

Financial Overview as at 31st May 2010

Income and Expenditure (I&E)				Balance Sheet				RISKS	
								<p>Potential slippage on delivery of year end financial targets ●</p> <p>Management of Waiting List Initiative Costs ●</p> <p>Achievement of Cost Improvement Programme ●</p> <p>Costs of e-Record implementation / IT infrastructure ●</p> <p>Recruitment to Vacant Posts/ Slippage on Service Developments ●</p>	
Year to date:	Plan	Actual	Variance	Liquidity			Risk		
	£ms	£ms	£ms		£ms				
EBITDA ***	11.8	11.6	-0.2	Cash	57.1	●			
Operating Surplus	7.5	7.5	0.0	Debtor Days	10.6	●			
I&E Surplus (exc Imp)	2.3	2.4	0.1	Current Asset/Liability Ratio (Liquidity)	1.3	●			
I&E Surplus (inc Imp)	2.3	2.4	0.1	Working Capital Facility	45.0	●			
Margins	Plan	Actual	Variance	Prudential Borrowing Limit	336.9	●			
	%	%	%	Better Payt Practice Code (year to date)	92.12%	●			
EBITDA Margin	9.3	9.2	-0.2	Financial Risk Rating			4.0		
Operating Margin	6.0	5.9	0.0					Risk Rating Explanations	
				Underlying Performance	Weighting	Actual	Rating		
				EBITDA Margin	25%	9.2%	4	Actual EBITDA divided by Income for the period	
				Achievement of Plan					
				EBITDA Achieved	10%	98.5%	4	Actual EBITDA divided by Planned EBITDA	
				Financial Efficiency					
				Return on assets excluding dividend	20.0%	7.9%	5	Surplus + dividend + impairments divided by average net assets	
				I&E Surplus Margin net of dividend	20.0%	1.9%	3	Surplus + impairment divided by income for the period	
				Liquidity					
				Liquidity Ratio (days)	25%	30	4	Cash plus debtors plus unused working capital facility minus creditors and accruals expressed in number of days operating expenses that could be covered	

*** EBITDA = Earnings Before Interest Tax Depreciation and Amortisation