

Memo

To: DHB Board

From: Nigel Trainor, General Manager Finance, IT & Commercial

Date: 11 January 2012

Re: Financial Reports – December 2011

SCDHB Consolidated Overall Performance & Statements

000's	Year To Date			Forecast	Annual Budget
	Actual	Budget	Variance		
Net Surplus/(Deficit)	\$504	\$228	\$276F	\$(279)	(\$500)

Funder Performance

000's	Year To Date			Forecast	Annual Budget
	Actual	Budget	Variance		
Net Surplus/(Deficit)	\$416	\$(18)	\$434F	\$(279)	(\$500)

Provider Performance - Secondary

000's	Year To Date			Forecast	Annual Budget
	Actual	Budget	Variance		
Net Surplus/(Deficit)	\$(4)	\$286	\$(290)	\$24	\$58

Provider Performance - Primary

000's	Year To Date			Forecast	Annual Budget
	Actual	Budget	Variance		
Net Surplus/(Deficit)	\$109	\$(32)	\$141	\$(56)	\$(58)

Governance Performance

000's	Year To Date			Forecast	Annual Budget
	Actual	Budget	Variance		
Net Surplus/(Deficit)	\$(17)	\$(8)	\$(9)	\$32	\$0

Summary

Income Statement

The overall result for the month of December 2011 is a deficit of \$25k and a year to date surplus of \$504k, which is \$66k unfavourable to budget for the month and \$276k favourable year to date.

The reports attached gives additional commentary on each of the four divisions.

The Funder is favourable to budget \$434k, this is driven by:

- Mental Health funding returned from Secondary Services,
- 2010/11 Elective revenue washup
- Primary and Community unspent ring fence funding,
- Personal Health lab and other services,

These were partly offset by Personal Health IDFs unfavourable \$285k

The Provider – Secondary was unfavourable to budget \$122 for the month and \$290k year to date this was driven by revenue being \$327F, Personnel costs \$143U with Medical \$111U and Nursing \$237U, partly offset by other staff groupings. Treatment services \$102F, this being blood products and lab contracts, Diagnostic services \$238U mainly cost of radiology, Clinical Supplies \$496U this was due to medical supplies, drugs and patient transport costs, with the drug costs partly offset by additional revenue of \$171k. Infrastructure costs \$36U, interest expense \$113F and depreciation \$96F. The nursing FTE are over budget, but consistent with the FTE levels in 2010/11.

The non-ring fenced services in Primary & Community are favourable to budget \$6k for the month and \$2k unfavourable year to date, with favourable variance in Pharmaceuticals being offset by unfavourable variance in Community nursing.

The Primary & Community ring fence services have favourable \$14k for the month and \$143k year to date this is due to ring fence funding not used.

The ring fenced equity has increased to \$661k

Statement of Financial Position

The Statement of Financial Position has continued to strengthen with the year to date surplus. Creditors have increased and partly offset by Employee entitlement liability reduced. Debtors have reduced with an overall increase in cash from the opening balance as 1 July 2011

Statement of Cash Flow

The closing cash position (exclusive trust & Patient funds) as at 31 December 2011 is \$18,438k which is \$2,487k more than the closing cash position at 30 June 2011. The difference is made up as follows:

Opening cash 30 June 2010	\$ 15,951
Plus Consolidated surplus 31 December 2010	\$ 504

Non-cash items – depreciation	\$ 1,559
Reduced debtors	\$ 975
Increased in Creditors	\$ 1,062
Less Reduced Employee Entitlements	\$ 843
Capital cash out flow	\$ 654
Increase Inventory	\$ 98
Special Funds	<u>\$ 18</u>
Closing cash 31 December 2011	<u>\$18,438</u>
Made up of:	
• Cash & cash equivalents	<u>\$18,438</u>

Forecast

The forecast for the year end has been reviewed and the consolidated deficit of \$279k against a budget deficit of \$500k there are a number of lines that are being further reviewed over January.

This is driven by the following main items:

- MH ring fence revenue returned from the provider to the funder \$147k, this line item is being further reviewed and potentially be increase.
- Primary & Community ring fence funding to be managed back to budget through approving expenditure initiatives, however with the current surplus to the ring fence funding this will be further reviewed over January.
- Funder lab services \$144F against budget
- Other Personal health services \$74F
- MH ring fence funding for non DHB services on budget
- IDF's \$160U to budget, this line is current \$285U and will also be reviewed further over January.

The lines that are being further review will offset each other giving or may improve the funder result.

There have been no significant unexpected events in the financial results for the first six months. The costs associated with the consultant reports on the buildings will need to be factored in and this may deteriorate the provider result, but the consolidated will remain better than budget.

Recommendation

That the Board

- **Receives** this report.

NIGEL TRAINOR

SOUTH CANTERBURY DISTRICT HEALTH BOARD								
SCDHB CONSOLIDATED								
INCOME STATEMENT								
For the Period Ended 31 December 2011								
	Current Month			Year To Date			ANNUAL	
	Actual	Budget	Variance to Budget	Actual	Budget	Variance to Budget	Full Year Forecast	This Year Budget
Revenue								
Funder	4,717	4,911	(195)	29,788	29,469	319	58,809	58,622
Provider Secondary Services and Support	6,824	6,768	56	40,902	40,575	327	81,366	81,050
Primary & Community	2,728	2,680	49	16,450	16,052	398	33,136	32,456
Governance and Funder Administration	255	255	0	1,530	1,530	0	3,060	3,060
Total Income	14,524	14,615	(90)	88,670	87,625	1,045	117,620	175,189
Expenditure								
Funder	4,673	4,914	241	29,372	29,486	114	59,088	59,122
Provider Secondary Services and Support	6,893	6,715	(178)	40,906	40,289	(616)	81,342	80,992
Primary & Community	2,714	2,686	(28)	16,341	16,083	(257)	33,192	32,514
Governance and Funder Administration	269	259	(10)	1,547	1,538	(9)	3,028	3,060
Total Expenditure	14,549	14,574	25	88,166	87,397	(769)	36,360	175,688
NET RESULTS								
Funder	44	(3)	47	416	(18)	434	(279)	(500)
Provider Secondary Services and Support	(69)	54	(122)	(4)	286	(290)	24	58
Primary & Community	14	(6)	20	109	(32)	141	(56)	(58)
Governance and Funder Administration	(14)	(4)	(10)	(17)	(8)	(9)	32	0
NET SURPLUS (DEFICIT)	(25)	41	(66)	504	228	276	(279)	(500)

South Canterbury District Health Board				
Statement of Financial Position				
for the period ended 31st December 2011				
<i>In thousands of New Zealand Dollars</i>				
	Parent			
	Actual		YTD	
	YTD	1 July 2011	Movement	
	000's	000's	000's	
Public Equity				
General Funds	5,120	5,120	0	
Retained Earnings	10,067	9,563	504	
- General	8,872	8,538	334	
- Primary Ring Fenced	661	550	111	
- Funder - Mental Health Ring Fence	534	475	59	
Revaluation Reserve	9,246	9,246	0	
Special Fund Assets	996	1,031	-35	
Special Funds Reserves	554	551	3	
Total Equity	25,983	25,511	472	
REPRESENTED BY:				
Current Assets				
Cash and cash equivalents	18,438	15,951	2,487	
Patient Trust Funds Cash and cash equivalents	21	18	3	
Special Funds Cash and cash equivalents	554	552	2	
Investments	10,000	10,000	0	
Debtors and other receivables	4,508	5,483	-975	
Inventories	971	873	98	
SISSAL Shares	3	3	0	
Total Current Assets	34,495	32,880	1,615	
Non Current Assets				
Property, plant and equipment	28,089	29,514	-1,425	
Intangible assets	629	125	504	
Total Non Current Assets	28,718	29,639	-921	
TOTAL ASSETS	63,213	62,519	694	
LIABILITIES				
Current Liabilities				
Creditors and other payables	13,438	12,376	1,062	
Employee entitlements	8,134	8,977	-843	
Borrowings	10,000	10,000	0	
Patient Trust Funds	21	18	3	
Total Current Liabilities	31,593	31,371	222	
Non Current Liabilities				
Term Loans				
Employee Entitlements	5,637	5,637	0	
Total Non Current Liabilities	5,637	5,637	0	
TOTAL LIABILITIES	37,230	37,008	222	
NET ASSETS	25,983	25,511	472	

South Canterbury District Health Board			
Consolidated Statement of Cashflows			
for the period ended 31st December 2011			
<i>In thousands of New Zealand Dollars</i>			
	Parent		
	Actual	Budget	Variance
	2012	2012	
CASH FROM OPERATING ACTIVITIES			
Cash was provided from:			
Receipts from Ministry of Health & Patients & Other	87,885	85,244	2,641
	87,885	85,244	2,641
Cash was applied to:			
Payments to suppliers & employees	83,480	82,820	(660)
Capital Charge	1,264	868	(396)
	84,744	83,688	(1,056)
Net cash inflow/(outflow) from operating activities	3,141	1,556	1,585
CASH FROM INVESTING ACTIVITIES			
Cash was provided from:			
Proceeds from the sale of assets	-	-	-
Decrease(Increase) in Special Funds	0	-	-
	0	-	-
Cash was applied to:			
Purchase of fixed assets	(654)	(2,733)	2,079
Term Deposits	-	-	-
	(654)	(2,733)	2,079
Net cash inflow/(outflow) from investing activities	(654)	(2,733)	2,079
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash was provided from:			
New Borrowings - CHFA	-	-	-
Proceeds from Equity injections	-	-	-
	-	-	-
Cash was applied to:			
Repayment of loans	-	-	-
Repayment of Equity	-	-	-
	-	-	-
Net cash inflow/(outflow) from financing activities	-	-	-
Net increase/(decrease) in cash held	2,487	(1,177)	3,664
Opening Cash	15,951	8,939	7,012
Closing cash balances	18,438	7,762	10,676
Made up of:			
Balances at bank	18,438		

SOUTH CANTERBURY DISTRICT HEALTH BOARD
SCDHB CONSOLIDATED (Funder, Provider and Governance)

Statement of Rolling Cashflows

		December 2011											
		Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12
Operating Activities													
Total Receipts		14,413	10,871	10,871	10,871	10,871	10,871	10,871	14,939	14,939	14,939	14,939	14,939
Total Payments		14,227	10,787	10,787	10,787	10,787	10,787	10,787	14,648	14,648	14,648	14,648	14,648
Net Cashflow from Operating		186	84	84	84	84	84	84	291	291	291	291	291
Investing Activities													
Term Deposits (Over 6 Months)													
Capital Expenditure		(113)	(365)	(365)	(1,365)	(365)	(1,530)	(365)	(260)	(260)	(260)	(260)	(260)
Net Cashflow from Investing		(113)	(365)	(365)	(1,365)	(365)	(1,530)	(365)	(260)	(260)	(260)	(260)	(260)
Financing Activities													
Total Receipts		-	-	-	-	-	-	205	-	-	-	-	-
Total Payments		-	-	-	-	-	-	-	-	-	-	-	-
Net Cashflow from Financing		-	-	-	-	-	-	205	-	-	-	-	-
Net Cashflow													
Net Cashflow		73	(281)	(281)	(1,281)	(281)	(1,446)	(76)	31	31	31	31	31
Plus: Cash (Opening)		18,365	18,438	18,157	17,876	16,595	16,314	14,867	14,791	14,823	14,854	14,886	14,917
Cash (Closing)		18,438	18,157	17,876	16,595	16,314	14,867	14,791	14,823	14,854	14,886	14,917	14,948
Cash Investments (Closing)		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000

SCDHB Cash & Investments

Deposit	Bank	Interest Rate	Term	Oct-11	Nov-11	Dec-11	Current Mix
Current Account	ANZ	0.00%	On Call	50	50	50	0.17%
Current Account	ANZ	2.50%	On Call	3,576	2,388	5,463	18.83%
	ANZ	2.95%	14 Days		3,000	-	0.00%
004	WESTPAC	3.96%	30 Days	1,000	1,000	1,000	3.45%
005	WESTPAC	3.96%	30 Days	1,000	1,000	1,000	3.45%
006	WESTPAC	3.96%	30 Days	2,000	2,000	2,000	6.89%
680744	ANZ	2.96%	30 Days				0.00%
680745	ANZ	2.96%	30 Days				0.00%
436771	ANZ	2.95%	30 Days				0.00%
691218	ANZ	3.00%	30 Days				0.00%
663305	ANZ	3.00%	30 Days				0.00%
709561	ANZ	3.06%	30 Days	1,000	1,000	1,000	3.45%
709567	ANZ	3.06%	30 Days	1,000	1,000	1,000	3.45%
379712	ANZ	3.50%	90 Days	2,000	2,000	2,000	6.89%
	ASB	4.50%	90 Days	5,000	5,000	5,000	17.23%
663302	ANZ	3.50%	90 Days	300	300	300	1.03%
663309	ANZ	3.50%	90 Days	100	100	100	0.34%
007	WESTPAC	4.09%	90 Days	100	100	100	0.34%
Cash & cash equivalents				17,026	18,938	19,013	65.53%
	ASB	4.95%	365 Days	6,000	6,000	6,000	20.7%
	BNZ	4.75%	365 Days	4,000	4,000	4,000	13.8%
Investments > 6 months				10,000	10,000	10,000	34.5%
Total				27,355	28,938	29,013	100.0%
	ANZ	34.2%					
	ASB	37.9%					
	BNZ	13.8%					
	WESTPAC	14.1%					
		100.00%					

Funder Arm Financial Reports

Performance Summary Funder Performance

000's	Year To Date			Forecast	Annual Budget
	Actual	Budget	Variance		
Net Surplus (Deficit)	\$416	\$(18)	\$434	\$(279)	(\$500)

The funder has a \$167k favourable variance for the month and \$387k year to date, the funder is forecasting a \$279k deficit against a budget deficit of \$500k

The favourable variance to budget is made up of Mental health ring fence funding being returned from the Provider, Personal Health IDFs will be a risk given the budget was set at a lower rate

Year to date Significant Variances

Health Service Summary

<u>Category</u>	Net YTD Variance \$000	Commentary
<u>Provider</u> Secondary Services	\$241F	Mental Health under delivery of \$141k and additional revenue received for the wash up of the 2010/11 electives
Primary and Community	\$216F	The material variances are: Income favourable by <ul style="list-style-type: none"> • Care + Low cost Under 6 \$452F • Primary Performance program \$240F • MOH after-hours \$36F Expenditure unfavourable <ul style="list-style-type: none"> • Care + Low cost Under 6 \$452U • Primary Performance program \$240U • Primary ring fence \$150F underspent • Immunisation \$22F
<u>Funder Arm</u> Personal Health – Non Provider	\$100U	The material variances are: Community Lab \$72F, due to RFP savings Other services \$120F IDF's \$285U, this reflect the MOH budget plus an accrual to reflect the year to date activity, this is expected to level out over the Jan/Feb period.

SOUTH CANTERBURY DISTRICT HEALTH BOARD									
Funder Income Statement									
For the period ended 31 December 2011									
2012/006									
Provider Arms - Funding Summary									
Current Month			Year To Date						
	Actual	Budget	Variance to Budget	Actual	Budget	Variance to Budget	Full Year Forecast	Full Year Budget	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
FUNDING - SECONDARY SERVICES									
Revenue									
Revenue	5,429	5,429	0	32,606	32,600	6	65,160	65,160	
Additional Electives	284	284	0	1,802	1,702	99	3,405	3,405	
Total Revenue	5,713	5,713	0	34,408	34,302	106	68,565	68,565	
Expenditure									
Total Expenditure	5,694	5,713	19	34,167	34,302	135	68,418	68,565	
NET FUNDING - SECONDARY SERVICES	19	(0)	19	241	(0)	241	147	(0)	
FUNDING - PRIMARY & COMMUNITY SERVICES									
Revenue									
Primary Care	928	841	87	5,746	5,045	701	10,777	10,090	
Pharmaceuticals	1,577	1,577	0	9,459	9,459	0	18,918	18,918	
Community Nursing	217	217	0	1,280	1,280	0	2,599	2,599	
Total Revenue	2,722	2,635	87	16,485	15,784	701	32,294	31,608	
Services Funding									
Primary Care	907	840	(68)	5,522	5,037	(485)	11,077	10,390	
Pharmaceuticals	1,577	1,577	(0)	9,459	9,459	0	18,918	18,918	
Community Nursing	217	217	0	1,280	1,280	0	2,599	2,599	
Total Expenditure	2,701	2,633	(68)	16,261	15,776	(485)	32,594	31,908	
NET FUNDING - PRIMARY & COMMUNITY	21	1	19	224	7	216	(300)	(300)	
Non Provider Arms - Funding Summary									
Current Month			Year To Date						
	Actual	Budget	Variance to Budget	Actual	Budget	Variance to Budget	Full Year Forecast	Full Year Budget	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
PERSONAL HEALTH - NON PROVIDER ARM									
Laboratories									
Revenue	235	235	0	1,410	1,410	0	2,821	2,821	
Expenditure	223	235	12	1,338	1,410	72	2,677	2,821	
Net Laboratories	12	0	12	72	0	72	144	0	
Dental									
Revenue	101	101	0	606	606	0	1,213	1,213	
Expenditure	96	101	5	605	606	1	1,213	1,213	
Net Dental	5	(0)	5	1	(0)	1	0	(0)	
Maternity									
Revenue	39	59	(20)	351	351	(0)	702	702	
Expenditure	58	59	1	347	351	4	702	702	
Net Maternity	(19)	0	(19)	4	0	4	0	(0)	
Palliative Care									
Revenue	114	114	0	667	682	(15)	1,363	1,363	
Expenditure	86	101	15	603	607	3	1,363	1,363	
Net Palliative Care	28	12	15	64	75	(11)	0	(0)	
Other Services									
Revenue	209	219	(10)	1,329	1,316	13	2,641	2,632	
Expenditure	204	219	15	1,209	1,316	107	2,551	2,632	
Net Other Services	5	(0)	5	120	(0)	120	90	(0)	
Inter District Flows									
Revenue	1,706	1,679	27	10,131	10,074	58	20,387	20,147	
Expenditure	1,711	1,679	(32)	10,417	10,074	(343)	20,547	20,147	
Net Inter District Flows	(5)	0	(5)	(285)	0	(285)	(160)	0	
TOTAL PERSONAL HEALTH									
Revenue	2,404	2,406	(3)	14,495	14,439	56	29,127	28,878	
Expenditure	2,378	2,394	16	14,519	14,364	(155)	29,053	28,878	
NET PERSONAL HEALTH	26	12	14	(25)	75	(100)	74	(0)	
MENTAL HEALTH - NON PROVIDER ARM									
Revenue	219	219	0	1,317	1,317	0	2,634	2,634	
Expenditure	244	236	(8)	1,408	1,417	9	2,834	2,834	
Total	(24)	(17)	(8)	(91)	(100)	9	(200)	(200)	
Inter District Flows									
Revenue	120	120	0	722	722	0	1,338	1,445	
Expenditure	120	120	0	722	722	0	1,338	1,445	
Net IDF	0	0	0	0	0	0	0	0	
Total									
Revenue	340	340	0	2,039	2,039	0	3,972	4,078	
Expenditure	364	357	(8)	2,130	2,139	9	4,172	4,278	
NET MENTAL HEALTH - NON PROVIDER	(24)	(17)	(8)	(91)	(100)	9	(200)	(200)	

Non Provider Arms - Funding Summary		Current Month			Year To Date				
		Actual	Budget	Variance to Budget	Actual	Budget	Variance to Budget	Full Year Forecast	Full Year Budget
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
DISABILITY SUPPORT - NON PROVIDER ARM									
	Revenue	1,921	1,920	1	11,638	11,522	115	23,400	23,044
	Expenditure	1,924	1,920	(4)	11,577	11,522	(55)	23,400	23,044
	Total	(3)	(0)	(3)	61	(0)	61	0	(0)
Inter District Flows									
	Revenue	13	178	(165)	904	1,069	(165)	1,565	2,138
	Expenditure	5	178	173	896	1,069	173	1,565	2,138
	Net IDF	(8)	0	8	(8)	0	8	0	0
	Total								
	Revenue	1,934	2,099	(164)	12,541	12,591	(50)	24,965	25,182
	Expenditure	1,930	2,099	169	12,473	12,591	118	24,965	25,182
	NET DISABILITY SUPPORT - NON PROV	5	(0)	5	69	(0)	69	0	(0)
MAORI HEALTH - NON PROVIDER ARM									
	Revenue Maori Health	49	65	(16)	298	392	(94)	784	784
	Expenditure Maori Health	52	65	13	300	392	92	784	784
	NET MAORI HEALTH - NON PROVIDER A	(3)	0	(3)	(2)	0	(2)	0	0
GOVERNANCE & FUNDER ADMIN									
	Revenue	255	255	0	1,530	1,530	0	3,060	3,060
	Expenditure	255	255	0	1,530	1,530	0	3,060	3,060
	NET GOVERNANCE & FUNDER ADMIN	0	0	0	0	0	0	0	0
TOTAL FUNDING									
	Revenue	13,418	13,513	(95)	81,796	81,077	719	162,767	162,155
	Expenditure	13,374	13,516	142	81,380	81,095	(285)	163,046	162,655
	Total Net Results	44	(3)	47	416	(18)	434	(279)	(500)

Secondary Services Financial Reports
(Includes Timaru Hospital, Talbot & Support Services)

Performance Summary

000's	Year To Date			Forecast	Annual Budget
	Actual	Budget	Variance		
Net Surplus (Deficit)	\$(4)	\$286	\$(290)U	\$24	\$58

Summary

The Provider – Secondary Services had a \$230k unfavourable result for the month and \$174k unfavourable result year to date and is forecasting a \$24k surplus against a budget surplus of \$58k

Income exceeded budget by \$271k, if the reimbursement of Kiwi saver contributions were treated as a one off, then the base revenue would be close to budget, but the bottom would be further unfavourable. Expenditure was \$445k over budget. Personnel costs are unfavourable \$27k; the favourable variance in Medical and Allied health is off setting an unfavourable variance in Nursing. The cost of outsourced radiology will exceed budget given the response to the RFP. Clinical supplies driven by costs of medical supplies and patient transfers are concerning.

Commentary

Category	\$000	Commentary
Income		
Funder Contracted Volumes	\$85U	Mental Health revenue returned to the Funder of \$141U, this is offset by \$47F for suicide prevention funding..
ACC	\$94U	ATR Inpatients \$115U, the volumes are lower than budget and an accrual made in Sept 2011 had not been reversed this has been corrected. and Audiology \$28U off set by Talbot \$47F
Other Health Income	\$215F	Community drug claims \$171F, mainly PCT's and offset by increased drug expenditure, Talbot Park \$44F reflecting occupancy mix, offset by \$117U RMO & Nursing health workforce NZ funding and Audiology \$32U
Other Non-Health Revenue	\$292F	Kiwi saver \$291F, Air Ambulance rebate \$34F off set by rental income \$21U

Personnel

Medical Staff	\$111U	<p>Unfavourable: The variances > \$20k are:</p> <p>Unfavourable:</p> <ul style="list-style-type: none"> • Psychiatry \$59U, FTE 0.6F, with employed FTE 1.2FTE favourable and outsourced 0.6U, the cost of locums has pushed the costs over budget • General Medicine \$132U, 1.1FTE over budget, offset with ATR • Gynaecology \$31U, FTE on budget • Orthopaedics \$53U, FTE are 0.1FTE unfavourable <p>Favourable:</p> <ul style="list-style-type: none"> • Junior Doctors \$45F, FTE's are 0.4F, but we have 1.4 FTE outsourced locums. • Emergency Medicine \$92F, FTE 0.2F, with locum FTE 1.1U • ATR \$70F, FTE 1.0 under budget, offset by General Medicine • General Surgery \$120F. 1.0 FTE under budget • Paediatric Medicine \$53F, FTEs are 0.2U
Nursing Staff	\$237U	<p>Overall nursing is 11.6 FTE over budget, the variances >\$20k are:</p> <p>Unfavourable:</p> <ul style="list-style-type: none"> • Coronary & Intensive \$61U and 0.6 FTE over budget. • Operating Theatre \$38U and FTEs are 3.0U • Inpatient Mental Health \$21U and 0.8 FTE over budget • ATR \$52U and 2.0 FTE over budget • Surgical service \$45U with 1.1 FTE over budget • After hours \$36U with 0.3 FTE over budget <p>Favourable:</p> <ul style="list-style-type: none"> • Adult Community Mental Health \$27F, 0.6 FTE over budget • Medical investigations unit \$25F and FTEs are 0.5F • Staff development unit \$44F and FTEs are 1.4F
Allied Health Staff	\$157F	<p>The variance > \$20k are as follows:</p> <p>Unfavourable:</p> <ul style="list-style-type: none"> • Day Patient Services \$42U, this is the 1.1FTE Anaesthetic Tech, this FTE was there in 2010/11, but no budget set in 2011/12.

		<ul style="list-style-type: none"> Operating theatre \$37U with 0.4 FTE over budget <p>Favourable:</p> <ul style="list-style-type: none"> Alcohol and Drug \$45F or 0.8 FTE under budget offset by revenue back to the fund. Adult Community MH \$82F 2.5 FTE with revenue back to the fund. Child & Youth \$68F, 1.2 FTE with revenue back to the fund.
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Outsourced Services		
Treatment Services	\$102F	Pathology mainly Blood products \$72F, Ophthalmology \$51U, General Surgery \$62U for additional lists.
Diagnostic Services	\$238U	Radiology Services \$276U, the cost of this service has increased both volume and price, there was an assumption of savings from the RFP build into the budget. Pathology \$36F, savings from the RFP.

Clinical Supplies		
Medical Supplies & Equipment	\$147U	Medical supplies is \$133U, this is spread across most departments with a target saving of \$100k in Treasury. Chemicals are \$44F Medical equipment, Mattress leases \$16U, photocopiers leases \$23U and maintenance is \$41U this is offset by maintenance other being \$59F.
Implants & Prostheses	\$23F	Operating theatre is \$89F which is offset by savings target \$75U and the volume of hip & knee procedures being under the planned levels. Lower hearing aid sales (ACC) \$40F offset by Occupational Therapy \$29U.
Drugs	\$253U	Variance across a number of drug lines, but partly offset by increased revenue of \$171 as above.
Patient Transport	\$120U	Road transport Ambulance \$68U and Air Ambulance \$52U.

Infrastructure Costs		
Transport & Communications	\$66F	Staff travel is \$24U, Fuel for motor vehicles \$17U. IT & Communications across all departments is \$115F, the main variance are software maintenance costs \$67F, some of this will be timing and hardware/central processing costs \$39F.
Other Infrastructure costs	\$126U	Professional fees for projects such as MRI fund raising and Site Master planning and Clinical Governance. Legal costs are over

budget \$54 and advertising \$21U offset by fees and subscriptions \$56F and sundry expenses \$81F.

SOUTH CANTERBURY DISTRICT HEALTH BOARD									
PROVIDER - SECONDARY SERVICES & SUPPORT									
INCOME STATEMENT									
For the Period Ended 31 December 2011									
	Current Month			Year To Date				ANNUAL	
	Actual	Budget	Variance to Budget	Actual	Budget	Variance to Budget	Last YTD	Full Year Forecast	This Year Budget
Income									
Funder Contracted	5,744	5,713	31	34,217	34,302	(85)	33,655	71,183	68,565
MOH Non-CFA Revenue	55	54	1	327	327	0	344	644	654
ACC Revenue	33	116	(83)	595	689	(94)	708	1,413	1,370
Other Health Revenue	676	626	50	3,934	3,719	215	3,693	4,959	7,402
Interest Revenue	118	107	11	634	635	(1)	610	1,250	1,263
Other Non Health Revenue	198	152	46	1,195	903	292	1,088	1,916	1,796
Total Income	6,824	6,768	56	40,902	40,575	327	40,097	81,366	81,050
Expenditure									
Medical Staff	1,472	1,315	(157)	8,044	7,933	(111)	7,695	15,964	16,075
Nursing Staff	1,726	1,737	12	10,646	10,409	(237)	10,157	21,519	21,344
Allied Health Staff	525	579	54	3,270	3,427	157	3,024	6,771	6,863
Support Staff	219	197	(21)	1,197	1,179	(18)	1,166	2,368	2,375
Admin & Management Staff	570	572	1	3,413	3,420	7	3,552	6,886	6,800
Staff Development Costs	104	82	(23)	473	484	11	470	947	963
Recruitment & Other Staff Costs	17	33	17	149	198	48	207	380	393
Total Personnel Costs	4,632	4,515	(117)	27,192	27,049	(143)	26,270	54,835	54,814
Treatment Services	182	186	4	1,003	1,105	102	1,158	2,114	2,199
Diagnostic & Other Services	371	324	(46)	2,162	1,925	(238)	2,020	4,087	3,828
Total Outsourced Services	552	510	(42)	3,166	3,030	(136)	3,178	6,201	6,027
Medical Supplies & Equipment	259	295	37	1,900	1,753	(147)	1,799	3,643	3,488
Implants & Prostheses	144	132	(12)	759	782	23	1,004	1,507	1,556
Drugs	340	253	(87)	1,756	1,503	(253)	1,593	3,070	2,989
Patient Transport	52	49	(3)	413	293	(120)	283	787	583
Total Clinical Supplies	795	730	(66)	4,827	4,331	(496)	4,679	9,006	8,615
Catering & Cleaning	196	196	0	1,172	1,166	(6)	1,153	2,368	2,319
Facilities	182	186	5	1,153	1,183	30	1,244	2,256	2,302
Transport & Communications	144	121	(23)	652	718	66	670	1,359	1,430
Other Infrastructure Costs	116	145	29	1,093	967	(126)	763	1,734	1,815
Inter-Arm Charges	(63)	(63)	0	(377)	(377)	0	(373)	(749)	(749)
Total Infrastructure Costs	574	585	11	3,694	3,658	(36)	3,457	6,968	7,117
Capital Charge	51	49	(2)	304	290	(14)	277	728	578
Interest Expense	27	47	19	163	276	113	191	352	549
Depreciation	260	279	19	1,559	1,656	96	1,573	3,251	3,293
Total Expenditure	6,893	6,715	(178)	40,906	40,289	(616)	39,625	81,342	80,992
NET SURPLUS (DEFICIT)	(69)	54	(122)	(4)	286	(290)	472	24	58

Primary & Community Services Financial Reports

Performance Summary

Primary and Community Performance

Primary & Community	Current Month			Year To Date			ANNUAL	
	Actual	Budget	Variance to Budget	Actual	Budget	Variance to Budget	Full Year Forecast	This Year Budget
Ring Fence								
P & C Funder	8	-	8	120	-	120	-	-
P & C Operational	-	6	6	9	32	23	56	58
Total Ring Fence	8	6	14	111	32	143	56	58
Non Ring Fence								
P & C Funder	4	-	4	45	-	45	-	-
P & C Operational	2	-	2	47	-	47	-	-
Total Non Ring Fence	6	-	6	2	-	2	-	-
Total Primary & Community	14	6	20	109	32	141	56	58

Primary & Community have a \$8k unfavourable variance for the month, and an \$122k favourable variance year to date, with a forecast of \$56k deficit being close to budget deficit of \$58k.

Primary & Community ring fenced cover the revenue and expenditure for Primary Care services and the Primary & Community operational office. These have a favourable variance \$129k.

Primary & Community non ring fence covers Pharmaceuticals and Community Nursing. Overall this has a unfavourable variance of \$7k, with explanations provided in tables below.

Year to date Significant Variances

Health Service Summary

Category	Net YTD Variance \$000	Commentary
Primary and Community Ring Fenced Primary Care	\$143F	Income \$485F, this is due to additional funding for Care plus, free under 6, rural funding and immunisation and ring fence equity from the funder off set by additional expenditure \$365U to the GPs for the above programs
Primary & Community Non Ring Fenced Pharmaceuticals	\$45F	Expenditure for Dec \$45f
Community Nursing	\$47U	Revenue \$87U, this is reduced ACC and other health revenue. Expenditure \$40F, Personnel costs are \$

SOUTH CANTERBURY DISTRICT HEALTH BOARD								
PRIMARY & COMMUNITY SERVICES								
INCOME STATEMENT								
For the Period Ended 31 December 2011								
Funded Services	Current Month			Year To Date			ANNUAL	
	Actual	Budget	Variance to Budget	Actual	Budget	Variance to Budget	Full Year Forecast	This Year Budget
Income								
<i>Primary Care</i>	841	773	68	5,125	4,640	485	10,282	9,595
<i>Pharmaceuticals</i>	1,577	1,577	0	9,459	9,459	0	18,918	18,918
Total Income	2,418	2,350	68	14,584	14,099	485	29,200	28,513
Expenditure								
<i>Primary Care</i>	833	773	(60)	5,005	4,640	(365)	10,282	9,595
<i>Pharmaceuticals</i>	1,572	1,577	4	9,414	9,459	45	18,918	18,918
Total Expenditure	2,405	2,350	(56)	14,419	14,099	(320)	29,200	28,513
Funded Services Result	12	0	12	165	0	165	0	0
Operational and Community Nursing	Current Month			Year To Date			ANNUAL	
	Actual	Budget	Variance to Budget	Actual	Budget	Variance to Budget	Full Year Forecast	This Year Budget
Income								
Funding	284	284	0	1,677	1,677	0	3,576	3,395
Other Health Revenue	20	36	(16)	138	214	(75)	360	425
Other Non Health Revenue	7	10	(3)	51	62	(11)	0	123
Total Income	311	330	(19)	1,866	1,953	(87)	3,936	3,943
Expenditure								
Personnel Costs	216	247	30	1,402	1,455	53	2,922	2,949
Outsourced Services	1	1	0	6	8	2	16	16
Clinical Supplies	47	57	10	328	336	8	682	668
Infrastructure Costs	44	31	(13)	186	186	0	372	367
Total Expenditure	309	336	27	1,922	1,985	63	3,992	4,001
Operational & Community Result	2	(6)	8	(55)	(32)	(24)	(56)	(58)
Primary & Community Result	14	(6)	20	109	(32)	141	(56)	(58)
Primary Ring Fence								
Opening Balance 1 July 2011				550				
Year to date result				111				
Closing Balance				661				

Governance Arm Financial Reports

Performance Summary

000's	Year To Date			Forecast	Annual Budget
	Actual	Budget	Variance		
Net Surplus (Deficit)	\$(3)	\$(4)	\$1F	\$32	0

Significant Variances

Personnel costs	\$29F	Reduced FTE
Outsourced Services	\$65F	Reduced use of outsourced services
Infrastructure	\$45U	Legal Fees
Capital Charge	\$58U	Increased capital charge due to positive result in 2010/11 and YTE

SOUTH CANTERBURY DISTRICT HEALTH BOARD GOVERNANCE & FUNDER ADMINISTRATION INCOME STATEMENT For the period ended 31 December 2011									
	Current Month			Year To Date					ANNUAL
	Actual	Budget	Variance to Budget	Actual	Budget	Variance to Budget	Last YTD	Full Year Forecast	This Year Budget
Income									
Funder Revenue	255	255	0	1,530	1,530	0	1,442	3,060	3,060
Interest Revenue	0	0	0	0	0	0	0	0	0
Total Income	255	255	0	1,530	1,530	0	1,442	3,060	3,060
Expenditure									
Personnel Costs	22	20	(2)	90	119	29	181	217	237
Outsourced Services	21	36	14	148	213	65	133	386	424
Clinical Supplies	0	0	0	0	0	0	0	0	0
Infrastructure Costs	114	101	(13)	644	600	(45)	503	1,192	1,193
Capital Charge	112	102	(10)	664	606	(58)	630	1,233	1,206
Depreciation	0	0	(0)	1	0	(1)	1	0	0
Total Expenditure	269	259	(10)	1,547	1,538	(9)	1,448	3,028	3,060
NET SURPLUS (DEFICIT)	(14)	(4)	(10)	(17)	(8)	(9)	(5)	32	0

Capital Expenditure:

The forecast capital expenditure is indicating that \$2,571K will not be utilised in 2011/12, this is due to the deferring of the facility redevelopment work of \$1.5m while the site master plan is completed. The ISSP will not be fully utilised, while there are a number of Regional projects being planned we expect that the cashflow of these will see at least \$1.0m move to the 2012/13 year. The remaining \$71k is the netting of costs being over budget and savings.

There are other items that may not be purchased in the 2011/12 year, these included the Laundry preconditioned/dryer \$170k, the ward 10 refurbishment \$200k this will be timing of cash flow, Epharmacy \$100k, the preferred system is being configured in Midland to meet the needs of a regional system as opposed to a DHB specific system, once this has been completed it will be rolled out across the South Island, this may be in 2012/13.

As part of the 2012/13 Annual planning round these will be reviewed during the next two weeks.

General Capital Expenditure Program							Open CAPEX Listing
2011/12	2011/12						
Ref	Description	Location	Budget Amount	Manager Approved Value	Invoices Paid	Forecast	Variance Budget to Forecast
Specific Items Carried Forward 2010/11							
A336	Wireless PCs & trolleys (2) + 2 for surgical	Medical	\$ 16,000	\$ -	\$ -	\$ 16,000	\$ -
915	Preconditioner	Laundry	\$ 170,000	\$ -	\$ -	\$ 170,000	\$ -
B139	Pacemaker, temporary	ICU	\$ 6,000	\$ -	\$ -	\$ 6,000	\$ -
B166	Scanner, bladder	AT&R	\$ 16,000	\$ -	\$ -	\$ 16,000	\$ -
B125	Ward 10 refurbishment	Mental Health	\$ 200,000	\$ -	\$ -	\$ 200,000	\$ -
B129	Ultrasound probe (transesophageal)	Hospital	\$ 20,000	\$ -	\$ -	\$ 20,000	\$ -
B239	Arthroscope (orthopaedic)	Theatre	\$ 40,000	\$ -	\$ -	\$ 40,000	\$ -
B148	Defibrillators (1 of 3)	Hospital	\$ 12,000	\$ 13,549	\$ 13,549	\$ 13,549	-\$ 1,549
B114	CPM Machines (1of2)	Surgical	\$ 6,500	\$ -	\$ -	\$ 6,500	\$ -
B127	Pumps, insulin (1of2)	Diabetes Service	\$ 7,500	\$ -	\$ -	\$ 7,500	\$ -
B132	Patient lifting hoists (1of2)	Hospital	\$ 9,000	\$ -	\$ -	\$ 9,000	\$ -
FRF	Facility Reconfiguration Fund		\$ 100,000	\$ -	\$ -	\$ 100,000	\$ -
			\$ 603,000	\$ 13,549	\$ 13,549	\$ 604,549	-\$ 1,549
Prioritised Capital 2011/12							
CRSS12007	Low Temperature Steriliser	CSU	\$ 250,000	\$ -	\$ -	\$ 250,000	\$ -
CRSS12008	Echocardiograph	General Medicine	\$ 212,000	\$ -	\$ -	\$ 212,000	\$ -
CRSS12009	Bodyguard 575 Pain Manager (PCA) * 5 withlock boxes & Stands	Operating Theatre	\$ 20,000	\$ 17,000	\$ -	\$ 17,000	\$ 3,000
CRSS12010	Syringe Pump * 2 Theatre	Operating Theatre	\$ 9,500	\$ -	\$ -	\$ 9,500	\$ -
CRSS12011	Syringe Drivers * 4 ICU/CCU	ICU/CCU	\$ 18,000	\$ -	\$ -	\$ 18,000	\$ -
CRSS12012	Intubating Flexible Laryngoscope	Operating Theatre	\$ 20,000	\$ -	\$ -	\$ 20,000	\$ -
CRSS12013	Epharmacy software	Pharmacy	\$ 100,000	\$ -	\$ -	\$ 100,000	\$ -
CRSS12014	1* Lifepac 20e defibrillator with pacing, 1 * Lifepac 20, 1 * lifepac 1000	Hospital	\$ 34,000	\$ -	\$ -	\$ 34,000	\$ -
CRSS12015	Diathermy Machines x 2	Operating Theatre	\$ 58,000	\$ 35,838	\$ 35,838	\$ 35,838	\$ 22,162
CRSS12016	Light Tower (3 of 3)	Operating Theatre	\$ 180,000	\$ 120,267	\$ 46,446	\$ 133,554	\$ 46,446
CRSS12018	Winscribe Digital dictation devices and LAN docking stations	Clerical	\$ 7,970	\$ -	\$ -	\$ 7,970	\$ -
CRSS12019	Leak Compensation Software Upgrade for Puriten Bennet 840 Ventilator * 3	ICU/CCU	\$ 9,000	\$ 4,050	\$ 4,050	\$ 4,050	\$ 4,950
CRSS12020	Dental Diathermy	Dental	\$ 10,000	\$ -	\$ -	\$ 10,000	\$ -
CRSS12021	Operating Table & Attachments	Operating Theatre	\$ 70,000	\$ 71,452	\$ -	\$ 71,452	-\$ 1,452
CRSS12022	Diathermy Machine OPD	OPD	\$ 4,000	\$ 10,798	\$ 3,843	\$ 10,798	-\$ 6,798
CRSS12023	TONIQ Pharmaceutical dispensing	Pharmacy	\$ 6,000	\$ -	\$ -	\$ 6,000	\$ -
CRSS12024	Precision Medical Air/O2 * 3	ICU/CCU	\$ 13,800	\$ -	\$ -	\$ 13,800	\$ -
CRSS12025	Retinal Camera	Ophthalmology	\$ 98,000	\$ -	\$ -	\$ 98,000	\$ -

CRSS12026	Ultrasound Couch	Radiology	\$ 5,000	\$ -	\$ -	\$ 5,000	\$ -
CRSS12027	Endoscribe or similar IT system(eg Provation)	Operating Theatre	\$ 50,000	\$ -	\$ -	\$ 50,000	\$ -
CRSS12028	Trauma Trolley	ED	\$ 8,380	\$ -	\$ -	\$ 8,380	\$ -
CRSS12029	Sound Level Meter	Audiology	\$ 4,405	\$ -	\$ -	\$ 4,405	\$ -
CRSS12030	Colonoscopes 1/ 3	Operating Theatre	\$ 4,405	\$ 39,542	\$ -	\$ 39,542	\$ 35,137
CRSS12031	Respiratory Humidifier * 3	ICU/CCU	\$ 6,351	\$ -	\$ -	\$ 6,351	\$ -
CRSS12032	Foot Pumps 1 of 2	Surgical	\$ 7,000	\$ -	\$ -	\$ 7,000	\$ -
CRSS12033	Long cassette Grid	Radiology	\$ 4,900	\$ -	\$ -	\$ 4,900	\$ -
CRSS12034	Sanitiser	Medical Ward	\$ 12,000	\$ -	\$ -	\$ 12,000	\$ -
CRSS12035	Dental Drills -2 * Surgical motor , 2 * Highspeed & 2 * contraangle	Dental	\$ 20,000	\$ -	\$ -	\$ 20,000	\$ -
CRFI12008	In-house paging server & Software	IT	\$ 50,000	\$ 53,005	\$ -	\$ 53,005	\$ 3,005
CRFI12011	Replacement vinyl Hunter & Otupua wings (bedrooms & Kitchen),carpet to	Talbot	\$ 102,399	\$ -	\$ -	\$ 102,399	\$ -
CRFI12012	Replacement vinyl Watlington wing	Talbot	\$ 18,570	\$ 16,150	\$ 16,150	\$ 16,150	\$ 2,420
CRFI12016	Hoist & Slings x 2	Talbot	\$ 22,500	\$ -	\$ -	\$ 22,500	\$ -
PC0001	5 * Oxygen concentrators	P & C -CC141	\$ 9,250	\$ 9,250	\$ 8,600	\$ 9,250	\$ -
PC0002	45 * Oxygen Trolley stands	P & C -CC141	\$ 13,275	\$ 13,275	\$ -	\$ 13,275	\$ -
PC0003	DCA Vantage analyser	P & C -CC146	\$ 9,109	\$ 7,029	\$ -	\$ 7,029	\$ 2,080
PC0004	ABPM-6100 Recorder * 5	P & C -CC146	\$ 15,021	\$ 4,085	\$ 4,085	\$ 15,021	\$ 0
CRFI12004	Toyota Hiace Van	Talbot	\$ 57,055	\$ -	\$ -	\$ 57,055	\$ -
CRFI12005	SAN Storage	IT	\$ 60,000	\$ 1,020	\$ 1,854	\$ 58,146	\$ 1,854
CRFI12006	Office Software	IT	\$ 22,000	\$ -	\$ -	\$ 22,000	\$ -
CRFI12007	PC Upgrades	IT	\$ 30,000	\$ 5,460	\$ 5,560	\$ 30,000	\$ -
CRFI12013	Motor Vehicles * 7	Commercial	\$ 150,000	\$ -	\$ -	\$ 150,000	\$ -
MC	Minor Capital		\$ 204,000	\$ 79,053	\$ 40,900	\$ 204,000	\$ -
CEO0001	Contingency	SCDHB	\$ 437,110	\$ 40,719	\$ 39,274	\$ 401,973	\$ 35,137
			\$ 2,443,000	\$ 527,991	\$ 206,600	\$ 2,371,343	\$ 71,658
Total General Capital 2011/12			\$ 3,046,000	\$ 541,540	\$ 220,149	\$ 2,975,892	\$ 70,109
Capital Expenditure - Special Projects 2011/12							
SP1	Infrastructural Improvements		\$ 345,000	\$ -	\$ -	\$ 345,000	\$ -
SP2	ISSP Project and Initiatives		\$ 1,500,000	\$ -	\$ -	\$ 500,000	\$ 1,000,000
SP3	CT Scanner		\$ 1,165,000	\$ -	\$ -	\$ 1,165,000	\$ -
SP4	Facility Redevelopment		\$ 1,500,000	\$ -	\$ -	\$ -	\$ 1,500,000
SP5	ICU Central Monitoring		\$ 1,000,000	\$ 999,076	\$ -	\$ 999,076	\$ 924
			\$ 5,510,000	\$ 999,076	\$ -	\$ 3,009,076	\$ 2,500,924
TOTAL CAPITAL EXPENDITURE			\$ 8,556,000	\$ 1,540,616	\$ 220,149	\$ 5,984,968	\$ 2,571,033

