

TRUST BOARD - 26th April 2012

Finance Update – Key Messages

Income and Expenditure Position

- The Trust recorded a surplus at the end of March amounting to £58,000; the Trust had planned to record a break even position
- In the month of March a surplus of £782,000 was recorded, the plan for the month of March was to present a surplus of £1.497 million.

Understanding what happened in the month

- Income – In the month of March the underlying level of Income received increased by comparison with Plan by £445,000. This increase was non recurrent and so does not provide a gain into the 2012/13 year.
- Pay Expenditure – Pay spending increased in the month by comparison with the month of February by £225,000, as a consequence of the Trust increasing the number of staff employed by 40 posts. Allowing for the increased costs associated with the achievement of RTT and applying March spending levels to the 2012/13 year then increases costs in the 2012/13 year by £1.3 million beyond approved budgeted levels.
- Non Pay Expenditure – Non Pay spending in the month reduced significantly, principally as a result of incorporating the benefit arising from increased stock levels. Using spending within March and then adopting the 3 month average methodology as a basis for determining the Non Pay budget, allows the Trust to remove a cost pressure amounting to £1.325 million that had been assumed when approving the annual budget at the March Trust Board.