

**Statement of Comprehensive Income for year ended  
31 March 2015**

	NOTE	2014-15 £000s	2013-14 £000s
Gross employee benefits	10.1	(161,006)	(154,339)
Other operating costs	8	(75,646)	(74,256)
Revenue from patient care activities	5	235,975	229,574
Other operating revenue	6	5,353	3,810
<b>Operating surplus/(deficit)</b>		<b>4,676</b>	<b>4,789</b>
Investment revenue	12	61	49
Other gains and (losses)	13	111	103
Finance costs	14	(260)	(272)
<b>Surplus/(deficit) for the financial year</b>		<b>4,588</b>	<b>4,669</b>
Public dividend capital dividends payable		(2,051)	(1,898)
Transfers by absorption - gains		0	0
Transfers by absorption - (losses)		0	0
<b>Net Gain/(loss) on transfers by absorption</b>		<b>0</b>	<b>0</b>
<b>Retained surplus/(deficit) for the year</b>		<b>2,537</b>	<b>2,771</b>

**Other Comprehensive Income**

	2014-15 £000s	2013-14 £000s
Impairments and reversals taken to the revaluation reserve	(38)	(416)
Net gain/(loss) on revaluation of property, plant & equipment	2,165	1,411
Net gain/(loss) on revaluation of intangibles	0	0
Net gain/(loss) on revaluation of financial assets	0	0
Other gain/(loss)	0	0
Net gain/(loss) on revaluation of available for sale financial assets	0	0
Net actuarial gain/(loss) on pension schemes	0	0
Other pension remeasurements	0	0
<b>Reclassification adjustments</b>		
On disposal of available for sale financial assets	0	0
<b>Total comprehensive income for the year*</b>	<b>4,664</b>	<b>3,766</b>

**Financial performance for the year**

Retained surplus/(deficit) for the year	2,537	2,771
Prior period adjustment to correct errors and other performance adjustments	0	0
IFRIC 12 adjustment (including IFRIC 12 impairments)	0	0
Impairments (excluding IFRIC 12 impairments)	449	(110)
Adjustments in respect of donated gov't grant asset reserve elimination	5	(28)
Adjustment re absorption accounting	0	0
<b>Adjusted retained surplus/(deficit)</b>	<b>2,991</b>	<b>2,633</b>

The notes on pages 5 to 44 form part of this account.

**Statement of Financial Position as at  
31 March 2015**

		31 March 2015	31 March 2014
	NOTE	£000s	£000s
<b>Non-current assets:</b>			
Property, plant and equipment	15	83,244	79,156
Intangible assets	16	1,011	1,231
Investment property	18	0	0
Other financial assets		0	0
Trade and other receivables	22.1	669	814
<b>Total non-current assets</b>		<b>84,924</b>	<b>81,201</b>
<b>Current assets:</b>			
Inventories	21	905	1,326
Trade and other receivables	22.1	12,670	12,309
Other financial assets	24	0	0
Other current assets	25	0	0
Cash and cash equivalents	26	13,427	10,142
<b>Sub-total current assets</b>		<b>27,002</b>	<b>23,777</b>
Non-current assets held for sale	27	160	160
<b>Total current assets</b>		<b>27,162</b>	<b>23,937</b>
<b>Total assets</b>		<b>112,086</b>	<b>105,138</b>
<b>Current liabilities</b>			
Trade and other payables	28	(12,903)	(11,726)
Other liabilities	29	0	0
Provisions	35	(3,025)	(2,635)
Borrowings	30	0	0
Other financial liabilities	31	0	0
DH revenue support loan	30	0	0
DH capital loan	30	(412)	(334)
<b>Total current liabilities</b>		<b>(16,340)</b>	<b>(14,695)</b>
<b>Net current assets/(liabilities)</b>		<b>10,822</b>	<b>9,242</b>
<b>Total assets less current liabilities</b>		<b>95,746</b>	<b>90,443</b>
<b>Non-current liabilities</b>			
Trade and other payables	28	0	0
Other liabilities	31	0	0
Provisions	35	(8,881)	(8,535)
Borrowings	30	0	0
Other financial liabilities	31	0	0
DH revenue support loan	30	0	0
DH capital loan	30	(6,125)	(5,837)
<b>Total non-current liabilities</b>		<b>(15,006)</b>	<b>(14,372)</b>
<b>Total assets employed:</b>		<b>80,740</b>	<b>76,071</b>
<b>FINANCED BY:</b>			
Public Dividend Capital		78,594	78,594
Retained earnings		(5,071)	(7,759)
Revaluation reserve		7,217	5,236
Other reserves		0	0
<b>Total Taxpayers' Equity:</b>		<b>80,740</b>	<b>76,071</b>

The notes on pages 5 to 44 form part of this account.

The financial statements on pages 1 to 4 were approved by the Board on 2nd June 2014 and signed on its behalf by

**Chief Executive:**

Date:

**Statement of Changes in Taxpayers' Equity  
For the year ending 31 March 2015**

	Public Dividend capital £000s	Retained earnings £000s	Revaluation reserve £000s	Other reserves £000s	Total reserves £000s
<b>Balance at 1 April 2014</b>	<b>78,594</b>	<b>(7,759)</b>	<b>5,236</b>	<b>0</b>	<b>76,071</b>
<b>Changes in taxpayers' equity for 2014-15</b>					
Retained surplus/(deficit) for the year		2,537			2,537
Net gain / (loss) on revaluation of property, plant, equipment			2,165		2,165
Net gain / (loss) on revaluation of intangible assets			0		0
Net gain / (loss) on revaluation of financial assets			0		0
Net gain / (loss) on revaluation of available for sale financial assets			0		0
Impairments and reversals			(38)		(38)
Other gains/(loss) (provide details below)				0	0
Transfers between reserves		146	(146)	0	0
<b>Reclassification Adjustments</b>					
Transfers to/(from) other bodies within the resource account boundary		0	0	0	0
Transfers between revaluation reserve & retained earnings in respect of assets transferred under absorption		0	0		0
On disposal of available for sale financial assets			0		0
Reserves eliminated on dissolution		0	0	0	0
Originating capital for Trust established in year	0				0
New temporary and permanent PDC received - cash	0				0
New temporary and permanent PDC repaid in year	0				0
PDC written off	0				0
Transferred to NHS Foundation Trust	0	0	0	0	0
Other movements	0	5	0	0	5
Net actuarial gain/(loss) on pension				0	0
Other pensions remeasurement				0	0
<b>Net recognised revenue/(expense) for the year</b>	<b>0</b>	<b>2,688</b>	<b>1,981</b>	<b>0</b>	<b>4,669</b>
<b>Balance at 31 March 2015</b>	<b>78,594</b>	<b>(5,071)</b>	<b>7,217</b>	<b>0</b>	<b>80,740</b>
<b>Balance at 1 April 2013</b>	<b>74,094</b>	<b>(10,625)</b>	<b>4,336</b>	<b>0</b>	<b>67,805</b>
<b>Changes in taxpayers' equity for the year ended 31 March 2014</b>					
Retained surplus/(deficit) for the year		2,771			2,771
Net gain / (loss) on revaluation of property, plant, equipment			1,411		1,411
Net gain / (loss) on revaluation of intangible assets			0		0
Net gain / (loss) on revaluation of financial assets			0		0
Net gain / (loss) on revaluation of assets held for sale			0		0
Impairments and reversals			(416)		(416)
Other gains / (loss)				0	0
Transfers between reserves		95	(95)	0	0
Transfers under Modified Absorption Accounting - PCTs & SHAs		0			0
Transfers under Modified Absorption Accounting - Other Bodies		0			0
<b>Reclassification Adjustments</b>					
Transfers to/(from) Other Bodies within the Resource Account Boundary	0	0	0	0	0
Transfers between revaluation reserve & retained earnings reserve in respect of assets transferred under absorption		0	0		0
On disposal of available for sale financial assets			0		0
Reserves eliminated on dissolution		0	0	0	0
Originating capital for Trust established in year	0				0
New temporary and permanent PDC received - cash	4,500				4,500
New PDC received/(repaid) - PCTs and SHAs legacy items paid for by DH	0				0
New temporary and permanent PDC repaid in year	0				0
PDC written off	0				0
Transferred to NHS Foundation Trust	0	0	0	0	0
Other movements	0	0	0	0	0
Net actuarial gain/(loss) on pension				0	0
Other pension remeasurement				0	0
<b>Net recognised revenue/(expense) for the year</b>	<b>4,500</b>	<b>2,866</b>	<b>900</b>	<b>0</b>	<b>8,266</b>
Transfers between reserves in respect of modified absorption - PCTs & SHAs		0	0	0	0
Transfers between reserves in respect of modified absorption - Other Bodies		0	0	0	0
<b>Balance at 31 March 2014</b>	<b>78,594</b>	<b>(7,759)</b>	<b>5,236</b>	<b>0</b>	<b>76,071</b>

**Statement of Cash Flows for the Year ended 31 March 2015**

	NOTE	2014-15 £000s	2013-14 £000s
<b>Cash Flows from Operating Activities</b>			
Operating surplus/(deficit)		4,676	4,789
Depreciation and amortisation		8,291	8,990
Impairments and reversals		449	(110)
Other gains/(losses) on foreign exchange		0	0
Donated Assets received credited to revenue but non-cash		0	(29)
Government Granted Assets received credited to revenue but non-cash		0	0
Interest paid		(113)	(119)
Dividend (paid)/refunded		(1,878)	(2,021)
Release of PFI/deferred credit		0	0
(Increase)/Decrease in Inventories		421	80
(Increase)/Decrease in Trade and Other Receivables		(386)	(132)
(Increase)/Decrease in Other Current Assets		0	0
Increase/(Decrease) in Trade and Other Payables		2,391	(1,989)
(Increase)/Decrease in Other Current Liabilities		0	0
Provisions utilised		(1,171)	(1,451)
Increase/(Decrease) in movement in non cash provisions		1,759	2,684
<b>Net Cash Inflow/(Outflow) from Operating Activities</b>		<b>14,439</b>	<b>10,692</b>
<b>Cash Flows from Investing Activities</b>			
Interest Received		61	49
(Payments) for Property, Plant and Equipment		(11,714)	(10,829)
(Payments) for Intangible Assets		(162)	(977)
(Payments) for Investments with DH		0	0
(Payments) for Other Financial Assets		0	0
(Payments) for Financial Assets (LIFT)		0	0
Proceeds of disposal of assets held for sale (PPE)		295	196
Proceeds of disposal of assets held for sale (Intangible)		0	0
Proceeds from Disposal of Investment with DH		0	0
Proceeds from Disposal of Other Financial Assets		0	0
Proceeds from the disposal of Financial Assets (LIFT)		0	0
Loans Made in Respect of LIFT		0	0
Loans Repaid in Respect of LIFT		0	0
Rental Revenue		0	0
<b>Net Cash Inflow/(Outflow) from Investing Activities</b>		<b>(11,520)</b>	<b>(11,561)</b>
<b>Net Cash Inform / (outflow) before Financing</b>		<b>2,919</b>	<b>(869)</b>
<b>Cash Flows from Financing Activities</b>			
Gross Temporary and Permanent PDC Received		0	4,500
Gross Temporary and Permanent PDC Repaid		0	0
Loans received from DH - New Capital Investment Loans		700	0
Loans received from DH - New Revenue Support Loans (previously known as Working Capital Loans)		0	0
Other Loans Received		0	0
Loans repaid to DH - Capital Investment Loans Repayment of Principal		(334)	(334)
Loans repaid to DH - Working Capital Loans/Revenue Support Loans		0	0
Other Loans Repaid		0	0
Cash transferred to NHS Foundation Trusts or on dissolution		0	0
Capital Element of Payments in Respect of Finance Leases and On-SoFP PFI and LIFT		0	0
Capital grants and other capital receipts (excluding donated / government granted cash receipts)		0	0
<b>Net Cash Inflow/(Outflow) from Financing Activities</b>		<b>366</b>	<b>4,166</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>3,285</b>	<b>3,297</b>
<b>Cash and Cash Equivalents (and Bank Overdraft) at Beginning of the Period</b>		<b>10,142</b>	<b>6,845</b>
Effect of exchange rate changes in the balance of cash held in foreign currencies		0	0
<b>Cash and Cash Equivalents (and Bank Overdraft) at year end</b>		<b>13,427</b>	<b>10,142</b>

## NOTES TO THE ACCOUNTS

### 1. Accounting Policies

The Secretary of State for Health has directed that the financial statements of NHS trusts shall meet the accounting requirements of the Department of Health Group Manual for Accounts, which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the DH Group Manual for Accounts 2014-15 issued by the Department of Health. The accounting policies contained in that manual follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the Manual for Accounts permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the trust for the purpose of giving a true and fair view has been selected. The particular policies adopted by the trust are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

#### 1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

#### 1.2 Acquisitions and discontinued operations

Activities are considered to be 'acquired' only if they are taken on from outside the public sector. Activities are considered to be 'discontinued' only if they cease entirely. They are not considered to be 'discontinued' if they transfer from one public sector body to another.

#### 1.3 Charitable Funds

Following HM Treasury's agreement to apply IAS27 to NHS Charities from 1 April 2013, the Trust has established that as it is the corporate trustee of the Yorkshire Ambulance Charitable Trust Fund, it effectively has power to exercise control. However the transactions are immaterial in the context of the Trust and therefore the transactions relating to the Charity have not been consolidated. Details of transactions with the charity are included in the related parties note 39.

#### 1.4 Pooled Budgets

The Trust was not part of any pooled budget arrangements during the year ending 31 March 2015.

#### 1.5 Critical accounting judgements and key sources of estimation uncertainty

In the application of the NHS trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

During 2014/15 the Trust has made a provision for £600k for the estimated residual legal costs in respect of the ongoing Hillsborough Inquest, which is expected to conclude during 2015/16. In addition the Trust raised a debtor for £600k against the Trust Development Authority (TDA) for the recovery of these costs. In accordance with IAS37, para 54, these amounts have been netted through legal expenses in the Statement of Comprehensive Income.

The Trust has raised the debtor as it considers there to be sufficient certainty that the residual costs will be recovered, based on prior evidence and ongoing discussions with the TDA. In May 2015, the Trust received £827k in full settlement from the TDA, for costs incurred during 2014/15.

## **Notes to the Accounts - 1. Accounting Policies (Continued)**

### **1.5.1 Critical judgements in applying accounting policies**

The following are the critical judgements, apart from those involving estimations (see below) that management has made in the process of applying the NHS trust's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

The Trust has commissioned a desk top valuation of Land and Buildings by the District Valuer in order to ensure that the Trust Estate reflects current values, and that any impairments are recognised at the end of each accounting period.

### **1.6 Revenue**

Revenue in respect of services provided is recognised when, and to the extent that, performance occurs, and is measured at the fair value of the consideration receivable. The main source of revenue for the trust is from commissioners for healthcare services. Where income is received for a specific activity that is to be delivered in the following year, that income is deferred.

The NHS trust receives income under the NHS Injury Cost Recovery Scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid e.g. by an insurer. The NHS trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit that the individual has lodged a compensation claim. The income is measured at the agreed tariff for the treatments provided to the injured individual, less a provision for unsuccessful compensation claims and doubtful debts.

### **1.7 Employee Benefits**

#### **Short-term employee benefits**

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees.

The cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

## Notes to the Accounts - 1. Accounting Policies (Continued)

### Retirement benefit costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the Trust commits itself to the retirement, regardless of the method of payment.

### 1.8 Other expenses

Other operating expenses are recognised when, and to the extent that, the goods or services have been received. They are measured at the fair value of the consideration payable.

### 1.9 Property, plant and equipment

#### Recognition

Property, plant and equipment is capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to the Trust;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has cost of at least £5,000; or
- Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

#### Valuation

All property, plant and equipment are measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. All assets are measured subsequently at fair value.

Land and buildings used for the Trust's services or for administrative purposes are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation less any impairment.

## Notes to the Accounts - 1. Accounting Policies (Continued)

Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost

HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

Fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure. Gains and losses recognised in the revaluation reserve are reported as other comprehensive income in the Statement of Comprehensive Income.

### Vehicles

Vehicles are carried at depreciated purchase cost.

### Plant and machinery/medical equipment

Fair value for medical equipment/plant and machinery are not readily and reliably ascertainable and these assets are therefore carried at depreciated historic cost. This treatment is in line with IAS 16 Property, Plant and Equipment.

### IT

Due to technological advances, short replacement cycles, and difficulties in obtaining fair values, IT assets are not revalued but are carried at depreciated historic cost.

### Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any existing carrying value of the item replaced is written-out and charged to operating expenses.

## 1.10 Intangible assets

### Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the trust's business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the trust; where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Intangible assets acquired separately are initially recognised at fair value. Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use
- the intention to complete the intangible asset and use it



## Notes to the Accounts - 1. Accounting Policies (Continued)

- the ability to sell or use the intangible asset
- how the intangible asset will generate probable future economic benefits or service potential
- the availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it
- the ability to measure reliably the expenditure attributable to the intangible asset during its development

### Measurement

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at fair value by reference to an active market, or, where no active market exists, at amortised replacement cost (modern equivalent assets basis), indexed for relevant price increases, as a proxy for fair value. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

### 1.11 Depreciation, amortisation and impairments

Freehold land, properties under construction, and assets held for sale are not depreciated.

Otherwise, depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the NHS trust expects to obtain economic benefits or service potential from the asset. This is specific to the NHS trust and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over their estimated useful lives

Economic lives of non-current assets at the close of the reporting period were as follows,

Buildings, excluding dwellings	4-50 years
Plant and machinery	5-15 years
Transport equipment	3-7 years
Information Technology	3-5 years
Furniture and fittings	4-10 years

At each reporting period end, the Trust checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.

A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited to expenditure to the extent of the decrease previously charged there and thereafter to the revaluation reserve.

### 1.12 Donated assets

Donated non-current assets are capitalised at their fair value on receipt, with a matching credit to Income. They are valued, depreciated and impaired as described above for purchased assets. Gains and losses on revaluations, impairments and sales are as described above for purchased assets. Deferred income is recognised only where conditions attached to the donation preclude immediate recognition of the gain.

### 1.13 Government grants

The value of assets received by means of a government grant are credited directly to income. Deferred income is recognised only where conditions attached to the grant preclude immediate recognition of the gain.

## Notes to the Accounts - 1. Accounting Policies (Continued)

### 1.14 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the Statement of Comprehensive Income. On disposal, the balance for the asset on the revaluation reserve is transferred to retained earnings.

Property, plant and equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead, it is retained as an operational asset and its economic life is adjusted. The asset is de-recognised when it is scrapped or demolished.

### 1.15 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

#### The Trust as lessee

Property, plant and equipment held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate on interest on the remaining balance of the liability. Finance charges are recognised in calculating the trust's surplus/deficit.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Where a lease is for land and buildings, the land and building components are separated and individually assessed as to whether they are operating or finance leases.

#### The Trust as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the NHS trust's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the trust's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

**Notes to the Accounts - 1. Accounting Policies (Continued)**

**1.16 Inventories**

Inventories are valued at the lower of cost and net realisable value using the first-in first-out cost basis. This is considered to be a reasonable approximation to fair value due to the high turnover of inventories.

**1.17 Cash and cash equivalents**

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

## Notes to the Accounts - 1. Accounting Policies (Continued)

### 1.18 Provisions

Provisions are recognised when the Trust has a present legal or constructive obligation as a result of a past event, it is probable that the Trust will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using HM Treasury's discount rate of between minus 1.5% and 2.2% dependent on the timing of cash flows in real terms (1.3% for employee early departure obligations).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

A restructuring provision is recognised when the Trust has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

### 1.19 Clinical negligence costs

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the trust pays an annual contribution to the NHSLA which in return settles all clinical negligence claims. The contribution is charged to expenditure. Although the NHSLA is administratively responsible for all clinical negligence cases the legal liability remains with the Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the trust is disclosed at note 35.

### 1.2 Non-clinical risk pooling

The NHS trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to the NHS Litigation Authority and, in return, receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses as and when they become due.

### 1.21 Carbon Reduction Commitment Scheme (CRC)

CRC and similar allowances are accounted for as government grant funded intangible assets if they are not expected to be realised within twelve months, and otherwise as other current assets. They are valued at open market value. As the NHS body makes emissions, a provision is recognised with an offsetting transfer from deferred income. The provision is settled on surrender of the allowances. The asset, provision and deferred income amounts are valued at fair value at the end of the reporting period.

### 1.22 Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

## Notes to the Accounts - 1. Accounting Policies (Continued)

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.

### 1.23 Financial assets

Financial assets are recognised when the NHS trust becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

Financial assets are classified into the following categories: financial assets at fair value through profit and loss; held to maturity investments; available for sale financial assets, and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

#### **Financial assets at fair value through profit and loss**

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in calculating the Trust's surplus or deficit for the year. The net gain or loss incorporates any interest earned on the financial asset.

#### **Held to maturity investments**

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

#### **Available for sale financial assets**

Available for sale financial assets are non-derivative financial assets that are designated as available for sale or that do not fall within any of the other three financial asset classifications. They are measured at fair value with changes in value taken to the revaluation reserve, with the exception of impairment losses. Accumulated gains or losses are recycled to surplus/deficit on de-recognition.

#### **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Fair value is determined by reference to quoted market prices where possible.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the initial fair value of the financial asset.

At the end of the reporting period, the trust assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in expenditure and the carrying amount of the asset is reduced directly/through a provision for impairment of receivables.

## **Notes to the Accounts - 1. Accounting Policies (Continued)**

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through expenditure to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

### **1.24 Financial liabilities**

Financial liabilities are recognised on the statement of financial position when the Trust becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

Loans from the Department of Health are recognised at historical cost. Otherwise, financial liabilities are initially recognised at fair value.

#### **Other financial liabilities**

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method, except for loans from Department of Health, which are carried at historic cost. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

### **1.25 Value Added Tax**

Most of the activities of the Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

### **1.26 Foreign currencies**

The Trust's functional currency and presentational currency is sterling. Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the spot exchange rate on 31 March. Resulting exchange gains and losses for either of these are recognised in the trust's surplus/deficit in the period in which they arise.

### **1.27 Third party assets**

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the trust has no beneficial interest in them. Details of third party assets are given in Note 44 to the accounts.

## **Notes to the Accounts - 1. Accounting Policies (Continued)**

### **1.28 Public Dividend Capital (PDC) and PDC dividend**

Public dividend capital represents taxpayers' equity in the NHS trust. At any time the Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received. As PDC is issued under legislation rather than under contract, it is not treated as an equity financial instrument.

An annual charge, reflecting the cost of capital utilised by the trust, is payable to the Department of Health as public dividend capital dividend. The charge is calculated at the real rate set by HM Treasury (currently 3.5%) on the average carrying amount of all assets less liabilities (except for donated assets and cash balances with the Government Banking Service). The average carrying amount of assets is calculated as a simple average of opening and closing relevant net assets.

### **1.29 Losses and Special Payments**

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled.

Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the Trust not been bearing its' own risks (with insurance premiums then being included as normal revenue expenditure).

**Notes to the Accounts - 1. Accounting Policies (Continued)**

**1.30 Research and Development**

Research and development expenditure is charged against income in the year in which it is incurred, except insofar as development expenditure relates to a clearly defined project and the benefits of it can reasonably be regarded as assured. Expenditure so deferred is limited to the value of future benefits expected and is amortised through the SOCNE/SOCI on a systematic basis over the period expected to benefit from the project. It should be revalued on the basis of current cost. The amortisation is calculated on the same basis as depreciation, on a quarterly basis.

**1.31 Accounting Standards that have been issued but have not yet been adopted**

The Treasury FReM does not require the following Standards and Interpretations to be applied in 2014-15. The application of the Standards as revised would not have a material impact on the accounts for 2014-15, were they applied in that year:

IFRS 9 Financial Instruments - 2018/19 pending EU adoption and consultation

IFRS 13 Fair Value Measurement - 2015/16

IFRS 14 Regulatory Deferral Accounts - pending EU adoption

IFRS 15 Revenue from Contracts with Customers - 2017/18 pending EU adoption and consultation

IAS 36 Impairment of Assets - possibly 2015/16



## **2. Pooled Budgets**

The Trust does not have any pooled budget arrangements

## **3. Operating segments**

In accordance with the Requirements of IFRS 8, the Trust has considered the need to report as segments. It has considered the criteria for which segmentation should be assessed and concludes that the business operates as one segment.

#### 4. Income generation activities

The Trust undertakes income generation activities with an aim of achieving a surplus, which is then used in patient care. The Trust does not have any income generation schemes where costs exceed £1m.

#### 5. Revenue from patient care activities

	2014-15 £000s	2013-14 £000s
NHS Trusts	90	144
NHS England	1,062	797
Clinical Commissioning Groups	232,108	225,737
Foundation Trusts	1,495	1,181
Department of Health	0	511
NHS Other (including Public Health England and Prop Co)	0	124
Non-NHS:		
Local Authorities	98	69
Private patients	13	15
Overseas patients (non-reciprocal)	0	0
Injury costs recovery	1,103	851
Other	6	145
<b>Total Revenue from patient care activities</b>	<b>235,975</b>	<b>229,574</b>

#### 6. Other operating revenue

	2014-15 £000s	2013-14 £000s
Recoveries in respect of employee benefits	206	403
Patient transport services	0	0
Education, training and research	1,343	1,158
Charitable and other contributions to revenue expenditure - NHS	0	0
Charitable and other contributions to revenue expenditure -non- NHS	0	0
Receipt of donations for capital acquisitions - Charity	0	29
Receipt of Government grants for capital acquisitions	0	0
Non-patient care services to other bodies	0	14
Income generation	2,770	1,921
Rental revenue from finance leases	0	0
Rental revenue from operating leases	0	0
Other revenue	1,034	285
<b>Total Other Operating Revenue</b>	<b>5,353</b>	<b>3,810</b>
<b>Total operating revenue</b>	<b>241,328</b>	<b>233,384</b>

#### 7. Revenue

	2014-15 £000s	2013-14 £000s
From rendering of services	241,033	233,177
From sale of goods	295	207

## 8. Operating expenses

	2014-15 £000s	2013-14 £000s
Services from other NHS Trusts	342	241
Services from CCGs/NHS England	0	0
Services from other NHS bodies	0	1
Services from NHS Foundation Trusts	0	0
<b>Total Services from NHS bodies*</b>	<b>342</b>	<b>242</b>
Purchase of healthcare from non-NHS bodies	17,036	15,754
Trust Chair and Non-executive Directors	60	56
Supplies and services - clinical	5,287	4,837
Supplies and services - general	972	813
Consultancy services	1,333	788
Establishment	6,345	5,922
Transport	20,847	20,832
Business rates paid to local authorities	1,310	1,277
Premises	5,729	5,931
Hospitality	128	304
Insurance	2,443	3,110
Legal Fees	833	371
Impairments and Reversals of Receivables	328	128
Inventories write down	4	91
Depreciation	7,909	8,560
Amortisation	382	430
Impairments and reversals of property, plant and equipment	449	(110)
Impairments and reversals of intangible assets	0	0
Impairments and reversals of financial assets [by class]	0	0
Impairments and reversals of non current assets held for sale	0	0
Audit fees	97	97
Other auditor's remuneration	0	9
Clinical negligence	978	854
Research and development (excluding staff costs)	0	0
Education and Training	806	933
Change in Discount Rate	436	452
Other	1,592	2,575
<b>Total Operating expenses (excluding employee benefits)</b>	<b><u>75,646</u></b>	<b><u>74,256</u></b>
<b>Employee Benefits</b>		
Employee benefits excluding Board members	160,087	153,288
Board members	919	1,051
<b>Total Employee Benefits</b>	<b><u>161,006</u></b>	<b><u>154,339</u></b>
<b>Total Operating Expenses</b>	<b><u><u>236,652</u></u></b>	<b><u><u>228,595</u></u></b>

\*Services from NHS bodies does not include expenditure which falls into a category below

## 9 Operating Leases

The Trust's operating lease commitments relate to land, medical equipment and land and buildings.

The vehicle commitments are based on 510 vehicles, 300 of which are due to expire within 1 year and 210 are due to expire between 1 and 5 years.

The medical equipment commitment is on leases due to expire within 1 year.

The commitment on land and buildings consists of one lease which is for the car parking facility at HQ. The lease is due to expire between 1 and 5 years.

<b>9.1 Trust as lessee</b>	<b>Land £000s</b>	<b>Buildings £000s</b>	<b>Other £000s</b>	<b>2014-15 Total £000s</b>	<b>2013-14 £000s</b>
<b>Payments recognised as an expense</b>					
Minimum lease payments				5,551	5,904
Contingent rents				0	0
Sub-lease payments				0	0
<b>Total</b>				<b>5,551</b>	<b>5,904</b>
<b>Payable:</b>					
No later than one year	39	0	2,071	2,110	2,376
Between one and five years	72	0	1,429	1,501	4,422
After five years	0	0	0	0	0
<b>Total</b>	<b>111</b>	<b>0</b>	<b>3,500</b>	<b>3,611</b>	<b>6,798</b>
Total future sublease payments expected to be received:				0	0

## 9.2 Trust as lessor

	<b>2014-15 £000</b>	<b>2013-14 £000s</b>
<b>Recognised as revenue</b>		
Rental revenue	0	0
Contingent rents	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
<b>Receivable:</b>		
No later than one year	0	0
Between one and five years	0	0
After five years	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

## 10 Employee benefits and staff numbers

### 10.1 Employee benefits

	2014-15		
	Total £000s	Permanently employed £000s	Other £000s
<b>Employee Benefits - Gross Expenditure</b>			
Salaries and wages	135,781	131,988	3,793
Social security costs	9,685	9,685	0
Employer Contributions to NHS BSA - Pensions Division	15,075	15,075	0
Other pension costs	0	0	0
Termination benefits	465	465	0
<b>Total employee benefits</b>	<b>161,006</b>	<b>157,213</b>	<b>3,793</b>
<b>Employee costs capitalised</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Gross Employee Benefits excluding capitalised costs</b>	<b>161,006</b>	<b>157,213</b>	<b>3,793</b>

	2014-15			2013-14		
	Total £000s	Permanently employed £000s	Other £000s	Total £000s	Permanently employed £000s	Other £000s
Salaries and wages	128,811	126,838	1,973			
Social security costs	9,649	9,649	0			
Employer Contributions to NHS BSA - Pensions Division	14,918	14,918	0			
Other pension costs	0	0	0			
Termination benefits	961	961	0			
<b>TOTAL - including capitalised costs</b>	<b>154,339</b>	<b>152,366</b>	<b>1,973</b>			
Employee costs capitalised	0	0	0			
<b>Gross Employee Benefits excluding capitalised costs</b>	<b>154,339</b>	<b>152,366</b>	<b>1,973</b>			

### 10.2 Staff Numbers

	2014-15			2013-14
	Total Number	Permanently employed Number	Other Number	Total Number
<b>Average Staff Numbers</b>				
Medical and dental	3	3	0	5
Ambulance staff	2,892	2,804	88	2,761
Administration and estates	1,209	1,092	117	1,183
Healthcare assistants and other support staff	95	77	18	87
Nursing, midwifery and health visiting staff	71	50	21	76
Nursing, midwifery and health visiting learners	0	0	0	0
Scientific, therapeutic and technical staff	1	1	0	1
Social Care Staff	0	0	0	0
Other	0	0	0	0
<b>TOTAL</b>	<b>4,271</b>	<b>4,027</b>	<b>244</b>	<b>4,113</b>
Of the above - staff engaged on capital projects	0	0	0	0

### 10.3 Staff Sickness absence and ill health retirements

	2014-15 Number	2013-14 Number
Total Days Lost	60,339	52,887
Total Staff Years	4,122	3,998
<b>Average working Days Lost</b>	<b>14.64</b>	<b>13.23</b>
	<b>2014-15 Number</b>	<b>2013-14 Number</b>
Number of persons retired early on ill health grounds	12	12
	£000s	£000s
Total additional pensions liabilities accrued in the year	1,154	911

### 10.4 Exit Packages agreed in 2014-15

Exit package cost band (including any special payment element)	2014-15			2013-14		
	*Number of compulsory redundancies	*Number of other departures agreed	Total number of exit packages by cost band	*Number of compulsory redundancies	*Number of other departures agreed	Total number of exit packages by cost band
	Number	Number	Number	Number	Number	Number
Less than £10,000	1	6	7	12	6	18
£10,000-£25,000	0	6	6	2	4	6
£25,001-£50,000	1	2	3	1	6	7
£50,001-£100,000	0	1	1	2	5	7
£100,001 - £150,000	0	0	0	0	0	0
£150,001 - £200,000	1	0	1	0	0	0
>£200,000	0	0	0	0	0	0
<b>Total number of exit packages by type (total cost)</b>	<b>3</b>	<b>15</b>	<b>18</b>	<b>17</b>	<b>21</b>	<b>38</b>
<b>Total resource cost (£s)</b>	<b>221,655</b>	<b>243,138</b>	<b>464,793</b>	<b>296,444</b>	<b>664,462</b>	<b>960,906</b>

Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Scheme. Exit costs in this note are accounted for in full in the year of departure. Where Yorkshire Ambulance Service NHS Trust has agreed early retirements, the additional costs are met by Yorkshire Ambulance Service NHS Trust and not by the NHS pensions scheme. Ill-health retirement costs are met by the NHS pensions scheme and are not included in the table.

Exit packages includes departures under an open ended MARS scheme approved by the Trust Development Authority (TDA).

No ex gratia payments were made during the year.

TDA approval was required and granted in respect of one individual (£171k).

The disclosure reports the number and value of exit packages taken by staff in the year. The expense associated with these departures has been recognised in full in the current period.

### 10.5 Exit packages - Other Departures analysis

	2014-15		2013-14	
	Agreements Number	Total value of agreements £000s	Agreements Number	Total value of agreements £000s
Voluntary redundancies including early retirement contractual costs	0	0	1	3
Mutually agreed resignations (MARS) contractual costs	15	243	6	163
Early retirements in the efficiency of the service contractual costs	0	0	31	795
Contractual payments in lieu of notice	0	0	0	0
Exit payments following Employment Tribunals or court orders	0	0	0	0
Non-contractual payments requiring HMT approval*	0	0	0	0
<b>Total</b>	<b>15</b>	<b>243</b>	<b>38</b>	<b>961</b>
<b>Non-contractual payments made to individuals where the payment value was more than 12 months of their annual salary</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

This disclosure reports the number and value of exit packages agreed in the year. Note: the expense associated with these departures may have been recognised in part or in full in a previous period

The Remuneration Report includes disclosure of exit payments payable to individuals named in that Report.

## 10.6 Pension costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions). The scheme is an unfunded, defined benefit scheme that covers NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS Body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

### a) Accounting valuation

A valuation of the scheme liability is carried out annually by the scheme actuary as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2015, is based on valuation data as at 31 March 2014, updated to 31 March 2015 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Resource Account, published annually. These accounts can be viewed on the NHS Pensions website. Copies can also be obtained from The Stationery Office.

### b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the scheme (taking into account its recent demographic experience), and to recommend the contribution rates.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012.

The Scheme regulations allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

### c) Scheme provisions

The NHS Pension Scheme provided defined benefits, which are summarised below. This list is an illustrative guide only, and is not intended to detail all the benefits provided by the Scheme or the specific conditions that must be met before these benefits can be obtained:

The Scheme is a "final salary" scheme. Annual pensions are normally based on 1/80th for the 1995 section and of the best of the last three years pensionable pay for each year of service, and 1/60th for the 2008 section of reckonable pay per year of membership. Members who are practitioners as defined by the Scheme Regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This new provision is known as "pension commutation".

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. From 2011-12 the Consumer Price Index (CPI) has been used and replaced the Retail Prices Index (RPI).

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year's pensionable pay for death in service, and five times their annual pension for death after retirement is payable

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the statement of comprehensive income at the time the Trust commits itself to the retirement, regardless of the method of payment.

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVC's run by the Scheme's approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

## 11 Better Payment Practice Code

### 11.1 Measure of compliance

	2014-15 Number	2014-15 £000s	2013-14 Number	2013-14 £000s
<b>Non-NHS Payables</b>				
Total Non-NHS Trade Invoices Paid in the Year	27,607	77,992	27,955	74,618
Total Non-NHS Trade Invoices Paid Within Target	26,293	75,064	26,080	68,204
Percentage of NHS Trade Invoices Paid Within Target	95.24%	96.25%	93.29%	91.40%
<b>NHS Payables</b>				
Total NHS Trade Invoices Paid in the Year	654	3,571	741	3,865
Total NHS Trade Invoices Paid Within Target	616	3,520	656	3,405
Percentage of NHS Trade Invoices Paid Within Target	94.19%	98.57%	88.53%	88.10%

The Better Payment Practice Code requires the NHS body to aim to pay all valid invoices by the due date or within 30 days of receipt of a valid invoice, whichever is later.

### 11.2 The Late Payment of Commercial Debts (Interest) Act 1998

	2014-15 £000s	2013-14 £000s
Amounts included in finance costs from claims made under this legislation	0	0
Compensation paid to cover debt recovery costs under this legislation	0	0
<b>Total</b>	<b>0</b>	<b>0</b>



## 12 Investment Revenue

	2014-15 £000s	2013-14 £000s
<b>Rental revenue</b>		
PFI finance lease revenue (planned)	0	0
PFI finance lease revenue (contingent)	0	0
Other finance lease revenue	0	0
<b>Subtotal</b>	<u>0</u>	<u>0</u>
<b>Interest revenue</b>		
LIFT: equity dividends receivable	0	0
LIFT: loan interest receivable	0	0
Bank interest	61	49
Other loans and receivables	0	0
Impaired financial assets	0	0
Other financial assets	0	0
<b>Subtotal</b>	<u>61</u>	<u>49</u>
<b>Total investment revenue</b>	<u>61</u>	<u>49</u>

## 13 Other Gains and Losses

	2014-15 £000s	2013-14 £000s
Gain/(Loss) on disposal of assets other than by sale (PPE)	111	103
Gain/(Loss) on disposal of assets other than by sale (intangibles)	0	0
Gain/(Loss) on disposal of Financial Assets other than held for sale	0	0
Gain (Loss) on disposal of assets held for sale	0	0
Gain/(loss) on foreign exchange	0	0
Change in fair value of financial assets carried at fair value through the SoCI	0	0
Change in fair value of financial liabilities carried at fair value through the SoCI	0	0
Change in fair value of investment property	0	0
Recycling of gain/(loss) from equity on disposal of financial assets held for sale	0	0
<b>Total</b>	<u>111</u>	<u>103</u>

## 14 Finance Costs

	2014-15 £000s	2013-14 £000s
<b>Interest</b>		
Interest on loans and overdrafts	113	119
Interest on obligations under finance leases	0	0
Interest on obligations under PFI contracts:		
- main finance cost	0	0
- contingent finance cost	0	0
Interest on obligations under LIFT contracts:		
- main finance cost	0	0
- contingent finance cost	0	0
Interest on late payment of commercial debt	0	0
<b>Total interest expense</b>	<u>113</u>	<u>119</u>
Other finance costs	0	0
Provisions - unwinding of discount	147	153
<b>Total</b>	<u>260</u>	<u>272</u>

**15.1 Property, plant and equipment**

	Land	Buildings excluding dwellings	Dwellings	Assets under construction & payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
<b>2014-15</b>									
<b>Cost or valuation:</b>									
<b>At 1 April 2014</b>	18,535	30,782	0	10,774	2,347	56,175	24,194	712	143,519
Additions of Assets Under Construction				7,313					7,313
Additions Purchased	76	227	0		0	2,140	747	0	3,190
Additions - Non Cash Donations (i.e. physical assets)	0	0	0	0	0	0	0	0	0
Additions - Purchases from Cash Donations & Government Grants	0	0	0	0	0	0	0	0	0
Additions Leased	0	0	0		0	0	0	0	0
Reclassifications	0	4,696	0	(10,586)	0	5,539	351	0	0
Reclassifications as Held for Sale and reversals	0	0	0	0	(9)	(6,465)	(90)	0	(6,564)
Disposals other than for sale	0	0	0	0	0	0	0	0	0
Upward revaluation/positive indexation	1,019	1,146	0	0	0	0	0	0	2,165
Impairments/negative indexation	(38)	0	0	0	0	0	0	0	(38)
Reversal of Impairments	0	0	0	0	0	0	0	0	0
Transfers to NHS Foundation Trust	0	0	0	0	0	0	0	0	0
Transfers (to)/from Other Public Sector Bodies under Absorption Accounting	0	0	0	0	0	0	0	0	0
<b>At 31 March 2015</b>	<b>19,592</b>	<b>36,851</b>	<b>0</b>	<b>7,501</b>	<b>2,338</b>	<b>57,389</b>	<b>25,202</b>	<b>712</b>	<b>149,585</b>
<b>Depreciation</b>									
<b>At 1 April 2014</b>	42	1,425	0	0	1,937	38,989	21,374	596	64,363
Reclassifications	0	0	0		0	0	0	0	0
Reclassifications as Held for Sale and reversals	0	0	0		(9)	(6,281)	(90)	0	(6,380)
Disposals other than for sale	0	0	0		0	0	0	0	0
Upward revaluation/positive indexation	0	0	0		0	0	0	0	0
Impairments	105	513	0	0	0	0	0	0	618
Reversal of Impairments	0	(169)	0	0	0	0	0	0	(169)
Charged During the Year	0	1,433	0		92	4,950	1,414	20	7,909
Transfers to NHS Foundation Trust	0	0	0	0	0	0	0	0	0
Transfers (to)/from Other Public Sector Bodies under Absorption Accounting	0	0	0	0	0	0	0	0	0
<b>At 31 March 2015</b>	<b>147</b>	<b>3,202</b>	<b>0</b>	<b>0</b>	<b>2,020</b>	<b>37,658</b>	<b>22,698</b>	<b>616</b>	<b>66,341</b>
<b>Net Book Value at 31 March 2015</b>	<b>19,445</b>	<b>33,649</b>	<b>0</b>	<b>7,501</b>	<b>318</b>	<b>19,731</b>	<b>2,504</b>	<b>96</b>	<b>83,244</b>
<b>Asset financing:</b>									
Owned - Purchased	19,445	33,649	0	7,501	318	19,702	2,504	96	83,215
Owned - Donated	0	0	0	0	0	29	0	0	29
Owned - Government Granted	0	0	0	0	0	0	0	0	0
Held on finance lease	0	0	0	0	0	0	0	0	0
On-SOFP PFI contracts	0	0	0	0	0	0	0	0	0
PFI residual: interests	0	0	0	0	0	0	0	0	0
<b>Total at 31 March 2015</b>	<b>19,445</b>	<b>33,649</b>	<b>0</b>	<b>7,501</b>	<b>318</b>	<b>19,731</b>	<b>2,504</b>	<b>96</b>	<b>83,244</b>

**Revaluation Reserve Balance for Property, Plant & Equipment**

	Land	Buildings	Dwellings	Assets under construction & payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
<b>At 1 April 2014</b>	719	4,015	0	0	71	429	0	2	5,236
Movements (specify)	981	1,146	0	0	0	(146)	0	0	1,981
<b>At 31 March 2015</b>	<b>1,700</b>	<b>5,161</b>	<b>0</b>	<b>0</b>	<b>71</b>	<b>283</b>	<b>0</b>	<b>2</b>	<b>7,217</b>

**Additions to Assets Under Construction in 2014-15**

	£000's
Land	0
Buildings excl Dwellings	604
Dwellings	0
Plant & Machinery	6,709
<b>Balance as at YTD</b>	<b>7,313</b>

**15.2 Property, plant and equipment prior-year**

	Land	Buildings excluding dwellings	Dwellings	Assets under construction & payments on account £000s	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
2013-14	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
<b>Cost or valuation:</b>									
At 1 April 2013	18,485	27,934	0	8,000	2,249	54,194	22,395	600	133,857
Transfers under Modified Absorption Accounting - PCTs & SHAs	0	0	0	0	0	0	0	0	0
Transfers under Modified Absorption Accounting - Other Bodies	0	0	0	0	0	0	0	0	0
Additions of Assets Under Construction				12,777					12,777
Additions Purchased	0	0	0		0	0	0	0	0
Additions - Non Cash Donations (i.e. Physical Assets)	0	0	0	0	0	29	0	0	29
Additions - Purchases from Cash Donations & Government Grants	0	0	0	0	0	0	0	0	0
Additions Leased	0	0	0		0	0	0	0	0
Reclassifications	27	1,876	0	(10,003)	98	5,818	1,799	112	(273)
Reclassifications as Held for Sale and Reversals	0	0	0	0	0	(3,866)	0	0	(3,866)
Disposals other than for sale	0	0	0	0	0	0	0	0	0
Revaluation	92	1,319	0	0	0	0	0	0	1,411
Impairments/negative indexation charged to reserves	(69)	(347)	0	0	0	0	0	0	(416)
Reversal of Impairments charged to reserves	0	0	0	0	0	0	0	0	0
Transfers to Foundation Trust	0	0	0	0	0	0	0	0	0
Transfers (to)/from Other Public Sector Bodies under Absorption Accounting	0	0	0	0	0	0	0	0	0
At 31 March 2014	<b>18,535</b>	<b>30,782</b>	<b>0</b>	<b>10,774</b>	<b>2,347</b>	<b>56,175</b>	<b>24,194</b>	<b>712</b>	<b>143,519</b>
<b>Depreciation</b>									
At 1 April 2013	0	349	0	0	1,819	37,192	19,750	576	59,686
Reclassifications	0	0	0		0	0	0	0	0
Reclassifications as Held for Sale and Reversals	0	0	0		0	(3,773)	0	0	(3,773)
Disposals other than for sale	0	0	0		0	0	0	0	0
Revaluation	0	0	0		0	0	0	0	0
Impairments/negative indexation charged to operating expenses	42	161	0	0	0	0	0	0	203
Reversal of Impairments charged to operating expenses	0	(313)	0	0	0	0	0	0	(313)
Charged During the Year	0	1,228	0		118	5,570	1,624	20	8,560
Transfers to Foundation Trust	0	0	0	0	0	0	0	0	0
Transfers (to)/from Other Public Sector Bodies under Absorption Accounting	0	0	0		0	0	0	0	0
At 31 March 2014	<b>42</b>	<b>1,425</b>	<b>0</b>	<b>0</b>	<b>1,937</b>	<b>38,989</b>	<b>21,374</b>	<b>596</b>	<b>64,363</b>
<b>Net Book Value at 31 March 2014</b>	<b>18,493</b>	<b>29,357</b>	<b>0</b>	<b>10,774</b>	<b>410</b>	<b>17,186</b>	<b>2,820</b>	<b>116</b>	<b>79,156</b>
<b>Asset financing:</b>									
Owned - Purchased	18,493	29,357	0	10,774	410	17,157	2,820	116	79,127
Owned - Donated	0	0	0	0	0	29	0	0	29
Owned - Government Granted	0	0	0	0	0	0	0	0	0
Held on finance lease	0	0	0	0	0	0	0	0	0
On-SOFP PFI contracts	0	0	0	0	0	0	0	0	0
PFI residual: interests	0	0	0	0	0	0	0	0	0
Total at 31 March 2014	<b>18,493</b>	<b>29,357</b>	<b>0</b>	<b>10,774</b>	<b>410</b>	<b>17,186</b>	<b>2,820</b>	<b>116</b>	<b>79,156</b>

**15.3 (cont). Property, plant and equipment**

The Trust has one donated asset being a static medical unit donated from YAS Charitable Funds in 2013/14.

The asset was added to the asset register at NBV at the time of the donation.

The asset has been internally assessed to have an expected life of 5 years based on low mileage and anticipated availability of spare parts beyond that time.

**16.1 Intangible non-current assets**

	IT - in-house & 3rd party software	Computer Licenses	Licenses and Trademarks	Patents	Development Expenditure - Internally Generated £000's	Total
	£000's	£000's	£000's	£000's	£000's	£000's
<b>2014-15</b>						
<b>At 1 April 2014</b>	<b>0</b>	<b>2,203</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,203</b>
Additions Purchased	0	162	0	0	0	162
Additions Internally Generated	0	0	0	0	0	0
Additions - Non Cash Donations (i.e. physical assets)	0	0	0	0	0	0
Additions - Purchases from Cash Donations and Government Grants	0	0	0	0	0	0
Additions Leased	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Reclassified as Held for Sale and Reversals	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	0	0
Revaluation & indexation gains	0	0	0	0	0	0
Impairments charged to reserves	0	0	0	0	0	0
Reversal of impairments charged to reserves	0	0	0	0	0	0
Transfer to NHS Foundation Trust	0	0	0	0	0	0
Transfer (to)/from Other Public Sector bodies under Absorption Accounting	0	0	0	0	0	0
<b>At 31 March 2015</b>	<b>0</b>	<b>2,365</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,365</b>
<b>Amortisation</b>						
<b>At 1 April 2014</b>	<b>0</b>	<b>972</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>972</b>
Reclassifications	0	0	0	0	0	0
Reclassified as Held for Sale and Reversals	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	0	0
Revaluation or indexation gains	0	0	0	0	0	0
Impairments charged to operating expenses	0	0	0	0	0	0
Reversal of impairments charged to operating expenses	0	0	0	0	0	0
Charged during the year	0	382	0	0	0	382
Transfer to NHS Foundation Trust	0	0	0	0	0	0
Transfer (to)/from Other Public Sector bodies under Absorption Accounting	0	0	0	0	0	0
<b>At 31 March 2015</b>	<b>0</b>	<b>1,354</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,354</b>
<b>Net Book Value at 31 March 2015</b>	<b>0</b>	<b>1,011</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,011</b>
<b>Asset Financing: Net book value at 31 March 2015 comprises:</b>						
Purchased	0	1,011	0	0	0	1,011
Donated	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0
Finance Leased	0	0	0	0	0	0
On-balance Sheet PFIs	0	0	0	0	0	0
<b>Total at 31 March 2015</b>	<b>0</b>	<b>1,011</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,011</b>
<b>Revaluation reserve balance for intangible non-current assets</b>						
	£000's	£000's	£000's	£000's	£000's	£000's
<b>At 1 April 2014</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Movements (specify)	0	0	0	0	0	0
<b>At 31 March 2015</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**16.2 Intangible non-current assets prior year**

	IT - in-house & 3rd party software	Computer Licenses	Licenses and Trademarks	Patents	Development Expenditure - Internally Generated	Total
	£000s	£000s	£000s	£000s	£000s	£000s
2013-14						
Cost or valuation:						
At 1 April 2013	0	953	0	0	0	953
Transfers under Modified Absorption Accounting - PCTs & SHAs	0	0	0	0	0	0
Transfers under Modified Absorption Accounting - Other Bodies	0	0	0	0	0	0
Additions - purchased	0	977	0	0	0	977
Additions - internally generated	0	0	0	0	0	0
Additions - donated	0	0	0	0	0	0
Additions - government granted	0	0	0	0	0	0
Additions Leased	0	0	0	0	0	0
Reclassifications	0	273	0	0	0	273
Reclassified as held for sale	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	0	0
Revaluation & indexation gains	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0
Transfer to NHS Foundation Trust	0	0	0	0	0	0
Transfer (to)/from Other Public Sector bodies under Absorption Accounting	0	0	0	0	0	0
At 31 March 2014	<u>0</u>	<u>2,203</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,203</u>
Amortisation						
At 1 April 2013	0	542	0	0	0	542
Reclassifications	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	0	0
Revaluation or indexation gains	0	0	0	0	0	0
Impairments charged to operating expenses	0	0	0	0	0	0
Reversal of impairments charged to operating expenses	0	0	0	0	0	0
Charged during the year	0	430	0	0	0	430
Transfer to NHS Foundation Trust	0	0	0	0	0	0
Transfer (to)/from Other Public Sector bodies under Absorption Accounting	0	0	0	0	0	0
At 31 March 2014	<u>0</u>	<u>972</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>972</u>
Net book value at 31 March 2014	0	1,231	0	0	0	1,231
Net book value at 31 March 2014 comprises:						
Purchased	0	1,231	0	0	0	1,231
Donated	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0
Total at 31 March 2014	<u>0</u>	<u>1,231</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,231</u>

### **16.3 Intangible non-current assets**

Intangible non current assets relate to purchased software licences which are valued at purchase cost less accumulated depreciation.

Asset lives range between 3 and 5 years with no asset having an indefinite life given software is constantly being updated.

**17 Analysis of impairments and reversals recognised in 2014-15**

	2014-15 Total £000s
<b>Property, Plant and Equipment impairments and reversals taken to SoCI</b>	
Loss or damage resulting from normal operations	0
Over-specification of assets	0
Abandonment of assets in the course of construction	0
<b>Total charged to Departmental Expenditure Limit</b>	<b>0</b>
Unforeseen obsolescence	0
Loss as a result of catastrophe	0
Other	0
Changes in market price	449
<b>Total charged to Annually Managed Expenditure</b>	<b>449</b>
<b>Total Impairments of Property, Plant and Equipment charged to SoCI</b>	<b>449</b>
<b>Intangible assets impairments and reversals charged to SoCI</b>	
Loss or damage resulting from normal operations	0
Over-specification of assets	0
Abandonment of assets in the course of construction	0
<b>Total charged to Departmental Expenditure Limit</b>	<b>0</b>
Unforeseen obsolescence	0
Loss as a result of catastrophe	0
Other	0
Changes in market price	0
<b>Total charged to Annually Managed Expenditure</b>	<b>0</b>
<b>Total Impairments of Intangibles charged to SoCI</b>	<b>0</b>
<b>Financial Assets charged to SoCI</b>	
Loss or damage resulting from normal operations	0
<b>Total charged to Departmental Expenditure Limit</b>	<b>0</b>
Loss as a result of catastrophe	0
Other	0
<b>Total charged to Annually Managed Expenditure</b>	<b>0</b>
<b>Total Impairments of Financial Assets charged to SoCI</b>	<b>0</b>
<b>Non-current assets held for sale - impairments and reversals charged to SoCI.</b>	
Loss or damage resulting from normal operations	0
Abandonment of assets in the course of construction	0
<b>Total charged to Departmental Expenditure Limit</b>	<b>0</b>
Unforeseen obsolescence	0
Loss as a result of catastrophe	0
Other	0
Changes in market price	0
<b>Total charged to Annually Managed Expenditure</b>	<b>0</b>
<b>Total impairments of non-current assets held for sale charged to SoCI</b>	<b>0</b>
<b>Total Impairments charged to SoCI - DEL</b>	<b>0</b>
<b>Total Impairments charged to SoCI - AME</b>	<b>449</b>
<b>Overall Total Impairments</b>	<b>449</b>



## 17 Analysis of impairments and reversals recognised in 2014-15

	Total £000s	Property Plant and Equipment £000s	Intangible Assets £000s	Financial Assets £000s	Non-Current Assets Held for Sale £000s
<b>Impairments and reversals taken to SoCI</b>					
Loss or damage resulting from normal operations	0	0	0	0	0
Over-specification of assets	0	0	0		
Abandonment of assets in the course of construction	0	0	0		0
<b>Total charged to Departmental Expenditure Limit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Unforeseen obsolescence	0	0	0		0
Loss as a result of catastrophe	0	0	0	0	0
Other	0	0	0	0	0
Changes in market price	449	449	0		0
<b>Total charged to Annually Managed Expenditure</b>	<b>449</b>	<b>449</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Impairments of Property, Plant and Equipment changed to SoCI</b>	<b>449</b>	<b>449</b>	<b>0</b>	<b>0</b>	<b>0</b>

The Trust's land and buildings were revalued following a 'desk top' exercise as at 31 March 2015 to reflect market valuation. This has resulted in a movement in land and buildings and an overall impairment arising from a localised deterioration in market values. The overall impact of £449k has been recognised in Income and Expenditure.

**18 Investment property**

	<b>31 March 2015</b>	31 March 2014
	<b>£000s</b>	£000s
<b>At fair value</b>		
<b>Balance at 1 April 2014</b>	<b>0</b>	0
Additions Through Subsequent Expenditure	0	0
Other Acquisitions	0	0
Disposals	0	0
Property Reclassified as Held for Sale	0	0
Loss from Fair Value Adjustments - Impairments	0	0
Loss from Fair Value Adjustments - Reversal of Impairments	0	0
Gain from Fair Value Adjustments	0	0
Transfer to other NHS Foundation Trust	0	0
Transfers (to) / from Other Public Sector Bodies under absorption accounting	0	0
Other Changes	0	0
<b>Balance at 31 March 2015</b>	<b>0</b>	0

**19 Commitments****19.1 Capital commitments**

Contracted capital commitments at 31 March not otherwise included in these financial statements:

	<b>31 March 2015</b>	31 March 2014
	<b>£000s</b>	£000s
Property, plant and equipment	<b>1,084</b>	0
Intangible assets	<b>0</b>	0
<b>Total</b>	<b>1,084</b>	0

**19.2 Other financial commitments**

The trust has entered into non-cancellable contracts (which are not leases or PFI contracts or other service

	<b>31 March 2015</b>	31 March 2014
	<b>£000s</b>	£000s
Not later than one year	<b>0</b>	0
Later than one year and not later than five year	<b>0</b>	0
Later than five years	<b>0</b>	0
<b>Total</b>	<b>0</b>	0

**20 Intra-Government and other balances**

	<b>Current</b>	<b>Non-current</b>	<b>Current</b>	<b>Non-current</b>
	<b>receivables</b>	<b>receivables</b>	<b>payables</b>	<b>payables</b>
	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
Balances with Other Central Government Bodies	0	0	95	0
Balances with Local Authorities	11	0	0	0
Balances with NHS bodies outside the Departmental Group	0	0	0	0
Balances with NHS bodies inside the Departmental Group	6,281	0	729	6,125
Balances with Public Corporations and Trading Funds	12	0	0	0
Balances with Bodies External to Government	6,366	669	12,491	0
<b>At 31 March 2015</b>	<b>12,670</b>	<b>669</b>	<b>13,315</b>	<b>6,125</b>
<b>prior period:</b>				
Balances with Other Central Government Bodies	212	0	1,927	0
Balances with Local Authorities	33	0	27	0
Balances with NHS bodies outside the Departmental Group	0	0	0	0
Balances with NHS bodies inside the Departmental Group	3,195	0	489	5,837
Balances with NHS Trusts and FTs	90	0	95	0
Balances with Public Corporations and Trading Funds	0	0	0	0
Balances with Bodies External to Government	8,779	814	9,522	0
<b>At 31 March 2014</b>	<b>12,309</b>	<b>814</b>	<b>12,060</b>	<b>5,837</b>

<b>21 Inventories</b>	<b>Drugs £000s</b>	<b>Consumables £000s</b>	<b>Work in Progress £000s</b>	<b>Energy £000s</b>	<b>Loan Equipment £000s</b>	<b>Other £000s</b>	<b>Total £000s</b>
<b>Balance at 1 April 2014</b>	<b>64</b>	<b>1,076</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>186</b>	<b>1,326</b>
Additions	229	7,160	0	0	0	4,608	11,997
Inventories recognised as an expense in the period	(247)	(7,509)	0	0	0	(4,658)	(12,414)
Write-down of inventories (including losses)	0	(4)	0	0	0	0	(4)
Reversal of write-down previously taken to SOCI	0	0	0	0	0	0	0
Transfers (to) Foundation Trusts	0	0	0	0	0	0	0
Transfers (to)/from Other Public Sector Bodies under Absorption Accounting	0	0	0	0	0	0	0
<b>Balance at 31 March 2015</b>	<b>46</b>	<b>723</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>136</b>	<b>905</b>

Other inventories includes vehicle parts. During the year the Trust sold vehicle parts stock at opening value.

### 22.1 Trade and other receivables

	<b>Current</b>		<b>Non-current</b>	
	<b>31 March 2015 £000s</b>	<b>31 March 2014 £000s</b>	<b>31 March 2015 £000s</b>	<b>31 March 2014 £000s</b>
NHS receivables - revenue	2,193	2,738	0	0
NHS receivables - capital	0	0	0	0
NHS prepayments and accrued income	3,807	551	0	0
Non-NHS receivables - revenue	451	335	0	0
Non-NHS receivables - capital	0	0	0	0
Non-NHS prepayments and accrued income	6,885	8,763	669	814
PDC Dividend prepaid to DH	13			
Provision for the impairment of receivables	(739)	(411)	0	0
VAT	0	302	0	0
Current/non-current part of PFI and other PPP arrangements prepayments and accrued income	0	0	0	0
Interest receivables	0	0	0	0
Finance lease receivables	0	0	0	0
Operating lease receivables	0	0	0	0
Other receivables	60	31	0	0
<b>Total</b>	<b>12,670</b>	<b>12,309</b>	<b>669</b>	<b>814</b>
<b>Total current and non current</b>	<b>13,339</b>	<b>13,123</b>		
Included in NHS receivables are prepaid pension contributions:	0			

The great majority of trade is with Clinical Commissioning Groups (CCGs). As CCGs are funded by Government to buy NHS patient care, no credit scoring of them is considered necessary.

### 22.2 Receivables past their due date but not impaired

	<b>31 March 2015 £000s</b>	<b>31 March 2014 £000s</b>
By up to three months	1,661	2,679
By three to six months	0	0
By more than six months	0	0
<b>Total</b>	<b>1,661</b>	<b>2,679</b>

### 22.3 Provision for impairment of receivables

	<b>2014-15 £000s</b>	<b>2013-14 £000s</b>
<b>Balance at 1 April 2014</b>	<b>(411)</b>	<b>(283)</b>
Amount written off during the year	0	0
Amount recovered during the year	0	15
(Increase)/decrease in receivables impaired	(328)	(143)
Transfers (to)/from Other Public Sector Bodies under Absorption Accounting	0	0
<b>Balance at 31 March 2015</b>	<b>(739)</b>	<b>(411)</b>

### 23 NHS LIFT investments

	Loan £000s	Share capital £000s	Total £000s
<b>Balance at 1 April 2014</b>	0	0	0
Additions	0	0	0
Disposals	0	0	0
Loan repayments	0	0	0
Revaluations	0	0	0
Loans repayable within 12 months	0	0	0
<b>Balance at 31 March 2015</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Balance at 1 April 2013</b>	0	0	0
Additions	0	0	0
Disposals	0	0	0
Loan repayments	0	0	0
Revaluations	0	0	0
Loans repayable within 12 months	0	0	0
<b>Balance at 31 March 2014</b>	<b>0</b>	<b>0</b>	<b>0</b>

### 24.1 Other Financial Assets - Current

	31 March 2015 £000s	31 March 2014 £000s
Current part of loans repayable transferred from non-current assets	0	0
NLF deposits over 3 months	0	0
<b>Closing balance 31 March</b>	<b>0</b>	<b>0</b>

(note line descriptions different in prior year)

### 24.2 Other Financial Assets - Non Current

	31 March 2015 £000s	31 March 2014 £000s
<b>Opening balance 1 April</b>	0	0
Additions	0	0
Revaluation	0	0
Impairments/reversals taken to Revaluation Reserve	0	0
Impairment/reversals taken to SoCI	0	0
Change in Fair Value through SoCI	0	0
Transferred to current financial assets	0	0
Disposals	0	0
Transfers (to)/from Other Public Sector Bodies under Absorption Accounting	0	0
<b>Total Other Financial Assets - Non Current</b>	<b>0</b>	<b>0</b>

### 25 Other current assets

	31 March 2015 £000s	31 March 2014 £000s
EU Emissions Trading Scheme Allowance	0	0
Other Assets	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

### 26 Cash and Cash Equivalents

	31 March 2015 £000s	31 March 2014 £000s
<b>Opening balance</b>	10,142	6,845
Net change in year	3,285	3,297
<b>Closing balance</b>	<b>13,427</b>	<b>10,142</b>
<b>Made up of</b>		
Cash with Government Banking Service	13,373	10,103
Commercial banks	46	31
Cash in hand	8	8
Liquid deposits with NLF	0	0
Current investments	0	0
<b>Cash and cash equivalents as in statement of financial position</b>	<b>13,427</b>	<b>10,142</b>
Bank overdraft - Government Banking Service	0	0
Bank overdraft - Commercial banks	0	0
<b>Cash and cash equivalents as in statement of cash flows</b>	<b>13,427</b>	<b>10,142</b>
Patients' money held by the Trust, not included above	0	0

**27 Non-current assets held for sale**

	Land	Buildings, excl. dwellings	Dwellings	Asset Under Construction and Payments on Account	Plant and Machinery	Transport and Equipment	Information Technology	Furniture and Fittings	Intangible Assets	Financial Assets	Total
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
<b>Balance at 1 April 2014</b>	160	0	0	0	0	0	0	0	0	0	160
Plus assets classified as held for sale in the year	0	0	0	0	0	184	0	0	0	0	184
Less assets sold in the year	0	0	0	0	0	(184)	0	0	0	0	(184)
Less impairment of assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Plus reversal of impairment of assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	0	0	0	0	0	0
Transfers to Foundation Trust	0	0	0	0	0	0	0	0	0	0	0
Transfers (to)/from Other Public Sector Bodies under Absorption Accounting	0	0	0	0	0	0	0	0	0	0	0
<b>Balance at 31 March 2015</b>	<b>160</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>160</b>
<b>Liabilities associated with assets held for sale at 31 March 2015</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Balance at 1 April 2013</b>	160	0	0	0	0	0	0	0	0	0	160
Transfers under Modified Absorption Accounting - PCTs & SHAs	0	0			0				0		0
Transfers under Modified Absorption Accounting - Other Bodies	0	0	0	0	0	0	0	0	0	0	0
Plus assets classified as held for sale in the year	0	0	0	0	0	93	0	0	0	0	93
Less assets sold in the year	0	0	0	0	0	(93)	0	0	0	0	(93)
Less impairment of assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Plus reversal of impairment of assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	0	0	0	0	0	0
Transfers to Foundation Trust	0	0	0	0	0	0	0	0	0	0	0
Transfers (to)/from other public sector bodies	0	0	0	0	0	0	0	0	0	0	0
<b>Balance at 31 March 2014</b>	<b>160</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>160</b>
<b>Liabilities associated with assets held for sale at 31 March 2014</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

The Trust has one property (Bramham Land) classified as 'Held for Sale' at the end of 2014/15.

The site of the old Bramham station is current held for sale. The property was demolished and the land revalued in the Financial Year 2010/11. The land has since been included in a packet of land which was being marketed for sale collectively by Leeds City Council. Capital receipt was anticipated in early 2012/13 but the sale failed due to planning issues. A subsequent sale in 2013/14 also failed. The site continues to be marketed for sale. The book value of the property as at 31 March 2015 stands at £160k.

## 28 Trade and other payables

	Current		Non-current	
	31 March 2015 £000s	31 March 2014 £000s	31 March 2015 £000s	31 March 2014 £000s
NHS payables - revenue	28	55	0	0
NHS payables - capital	0	0	0	0
NHS accruals and deferred income	289	104	0	0
Non-NHS payables - revenue	944	524	0	0
Non-NHS payables - capital	1,027	2,235	0	0
Non-NHS accruals and deferred income	8,537	6,790	0	0
Social security costs	1	3		
PDC Dividend payable to DH	0	0		
VAT	68	0	0	0
Tax	26	3		
Payments received on account	0	0	0	0
Other	1,983	2,012	0	0
<b>Total</b>	<b>12,903</b>	<b>11,726</b>	<b>0</b>	<b>0</b>
<b>Total payables (current and non-current)</b>	<b>12,903</b>	<b>11,726</b>		

### Included above:

to Buy Out the Liability for Early Retirements Over 5 Years	0	0
number of Cases Involved (number)	0	0
outstanding Pension Contributions at the year end	1,983	2,012

## 29 Other liabilities

	Current		Non-current	
	31 March 2015 £000s	31 March 2014 £000s	31 March 2015 £000s	31 March 2014 £000s
PFI/LIFT deferred credit	0	0	0	0
Lease incentives	0	0	0	0
Other <i>[specify]</i>	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total other liabilities (current and non-current)</b>	<b>0</b>	<b>0</b>		

## 30 Borrowings

	Current		Non-current	
	31 March 2015 £000s	31 March 2014 £000s	31 March 2015 £000s	31 March 2014 £000s
Bank overdraft - Government Banking Service	0	0		
Bank overdraft - commercial banks	0	0		
Loans from Department of Health	412	334	6,125	5,837
Loans from other entities	0	0	0	0
<b>PFI liabilities:</b>				
Main liability	0	0	0	0
Lifecycle replacement received in advance	0	0	0	0
<b>LIFT liabilities:</b>				
Main liability	0	0	0	0
Lifecycle replacement received in advance	0	0	0	0
Finance lease liabilities	0	0	0	0
Other (describe)	0	0	0	0
<b>Total</b>	<b>412</b>	<b>334</b>	<b>6,125</b>	<b>5,837</b>
<b>Total other liabilities (current and non-current)</b>	<b>6,537</b>	<b>6,171</b>		

### Borrowings / Loans - repayment of principal falling due in:

	31 March 2015		Total £000s
	DH £000s	Other £000s	
0-1 Years	412	0	412
1 - 2 Years	490	0	490
2 - 5 Years	1,468	0	1,468
Over 5 Years	4,167	0	4,167
<b>TOTAL</b>	<b>6,537</b>	<b>0</b>	<b>6,537</b>

### 31 Other financial liabilities

	Current		Non-current	
	31 March 2015 £000s	31 March 2014 £000s	31 March 2015 £000s	31 March 2014 £000s
Embedded derivatives at fair value through SoCI	0	0	0	0
Financial liabilities carried at fair value through profit and loss	0	0	0	0
Amortised cost	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Total other financial liabilities (current and non-current)	<b>0</b>	<b>0</b>		

### 32 Deferred revenue

	Current		Non-current	
	31 March 2015 £000s	31 March 2014 £000s	31 March 2015 £000s	31 March 2014 £000s
<b>Opening balance at 1 April 2014</b>	<b>0</b>	<b>13</b>	<b>0</b>	<b>0</b>
Deferred revenue addition	183	0	0	0
Transfer of deferred revenue	0	(13)	0	0
<b>Current deferred income at 31 March 2015</b>	<b>183</b>	<b>0</b>	<b>0</b>	<b>0</b>
Total deferred income (current and non-current)	<b>183</b>	<b>0</b>		

### 33 Finance lease obligations as lessee

The Trust had no finance lease obligations in 2014/15 (2013/14: £Nil)

### 34 Finance lease receivables as lessor

The Trust had no finance lease receivables in 2014/15 (2013/14: £Nil).

### 35 Provisions

Comprising:

	Total	Early Departure Costs	Legal Claims	Restructuring	Continuing Care	Equal Pay (incl. Agenda for Change)	Other	Redundancy
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
<b>Balance at 1 April 2014</b>	<b>11,170</b>	8,181	847	1,480	0	0	662	0
Arising during the year	1,499	347	552	0	0	0	600	0
Utilised during the year	(1,171)	(532)	(467)	(136)	0	0	(36)	0
Reversed unused	(175)	(3)	(172)	0	0	0	0	0
Unwinding of discount	147	147	0	0	0	0	0	0
Change in discount rate	436	436	0	0	0	0	0	0
Transfers to NHS Foundation Trusts (for Trusts becoming FTs only)	0	0	0	0	0	0	0	0
Transfers (to)/from other public sector bodies under absorption accounting	0	0	0	0	0	0	0	0
<b>Balance at 31 March 2015</b>	<b>11,906</b>	<b>8,576</b>	<b>760</b>	<b>1,344</b>	<b>0</b>	<b>0</b>	<b>1,226</b>	<b>0</b>

#### Expected Timing of Cash Flows:

No Later than One Year	3,025	533	760	760	0	0	972	0
Later than One Year and not later than Five Years	2,647	2,063	0	584	0	0	0	0
Later than Five Years	6,234	5,980	0	0	0	0	254	0

Amount Included in the Provisions of the NHS Litigation Authority in Respect of Clinical Negligence Liabilities:

<b>As at 31 March 2015</b>	5,917
<b>As at 31 March 2014</b>	6,020

The restructuring provision relates to anticipated early retirement costs following implementation of the A&E Workforce model. The value has been assessed based on initial expressions of interest from affected staff groups, the valuation being made on an individual basis utilising the NHS Pensions Agency calculator and applying the relevant expected departure date from the Trust. The present provision is the reduced balance following actual early retirements during 2014/15.

Other provisions includes £254k in respect of Frozen Leave for staff who have a contractual commitment to receive their first year's leave paid on leaving the organisation. This provision is a contractual obligation. Payments are made against the provision when staff leave the Trust.

Also included within Other is £181k and £191k for the East Coast Audit Consortium (ECAC) and Carbon Reduction Commitment (CRC) respectively. The ECAC provision relates to the Trust's share of potential costs from restructuring within the Consortium. The CRC provision is based on the estimated cost of purchasing credits for emissions in excess of any limit set. Although uncertain, the timing of the cash flows against these provisions are expected during 2015/16.

In addition the Trust has made a provision for £600k in 2014/15 under Other in respect of the Hillsborough Inquest. The inquest is expected to conclude in 2015/16.

### 36 Contingencies

	31 March 2015 £000s	31 March 2014 £000s
<b>Contingent liabilities</b>		
NHS Litigation Authority legal claims	(448)	(468)
Employment Tribunal and other employee related litigation	0	0
Redundancy	0	
Other	0	
Amounts recoverable against contingent liabilities	0	0
<b>Net value of contingent liabilities</b>	<b>(448)</b>	<b>(468)</b>
<b>Contingent assets</b>		
Contingent assets	0	0
<b>Net value of contingent assets</b>	<b>0</b>	<b>0</b>



## 37 Financial Instruments

### 37.1 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the NHS Trust has with the Clinical Commissioning Groups (CCGs) and the way those CCGs are financed, the NHS Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The NHS Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the board of directors. Trust treasury activity is subject to review by the Trust's internal auditors.

#### Currency risk

The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

#### Interest rate risk

The Trust borrows from government for capital expenditure, subject to affordability as confirmed by the strategic health authority. The borrowings are for 1 – 25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan. The Trust therefore has low exposure to interest rate fluctuations.

#### Credit risk

Because the majority of the Trust's revenue comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2015 are in receivables from customers, as disclosed in the trade and other receivables note.

#### Liquidity risk

The Trust's operating costs are incurred under contracts with primary care CCGs, which are financed from resources voted annually by Parliament. The Trust funds its capital expenditure from funds obtained within its prudential borrowing limit. The Trust is not, therefore, exposed to significant liquidity risks.

### 37.2 Financial Assets

	At 'fair value through profit and loss' £000s	Loans and receivables £000s	Available for sale £000s	Total £000s
Embedded derivatives	0			0
Receivables - NHS		2,193		2,193
Receivables - non-NHS		480		480
Cash at bank and in hand		13,427		13,427
Other financial assets	0	0	0	0
<b>Total at 31 March 2015</b>	<b>0</b>	<b>16,100</b>	<b>0</b>	<b>16,100</b>
Embedded derivatives	0			0
Receivables - NHS		2,738		2,738
Receivables - non-NHS		668		668
Cash at bank and in hand		10,142		10,142
Other financial assets	0	0	0	0
<b>Total at 31 March 2014</b>	<b>0</b>	<b>13,548</b>	<b>0</b>	<b>13,548</b>

### 37.3 Financial Liabilities

	At 'fair value through profit and loss' £000s	Other £000s	Total £000s
Embedded derivatives	0		0
NHS payables		28	28
Non-NHS payables		3,981	3,981
Other borrowings		0	0
PFI & finance lease obligations		0	0
Other financial liabilities	0	0	0
<b>Total at 31 March 2015</b>	<b>0</b>	<b>4,009</b>	<b>4,009</b>
Embedded derivatives	0		0
NHS payables		55	55
Non-NHS payables		4,777	4,777
Other borrowings		0	0
PFI & finance lease obligations		0	0
Other financial liabilities	0	0	0
<b>Total at 31 March 2014</b>	<b>0</b>	<b>4,832</b>	<b>4,832</b>

## 38 Events after the end of the reporting period

The Trust has no post balance sheet events.

### 39 Related party transactions

During the year none of the Department of Health Ministers, Trust board members or members of the key management staff, or parties related to any of them, has undertaken any material transactions with Yorkshire Ambulance Service NHS Trust.

The Department of Health is regarded as a related party. During the year Yorkshire Ambulance Service NHS Trust has had a significant number of material transactions with the Department (defined as constituting over 5% of turnover), and with other entities for which the Department is regarded as the parent Department. These entities are listed below:

NHS Bradford Districts CCG  
 NHS East Riding of Yorkshire CCG  
 NHS Greater Huddersfield CCG  
 NHS Hull CCG  
 NHS Leeds South and East CCG  
 NHS Leeds West CCG  
 NHS Sheffield CCG  
 NHS Vale of York CCG  
 NHS Wakefield CCG  
 NHS Pensions Agency

No Trust board members had any interest in any of these organisations during the financial year.

No Trust board member has declared an interest in any other organisation with which the Trust does business. However, Pat Drake, Non Executive Director, held the position of registered Nurse on the governing body of Bradford City CCG until 31 March 2015 to whom the Trust delivers contractual services. The appointment is not influential in contracting decisions.

The Trust Board is the Corporate Trustee of the Yorkshire Ambulance Service NHS Charitable Trust - Charity Number 1114106.

### 40 Losses and special payments

The total number of losses cases in 2014-15 and their total value was as follows:

	<b>Total Value of Cases £s</b>	<b>Total Number of Cases</b>
Losses	185,922	14
Special payments	<u>474,487</u>	<u>124</u>
<b>Total losses and special payments</b>	<b><u>660,409</u></b>	<b><u>138</u></b>

The total number of losses cases in 2013-14 and their total value was as follows:

	<b>Total Value of Cases £s</b>	<b>Total Number of Cases</b>
Losses	5,149	1
Special payments	<u>254,518</u>	<u>107</u>
<b>Total losses and special payments</b>	<b><u>259,667</u></b>	<b><u>108</u></b>

#### Details of cases individually over £300,000

The Trust did not incur any losses which individually exceeded £300,000 during the year.

Current year losses and special payments include all non-clinical payments made in accordance with the NHSLA Property Expenses Scheme (PES) and Liabilities to Third Parties Scheme (LTPS) to the extent of the Trust's liability i.e. the net cost to the Trust, normally limited to the value of the applicable excess,

#### 41. Financial performance targets

The figures given for periods prior to 2009-10 are on a UK GAAP basis as that is the basis on which the targets were set for those years.

##### 41.1 Breakeven performance

	2005-06 £000s	2006-07 £000s	2007-08 £000s	2008-09 £000s	2009-10 £000s	2010-11 £000s	2011-12 £000s	2012-13 £000s	2013-14 £000s	2014-15 £000s
Turnover	0	144,639	155,010	186,710	197,910	195,228	200,333	209,772	233,384	<b>241,328</b>
Retained surplus/(deficit) for the year	0	(4,467)	251	151	(6,439)	(1,644)	20	512	2,771	<b>2,537</b>
Adjustment for:										
Timing/non-cash impacting distortions:										
Pre FDL(97)24 agreements	0	0	0	0	0	0	0	0	0	<b>0</b>
2006/07 PPA (relating to 1997/98 to 2005/06)	0									
2007/08 PPA (relating to 1997/98 to 2006/07)	0	0								
2008/09 PPA (relating to 1997/98 to 2007/08)	0	7,566	0							
Adjustments for impairments				0	6,957	1,881	408	1,711	(110)	<b>449</b>
Adjustments for impact of policy change re donated/government grants assets							0	0	(28)	<b>5</b>
Consolidated Budgetary Guidance - adjustment for dual accounting under IFRIC12*					0	0	0	0	0	<b>0</b>
Absorption accounting adjustment								0	0	<b>0</b>
Other agreed adjustments	0	0	0	0	0	0	0	0	0	<b>0</b>
Break-even in-year position	<b>0</b>	<b>3,099</b>	<b>251</b>	<b>151</b>	<b>518</b>	<b>237</b>	<b>428</b>	<b>2,223</b>	<b>2,633</b>	<b>2,991</b>
Break-even cumulative position	<b>0</b>	<b>3,099</b>	<b>3,350</b>	<b>3,501</b>	<b>4,019</b>	<b>4,256</b>	<b>4,684</b>	<b>6,907</b>	<b>9,540</b>	<b>12,531</b>

\* Due to the introduction of International Financial Reporting Standards (IFRS) accounting in 2009-10, NHS Trust's financial performance measurement needs to be aligned with the guidance issued by HM Treasury measuring Departmental expenditure. Therefore, the incremental revenue expenditure resulting from the application of IFRS to IFRIC 12 schemes (which would include PFI schemes), which has no cash impact and is not chargeable for overall budgeting purposes, is excluded when measuring Breakeven performance. Other adjustments are made in respect of accounting policy changes (impairments and the removal of the donated asset and government grant reserves) to maintain comparability year to year.

	2005-06 %	2006-07 %	2007-08 %	2008-09 %	2009-10 %	2010-11 %	2011-12 %	2012-13 %	2013-14 %	2014-15 %
Materiality test (I.e. is it equal to or less than 0.5%):										
Break-even in-year position as a percentage of turnover	0.00	2.14	0.16	0.08	0.26	0.12	0.21	1.06	1.13	<b>1.24</b>
Break-even cumulative position as a percentage of turnover	0.00	2.14	2.16	1.88	2.03	2.18	2.34	3.29	4.09	<b>5.19</b>

The amounts in the above tables in respect of financial years 2005/06 to 2008/09 inclusive have **not** been restated to IFRS and remain on a UK GAAP basis.

#### 41.2 Capital cost absorption rate

The dividend payable on public dividend capital is based on the actual (rather than forecast) average relevant net assets and therefore the actual capital cost absorption rate is automatically 3.5%.

#### 41.3 External financing

The Trust is given an external financing limit which it is permitted to undershoot.

	2014-15 £000s	2013-14 £000s
External financing limit (EFL)	<u>(1,569)</u>	<u>1,024</u>
Cash flow financing	(2,919)	869
Unwinding of Discount Adjustment		153
Finance leases taken out in the year	0	0
Other capital receipts	0	0
External financing requirement	<u>(2,919)</u>	<u>1,022</u>
<b>Under/(over) spend against EFL</b>	<b>1,350</b>	<b>2</b>

#### 41.4 Capital resource limit

The Trust is given a capital resource limit which it is not permitted to exceed.

	2014-15 £000s	2013-14 £000s
Gross capital expenditure	10,665	13,754
Less: book value of assets disposed of	(184)	(91)
Less: capital grants	0	0
Less: donations towards the acquisition of non-current assets	0	0
<b>Charge against the capital resource limit</b>	<u>10,481</u>	<u>13,663</u>
Capital resource limit	<u>10,582</u>	<u>13,672</u>
<b>(Over)/underspend against the capital resource limit</b>	<b>101</b>	<b>9</b>

#### 42 Third party assets

The Trust does not hold any third party assets.