 3		£m	0.000	0.000		0.000	
New	Block Contract 4		£m	0.000	0.000		0.000	
New	Clinical Partnerships (incl. S31 agreements)		£m	0.000	0.000		0.000	
New	Clinical income for Secondary Commissioning		£m	0.000	0.000		0.000	
Acute Activity			2012/13	2013/14	2014/15	2015/16		
New	Elective	Spells	7,507	7,257	-3.33%	7,707	6.20%	7,907
New	Elective Day Cases (Planned same day)	Spells	6,142	5,892	-4.07%	5,892	0.00%	5,892
New	Non elective	Spells	550	550	0.00%	550	0.00%	550
New	Outpatient	Attendances	136,383	131,383	-3.67%	131,383	0.00%	131,383
New	A&E	Attendances	0	0		0		0
New	Other NHS	Number	0	0		0		0
Acute Tariff Overall revenue change YoY			from 2012/13 to 2013/14		from 2013/14 to 2014/15		From 2014/15 to 2015/16	
New	Elective		-3.74%		5.22%		1.08%	
New	Elective Day Cases (Planned same day)		-4.94%		-1.29%		-1.30%	
New	Non elective		-0.98%		-1.32%		-1.32%	
New	Outpatient		-6.55%		-1.30%		-1.31%	
New	A&E		0.00%		0.00%		0.00%	
New	Other NHS		0.00%		0.00%		0.00%	
Acute contracted activity uplift/downshift (volume) Revenue YoY			from 2012/13 to 2013/14		from 2013/14 to 2014/15		From 2014/15 to 2015/16	
New	Elective		£m	2.100	0.000		0.000	
New	Elective Day Cases (Planned same day)		£m	0.550	0.000		0.000	
New	Non elective		£m	0.000	0.000		0.000	
New	Outpatient		£m	0.000	0.000		0.000	
New	A&E		£m	0.000	0.000		0.000	
New	Other NHS		£m	0.000	0.000		0.000	
Acute additional forecast activity (not contracted) YoY			from 2012/13 to 2013/14		from 2013/14 to 2014/15		From 2014/15 to 2015/16	
New	Elective		£m	0.000	1.767		0.678	
New	Elective Day Cases (Planned same day)		£m	0.000	0.000		0.000	
New	Non elective		£m	0.000	0.000		0.000	
New	Outpatient		£m	0.000	0.000		0.000	
New	A&E		£m	0.000	0.000		0.000	
New	Other NHS		£m	0.000	0.000		0.000	
Cost increase YoY assumptions			from 2012/13 to 2013/14		from 2013/14 to 2014/15		From 2014/15 to 2015/16	
New	Pay Cost inflation		1.75%		1.64%		1.62%	
New	Drug Price inflation		1.00%		1.00%		1.00%	
New	Clinical supplies expense inflation		1.00%		1.00%		1.00%	
New	Non-clinical supplies expense inflation		4.59%		3.60%		3.87%	
New	Misc Other operating expense inflation		0.00%		0.00%		0.00%	
Impact of CPIs and revenue generation			2013/14	2014/15	2015/16			
New	Revenue Generation (gross)		£m	0.215	0.000		0.000	
New	Expenses of Revenue Generation		£m	0.000	0.000		0.000	
New	CIPs		£m	2.741	3.000		3.000	
Impact of service developments			2013/14	2014/15	2015/16			
New	Revenue		£m	0.000	0.000		0.000	
New	Expenses		£m	0.000	0.000		0.000	
Contingency present in plan assumptions			2013/14	2014/15	2015/16			
New	Pay		£m	(0.240)	(0.240)		(0.244)	
New	Drugs		£m	(0.028)	(0.028)		(0.029)	
New	Clinical Supplies		£m	(0.088)	(0.087)		(0.085)	
New	Non-Clinical Supplies		£m	(0.049)	(0.050)		(0.050)	
New	Misc Other Operating expenses		£m	0.000	0.000		0.000	

## High level summary of financial plan of The Robert Jones and Agnes Hunt Orthopaedic Hospital

Financial Summary	2012/13	2013/14	2014/15	2015/16
£m	Actuals	Plan	Plan	Plan
<b>Operating Revenue for EBITDA</b>	87.8	85.6	86.5	86.2
Employee Expenses	(48.9)	(48.1)	(48.8)	(49.1)
Drugs	(5.7)	(5.5)	(5.7)	(5.9)
PFI operating expenses	0.0	0.0	0.0	0.0
Other costs	(28.3)	(27.6)	(26.9)	(25.5)
<b>EBITDA</b>	<b>5.0</b>	<b>4.4</b>	<b>5.0</b>	<b>5.7</b>
Donations of PPE & intangible assets	0.0	0.0	0.0	0.0
Depreciation and amortisation	(3.2)	(2.8)	(2.8)	(3.0)
Impairment Losses (Reversals) net (on non-PFI assets)	(3.5)	0.0	0.0	0.0
Impairment Losses (Reversals) net on PFI assets	0.0	0.0	0.0	0.0
Restructuring Costs	0.0	0.0	0.0	0.0
<b>Operating Surplus</b>	<b>(1.0)</b>	<b>2.3</b>	<b>2.9</b>	<b>3.0</b>
Net interest	0.0	(0.0)	(0.0)	(0.1)
Other Non-Operating items	0.1	(2.9)	(3.5)	(4.1)
<b>Net Surplus / (Deficit)</b>	<b>(2.6)</b>	<b>1.0</b>	<b>1.6</b>	<b>1.6</b>
<i>EBITDA % Income</i>	% 5.6%	5.2%	5.8%	6.7%
<i>CIP% of Op.Exp. less PFI Exp.</i>	% 2.8%	3.3%	3.8%	3.6%
<i>Pay CIPs as % Pay Costs</i>	% 2.2%	3.2%	2.1%	2.1%
<b>Net Surplus / (Deficit)</b>	<b>(2.6)</b>	<b>1.0</b>	<b>1.6</b>	<b>1.6</b>
Change in working capital	(1.8)	0.1	0.0	0.0
Non cash I&E items	8.3	4.1	4.2	4.3
<b>Cashflow from operations</b>	<b>3.9</b>	<b>5.2</b>	<b>5.7</b>	<b>5.9</b>
Cashflow from investing activities	(3.6)	(4.6)	(5.3)	(5.3)
<b>Cashflow before financing</b>	<b>0.3</b>	<b>0.6</b>	<b>0.4</b>	<b>0.6</b>
Cashflow from financing activities	(1.3)	(1.3)	1.0	0.5
<b>Net increase/(decrease) in cash</b>	<b>(1.0)</b>	<b>(0.7)</b>	<b>1.4</b>	<b>1.2</b>
<b>Cash at period end</b>	<b>4.2</b>	<b>3.5</b>	<b>4.9</b>	<b>6.0</b>
<b>Cash and Cash equivalents at period end</b>	<b>4.2</b>	<b>3.5</b>	<b>4.9</b>	<b>6.1</b>

  

Detailed Financial Summary	2012/13	2013/14	2014/15	2015/16
£m	Actuals	Plan	Plan	Plan
<b>Community</b>				
Co Cost & volume contract revenue	0.0	0.0	0.0	0.0
Co Block contract revenue	0.0	0.0	0.0	0.0
<b>Ambulance</b>				
Am Cost & volume contract revenue	0.0	0.0	0.0	0.0
Am Block contract revenue	0.0	0.0	0.0	0.0
Am Other clinical MS revenue	0.0	0.0	0.0	0.0
<b>Mental Health</b>				
Mh Cost & volume contract revenue	0.0	0.0	0.0	0.0
Mh Block contract revenue	0.0	0.0	0.0	0.0
Mh Clinical partnership (s31) revenue	0.0	0.0	0.0	0.0
Mh Secondary commissioning revenue	0.0	0.0	0.0	0.0
Mh Other clinical MS revenue	0.0	0.0	0.0	0.0
<b>Acute</b>				
Ac Elective revenue	46.5	45.0	46.2	46.3
Ac Non-Elective revenue	4.3	4.4	4.3	4.3
Ac Outpatient revenue	14.0	12.9	12.7	12.6
Ac A&E revenue	0.0	0.0	0.0	0.0
Ac other revenue	12.6	13.3	13.1	12.9
Private patient revenue	3.8	3.9	3.9	3.9
Grants and donations in cash	0.1	0.1	0.1	0.1
Other operating revenues	7.3	6.9	6.9	6.4
<b>Total operating revenue for EBITDA</b>	<b>88.6</b>	<b>86.3</b>	<b>87.2</b>	<b>86.4</b>
Grants and donations of PPE and intangible assets	0.0	0.0	0.0	0.0
<b>Total operating revenue</b>	<b>88.6</b>	<b>86.3</b>	<b>87.2</b>	<b>86.4</b>
<b>Employee Expenses</b>	<b>(48.9)</b>	<b>(48.1)</b>	<b>(48.8)</b>	<b>(49.1)</b>
Drugs expense	(5.7)	(5.5)	(5.7)	(5.9)
Supplies (clinical & non-clinical)	(27.4)	(26.8)	(26.1)	(24.6)
PFI expenses	0.0	0.0	0.0	0.0
Other expenses	(0.9)	(0.8)	(0.8)	(0.8)
<b>Total operating expenses within EBITDA</b>	<b>(82.9)</b>	<b>(81.2)</b>	<b>(81.4)</b>	<b>(80.4)</b>
<b>EBITDA</b>	<b>5.0</b>	<b>4.4</b>	<b>5.0</b>	<b>5.7</b>
Depreciation and amortisation	(3.2)	(2.8)	(2.8)	(3.0)
Impairments & Restructuring	0.0	0.0	0.0	0.0
<b>Total operating expenses</b>	<b>(89.4)</b>	<b>(86.8)</b>	<b>(87.1)</b>	<b>(86.3)</b>
<b>Operating Surplus (Deficit)</b>	<b>(0.8)</b>	<b>(0.5)</b>	<b>0.1</b>	<b>0.0</b>
Gain (loss) on asset disposal	(0.6)	0.0	0.0	0.0
Gain/(loss) from transfer by absorbtion	0.0	0.0	0.0	0.0
Net interest	0.0	(0.0)	(0.0)	(0.1)
Taxation	0.0	0.0	0.0	0.0
PDC dividend	(1.2)	(1.3)	(1.3)	(1.3)
Other non-operating items	(2.5)	0.7	0.7	0.2
<b>Net Surplus / (Deficit)</b>	<b>(2.6)</b>	<b>1.0</b>	<b>1.6</b>	<b>1.6</b>
EBITDA % of Op. revenue	5.6%	5.1%	5.8%	6.6%
<b>EBITDA</b>	<b>5.0</b>	<b>4.4</b>	<b>5.0</b>	<b>5.7</b>
Change in Current Receivables	(1.1)	0.7	0.0	0.0
Change in Current Payables	0.2	0.4	0.0	0.0
Other changes in WC	(0.8)	(1.0)	0.0	0.0
Other non-cash items	0.6	0.7	0.7	0.2
<b>Cashflow from operating activities</b>	<b>3.8</b>	<b>5.2</b>	<b>5.7</b>	<b>5.9</b>
Capital expenditure (accruals basis)	(1.8)	(3.2)	(5.3)	(5.3)
Asset sale proceeds	0.0	0.0	0.0	0.0
other Investing cash flows	(1.7)	(1.4)	0.0	0.0
<b>Cashflow before financing</b>	<b>0.2</b>	<b>0.6</b>	<b>0.4</b>	<b>0.6</b>
Net interest	(0.0)	(0.0)	(0.1)	(0.1)
PDC dividends (paid)	(1.2)	(1.3)	(1.3)	(1.3)
Movement in loans	(0.1)	(0.1)	2.3	2.0
PDC received/(repaid)	0.0	0.0	0.0	0.0
Donations received in cash	0.0	0.0	0.0	0.0
other financing cashflows	0.0	0.0	(0.0)	(0.0)
<b>Net cash inflow (outflow)</b>	<b>(1.1)</b>	<b>(0.7)</b>	<b>1.4</b>	<b>1.2</b>
<b>Cash at Y/E</b>	<b>4.2</b>	<b>3.5</b>	<b>4.9</b>	<b>6.0</b>
<b>Cash and Cash equivalents at Y/E</b>	<b>4.2</b>	<b>3.5</b>	<b>4.9</b>	<b>6.1</b>
<b>Non Safe Harbour Investments at Y/E</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>



The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS FT  
 Continuity of Service Shadow Risk Ratings (pilot indicators for 2013/14)

### Debt Service Cover

PDC dividend expense	from SoCI
Interest Expense on Overdrafts and Working Capital Facilities	from SoCI
Interest Expense on Bridging loans	from SoCI
Interest Expense on Non-commercial borrowings	from SoCI
Interest Expense on Commercial borrowings	from SoCI
Interest Expense on Finance leases (non-PFI)	from SoCI
Interest Expense on PFI leases & liabilities	from SoCI
Other Finance Costs	from SoCI
Non-Operating PFI costs (eg contingent rent)	from SoCI
Public Dividend Capital repaid	from SoCF
Repayment of bridging loans	from SoCF
Repayment of non-commercial loans	from SoCF
Repayment of commercial loans	from SoCF
Capital element of finance lease rental payments - On-balance sh	from SoCF
Capital element of finance lease rental payments - other	from SoCF

	Historic Year to 31-Mar-13	Plan for Year to 30-Jun-13	Plan for Year to 30-Sep-13	Plan for Year to 31-Dec-13	Plan for Year to 31-Mar-14	Plan for Year to 31-Mar-15	Plan for Year to 31-Mar-16
	(1.245)	(0.323)	(0.646)	(0.969)	(1.291)	(1.291)	(1.291)
	0.036	0.003	0.006	0.009	0.012	0.012	0.012
	-	-	-	-	-	-	-
	(0.013)	(0.003)	(0.005)	(0.008)	(0.010)	(0.008)	(0.005)
	-	-	-	-	-	(0.027)	(0.080)
	(0.017)	(0.005)	(0.010)	(0.015)	(0.019)	(0.019)	(0.019)
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	(0.050)	-	(0.025)	(0.025)	(0.050)	(0.050)	(0.050)
	-	-	-	-	-	(0.125)	(0.500)
	-	-	-	-	-	-	-
	(0.032)	(0.007)	(0.013)	(0.019)	(0.025)	(0.038)	(0.025)
	-1.321	-0.335	-0.693	-1.027	-1.383	-1.546	-1.958
	5.961	1.335	2.713	3.908	5.132	5.730	5.941
	-1.321	-0.335	-0.693	-1.027	-1.383	-1.546	-1.958
	4.51x	3.99x	3.91x	3.80x	3.71x	3.71x	3.03x
	4	4	4	4	4	4	4

	1.196	1.864	1.997	1.281	0.385	1.533	2.472
	-82.870	-20.925	-41.149	-61.157	-81.156	-81.432	-80.422
	5.2	8.0	8.7	5.7	1.7	6.8	11.1
	4	4	4	4	4	4	4

### key to scoring

Debt Service Cover	50%
4	3
2.5	1.75
2	1.25
1	<1.25

### key to scoring

Liquidity	50%
4	3
-2	-7
2	-12
1	<-12

### Liquidity

Cash for CoS liquidity purposes	from SoFP
Operating Expenses within EBITDA, Total	from SoCI
Liquidity metric	
Liquidity rating	

1.196	1.864	1.997	1.281	0.385	1.533	2.472
-82.870	-20.925	-41.149	-61.157	-81.156	-81.432	-80.422
5.2	8.0	8.7	5.7	1.7	6.8	11.1
4	4	4	4	4	4	4

**The Robert Jones and Agnes Hunt Orthopaedic Hosp**  
**Risk Ratings based on Annual Planning return from RJA**

	Historic Year to 31-Mar-13	Forecast YTD to 30-Jun-13	Forecast YTD to 30-Sep-13	Forecast YTD to 31-Dec-13	Forecast Year to 31-Mar-14	Forecast Year to 31-Mar-15	Forecast Year to 31-Mar-16
<b>Underlying performance</b>							
EBITDA YTD from SoCI	4.962	1.335	2.713	3.708	4.432	5.030	5.741
Operating Income YTD from SoCI	87.832	22.260	43.862	64.865	85.588	86.463	86.163
EBITDA Margin metric	5.6%	6.0%	6.2%	5.7%	5.2%	5.8%	6.7%
<b>EBITDA Margin rating</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
<b>Achievement of plan</b>							
Actual EBITDA 2012-13 from SoCI	4.962						
Planned EBITDA 2012-13 (original plan or assessment figure)	5.371						
EBITDA % of plan achieved metric	92.4%	92.4%	92.4%	92.4%	92.4%	92.4%	92.4%
<b>EBITDA % of plan achieved rating</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>Financial Efficiency</b>							
Net return after financing costs, YTD from SoCI	0.477	0.241	0.607	0.589	0.301	0.874	1.402
Opening Financing	52.539	51.912	51.912	51.912	51.912	52.838	56.693
Closing Financing	51.912	52.146	52.481	52.657	52.838	56.693	60.219
Net return after Financing metric	0.9%	1.9%	2.3%	1.5%	0.6%	1.6%	2.4%
<b>Net return after financing rating</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>4</b>
Surplus YTD from SoCI	(2.596)	0.241	0.607	0.789	1.001	1.574	1.602
Gain/(loss) on asset disposals from SoCI	(0.622)	-	-	-	-	-	-
Gain/(loss) from transfer by absorption	-	-	-	-	-	-	-
I & R (Impairments & restructuring) expenses YTD from SoCI	(3.450)	-	-	-	-	-	-
Operating Income YTD from IS	87.832	22.260	43.862	64.865	85.588	86.463	86.163
IS Surplus margin metric	1.7%	1.1%	1.4%	1.2%	1.2%	1.8%	1.9%
<b>IS Surplus margin rating</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
<b>Financial Efficiency rating</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>4</b>
<b>Liquidity</b>							
Cash for liquidity purposes from SoFP	7.196	7.864	7.997	7.281	6.385	7.533	8.472
Operating expenditure YTD from SoCI	82.870	20.925	41.149	61.157	81.156	81.432	80.422
WCF in terms of Operating Expenditure YTD	26.1	25.8	26.2	26.5	26.6	26.5	26.9
Liquidity days metric (WCF limited to 30 days)	31.3	33.8	35.0	32.1	28.3	33.3	37.9
<b>Liquidity rating</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>Weighted Average Rating</b>	<b>3.35</b>	<b>3.35</b>	<b>3.55</b>	<b>3.35</b>	<b>3.35</b>	<b>3.35</b>	<b>3.55</b>
<b>Overriding rules</b>							
3 Return submitted on time	YES						
3 Return submitted complete and correct	YES						
2 PDC dividend paid in full			FALSE		FALSE	FALSE	FALSE
3 Year 2 OR Year 3 deficit excluding I & R expenses	NO						
2 Year 2 AND Year 3 deficit excluding I & R expenses	NO						
2 Lowest ranked metric a '1'?	FALSE	FALSE	FALSE	FALSE	FALSE	FALSE	FALSE
3 One financial criteria '1' or '2'	FALSE	FALSE	FALSE	FALSE	FALSE	FALSE	FALSE
2 Two financial criteria '1' or '2'	FALSE	FALSE	FALSE	FALSE	FALSE	FALSE	FALSE
1 Two financial criteria at '1'	FALSE	FALSE	FALSE	FALSE	FALSE	FALSE	FALSE
2 Unplanned breach of PBC ratios	NO						
4 Less than 1 year as an Foundation Trust	FALSE	FALSE	FALSE	FALSE	FALSE	FALSE	FALSE
<b>Limit due to overriding rules</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Financial Risk Rating</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>4</b>

The number above is NOT necessarily the same as your Q4 FY1213 FRR because it is calculated on the basis of the 13-14 Compliance Framework

### key to scoring

Underlying performance					25%
5	4	3	2	1	
11%	9%	5%	1%	<1%	

Achievement of plan					10%
5	4	3	2	1	
100%	85%	70%	50%	<50%	

Return net after financing					20%
5	4	3	2	1	
3%	2%	-0.5%	-5%	< -5%	

IS surplus margin					20%
5	4	3	2	1	
3%	2%	1%	-2%	< -2%	

Liquidity metric					25%
5	4	3	2	1	
60	25	15	10	<10	

Financial Summary	Previous YE	Current Quarter			YTD	FY		
£m	Actual	Plan	Actual	Variance	Plan	Actual	Variance	Plan
Operating Revenue for EBITDA	87.8	21.6	22.4	0.8	43.9	45.1	1.2	85.6
Employee Expenses	(48.9)	(12.1)	(12.5)	(0.5)	(24.4)	(25.1)	(0.7)	(48.1)
Drugs	(5.7)	(1.4)	(1.5)	(0.1)	(2.8)	(2.9)	(0.1)	(5.5)
PFI operating expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other costs	(28.3)	(6.8)	(7.1)	(0.3)	(14.0)	(14.4)	(0.4)	(27.6)
Clinical supplies	(17.7)	(4.2)	(4.5)	(0.3)	(8.9)	(9.1)	(0.2)	(16.8)
Decrease (increase) in inventories of finished goods & WIP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Vehicle Fuel costs (ambulance trusts)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-clinical supplies	(9.8)	(2.3)	(2.5)	(0.1)	(4.7)	(5.0)	(0.3)	(10.0)
Cost of Secondary Commissioning of mandatory services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Research & Development expense	(0.1)	(0.0)	(0.0)	0.0	(0.1)	(0.0)	0.1	(0.1)
Education and training expense	(0.3)	(0.1)	(0.1)	0.0	(0.1)	(0.1)	0.0	(0.3)
Misc. other Operating expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	5.0	1.4	1.3	(0.0)	2.7	2.7	(0.0)	4.4
Donations of PPE & intangible assets	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.7
Depreciation and amortisation	(3.2)	(0.7)	(0.7)	0.0	(1.5)	(1.4)	0.0	(2.8)
Impairment Losses (Reversals) net (on non-PFI assets)	(3.5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Impairment Losses (Reversals) net on PFI assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Restructuring Costs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Surplus	(1.0)	0.7	0.7	(0.0)	1.3	1.2	(0.0)	2.3
Net interest	0.0	(0.0)	(0.0)	0.0	(0.0)	(0.0)	0.0	(0.0)
Interest Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest Expense on Overdrafts and Working Capital Facilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest Expense on Bridging loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest Expense on Non-commercial borrowings	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Interest Expense on Commercial borrowings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest Expense on Finance leases (non-PFI)	(0.0)	(0.0)	(0.0)	0.0	(0.0)	(0.0)	0.0	(0.0)
Interest Expense on PFI leases & liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Non-Operating Items	(1.6)	(0.3)	(0.3)	0.0	(0.6)	(0.6)	0.0	(1.3)
Gain (Loss) on Financial Instruments Designated as Cash Flow Hedges	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Gain (Loss) on Derecognition of Available-for-Sale Financial Assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Gain (Loss) on Derecognition of Non-Current Assets Not Held for Sale, Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Gain (Loss) from investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dividend Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Share of profit (loss) from equity accounted Associates, Joint Ventures, Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Non-Operating income, Total	(0.4)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Finance Costs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PDC dividend expense	(1.2)	(0.3)	(0.3)	0.0	(0.6)	(0.6)	0.0	(1.3)
PFI Contingent Rent	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Non-Operating expenses (incl. Misc)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income Tax (expense)/ income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Surplus / (Deficit)	(2.6)	0.4	0.4	(0.0)	0.6	0.6	0.0	1.0
EBITDA % Income	5.6%	6.4%	6.0%	-0.4%	6.2%	5.9%	-0.3%	5.2%
CIP% of Op.Exp. less PFI Exp.	2.8%	2.6%	2.0%	-0.6%	2.4%	2.0%	-0.5%	3.3%
Pay CIPs as % Pay Costs	-2.2%	-2.5%	-1.3%	1.2%	-2.5%	-1.8%	0.7%	-3.2%
Net Surplus / (Deficit)	(2.6)	0.4	0.4	(0.0)	0.6	0.6	0.0	1.0
Change in working capital	(1.8)	(0.7)	(1.5)	(0.7)	(1.5)	(2.7)	(1.2)	0.1
(Increase)/decrease in inventories	0.1	0.0	(0.0)	(0.0)	0.0	(0.1)	(0.1)	0.0
(Increase)/decrease in tax receivable	(0.0)	0.0	0.1	0.1	0.0	0.1	0.1	0.0
(Increase)/decrease in NHS Trade Receivables	(0.6)	0.0	0.4	0.4	0.4	0.3	(0.1)	0.4
(Increase)/decrease in Non NHS Trade Receivables	0.2	0.0	0.1	0.1	0.0	0.1	0.1	0.2
(Increase)/decrease in other related party receivables	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(Increase)/decrease in other receivables	(0.7)	0.0	(0.0)	(0.0)	0.0	(0.1)	(0.1)	0.1
(Increase)/decrease in accrued income	0.3	0.0	(1.4)	(1.4)	0.0	(3.5)	(3.5)	0.0
(Increase)/decrease in other financial assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(Increase)/decrease in prepayments	(0.1)	(0.6)	(0.3)	0.3	(1.2)	(1.1)	0.1	(0.0)
(Increase)/decrease in Other assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase/(decrease) in Deferred Income (excl. Donated Assets)	(0.2)	0.0	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Increase/(decrease) in Deferred Income (Donated Assets)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase/(decrease) in Current provisions	0.0	0.0	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Increase/(decrease) in post-employment benefit obligations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase/(decrease) in tax payable	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase/(decrease) in Trade Creditors	0.2	0.0	0.7	0.7	0.0	1.4	1.4	0.4
Increase/(decrease) in Other Creditors	(0.0)	0.0	(0.8)	(0.8)	0.0	0.1	0.1	0.0
Increase/(decrease) in accruals	(0.7)	(0.1)	(0.1)	0.0	(0.7)	0.2	0.9	(0.9)
Increase/(decrease) in other Financial liabilities	0.0	0.0	(0.0)	(0.0)	0.0	0.0	0.0	0.0
Increase/(decrease) in Other liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase/(decrease) in Non Current provisions	(0.1)	0.0	0.0	0.0	0.0	(0.0)	(0.0)	0.0
Non cash I&E items	8.3	1.0	0.9	(0.1)	2.1	2.1	(0.0)	4.1
Tax expense/(refund)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Finance (income)/charges	(0.0)	0.0	0.0	(0.0)	0.0	0.0	(0.0)	0.0
Share of (profit)/loss from equity accounted investments net of cash distributions received	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Donations & Grants received of PPE & intangible assets (non cash)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other operating non-cash (revenues)/expenses	0.0	0.0	(0.1)	(0.1)	0.0	0.0	0.0	0.0
Depreciation and amortisation, total	3.2	0.7	0.7	(0.0)	1.5	1.4	(0.0)	2.8
Impairment losses/(reversals)	3.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Unrealised (gains)/losses on foreign currency exchange	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(Gain)/loss on disposal of property plant and equipment	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(Gain)/loss on disposal of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Share of (profit)/loss from investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PDC dividend expense	1.2	0.3	0.3	(0.0)	0.6	0.6	(0.0)	1.3
Other increases/(decreases) to reconcile to profit/(loss) from operations	(0.3)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cashflow from operations	3.8	0.6	(0.2)	(0.9)	1.2	(0.0)	(1.2)	5.2
Cashflow from investing activities	(3.6)	(0.9)	(0.2)	0.7	(1.2)	(0.5)	0.7	(4.6)
Property, plant and equipment - maintenance expenditure	(0.7)	(0.2)	(0.1)	0.2	(0.3)	(0.1)	0.2	(0.7)
Property, plant and equipment - non-maintenance expenditure	(0.9)	(0.0)	(0.0)	0.0	(0.1)	(0.0)	0.0	(2.2)
Plant and equipment - Information Technology	(0.2)	(0.1)	(0.1)	(0.0)	(0.1)	(0.1)	(0.0)	(0.4)
Plant and equipment - Other	(1.0)	(0.1)	0.0	0.1	(0.2)	(0.2)	0.0	(0.5)
Property, plant and equipment - other expenditure	(0.8)	(0.5)	(0.1)	0.4	(0.6)	(0.1)	0.5	(0.9)
Proceeds on disposal of property, plant and equipment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Purchase of investment property	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Proceeds on disposal of investment property	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Purchase of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Proceeds on disposal of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Expenditure on capitalised development	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase/(decrease) in Capital Creditors	0.0	0.0	0.0	0.0	0.0	(0.1)	(0.1)	0.0
Payments for other capitalised costs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Purchase of subsidiaries net of cash acquired	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net bank balance acquired with subsidiaries	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Proceeds from disposal of subsidiaries net of cash disposed	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net bank balance disposed with subsidiaries	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Purchase of associates net of cash acquired	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net bank balance acquired with associates	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Proceeds from disposal of associates net of cash disposed	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net bank balance disposed with associates	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Purchase of joint ventures net of cash acquired	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net bank balance acquired with associates	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Proceeds from disposal of joint ventures net of cash disposed	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net bank balance disposed with joint venture	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Government grants received	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deposits and investments made	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deposits and investments liquidated	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other cash flows from investing activities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cashflow before financing	0.2	(0.2)	(0.4)	(0.2)	(0.0)	(0.6)	(0.5)	0.6
Cashflow from financing activities	(1.3)	(0.6)	(0.5)	0.2	(0.6)	(0.5)	0.1	(1.3)
Public Dividend Capital received	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public Dividend Capital repaid	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PDC Dividends paid	(1.2)	(0.6)	(0.6)	0.1	(0.6)	(0.6)	0.1	(1.3)
Interest (paid) on bridging loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest (paid) on commercial loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest (paid) on non-commercial loans	(0.0)	(0.0)	(0.0)	0.0	(0.0)	(0.0)	0.0	(0.0)
Interest (paid) on overdraft and working capital facility	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest element of finance lease rental payments - other	(0.0)	(0.0)	(0.0)	0.0	(0.0)	(0.0)	0.0	(0.0)
Interest element of finance lease rental payments - On-balance sheet PFI	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital element of finance lease rental payments - other	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	0.0	(0.0)
Capital element of finance lease rental payments - On-balance sheet PFI	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest received on cash and cash equivalents	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Movement in Other grants/Capital received	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Donations received in cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Drawdown of bridging loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Repayment of bridging loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Drawdown of non-commercial loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Repayment of non-commercial loans	(0.1)	(0.0)	(0.0)	0.0	(0.0)	(0.0)	0.0	(0.1)
Drawdown of commercial loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Repayment of commercial loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(Increase)/decrease in non-current receivables	0.0	0.0	0.1	0.1	0.0	0.1	0.1	0.0
Increase/(decrease) in non-current payables	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other cash flows from financing activities	0.0	0.0	0.0	(0.0)	0.0	0.0	(0.0)	0.0
Net increase/(decrease) in cash	(1.1)	(0.9)	(0.9)	(0.0)	(0.7)	(1.1)	(0.4)	(0.7)
Cash at period end	4.2	3.5	3.1	(0.4)	3.5	3.1	(0.4)	3.5
Cash and Cash equivalents at period end	4.2	3.5	3.1	(0.4)	3.5	3.1	(0.4)	3.5

Detailed Financial Summary £m	Previous YE	Current Quarter			YTD			FY
	Actual	Plan	Actual	Variance	Plan	Actual	Variance	Plan
Community								
Co Cost & volume contract revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Co Block contract revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ambulance								
Am Cost & volume contract revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Am Block contract revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Am Other clinical MS revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Mental Health								
Mh Cost & volume contract revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Mh Block contract revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Mh Clinical partnership (s31) revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Mh Secondary commissioning revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Mh Other clinical MS revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Acute								
Ac Elective revenue	46.5	11.3	12.1	0.8	23.1	24.3	1.2	45.0
Ac Non-Elective revenue	4.3	1.1	1.1	(0.0)	2.2	2.2	(0.1)	4.4
Ac Outpatient revenue	14.0	3.2	3.4	0.2	6.6	6.7	0.1	12.9
Ac A&E revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ac other revenue	12.6	3.3	3.3	0.0	6.8	6.9	0.1	13.3
Private patient revenue	3.8	1.0	0.9	(0.1)	1.9	1.7	(0.2)	4.8
Grants and donations in cash	0.1	0.0	0.0	(0.0)	0.0	0.0	(0.0)	0.1
Other operating revenues	6.6	1.6	1.5	(0.0)	3.1	3.3	0.2	5.2
Total operating revenue for EBITDA	87.8	21.6	22.4	0.8	43.9	45.1	1.2	85.6
Grants and donations of PPE and intangible assets	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.7
Total operating revenue	88.6	21.6	22.4	0.8	43.9	45.1	1.2	86.3
Employee Expenses	(48.9)	(12.1)	(12.5)	(0.5)	(24.4)	(25.1)	(0.7)	(48.1)
Drugs expense	(5.7)	(1.4)	(1.5)	(0.1)	(2.8)	(2.9)	(0.1)	(5.5)
Supplies (clinical & non-clinical)	(27.4)	(6.5)	(7.0)	(0.4)	(13.6)	(14.1)	(0.5)	(26.8)
Clinical supplies	(17.7)	(4.2)	(4.5)	(0.3)	(8.9)	(9.1)	(0.2)	(16.8)
Non-clinical supplies	(9.8)	(2.3)	(2.5)	(0.1)	(4.7)	(5.0)	(0.3)	(10.0)
PFI expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other expenses	(0.9)	(0.2)	(0.1)	0.1	(0.4)	(0.3)	0.1	(0.8)
Decrease (increase) in inventories of finished goods & WIP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Vehicle Fuel costs (ambulance trusts)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cost of Secondary Commissioning of mandatory services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Research & Development expense	(0.1)	(0.0)	(0.0)	0.0	(0.1)	(0.0)	0.1	(0.1)
Education and training expense	(0.3)	(0.1)	(0.1)	0.0	(0.1)	(0.1)	0.0	(0.3)
Misc. other Operating expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total operating expenses within EBITDA	(82.9)	(20.2)	(21.1)	(0.8)	(41.1)	(42.4)	(1.2)	(81.2)
EBITDA	5.0	1.4	1.3	(0.0)	2.7	2.7	(0.0)	4.4
Depreciation and amortisation	(3.2)	(0.7)	(0.7)	0.0	(1.5)	(1.4)	0.0	(2.8)
Depreciation and Amortisation - owned assets	(3.2)	(0.7)	(0.7)	0.0	(1.5)	(1.4)	0.0	(2.8)
Depreciation and Amortisation - assets held under finance leases	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Depreciation and Amortisation - PFI assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Impairments & Restructuring	(3.5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total operating expenses	(89.6)	(20.9)	(21.7)	(0.8)	(42.6)	(43.8)	(1.2)	(84.0)
Operating Surplus (Deficit)	(1.0)	0.7	0.7	(0.0)	1.3	1.2	(0.0)	2.3
Profit (loss) on asset disposal	(0.6)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net interest	0.0	(0.0)	(0.0)	0.0	(0.0)	(0.0)	0.0	(0.0)
Taxation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PDC dividend	(1.2)	(0.3)	(0.3)	0.0	(0.6)	(0.6)	0.0	(1.3)
Other non-operating items	1.0	0.0	0.0	(0.0)	(0.0)	0.0	0.0	0.7
Net Surplus / (Deficit)	(2.6)	0.4	0.4	(0.0)	0.6	0.6	0.0	1.0
EBITDA % of Op. revenue	5.6%	6.4%	6.0%	-0.4%	6.2%	5.9%	-0.3%	5.2%
EBITDA	5.0	1.4	1.3	(0.0)	2.7	2.7	(0.0)	4.4
Change in Current Receivables	(1.1)	0.0	0.6	0.6	0.4	0.5	0.1	0.7
(Increase)/decrease in tax receivable	(0.0)	0.0	0.1	0.1	0.0	0.1	0.1	0.0
(Increase)/decrease in NHS Trade Receivables	(0.6)	0.0	0.4	0.4	0.4	0.3	(0.1)	0.4
(Increase)/decrease in Non NHS Trade Receivables	0.2	0.0	0.1	0.1	0.0	0.1	0.1	0.2
(Increase)/decrease in other related party receivables	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(Increase)/decrease in other receivables	(0.7)	0.0	(0.0)	(0.0)	0.0	(0.1)	(0.1)	0.1
Change in Current Payables	0.2	0.0	(0.1)	(0.1)	0.0	1.5	1.5	0.4
Increase/(decrease) in tax payable	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase/(decrease) in Trade Creditors	0.2	0.0	0.7	0.7	0.0	1.4	1.4	0.4
Increase/(decrease) in Other Creditors	(0.0)	0.0	(0.8)	(0.8)	0.0	0.1	0.1	0.0
Other changes in WC	(0.8)	(0.7)	(2.0)	(1.2)	(1.9)	(4.6)	(2.7)	(1.0)
Change In Non Current Provisions	(0.1)	0.0	0.0	0.0	0.0	(0.0)	(0.0)	0.0
Other non-cash items	0.7	0.0	(0.1)	(0.1)	0.0	(0.0)	(0.0)	0.7
Cashflow from operating activities	3.8	0.6	(0.2)	(0.9)	1.2	(0.0)	(1.2)	5.2
Capital expenditure (accruals basis)	0.0	(0.9)	(0.2)	0.7	(1.2)	(0.5)	0.8	(4.6)
Asset sale proceeds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
other Investing cash flows	(3.6)	0.0	0.0	0.0	0.0	(0.1)	(0.1)	0.0
Cashflow before financing	0.2	(0.2)	(0.4)	(0.2)	(0.0)	(0.6)	(0.5)	0.6
Net interest	(0.0)	(0.0)	(0.0)	0.0	(0.0)	(0.0)	0.0	(0.0)
Interest (paid) on bridging loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest (paid) on commercial loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest (paid) on non-commercial loans	(0.0)	(0.0)	(0.0)	0.0	(0.0)	(0.0)	0.0	(0.0)
Interest (paid) on bank overdrafts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest element of finance lease rental payments - other	(0.0)	(0.0)	(0.0)	0.0	(0.0)	(0.0)	0.0	(0.0)
Interest element of finance lease rental payments - On-balance sheet PFI	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PDC dividends (paid)	(1.2)	(0.6)	(0.6)	0.1	(0.6)	(0.6)	0.1	(1.3)
Movement in loans	(0.1)	(0.0)	(0.0)	0.0	(0.0)	(0.0)	0.0	(0.1)
PDC received/(repaid)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Donations received in cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
other financing cashflows	0.0	0.0	0.1	0.1	0.0	0.1	0.1	0.0
Net cash inflow (outflow)	(1.1)	(0.9)	(0.9)	(0.0)	(0.7)	(1.1)	(0.4)	(0.7)
Cash at period end	4.2	3.5	3.1	(0.4)	3.5	3.1	(0.4)	3.5
Cash and Cash equivalents at period end	4.2	3.5	3.1	(0.4)	3.5	3.1	(0.4)	3.5
Non Safe Harbour Investments at period end	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Name of Trust	The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust						Based on year ending				31/03/2013
Assumptions											
Total Revenues	£88,832,000										
Surplus/(Deficit) before Interest	(£1,357,000)	<div></div>				Complies with Prudential Borrowing Code					
Depreciation	£6,431,000										
Revenues available for Debt Service	£5,074,000	<div></div>				Current Required Covenant Ratio					
Dividends Paid	(£1,241,000)	<div></div>				Fails Prudential Borrowing Code					
Total Assets Employed	£51,587,000										
Estimated Prudential Borrowing Limit - Tier 1	£18,529,578										
Estimated Prudential Borrowing Cap - Tier 2	£28,548,531										
Proposed Debt	£8,325,000										
Interest Rate	1.86%										
Term of Borrowing	10.0	Debt sustainable under individual covenant tests									
Current Risk Rating	3	Estimated PBL Tier 1	Proposed Debt	TIER 1				TIER 2			
Debt to Capital Ratio		36%	<div>16%</div>	<div>36%</div>	<div>42%</div>	<div>176%</div>	<div>399%</div>	<div>55%</div>	<div>145%</div>	<div>265%</div>	<div>399%</div>
Prudential Borrowing Limit		£18,529,578	<div>£8,325,000</div>	<div>£18,529,578</div>	<div>£21,414,340</div>	<div>£91,009,170</div>	<div>£206,064,348</div>	<div>£28,548,531</div>	<div>£74,775,164</div>	<div>£136,697,276</div>	<div>£206,064,526</div>
Annual Interest payable (year 1)		£344,650	£154,845	£344,650	£398,307	£1,692,771	£3,832,797	£531,003	£1,390,818	£2,542,569	£3,832,800
Annual Principal repayments		<div>£1,852,958</div>	<div>£832,500</div>	<div>£1,852,958</div>	<div>£2,141,434</div>	<div>£9,100,917</div>	<div>£20,606,435</div>	<div>£2,854,853</div>	<div>£7,477,516</div>	<div>£13,669,728</div>	<div>£20,606,453</div>
Max Annual Debt Service		£2,197,608	£987,345	£2,197,608	£2,539,741	£10,793,688	£24,439,232	£3,385,856	£8,868,335	£16,212,297	£24,439,253
Minimum Dividend Cover (min)	Tier 1 1	<div>3.81</div>	<div>3.96</div>	<div>3.81</div>	<div>3.77</div>	<div>2.72</div>	<div>1.00</div>	<div>3.66</div>	<div>2.97</div>	<div>2.04</div>	<div>1.00</div>
Minimum Interest Cover (min)	3	<div>14.72</div>	<div>32.77</div>	<div>14.72</div>	<div>12.74</div>	<div>3.00</div>	<div>1.32</div>	<div>9.56</div>	<div>3.65</div>	<div>2.00</div>	<div>1.32</div>
Minimum Debt Service Cover (min)	2	<div>2.31</div>	<div>5.14</div>	<div>2.31</div>	<div>2.00</div>	<div>0.47</div>	<div>0.21</div>	<div>1.50</div>	<div>0.57</div>	<div>0.31</div>	<div>0.21</div>
Maximum Debt Service to Revenue (max)	2.5%	<div>2.47%</div>	<div>1.11%</div>	<div>2.50%</div>	<div>2.90%</div>	<div>12.20%</div>	<div>27.50%</div>	<div>3.80%</div>	<div>10.00%</div>	<div>18.30%</div>	<div>27.50%</div>