

## TRUST BOARD MEETING – 25 March 2011

<b>Title of the Paper:</b>	<b>2010/11 revenue and capital budgets</b>		
<b>Agenda item:</b>			
<b>Author:</b>	<b>Anna Anderson, Director of Finance</b>		
<b>Trust Objective:</b>	<b>Sustaining Financial Health Through Surplus</b>		
<b>Key issues</b> The Board is asked to approve the budget for 2010/11. The budget for Income & Expenditure, capital, the budgeted Statement of Financial Position and cash flow are attached, supported by a narrative explanation.			
<b>Purpose</b> Presents the Trust's 2010/11 budget to the Board for approval.			
<b>Risk Implications for the Trust</b> <i>(including any clinical and financial consequences):</i>		<b>Mitigating Actions</b> <i>(Controls):</i>	
It is best practice to approve the budget for the coming financial year before the start of that year. Failure to approve before the start of the financial year will affect the Trust's financial standing and our ALE score.		Completed 2010/11 budgets for Income & Expenditure, capital, and cash are attached.	
<b>Level of Assurance that can be given to the Trust Board from the report</b> [significant, sufficient, limited, none]:  Significant			
<b>Links to Key Line of Enquiry (KLOE 1 - 5)</b> 2.2 Performance against Budget			
Medium Term Financial Planning		2.1.2, 2.1.17	
Budget Setting		2.1.5, 2.1.7, 2.1.8, 2.1.19	
Financial Risk Ratings		2.1.14, 2.1.15, 2.1.16	
Cash Management		2.1.10, 2.1.11	
Planned Savings		2.1.12, 2.1.13	
<b>Legal Implications:</b>  The budget must provide a minimum break-even position to comply with the in year statutory break even duty. In order to repay its 2010/11 loan, the Trust must generate £6.6m unallocated cash.			
<b>Recommendation to the Trust Board:</b>  The Trust Board members are asked to approve the attached progress to date on the budget for 2010/11, and to note the further work required.			