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Data entered below will be used throughout the workbook:

Trust name	Yorkshire Ambulance Service NHS Trust
This year	2012-13
Last year	2011-12
This year ended	31 March 2013
Last year ended	31 March 2012
This year commencing:	1 April 2012
Last year commencing:	1 April 2011

**Manual for Accounts 2012-13**

**Statement of Comprehensive Income for year ended  
31 March 2013**

	NOTE	2012-13 £000	2011-12 £000
Gross employee benefits	10.1	(145,184)	(145,199)
Other costs	8	(62,002)	(52,909)
Revenue from patient care activities	5	204,471	195,284
Other Operating revenue	6	5,301	5,049
<b>Operating surplus/(deficit)</b>		<b>2,586</b>	<b>2,225</b>
Investment revenue	12	50	30
Other gains and (losses)	13	248	113
Finance costs	14	(213)	(148)
<b>Surplus/(deficit) for the financial year</b>		<b>2,671</b>	<b>2,220</b>
Public dividend capital dividends payable		(2,159)	(2,200)
Net Gain/(loss) on transfers by absorption		0	0
<b>Retained surplus/(deficit) for the year</b>		<b>512</b>	<b>20</b>

**Other Comprehensive Income**

		2012-13 £000	2011-12 £000
Impairments and reversals		(985)	(1,257)
Net gain/(loss) on revaluation of property, plant & equipment		1,043	1,504
Net gain/(loss) on revaluation of intangibles		0	0
Net gain/(loss) on revaluation of financial assets		0	0
Movements in Other Reserves e.g.. Non NHS Pensions Scheme		0	0
Net gain/(loss) on available for sale financial assets		0	0
Net Gain / (loss) on Assets Held for Sale		0	0
Net actuarial gain/(loss) on pension schemes		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>570</b>	<b>267</b>

\* This sums the rows above and the surplus / (deficit) for the year before adjustments for PDC dividend and absorption accounting

**Financial performance for the year**

Retained surplus/(deficit) for the year	512	20
Prior period adjustment to correct errors	0	0
IFRIC 12 adjustment	0	0
Impairments	1,711	408
Adjustments iro donated asset/gov't grant reserve elimination	0	0
Adjustment re Absorption accounting	0	0
<b>Adjusted retained surplus/(deficit)</b>	<b>2,223</b>	<b>428</b>

PDC dividend: balance receivable/(payable) at 31 March 2013

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PDC dividend: balance receivable/(payable) at 1 April 2012

**(1)**

The notes on pages 5 to 40 form part of this account.

**Statement of Financial Position as at  
31 March 2013**

		31 March 2013	31 March 2012
	NOTE	£000s	£000s
<b>Non-current assets:</b>			
Property, plant and equipment	15	74,171	69,177
Intangible assets	16	411	280
Investment property	18	0	0
Other financial assets	24	0	0
Trade and other receivables	22.1	985	2,035
<b>Total non-current assets</b>		<b>75,567</b>	<b>71,492</b>
<b>Current assets:</b>			
Inventories	21	1,406	1,627
Trade and other receivables	22.1	11,883	10,383
Other financial assets	24	0	0
Other current assets	25	0	0
Cash and cash equivalents	26	6,845	4,869
<b>Total current assets</b>		<b>20,134</b>	<b>16,879</b>
Non-current assets held for sale	27	160	441
<b>Total current assets</b>		<b>20,294</b>	<b>17,320</b>
<b>Total assets</b>		<b>95,861</b>	<b>88,812</b>
<b>Current liabilities</b>			
Trade and other payables	28	(11,767)	(13,641)
Other liabilities	29	0	0
Provisions	35	(2,736)	(2,594)
Borrowings	30	0	0
Other financial liabilities	31	0	0
Working capital loan from Department	30	0	0
Capital loan from Department	30	(334)	0
<b>Total current liabilities</b>		<b>(14,837)</b>	<b>(16,235)</b>
<b>Non-current assets plus/less net current assets/liabilities</b>		<b>81,024</b>	<b>72,577</b>
<b>Non-current liabilities</b>			
Trade and other payables	28	0	0
Other Liabilities	31	0	0
Provisions	35	(7,048)	(5,342)
Borrowings	31	0	0
Other financial liabilities	30	0	0
Working capital loan from Department	30	0	0
Capital loan from Department	30	(6,171)	0
<b>Total non-current liabilities</b>		<b>(13,219)</b>	<b>(5,342)</b>
<b>Total Assets Employed:</b>		<b>67,805</b>	<b>67,235</b>
<b>FINANCED BY:</b>			
<b>TAXPAYERS' EQUITY</b>			
Public Dividend Capital		74,094	74,094
Retained earnings		(10,625)	(11,232)
Revaluation reserve		4,336	4,373
Other reserves		0	0
<b>Total Taxpayers' Equity:</b>		<b>67,805</b>	<b>67,235</b>

The notes on pages 5 to 40 form part of this account.

The financial statements on pages 1 to 4 were approved by the Board on [date] and signed on its behalf by

**Chief Executive:**

Date:

**Statement of Changes in Taxpayers' Equity  
For the year ended 31 March 2013**

	Public Dividend capital £000s	Retained earnings £000s	Revaluation reserve £000s	Other reserves £000s	Total reserves £000s
<b>Balance at 1 April 2012</b>	<b>74,094</b>	<b>(11,232)</b>	<b>4,373</b>	<b>0</b>	<b>67,235</b>
<b>Changes in taxpayers' equity for 2012-13</b>					
Retained surplus/(deficit) for the year		512			512
Net gain / (loss) on revaluation of property, plant, equipment			1,043		1,043
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			(985)		(985)
Movements in other reserves				0	0
Transfers between reserves		95	(95)	0	0
Release of reserves to Statement of Comprehensive Income			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 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	0
Originating capital for Trust established in year	0				0
New PDC Received	3,000				3,000
PDC Repaid In Year	(3,000)				(3,000)
PDC Written Off	0				0
Transferred to NHS Foundation Trust	0	0	0	0	0
Other Movements in PDC In Year	0				0
Net Actuarial Gain/(Loss) on Pension		0		0	0
<b>Net recognised revenue/(expense) for the year</b>	<b>0</b>	<b>607</b>	<b>(37)</b>	<b>0</b>	<b>570</b>
<b>Balance at 31 March 2013</b>	<b>74,094</b>	<b>(10,625)</b>	<b>4,336</b>	<b>0</b>	<b>67,805</b>
<b>Balance at 1 April 2011</b>	<b>74,094</b>	<b>(11,320)</b>	<b>4,194</b>	<b>0</b>	<b>66,968</b>
<b>Changes in taxpayers' equity for the year ended 31 March 2012</b>					
Retained surplus/(deficit) for the year		20			20
Net gain / (loss) on revaluation of property, plant, equipment			1,504		1,504
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			(1,257)		(1,257)
Movements in other reserves				0	0
Transfers between reserves		68	(68)	0	0
Release of reserves to Statement of Comprehensive Income			0		0
<b>Reclassification Adjustments</b>					
Transfers to/(from) Other Bodies within the Resource Account Boundary	0	0	0	0	0
On Disposal of Available for Sale financial Assets			0		0
Reserves eliminated on dissolution	0	0	0	0	0
Originating capital for Trust established in year	0				0
New PDC Received	0				0
PDC Repaid In Year	0				0
PDC Written Off	0				0
Transferred to NHS Foundation Trust	0	0	0	0	0
Other Movements in PDC In Year	0				0
Net Actuarial Gain/(Loss) on Pension		0		0	0
<b>Net recognised revenue/(expense) for the year</b>	<b>0</b>	<b>88</b>	<b>179</b>	<b>0</b>	<b>267</b>
<b>Balance at 31 March 2012</b>	<b>74,094</b>	<b>(11,232)</b>	<b>4,373</b>	<b>0</b>	<b>67,235</b>

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED  
31 March 2013**

	NOTE	2012-13 £000s	2011-12 £000s
<b>Cash Flows from Operating Activities</b>			
Operating Surplus/Deficit		2,586	2,225
Depreciation and Amortisation		9,080	8,647
Impairments and Reversals		1,711	408
Other Gains / (Losses) on foreign exchange		0	0
Donated Assets received credited to revenue but non-cash		0	0
Government Granted Assets received credited to revenue but non-cash		0	0
Interest Paid		(61)	0
Dividend (Paid) / Refunded		(2,223)	(2,200)
Release of PFI/deferred credit		0	0
(Increase)/Decrease in Inventories		221	(159)
(Increase)/Decrease in Trade and Other Receivables		(387)	484
(Increase)/Decrease in Other Current Assets		0	0
Increase/(Decrease) in Trade and Other Payables		252	(1,006)
(Increase)/Decrease in Other Current Liabilities		0	0
Provisions Utilised		(2,139)	(2,189)
Increase/(Decrease) in Provisions		3,835	2,301
<b>Net Cash Inflow/(Outflow) from Operating Activities</b>		<b>12,875</b>	<b>8,511</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received		50	30
(Payments) for Property, Plant and Equipment		(17,423)	(7,341)
(Payments) for Intangible Assets		(358)	(237)
(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)		327	295
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>(17,404)</b>	<b>(7,253)</b>
<b>NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING</b>		<b>(4,529)</b>	<b>1,258</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Public Dividend Capital Received		3,000	0
Public Dividend Capital Repaid		(3,000)	0
Loans received from DH - New Capital Investment Loans		6,672	0
Loans received from DH - New Revenue Support Loans		0	0
Other Loans Received		0	0
Loans repaid to DH - Capital Investment Loans Repayment of Principal		(167)	0
Loans repaid to DH -Revenue Support Loans		0	0
Other Loans Repaid		0	0
Cash transferred to NHS Foundation Trusts		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		0	0
<b>Net Cash Inflow/(Outflow) from Financing Activities</b>		<b>6,505</b>	<b>0</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>1,976</b>	<b>1,258</b>
<b>Cash and Cash Equivalents ( and Bank Overdraft) at Beginning of the Period</b>		<b>4,869</b>	<b>3,611</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>6,845</b>	<b>4,869</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 NHS Trusts Manual for Accounts, which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the 2012-13 NHS Trusts Manual for Accounts 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 NHS Trusts 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 Transforming Community Services (TCS) transactions

The Trust has not taken on any TCS services.

#### 1.4 Care Trust designation

The Trust is not a designated Care Trust.

#### 1.5 Pooled Budgets

The Trust was not part of any pooled budget arrangements during the year ending 31 March 2013.

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

In the application of the 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.

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

### **1.6.1 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 Trust's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

The Trust has commissioned a full valuation of Land and Buildings in order that any impairment can be recognised as technical whilst the Trust remains an NHS Trust and therefore has a relevant asset valuation in preparation for its transition to Foundation Trust status.

### **1.7 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 provided for under local agreements. Income is recognised in the period in which services are provided.

Where income is received for a specific activity that is to be delivered in the following year, that income is deferred.

The 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 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.

### **1.8 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.

#### **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.

### **1.9 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.

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

### 1.10 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.

Formal valuation of Land & Buildings are carried out every 3 years by a professional valuer, with an annual assessment of valuation changes in the interim years. 2012/13 is a formal valuation year and assets have been restated in the financial statements as at 31st March 2013.

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

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.

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 subsequent accumulated depreciation and impairment losses. 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.

#### 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 & Equipment



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

### 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.

### Revaluation accounting treatment

An increase arising on revaluation is taken to the revaluation reserve except when it reverses 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 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. Gains and losses recognised in the revaluation reserve are reported as other comprehensive income in the Statement of Comprehensive income.

### 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.

## 1.11 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
- 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.

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

### 1.12 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 Trust expects to obtain economic benefits or service potential from the asset. This is specific to the 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	10 - 70 years
Plant & Machinery	5 - 15 years
Transport Equipment	3 - 7 years
Information Technology	2 - 5 years
Furniture and Fittings	4 - 10 years

### 1.13 Donated assets

Following the accounting policy change outlined in the Treasury FREM for 2011-12, a donated asset reserve is no longer maintained. 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.

### 1.14 Government grants

Following the accounting policy change outlined in the Treasury FREM for 2011-12, a government grant reserve is no longer maintained. 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)

### 1.15 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. For donated and government-granted assets, a transfer is made to or from the relevant reserve to the profit/loss on disposal account so that no profit or loss is recognised in income or expenses. The remaining surplus or deficit in the donated asset or government grant reserve is then 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.

The site of the old Bramham station is currently held for sale. The property was demolished and the land revalued in Financial Year 2010/11, however had not been actively marketed to the extent it met the 'held for sale' criteria in the 2010/11 accounts. The land has since been included in a pocket of land which was being marketed for sale collectively by Leeds City Council with the capital receipt anticipated in early 2012/13. That initial sale failed due to planning issues. The site has again been marketed for sale and as negotiations are quite advanced with interested developers, capital receipt is anticipated in early 2013/14.

### 1.16 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 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.

### 1.17 Private Finance Initiative (PFI) transactions

The Trust has not undertaken any PFI transactions during the Accounting Period.

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

### 1.18 Inventories

Inventories are valued at the lower of cost and net realisable value. This is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

### 1.19 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.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management.

### 1.20 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 - 1.8% and 2.2%, dependant on the timing of cash flows, in real terms (2.35% 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.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the Trust has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

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.

### 1.21 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.

### 1.22 Non-clinical risk pooling

The 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.

### 1.23 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.

### 1.24 Financial assets

Financial assets are recognised when the 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 initially recognised at fair value.

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.

### 1.25 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.

#### Financial guarantee contract liabilities

Financial guarantee contract liabilities are subsequently measured at the higher of:

The premium received (or imputed) for entering into the guarantee less cumulative amortisation; and

The amount of the obligation under the contract, as determined in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

#### 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.

### 1.26 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.

### 1.27 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.

### 1.28 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)

### 1.29 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 Office of the Paymaster General. The average carrying amount of assets is calculated as a simple average of opening and closing relevant net assets.

### 1.30 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 NHS Trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

### 1.31 Subsidiaries

Material entities over which the Trust has the power to exercise control so as to obtain economic or other benefits are classified as subsidiaries and are consolidated. Their income and expenses; gains and losses; assets, liabilities and reserves; and cash flows are consolidated in full into the appropriate financial statement lines. Appropriate adjustments are made on consolidation where the subsidiary's accounting policies are not aligned with the Trust's or where the subsidiary's accounting date is before 1 January or after 30 June.

Subsidiaries that are classified as 'held for sale' are measured at the lower of their carrying amount or 'fair value less costs to sell'.

For 2010-11, 2011-12 and 2012-13 in accordance with the directed accounting policy from the Secretary of State, the Trust does not consolidate the NHS charitable funds for which it is the corporate Trustee.

**Notes to the Accounts - 1. Accounting Policies (Continued)****1.32 Associates**

Material entities over which the Trust has the power to exercise significant influence so as to obtain economic or other benefits are classified as associates and are recognised in the Trust's accounts using the equity method. The investment is recognised initially at cost and is adjusted subsequently to reflect the Trust's share of the entity's profit/loss and other gains/losses. It is also reduced when any distribution is received by the Trust from the entity.

The Trust had no Associates in the accounting period to 31 March 2013.

**1.33 Joint ventures**

Material entities over which the Trust has joint control with one or more other parties so as to obtain economic or other benefits are classified as joint ventures.

The Trust had not entered into any Joint Ventures in the accounting period to the 31 March 2013.

**1.34 Joint operations**

Joint operations are activities undertaken by the Trust in conjunction with one or more other parties but which are not performed through a separate entity. The Trust records its share of the income and expenditure; gains and losses; assets and liabilities; and cash flows.

As the prime contractor for the NHS 111 service in Yorkshire and Humber, the Trust has a significant contractual relationship with Local Care Direct for the delivery of Urgent Care services. The total annual contract value for 111 is c£25m, of which £15m relates to the Urgent Care service (LCD).

**1.35 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 Operating Cost Statement 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.

**1.36 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 2012-13. The application of the Standards as revised would not have a material impact on the accounts for 2012-13, were they applied in that year:

IAS 27 Separate Financial Statements - subject to consultation  
 IAS 28 Investments in Associates and Joint Ventures - subject to consultation  
 IFRS 9 Financial Instruments - subject to consultation - subject to consultation  
 IFRS 10 Consolidated Financial Statements - subject to consultation  
 IFRS 11 Joint Arrangements - subject to consultation  
 IFRS 12 Disclosure of Interests in Other Entities - subject to consultation  
 IFRS 13 Fair Value Measurement - subject to consultation  
 IPSAS 32 - Service Concession Arrangement - subject to consultation

**2. Pooled budget**

Yorkshire Ambulance Service NHS Trust did not have a pooled budget arrangement in 2012/13.

**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 profit, 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

	2012-13 £000s	2011-12 £000s
Strategic Health Authorities	0	8
NHS Trusts	714	269
Primary Care Trusts - tariff	0	0
Primary Care Trusts - non-tariff	200,089	191,844
Primary Care Trusts - market forces factor	0	0
NHS Foundation Trusts	1,868	1,752
Local Authorities	96	122
Department of Health	0	0
NHS other	0	7
Non-NHS:		
Private patients	11	0
Overseas patients (non-reciprocal)	0	0
Injury costs recovery	1,086	1,222
Other	607	60
<b>Total Revenue from patient care activities</b>	<b>204,471</b>	<b>195,284</b>

#### 6. Other operating revenue

	2012-13 £000s	2011-12 £000s
Recoveries in respect of employee benefits	375	270
Patient transport services	0	0
Education, training and research	886	330
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 - NHS Charity	0	0
Receipt of Government grants for capital acquisitions	0	0
Non-patient care services to other bodies	0	0
Income generation	2,140	2,375
Rental revenue from finance leases	0	0
Rental revenue from operating leases	0	0
Other revenue	1,900	2,074
<b>Total Other Operating Revenue</b>	<b>5,301</b>	<b>5,049</b>
<b>Total operating revenue</b>	<b>209,772</b>	<b>200,333</b>

#### 7. Revenue

	2012-13 £000	2011-12 £000
From rendering of services	209,448	200,132
From sale of goods	324	202

Revenue is almost totally from the supply of services. Revenue from the sale of goods is immaterial.

<b>8. Operating expenses (excluding employee benefits)</b>	<b>2012-13 £000s</b>	<b>2011-12 £000s</b>
Services from other NHS Trusts	0	0
Services from PCTs	0	8
Services from other NHS bodies	0	0
Services from foundation Trusts	0	0
Purchase of healthcare from non NHS bodies	1,250	1,741
Trust Chair and Non-executive Directors	55	52
Supplies and services - clinical	4,446	5,010
Supplies and services - general	799	896
Consultancy services	2,125	1,113
Establishment	5,927	5,931
Transport	22,731	19,206
Premises	6,988	7,908
Impairments and Reversals of Receivables	1	65
Inventories write down	0	0
Depreciation	8,853	8,498
Amortisation	227	149
Impairments and reversals of property, plant and equipment	1,431	408
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	280	0
Impairments and reversals of investment properties	0	0
Audit fees	97	134
Other auditor's remuneration [detail]	24	56
Clinical negligence	706	646
Research and development (excluding staff costs)	0	0
Education and Training	779	769
Change in Discount Rate	274	0
Other	5,009	319
<b>Total Operating expenses (excluding employee benefits)</b>	<b>62,002</b>	<b>52,909</b>
<b>Employee benefits</b>		
Employee benefits excluding Board members	145,184	145,199
Board members	0	0
<b>Total employee benefits</b>	<b>145,184</b>	<b>145,199</b>
<b>Total operating expenses</b>	<b>207,186</b>	<b>198,108</b>

## 9. Operating Leases

The Trust's operating lease commitments relate to vehicles and land & buildings.

The commitments are based on 661 vehicles, 164 of which are due to expire within 1 year and 497 of which are due to expire between 1 and 5 years.

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>2012-13 Total £000s</b>	<b>2011-12 £000s</b>
<b>Payments recognised as an expense</b>					
Minimum lease payments				6,566	7,387
Contingent rents				0	0
Sub-lease payments				0	0
<b>Total</b>				<b>6,566</b>	<b>7,387</b>
<b>Payable:</b>					
No later than one year	39	0	338	377	838
Between one and five years	27	0	7,846	7,873	8,680
After five years	0	0	0	0	336
<b>Total</b>	<b>66</b>	<b>0</b>	<b>8,184</b>	<b>8,250</b>	<b>9,854</b>
Total future sublease payments expected to be received:				0	0

## 9.2 Trust as lessor

The Trust does not have any operating lease agreements in which it acts as lessor.

	<b>2012-13 £000</b>	<b>2011-12 £000s</b>
<b>Recognised as income</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

	2012-13		
	Total £000s	Permanently employed £000s	Other £000s
<b>Employee Benefits - Gross Expenditure</b>			
Salaries and wages	121,825	119,207	2,618
Social security costs	9,277	9,277	0
Employer Contributions to NHS BSA - Pensions Division	14,082	14,082	0
Other pension costs	0	0	0
Other post-employment benefits	0	0	0
Other employment benefits	0	0	0
Termination benefits	0	0	0
<b>Total employee benefits</b>	<b>145,184</b>	<b>142,566</b>	<b>2,618</b>
<b>Less recoveries in respect of employee benefits (table below)</b>	<b>(375)</b>	<b>(323)</b>	<b>(52)</b>
<b>Total - Net Employee Benefits including capitalised costs</b>	<b>144,809</b>	<b>142,243</b>	<b>2,566</b>
<b>Employee costs capitalised</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Gross Employee Benefits excluding capitalised costs</b>	<b>145,184</b>	<b>142,566</b>	<b>2,618</b>

### Employee Benefits 2012-13 - income

	Total £000s	Permanently employed £000s	Other £000s
Salaries and wages	346	295	51
Social Security costs	0	0	0
Employer Contributions to NHS BSA - Pensions Division	0	0	0
Other pension costs	0	0	0
Other Post Employment Benefits	0	0	0
Other Employment Benefits	29	28	1
Termination Benefits	0	0	0
<b>TOTAL excluding capitalised costs</b>	<b>375</b>	<b>323</b>	<b>52</b>

	Total £000s	Permanently employed £000s	Other £000s
<b>Gross Employee Benefits &amp; Net expenditure 2011-12</b>			
Salaries and wages	121,871	119,553	2,318
Social security costs	9,155	9,155	0
Employer Contributions to NHS BSA - Pensions Division	14,036	14,036	0
Other pension costs	0	0	0
Other post-employment benefits	0	0	0
Other employment benefits	0	0	0
Termination benefits	137	137	0
<b>TOTAL - including capitalised costs</b>	<b>145,199</b>	<b>142,881</b>	<b>2,318</b>
<b>Less recoveries in respect of employee benefits</b>	<b>(270)</b>	<b>(270)</b>	<b>0</b>
<b>Total - Net Employee Benefits including capitalised costs</b>	<b>144,929</b>	<b>142,611</b>	<b>2,318</b>
<b>Recognised as</b>			
<b>Employee costs capitalised</b>	<b>0</b>		
<b>Net Employee Benefits excluding capitalised costs</b>	<b>145,199</b>		

### 10.2 Staff Numbers

	2012-13			2011-12
	Total Number	Permanently employed Number	Other Number	Total Number
<b>Average Staff Numbers</b>				
Medical and dental	4	4	0	3
Ambulance staff	2,745	2,705	40	2,790
Administration and estates	1,020	996	24	978
Healthcare assistants and other support staff	85	85	0	85
Nursing, midwifery and health visiting staff	12	12	0	4
Nursing, midwifery and health visiting learners	0	0	0	0
Scientific, therapeutic and technical staff	0	0	0	0
Social Care Staff	0	0	0	0
Other	10	0	10	16
<b>TOTAL</b>	<b>3,876</b>	<b>3,802</b>	<b>74</b>	<b>3,876</b>
Of the above - staff engaged on capital projects	0	0	0	0

### 10.3 Staff Sickness absence and ill health retirements

	2012-13 Number	2011-12 Number
Total Days Lost	53,522	49,065
Total Staff Years	3,765	3,800
<b>Average working Days Lost</b>	<b>14.22</b>	<b>12.91</b>

	2012-13 Number	2011-12 Number
Number of persons retired early on ill health grounds	10	11
Total additional pensions liabilities accrued in the year	£000s 967	£000s 1,186

**10.4 Exit Packages agreed in 2012-13**

Exit package cost band (including any special payment element)	2012-13			2011-12		
	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	0	1	0	0	0
£10,001-£25,000	0	6	6	0	0	0
£25,001-£50,000	3	9	12	0	1	1
£50,001-£100,000	3	4	7	2	0	2
£100,001 - £150,000	0	0	0	0	0	0
£150,001 - £200,000	0	1	1	0	0	0
> £200,000	0	0	0	0	0	0
<b>Total number of exit packages by type (total cost)</b>	<b>7</b>	<b>20</b>	<b>27</b>	<b>2</b>	<b>1</b>	<b>3</b>
<b>Total resource cost (£000s)</b>	<b>364,699</b>	<b>898,791</b>	<b>1,263,490</b>	122,000	15,000	137,000

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 the Trust has agreed early retirements, the additional costs are met by the 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.

One ex-gratia payment was made during the year and is further reported under Note 42.

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

## 10.5 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. Actuarial assessments are undertaken in intervening years between formal valuations using updated membership data and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2013, is based on the valuation data as 31 March 2012, updated to 31 March 2013 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, 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) Pension Accounts, 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 2004. Consequently, a formal actuarial valuation would have been due for the year ending 31 March 2008. However, formal actuarial valuations for unfunded public service schemes were suspended by HM Treasury on value for money grounds while consideration is given to recent changes to public service pensions, and while future scheme terms are developed as part of the reforms to public service pension provision due in 2015.

The Scheme Regulations were changed to 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.

The next formal valuation to be used for funding purposes will be carried out at as at March 2012 and will be used to inform the contribution rates to be used from 1 April 2015.

### 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) will be used to replace 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 employer.

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

	2012-13 Number	2012-13 £000s	2011-12 Number	2011-12 £000s
<b>Non-NHS Payables</b>				
Total Non-NHS Trade Invoices Paid in the Year	25,654	55,670	37,830	52,524
Total Non-NHS Trade Invoices Paid Within Target	22,814	49,622	32,740	45,951
Percentage of NHS Trade Invoices Paid Within Target	<b>88.93%</b>	<b>89.14%</b>	86.55%	87.49%
<b>NHS Payables</b>				
Total NHS Trade Invoices Paid in the Year	764	3,181	1,038	3,533
Total NHS Trade Invoices Paid Within Target	617	2,864	797	2,788
Percentage of NHS Trade Invoices Paid Within Target	<b>80.76%</b>	<b>90.03%</b>	76.78%	78.91%

The Better Payment Practice Code requires the Trust 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

	2012-13 £000s	2011-12 £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 Income

	2012-13 £000s	2011-12 £000s
<b>Rental Income</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 Income</b>		
LIFT: equity dividends receivable	0	0
LIFT: loan interest receivable	0	0
Bank interest	50	30
Other loans and receivables	0	0
Impaired financial assets	0	0
Other financial assets	0	0
<b>Subtotal</b>	<u>50</u>	<u>30</u>
<b>Total investment income</b>	<u>50</u>	<u>30</u>

## 13 Other Gains and Losses

	2012-13 £000s	2011-12 £000s
Gain/(Loss) on disposal of assets other than by sale (PPE)	248	113
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>248</u>	<u>113</u>

## 14 Finance Costs

	2012-13 £000s	2011-12 £000s
<b>Interest</b>		
Interest on loans and overdrafts	61	0
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
Other interest expense	0	0
<b>Total interest expense</b>	<u>61</u>	<u>0</u>
Other finance costs	0	0
Provisions - unwinding of discount	152	148
<b>Total</b>	<u>213</u>	<u>148</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>2012-13</b>									
<b>Cost or valuation:</b>									
<b>At 1 April 2012</b>	18,451	27,700	0	9,472	2,244	50,609	20,635	600	129,711
Additions of Assets Under Construction	0	0	0	15,298	0	0	0	0	15,298
Additions Purchased	0	0	0	0	0	0	0	0	0
Additions Donated	0	0	0	0	0	0	0	0	0
Additions Government Granted	0	0	0	0	0	0	0	0	0
Additions Leased	0	0	0	0	0	0	0	0	0
Reclassifications	2,720	5,082	0	(16,770)	5	7,203	1,760	0	0
Reclassifications as Held for Sale and reversals	0	0	0	0	0	(3,618)	0	0	(3,618)
Cumulative depn netted off cost following revaluation	(1,990)	(5,602)	0	0	0	0	0	0	(7,592)
Upward revaluation/positive indexation	0	1,043	0	0	0	0	0	0	1,043
Impairments/negative indexation	(696)	(289)	0	0	0	0	0	0	(985)
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
Transfer (to)/from Other Public Sector bodies	0	0	0	0	0	0	0	0	0
<b>At 31 March 2013</b>	<b>18,485</b>	<b>27,934</b>	<b>0</b>	<b>8,000</b>	<b>2,249</b>	<b>54,194</b>	<b>22,395</b>	<b>600</b>	<b>133,857</b>
<b>Depreciation</b>									
<b>At 1 April 2012</b>	1,269	4,062	0	0	1,671	34,842	18,126	564	60,534
Reclassifications	0	0	0	0	0	0	0	0	0
Reclassifications as Held for Sale and reversals	0	0	0	0	0	(3,540)	0	0	(3,540)
Cumulative depn netted off cost following revaluation	(1,990)	(5,602)	0	0	0	0	0	0	(7,592)
Upward revaluation/positive indexation	0	0	0	0	0	0	0	0	0
Impairments	721	710	0	0	0	0	0	0	1,431
Reversal of Impairments	0	0	0	0	0	0	0	0	0
Charged During the Year	0	1,179	0	0	148	5,890	1,624	12	8,853
Transfers to NHS Foundation Trust	0	0	0	0	0	0	0	0	0
Transfer (to)/from Other Public Sector bodies	0	0	0	0	0	0	0	0	0
<b>At 31 March 2013</b>	<b>0</b>	<b>349</b>	<b>0</b>	<b>0</b>	<b>1,819</b>	<b>37,192</b>	<b>19,750</b>	<b>576</b>	<b>59,686</b>
<b>Net Book Value at 31 March 2013</b>	<b>18,485</b>	<b>27,585</b>	<b>0</b>	<b>8,000</b>	<b>430</b>	<b>17,002</b>	<b>2,645</b>	<b>24</b>	<b>74,171</b>
Purchased	18,485	27,585	0	8,000	430	17,002	2,645	24	74,171
Donated	0	0	0	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0	0	0	0
<b>Total at 31 March 2013</b>	<b>18,485</b>	<b>27,585</b>	<b>0</b>	<b>8,000</b>	<b>430</b>	<b>17,002</b>	<b>2,645</b>	<b>24</b>	<b>74,171</b>
<b>Asset financing:</b>									
Owned	18,485	27,585	0	8,000	430	17,002	2,645	24	74,171
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 2013</b>	<b>18,485</b>	<b>27,585</b>	<b>0</b>	<b>8,000</b>	<b>430</b>	<b>17,002</b>	<b>2,645</b>	<b>24</b>	<b>74,171</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 2012</b>	1,077	2,286	0	0	76	616	0	2	4,057
Movements *	(696)	940	0	0	0	0	0	0	244
<b>At 31 March 2013</b>	<b>381</b>	<b>3,226</b>	<b>0</b>	<b>0</b>	<b>76</b>	<b>616</b>	<b>0</b>	<b>2</b>	<b>4,301</b>

\*The movement in the revaluation reserve is the net effect of the 2013 revaluation exercise carried by the District Valuer.

**Additions to Assets Under Construction in 2012-13**

	£000's
Land	2,720
Buildings excluding Dwellings	4,918
Dwellings	0
Plant & Machinery	7,660
<b>Balance as at YTD</b>	<b>15,298</b>

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

	Land	Buildings excluding dwellings	Dwellings	Assets under construction & payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
<b>2011-12</b>									
Cost or valuation:									
At 1 April 2011	19,406	25,352	0	4,289	11,604	45,955	22,916	599	130,121
Additions - purchased	0	0	0	9,157	0	0	0	0	9,157
Additions - donated	0	0	0	0	0	0	0	0	0
Additions - government granted	0	0	0	0	0	0	0	0	0
Reclassifications	0	1,680	0	(3,974)	(9,359)	10,397	961	1	(294)
Reclassifications as Held for Sale and reversals	(479)	(55)	0	0	(1)	(5,743)	(3,242)	0	(9,520)
Disposals other than by sale	0	0	0	0	0	0	0	0	0
Revaluation & indexation gains	100	1,404	0	0	0	0	0	0	1,504
Impairments	(576)	(681)	0	0	0	0	0	0	(1,257)
Reversals of impairments	0	0	0	0	0	0	0	0	0
In-year transfers to/from NHS bodies	0	0	0	0	0	0	0	0	0
Transfer to NHS Foundation Trust	0	0	0	0	0	0	0	0	0
Cumulative depn netted off cost following revaluation	0	0	0	0	0	0	0	0	0
At 31 March 2012	<u>18,451</u>	<u>27,700</u>	<u>0</u>	<u>9,472</u>	<u>2,244</u>	<u>50,609</u>	<u>20,635</u>	<u>600</u>	<u>129,711</u>
Depreciation									
At 1 April 2011	697	3,153	0	0	8,316	28,340	19,760	538	60,804
Reclassifications	0	70	0	0	(6,828)	6,496	(17)	0	(279)
Reclassifications as Held for Sale and reversals	0	(5)	0	0	(1)	(5,649)	(3,242)	0	(8,897)
Disposals other than for sale	0	0	0	0	0	0	0	0	0
Upward revaluation/positive indexation	0	0	0	0	0	0	0	0	0
Impairments	572	341	0	0	0	0	0	0	913
Reversal of Impairments	0	(505)	0	0	0	0	0	0	(505)
Charged During the Year	0	1,008	0	0	184	5,655	1,625	26	8,498
Transfers to NHS Bodies	0	0	0	0	0	0	0	0	0
Transfer to NHS Foundation Trust	0	0	0	0	0	0	0	0	0
Cumulative depn netted off cost following revaluation	0	0	0	0	0	0	0	0	0
At 31 March 2012	<u>1,269</u>	<u>4,062</u>	<u>0</u>	<u>0</u>	<u>1,671</u>	<u>34,842</u>	<u>18,126</u>	<u>564</u>	<u>60,534</u>
Net book value at 31 March 2012	<u>17,182</u>	<u>23,638</u>	<u>0</u>	<u>9,472</u>	<u>573</u>	<u>15,767</u>	<u>2,509</u>	<u>36</u>	<u>69,177</u>
Purchased	17,182	23,638	0	9,472	573	15,767	2,509	36	69,177
Donated	0	0	0	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0	0	0	0
Total at 31 March 2012	<u>17,182</u>	<u>23,638</u>	<u>0</u>	<u>9,472</u>	<u>573</u>	<u>15,767</u>	<u>2,509</u>	<u>36</u>	<u>69,177</u>
Asset financing:									
Owned	17,182	23,638	0	9,472	573	15,767	2,509	36	69,177
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 2012	<u>17,182</u>	<u>23,638</u>	<u>0</u>	<u>9,472</u>	<u>573</u>	<u>15,767</u>	<u>2,509</u>	<u>36</u>	<u>69,177</u>

No assets were donated to the Trust during the year.

**16.1 Intangible non-current assets**

	Software internally generated £000's	Software purchased £000's	Licences & trademarks £000's	Patents £000's	Development expenditure £000's	Total £000's
<b>2012-13</b>						
<b>At 1 April 2012</b>	<b>0</b>	<b>595</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>595</b>
Additions - purchased	0	358	0	0	0	358
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	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	0	0	0	0	0	0
<b>At 31 March 2013</b>	<b>0</b>	<b>953</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>953</b>
<b>Amortisation</b>						
<b>At 1 April 2012</b>	<b>0</b>	<b>315</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>315</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	227	0	0	0	227
Transfer to NHS Foundation Trust	0	0	0	0	0	0
Transfer (to)/from Other Public Sector bodies	0	0	0	0	0	0
<b>At 31 March 2013</b>	<b>0</b>	<b>542</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>542</b>
<b>Net Book Value at 31 March 2013</b>	<b>0</b>	<b>411</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>411</b>
<b>Net book value at 31 March 2013 comprises:</b>						
Purchased	0	411	0	0	0	411
Donated	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0
<b>Total at 31 March 2013</b>	<b>0</b>	<b>411</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>411</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 2012</b>	0	0	0	0	0	0
Movements (specify)	0	0	0	0	0	0
<b>At 31 March 2013</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**

	Software internally generated £000s	Software purchased £000s	Licences & trademarks £000s	Patents £000s	Development expenditure £000s	Total £000s
2011-12						
Cost or valuation:						
At 1 April 2011	0	280	0	0	0	280
Additions - purchased	0	237	0	0	0	237
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
Reclassifications	0	294	0	0	0	294
Reclassified as held for sale	0	0	0	0	0	0
Disposals other than by sale	0	(216)	0	0	0	(216)
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
Less cumulative depreciation written down on revaluation	0	0	0	0	0	0
At 31 March 2012	<u>0</u>	<u>595</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>595</u>
Amortisation						
At 1 April 2011	0	103	0	0	0	103
Reclassifications	0	279	0	0	0	279
Reclassified as held for sale	0	0	0	0	0	0
Disposals other than by sale	0	(216)	0	0	0	(216)
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	149	0	0	0	149
Transfer to NHS Foundation Trust	0	0	0	0	0	0
Less cumulative depreciation written down on revaluation	0	0	0	0	0	0
At 31 March 2012	<u>0</u>	<u>315</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>315</u>
Net book value at 31 March 2012	0	280	0	0	0	280
Net book value at 31 March 2012 comprises:						
Purchased	0	280	0	0	0	280
Donated	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0
Total at 31 March 2012	<u>0</u>	<u>280</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>280</u>

Intangible non-current assets relate to purchased software licences which are valued at purchase cost less accumulated depreciation. Asset lives range between 2 and 5 years with no asset having an indefinite life given software is constantly being updated. There are no fully amortised assets still in use.

**17 Analysis of impairments and reversals recognised in 2012-13**

	2012-13 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>	<u>0</u>
Unforeseen obsolescence	0
Loss as a result of catastrophe	0
Other	0
Changes in market price	1,431
<b>Total charged to Annually Managed Expenditure</b>	<u>1,431</u>
<b>Property, Plant and Equipment impairments and reversals charged to the revaluation reserve</b>	
Loss or damage resulting from normal operations	0
Over Specification of Assets	0
Abandonment of assets in the course of construction	0
Unforeseen obsolescence	0
Loss as a result of catastrophe	0
Other	0
Changes in market price	985
<b>Total impairments for PPE charged to reserves</b>	<u>985</u>
<b>Total Impairments of Property, Plant and Equipment</b>	<u>2,416</u>
<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>	<u>0</u>
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>	<u>0</u>
<b>Intangible Assets impairments and reversals charged to the Revaluation Reserve</b>	
Loss or damage resulting from normal operations	0
Over-specification of assets	0
Abandonment of assets in the course of construction	0
Unforeseen obsolescence	0
Loss as a result of catastrophe	0
Other	0
Changes in market price	0
<b>Total impairments for Intangible Assets charged to Reserves</b>	<u>0</u>
<b>Total Impairments of Intangibles</b>	<u>0</u>
<b>Financial Assets charged to SoCI</b>	
Loss or damage resulting from normal operations	0
<b>Total charged to Departmental Expenditure Limit</b>	<u>0</u>
Loss as a result of catastrophe	0
Other	0
<b>Total charged to Annually Managed Expenditure</b>	<u>0</u>
<b>Financial Assets impairments and reversals charged to the Revaluation Reserve</b>	
Loss or damage resulting from normal operations	0
Loss as a result of catastrophe	0
Other	0
<b>TOTAL impairments for Financial Assets charged to reserves</b>	<u>0</u>
<b>Total Impairments of Financial Assets</b>	<u>0</u>
<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>	<u>0</u>
Unforeseen obsolescence	0
Loss as a result of catastrophe	0
Other	0
Changes in market price	280
<b>Total charged to Annually Managed Expenditure</b>	<u>280</u>
<b>Total impairments of non-current assets held for sale</b>	<u>280</u>
<b>Inventories - impairments and reversals charged to SoCI.</b>	
Loss or damage resulting from normal operations	0
<b>Total charged to Departmental Expenditure Limit</b>	<u>0</u>
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>	<u>0</u>
<b>Total impairments of Inventories</b>	<u>0</u>
<b>Investment Property impairments charged to SoCI</b>	
Loss or damage resulting from normal operations	0
<b>Total charged to Departmental Expenditure Limit</b>	<u>0</u>
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>	<u>0</u>
<b>Total Investment Property impairments charged to SoCI</b>	<u>0</u>
<b>Investment Property impairments and reversals charged to the revaluation reserve</b>	
Loss or damage resulting from normal operations	0
Over Specification of Assets	0
Unforeseen obsolescence	0
Loss as a result of catastrophe	0
Other	0
Changes in market price	0
<b>Total impairments for Investment Property charged to reserves</b>	<u>0</u>
<b>Total Impairments of Investment Property</b>	<u>0</u>
<b>Total Impairments charged to Revaluation Reserve</b>	<u>985</u>
<b>Total Impairments charged to SoCI - DEL</b>	<u>0</u>
<b>Total Impairments charged to SoCI - AME</b>	<u>1,711</u>
<b>Overall Total Impairments</b>	<u>2,696</u>
<b>Of which:</b>	
Impairment on revaluation to "modern equivalent asset" basis	0
<b>Donated and Government Granted Assets, included above</b>	
PPE - Donated and Government Granted Asset Impairments: amount charged to SOCI - DEL	0
Intangibles - Donated and Government Granted Asset Impairments: amount charged to SOCI - DEL	0

The Trust's land and buildings were revalued as at 31st March 2013 to reflect market valuation. This has resulted in movement between land and buildings and an overall impairment arising from deterioration in the market. Braham site has now been cleared resulting in an impairment of £280k, previously held at DRC valuation of the existing building to existing use. The overall impact of £1,711k has been recognised in Income & Expenditure.

## 18 Investment property

	31 March 2013 £000s	31 March 2012 £000s
<b>At fair value</b>		
<b>Balance at 1 April 2012</b>	0	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
Gain 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	0	0
Other Changes	0	0
<b>Balance at 31 March 2013</b>	<b>0</b>	<b>0</b>
<b>Investment property transactions in 2012-13</b>		
Capital expenditure	0	0
Capital income	0	0
	<b>0</b>	<b>0</b>

## 19 Commitments

### 19.1 Capital commitments

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

	31 March 2013 £000s	31 March 2012 £000s
Property, plant and equipment	75	647
Intangible assets	0	0
<b>Total</b>	<b>75</b>	<b>647</b>

### 19.2 Other financial commitments

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

	31 March 2013 £000s	31 March 2012 £000s
Not later than one year	0	0
Later than one year and not later than five year	0	0
Later than five years	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

## 20 Intra-Government and other balances

	Current receivables £000s	Non-current receivables £000s	Current payables £000s	Non-current payables £000s
Balances with other Central Government Bodies	3,416	0	3,757	0
Balances with Local Authorities	22	0	11	0
Balances with NHS bodies outside the Departmental Group	0	0	0	0
Balances with NHS Trusts and Foundation Trusts	117	0	100	0
Balances with Public Corporations and Trading Funds	0	0	0	0
Balances with bodies external to government	8,328	985	8,090	0
<b>At 31 March 2013</b>	<b>11,883</b>	<b>985</b>	<b>11,958</b>	<b>0</b>
<b>prior period:</b>				
Balances with other Central Government Bodies	2,466	973	3,891	0
Balances with Local Authorities	23	0	14	0
Balances with NHS Trusts and Foundation Trusts	228	0	145	0
Balances with Public Corporations and Trading Funds	0	0	0	0
Balances with bodies external to government	7,666	1,062	9,591	0
<b>At 31 March 2012</b>	<b>10,383</b>	<b>2,035</b>	<b>13,641</b>	<b>0</b>

**21 Inventories**

	Drugs £000s	Consumables £000s	Energy £000s	Work in progress £000s	Loan Equipment £000s	Other £000s	Total £000s
<b>Balance at 1 April 2012</b>	84	1,214	0	0	0	329	<b>1,627</b>
Additions	252	9,638	0	0	0	3,819	<b>13,709</b>
Inventories recognised as an expense in the period	(279)	(9,813)	0	0	0	(3,838)	<b>(13,930)</b>
Write-down of inventories (including losses)	0	0	0	0	0	0	<b>0</b>
Reversal of write-down previously taken to SoCI	0	0	0	0	0	0	<b>0</b>
Transfers (to) Foundation Trusts	0	0	0	0	0	0	<b>0</b>
Transfers (to) / from other Public Sector Bodies	0	0	0	0	0	0	<b>0</b>
<b>Balance at 31 March 2013</b>	<b>57</b>	<b>1,039</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>310</b>	<b>1,406</b>

**22.1 Trade and other receivables**

	Current		Non-current	
	31 March 2013 £000s	31 March 2012 £000s	31 March 2013 £000s	31 March 2012 £000s
NHS receivables - revenue	3,261	2,352	0	973
NHS receivables - capital	0	0	0	0
NHS prepayments and accrued income	0	0	0	0
Non-NHS receivables - revenue	495	423	0	0
Non-NHS receivables - capital	0	0	0	0
Non-NHS prepayments and accrued income	8,048	7,551	985	1,062
Provision for the impairment of receivables	(283)	(282)	0	0
VAT	255	300	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	107	39	0	0
<b>Total</b>	<b>11,883</b>	<b>10,383</b>	<b>985</b>	<b>2,035</b>
<b>Total current and non current</b>	<b>12,868</b>	<b>12,418</b>		
Included in NHS receivables are prepaid pension contributions:	0	0		

The great majority of trade is with Primary Care Trusts, as commissioners for NHS patient care services. As Primary Care Trusts are funded by Government to buy NHS patient care services, no credit scoring of them is considered necessary.

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

	31 March 2013 £000s	31 March 2012 £000s
By up to three months	558	297
By three to six months	0	0
By more than six months	0	33
<b>Total</b>	<b>558</b>	<b>330</b>

**22.3 Provision for impairment of receivables**

	2012-13 £000s	2011-12 £000s
<b>Balance at 1 April 2012</b>	<b>(282)</b>	<b>(289)</b>
Amount written off during the year	0	72
Amount recovered during the year	0	0
(Increase)/decrease in receivables impaired	(1)	(65)
Transfer to NHS Foundation Trust	0	
<b>Balance at 31 March 2013</b>	<b>(283)</b>	<b>(282)</b>

### 23 NHS LIFT investments

	Loan £000s	Share capital £000s	Total £000s
<b>Balance at 1 April 2012</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 2013</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Balance at 1 April 2011</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 2012</b>	<b>0</b>	<b>0</b>	<b>0</b>

### 24.1 Other Financial Assets - Current

	31 March 2013 £000s	31 March 2012 £000s
<b>Opening balance 1 April</b>	0	0
Transfers (to)/from Other Public Sector Bodies in year	0	0
Other Movements	0	0
<b>Closing balance 31 March</b>	<b>0</b>	<b>0</b>

### 24.2 Other Financial Assets - Non Current

	31 March 2013 £000s	31 March 2012 £000s
<b>Opening balance 1 April</b>	0	0
Additions	0	0
Revaluation	0	0
Impairments	0	0
Impairment Reversals	0	0
Transferred to current financial assets	0	0
Disposals	0	0
Transfers (to)/from Other Public Sector Bodies in year	0	0
<b>Total Other Financial Assets - Non Current</b>	<b>0</b>	<b>0</b>

### 24.3 Other Financial Assets - Non Current - Capital Analysis

	31 March 2013 £000s	31 March 2012 £000s
Capital Expenditure	0	0
Capital Income	0	0

### 25 Other current assets

	31 March 2013 £000s	31 March 2012 £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 2013 £000s	31 March 2012 £000s
<b>Opening balance</b>	<b>4,869</b>	<b>3,611</b>
Net change in year	<b>1,976</b>	<b>1,258</b>
<b>Closing balance</b>	<b>6,845</b>	<b>4,869</b>
<b>Made up of</b>		
Cash with Government Banking Service	6,814	4,858
Commercial banks	23	3
Cash in hand	8	8
Current investments	0	0
<b>Cash and cash equivalents as in statement of financial position</b>	<b>6,845</b>	<b>4,869</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>6,845</b>	<b>4,869</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	Total
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
<b>Balance at 1 April 2012</b>	441	0	0	0	0	0	0	0	0	<b>441</b>
Plus assets classified as held for sale in the year	0	0	0	0	0	78	0	0	0	<b>78</b>
Less assets sold in the year	0	0	0	0	0	(78)	0	0	0	<b>(78)</b>
Less impairment of assets held for sale	(281)	0	0	0	0	0	0	0	0	<b>(281)</b>
Plus reversal of impairment of assets held for sale	0	0	0	0	0	0	0	0	0	<b>0</b>
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	<b>0</b>
Transfers to Foundation Trust	0	0	0	0	0	0	0	0	0	<b>0</b>
Transfers (to)/from other public sector bodies	0	0	0	0	0	0	0	0	0	<b>0</b>
Revaluation	0	0	0	0	0	0	0	0	0	<b>0</b>
<b>Balance at 31 March 2013</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>160</b>
<b>Liabilities associated with assets held for sale at 31 March 2013</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 2011</b>	0	0	0	0	0	0	0	0	0	<b>0</b>
Plus assets classified as held for sale in the year	479	50	0	0	0	94	0	0	0	<b>623</b>
Less assets sold in the year	(38)	(50)	0	0	0	(94)	0	0	0	<b>(182)</b>
Less impairment of assets held for sale	0	0	0	0	0	0	0	0	0	<b>0</b>
Plus reversal of impairment of assets held for sale	0	0	0	0	0	0	0	0	0	<b>0</b>
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	<b>0</b>
<b>Balance at 31 March 2012</b>	<b>441</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>441</b>
<b>Liabilities associated with assets held for sale at 31 March 2012</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 2012/13.  
 The property is being marketed for sale jointly with an adjacent property owned by Leeds City Council.  
 The book value of the property as at 31 March 2013 stands at £160k.

## 28 Trade and other payables

	Current		Non-current	
	31 March 2013 £000s	31 March 2012 £000s	31 March 2013 £000s	31 March 2012 £000s
Interest payable	0	0	0	0
NHS payables - revenue	207	133	0	0
NHS payables - capital	0	0	0	0
NHS accruals and deferred income	0	175	0	0
Non-NHS payables - revenue	1,143	1,362	0	0
Non-NHS payables - capital	287	2,412	0	0
Non-NHS accruals and deferred income	6,384	5,743	0	0
Social security costs	1,558	1,546	0	0
VAT	0	0	0	0
Tax	240	490	0	0
Payments received on account	0	0	0	0
Other	1,948	1,780	0	0
<b>Total</b>	<b>11,767</b>	<b>13,641</b>	<b>0</b>	<b>0</b>
<b>Total payables (current and non-current)</b>	<b>11,767</b>	<b>13,641</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	1,852	1,692

## 29 Other liabilities

	Current		Non-current	
	31 March 2013 £000s	31 March 2012 £000s	31 March 2013 £000s	31 March 2012 £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 2013 £000s	31 March 2012 £000s	31 March 2013 £000s	31 March 2012 £000s
Bank overdraft - Government Banking Service	0	0	0	0
Bank overdraft - commercial banks	0	0	0	0
Loans from Department of Health	334	0	6,171	0
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>334</b>	<b>0</b>	<b>6,171</b>	<b>0</b>
<b>Total other liabilities (current and non-current)</b>	<b>6,505</b>	<b>0</b>		

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

	31 March 2013		
	DH £000s	Other £000s	Total £000s
0-1 years	334	0	334
1 - 2 Years	334	0	334
2 - 5 Years	1,002	0	1,002
Over 5 Years	4,835	0	4,835
<b>Total</b>	<b>6,505</b>	<b>0</b>	<b>6,505</b>

### 31 Other financial liabilities

	Current		Non-current	
	31 March 2013 £000s	31 March 2012 £000s	31 March 2013 £000s	31 March 2012 £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 liabilities (current and non-current)	<b>0</b>	<b>0</b>		

### 32 Deferred income

	Current		Non-current	
	31 March 2013 £000s	31 March 2012 £000s	31 March 2013 £000s	31 March 2012 £000s
Opening balance at 1 April 2012	607	1,112	0	0
Deferred income addition	0	0	0	0
Transfer of deferred income	(594)	(505)	0	0
<b>Current deferred Income at 31 March 2013</b>	<b>13</b>	<b>607</b>	<b>0</b>	<b>0</b>
Total deferred income (current and non-current)	<b>13</b>	<b>607</b>		

### 33 Finance lease obligations as lessee

The Trust had no finance lease obligations in 2012/13.

### 34 Finance lease receivables as lessor

The Trust had no finance lease receivables in 2012/13.

### 35 Provisions

	Comprising:									
	Total	Pensions to Former Directors	Pensions Relating to Other Staff	Legal Claims	Restructuring	Continuing Care	Equal Pay	Agenda for Change	Other	Redundancy
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
<b>Balance at 1 April 2012</b>	<b>7,936</b>	0	5,437	428	0	0	0	0	2,071	0
Arising During the Year	<b>4,243</b>	0	1,519	561	2,067	0	0	0	96	0
Utilised During the Year	<b>(2,139)</b>	0	(389)	(266)	0	0	0	0	(1,484)	0
Reversed Unused	<b>(682)</b>	0	(501)	(75)	0	0	0	0	(106)	0
Unwinding of Discount	<b>152</b>	0	152	0	0	0	0	0	0	0
Change in Discount Rate	<b>274</b>	0	274	0	0	0	0	0	0	0
Transfers to NHS Foundation Trusts (for Trusts becoming FTs only)	<b>0</b>	0	0	0	0	0	0	0	0	0
Transferred (to)/from other public sector bodies	<b>0</b>	0	0	0	0	0	0	0	0	0
<b>Balance at 31 March 2013</b>	<b>9,784</b>	<b>0</b>	<b>6,492</b>	<b>648</b>	<b>2,067</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>577</b>	<b>0</b>
<b>Expected Timing of Cash Flows:</b>										
No Later than One Year	<b>2,736</b>	0	444	648	1,357	0	0	0	287	0
Later than One Year and not later than Five Years	<b>2,381</b>	0	1,671	0	710	0	0	0	0	0
Later than Five Years	<b>4,667</b>	0	4,377	0	0	0	0	0	290	0

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

<b>As at 31 March 2013</b>	5,410
<b>As at 31 March 2012</b>	5,295

Other provisions includes £290k 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 pre-merger contractual commitment.

Restructuring provision includes £1,865k relating to anticipated early retirement costs following implementation of a new A&E Workforce model. Values have been assessed following expressions of interest from affected staff groups and a determination made of the likely departure date from the Trust. Valuations have been made on an individual basis utilising NHS Pensions agency calculator and applying the relevant expected departure date.

£5,510k is included in the provisions of the NHS Litigation Authority at 31 March 2013 in respect of clinical negligence liabilities of the Trust (£5,295k at March 2012).

### 36 Contingencies

	31 March 2013 £000s	31 March 2012 £000s
<b>Contingent liabilities</b>		
Equal Pay	0	0
Other (see below)	(306)	(234)
Amounts Recoverable Against Contingent Liabilities	0	0
<b>Net Value of Contingent Liabilities</b>	<b>(306)</b>	<b>(234)</b>
<b>Contingent Assets</b>		
Contingent Assets	0	0
<b>Net Value of Contingent Assets</b>	<b>0</b>	<b>0</b>

**Legal Claims** - The net contingent liability of £306k is in respect of other legal claims covered under the non-clinical risk pooling arrangements with the NHS Litigation Authority. There is provisions made for associated claims made in Note 35.

### 37.1 PFI and LIFT - additional information

The information below is required by the Department of Health for inclusion in national statutory accounts

	2012-13 £000s	2011-12 £000s
<b>Charges to operating expenditure and future commitments in respect of ON and OFF SOFP PFI</b>		
Total charge to operating expenses in year - OFF SOFP PFI	0	0
Service element of on SOFP PFI charged to operating expenses in year	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
<b>Payments committed to in respect of off SOFP PFI and the service element of on SOFP PFI</b>		
No Later than One Year	0	0
Later than One Year, No Later than Five Years	0	0
Later than Five Years	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
The estimated annual payments in future years are expected to be materially different from those which the Trust is committed to make materially different from those which the Trust is committed to make during the next year. The likely financial effect of this is:		
	0	0
Estimated Capital Value of Project - off SOFP PFI	0	0
Value of Deferred Assets - off SOFP PFI	0	0
Value of Reversionary Interest - off SOFP PFI	0	0

#### Imputed "finance lease" obligations for on SOFP PFI contracts due

	2012-13 £000s	2011-12 £000s
No Later than One Year	0	0
Later than One Year, No Later than Five Years	0	0
Later than Five Years	0	0
<b>Subtotal</b>	<b>0</b>	<b>0</b>
Less: Interest Element	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

#### Charges to operating expenditure and future commitments in respect of on and off SOFP LIFT

	2012-13 £000s	2011-12 £000s
Total Charge to Operating Expenses in year - OFF SOFP LIFT	0	0
Service element of on SOFP LIFT charged to operating expenses in year	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

#### Payments committed to in respect of off SOFP LIFT and the service element of on SOFP LIFT.

	2012-13 £000s	2011-12 £000s
LIFT Scheme Expiry Date:		
No Later than One Year	0	0
Later than One Year, No Later than Five Years	0	0
Later than Five Years	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

	2012-13 £000s	2011-12 £000s
The estimated annual payments in future years are expected to be materially different from those which the NHS Trust is committed to make during the next year. The likely financial effect of this is:		
Estimated capital value of project - off SOFP LIFT	0	0
Value of Deferred Assets - off SOFP LIFT	0	0
Value of Residual Interest - off SOFP LIFT	0	0

#### Imputed "finance lease" obligations for on SOFP LIFT Contracts due

	2012-13 £000s	2011-12 £000s
No Later than One Year	0	0
Later than One Year, No Later than Five Years	0	0
Later than Five Years	0	0
<b>Subtotal</b>	<b>0</b>	<b>0</b>
Less: Interest Element	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

### 37.2 Other financial Commitments

	2012-13 £000s	2011-12 £000s
Payments due no later than 1 year	0	0
Payments due later than 1 year, no later than 5 years	0	0
Payments due later than 5 years	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

### 38 Impact of IFRS treatment - current year

The information below is required by the Department of Health for budget reconciliation purposes

#### Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT)

Depreciation charges	0
Interest Expense	0
Impairment charge - AME	0
Impairment charge - DEL	0
Other Expenditure	0
Revenue Receivable from subleasing	0
Impact on PDC dividend payable	0
<b>Total IFRS Expenditure (IFRIC12)</b>	<b>0</b>
Revenue consequences of PFI / LIFT schemes under UK GAAP / ESA95 (net of any sublease income)	0
<b>Net IFRS change (IFRIC12)</b>	<b>0</b>

#### Capital Consequences of IFRS : LIFT/PFI and other items under IFRIC12

Capital expenditure 2012-13	0
UK GAAP capital expenditure 2012-13 (Reversionary Interest)	0

### 39 Financial Instruments

#### 39.1 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 Primary Care Trusts and the way those Primary Care Trusts 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 income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2013 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 Trusts, 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.

	At 'fair value through profit and loss' £000s	Loans and receivables £000s	Available for sale £000s	Total £000s
<b>39.2 Financial Assets</b>				
Embedded derivatives	0	0	0	0
Receivables - NHS	0	3,261	0	3,261
Receivables - non-NHS	0	857	0	857
Cash at bank and in hand	0	6,845	0	6,845
Other financial assets	0	0	0	0
<b>Total at 31 March 2013</b>	<b>0</b>	<b>10,963</b>	<b>0</b>	<b>10,963</b>
Embedded derivatives	0	0	0	0
Receivables - NHS	0	3,325	0	3,325
Receivables - non-NHS	0	762	0	762
Cash at bank and in hand	0	4,869	0	4,869
Other financial assets	0	0	0	0
<b>Total at 31 March 2012</b>	<b>0</b>	<b>8,956</b>	<b>0</b>	<b>8,956</b>
	At 'fair value through profit and loss' £000s	Other £000s	Total £000s	
<b>39.3 Financial Liabilities</b>				
Embedded derivatives	0	0	0	
NHS payables	0	207	207	
Non-NHS payables	0	5,176	5,176	
Other borrowings	0	0	0	
PFI & finance lease obligations	0	0	0	
Other financial liabilities	0	0	0	
<b>Total at 31 March 2013</b>	<b>0</b>	<b>5,383</b>	<b>5,383</b>	
Embedded derivatives	0	0	0	
NHS payables	0	133	133	
Non-NHS payables	0	7,596	7,596	
Other borrowings	0	0	0	
PFI & finance lease obligations	0	0	0	
Other financial liabilities	0	0	0	
<b>Total at 31 March 2012</b>	<b>0</b>	<b>7,729</b>	<b>7,729</b>	

#### 40 Events after the end of the reporting period

The Trust has no post balance sheet events.

#### 41 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 (defined as constituting over 5% of turnover) with the Department, and with other entities for which the Department is regarded as the parent Department. These entities are listed below:

North Yorkshire and York PCT  
 Leeds PCT  
 Bradford & Airedale Teaching PCT  
 Sheffield PCT  
 Kirklees PCT  
 Wakefield District PCT  
 East Riding of Yorkshire PCT  
 Hull Teaching PCT  
 NHS Pensions Agency

No Trust Board Members held an interest in any of these organisations during the financial year.

The Trust had an association with Mid Yorkshire Hospitals NHS Trust with whom the Clinical Director is a Consultant.

No other Board member has declared an interest in any other organisation with which the Trust does business.

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

#### 42 Losses and special payments

The total number of losses cases in 2012-13 and their total value was as follows:

	<b>Total Value of Cases £s</b>	<b>Total Number of Cases</b>
Losses	5,092	7
Special payments	<u>36,167</u>	<u>8</u>
<b>Total losses and special payments</b>	<b><u>41,259</u></b>	<b><u>15</u></b>

The total number of losses cases in 2011-12 and their total value was as follows:

	<b>Total Value of Cases £s</b>	<b>Total Number of Cases</b>
Losses	5,286	39
Special payments	<u>97,702</u>	<u>14</u>
<b>Total losses and special payments</b>	<b><u>102,988</u></b>	<b><u>53</u></b>

#### Details of cases individually over £250,000

The Trust did not incur any losses which individually exceeded £250,000 during the year.

### 43. 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.

#### 43.1 Breakeven performance

	2005-06 £000s	2006-07 £000s	2007-08 £000s	2008-09 £000s	2009-10 £000s	2010-11 £000s	2011-12 £000s
Turnover	0	144,639	155,010	186,710	197,910	195,228	200,333
Retained surplus/(deficit) for the year	0	(4,467)	251	151	(6,439)	(1,644)	20
Adjustment for:							
Timing/non-cash impacting distortions:							
Use of pre - 1.4.97 surpluses [FDL(97)24 Agreements]	0	0	0	0	0	0	0
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
Adjustments for impact of policy change re donated/government grants assets							0
Consolidated Budgetary Guidance - Adjustment for Dual Accounting under IFRIC12*					0	0	0
Adsorption Accounting Adjustment							
Other agreed adjustments	0	0	0	0	0	0	0
Break-even in-year position	<u>0</u>	<u>3,099</u>	<u>251</u>	<u>151</u>	<u>518</u>	<u>237</u>	<u>428</u>
Break-even cumulative position	<u>0</u>	<u>3,099</u>	<u>3,350</u>	<u>3,501</u>	<u>4,019</u>	<u>4,256</u>	<u>4,684</u>

\* 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 %
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
Break-even cumulative position as a percentage of turnover	0.00	2.14	2.16	1.88	2.03	2.18	2.34

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.



### 43.2 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%.

### 43.3 External financing

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

	£000s	2012-13 £000s	2011-12 £000s
External financing limit		6,532	(1,256)
Cash flow financing	4,529		(1,258)
Finance leases taken out in the year	0		0
Other capital receipts	0		0
External financing requirement	<u>0</u>	4,529	(1,258)
<b>Undershoot/(overshoot)</b>		<u>2,003</u>	<u>2</u>

### 43.4 Capital resource limit

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

	2012-13 £000s	2011-12 £000s
Gross capital expenditure	15,656	8,781
Less: book value of assets disposed of	(78)	(71)
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>15,578</u>	<u>8,710</u>
Capital resource limit	17,662	8,768
<b>(Over)/underspend against the capital resource limit</b>	<u>2,084</u>	<u>58</u>

### 44 Third party assets

The Trust does not hold any third party assets.