Statement of Comprehensive Income for year ended 31 March 2012

	NOTE	2011-12 £000	2010-11 Restated £000
Employee benefits	9.1	**(139,892)**	(136,210)
Other costs	7	**(71,665)**	(70,626)
Revenue from patient care activities	4	**204,559**	196,021
Other Operating revenue	5	**19,119**	21,478
Operating surplus		**12,121**	10,663
Investment revenue	11	**23**	29
Other gains	12	**9**	83
Finance costs	13	**(740)**	(1,014)
Surplus for the financial year		**11,413**	9,761
Public dividend capital dividends payable		**(4,851)**	(4,480)
Retained surplus for the year		**6,562**	5,281
Other Comprehensive Income			
Impairments and reversals		**(700)**	(786)
Net gain on revaluation of property, plant & equipment		**1,312**	6,224
Total comprehensive income for the year		**7,174**	10,719

	2011-12 £000	2010-11 Restated £000
Financial performance for the year		
Retained surplus for the year	**6,562**	5,281
Impairments	**947**	52
Adjustments to donated asset/gov't grant reserve elimination	**(1,294)**	(1,138)
Adjusted retained surplus	**6,215**	**4,195**

The adjustments made to accounting outturn to arrive at reported performance include £947,000 impairments of non current assets brought into use during 2011-12. The most significant being £625,000 for the combined heat and power scheme.

Following the accounting policy outlined in the Treasury FREM for 2011-12 donated non current assets are capitalised on their fair value on receipt, with a matching credit to income. This reflects the net adjustment of £1,294,000 excluded to form the reported performance above.

PDC dividend: balance receivable/(payable) at 31 March 2012	(51)

The notes on pages 31 to 73 form part of this account.

Statement of Financial Position as at 31 March 2012

	NOTE	31 March 2012 £000	1 April 2011 £000	Opening balance adjustments £000	31 March 2011 £000	31 March 2010 (restated) £000
Non-current assets:						
Property, plant and equipment	14	**161,971**	156,980	2,652	154,328	145,836
Intangible assets	15	**638**	706	0	706	760
Other financial assets	21	**0**	82	0	82	121
Trade and other receivables	20.1	**1,584**	1,626	0	1,626	1,762
Total non-current assets		**164,193**	159,394	2,652	156,742	148,479
Current assets:						
Inventories	19	**3,296**	3,182	0	3,182	3,139
Trade and other receivables	20.1	**10,408**	9,570	0	9,570	11,026
Other financial assets	21	**0**	82	0	82	61
Other current assets	22	**33**	0	0	0	0
Cash and cash equivalents	23	**6,068**	2,000	0	2,000	690
Total current assets		**19,805**	14,834	0	14,834	14,916
Total assets		**183,998**	174,228	2,652	171,576	163,395
Current liabilities						
Trade and other payables	25	**(14,497)**	(12,038)	0	(12,038)	(10,858)
Other liabilities		**0**	0	0	0	(24)
Provisions	29	**(1,517)**	(1,735)	0	(1,735)	(1,844)
Borrowings	26	**(103)**	(231)	0	(231)	(233)
Working capital loan from Department	26	**(1,900)**	(7,200)	0	(7,200)	(7,000)
Capital loan from Department	26	**(590)**	0	0	0	0
Total current liabilities		**(18,607)**	(21,204)	0	(21,204)	(19,959)
Non-current assets plus/less net current assets/liabilities		**165,391**	153,024	2,652	150,372	143,436
Non-current liabilities						
Provisions	29	(2,067)	(2,064)	0	(2,064)	(903)
Borrowings	26	(309)	(345)	0	(345)	(497)
Working capital loan from Department	26	(4,600)	(6,500)	0	(6,500)	(13,700)
Capital loan from Department	26	(5,315)	0	0	0	0
Total non-current liabilities		**(12,291)**	(8,909)	0	(8,909)	(15,100)
Total Assets Employed:		**153,100**	144,115	2,652	141,463	128,336
FINANCED BY:						
TAXPAYERS' EQUITY						
Public Dividend Capital		137,356	135,545	0	135,545	130,445
Retained earnings		(25,423)	(33,079)	(40)	(33,039)	(39,365)
Revaluation reserve		41,167	41,649	2,692	38,957	37,256
Total Taxpayers' Equity:		**153,100**	144,115	2,652	141,463	128,336

The notes on pages 31 to 73 form part of this account.

The financial statements on pages 27-73 were approved by the Board on 31st May 2012 and signed on its behalf by

James Scott, Chief Executive: Date: 6/6/12

Statement of Changes in Taxpayers' Equity
For the year ended 31 March 2012

	Public Dividend capital	Retained earnings	Revaluation reserve	Total reserves
	£000	£000	£000	£000
Balance at 1 April 2011	135,545	(33,039)	38,957	**141,463**
Opening balance adjustments	0	(40)	2,692	**2,652**
Restated balance at 1 April 2011	135,545	(33,079)	41,649	**144,115**
Changes in taxpayers' equity for 2011-12				
Retained surplus for the year	0	6,562	0	**6,562**
Net gain on revaluation of property, plant, equipment	0	0	1,312	**1,312**
Impairments and reversals	0	0	(700)	**(700)**
Transfers between reserves	0	1,094	(1,094)	**0**
New PDC Received	1,811	0	0	**1,811**
Net recognised revenue for the year	1,811	7,656	(482)	8,985
Balance at 31 March 2012	**137,356**	**(25,423)**	**41,167**	**153,100**

	Public Dividend capital	Retained earnings	Revaluation reserve	Total reserves
Changes in taxpayers' equity for 2010-11				
Balance at 1 April 2010	130,445	(39,365)	37,256	128,336
Retained surplus for the year	0	5,281	0	5,281
Net gain on revaluation of property, plant, equipment	0	0	3,532	3,532
Impairments and reversals	0	0	(786)	(786)
Transfers between reserves	0	1,045	(1,045)	0
New PDC Received	5,100	0	0	5,100
Net recognised revenue for the year	5,100	6,326	1,701	13,127
Balance at 31 March 2011	**135,545**	**(33,039)**	**38,957**	**141,463**

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED
31 March 2012

	2011-12 £000	2010-11 £000
Cash Flows from Operating Activities		
Operating Surplus	12,121	10,663
Depreciation and Amortisation	8,618	8,748
Impairments and Reversals	947	52
Donated Assets received credited to revenue but non-cash	(2,053)	(1,892)
Government Granted Assets received credited to revenue but non-cash	0	(21)
Interest Paid	(715)	(990)
Dividend paid	(4,888)	(4,435)
(Increase)/Decrease in Inventories	(114)	(43)
(Increase)/Decrease in Trade and Other Receivables	(796)	2,268
(Increase)/Decrease in Other Current Assets	(33)	0
Increase/(Decrease) in Trade and Other Payables	2,210	1,480
(Increase)/Decrease in Other Current Liabilities	131	(24)
Provisions Utilised	(948)	(780)
Increase/(Decrease) in Provisions	709	1,870
Net Cash Inflow/(Outflow) from Operating Activities	**15,189**	**16,896**
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	23	29
(Payments) for Property, Plant and Equipment	(11,478)	(14,654)
(Payments) for Intangible Assets	(105)	(131)
Proceeds of disposal of assets held for sale (PPE)	18	106
Net Cash Inflow/(Outflow) from Investing Activities	**(11,542)**	**(14,650)**
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING	**3,647**	**2,246**
CASH FLOWS FROM FINANCING ACTIVITIES		
Public Dividend Capital Received	1,811	5,100
Loans received from DH - New Capital Investment Loans	6,000	0
Loans repaid to DH - Capital Investment Loans Repayment of Principal	(95)	0
Loans repaid to DH - Working Capital Loans Repayment of Principal	(7,200)	(7,000)
Capital Element of Payments in Respect of Finance Leases and On-SoFP PFI and LIFT	(95)	(252)
Capital grants and other capital receipts	0	1,216
Net Cash Inflow/(Outflow) from Financing Activities	**421**	**(936)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**4,068**	**1,310**
Cash and Cash Equivalents (and Bank Overdraft) at Beginning of the Period	2,000	690
Cash and Cash Equivalents (and Bank Overdraft) at year end	6,068	2,000