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of Health



Trust Development Authority

National Health Service Trust

*2016-17 Guidance for Financial Monitoring &
Accounts and Management Information Forms*

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National Health Service Trusts

2016-17 Guidance for Financial Monitoring & Accounts and Management Information Forms

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NHS trusts: 2016-17 Guidance for Financial Monitoring & Accounts and Management Information Forms

Introduction

- 1 The Financial Monitoring and Accounts and Management Information Forms (FMA) for 2016-17 are jointly produced by the Department of Health (DH) and NHS Improvement (NHSI). The forms have the dual purpose of setting out a comprehensive set of financial schedules that form the basis of the 2016-17 consolidated annual accounts and providing the standard quarterly management information required by NHSI in fulfilling their monitoring role of NHS trusts.
- 2 The majority of the forms included in the FMA work-book are produced in preparation for the completion of the 2016-17 year-end accounts. The accounts forms comprise TRU01 to TRU27 together with forms, 97, 97a, 98 and 98a to 98h plus those for freetext and validations. These forms are dealt with in [Section A](#), although the guidance for completing agreement of balances (AoB) forms TRU98 to TRU98h is published separately. A set of proforma 2016-17 NHS trust annual accounts forms, which link to TRU01 to TRU25 will be issued in due course.

NHS trust accounts forms

- 3 The FMA Accounting forms are based on the accounting requirements of the [HM Treasury Government Financial Reporting Manual 2016 to 2017 \(FReM\)](#)¹, International Financial Reporting Standards (IFRS) and the Department of Health.
- 4 The FMA forms should be completed using the principles set out in the [Department of Health Group Accounting Manual 2016-17](#)² (GAM) and any subsequent FAQ updates, and comply with International Financial Reporting Standards and Government accounting rules as set out in the *FReM*. Any *FReM* changes for 2016-17 relevant to these forms are reflected in this guidance..
- 5 Completion of all tables in the FMA forms is mandatory.
- 6 The accounts FMA forms are designed so that data will flow from the disclosure notes through to the primary statements. Both the internal and sequential order of the forms reflects the summarised accounts format for ease of cross-referral. In-year performance management information is identified separately either to the right hand side of the accounts information or underneath it, or on a separate table altogether, where it is distinct from the accounts data.
- 7 The content of all tables on the forms begin with the line description in column B, line subcode in column C and signage for the data in the row in column D.

¹ <https://www.gov.uk/government/publications/government-financial-reporting-manual-2016-to-2017>

² <https://www.gov.uk/government/publications/department-of-health-group-accounting-manual-2016-to-2017>

- 8 Accounts information is shown with the year-to-date position at mc01 in column E, with prior-year figures and inter-company elimination columns, where required, in subsequent columns. The FMA forms therefore follow the layout required for annual accounts and, as far as practicable, give a clear read-over between the two, although some rows are summed together when fed through to the linked accounts due to the increased detail required in the forms for DH consolidation.
- 9 Please note that an Income and Expenditure agreement exercise (incorporating a £2m de minimus limit for Q4) will be undertaken. Please see the [DH Agreement of Balances Exercise Guidance 2016-17](#) on the DH website¹ site for further details of the requirements in the agreements process, including the timetables.
- 10 Subsidiaries: it is not generally expected that NHS trusts will have subsidiaries other than charitable funds. In the rare circumstances that other subsidiaries do exist, NHS trusts are required to include the results of these bodies within the FMAs submitted unless the subsidiary is material to the DH group. For example where a subsidiary has been set up to manage the pharmacy service, this would be treated in the FMA forms as within the overall financial position of the trust. Where subsidiary arrangements exist, trusts should inform the DH via NHSI and agree the accounting treatment in the FMA forms.

Management Information (MI) forms

- 11 Management information from NHS trusts required by NHSI is separated and is recorded on the forms described in the [MI Section B](#) of this guidance. However, where management information, such as Forecast Outturn (FOT), relates directly to accounts information it is recorded on the same form as the accounts information but usually beginning at column BA and under maincode 49 onwards.
- 12 A full set of monitoring returns is required by NHSI at Q4. To assist NHS trusts and NHS Improvement in preparing and utilising the information, the forms have been produced in a format which is very similar to that used in previous quarters with only minimal changes of content. NHSI recognises that certain of the forms contained in the MI section replicate those already completed in the Accounts (TRU) forms. Therefore, wherever possible, the data required in the MI forms is linked to the accounts forms. In this way, trusts can avoid duplication inputting data and many of the MI forms therefore require little or no direct input.
- 13 Within the excel workbook, the tabs for the forms relating to MI data are shaded purple and in most cases the tab description contains reference to "MI". The forms range from the TRU_Metrics table to the TRU_99 tables and are dealt with in [Section B](#) of this guidance.
- 14 The Management Information (MI) forms are designed to be consistent with the forms previously issued by NHS Improvement during 2016-17. [Pages 86 to 127](#) provide guidance for these and this guidance from the NHS Improvement should be read alongside the latest version of the [Department of Health Group Accounting Manual 2016-17](#), updated December 2016 for the additional guidance issued for changes to

¹ <https://www.gov.uk/government/publications/the-department-of-health-agreement-of-balances>

Treasury Discount Rates, amongst other issues. Please note that there may be further updates after the issue of this guidance so NHS trusts should continue to check the GAM webpage for new entries.

Organisational Changes

Authorisation as foundation trust

- 15 New NHS foundation trusts (FTs), that is an NHS trust authorised during the year as an FT, are required to submit selected TRU forms, for the period up to authorisation as an FT. (nb: these trusts will be required separately to submit FT forms to the FT collection team for the period as an FT). Closing balances must be zeroed using the 'Transfer to foundation trusts' rows, where they exist and the relevant entries to record the transfer of payables / receivables under authorisation as an FT should be made to TRU16 and TRU17. Where a trust has been authorised during the year there should be no closing balances on any forms, including TRU23.

Dissolution of NHS trust and merger with an existing FT

- 16 Where a NHS trust is dissolved and merged with, or taken over by, an existing FT, the trust is still required to complete FMA forms. However, in these circumstances they must not use the 'Transfer to foundation trusts' rows but rather the absorption accounting transfer rows and columns. In practice, the forms will be completed by the successor FT. Columns on TRU16 and TRU17 record the transfer of payables / receivables under a merger. The exception to this is the charities form TRU23, where these transfers should be recorded under Other Movements..
- 17 Further information in relation to detailed requirements for part year trusts will be issued by NHS Improvement in due course.

Changes to the forms and guidance

- 18 Changes to the content of this guidance from the previous year's guidance are summarised below, many of which were notified at Q3. The key new data requirements added in to the FMA forms are:
- Additional cells mc02, sc310 and sc315 have been unlocked on TRU03 to allow input against the Retained Earnings Reserve to reflect net actuarial gains/(losses) on pensions and also other pensions remeasurement
 - The entries within the Statement of Cash Flows (TRU04) have been amended so that Interest Paid and Dividends (Paid)/Refunded are now included in the "Cash Flows from Financing Activities" section under sub codes 540 and 550 respectively. This is to bring the FMA forms into line with the current year DH Group Accounting Manual
 - Improved guidance on completion of the revenue note on TRU05
 - A new row has been added to TRU05 to record STF income at sc315. The equivalent entry in the MI forms (sc345) links directly to this row. Unlike earlier months, this is now included in the Other Operating Revenue section of TRU05 MI and this is further analysed between targeted and general allocations in sub codes 670 to 690

- A new row has been added to TRU06, at sc356 to capture Capital Grants in Kind expenditure, incurred in the process of gifting a non-current asset to another entity. Additional entries have been made at TRU04 sc160, and TRU26 sc256 and sc555 to reflect the non-cash nature of these transactions.
- The presentation of Intangible Non-Current Assets (TRU13) has changed to include a new column in both the year to date and forecast outturn sections to record Assets Under Construction (AUC). The data reconciles from an additional table (sc930 to sc980) which analyses the AUC between the categories of intangible asset
- A new analysis table has been added to TRU16 that provides a full analysis of Prepayments and Accrued Income which is needed for the national consolidation
- Following the announcement of the STF incentive scheme a new line has been added to TRU05 (MI) to enable providers to record the value of incentive STF that has been assumed in the forecast outturn position.
- Additional lines have been added into the consolidated data set in TRU99 to reflect STF and additional CDEL analysis.
- A new row has been added to Form TRU06 (sc356) to separately record Capital Grants in kind (i.e. instances in which a Trust disposes of an asset via a donation). This is to assist with the calculation, centrally of the CDEL and RDEL figures. The adjustment is also recorded on TRU 04 (sc160) and in the MI forms via a new row on TRU04MI (sc155) and by adding this to other expenses (sc360) on TRU06MI.
- A further table has been added at the bottom of TRU01a to reflect the Incentive STF Scheme which is payable, subject to approval, for any improvement over and above the control total (excluding STF). This is calculated as any favourable variance reported in TRU01a sub code 130 main code 06. Trusts should ensure that the full incentive payment entitlement is reflected in the M12 position. Further guidance regarding the detail of the STF entries will be issued in early April.
- The opening dividend payable /receivable that is recorded on TRU01 (sc400) has been set to reflect the closing position in the draft accounts for 2015/16 except for a small number of trusts in which the final position was determined after the submission of draft accounts.
- Unlike previous years, there is no requirement in 2016/17 to produce TRU 64a,b,c MI and TRU67MI. However, TRU27 needs to be completed in its entirety at draft accounts stage. The freetext page now includes a requirement to provide details regarding any prior period adjustments as well as other reserve movements.
- The freetext page now includes a requirement to provide details regarding any prior period adjustments as well as other reserve movements.

19 There are other minor changes made to the forms that have not been listed here.

General note on layout of the FMAs

- 20 To maintain the system links at the Department and reduce the amount of remapping work required by organisations in completing the FMAs, the Department will, where possible, include the additional disclosure requirements on separate worksheets if entirely new, or underneath or to the side of the relevant existing note. However, this is not always possible to conserve consistency with DH's own system for consolidation.
- 21 In some forms this can mean that the user will need to scroll across to the far right or down to the bottom of the worksheet to complete all the required disclosures.

Submission of forms

- 22 Completed and validated forms should be returned to the NHS Improvement through the mailbox NHSItrustfinance@dh.gsi.gov.uk in accordance with the national timetable. The submission dates for the Q4 returns are 9am on Wednesday 26th April 2017 (Unaudited (Draft) data) and 5pm on Thursday 1st June 2017 (Audited (Final) data). Additional deadlines for the Agreement of Balances exercise can be found on the [agreement of balances guidance webpage](#).

Validations

- 23 It is very important for NHS trusts to ensure that any validation errors on the forms have been cleared before they are submitted to NHS Improvement. If NHS organisations experience any difficulties in completing the forms, they should seek advice from their NHS Improvement contact in good time; queries relating to accounting and forms issues should be emailed to: NHSI.TFMSqueries@nhs.net
- 24 Clearing these errors before submission both significantly reduces the time required for validation and the number of queries back to NHS trusts from NHS Improvement. There are two levels of validations.
- 25 **Level 1 Validations:** The majority of validations checks fall into this category and it is the expectation that all validation errors will be cleared prior to submission to NHS Improvement. However, in exceptional circumstances where there is either an anomaly in the forms or the error results from a one off issue at the trust, the return may be submitted with an error showing. In these cases, the return will only be accepted by NHS Improvement if the validation error has been agreed in advance of the submission. In such circumstances an explanation should be provided on the validation sheet against the relevant error, along with the date and the NHS Improvement team with whom this was agreed. This will change the narrative on the Validation sheet to 'Fully Explained' if correctly completed and be reflected on the Introduction sheet.
- 26 **Level 2 Validations:** These are used to identify rules that will apply to most, but not necessarily all situations. For level 2 validations, trusts are still required to make every effort to clear these and in the rare cases in which an error occurs, trusts are required to provide a robust explanation (which will be reviewed following submission). However at present, unlike level 1 errors, level 2 validations that are explained will not form part of the overall count of validation errors. Level 2 validations are not required to be agreed by NHS Improvement in advance of submission.

- 27 **TRU VFR Validation Failures Report:** This report requires no input from the trust as it is pre-populated from information elsewhere in the forms. Trusts are not required to review this form although they may find it useful as a more easily available summary of the validation errors within the collection.
- 28 **Validations Error Message on closing file:** When the trust exits the forms, if there are validation errors present, the following pop up message will appear to show the number and level of remaining errors:

Warning - Validation/Explanation Errors Detected
There should be no errors for this TFMS Collection!

Level 1 Validation Errors: 27
Level 1 Explanation Errors: 27
Level 2 Explanation Errors: 3

Limits Report & Plan

- 29 The Q4 forms have been populated with the latest information relating to TRU57. A macro fix will be issued in early April to provide updates to this information (see below).

Population of data re loans and Public Dividend Capital (PDC) (TRU03 / TRU04)

- 30 There are a number of cells recording Public Dividend Capital (PDC) (on TRU03 main code 01). These cells are open for data entry on the issued forms but will be overwritten and populated with DH figures via a macro fix that will be issued early April. Similarly a number of cells in TRU04 relating to PDC and loans will also be populated by the same macro fix. This will follow an exercise to be carried out by NHSI and DH ahead of the macro fix, to confirm the most up to date figures. **The macro fix must be run on the forms that trusts submit for the submission to be accepted.**

Recording data and submitting forms

- 31 Every item of data entered onto the forms is important. Stringent validation processes should be in place in all organisations to ensure that all data is entered accurately. When completing forms trusts should in particular;
- check that the contact details on the introduction sheet are correct
 - avoid dragging and dropping on the forms as this can corrupt the spreadsheet formulas – please use 'copy' and 'paste special values'
 - **'Drop down menus' must be used, where provided**
 - the correct signage and currency must be used, as noted below
 - you may also notice that on some forms to the side of the main tables, there are several cells containing data. These serve as assistance to any feed-through and validations
 - be sure that the correct version of the forms is submitted, and not, for example, an earlier working draft

- ensure that validation flags are cleared before submitting the forms, or can provide a clear explanation as to why it has been unable to do so. If you are experiencing difficulty in resolving a validation rule, you should consult NHS Improvement in the first instance
- ensure when submitting that FMA files are not password protected or in a shared workbook format
- Excel 2010: please note that any submissions must be in the format .xlsm.

32 The forms are marked '£000' or '£'.

- figures must only be entered in pounds thousands or in pounds, respectively
- figures must only be entered as a whole figure. You must not enter decimals or paste a figure containing decimals or enter your own formulae, and
- where no values are required, cells should be left blank or a zero inserted. Do not write in 'NIL' or 'N/A'.

Columns headed YTD

33 The full year-to-date data at 31 March 2017 (Q4) should be input when completing cells under this heading.

Prior-Year data

34 Prior-year comparators are a requirement of IFRS. The FMA forms are prepopulated with the prior year (audited) comparators as submitted at Q4 2015-16. See also the sections on [Prior Period Adjustments](#) and [Adjustments Made by the Department to Submitted 2015-16](#) data below.

Free-Text

35 The free-text sheet contained in the FMA forms is used to provide additional information on items included in the accounts. Each item has validation tests to ensure the completeness of the narrative input and the accuracy of the numeric input. The items requiring free-text broadly fit into three categories:

- items in which there is no appropriate category within the accounts headings, these are typically described as 'other' and require text to describe them
- items which are unusual, complex or require further analysis for public interest purposes e.g. events after the reporting period and PFIs and losses and special payments. Additional space is provided to allow NHS trusts to add information that may be helpful for their auditors and/or DH in respect of unusual or material entries in the FMAs
- other issues that trusts want to highlight that have not been foreseen in the construction of the forms.

36 The headings on the free-text sheet, rather than line descriptions, should be used to determine the extra information required. This is shown under column E on the free-text sheet

- 37 Additional space is provided to allow NHS trusts to add information that may be helpful for their auditors and/or DH in respect of unusual or material entries in the FMAs.

Handling prior-period adjustments in FMA forms

- 38 The *Department of Health Group Accounting Manual 2016-17* paragraphs 4.31 to 4.35 gives further detail, but in outline:
- individual NHS trusts may, applying IAS 8, *Changes in Accounting Estimates and Errors*, need to correct material prior period errors by restating 2015-16 comparator figures. Such restatements will be rare, given the materiality threshold of the standard
 - national consolidated accounts will not show any Prior Period Adjustments (PPAs) this year, as there are no changes in accounting policy and the materiality criteria in terms of consolidated figures will prohibit recognition of PPAs
 - instead, the Department is required to treat any local PPAs as impacting on the current year's performance and budgetary outturn. The Department will therefore need to identify the value of PPAs entity by entity, and assess the impacts of such PPAs on current year budgets. In summary, any local PPAs will be treated as in-year transactions in presenting the year's performance outturn, and NHS trusts will report the position as if any PPA had been treated by them as an in-year transaction
 - thus, for those trusts applying local PPAs, there will inevitably be a discrepancy in treatment, as opening balances will differ from those brought forward and pre-populated in this year's FMA forms. (also – see below – re [DH adjustments to local 2015-16 data](#))
 - the FMA SoFP and notes to the SoFP forms have been designed to:
 - show the 31 March 2016 closing balances recognised by DH and used in the national consolidations for that year
 - local PPA adjustments to those balances which are calculated by formula, and
 - the restated opening 1 April 2016 balances presented by NHS trusts in their own Accounts which are linked by formula to the 2015-16 closing balances in trust's FMA forms supporting the audited accounts
 - having identified PPAs via the SoFP, the FMA forms then (on TRU02) analyse the reasons (capital or revenue adjustments) for the PPAs. This analysis is not complete in revenue terms as only those items impacting on budgetary outturn are required by DH
 - it is important to ensure that (a) SoFP PPAs net to zero to preserve a balanced re-stated account and (b) that all revenue adjustments that affected net operating cost or retained surplus in the prior-year are reconciled to the change in the Retained Earnings Reserve
 - in circumstances in which a central adjustment has been made to opening balances as part of the central consolidation by DH, NHS trusts should review these to determine whether they wish to include these central changes in their local accounts (i.e. using the new methodology set out in paragraphs below).

This may trigger a validation error which may be acceptable provided that this is discussed with NHS Improvement in advance of submission. It is important for trusts to agree the treatment of any such adjustments in the year-end accounts with their auditors at an early stage.

Adjustments made by the Department to submitted 2015-16 data

- 39 In 2015-16, the Department had to make a number of journal amendments to the year's FMA data submitted by some NHS trusts. Such adjustments were required either to make FMA data internally consistent, or to make FMA data match audited accounts figures (i.e. where there were material consistency issues between Accounts and FMAs).
- 40 Some NHS trusts may therefore find that pre-populated 2015-16 figures that are entered in the opening balances rows differ from the data originally submitted by the entity as closing balances in 2015-16. In most cases NHS trusts were advised of journal adjustments made to their data by the Department during the year end process.
- 41 NHS trusts should therefore use the PPA rows and columns to record the aggregate of local PPAs and those central adjustments made by DH to 2015-16 data. The treatment of both items is the same in budgetary terms.
- 42 In most cases, trusts should only need to check that their own local opening balances are correct. In the very rare occasions that trusts wish to reflect central consolidation adjustments in the local figures, they should overwrite the local opening balance. For these instances, the local opening balances have been entered as editable yellow cells.
- 43 Therefore trusts should focus their attention on reviewing the local accounts restated balances columns/rows. In the rare circumstances that they disagree (e.g. because they may want to incorporate a national consolidation adjustment into their own accounts), the local accounts restated balances rows should be edited to record this.

Transfers under absorption accounting

- 44 Following guidance from Treasury, NHS bodies account for transfers of functions and assets and liabilities by use of 'absorption accounting'. The [Department of Health Group Accounting Manual 2016-17](#), Chapter 4, paragraphs 4.75 to 4.83, gives more detail in this area, but the key points that impact on FMA forms are:
- transfer of functions does not require re-statement: each party involved accounts for its own transactions in the period in which they fall
 - where a NHS body closes mid-year (i.e. is dissolved), it is required to produce a full set of accounts that deal with part-year transactions and shows closing balances of zero
 - where assets/liabilities transfer in-year (as opposed to the situation where a trust closes on 31 March 2017 with assets/liabilities still shown in its final Statement of Financial Position (SoFP) the movement of those assets/liabilities across the NHS and more widely is tracked by use of the 97 & 97A forms. Both transferor and transferee complete these forms

- the transfer of assets/liabilities in this way is to be accounted for as an in-year realised gain or loss, recognised in the Statement of Comprehensive Income (SoCI). The gain or loss is disclosed separately from operating costs, but before 'other recognised income/expenditure'.
- the forms ensure that gains or losses arising from balance sheet movements agree with the SoCI gains/losses. The forms also act like Agreement of Balance forms, in that they permit the Department to reconcile movements within the Group
- for each (SoFP) note or category of asset/liability, a row has been added to capture transfers in or out of the entity under absorption accounting arrangements and these new lines feed TRU97, which summarises all reported asset/liability movements.

Charitable funds

- 45 The form for NHS Charity funds ([TRU23](#)) records the data required for DH consolidation. These charitable funds should not therefore be included on other forms. See the [Department of Health Group Accounting Manual 2016 to 2017](#) on the .gov.uk website.

Section A: Accounts forms

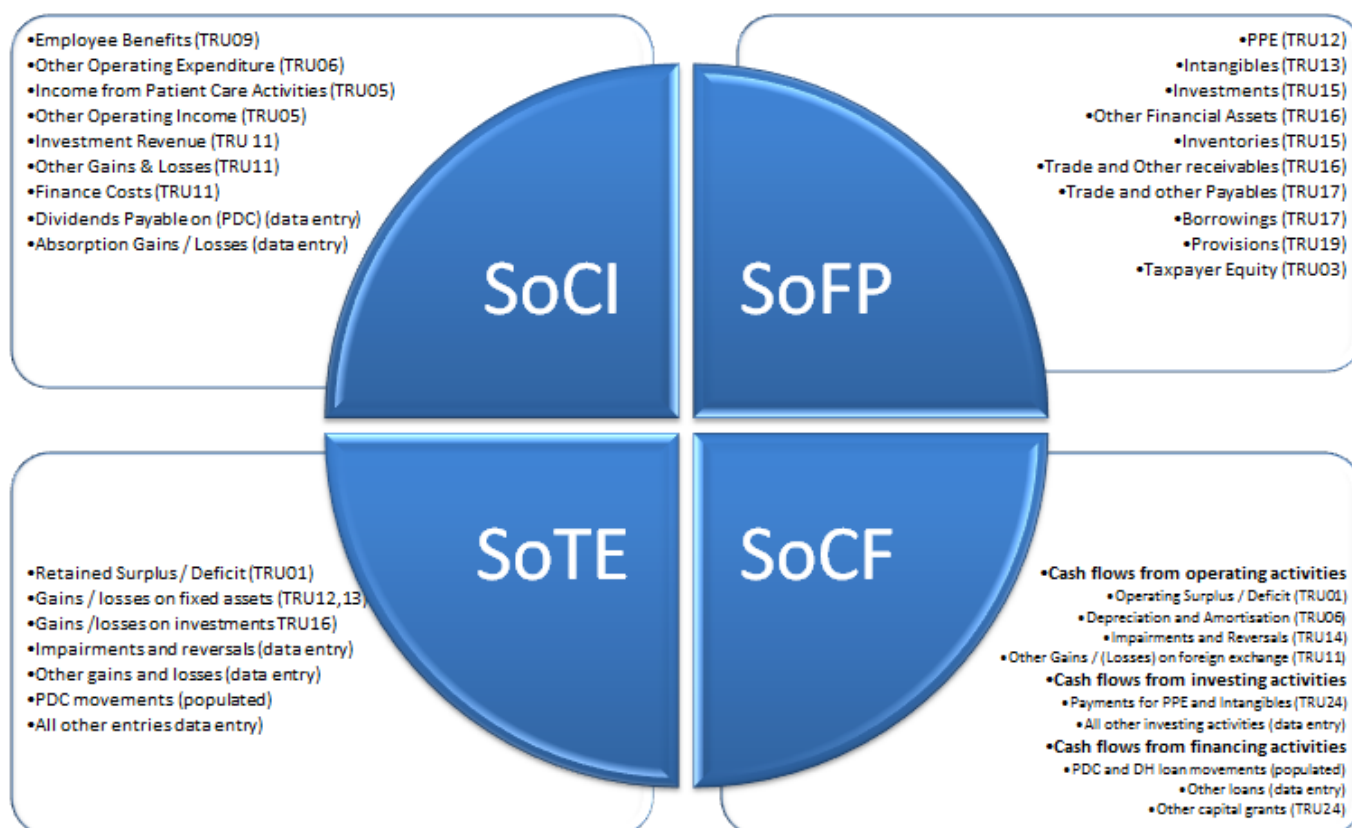


Table 1: relationship of notes to main statements

TRU01 - Statement of Comprehensive Income (sc100-sc200)

- 46 IAS 1, *Presentation of Financial Statements*, refers. Entries in the Statement of Comprehensive Income (SoCI) are fed from the related notes, except for Dividends payable on Public Dividend Capital (sc190) and absorption gains and losses (sc191 and sc192) which are data entry. The related notes and other entries in the SoCI should be prepared in accordance with the guidance in the [Department of Health Group Accounting Manual 2016-17](#), Chapter 5, paragraphs 5.1 to 5.25 and any additional guidance in this document for those notes.
- 47 **Gross Employee Benefits (sc100):** This figure is fed from the Employee Benefits note on TRU09, mc01, sc210. Note: these are gross employee expenses and where staff recharges are accounted for other than by a netting-off arrangements agreed by both parties, there must be an 'employee benefits – income' figure included within 'other operating income' at sc130 below.
- 48 **Other Operating Costs (sc110):** This is fed from TRU06 mc01 sc374.
- 49 **Income from Patient Care Activities (sc120):** This figure is fed from TRU05 mc01 sc230.
- 50 **Other Operating Income (sc130):** This is fed from TRU05 mc01 sc360.

- 51 **Operating surplus/(deficit) for the financial year (sc140):** The sum of the figures above sc100 to sc130. This figure feeds the top of the Statement of Cash Flows on TRU04.
- 52 **Investment revenue (sc150)** is fed from TRU11 mc01 sc210, **Other gains and losses (sc160)** is fed from TRU11 mc01 sc300 and **Finance costs (sc170)** is fed from TRU11 mc01 sc420.
- 53 **Surplus / (Deficit) for the financial year (sc180):** This calculation sums sc140 to sc170.
- 54 **Dividends Payable on Public Dividend Capital (sc190):** The PDC dividend is calculated on the basis of average relevant net assets less cash held in GBS accounts and less the NBV of donated assets. See the [Department of Health Group Accounting Manual 2016-17](#), paragraphs 5.36 to 5.40 for more detail on the calculation.
- 55 This figure should be based on the position at the draft accounts. In the rare circumstances in which there is a change in the I&E position between draft and final accounts, trusts should continue to show the dividend position based on the draft accounts (see also para 15.3 of TRU55).
- 56 **Transfer by absorption - gains (sc191) / Transfer by absorption (losses) (sc192):** This part of the table records the gains and (losses) on transfers by absorption i.e. when a NHS body receives assets from, or transfers assets to, another NHS body in a merger of functions. These must always be treated as in-year transfers. Further guidance is given in the section on Transfers under Absorption Accounting ([para 44](#) above) and in the [Department of Health Group Accounting Manual 2016-17](#) paragraphs 4.75 to 4.83.
- 57 **Net gain / (loss) on transfers by absorption (sc195)** sums these two rows and feeds sc255 on [TRU26, Statement of Cash Flows](#).
- 58 **Retained surplus/(deficit) for the year (sc200):** This figure is calculated as the surplus/(deficit) for the year less PDC dividends payable and net gain / (loss) on transfers by absorption. This is the figure carried over to the Statement of Taxpayers Equity at TRU03 mc02 sc120. It also feeds the top of the Statement of Cash Flows on TRU26 mc01 sc100. It also feeds the breakeven note on TRU25 as the unadjusted Retained Surplus / (Deficit).

TRU01 - Other Comprehensive Income (sc250-sc330)

- 59 All figures on this table for the YTD are fed from the Statement of Changes in Taxpayers Equity on TRU03.

TRU01 - Reported NHS trust financial performance (sc350-sc390)

- 60 All figures on the table are fed from other rows or forms. Note that this is a management information table and is not therefore included in trust published accounts. It adjusts the retained surplus/(deficit) for the year figure at sc200, in respect of items that DH considers to be distorting in arriving at a meaningful performance outturn by the trust for the year.

TRU01 - PDC dividend receivable / (payable) (sc400-sc410)

- 61 This is a management information table and is not included in the NHS trust's published accounts. Except in a small number of cases, the opening PDC receivable / (payable) (sc400) is prepopulated from the draft accounts of the previous year. Closing balances (sc410) are calculated as opening position (sc400) plus dividends payable on PDC (sc190) less dividends (paid)/refunded (TRU04 sc550).

TRU01 - Reported NHS financial position - additional items (sc450-sc470)

- 62 This short table is used to identify agreed adjustments that affect the performance of the NHS trust and the total at sc470 feeds sc355 in the 'Reported NHS trust financial performance' table above.
- 63 **Prior period adjustment to correct errors (sc450):** Where PPA has impacted on expenditure, this is a -ve figure and +ve where income recognised.
- 64 **Other performance adjustments (sc460):** This should record any other performance adjustments which have been agreed with NHS Improvement.
- 65 **Subtotal - to sc355 above (sc470):** This row sums sc450 and sc460 and feeds sc355 in the performance table above. ***Nb: Trusts are required to provide an explanation for prior period adjustments on the freetext page of the forms.***

TRU02 - Statement of Financial Position (sc100-sc490)

- 66 NHS trusts should complete the Statement of Financial Position (SoFP) in accordance with the guidance to the related notes in the *Department of Health Group Accounting Manual 2016-17*, Chapter 6, paragraphs 6.1 to 6.99.
- 67 All YTD figures on this table are fed from the notes or Statement of Changes in Taxpayers Equity (TRU03). Forecast Outturn data is mostly fed from notes with the exception on non-current assets, investments and reserves. Prior-period data is fed from the individual notes that support each item in the SoFP and reflects the methodology for bringing forward opening balances set out in the introduction to the guidance (see [paras 39 to 43](#)). Any local prior-period adjustment to non-current assets in mc03 is also fed from the individual notes and must agree to the 'Analysis of adjustments to opening balances' tables at sc600 to sc635 and sc640 to sc660. There are two validation tests (TRU02-07 and TRU02-08) to check agreement of any adjustments made.
- 68 Figures on the statement of financial position are fed from other forms as set out in the table below

Property, Plant and Equipment	TRU12
Intangible Non-current Assets	TRU13
Current and Non-current Assets	TRU15 TRU16
Current and Non-current Liabilities	TRU17
Provisions	TRU19
Reserves	TRU03

TRU02 - Capital: analysis of adjustments to opening balances (sc600-sc635)

- 69 This table analyses the causes for adjustments to the opening balances split between PPE (sc600), Intangibles (sc610), Other Financial Assets (sc620), Non-current Assets Held for Sale (sc625), Revisionary Interest (sc630) and Investment Properties (sc635). This information is required for resource accounts purposes. Entries should be made under the headings mc03 to mc09 to explain the cause of the adjustment and a validation ensures that the adjustment figures are the same as reported in the SoFP table above.

TRU02 - Revenue: analysis of adjustments to opening balances (sc640-sc660)

- 70 This table provides an analysis of adjustments to Retained Earnings Reserve opening balances that affect revenue or expenditure and is analysed over mc03 to mc13 and a validation ensures that the figure is the same as reported in the SoFP table above. This information is required for resource accounts purposes and is also used to help complete TRU26.

TRU03 - Statement of Changes in Taxpayers' Equity (sc100-sc350)

- 71 The relevant standards are IAS 1, *Presentation of Financial Statements*, and IAS 20, *Accounting for Government Grants and Disclosure of Government Assistance*.
- 72 Please note that all PDC cells on this table are coloured purple. These cells will allow data entry when the forms are initially issued but will be automatically populated and locked when the population macro for PDC, limits and loans is issued.
- 73 **Opening Balance (sc100):** This is the closing balance reported in the trust's submitted 2015-16 FMA forms as recorded on the DH consolidated account. Opening balances are recorded for PDC (mc01), Retained Earnings Reserve (mc02), Revaluation Reserve (mc04) and Other Reserve (mc05). Note that PDC figure is positive except in very rare circumstances. The Revaluation Reserve will always be positive, while the Retained Earnings Reserve and Other Reserve may be positive or negative.
- 74 **Opening Balance Adjustment – Local PPAs (sc105):** This is the effect on opening reserve balances of material local PPAs. This is calculated by taking sc107 Local Accounts Restated Opening Balance less sc100 Opening Balance DH Consolidated Account.
- 75 **Local Accounts – Restated Opening Balance (sc107):** Prior period figures are pre-populated from hidden sheets in the FMA workbook and have had the Excel ROUND function applied to remove any decimals from these opening balances. This cell remains a yellow input cell and is therefore editable by trusts where the prepopulated figure is not the opening balance reported in the trust's own accounts. Please note that where trusts edit the figure reported in sc107, this will create a local PPA in sc105. Affected trusts should already be aware of the reason for this but where this is not the case they should contact NHS Improvement for further clarification at the earliest opportunity.
- 76 **Retained surplus / (deficit) for the year (sc120 mc02):** This is fed in from TRU01 mc01 sc200.
- 77 **Net Gain / (Loss) on revaluation reserve for PPE (sc130), Intangible assets (sc140), Financial Assets (sc150) and Available for Sale Financial Assets (sc155):** These revaluation gains or losses feed directly from the relevant Notes, apart from sc155 mc04 which is data entry.
- 78 **Impairments and Reversals (sc170):** The total impairments and reversals taken to the revaluation reserve. A validation test is included (TRU03-06) to ensure that the analysis in the notes agree to the impairments and reversals figure reported in TRU03, although this is currently a level 2 validation.
- 79 **Other gains / (loss) (sc180):** Any entry here must be fully explained in freetext. The freetext validation will ensure that this has been completed to a value which matches the one recorded here.
- 80 **Transfers between reserves (sc190):** The net figure in the total column (mc06) should equal zero. See also the [Department of Health Group Accounting Manual 2016-17](#), Chapter 4, paragraph 6.46.

- 81 **Transfers between Reserves in respect of assets transferred under absorption (sc225):** While the other side of the entry dr/cr asset/liability on transfer is to the SoCI, it is necessary to preserve any revaluation reserves associated with any assets transferred and the associated PDC. Thus, the receiving entity will (subsequently to accounting for the transfer itself) credit PDC and the revaluation reserve and debit Retained Earning Reserve to preserve the reserves structure.
- 82 **On Disposal of Available for Sale Financial Assets (sc230):** This row clears the revaluation reserve relating to an available for Sale Financial Asset when it is sold.
- 83 **Reserves Eliminated on Dissolution (sc240):** No NHS trusts will use this row in 2016-17. It is used only by NHS trusts involved in mid-year reconfigurations where they are dissolved to form a new NHS trust. It allows NHS trusts dissolved before 31 March 2017 to reflect the disposal of their net assets and elimination of reserves. PDC is eliminated using the 'PDC written off' cell at sc280 below. NHS trusts authorised during the year as a foundation trust should refer to para 95 below.
- 84 **Originating capital for Trust established in-year (sc250):** This is the Originating Capital set for a new NHS trust that becomes operational during the year. The figure is set by Statutory Instrument (SI) and will equal the opening net value of assets of the new trust. No NHS trusts will use this cell in 2016-17.
- 85 **Temporary and Permanent PDC Received – Cash (sc260):** This is the total cash issued PDC drawn down by the NHS trust during the year. This cell is linked to, and fed from, TRU04 sc1230 to sc1244 which are populated in accordance with paragraph 79 above.
- 86 **Temporary and Permanent PDC Repaid In-year (sc270):** This is total PDC repaid by the trust to DH during the year. This cell is linked to, and fed from, TRU04 sc1250 to sc1271 which are populated in accordance with paragraph 72 above.
- 87 **PDC Written Off (sc280):** Where an NHS trust has been dissolved as part of a reconfiguration exercise and a new NHS trust established the outstanding PDC of the dissolved body cannot be transferred. Instead it is written off, usually by means of a Treasury Minute, the effect of which is to zero the closing PDC of the trust. Also, where a NHS trust is involved in a merger exercise and the value of net assets of the dissolving trust is less than the outstanding PDC, the difference will be written out here. In this case an equal and opposite entry under mc02 will be required. Please note that where an entry is made a supporting free text entry is also required.
- 88 **Transfer due to change of status from NHS trust to NHS foundation trust (sc290):** This row should only be used to zero all reserves in the FMA forms where a trust has been authorised as an FT. A trust which has dissolved and merged with an FT will use the 'other movements' row (sc300) below to write out PDC. The PDC cell (mc01) will be populated in accordance with paragraph Fig 1 below.
- 89 **Other Movements (sc300):** Entries here will be rare and should be approved by NHS Improvement before submission.
- 90 **Net Actuarial Gain / (Loss) on Pension (sc310) / Other Pensions Remeasurements (sc315):** IAS 19, *Employment Benefits*, refers. Also see the [Department of Health Group Accounting Manual 2016-17](#), paragraph 6.98 to 6.99.

- 91 **Total Recognised Revenue and Expense for 2016-17 (sc320):** This row sums from sc120 to sc315.
- 92 **Balance at Year to Date (sc350):** This sums the opening balance (at sc107) plus the Total Recognised Revenue and Expense (sc320). The totals of these columns at sc350 feed into the Taxpayers Equity section of the Statement of Financial Position.

Fig 1 - Entries required on trust dissolutions & mergers

Type of trust dissolution	PDC	All other reserves
Trust dissolved to form entirely new trust	PDC will be written off by Treasury minute so all PDC is written off under sc280 (mc01)	Retained Earnings Reserve, Revaluation Reserve and Other Reserves are written out on sc240
Trust becomes authorised as FT during the year	All PDC should be written out by using sc290. PDC will continue under FT with same value	Retained Earnings Reserve, Revaluation Reserve and Other Reserves are written out on sc290
Trust is dissolved and merged with trust or FT	Any PDC in excess of net assets is written off by Treasury minute under sc280. An equal and opposite entry to this is recorded under retained earnings reserve on sc280. Remaining PDC transfers and is written out on sc300.	Revaluation Reserve and Other Reserves are written out on sc225. The retained earnings reserve figure on sc225 equals (mc01+mc04+mc05)*-1. This clears the reserves.

TRU04 - Statement of Cash Flows (sc100-sc640)

- 93 The relevant standard is IAS 7, *Statement of Cash Flows*. For foreign exchange entries, the relevant standard is IAS 21, *The Effects of Changes in Foreign Exchange Rates*. This Statement should be completed in accordance with the [Department of Health Group Accounting Manual 2016 to 2017](#), Chapter 7 paragraphs 7.2 to 7.7. Non-cash elements of the operating surplus are eliminated on the face of the Statement of Cash Flows rather than a separate note.
- 94 The Statement of Cash Flows here on TRU04 mirrors the format of the Statement of Cash Flows presented in the NHS trust accounts. A second Statement of Cash Flows at TRU26 provides additional information and analysis required by DH for summarised resource accounts. Please note that due to the different purposes for which TRU04 and TRU26 are used, there may be differences in the figures for the individual sections of each form. Wherever possible, the figures used to populate TRU26 will be automatically generated from either TRU04 or other forms.
- 95 Amounts must be shown gross. This is very important for receipts and repayments of loans and PDC, to enable DH reconciliations. Points to note:
- ‘Other foreign exchange gains/(losses)’ (sc130) are those arising during the year. It does not include gains/losses accruing on the restatement of cash and cash equivalents at the end of the year (see below)
 - ‘Rental Revenue’ (sc400) is cash received under rentals recognised in TRU11, ‘Investment Revenue’, that is:
 - normal planned rentals under finance leases where the NHS trust is the lessor, and
 - PFI contingent rental revenue where the NHS trust sub-leases a PFI asset and where annual charges are increased by the full uplift in RPI each year.
 - ‘Gross Permanent PDC Received/Repaid’ (sc430 & sc440) refer only to cash movements in PDC. **Please note that these figures will be populated as set out in paragraph 72 above**
 - Dividends paid / refunded’ (sc550) is the actual cash amount paid during the year. This figure will be populated as set out in paragraph 72 above
 - ‘Effect of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies’ (sc630). This is the gain/loss on the restatement of year end cash and cash equivalent balances using foreign exchange rates ruling at the year end. This, plus the foreign exchange gains and losses, above, will equal the total ‘gain/loss on foreign exchange’ in the Other Gains and Losses note.
- 96 **Other Gains / (Losses) on foreign exchange (sc130):** These gains and losses are non-cash flow items, and therefore they need be excluded in the calculation of “cash flows from operating activities” in the Statement of Cash Flows. This is done through the adjustment, which should be recorded as an addition of losses or a deduction of gains. This is fed from TRU11 sc250.

- 97 However, IAS 7 requires the effect of exchange rate changes on cash and cash equivalents held or due in foreign currency to be presented on the face of the cash flow statement in order to reconcile the opening and closing cash and cash equivalent balances, notwithstanding the fact that such gains or losses are not cash flows (IAS 7, para 28). These should be recorded at sc630.
- 98 IAS 21, *The Effect of Changes in Foreign Exchange Rates*, is also relevant. As these will not be material at the summarised level, TRU04 does not make provision for their disclosure.
- 99 ***Capital Grants in Kind (sc160): This covers instances in which assets are donated by the trust. For the purposes of ensuring that these are correctly stated for the central CDEL and RDEL calculations, This is fed from TRU06 sc356. This adjusts the cashflow from operating activities by removing the non-cash asset donation amount.***
- 100 **Cash and Cash Equivalents (sc600):** This is fed from sc640 of the previous year (mc02) and is consistent with TRU16 mc05 sc950. A validation test is included (TRU04-06) to ensure that these figures agree. In the Statement of Cash Flows this should include bank overdrafts where they are repayable on demand and form an integral part of the trust's cash management. This is different to the treatment in the Statement of Financial Position, where IAS 39 prohibits overdrafts from being set-off in this way.
- 101 The cashflows reported relate to movement in cash and cash equivalents (short-term highly liquid investments that are readily converted into known amounts of cash and subject to insignificant risk of changes in value). IFRS requires cashflows to be reported under only three sections: operating, investing and financing. It also requires foreign currency exchange differences to be reported on the face of the Statement of Cash Flows.
- 102 **Opening Balance Adjustment (sc610):** This tracks adjustments to opening balances as a result of local PPAs and is derived by formula from the balances sc600 and sc620.

TRU04 - Reconciliation of SoFP to working balances adjustment in cash flow (working paper) (sc850-sc1200)

- 103 This working paper table allows the movements in working balances to be adjusted for non-revenue items, financing transactions and changes in capital receivables and payables.

TRU04 - Analysis of PDC received / repaid in-year (sc1230-sc1273)

- 104 This table analyses the total PDC received and repaid in-year between Capital and Revenue. YTD figures are populated in accordance with paragraph 72 above.

TRU04 - Other loans received / repaid in-year (sc1280-sc1330)

- 105 This table analyses the total Other Loans received and repaid between DH FT Liquidity Loans, London RE-FIT Loans and Other Loans Received. The total of received (sc1305) and repaid (sc1330) are fed from the Statement of Cash Flows above.

TRU05 – NHS trust income analysis

- 106 NHS trust income is analysed on two tables according to the services delivered by the trust. All income relating to the delivery of patient care services must be recorded under the headings on the table for 'Revenue from patient care activities'. All other income must be recorded on the 'Other operating revenue' table.
- 107 On the TRU05 form the 'intercompany' columns analyse the year to date figures in the categories shown below across maincodes 5 to 22 for elimination in DH consolidated accounts.
- 108 The relevant standard is IAS 18, *Revenue*.

TRU05 - Revenue from Patient Care Activities (sc100-sc230)

NHS trust patient care income from DH / NHS bodies

- 109 **NHS trusts (sc100), NHS England (sc110), clinical commissioning groups (sc120), NHS foundation trusts (sc150), Department of Health (sc170):** All income on patient care activities from these bodies should be included in the rows above. Inter columns are available for each of these types of body.
- 110 **NHS Other (sc180):** This entry relates to income from other NHS bodies e.g. Special Health Authorities, Public Health England, NHS Blood and Transplant, MHRA and NHS Property Services.
- 111 **Total operational revenue from Department of Health and NHS bodies (sc185):** This row sums sc100 to sc180.

Other Non-NHS revenue for patient care services

- 112 **Patient care income from Local Authorities (sc187):** This row records income from Local Authorities for healthcare services.
- 113 **Patient care income from private patients (sc190):** This entry records all income for patient care services from private patients. It does not include income payable directly by overseas visitors charged for their treatment under *The National Health Service (Charges to Overseas Visitors) Regulations 2015*, (see below).
- 114 **Patient care income from chargeable overseas patients (non-reciprocal) (sc200):** This entry comprises income payable directly by overseas visitor patients who have been found to be liable for charges under [SI 2015 No.238, *The National Health Service \(Charges to Overseas Visitors\) Regulations 2015*](http://www.legislation.gov.uk/uksi/2015/238/pdfs/uksi_20150238_en.pdf)¹ and [SI 2015 No.2025, *The National Health Service \(Charges to Overseas Visitors\) \(Amendment\) Regulations 2015*](http://www.legislation.gov.uk/uksi/2015/2025/pdfs/uksi_20152025_en.pdf). These should not be shown under Non-NHS: Private patients at sc190. Full guidance on the

¹ http://www.legislation.gov.uk/uksi/2015/238/pdfs/uksi_20150238_en.pdf and http://www.legislation.gov.uk/uksi/2015/2025/pdfs/uksi_20152025_en.pdf

implementation of the regulations is available on the DH website at <https://www.gov.uk/government/publications/guidance-on-overseas-visitors-hospital-charging-regulations>.

- 115 Injury cost recovery (ICR) income (sc210):** Income should be accrued only when form NHS2 has been received and it has been confirmed from the NHS trust's records that injury treatment has been given. If there are discrepancies that need investigating, income should not be accrued. On average, the Compensation Recovery Unit advises that there is a 22.94% probability (2015-16 21.9%) of not receiving the income. Therefore, if it is material, 22.94% of accrued ICR income should be included under the 'Provision for impairment of receivables' heading within operating expenses. However, where NHS trusts have evidence that this rate is not correct then they should use their own local information to inform their bad debt provision. For more detail, please see the updated [NHS Injury Costs Recovery Scheme Guidance for 2016-17](#) on the .gov website¹.
- 116 Other non-NHS patient care income(sc220):** This line records all income for the provision of patient care services from sources other than those detailed above, such as prescription charges, income from social care clients, income from territorial bodies Scottish, Welsh and Irish bodies as well Isle of Man and Channel Islands, income from schools, prisons and drug rehabilitation services and income from private providers. Please note a freetext note is required to explain any income shown here and validation tests are included (Freetext and Freetext-03) to ensure that this is completed.

TRU05 - Other Operating Revenue (sc250-sc360)

- 117** This table should be completed using guidance in the [Department of Health Group Accounting Manual 2016 to 2017](#), Chapter 4, Paragraphs 5.4 to 5.25. and should record all income related to non-patient care services.
- 118 Recoveries in respect of employee benefits (sc250):** This line captures those staff expense recoveries that should be accounted for as income (as opposed to being netted off gross staff expenditure). This should include any recovery of staff costs relating to secondments, including to non-NHS bodies.
- 119 Education, training and research (sc270)** includes income under contracts with DH from centrally held budgets and Health Education England. This line additionally also includes income from providing training to all non-NHS organisations, including international bodies, and income from research (for example drug trials).
- 120 Charitable and other contributions to expenditure – NHS (sc280):** This row records income contributions to the NHS trust from NHS charities. These may be, for example, payment for a member of staff to undertake research. These payments are recognised when the cash or service transfers to the trust. There is an inter column under mc22 to analyse any income that is from a NHS charity and this feeds the YTD position.

¹ <https://www.gov.uk/government/publications/nhs-injury-cost-recovery-scheme>

- 121 **Charitable and other contributions to expenditure – non-NHS (sc285):** This records any charitable revenue contributions or non-charitable revenue received by the NHS trust which does not come from an NHS charity. ***Revenue income from charities which are now fully independent, but previously were defined as NHS charities, should be recorded here only under mc01.***
- 122 **Receipt of cash donations for capital acquisitions (sc287):** This equals the cost of any new donated assets received during the year from a NHS charity or other charity where the cash has been received by the NHS trust to purchase the asset. There is an inter column under mc22 to analyse any income that is from a NHS charity. Under Treasury rules, the whole of the value of the asset is treated as income in the first year of acquisition.
- 123 **Receipt of non-cash donations for capital acquisitions (sc288):** This equals the cost of any new donated assets received during the year from a NHS charity or other charity, where the charity has purchased the asset and donated it to the NHS trust. There is an inter column under mc22 to analyse any income that is from a NHS charity. Under Treasury rules, the whole of the value of the asset is treated as income in the first year of acquisition, whether cash or non-cash.
- 124 **Total Receipt of donations for capital acquisitions (sc290):** This sums the two rows above.
- 125 **Receipt of grants for capital acquisitions (sc300):** This equals the cost of any new granted assets received during the year. Under Treasury rules, the whole of the cost is treated as income in the first year. Grants include National Lottery and EU grants. **Non-patient care services to other bodies (sc310):** This covers income from the provision of services not related to patient care such as laundry, pathology, mortuary fees, payroll and other financial services, internal audit, non-medical training (for example HR) to bodies both within and outside of the NHS.
- 126 **Sustainability and Transformation Fund income (sc315):** STF Income should be used to record the amount relating to NHS trusts arising from the Sustainability and Transformation Fund. Amounts relating to NHS England should be recorded under the Agreement of Balances return in the usual way.
- 127 **Income generation (other fees and charges) (sc320)** is any income from non-patient-care activities that are designed to create surplus income, such as (but not restricted to):
- car-parking including income from parking permits for staff
 - pharmacy sales
 - fees for the provision of medical records
 - accommodation income and hire of rooms etc. (but not lease income)
 - meals and beverage income, e.g. hospitality, tuck shop and vending machines, food for resale, catering.
- 128 **Contingent Rent from Finance Leases (sc325):** This feeds the equivalent row on TRU18 sc620.
- 129 **Other Rental Revenue from Finance Leases (sc326):** This feeds the equivalent row on TRU18 sc630.

- 130 **Total Rental Revenue from Finance Leases (sc330)**: This sums the two rows above.
- 131 **Rental Revenue from Operating Leases (minimum lease receipts) (sc335)**: This feeds the equivalent row on TRU08 sc270.
- 132 **Contingent Rent from Operating Leases (sc336)**: This feeds the equivalent row on TRU08 sc280.
- 133 **Total Rental Revenue from Operating Leases (sc340)**: This sums the two rows above.
- 134 **Other revenue (sc350)**: This row sums the analysis between cash (sc345) and non-cash (sc346) of other income. Any entry against either subcode requires a freetext explanation. Validation tests are included (Freetext and Freetext-03) to ensure that this is completed. Entries here should include any non-patient care income not covered by a more specific heading on the form, such as:
- PFI income such as release of deferred credits for PFI free 'lifecycle items, and DH/NHS England support/subsidies for PFI projects
 - The element of the unitary payment received from sub-lessee trusts in respect of services
 - Staff lease payments for use of cars provided by the NHS trust.

TRU05 - Income Generation (sc400–sc420)

- 135 **Income Generation - aggregate of all schemes that, individually, have a cost exceeding £1m**: Treasury requires disclosure of income generation activities where the individual IG scheme exceeds £1m in cost. Detailed breakdowns of these individual scheme details should be provided in the Annual Accounts forms. For FMA reporting however an aggregate figure is required. Please note: the figures reported here are in respect of only those schemes that, individually, have costs exceeding £1m. It is NOT the aggregate of all schemes that might, in total, exceed £1m.

TRU05 - Memorandum 1: Split of commissioner income between tariff and non-tariff income (sc430-sc450)

- 136 This short note analyses revenue for patient care activities from NHS England and CCGs on the basis of tariff and non-tariff income and is required for analysis in the consolidated accounts. Data is required to be entered on this table only to identify non-tariff income for YTD and all other figures, including FOT at sc430 to sc450 (column BC), are calculated. A FOT figure is also required at sc440 under mc51 (column BC).

TRU06 - Analysis of operating expenses (sc100-sc380)

- 137 The Operating Expenses table should be completed in accordance with the guidance in the *Department of Health Group Accounting Manual 2016-17*, (see Chapter 5, paragraphs 5.26 to 5.40, and the NHS trust Annex) apart from the changes highlighted below. The figures recorded in the 'inter' columns should follow the same principles given for TRU05. Operating Expenses exclude all Employee Benefits, which should be shown only on the table below (sc400 to sc420).
- 138 There are two columns on TRU06 (mc03 and mc04) that are used for additional information for the DH consolidated account. The content of these cells are generally calculated but a few cells under mc04, which are used to strip out the provisions element of any expenditure, are data entry.
- 139 **Services from Other NHS trusts (sc100), Services from NHS England / CCGs (sc110), Services from Other NHS Bodies (sc120), and Services from NHS foundation trusts (sc130):** These rows record the purchase of healthcare services from other NHS bodies and are summed at sc135. Where a service falls under one of the headings below this on the FMA form, it must be recorded against that subcode and analysed under the 'inter' columns rather than here.
- 140 **Purchase of Healthcare from non-NHS bodies (sc140):** This includes purchase of healthcare from Local Authorities, private sector, third sector, etc.
- 141 **Purchase of Social Care (sc145):** This row should be used to record the trust's spend on social care, for example under section 75 agreements.
- 142 **Trust Chair & Non Exec Directors (to be excluded from Employee Benefits) (sc150):** This line records the allowances paid to the Trust Chair and non-executive directors. These allowances are not included under employee benefits on TRU09.
- 143 **Supplies and services clinical (sc160) and general (sc170):** These subcodes are analysed in greater detail in the 'Analysis for Dept of Health Consolidated Account' table below at sc500-sc590. Consequently, these cells for year-to-date and forecast outturn are fed directly from that table at sc540 and sc590.
- 144 **Consultancy Services (sc180):** This should be completed based on the guidance at [Annex 1](#).
- 145 **Establishment (sc190):** This subcode is analysed in greater detail in the 'Analysis for Dept of Health Consolidated Account' table below at sc600-sc640. Consequently, this row is fed for year-to-date and forecast outturn figures directly from that table at sc640.
- 146 **Transport (sc200):** This subcode is analysed in greater detail in the 'Analysis for Dept of Health Consolidated Account' table below at sc650-sc690. Consequently, this row is fed for year-to-date and forecast outturn figures directly from that table at sc690.
- 147 The expenditure analysis in TRU06 includes four lines for service charges on on-SoFP PFI and LIFT contracts, and total charges on off-SoFP PFI and LIFT contracts. These PFI/LIFT charges need to be separately identified within expenditure for WGA purposes. The total I&E charge for on and off SoFP PFIs and other service concessions and LIFT should be recorded in sc202 to sc208 and is split between the following:

- Service charges - on-SoFP PFIs and other service concession arrangements (sc202)
- Service charges - on-SoFP LIFT contracts (sc204)
- Total charges - off-SoFP PFIs and other service concession arrangements (sc206), and
- Total charges - off-SoFP LIFT contracts (sc208).

- 148 Business rates paid to local authorities (sc209):** This row records the business rates paid or payable for the year. This row is excluded from the agreement of balances exercise and the only entry should be made directly under YTD (mc01).
- 149 Premises (feeds from table below)(sc210):** This subcode is analysed in greater detail in the 'Analysis for Dept of Health Consolidated Account' table below at sc700-sc740. Consequently, this row is fed for year-to-date and forecast outturn figures directly from that table at sc740, which is data input.
- 150 Depreciation (sc240):** Depreciation is the total taken to the Statement of Comprehensive Income in respect of the depreciation of both donated and government granted assets (sc235) and non-donated property, plant and equipment (sc236). This row is fed from TRU12 and sc235 is calculated from the entry of depreciation for other, non-Government granted or depreciated assets at sc236, which is a data input cell.
- 151 Amortisation (sc250):** Amortisation is the total taken to the Statement of Comprehensive Income in respect of the amortisation of any intangible assets, such as deferred development expenditure (amortisation of deferred assets arising from PFI schemes should be shown under the 'other' heading). This row is fed from TRU13 and sc245 is calculated from the entry of amortisation for other, non-Government granted or depreciated assets at sc246.
- 152 Impairments and reversals Property, Plant and Equipment (sc260), Intangibles (sc270), Financial Assets (sc280) & Non-Current Assets held for sale (sc290):** These lines record impairments and reversals to impairments taken to the Statement of Comprehensive Income in respect of property, plant and equipment, Intangibles, Financial Assets and Non-current assets held for sale. The YTD and FOT figures for these lines feed from TRU14.
- 153 Internal Audit Fees (sc305):** A new row has been added to record internal audit fees where the service is provided by an external supplier. Where this supplier is another NHS body the appropriate intercompany column should be completed. Please note that as this a new line there is no prior year comparator for this figure and the cell has therefore been greyed out.
- 154 Audit Fees (sc310):** This row should be completed in accordance with the [Department of Health Group Accounting Manual 2016-17](#), Chapter 5 paragraphs 5.56 to 5.58.
- 155 Other auditor's remuneration (sc320):** Details of the types of services supplied must be provided in the trust's financial statements. A validation ensures that any entry on this row is accompanied by a freetext entry.

- 156 **Change in Discount Rate (sc355):** This row records the effect of the change in the discount rate and is fed from the provisions note at TRU19 sc160.
- 157 **Capital Grants in Kind (sc356):** This row records the expenditure incurred as a result of gifting a non-current asset to another entity. It should therefore equal the net book value of such asset disposals at the time they are gifted, separately from assets disposed through sale or retirement. This entry feeds TRU04 sc150 and TRU26 sc256.
- 158 **Other cash expenditure (sc357):** This subcode is analysed in greater detail in the 'Analysis for Dept of Health Consolidated Account' table below at sc750-sc790. Consequently, this row is fed for year-to-date and forecast outturn figures directly from that table at sc790.
- 159 **Other Cash Expenditure (sc357) and Other Non-cash Expenditure (sc358)** include patients' travelling expenses, injury benefit costs, expenditure related to contracts with security firms, insurance payments other than car or property insurance, amortisation of deferred assets arising from PFI schemes, membership contributions and any excesses payable in respect of claims arising under the Property Expenses Scheme and the Liabilities to Third Parties Scheme, expenditure where the trust uses a single 'bucket' code for purchases using the NHS Purchasing Card, losses and special payments, net of related insurance proceeds and abnormal construction costs.
- 160 Other Non-cash Expenditure also includes movements of provisions for emissions made under the EU ETS Scheme.
- 161 Entries on these rows must have separate disclosure in the freetext sheet on the TRU forms. Trusts may wish to add appropriate lines to their accounts to reflect any material items included here.

TRU06 - Department of Health consolidated account – additional categories (sc362-sc380)

- 162 Operating Leases are recorded in sc362 to sc366 split between the following:
- Minimum Lease Payments (sc362)
 - Contingent rents (sc364)
 - Sub-lease Payments (sc366)
 - Total Operating Leases (sc368)
- 163 Note, the total charges to the SoCI for operating leases must agree to the total charges for operating leases listed on sc510, sc560, sc610, sc660, sc710 and sc760.

TRU06 - Employee benefits (sc400-sc420)

- 164 This records an analysis of non-capitalised employee benefits between Officer board members and other employees. The total at sc420 must match the total of the Employee Benefits note on TRU09 sc210.

TRU06 - Analysis for Dept of Health consolidated account (sc500-sc800)

- 165 This analysis section (sc500-sc800) provides additional analysis of expenditure required for analysis and eliminations in the DH consolidated account. The totals for these analysis feed upwards to the expenditure table above.
- 166 The table provides an analysis of the total figures for supplies and services clinical (sc500-sc540), supplies and services general (sc550-sc590), Establishment (sc600-sc640), Transport (sc650-sc690), Premises (sc700-sc740) and Other Cash Expenditure (sc750-sc790).
- 167 Forecast outturn should be recorded under mc51 for all these rows and they should also be analysed under the intercompany headings mc05 to mc21.
- 168 **Other (sc500, sc550, sc600, sc650 and sc700):** This is all expenditure under the headings which doesn't fall into the categories below.
- 169 **Expenditure on Operating Leases (sc510, sc560, sc610, sc660 and sc710):** The YTD operating lease expenditure is reported under mc01 and should be split between the categories. In addition, each category of operating lease expenditure should be further split by organisation in mc05 to mc21, like the 'Other' category above. Note that the layout of this note has been constructed in order that the information relating to operating leases flows more readily into the relevant codes in the main table (sc362 to sc366). The component parts of the operating leases are split within each of the individual categories in the analysis table (i.e. sc500 to sc800).
- 170 **Inventories Consumed (sc520, sc570, sc620, sc670 and sc720):** The total YTD value of inventories consumed in the year should be entered under mc01, split between sub codes above. Unlike operating leases, there is no need for this expenditure to be analysed by organisation (per mc 05 to 21). 'Inventories Consumed' needs to balance with TRU15 sc710 Inventories recognised as an expense in the period. A validation check has been included in the forms to ensure this.
- 171 **Amounts Provided (sc530, sc580, sc630, sc680 and sc730):** The total YTD provisions for the year should be entered under mc01. As with Inventories, there is no need for this expenditure to be analysed by organisation. The provisions recorded within each expenditure category feed upward to the provisions column of the main table (mc04) on sc160, sc170, sc190, sc200, sc210 and sc357.

TRU08 - Operating leases (sc100-sc330)

- 172 These tables should be completed in accordance with the guidance in the *Department of Health Group Accounting Manual 2016-17*, Chapter 6, paragraphs 6.57 to 6.61. Both tables need to be completed for the same lease, if applicable. As well as being included here, details of operating lease commitments under PFI schemes should be disclosed on TRU20.
- 173 All operating leases relating to items with a purchase cost above the capitalisation limit will be regarded as non-cancellable.
- 174 Contingent rents are to be disclosed as an expense (for lessees) or income (for lessors). These are the portion of the lease payment that is not fixed in amount but is based on the future amount of a factor that changes other than with the passage of time (e.g. percentage of future sales, amount of future use, future price indices, future market rates of interest). Where necessary, the note should also disclose the total of future minimum sublease payments to be received under non-cancellable subleases at the Statement of Financial Position date.
- 175 **Payments recognised as an expense in year (sc100 to sc130):** The first part of the table shows the amount included in operating expenses in respect of hire of plant and machinery and other operating lease rentals. These are fed from TRU06 mc03 sc362-sc366 and are validated against the total lease payments identified in the analysis at TRU06 sc510, sc560, sc610, sc660 and sc710.
- 176 **Operating Lease Commitments:** To complete the analysis (within one year; between one and five years; after 5 years) the total of future minimum lease payments under non-cancellable operating leases must be analysed over the periods that payments fall due. It follows that where a lease generates payments in each year over, for example, 6 years there will be an entry against every period in the analysis. Trusts must also provide further analysis in mc02 and mc03 between payments to DH Group Bodies and Non DH Group.
- 177 **Payments Recognised as Revenue in year (sc270 to sc280):** These cells are fed directly from TRU05.

TRU09 - Employee benefits (sc100-sc220)

- 178 Note that this table records gross expenditure. The *Department of Health Group Accounting Manual 2016-17* paragraph 5.60 gives guidance about income recognition and the classification of recoveries of staff costs. In brief, and depending of the circumstances of the transaction, certain recoveries will be treated as “income” and recorded separately in the income statements. Some other recoveries may be netted off expenditure and so only the net cost to the trust will be recorded in sc100 to sc220.
- 179 This note is analysed by counter-party to permit intra-NHS elimination by DH of expenditure elements. A validation TRU09-08 ensures that the totals in the inter columns must equal the totals in the inter columns against the employee benefits total on TRU06 sc420.
- 180 The costs must be split over two columns for YTD and FOT, for:
- Permanently employed staff – this is staff directly employed by the NHS trust and includes staff on outward secondment or on loan to other organisations.
 - Other - Agency / Contract Staff – this includes Agency / Contract staff engaged on the objectives of the NHS trust. This will include payments to an agency for the employment of staff where the staff remain employees of the agency. “Contract staff” means staff engaged by the NHS trust on a contract to undertake a project or task. It does not include amounts payable to contractors in respect of the provision of services (e.g. cleaning or security).
 - Other - Excluding Agency / Contract Staff - this is all other staff engaged on the objectives of the NHS trust. This will include:
 - the costs of staff recharged by another organisation where no element of overhead is included i.e. where the staff costs are shared between the NHS trust and other bodies.
 - Staff on inward secondment or on loan from other organisations.
- 181 Further columns have been added under mc10-mc12 to analyse the amount of provisions in the totals for the two main types of staff. These important columns are required for national consolidation purposes.
- 182 The analysis of ‘Other’ figures and ‘Provisions’ is replicated in the forecast outturn figures under mc51-mc53 and mc60-mc62.
- 183 Please note that employee benefits exclude the cost of NHS trust Chair and non-execs as these are paid an allowance rather than a salary. Termination benefits, whether contractual or non-contractual, must be included under employee benefits.
- 184 The total of employee benefits is further analysed as “Employee benefits capitalised as part of assets” (sc200). The total excluding capitalised costs at sc210 is the figure fed to TRU01 sc100.

TRU09 - Average staff numbers (sc460-sc560)

- 185 This note is analysed over the same column heading as employee benefits above i.e. 'permanently employed' and 'other'. The same definitions apply. The table records numbers in net terms, i.e. recording those staff who worked on the NHS trust's behalf and excluding any elements recharged to 3rd parties.
- 186 The entries are the average numbers of staff in each of the staff groups shown in the proforma note.
- 187 The average number of staff employed is calculated as the whole time equivalent number of employees under contract of service in each week in the financial year, divided by the number of weeks in the financial year. The figures given should be rounded to the nearest whole number.
- 188 Please note that the 'contracted hours' method of calculating whole time equivalent number should be used, not actual hours worked. This is calculated by taking the contracted hours of each employee and dividing by the standard working hours to obtain the whole time equivalent. Where a trust ceases to exist during the year, whether through merger or through being authorised as an FT, the table should be completed as if the trust had existed for the full year. A new table has been added under mc09 and mc10 to pro-rata these numbers to part-year to avoid double counting on consolidation.

TRU09 - Staff sickness absence (sc570-sc594)

- 189 DH requires the information for consolidation purposes at Q4 only. These figures must also be included in the trust's annual report. In line with previous years, DH provides data to NHS trusts in respect of the calendar year i.e. 12 months ending 31 December 2016 as a proxy for the 2016-17 financial year data (which are not available before the closure of the accounts). Additional detailed guidance on this process will be provided after the deadline for submission of draft accounts. NHS trusts may therefore leave these cells blank in draft accounts and FMAs.
- 190 **Total Days lost (sc570):** This is the total working days lost for staff working for the NHS trust during the year.
- 191 **Total Staff Years (sc580):** A full-time employee working all year is equivalent to 1 staff year. For part-time workers, the ratio of their contracted hours to those of a full-time employee is used to scale the total potential staff year. This is done in the following way:

$$\text{Staff Year Proportion(1)} = 1 \text{ Staff Year} \times \left(\frac{\text{Contracted Hours}}{\text{Standard Hours}} \right)$$

- 192 If an employee starts or leaves employment within the year, this is also used to 'scale' the staff year. The location of the date worked within a 365-day calendar (366 for a leap year) is used:

$$\text{Staff Year Proportion(2)} = \text{Staff Year Proportion(1)} \times \left(\frac{\text{End Day} - (\text{Start Day} - 1)}{365} \right)$$

- 193 In the above equation the End Day and Start Day are the numerical days within the year – i.e. 1st January is 1 and 31st of December is 365. The “-1” adjusts the figure so that it is inclusive; i.e. for an employee working all year we would have $365 - (1 - 1) = 365$.
- 194 Where employees change their working patterns during the year (e.g. moving from full-time to part-time working) they will have multiple records in the personnel data collection. The analysis will utilise these records as separate personnel.
- 195 Once the proportion of a staff year worked by each employee has been determined, these should be totalled to arrive at the “Total Staff years” figure to be entered at sc580.
- 196 **Average working days lost (sc590):** The average working days lost should be calculated as the total days lost (sc570) divided by the total number of staff years (sc580). This is formula driven in sc590.
- 197 **Retirements on ill health grounds (sc592 & sc594):** This data is provided by NHS Pensions in April. Detailed guidance on this process will be provided after the deadline for submission of draft accounts. NHS trusts may therefore leave these cells blank in draft accounts and FMAs at Q3.

TRU09 - Better Payment Practice Code - measure of compliance (sc600-sc650)

- 198 This note relates to compliance with the better payment practice code in respect of invoices received from NHS and non-NHS trade creditors. This table should be completed in accordance with the guidance in the [Department of Health Group Accounting Manual 2016-17](#), Chapter 7, paragraph 7.8 to 7.9. It shows:
- the number and value of bills paid in the year
 - the number and value of bills paid within the target period, and
 - the percentage of bills paid within target.
- 199 The note must be completed on the basis of total bills paid during the YTD. The calculations are carried out excluding invoices that are currently in dispute at the end of the quarter. Values should be in whole numbers and, for the value figures, in £000s.

TRU09 - The Late Payment of Commercial Debts (Interest) Act 1998 (sc660-sc670)

- 200 The legislation can be summarised as follows:
- From 7 August 2002 all businesses and the public sector have been able to claim interest from all businesses and the public sector on debts incurred under contracts agreed after that date
 - Payment of a commercial debt is deemed to be late when it is received after the expiry of the contractually agreed credit period, or the credit period in accordance with trade custom and practice, or in the course of dealing between the parties, or the default period defined in the legislation

- Where no credit period is defined in a contract, or no contract exists, the Act sets a default period of 30 days from delivery (i.e. receipt) of invoice for payment or of the goods/services, whichever is the later. (This is consistent with the better payments practice code)
- The interest rate that the supplier of goods/services can claim is the Fixed Reference Rate. The Fixed Reference Rate is based on the 8% statutory interest for the late payment of commercial debt, plus the Bank of England base rate as published on 31st December and 30th June
- Creditors can also claim a fixed sum of compensation should late payment occur. This is to cover debt recovery costs. This was updated under [SI 2013 No.395, *The Late Payment of Commercial Debts Regulations 2013*](#)
- All businesses and public sector bodies can challenge contractual terms that do not provide a substantial remedy for late payment
- All small and medium sized enterprises will be provided with the right to have appropriate organisations act on their behalf and challenge contractual terms that try to remove or alter their right to statutory interest
- Apart from foundation trusts, NHS bodies cannot claim compensation from one another for late payment.

TRU09 - Agency/Contract staff costs included in analysis above (sc680-sc700)

- 201 Trusts are required to analyse total agency costs between those included in gross costs (sc680), which is fed from sc210 mc04 above, and those relating to income (sc690).

TRU09 - Bank Staff costs included in analysis above (sc710-sc750)

- 202 Trusts are required to analyse total bank costs between those included in permanently employed (sc710), other – Agency / Contract (sc720) and Other – excl Agency / Contract (sc730). Where an NHS trust has disclosed Bank Staff Costs as Other – Agency / Contract they are required to complete sc750 with the name of the supplier(s) of the Bank.

TRU09a – Very senior manager's remuneration

203 Trusts are required to complete the table in relation to very senior managers (VSM) remuneration at Q4 only. Note this is collected on behalf of DH Workforce and is the same information as published in the remuneration report in the annual report. Trusts are therefore required to analyse and report VSM remuneration by name and job title across salary, non consolidated performance related pay, gross benefits in kind and pension benefits. Please note that with the exception of 'Benefits in Kind', which is recorded in £s to the nearest hundred, all figures should be entered in £000s. There are a number of validations to ensure that this has been correctly completed. Part-year trusts are still required to complete the form.

TRU10 - Exit packages (sc100-sc270)

- 204 Details of exit packages agreed during the year must be included on this table in the bandings given. This note is not on an accruals basis; rather it should be completed on the basis of the date when an agreement for the departure was made. The full guidance relating to exit packages can be found in the [Department of Health Group Accounting Manual 2016-17](#) Chapter 2, paragraphs 2.54 (h) and Annex 3, *Exit Packages and Severance Payments*.
- 205 **Total (sc170):** The 'Cost of other departures agreed' (mc04) is validated against the 'Total Value of agreements' at sc340 mc02 in the 'Other Exit Packages' note below. The total 'Number of other Departures agreed (mc03) will not necessarily agree with the total 'Number of exit package agreements' at sc340 mc01 as in the 'Other Exit Packages' table an individual exit package may require an entry against multiple rows. Please note that this table is completed in £s not £000s.

TRU10 - Other exit packages – disclosures (sc280-sc350)

- 206 A note is included in the FMA forms requiring disclosure about termination of employments that are not compulsory redundancies (sc280 to sc350). The full guidance relating to this area can be found in the [Department of Health Group Accounting Manual 2016-17](#) Chapter 2, Annex 3, *Exit Packages and Severance Payments*. Please note that this table is completed in £000s.
- 207 **Total (sc340):** The total value of agreements (mc02) should agree with the 'Cost of other departures agreed' at sc170 mc04, although as that figure is recorded in £s there is a rounding in the calculation. A validation TRU10-04 will ensure that these figures match. Please note that the total 'Number of exit package agreements' at mc01 will not necessarily agree with the total 'Number of other Departures agreed at sc170 mc03 in the Exit Packages note as in this table an individual exit package may require an entry against multiple rows.

TRU11 - Investment revenue (sc100-sc210)

- 209 The standards relevant to this note are IAS 17, *Leases*, IAS 18, *Revenue Recognition* and IFRS 7, *Financial Instrument: disclosures*. This table should be completed in accordance with the guidance in the [Department of Health Group Accounting Manual 2016-17](#), Chapter 5, paragraph 5.67.
- 210 **Other loans and receivables (sc170)**: Despite the line description, NHS trusts do not have the powers to make loans so the contents of this line will only be Other Receivables.
- 211 The basis for the inter-columns (mc11 – mc27) is the same as for TRU05.

TRU11 - Other gains and losses (sc211-sc300)

- 212 The standards relevant to this note are IAS 1, *Presentation of Financial Statements*, paragraph 98(c) and (d) and IFRS 7, *Financial instruments: disclosures*, paragraph 20.
- 213 Further guidance on the disclosures on financial instruments required in this note is provided in [Department of Health Group Accounting Manual 2016-17](#), Chapter 6 Annex 1, *Financial Instruments*.

TRU11 - Finance costs (sc310-sc420)

- 214 The standard applicable to this note is IFRS 7, *Financial Instruments: disclosures*.
- 215 **Interest on late payment of commercial debt (sc380)**: This is the total interest paid under the Late Payment of Commercial Debts (Interest) Act 1998 and will equal the amount disclosed on TRU09 sc660.
- 216 **Other finance costs (sc410)**: This includes the unwinding of discount in provisions and the net finance cost of non-NHS pension schemes. See [Department of Health Group Accounting Manual 2016-17](#), paragraphs 6.96 to 6.99 for further details. The memorandum table below analyses one element of this total to record the 1% PDC commitment fee incurred by some trusts. See para 219 below.
- 217 The basis for the inter-columns (mc11 to mc27) is the same as for TRU05.

PFI and LIFT interest

- 218 NHS trusts should refer to, and apply the DH guidance on accounting for PFI and NHS LIFT under IFRS.

TRU11 - Memorandum table (sc450)

- 219 A memorandum table reflects the 1% PDC commitment fee incurred by some trusts. This should be included in Other Finance Costs (sc410) but also reported in this memorandum table 1% Commitment Fee (sc450). Please note this will be an invoiced charge and so should also be picked up as a trading transaction for AoB purposes and

therefore will be included as an intercompany transactions with core DH and reflected in the inter DH column (mc17) in both the other finance costs (sc410) and the memo section (sc450).

TRU12 - Property Plant & Equipment (sc100-sc350)

- 220 The standards applicable to this note are IAS 16, *Property, Plant and Equipment* and IFRS 5, *Non-current assets held for sale and discontinued operations*. See [Department of Health Group Accounting Manual 2016-17](#), Chapter 6 paragraphs 6.7 to 6.35 and Chapter 6 Annex 3, *Valuation Issues*.
- 221 Sc105 permits restatement of opening balances. Typically, the correction of a local prior period error may be dealt with here through entering the correct figure, which will automatically calculate the PPA at sc104.

Impairments (sc175-sc180)

- 222 The way in which impairments are recorded in TRU12 and TRU13 was changed in 2015-16. Both the cost and depreciation sections of TRU12 and TRU13 include impairments that are posted to both reserves and operating costs. The key difference is that the cost and depreciation elements of the impairments should be posted gross. This should reflect the entries on trust asset registers.
- 223 All impairment reversals are netted off against the impairments entries. Therefore, for TRU12, impairment reversals that are charged to the SoCI should be split between the cost and the depreciation elements and then netted off against sc175 for the cost element and against sc280 for the depreciation element. Similarly, impairment reversals posted to the revaluation reserve should be posted to sc180 for the cost element and against sc275 for the depreciation element. The entries on TRU13 follow the same principles with impairment reversals posted to sc185 and sc190 for cost and to sc285 and sc290 for depreciation. A summary has been added to the side of TRU12 (cells CH23 to CH29) which pulls together the various impairment postings and reconciles the forms from the SoFP notes (i.e. TRU12, 13, 14, 15, 16) and the postings to the primary statements. This is controlled by a validation test (TRU12-11).

Contents – both sections

- 224 **Reclassifications (sc140 & sc240):** This reflects the movement of assets from one category to another within the trust. The most likely occurrence is from assets under construction to buildings, installations and fittings, on completion of construction. The total figure of this row will therefore equal zero and validations TRU12-04 and TRU12-05 confirm this.
- 225 Note: All in-year non-donated asset transactions with non-RAB NHS bodies must be dealt with as cash purchases and sales (i.e. as additions/disposals).
- 226 **Reclassifications as held for sale and reversals (sc150 & sc250):** This category of asset is reported separately on the face of the Statement of Financial Position. These lines remove non-current assets from the totals of property plant and equipment when they become 'held for sale'. IFRS 5 gives the criteria for recognition of these assets.
- 227 **Revaluation (sc170 & sc270):** NHS trusts are required to ensure that assets are carried at current cost using a suitable method selected by them. Where indices are used, these should be widely recognised and in common use.

- 228 Transfers to foundation trust (sc210 & sc320):** This row should be used only to zero figures when the NHS trust is authorised as a foundation trust.
- 229 Transfers (to)/from Other Public Sector bodies under absorption accounting (sc212 & sc325):** These rows should be used to write out / in PPE assets when they transfer to any other public sector body under absorption accounting. This can be to another NHS trust, FT etc.

PFI and LIFT

- 230** The prepayments resulting from contributions of land and/or cash to PFI and/or LIFT schemes until the property is made available to the NHS trust should be included under assets under construction (mc04).

Contents – cost section

- 231 Opening Cost or valuation (per DH consolidated account) (sc100):** The figures are the closing "cost or valuation" figures from the previous year. The figure includes the gross cost of equipment still in use, even if fully depreciated. This is prepopulated. See the section on [Handling PPA adjustments](#) for the mechanism on making PPAs
- 232 Additions – Assets under Construction (sc109):** This records all additions of AUC at mc04. This figure is fed from the table for Assets under Construction (Additions) at sc1090.
- 233 Additions - Purchased (sc110):** All assets purchased during the year should be recorded here unless they have been purchased using donations or government grants.
- 234 Additions - Non Cash Donations (i.e. physical assets) (sc120):** This row should record all donated assets where the physical asset itself has been donated.
- 235 Additions - Purchases from Cash Donations & Government Grants (sc130):** This row should record all additions funded by cash charitable donations or a government grant.
- 236 Additions - Leased (including PFI/LIFT) (sc135):** All new finance leased assets should be recorded here.
- 237 Impairments/reversals charged to operating expenses (sc175):** This is used to record the cost element of impairments that post to operating costs.
- 238 Impairments / reversals charged to reserves (sc180):** This reflects impairment losses (cost element) where the debit goes to the revaluation reserve.

Contents – depreciation section

- 239 Opening Depreciation (as per DH consolidated account) (sc230):** This line is the closing cumulative depreciation carried forward from the previous year. No cumulative depreciation should be carried forward in respect of land, buildings and dwellings where these have been revalued in the year (in which case cumulative depreciation is set to zero at the end of the period). For assets that have not been revalued, cumulative depreciation is brought forward.

- 240 **Depreciation of Assets under construction (sc230 to sc340):** There should be no depreciation charged on assets under construction, therefore these cells are greyed out.
- 241 **Impairments/reversals charged to reserves (sc275):** This records the depreciation element of impairments charged to reserves.
- 242 **Impairments/reversals indexation charged to operating expenses (sc280):** This reflects impairment losses (depreciation element) that are charged to the Statement of Comprehensive Income.

TRU12 – Revaluation Reserve Balance for Property, Plant & Equipment (sc450 – sc500)

- 243 This table provides the balance of the revaluation reserve as per TRU03, split between the various PPE headings that it represents.

TRU12 - Asset financing (sc400-sc440)

- 244 The FReM requires the net book value of tangible non-current assets to be analysed by method of finance. Assets are analysed between Purchased, Donated, Government Granted, Finance Leased, PFI/LIFT and PFI residual interest. The totals on sc440 must agree to the current period end net total NBV at sc350 and validation TRU12-03 confirms this.

TRU12 - Economic lives of non-current assets (sc510-sc600)

- 245 This table collects the range of the economic lives of non-current assets used by NHS trusts. For example, if 'Dwellings' have an economic life of between 15 and 30 years, on the line for 'Dwellings' enter '15' under minimum years and '30' under maximum number of years. The NAO requires this information for both the underlying NHS trust accounts and by DH to provide an analysis in the consolidated accounts. In a trust's own accounts this will be included as a narrative disclosure as part of Note 1. Please note this is completed on the basis on the accounting policy whole life, not remaining life.
- 246 Entries should only be made under classes of assets that the trust actually has e.g. those with entries against TRU12 sc440 or TRU13 sc350. Where the trust has no assets against a particular category you should leave the cell blank and NOT enter a zero. A number of validations (TRU12-15 and TRU12-16) check this and that the table has been completed correctly, e.g. the minimum life is not greater than the maximum life, and the maximum life in a category in the current year is not significantly different from that of the previous year.

Open market value of assets at YTD (sc610-sc620)

- 247 The open market value at the year-end (and previous year-end) should be entered.

TRU12 - Assets under construction additions (sc1050-sc1090)

- 248 This table analyses the additions of AUC by type of asset between Land (sc1050), Buildings (sc1060), Dwellings (sc1070) and Plant, Machinery and Equipment (including IT) (sc1080). The total at sc1090 feeds the cell for 'Additions of Assets under Construction' at mc04 sc109. Please note the line description for sc1080 has been amended to clarify what should be recorded.

TRU13 - Intangible non-current assets (sc100-sc390)

- 249 The standard applicable to this note is IAS 38, *Intangible Assets*. See also [Department of Health Group Accounting Manual 2016-17](#), Chapter 6 paragraphs 6.36 to 6.42 and Chapter 6 Annex 3, *Valuation Issues*.
- 250 Guidance under Property Plant and Equipment is generally applicable. However, please note that a new column mc06 was added to reflect Intangible assets under construction with sc107 being fed from the new AUC table sc930 to sc980.
- 251 **Impairments (sc185-sc190)**: The presentation of impairments between those that post to reserves and those that post to operating costs changed in 2015-16, please see [TRU12 guidance](#) for a full explanation of the changes.
- 252 **Assets under Construction (Additions) (sc930 - sc980)**
The Intangible assets table now includes a column (mc06) to record intangible assets under construction. This is supported by an input table (sc930 – sc980).

TRU14 - Analysis of impairments and reversals (sc100-sc960)

- 253 The relevant standard is IAS 36, *Impairment of Assets*, paragraph 130. See also the *Department of Health Group Accounting Manual 2016-17*, Chapter 6, paragraphs 6.44 to 6.52. This table collects information for Treasury on the causes and values of impairments and reversals. The subtotals feed the rows for impairments and reversals on TRU06, Analysis of Operating Expenses at sc260 to sc290 for YTD and FOT.
- 254 Figures recorded should be net of any reversals against the relevant category. Any impairments arising from the transition to MEA (Modern Equivalent Assets) valuation should be included in 'other' at sc160 or sc340, as appropriate. Entries in either of these sub codes will require a free text entry to be provided.
- 255 **Loss or damage resulting from normal business operations:** All losses of and damage to tangible fixed assets that reduce the recoverable amount to below its book value other than those caused by a catastrophe (see below). Normal business operations covers all loss and damage to assets that results from management and staff action (or inaction), or the actions of third parties. This category includes theft.
- 256 **Over specification of assets (gold plating):** Gold plating is the unnecessary over-specification of assets at the point at which the asset is first constructed or purchased. Care should be taken not to impair assets as being gold plated where they are of a high specification by necessity. The key is that the higher specification must be justifiable; if it is not, an impairment should be taken.
- 257 **Abandonment of assets in the course of construction:** The impairment of assets in the course of construction as a result of a management decision to abandon the construction process, i.e. management decides that it no longer requires the facility under construction and the construction costs to date are completely written off or substantially written off to reflect reduced facility. This category includes the abandonment of software assets in the course of construction.
- 258 **Unforeseen obsolescence:** All assets are subject to obsolescence. However, the rate of obsolescence tends to be category specific, e.g. IT assets suffer a faster rate of obsolescence than do buildings. NHS trusts will take account of foreseeable obsolescence when establishing asset lives. Unforeseen obsolescence will generally only occur either as the result of the introduction of a completely new technology or a change in legislation rendering the asset illegal. As such events are exceptionally rare NHS Improvement should be contacted prior to the use of this category.
- 259 **Loss as the result of a catastrophe:** This is damage to tangible fixed assets as a result of a catastrophe. A catastrophe is defined as: 'such events as will be generally easy to identify, they include major earthquakes, volcanic eruptions, tidal waves, exceptionally severe hurricanes, droughts and other natural disasters; acts of war, riots and other political events; and technological accidents such as major toxic spills or release of radioactive particles into the air'. For the avoidance of doubt, the following are not catastrophes within the meaning of this definition. Prison or street riots; loss or damage due, for example, to an ingress of water that could have been avoided by better maintenance; and relocation to a site where flooding is likely, these are all examples of losses resulting from management action or inaction. Such events are very rare in global terms and exceptionally rare in the UK.

- 260 Other Impairments:** This category includes impairments that cannot be scored to another impairment category with the exception of downward movements due to change in market prices (see below) and include:
- Write Downs of Development Land – This occurs where land is purchased for some form of social development. The cost of the land and any clean-up cost can be greater than the disposal value resulting in an impairment
 - Changes in Use – This usually occurs where specialised assets no longer required for their original purpose are put to a non-specialised use (e.g. a hardened aircraft hangar used as a store). However, impairment can result from the change of use of any asset including non-specialised assets
 - Disposals – write downs to open market value where an asset is available for sale. This includes write downs of specialised properties which are written down to open market value from depreciated replacement cost immediately prior to sale
 - Uncompensated Seizures – The seizure of assets by governments or institutional units, other than for the settlement of fines or taxes, for which full compensation is not provided.
- 261 Changes in market price:** Any impairments arising from change in market price not posted against the revaluation reserve but instead charged to the income and expenditure accounts should be recorded here.
- 262** Two rows at the end of the form (sc950 and sc960) analyse the component of the total impairments for PPE and Intangibles that relate to those assets funded by Donations and Government Grants.

TRU15 - Investment Property (sc100-sc190)

- 263 Property will only be defined as investment property if the primary purpose of holding it is for income generation or capital investment. Whilst, for instance, car parks and staff residences may generate income, the primary purpose of holding them is for service provision rather than for income generation or capital investment. Therefore, it may well be the case that NHS trusts do not hold any investment property. See also *Department of Health Group Accounting Manual 2016-17*, Chapter 6, paragraphs 6.62 to 6.65.
- 264 **Transfers (to)/from Other Public Sector Bodies under absorption accounting (sc175):** This row is used to track transfers under absorption accounting with other public sector bodies and feeds the 'Transfers Reconciliation' table on TRU97.

TRU15 - Capital Commitments (sc200-sc220)

- 265 See the *Department of Health Group Accounting Manual 2016-17*, Chapter 7, paragraphs 7.12 to 7.14. A freetext note is required if there is a movement of +/- £35m between current and prior year or if there was any prior year figure and the value has dropped to zero in the current year and a validation ensures this is completed. Completion of this table is only required at Q4.

TRU15 - Intra-Government and Other Balances (sc230-sc340)

- 266 There is no longer a FReM requirement to provide information on intra-Government balances, split between receivables due within one year and after more than one year, and payables due within one year and after more than one year. While this table is still collected on the forms it is not required in accounts. Intra-government balances are defined as balances between the reporting entity and other bodies within the boundary set for the whole of government accounts. See also *Department of Health Group Accounting Manual 2016-17*, Chapter 7, paragraph 7.15.
- 267 Please note that the table is entirely formula derived and no data entries are required.
- 268 The disclosure is analysed between
- **balances with Other Central Government Bodies**, these are central government departments, NDPB and bodies, including devolved administrations and health and care bodies of Wales, Scotland and Northern Ireland (including NHS), except those referenced below. A full list of other central government bodies can be found at www.gov.uk/government/organisations/hm-treasury
 - **balances with Local Authorities**
 - **balances with NHS bodies outside the Departmental Group:** English Health bodies only (see above) which are executive agencies of DH or Special Health Authorities operating as public corporations or trading funds. Specifically this includes only the two entities below:
 - Medicines and Healthcare Products Regulatory Agency (MHRA)
 - NHS Blood and Transplant

- **balances with NHS bodies inside the Departmental Group:** These include Core DH, Agencies, NHS England, NDPBs, Other Group Bodies, NHS trusts, foundation trusts, HEE and Special Health Authorities
- **balances with public corporations and trading funds.** Entities classified by Office of National Statistics as public corporations and trading funds. This includes NHS Professionals and Plasma Resources UK Ltd, but excludes MHRA and NHS Blood and Transplant (see above). A full list of public corporations and trading funds can be found at www.gov.uk/government/organisations/hm-treasury
- **Balances with bodies external to government:** This is required to enable this note to balance back to the receivables/payables figure in the accounts

TRU15 - Payables / Receivables Analysis for Agreement of Balances (sc400-sc470)

269 These rows summarise the payables and receivables and are mostly fed from tables on TRU16 and TRU17. However, mc15, Public Corporation and Trading Funds, and mc16, NHS Bodies Outside Departmental Group, are both data entry allowing all balances both NHS and non-NHS to be included.

TRU15 - Inventories (sc620-sc750)

270 The relevant standard is IAS 2, *Inventories*. See [Department of Health Group Accounting Manual 2016-17](#), Chapter 6, paragraphs 6.71 to 6.72.

271 The figures should exclude:

- the provision of health care services under partially completed contracts, and,
- assets in the course of construction.

272 Inventories recognised as an expense in the period should be reflected in the appropriate line on TRU06.

273 **Transfers (to)/from Other Public Sector Bodies under absorption accounting (sc745):** Any transfers to other public sector bodies (not just NHS bodies) under absorption accounting should be recorded here. The total under mc07 feeds the 'Transfers Reconciliation' table on TRU97.

TRU15 - Non-Current Assets Held for Sale (sc800-sc960)

274 This note shows period ending balances in respect of assets re-classified from TRU12 and TRU13 (i.e. PPE and intangible non-current assets). See [Department of Health Group Accounting Manual 2016-17](#), Chapter 6, paragraph 6.66.

TRU16 - Introduction and Details of Changes in 2016-17

275 This year a new table has been added at the bottom of TRU16 (sc 2300-2530) to facilitate the correct treatment of PFI and LIFT lifecycle replacement pre-payments as an investing cashflow movement in TRU26. This is now treated as a capital PPE prepayment and is reported within sc250 Non-NHS Prepayments and Accrued Income in the Trade and Other Receivables table. PFI and other PPP arrangements prepayments and accrued income excluding PFI lifecycle (sc2330 & sc2450) prepayments should remain reported in sc280 for Current and sc420 for Non Current.

Explanation of maincodes 02 to 05

276 There are two columns that track transfers of receivables whether because of a change of status in the trust when it is authorised as a foundation trust or when it is merged with another body and absorption accounting is used. The columns are designed to assist completion of the cash flow TRU26.

277 Mc02 is headed as 'Closing Balance before Absorption Accounting and Transfer to FTs' and removes the effect of the entries in mc03 and mc04, so will show the closing accounts position where the trust no longer exists at the end of the accounting period.

278 Mc03 'Transfer to NHS FTs' is to be used only where the trust is authorised as an FT during the year and will record the closing balances at the time of transfer. As the closing balances on the FMA forms should be zero it is also used to zero the balances as at 31 March 2017.

279 Mc04 'Transfers (to) / from other public sector bodies under absorption accounting' should be completed for transfers to other NHS bodies where the trust has merged with another NHS trust or FT. As the closing balances on the FMA forms should be zero it is also used to zero the balances as at 31 March 2017.

280 The column for current year local opening balances (brought forward from the trust annual accounts is mc05) have been made editable for some subcodes so that trusts can decide whether or not to accept any central adjustments. The opening balances that have been brought forward from the central consolidation process are provided in mc18. The opening balances may have been amended from the submitted FMA figures (the section above on [adjustments made by the department](#) sets out the reason for this), in which case the difference will appear as a PPA under mc07. Trusts will be able to determine whether to accept the central adjustments by changing their local opening balances (mc05) or to make no changes thereby retaining their own local opening balances.

281 Receivables with Scottish, Welsh and Irish health bodies should be treated as non-NHS.

TRU16 - Trade and Other Receivables (sc200-sc490)

282 See [Department of Health Group Accounting Manual 2016-17](#), Chapter 6, paragraphs 6.73 to 6.74

283 In the absence of better information as to which Injury Cost Recovery (ICR) claims will be paid out quickly and which not, NHS trusts should include ICR accruals in long-term debtors, bringing them into short-term debtors after one year.

- 284 Guidance on reconciling NHS payables and receivables balances can be found on the DH website on .gov.uk site under [DH Agreement of Balances Exercise](#)¹. Please note that foundation trusts are included within NHS receivables.
- 285 DH is included under NHS receivables / payables and should not be included under non-NHS.
- 286 A number of inter-company analysis cells feed from the Capital Receivables analysis tables at sc1630 to sc1790 and the Prepayments and Accrued Income tables at sc1795 to sc1850.
- 287 **Non-NHS Trade receivables Revenue/Capital (sc230, sc240, sc370, sc380):** The figures should include all debtor balances in the course of trade with commissioners other than NHS purchasers (e.g. private patients, staff, private sector purchasers) and RTA/ICR income due from the Compensation Recovery Unit. Balances with the Department of Works and Pensions (DWP) should not include any balances relating to RTA/ICR income. Balances that relate to RTA/ICR income do not have to be agreed with the DWP as the DWP are acting as an 'Agent' and the compensation in relation to RTA/ICR will be paid by the Insurance Company involved. Current capital non-NHS receivables are fed from the table below at sc1640, sc1675 and sc1700, while non-current capital non-NHS receivables are fed from sc1730, sc1755 and sc1780.
- 288 **Non-NHS prepayments and accrued income (sc250 and sc390):** The figures under this heading should relate to prepayments and accrued income with purchasers other than NHS commissioners. Deferred assets arising from PFI schemes should be included here. Prepayments should be very rare as trusts should not pay in advance for goods or services, however should now include PFI and LIFT lifecycle prepayments as mentioned earlier. Figures for these rows are fed from the table below at sc1800, sc1810, sc1830 and sc1840.
- 289 **PDC Dividend prepaid to DH (sc255):** The prepayment of any PDC dividend payment should be recorded here. This will be particularly relevant at year-end when calculations based on the final SoFP have been made and not estimates. If payments during the year have overestimated the closing position of net assets then there should be a figure entered here.
- 290 **Provision for impairment of receivables (sc260 and sc400):** The amount shown here is the provision for bad debts. Debtors should be net of known bad debts. Although normally transactions with other NHS bodies should never be treated as bad debts it is possible that a trust may have a provision for irrecoverable debt with an NHS foundation trust.
- 291 **Current / non-current part of PFI and other PPP arrangements prepayments and accrued income excluding PFI lifecycle (sc280 and sc420)**
- 292 **Transfers (to)/from Other Public Sector Bodies in year – Receivables Current (sc492) & Non-current (sc494):** These figures are used to track in year transfers to or from other public sector bodies under absorption accounting (mc09). The total at sc496 feeds into the 'Transfers Reconciliation' table on TRU97.

¹ <https://www.gov.uk/government/publications/the-department-of-health-agreement-of-balances>

TRU16 - Receivables Past Their Due Date but Not Impaired (sc500-sc530)

- 293 The relevant standard is IFRS 7, *Financial Instruments: disclosures*, paragraph 37(a). Further details are provided in [Department of Health Group Accounting Manual 2016-17](#), Chapter 6 Annex 1, *Financial Instruments*.

TRU16 - Movement in the Provision for Impairment of Receivables (sc540-sc660)

- 294 This is a requirement of IFRS 7, *Financial Instruments: disclosures*. Further details are provided in the [Department of Health Group Accounting Manual 2016-17](#), Chapter 6 Annex, 1 *Financial Instruments*.

TRU16 - Overseas Visitors (sc700-sc750)

- 295 This table has been included in to record details relating to the financial flows arising from overseas visitors.
- 296 Income recognised this year (sc700) is fed from the 'Non-NHS: Overseas Patients (non-reciprocal)' cell at TRU05 sc200.
- 297 The next two rows record the cash flows during the year. **Cash payments received in-year (i.e. receivables at Previous Year End) (sc710)** should show cash payments for invoices outstanding at the previous year-end (i.e. 2015-16 accruals). **Cash payments received in-year (in respect of invoices issued this year) (sc720)** records the cash flow from payments received for 2016-17 invoices.
- 298 The next three rows relate to provisions raised during the year (sc730 and sc740) and the amounts written off in-year (sc750).
- 299 Please note that this table is included in the proforma accounts and is therefore auditable. It must be completed if income has been recorded on TRU05 sc200 and the validation TRU16-09 checks this.

TRU16 - Other Current Assets (sc800-sc830)

- 300 The relevant standard is IAS 1, *Presentation of Financial Statements*, paragraph 77.
- 301 **EU Emissions Trading Scheme Allowances (sc800)**: These should be included here when they are expected to be realised within twelve months of the end of the reporting period.
- 302 **Transfers (to)/from Other Public Sector Bodies in year - Other Current Assets (sc830)**: This is used to track in-year transfers to other public sector bodies under absorption accounting. The absorption accounting figure feeds the 'Transfers Reconciliation' table on TRU97.

TRU16 - Cash and Cash Equivalents (sc857-sc970)

- 303 This note is required by IAS 7, *Cash Flow Statements* (para 7.45). It reconciles the balance on the cash flow statement to the equivalent items reported on the Statement of Financial Position. There is also a FReM requirement to show the make-up of the balances. The balance of cash and cash equivalents at sc870 is analysed in sc880-sc920. The figure at sc910 “Current Investments” should capture only cash equivalent balances that fall within the definition of IAS 7 i.e. “Short-Term highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.”
- 304 There should be no ‘cash equivalents’ balances included in sc880 and sc890 notwithstanding that some cash-equivalents may be held in commercial bank accounts. Sc890 therefore reports only cash balances.
- 305 **Balance at beginning of period/end of period (sc857 & sc870):** This is the cash position at the start of the year (1 April 2016) and end of the current period. Please note that these figures do not include overdrafts, which must not be netted off. All overdrafts must be reported as borrowings.
- 306 **Cash with Government Banking Service (GBS) (sc880):** This is the cash balance held at the end of the current period in GBS accounts.
- 307 **Liquid deposits with NLF (sc907):** This records deposits with the Government Banking Service National Loans Fund at the period end. A validation TRU16-10 ensures that the figures reported in sc907 (liquid deposits with NLF) and sc1405 (deposits over 3 months) agrees with the total receivables with the NLF reported on TRU98g NLF888.
- 308 **Cash and Cash Equivalents as in SoFP (sc920):** This is the sum of sc880, sc905, sc907 and sc910 and equals the end of period figure at sc870. This is also the year-to-date figure that should be reported on the SoFP.
- 309 **Bank Overdraft GBS & Bank Overdraft Commercial Banks (sc930 & sc940):** These are the overdraft figures that are included in the statement of cash flows. They will be included under ‘borrowings’ on the SoFP.
- 310 **Third Party Assets / Patients’ Money (sc952-sc955):** Third party assets, which will most likely be patients’ money (i.e. cash balances of patients’ money held by the NHS trust, including any accrued interest) must be excluded from receivables and from reported cash balances.
- 311 **Transfers (to)/from Other Public Sector Bodies in year - Cash & Cash Equivalents (sc970):** This is used to track in-year transfers to other public sector bodies under absorption accounting. The absorption accounting figure feeds the ‘Transfers Reconciliation’ table on TRU97.

TRU16 - Other Financial Assets Non Current / Current (sc1240-sc1410)

- 312 The relevant standards are IAS 32, *Financial Instruments: Presentation*, IAS 39 *Financial Instruments: Recognition and Measurement*, IFRS 7, *Financial Instruments: disclosures*, and IFRIC 9, *Reassessment of Embedded Derivatives*.

- 313 Disclosures must cover all financial instruments, even when their accounting is covered by other more specific IFRS, for instance, leases and PFI. See the [Department of Health Group Accounting Manual 2016-17](#), Chapter 6 Annex 1, *Financial Instruments*, for the full list of financial instruments.
- 314 The disclosures in this note apply to all the trusts' financial instruments except interests in subsidiaries, associates and joint ventures and employers' rights and obligations under employee benefit plans. They therefore apply to financial instruments whose accounting is unchanged by the financial instrument standards, such as current payables and receivables, and financial instruments that are measured under other standards, such as finance leases and PFI liabilities. **Please note trusts are requested to use the freetext table to provide details of counterparties.**

TRU16 - Trade and Other Capital Receivables at YTD – Current (sc1630-sc1710)

- 315 This table provides an analysis of current capital receivables at the current date. The table is used to feed two lines in the receivables table above.

TRU16 - Trade and Other Capital Receivable at YTD – Non-current (sc1720-sc1790)

- 316 This new table provides an analysis of non-current capital receivables at the current date. The table is used to feed two lines in the receivables table above.

TRU16 - Analysis of Prepayments and Accrued Income - summarised (sc1795-sc1850)

- 317 This summarised table analyses NHS and non-NHS prepayments and accrued income between prepayments (sc1795 to sc1800 and sc1825 to sc1830) and accrued income (sc1804 to sc1810 and sc1834 to sc1840). The cells are fed from the final table on TRU16 (new for 2016-17) at sc2300-sc2530 and goes on to feed sc220, sc250, sc360 and sc390 above. The current part of PFI and other PPP arrangements prepayments and accrued income should be excluded from this table as they are recorded separately in the Trade and Other Receivables Table above.

TRU16 - Subtotals for Hyperion use only (sc1920-sc2280)

- 318 This table has been added solely to aid import of data into DH Hyperion systems. It is fed from the tables above and therefore requires no data entry.

TRU16 - Analysis of Prepayments and Accrued Income (sc2300-2530) (new table)

- 319 As mentioned this table has been added to separate out PFI and LIFT lifecycle replacement prepayments and Other Capital PPE prepayments from Other "general"

prepayments as these are treated as an investing cashflow movement in TRU26 and required separate identification from general prepayments.

TRU17 – Introduction and Details of Changes in 2016-17

- 320 The only change on this form is the direction to stop using 'PFI and LIFT lifecycle replacement received in advance' sub codes at sc550, sc570, sc640 and sc660 and instead use existing capital payables lines. This action will ensure transactions are treated as investing not financing movements in the cashflow which is what should happen rather than incorrectly rolling up with main PFI lease liability which it did before
- 321 The introduction to TRU16 explains the use of the maincodes 02 to 05 to track transfer of receivables, whether because of a change of status in the trust when it is authorised as a foundation trust or when it is merged with another body and absorption accounting is used. The columns are designed to assist completion of the cash flow TRU26.

322

TRU17 - Trade and Other Payables (sc110-sc390)

- 323 The relevant standard is IAS 1, *Presentation of Financial Statements* (paragraph 77).
- 324 Short-term payables will be valued at cost.
- 325 Payables with Scottish, Welsh and Irish health bodies should be treated as non-NHS. Payables with DH should be recorded as NHS and validations have been amended or removed to reflect this.
- 326 **PDC dividends payable to DH (sc185):** The accrual of any PDC dividend payment should be recorded here. This will be particularly relevant at year-end when calculations based on the final SoFP have been made and are not estimates. If payments during the year have underestimated the closing position of net assets then there should be a figure entered here.
- 327 **Other Payables (sc220 & sc320):** Any figures reported on these lines need to be disclosed in the free-text notes and a validation checks this has been completed.
- 328 **Transfers (to)/from Other Public Sector Bodies in year – Payables Current (sc380) & Non-Current (sc385):** These figures are used to track transfers to or from other public sector bodies under absorption accounting (mc09). The total at sc390 feeds into the 'Transfers Reconciliation table on TRU97.

TRU17 - Other Liabilities (sc400-sc495)

- 329 The relevant standard is IAS 1, *Presentation of Financial Statements* (paragraph 77).
- 330 **Transfers (to)/from Other Public Sector Bodies in year - Other Liabilities Current (sc485) & Non-Current (sc490):** These figures are used to track transfers to or from other public sector bodies under absorption accounting (mc09). The total at sc495 feeds into the 'Transfers Reconciliation' table on TRU97.

TRU17 - Borrowings (sc500-sc758)

- 331 The relevant standard is IAS 1, *Presentation of Financial Statements* (paragraph 77).
- 332 Bank overdrafts are to be included in 'borrowings'.
- 333 **Loans from the Department of Health Current / Non-current (sc520 and sc610):** These cells are fed from the table 'Analysis of Loans from DH' at sc780 and sc810.
- 334 **PFI/LIFT liabilities (sc540-sc570 and sc630-sc660):** This includes both the main liability and lifecycle replacement received in advance. Validations check that PFI and LIFT liabilities match those recorded on TRU20 tables. The validations for PFI liabilities check that TRU17 sc540 equals TRU20 sc265 and TRU17 sc630 equals TRU20 sc270 + TRU20 sc275. For LIFT liabilities, TRU17 sc560 should equal TRU20 sc465 and TRU17 sc650 should equal TRU20 sc470 + TRU20 sc475.
- 335 **Other Borrowings (sc680):** Any figures reported on these lines need to be disclosed in the free-text notes and a validation ensures this has been completed.
- 336 **Transfers (to)/from Other Public Sector Bodies in year – Borrowings- Current (sc754) & Non-Current (sc756):** These figures are used to track transfers to or from other public sector bodies under absorption accounting (mc09). The total at sc758 feeds into the 'Transfers Reconciliation' table on TRU97.

TRU17 - Analysis of Loans from DH (sc765-sc820)

- 337 The closing balances on this table will be populated by macro. Mc03-05 contains yellow input cells which should be reviewed by trusts and completed if necessary.

TRU17 - Other Financial Liabilities (sc850-sc945)

- 338 The relevant standard is IFRS 7, *Financial Instruments: disclosures*, paragraph 8 (e).
- 339 **Transfers (to)/from Other Public Sector Bodies in year - Other Financial Liabilities at fair Value through SoCI Current (sc935) & Non-Current (sc940):** These figures are used to track in year transfers to other public sector bodies under absorption accounting (mc09). The total at sc945 feeds into the 'Transfers Reconciliation' table on TRU97.

TRU17 - Deferred Income (sc950-sc1030)

- 340 Sc950 to sc1030 track deferred income movements in the year.

TRU17 - Inter Company Analysis for Payables for AoB Analysis (sc1300-sc1310)

- 341 This table is used for AoB analysis and is fed from the tables above for trade and other payables, other liabilities, borrowings and other financial liabilities. The table feeds the Payables/Receivables Analysis for AoB table on TRU15 sc440 and sc450.

TRU17 - Trade and Other Capital Payables at YTD – Current (sc1400-sc1440)

342 This new table provides an analysis of current capital payables at the current date. The table is used to feed two lines above in the payables table.

TRU17 - Trade and Other Capital Payables at YTD – Non-current (sc1480-sc1520)

343 This new table provides an analysis of non-current capital payables at the current date. The table is used to feed two lines above in the payables table.

TRU17 - Analysis of Accruals and Deferred Income (sc1555-sc1610)

344 This table analyses current and non-current accruals and deferred income between NHS and non-NHS accruals (sc1555 to sc1565 and sc1585 to sc1595) and deferred income (sc1567 to sc1580 and sc1597 to sc1610). The current and non-current figures feed sc130, sc170, sc260 and sc290 above.

TRU17 - Subtotals for Hyperion use only (sc1640-sc2310)

345 This table has been added solely to aid import of data into DH Hyperion systems. It is fed from the tables above and therefore requires no data entry.

TRU18 - Finance Lease Obligations (sc100-sc810)

- 346 IAS 17, *Leases*, SIC 27, *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*, and IFRIC 4, *Determining whether an Arrangement contains a Lease* are relevant. See also [Department of Health Group Accounting Manual 2016-17](#), Chapter 7, paragraphs 7.16 to 7.22.
- 347 **Obligations (as lessee) (sc100-sc320)**: This note records the total minimum amount of lease payments in each of the periods specified in the accounts as well as the present value of the lease payments.
- 348 **Receivables (as lessor) (sc330-610)**: The note should include a reconciliation between the gross investment in finance leases at the Statement of Financial Position date and the present value of the minimum lease payments receivable at the Statement of Financial Position date.

Rental Revenue (sc620-sc640)

- 349 'Contingent Rent' (sc620) and 'Other' (sc630) are both fed directly from TRU05.

Summary Tables (sc660-sc810)

- 350 The two tables at the foot of TRU18 provide a summary of the leasing obligations for lessees (sc660 to sc720) and for lessors (sc730 to sc810). These require no data entry.

TRU19 - Provisions for Liabilities and Charges (sc100-sc240)

- 351 IAS 37, *Provisions, Contingent Liabilities and Contingent Assets* should be followed when accounting for provisions. See also [Department of Health Group Accounting Manual 2016-17](#), Chapter 6, paragraphs 6.82 to 6.95, and Annex 2, *Treasury Discount Rates*.
- 352 Provisions analysis is shown on a year-to-date basis under maincodes 01-10, and the forecast outturn across maincodes 51-68. The analysis is a FReM requirement.
- 353 **Provisions for emissions under Carbon Reduction Scheme (CRC):** These amounts should be recorded under the 'other' column. See also [Department of Health Group Accounting Manual 2016-17](#), Chapter 6 paragraphs 6.91 to 6.95.
- 354 Disclosure must also be made of the total amount included in the provisions of the NHSLA at 31 March in respect of clinical negligence liabilities of the NHS trust. This is required at Q4 and must be completed at mc01 sc230.
- 355 Provisions must be shown gross, but discounted where required under IAS 37. Any amount expected in reimbursement against a provision (and included in debtors) should be disclosed in the annual accounts.

Explanation of Provisions in the 'Other' Category (sc250-sc280)

- 356 This table requires explanations for entries under the 'other' category where the total is greater than £1m against sc120, sc130, sc140 or sc190. A validation check ensures that this is completed.

TRU19 - Contingencies (sc294-sc330)

- 357 Please see [Department of Health Group Accounting Manual 2016-17](#), paragraphs 7.23 to 7.24. This table is only required to be completed at Q4.
- 358 **Other contingent liabilities and assets (sc300 & sc330):** Amounts greater than £1m reported on these lines must be disclosed in the free-text notes. A validation check ensures that this is completed.

TRU19 - Other Financial Commitments (sc340-sc370)

- 359 This table collects information on commitments that have not been recognised as liabilities. It is only required to be completed at Q4.
- 360 "Other financial liabilities" are defined as:
- Non-cancellable, legally binding contracts
 - With non-NHS organisations
 - Not already disclosed as commitments under PFI, finance leases or operating leases

- Not grants.

TRU19 - Analysis of Provisions – Current / Non – Current (sc500-sc700)

- 361 This table analyses the YTD (mc01) and the movement in opening balances (mc02-mc09) split between current and non-current provisions and is required by DH for WGA purposes. The YTD subcodes for current balances, sc500-sc580, feed the 'Expected Timing of Cashflows' less than one year line (sc200), while the non-current YTD figure is calculated using the YTD total at sc190 less the current provisions.
- 362 The columns for opening balance movements are used in the calculation of the opening balances in the provisions table e.g. sum of current and non-current sc700 mc09 = provisions table sc100. That is, the figures under the maincodes on this table are used to fill the sc100 to sc110 on the provisions table.
- 363 The totals at sc590 and sc690 feed the YTD current and non-current provisions lines in the Statement of Financial Position on TRU02.

TRU20 - PFI and LIFT (sc100-sc508)

- 364 Guidance in the *Department of Health Group Accounting Manual 2016-17*, Chapter 6, Annex 4, *Accounting for PFI and LIFT schemes*. Please note that sc100, sc110, sc300 and sc310 feed directly from TRU06 where they have been added to the face of the expenditure note.

TRU20 - Revenue costs of IFRS: Arrangements Reported on Statement of Financial Position under IFRIC 12/ESA10 (sc510-sc760)

- 365 These sections of the form should only be completed for arrangements that both fall within the scope of IFRIC 12 and, for arrangements that reached financial close prior to 1 April 2009, were 'off balance sheet' under the Treasury Taskforce Technical Note 1 or, for arrangements that reached financial close from 1 April 2009, are 'off balance sheet' under ESA10. Note: the forms and the guidance have been refined to replace references to UKGAAP with ESA10 (see para re sc660 to sc760 below). In most cases, it is envisaged that there will be only minimal differences between ESA10 and UKGAAP. Therefore, for the purposes of the comparison between IFRS and ESA10, we would expect the ESA10 figures to be similar to those previously used under the UKGAAP heading. If trusts are aware of material differences between the two measures (i.e. ESA10 vs UKGAAP), then ESA10 should be preferred.
- 366 **Depreciation charges (sc510):** This is the annual depreciation of all non-current assets within relevant arrangements.
- 367 **Interest Expense (sc520):** This records the annual finance lease interest for relevant arrangements.
- 368 **Impairments – AME (sc530):** This is the annual impairments to all non-current assets within relevant arrangements.
- 369 **Impairments – DEL (sc540):** This is the annual impairments to all non-current assets within relevant arrangements.
- 370 **Other expenditure (sc550):** This is all other annual revenue expenditure incurred in relation to relevant arrangements including operating costs and any deferred income released.
- 371 **Revenue receivable from subleasing (sc560):** This is annual revenue income due from subleasing contained within relevant arrangements excluding payments that reduce any finance lease receivables associated with the subleasing. It should be recorded as a negative figure.
- 372 **Impact on PDC dividend payable (sc570):** This identifies the increased PDC dividend payable following the recognition of on-SoFP items.
- 373 **Total IFRS expenditure (IFRIC 12) (sc580):** Sum of the above headings.

- 374 **Revenue consequences of LIFT/PFI schemes under UK GAAP/ESA10 (net of any sublease income) (sc590)**: the net revenue costs for all relevant arrangements accounted for under Treasury Taskforce Technical Note 1 for projects that reached financial close prior to 1 April 2009 or ESA10 for projects that reached financial close from 1 April 2009. For the avoidance of doubt, this is net of the annual build up in the residual interest where the Treasury Taskforce Technical Note 1 has been applied and includes annual amortisation of any capital contributions and the annual release of relevant deferred assets. This figure is always negative and shows what the costs of the schemes would be if IFRIC 12 had not come into force. This fed from the table below
- 375 **Net IFRS changes (IFRIC 12) (sc600)**: this is the net of the lines “Total IFRS Expenditure” and the “Revenue consequences of same schemes under UK GAAP”. It shows how much more or less cost is incurred as a consequence of the introduction of IFRIC 12.

TRU20 - Capital Consequences of IFRS: LIFT/PFI and Other Items Under IFRIC 12 (sc620-sc650)

- 376 **Capital expenditure 2016-17 (sc620)**: These are annual additions under IFRS to non-current assets relating to the relevant arrangements.
- 377 **UK GAAP Capital expenditure 2016-17 (Reversionary Interest) (sc650)**: for cases that are judged to be off SoFP for Departmental budgetary purposes, Departments are required to score the reversionary interest that would have applied under UKGAAP against the Departmental capital budget. This shows what the reversionary interest would have been if IFRIC 12 had not come into force. NB: This applies to the arrangements accounted for under Treasury Taskforce Technical Note 1 for projects that reached financial close prior to 1 April 2009 or ESA10 for projects that reached financial close from 1 April 2009.

TRU20 – IFRIC 12/ESA10 Data From HMT forms (sc660-sc760)

- 378 The tables calculate the adjustment required for budgetary purposes between accounting for PFI/LIFT expenditure under IFRS and European Standard 2010 (ESA10), upon which the national accounts are based. The revised table has been introduced to assist in completion and includes a column for IFRS accounting (mc01) and one for ESA10 (mc02) budgetary accounting. These inputs then automatically populate the previous table sc510 to sc600.
- 379 The budgetary treatment of assets for PFI/LIFT schemes follows that prescribed by ESA10. Guidance will be given in the [Department of Health Group Accounting Manual 2016-17](#) but in essence assets are recorded “off-balance sheet” only if both of the following conditions are met:
- the private partner bears the construction risk, and
 - the private partner bears at least one of either availability or demand risk, as designed in the contract.

380 The risks are defined as follows:

- Construction risk covers events related to difficulties faced during construction and to the state of the asset(s) at the commencement of the services, such as late delivery, significant additional costs, legal and environmental issues, technical deficiency and external negative events triggering compensation payments to third parties.
- Availability risk covers cases where, during the operation of the asset, the responsibility of the partner is called upon because of insufficient management, resulting in a volume of services lower than what was contractually agreed, or services not meeting the quality standard specified in the contract.
- Demand risk covers the variability of demand irrespective of the performance of the private partner. It should result from factors such as business cycle, new market trends, a change in final users' preferences or technological obsolescence. This is part of a usual "economic risk" borne by private entities in a market economy. Sometimes the demand risk is not applicable for contracts where the final user has no free choice as regards the asset-dependent service provided to them by the partner. This then reinforces the required unquestionable transfer of the construction and availability risks.

381 There are also other mechanisms, where government re-assumes the majority of risks of the project, which determine that the asset is recorded on the government's balance sheet, independent of the risks above and these should be considered. These are:

- termination
- majority financing, where the government body finances the majority of the capital cost
- Government Guarantees

382 Therefore, for actuals please complete rows under mc01 for IFRS treatment and under mc02 for ESA10 treatment. Similarly, for forecast outturn, please complete under mc51 for IFRS treatment and under mc52 for ESA10 treatment.

TRU20 - Analysis of PFI and LIFT payments (sc800-sc950)

These tables require the closing liability for both PFI and LIFT schemes to be analysed between those falling due within one year, over one year but within five years and over five years. This analysis is required for both on-SoFP (sc800 to sc830 and sc880 to 910) and off-SoFP (sc840-sc870 and sc920-sc950).

TRU21 - Financial Assets and Financial Liabilities (sc100-sc350)

- 383 NHS trusts should follow the guidance in *Department of Health Group Accounting Manual 2016-17*, Chapter 6 Annex 1, *Financial Instruments*.
- 384 All figures in the Financial Assets and the Financial Liabilities tables must be entered as positive.

TRU21 - Events after Reporting Period (sc400)

- 385 NHS trusts should follow the *Department of Health Group Accounting Manual 2016-17*, Chapter 7, paragraphs 7.25 to 7.27. Sc400 should record the net effect on revenue / expenditure. A full narrative disclosure must be entered in freetext where there is an entry here and there is a validation to ensure that the freetext entry has been completed.

TRU21 - LIFT Investments (sc450-sc570)

- 386 This table gives details of LIFT investments held by the trust – these investments will be included in the totals in 'Other Financial Assets: Non-current' sc1240 – sc1390 on TRU16. Details of LIFT investments held at the closing Statement of Financial Position date should be provided in the 'Other' section of free-text and analysed by equity shareholding and loan-stock holding.

TRU22 - Losses and Special Payments (sc100-sc390)

- 387 HM Treasury's *Managing Public Money* should be followed, in particular Annex 4.10, Losses and write offs, and Annex 4.13, Special Payments. Please also see the *Department of Health Group Accounting Manual 2016-17*, para 7.33 to 7.36. Note: figures on the forms must be recorded on an accruals basis and in pounds rather than thousands.
- 388 The column mc03 provides additional data for use in the Resource Accounts and does not require any data entry
- 389 That the threshold for reporting individual losses in sc310 to sc380 is £300,000. A freetext disclosure must be made for each case of this value or over that is disclosed.
- 390 Where losses are deemed to 'novel and contentious' trusts are advised to contact NHS Improvement at the earliest opportunity for further advice.

TRU23 - NHS hosted charities (sc100-sc630)

Background

- 391 The Office for National Statistics (ONS) has designated NHS charities as Central Government bodies. The designation means that they are required to be included in the Department of Health's Group Resource Account.
- 392 Trusts should be aware that the central consolidation, for ONS purposes, should not be confused with the local decision by trusts regarding whether or not to consolidate their accounts with those of the charity. As such, all trusts that have Corporate Trustee host charities must complete TRU23 regardless of the local decision on whether or not to consolidate. Full consolidation will also be required in the 2016-17 NHS trust local accounts, where material. See also the [Department of Health Group Accounting Manual, 2016-17](#) para 4.53 to 4.57
- 393 The TRU23 form is included to collect the summary NHS charity information required for the consolidation in the DH Group Accounts. To aid this consolidation, intercompany analysis columns are included at sc130 to sc180 to identify expenditure with other NHS bodies. There are also separate rows to identify expenditure as cash or non-cash, for example where a charity donates an item to the NHS body, rather than the cash to purchase the item.
- 394 Where NHS Charities are independent of the trust, they should not be consolidated locally or reported on these forms. Instead, those charities with non-corporate trustees that are linked to NHS trusts will be asked directly by DH to submit data for DH consolidation. The TRU23 forms will still be visible to them but cells will be greyed out. Charities that are completely outside the
- 395 Opening balances data will show the position from the prior-year submitted Charity's own audited 2015-16 accounts. 2016-17 data should be provided from the charity's accounts where possible, or trusts should use their contacts with the linked NHS Charity to request the most up-to-date information available. The opening balances have been completed using the prior-year data available from 2015-16 submissions and where these differ from the actual position in the Charity's audited accounts, the correct figures should be used in the local opening balances rows or column.
- 396 We recognise that their accounts and audits are on a different time cycle, and if there are significant issues on the figures these should be noted in the free text box at sc355.
- 397 NHS charities financial statements are prepared under the Charity SORP based on UK-GAAP. Therefore, there may be some differences in accounting to the trust Accounts and where significant should be raised in the free text box. If the charity has subsidiary charities for the benefit of other NHS bodies these should also be disclosed in freetext.

TRU23 - Charity's details (sc100-sc110)

- 398 **Name of charity (sc100):** This should be the name of the charity as registered with the Charity Commission.
- 399 **Charity Registration Number (sc110):** The registration number of the charity should be entered here.
- 400 There is a validation (TRU23-07) to ensure that this section is completed if there are balances recorded in the forms below.

TRU23 - Charity's Statement of Financial Activities (sc120-sc240)

- 401 **Total income resources (sc120):** This is all the income of the charitable fund for the year to date.

Resources expended with host NHS body

- 402 This section of the table records the cash and non-cash expenditure of the Charity with the NHS trust who are trustees for the funds. It is analysed in mc02 as being with an NHS trust. All figures in this section should be entered as a negative number.
- 403 **Resources Expended with Host NHS Body – Cash (sc130):** This is the Charity's resources expended with the NHS trust who are trustees for the funds. This includes donated income, for both revenue and capital purposes, where it is a cash donation to the trustee NHS trust and any cash trading expenditure with them, e.g. for provision of services such as office space or financial services.
- 404 **Resources Expended with Host NHS Body – Non-Cash and Asset Donations (sc140):** Where the Charity purchases an asset or service that is donated to the NHS trust who are trustees for the funds, it should be recorded as expenditure here (as it will have been recognised as revenue income by the NHS trust).
- 405 **Total resources expended with host NHS body (sc150):** This sums sc130 and sc140.

Resources Expended with Other NHS Bodies

- 406 This section of the table records the cash and non-cash expenditure of the Charity with any other NHS body. It is analysed in mc02, mc03 and mc04 as being either with another NHS trust, foundation trust or NHS England or CCG (which should be rare). You can enter figures under any column on this section. All figures should be entered as a negative numbers. This intercompany analysis is required by DH to produce their consolidated accounts.
- 407 **Resources expended with other NHS bodies – Cash (sc160):** This line should show the charity's cash resources expended for the benefit of other NHS trusts or FTs, whose funds are held under the umbrella charity. This includes donated income, for both revenue and capital purposes, where it is a cash donation to the other NHS body and any cash trading expenditure with the body or bodies, e.g. for provision of services such as office space or financial services.

- 408 Resources expended with other NHS bodies - Non-Cash and Asset Donations (sc170):** This line should show the charity's resources expended for the benefit of other NHS trusts, whose funds are held under the umbrella charity. Where the Charity purchases an asset or service that is donated to the other NHS body, it should be recorded as expenditure here (as it will have been recognised as revenue expenditure by the NHS body) rather than a non-NHS company it is actually purchased from.
- 409 Total resources expended with other NHS bodies (sc180):** This sums sc160 to sc170.
- 410 Resources expended with bodies outside the NHS (sc190):** This row should record any other resources expended by the charity – for example audit fees etc.
- 411 Total resources expended (sc200):** This sums the rows sc150 plus sc180 plus sc190.
- 412 Net (outgoing)/incoming resources (sc210):** This is calculated as Total Income resources (sc120) less Total Resources expended (sc200).
- 413 (Losses)/gains on revaluation (sc220):** This is calculated from the Balance Sheet detail table below as Investment Impairments (sc390) plus Other Fixed Asset Impairments (sc480).
- 414 Other funds movements (sc230):** This figure is calculated as sc240 less the sum of sc210 + sc220).
- 415 Net movement in funds (sc240):** This figure is calculated from the opening and closing position shown in the Charitable Funds Balance Sheet table below at sc350 below, i.e. sc350 mc01 less sc350 mc02.

TRU23 - Charitable Funds Balance Sheet (sc250-sc350)

- 416** This table has four columns (mc01 to mc04) of which only a few cells require completing on the table itself. Maincode 04 is prepopulated with the 2015-16 brought forward balances as recorded on the DH Hyperion system.
- 417** In some cases, particularly in the analysis between Restricted/Endowment Funds and Non-Restricted Funds, these opening balances won't agree with those in the Charity's own accounts. However, mc02 shows the local adjustments or PPAs required to align these figures. This column is entirely calculated as the difference between the figures in mc04 and mc02, the Local Opening Balances.
- 418** There are validations in the forms (TRU23-05 and TRU23-06) to ensure that the opening balances under mc02 and closing balances under mc01 for Net assets / liabilities at sc320 and Total Charitable Funds at sc350 are equal.
- 419 Investments (sc250):** This row records the opening and closing balances for investments. The opening balance is fed from sc360 below and the closing balance fed from sc440 below. The opening balance should be that reported in the Charity Accounts and the closing balance the best available figure up to the end of the financial period, which may have to be an estimated figure rather than an up to date valuation.

- 420 **Other fixed assets (sc260):** This row records the opening and closing balances for any other fixed assets held by the charity e.g. land, buildings, equipment. Opening balances are fed from sc450 below and closing balances fed from sc530 below.
- 421 **Total fixed assets (sc270):** This row sums the two rows at sc250 and sc260 above.
- 422 **Cash (sc280), Other Current Assets (sc290), Current Liabilities (sc300) and Creditors due after one year (sc310):** Opening (mc02) and closing (mc01) figures for these lines are all data entry.
- 423 **Net assets/liabilities (sc320):** This sums sc270 to sc310 to give the total net assets / liabilities of the charity at the balance sheet date.
- 424 **Restricted / Endowment funds (sc330) / Non-restricted funds (sc340):** These two rows provide an analysis of the total charitable funds between restricted or endowment funds and non-restricted funds and are fed from the table below at sc540 for opening balances and sc600 for closing balances.
- 425 **Total Charitable funds (sc350):** This sums the two rows above and will equal the figure for Net Assets/liabilities shown at sc320.

TRU23 - Charitable Funds Balance Sheet Detail (sc360-sc530)

- 426 This table provides a more detailed analysis of movements in the Charity's Investments and Other Fixed Assets. The opening balance figures at sc360 and sc450 and closing balance figures at sc440 and sc530 feed the Charitable Funds Balance Sheet table above. The rows for Revaluation (sc390 and sc480) and Impairments (sc400 and sc510) feed the equivalent rows on the Statement of Financial Activities table above at sc220 and sc230.
- 427 **Transfers to FT charities (on change of status of parent) (sc410 and sc490):** These rows should be used to zero balances where the trust becomes an FT during the year.
- 428 **Transfers through reserves (sc420 and sc500):** These rows should be used for other transfers where the trust merges with another trust, and is dissolved.
- 429 **Other movements (sc430 and sc520):** These rows should be used where charitable funds are transferred between bodies relating to a transfer and it doesn't fall under either of the two rows above e.g. where the funds relate to a transfer of services between NHS bodies, or funds under the umbrella charity transfer to the body they have been raised to support.

TRU23 - Restricted / Non Restricted Charity Analysis (sc540-sc600)

- 430 This table provides an analysis of the movements in charitable funds during the year by Restricted / Endowment funds (mc01) and Non-Restricted funds (mc02). The opening balances at sc540 and the closing balances at sc600 feed the rows above at sc330 and sc340.
- 431 **Local Opening Balance (sc540):** This is the opening balance of the funds as shown in the charity's own accounts. These two columns feed into sc330 and sc340 mc02

above. The sum of these two columns will also equal the opening balance at sc320 mc02.

- 432 Transfers to FT charities for part-year Trusts (on change of status of parent) (sc570):** This row should be used to zero balances where the trust becomes an FT during the year.
- 433 Other transfers through reserves (sc580):** This row should be used for other transfers where the trust merges with another trust, and is dissolved.
- 434 Other movements (sc590):** This row should be used where charitable funds are transferred between bodies relating to a transfer and it doesn't fall under either of the two rows above e.g. where the funds relate to a transfer of services between NHS bodies, or funds under the umbrella charity transfer to the body they have been raised to support.
- 435 Closing balance (sc600):** This is the sum of the opening balance at sc540 and all in-year movements in the rows above and feed sc330 and sc340 mc01 above.

TRU23 - Analysis of opening balance adjustments (sc610-sc630)

- 436** This table is to allow DH reconciliation of its recorded opening balances with local opening balances and supports figures on the DH consolidated budget outturn.
- 437** Maincode 02 and maincode 03 should be used where the opening balances shown under maincode 04 in the balance sheet table above are not accurate, and do not fall into the categories to be recorded under 'Other' on this table (mc04 below).
- 438** The 'Other' column (mc04) should be used where, for example:
- the difference in balances relate to funds that have transferred out to another NHS Charity
 - DH has included opening balances when the NHS trust is not corporate trustees for a charity
 - DH has not included any opening balances when the NHS trust does act as the corporate trustee for funds

TRU24 - Statement of Cash Flows Internal Consistency Checks (sc100-sc510)

439 This working paper is included to help NHS trusts with the internal consistency of the Statement of Cash Flows and to meet the NAO requirements when auditing the summarised accounts.

Purchase of Non-current Assets – Cash Flow to PPE and Intangibles Notes (sc100-sc210)

- 440 This table will ensure that the cash payments for non-current assets recorded on the Statement of Cash Flows can be reconciled to the entries on the notes to the accounts.
- 441 **Payments for Property, Plant and Equipment (sc100):** This cell records the cash payments made by the trust for the purchase of PPE during the year, whatever the source of the funding. This figure feeds the Statement of Cash Flows on TRU04 sc280.
- 442 **Payments for Intangible Assets (sc110):** This cell records the cash payments made by the trust for the purchase of Intangible Assets during the year, whatever the source of the funding. This figure feeds the Statement of Cash Flows on TRU04 sc290.
- 443 Sc130 to sc180 are the values for fixed assets that have been purchased by the trust. These should include cash and non-cash purchases i.e. where items have been donated rather than the cash donated to purchase them.
- 444 **(Increase)/decrease in capital payables relating to purchases (sc190):** This is the movement on capital payables that relates to the purchase of assets, i.e. it does not include capital payables that may, for example, relate to the cash receipt of a grant or donation.

PPE Additions Reconciliation and Intangibles Additions Reconciliation (sc220-sc290)

445 **Additions purchased above (sc220 & sc260):** These feed from sc130 and sc160 above respectively. Although there is no way to validate the entries at sc230 and sc270 to the PFI and lease notes as these are in-year figures and the lease notes are year-end balances auditors will be checking that entries are reasonable. If you have any unusual circumstances, a note in freetext will prevent DH having to contact you at year-end.

Disposal of Non-current Assets - Cash Flow to PPE and Intangibles Notes (sc300-sc430)

- 446 This table will ensure that the proceeds of disposal of non-current assets recorded on the cash flow can be reconciled to the entries on the notes to the accounts.
- 447 **Total Disposal per Statement of Cash Flows (sc320):** This sums the two lines above.
- 448 Sc330 to sc370 are fed from the appropriate notes on TRU12, TRU13 *and* TRU15.
- 449 Sc380 and sc390 should include losses arising from the gifting of non-current assets, classified as Capital Grants in Kind on TRU06 sc356.
- 450 **PFI scheme deferred income (sc400):** This line should record the deferred income received as part of a PFI transaction where during the current year the trust has

disposed of (or 'given') an asset to the PFI scheme in return for a reduction in the unitary charge.

- 451 **(Increase)/decrease in capital receivables relating to disposals (sc410):** This is the movement in capital receivables that relates to the disposal of assets only, i.e. not movements relating to capital receipts etc.

TRU24 - Capital Receipts Cash Flow to Notes (sc440-sc510)

- 452 This table is to ensure that where a NHS trust is given cash to purchase an asset, for example by a charitable fund, the receipt and purchase of the asset are correctly recorded in the cash flow.
- 453 **Capital grants and other capital receipts (excluding donated / government granted cash receipts) sc440:** For the cashflow to work correctly, donated or government granted assets should be excluded from this line as they have already been recognised as revenue on TRU05.
- 454 Sc 490 and sc500 will record the element of capital receivables or payables that relate to the capital receipt.

TRU25 - Breakeven Performance (sc100-sc280)

- 455 This table should be completed in accordance with guidance in the *Department of Health Group Accounting Manual 2016-17*,
- 456 **Turnover (sc100)**: This is the sum of the lines 'Revenue from patient care activities' and 'Other operating revenue' as reported in the Statement of Comprehensive Income.
- 457 **Retained surplus/(deficit) for the year (sc110)**: This is as reported in the Statement of Comprehensive Income.
- 458 **(Pre-FDL)24 agreements (sc120)**: A deficit post 1996/97 will not be considered a breach of the break-even duty where the deficit was:
- planned
 - agreed with the relevant Regional Office prior to the issue of FDL(97) 24, and
 - is being off-set against a retained surplus position built up prior to 1997-98.
- 459 **Adjustments for Later Years Prior Period Adjustment (sc120 to sc180)**: No PPAs that impact on breakeven are/were envisaged.
- 460 **Adjustment for Impairments (sc190)**: This line should include the "impact of impairments, including the one-off impact from any impairments resulting from the recognition of additional assets from bringing NHS LIFT / PFI schemes onto balance sheet due to IFRS accounting".
- 461 **Adjustment for impact of policy change re: donated/government granted assets (sc195)**: This row removes the impact of no longer having donated asset or government grant reserves. This will be an adjustment to remove the impact of depreciation and of the receipt of donated or government granted assets on the breakeven performance of an NHS trust. The current year for this figure is fed from TRU01 sc380.
- 462 **Adjustment for dual Accounting under IFRIC 12 (sc205)**: This row adjusts for the impact of the IFRIC 12 adjustments (principally PFIs) which should not be included in financial performance figures. The value is automatically generated from TRU20_MI sc775.
- 463 **Adjustment for gains and losses relating to Absorption accounting (sc206)**: Any gains or losses arising as a result of transfers under absorption accounting are not treated as financial reporting items and therefore should be taken out of the breakeven performance values. The figures feed automatically from TRU01 sc385.
- 464 **Other Agreed Adjustments (sc210)**: This feeds from TRU01 sc355. This includes an adjustment to remove the impact of any gain or loss on the prior period adjustments to correct errors. Where the PPA impacted on expenditure, this is a negative figure and where income is recognised this will be positive. These adjustments must be agreed with NHS Improvement and discussed with the trust's auditors.
- 465 **Breakeven in-year Position (sc220)**: This is the retained (deficit)/surplus for the year plus or minus the adjustments.

- 466 **Breakeven cumulative position (sc230):** This is the sum of the breakeven in-year positions (after adjustments) from 1997-98 to date.
- 467 **First year of Break Even Failure (sc240):** This cell should be used to record the first year of material breach. Please record the calendar year in which the financial year ends e.g. 2010-11 should be recorded as 2011.
- 468 **If a breakeven cumulative deficit (sc250):** anticipated year of recovery. This should be the date of the financial year-end e.g. 2016.
- 469 If the anticipated year of recovery is greater than two years hence, insert the recovery period agreed with the SHA at sc260.
- 470 **Materiality test (i.e. is it equal to or less than 0.5%) (sc270 & sc280):**
- Breakeven in-year position: this is the in-year surplus/(deficit) expressed as a percentage of turnover
 - Breakeven cumulative position: this is the cumulative surplus/ (deficit) expressed as a percentage of turnover.
- 471 **External Financing Limit (sc330 to sc380):** This table shows the trust's External Financing limit (EFL) and the performance against this. As this is dealt with in detail in the MI forms (TRU 55 MI), most of the current year data feeds directly from this form and more detailed guidance can be found in the TRU 55 MI section of the guidance.
- 472 **Capital Resource Limit Summary (sc545 to sc600) and working paper (sc420 to sc540):** These tables show the key components of the Capital Resource Limit and the charge and overall performance against it. Most of the current year data feeds directly from the MI forms (TRU 55_MI), and more detail guidance can be found under this section.

TRU26 - Statement of Cash Flows Disclosures (sc100-sc830)

Background

- 473 In completing the Department of Health Consolidated Annual Report and Accounts in previous years, the Department encountered significant issues in preparing a materially accurate Statement of Cash Flows, as a result of different collection methods across the extended accounting boundary.
- 474 To address this, the Department reviewed the different methodologies for preparing the Statement of Cash Flows in 2015-16 and identified a number of additional data requirements that enabled the Department to prepare an accurate consolidated statement.
- 475 Refinements to the Statement of Cash Flows Disclosures this year include introduction of lines at sc335 and sc485 to move the impact of Capital prepayments – PPE (including PFI & LIFT lifecycle) movement from operating activities to become an investing activity at time of payment. These cells are fed from the new table introduced at the bottom of TRU16. These lines will automatically only be used for PPE capital prepayments, not prepayments associated with the main PFI and LIFT contracts.
- 476 In addition, lines have been added to show the adjustments required due to the gifting of non-current assets to another entity, recognised as capital grants in kind. Sc256 reflects the non-cash nature of such disposals within operating investments, while sc555 ensures the correct proceeds from disposals are calculated. Both cells are fed from TRU06 sc356.

Additional data required

- 477 These additional data requests have been included within the forms next to other relevant disclosures.
- 478 The TRU26 form mirrors the format of cashflow statement in the consolidated DH account, and is used to ensure that accounts figures provided by NHS trusts will not cause a cashflow imbalance on consolidation. It therefore differs from the TRU04 form, which is based on the cashflow format used in individual trust accounts. However, both forms need to balance.
- 479 TRU26 is mainly driven by formula links to the other notes within the forms and therefore does not represent a significant duplication of work for an organisation. One area to note is sc290 “Other non-cash movements in Statement of Financial Position items” – this should capture any balance sheet items that impact on cash and which are not already included in other (linked) cells. Any entry in this cell requires completion of a freetext note and a validation ensures this freetext entry is completed.
- 480 **Compensating adjustment Non cash movements in SoFP (Freetext note required) arising from absorption transfers/FT authorisations (sc295):** Where assets and liabilities are transferred to/from another body under absorption accounting, it will be necessary to enter a compensating adjustment under ‘Other non-cash movements in Statement of Financial Position items’. This is because the form assumes that working capital movements are cash driven, but transfers by absorption result in movements with no cash impact. This will be a positive adjustment for any inward transfer of

receivables or inventories and negative for any inward transfer of payables. For outward transfers, the signage will be opposite. There is a separate input cell for transfers of cash by absorption. The input to this cell is automatically generated from TRU16 and TRU17 which now include additional columns to identify absorption transfers. Any non-cash adjustments that are not generated in this way should be included in sc290 'Other non-cash movements in Statement of Financial Position items'.

481 The following points should be noted when completing TRU26:

- The form is primarily formula driven, and aims as far as possible to reconcile the cash movement from the underlying accounts data. However, there are manual adjustment cells to capture any movements not taken into account in these formulae
- Movements calculated in the TRU26 are based on the consolidated prior year figures, which will not have been restated for any local Prior Period Adjustments. This differs from the local accounts format. Any local PPAs are fed into TRU26 as in year movements
- Unlike TRU04, TRU26 does not distinguish financing type transactions (e.g. finance costs, PDC dividends, etc.) from other income and expenditure. All income and expenditure items feed into the 'Operating cashflows' section without adjustment. This will differ from local trust accounts, and it is not necessary to enter manual adjustments to match the totals for 'Operating cashflows', 'Investing cashflows' or 'Financing cashflows' in local accounts. Manual adjustments should only be necessary if the form does not balance because of movements not taken into account by the formulae.

482 Some payables and receivables movements are already excluded from the cashflow methodology, and these will not require adjustments here. The specific items are:

- Current part of PFI and other service concession arrangements prepayment (TRU16 sc280)
- Current part of loans receivable from other bodies (TRU16 sc1400)
- Non-current part of PFI and other service concession arrangements prepayment (TRU16 sc420)
- Current part of finance lease (TRU17 sc580)
- Current part of imputed finance lease element of on balance sheet (SoFP) PFI contracts and other service concession arrangements (TRU17 sc540-sc550)
- Current part of imputed finance lease element of on balance sheet (SoFP) LIFT contracts (TRU17 sc560-sc570)
- Finance leases (TRU17 sc670)
- Imputed finance lease element of on balance sheet (SoFP) PFI contracts and other service concession arrangements (TRU17 sc630-sc640)
- Imputed finance lease element of on balance sheet (SoFP) LIFT contracts (TRU17 sc650-sc660)

483 **Current and non-current Capital prepayments - PPE (including PFI & LIFT lifecycle) movement (sc335 and sc485):** Subcode 335 is fed from the new table on

TRU16, which analyses current and non-current PPE capital prepayments and PFI/LIFT lifecycle prepayments. Subcode 485 reversed the effect of this i.e. equals sc335 *-1.

- 484 PFI prepayments – outward cash payments (sc490):** Use this to enter the amount of any outward cash payments resulting from making PFI prepayments. This is when an advance payment is made to a PFI supplier to help fund the creation of the asset that will eventually be capitalised by the lessee. When the asset is completed, the PFI prepayment is released and treated as a non-cash payment to reduce the lease liability. The initial outward payment cannot be identified from figures entered elsewhere in the Consolidation Schedule and must therefore be entered here. Note that this figure is not simply the movement in the PFI prepayment value, since reductions due to releasing these prepayments against the lease liability will not have a cash impact. ***Any entry in this cell requires completion of a freetext note and a validation ensures this is completed.***
- 485 Adjustment for non-cash disposals (Capital Grants in Kind) (sc555):** *This row records assets donated by the trust. It feeds directly from TRU06 (sc 356)*
- 486 Capital element of payments in respect of finance leases and on-SoFP PFI contracts (sc780):** Use this to enter the amount of cash paid to directly reduce finance lease, PFI and LIFT liabilities. Workings have been provided alongside the table that is intended to calculate the entry required in mc01 sc780. Recognising the potential complexity of this area, the cell has been linked to the calculation but it has been left as an editable (yellow) cell so that trusts can review the calculation and amend it if necessary. This should exclude any amounts paid for service charges and finance charges, which will feed into the SoCF as part of Net Operating Costs. It should also exclude any non-cash reductions in the lease liability due to releasing a PFI prepayment. The capital element of lease repayments will generally equal:
- Decrease/(Increase) in lease liability
- Less Increase in lease liability due to leased additions (per PPE and Intangibles notes)
- Less Decrease in lease liability due to releasing PFI prepayments (i.e. Movement in PFI prepayment less PFI prepayments – outward cash payments)
- 487 Other miscellaneous adjustment lines (sc430, sc730, sc790)** can be used to record any transactions that are not captured anywhere else in the Statement of Cash Flows. These should be rare, and must be accompanied by an explanatory note.
- 488 Cash outflows to newly authorised FTs (sc792):** NHS trusts only should use this to enter the amount of cash held at authorisation as a new FT since this movement in the overall cash balance will not feed into the SoCF anywhere else. Individual NHS trusts should ensure that the same figure is entered on the FTC return for the corresponding FT so that, on consolidation, entries for all FTs and NHS trusts net to zero.
- 489 Net cash transferred under absorption accounting (sc794):** This details cash sums that are transferred to other organisations via absorption transfer. This figure is automatically generated from TRU16.

TRU27 – Additional Information

As with the accounts process in 2015/16, the Department of Health is once again collecting some additional data at the year end to provide assurance in the consistency of accounting treatment across the country. All of the data is required for draft accounts and is grouped into the following areas:

- Deferred Income with NHS England and CCGs split by type
- Deferred Income at 31 March 2017 split by commissioner
- Provisions for Impaired receivables split by type and counter party
- Accrued holiday pay
- Deferred income with Health Education England (HEE)

In each case, detailed guidance is provided on the face of the proforma. Further guidance produced by the Department of Health, will be issued with this guidance.

TRU97 Transfers Reconciliation (sc100-sc230)

490 Where assets/liabilities transfer in-year (as opposed to the situation where a trust closes on 31 March 2016 with assets/liabilities still shown in its final SoFP the movement of those assets/liabilities across the NHS and more widely is tracked by use of the TRU97 & 97A forms. Both transferor and transferee complete these forms.

Analysis by Counterparty (sc110 to sc220)

491 This form requires trusts where subject to such transfers to provide a counterparty analysis of the transfer of assets and liabilities in sc110 to sc220 by classification. Any entry in sc220 'Other bodies classified to the public sector requires a freetext note and a validation ensures this is completed. A further validation ensures that this analysis agrees with the totals reported in the individual note to the SoFP which are fed through on sc100.

Gains and Losses Recognised in the SoCI (sc300 to sc330)

492 The transfer of assets/liabilities in this way is to be accounted for as an in-year realised gain or loss, recognised in the SoCI. The gain or loss is disclosed separately from operating costs, but before 'other recognised income/expenditure'. The gain or loss thus impacts on the year's performance (i.e. impacting on the charge against the RRL or the breakeven duty for trusts although RRL and breakeven duty will be adjusted to ensure there is no impact on performance).

493 This table ensures that the gains or losses arising from balance sheet movements agree with the SoCI gains/losses. The forms also act like Agreement of Balance forms, in that they permit the Department to reconcile movements within the Group.

TRU97A Summary Transfers Reconciliation

494 This form provides further detailed analysis by counterparty and there are a number of validations to ensure that the figures reported in TRU97A are consistent with that included in TRU97.

Annex 1 - Consultancy

The provision to management of objective advice and assistance relating to strategy, structure, management or operations of an organisation in pursuit of its purposes and objectives. Such assistance will be provided outside the 'business as usual' (BAU) environment when in-house skills are not available and will be of no essential consequence and time-limited. Services may include the identification of options with recommendations and/or assistance with (but not delivery of) the implementation of solutions. The consultancy category will include areas such as:

Strategy: The provision of objective advice and assistance relating to corporate strategies, appraising business structures, value for money reviews, business performance measurement, management services, product design and process and production management.

Finance: The provision of objective advice and assistance relating to corporate financing structures, accountancy, control mechanisms and systems. This does not include "auditor's remuneration", this is reported separately. It will include:

Strategic Finance: Providing specialist services and support in the form of financial, legal, insurance advice to develop a Public Private partnership/Private Finance Initiative deal for procurement requirement.

Operational Finance: Procurement advice on risk management and internal control systems including audit arrangements. Advice on the commercial viability of grant recipients, suppliers and partners; solvency checks

Organisation and Change Management: Provision to management of objective advice and assistance relating to the strategy, structure management and operations of an organisation in pursuit of its purposes and objectives. Long range planning, re-organisation of structure, rationalisation of services, general business appraisal of organisation.

IT/IS: The provision of objective advice and assistance relating to IT/IS systems and concepts, including strategic studies and development of specific projects. Defining information needs, computer feasibility studies and making computer hardware evaluations. Including consultancy related to e-business.

Property and Construction: The provision of specialist advice relating to the design, planning and construction, tenure, holding and disposal strategies. This can also include the advice and services provided by surveyors and architects.

Procurement: The provision of objective advice and assistance when establishing procurement strategies.

Legal Services: The provision of external specialist legal advice and opinion in connection with the policy formulation and strategy development particularly on commercial and contractual matters.

Marketing and Communication: The provision of objective advice, assistance and support in the development of publicising and the promotion of DH's Business Support programmes, including advice on design, programme branding, media handling and advertising.

Human Resource, training and education: The provision of objective advice and assistance in the formulation of recruitment, retention, manpower planning and HR strategies and advice and assistance relating to the development of training and education strategies.

Programme and Project Management: The provision of advice relating to ongoing programmes and one-off projects. Support in assessing, managing and or mitigating the potential risks involved in a specific initiative; work to ensure expected benefits of a project are realised.

Technical: The provision of applied technical knowledge. To aid understanding, this can be sub-divided into:

Technical Studies: Research based activity including studies, prototyping and technical demonstrators.

Project Support: Project based activities including technical consultancy, concept, development and in-service support activities.

Engineering Support: Task based support including Post Design Services, repair, calibration, analysis testing and integration.

Section B: NHS trust 2016-17 MI Q4 Monitoring Forms Guidance

1. Introduction

- 1.1 The NHS Improvement management information (MI) forms have been designed to minimise the input by NHS trusts whilst providing sufficient monitoring data for NHS Improvement. All information fields relating to either the prior period or plan will be pre-populated wherever possible.
- 1.2 Entries are to be prepared in accordance with the guidance issued in this document, with reference to the previous planning guidance issued by the NHS Improvement and applying the accounting principles detailed in the [Department of Health Group Accounting Manual 2016-17](#) and the DH published guidance Interim Support Finance.
- 1.3 Table One: Collection Forms

Form	Description of Form	Frequency of completion
TRU Key Data	The form brings together key information in respect of the revenue performance, capital and cash management, efficiencies, the underlying position, other key metrics of national interest and FSRR for the NHS trust. The key data feeds directly from the detailed forms.	Monthly
TRU01 SCI MI: Financial Performance	The principal table is the Statement of Comprehensive Income (SoCI) and this is supplemented by a further data set which provides key performance information. The reported NHS financial performance table which adjusts the SoCI position for items which the DH has agreed should not be included in financial performance. The Earnings Before Interest, Taxation, Depreciation and Amortisation (EBITDA) is used as a further performance measure. The form also includes a number of further memorandum notes providing additional information. From 2016-17, additional information in relation to the Sustainability and Transformation Fund (STF) is fed from TRU05.	Monthly
TRU01a CTSTF MI: Control Totals and STF	This is a new form for 2016/17 which deals with the control totals and the mechanism for the release of the Sustainability and Transformation Fund (STF). The first table summarises the key values and the other tables provide the workings to generate these values on the basis of the STF funding arrangements which were issued to trusts followed by a final table that deals with the Incentive STF. Revised guidance	Monthly

Form	Description of Form	Frequency of completion
	on the STF detail will be issued to Trusts by early April	
TRU02 SFP MI: The Statement of Financial Position (SoFP)	Provides the year to date and forecast outturn position for the current financial year as well as the opening position. This is supported by a memorandum table that provides further information required for the UOR as well as a table analysing cash balances and details of commercial bank accounts.	Monthly
TRU04 CF MI: The Statement of Cash Flows	Analyses the movements in cash inflows and outflows, which together with the opening cash balances, determines the cash holding for the year to date and forecast outturn position at the year end. It is also supported by further memorandum tables which provide additional analysis of available capital; financing products, other loans received and repaid and the STF. Additional tables now provide further analysis in relation to the revenue financing requirement across loans, Revolving Working Capital Support Funding (RWCSF) & Public Dividend Capital (PDC).	Monthly
TRU05 REV MI	Analyses revenue between income arising from patient care activities and income from other sources and feeds into the Statement of Comprehensive Income (SOCl) on TRU01. A further memorandum table provides additional analysis of the revenue included within patient care activities.	Monthly
TRU06 EXP MI	Analysis of operating expenses excluding employee benefits which feeds into the SOCI on TRU01. It also includes a memorandum table that provides an analysis of consultancy services (NB: this was previously analysed in more detail on TRU75).	Monthly
TRU14 IMP MI: Impairments	Provides an analysis of the different categories of impairments arising during the financial year for both the year to date and forecast outturn positions. The table focuses on those items that impact on the SoCI and does not require details of those impairments that are posted to the revaluation reserve.	Monthly only summary information for monthly forms, additional detail required for quarterly forms

Form	Description of Form	Frequency of completion
TRU19 PRV MI: Provisions	This provides an analysis of provisions during the year for both the year to date and forecast outturn positions, split by the key headings and expenditure items that are recorded in the annual accounts.	Monthly
TRU20 PFI MI: IFRIC 12/UK GAAP (ESA10) data	The first three tables identify the financial implication of applying the International Financial Reporting Standards (IFRS) requirements relating to service concessions (impacting on Private Finance Initiatives (PFIs)/Local Improvement Financial Trust (LIFT) projects). If these (IFRIC 12 costs greater than the equivalent UK GAAP/ESA10, they are added back to the retained surplus/ (deficit) to form part of the adjusted financial performance on TRU01. Some information is required in this form in respect of the equivalent UK GAAP/ESA10 costs of arrangements accounted for as on-SOFP under IFRIC 12. This is because the national accounts normally account for arrangements accounted for as on-SOFP under IFRIC 12 as off SOFP. Provision of the equivalent UK GAAP/ ESA10 costs in the TRU forms therefore enables this information to be captured for the national accounts. There are also three further tables providing information on: Schemes recognised as on-SOFP from inception by DH (this is pre-populated), a breakdown of IFRIC 12 by number and by description of scheme. The final table requires details of the split of the unitary payment.	Monthly
TRU54a MI: Risk Ratings	This table provides a transparent and detailed calculation of the Use of Resources (UoR) rating and feeds directly from the detailed forms.	Monthly
TRU55 MI: Capital and Working Capital tables	<p>Details of capital expenditure, cash and working capital are provided in a series of tables. The tables analyse:</p> <ul style="list-style-type: none"> • annual capital cost absorption rate • external financing limit (EFL) • summary capital expenditure • IFRS capital expenditure analysis • aged receivables/payables • better payment practice code (BPPC) 	Monthly

Form	Description of Form	Frequency of completion
TRU56 MI: Capital Analysis of Projects	Provides an analysis of capital expenditure by scheme together with a summary analysis by expenditure type, DH programme and IFRS expenditure category (IFRIC 12 or IFRIC 4) and planned funding method. A new table has been added for 2016/17 to collect data in relation to centrally funded capital schemes.	Monthly
TRU57 MI: Analysis of Capital Resource Limits and External Financing Limits and Capital Cash Management Plan	Comprises four tables. The first three tables provide a summary of the CRL/EFL, Net Borrowing Requirement (NBR) loans and Public Dividend Capital (PDC). This includes the initial limits provided by DH, any adjustments actioned during the period and those adjustments anticipated by the NHS trust to the year end. The fourth table is a summary of the capital sources available to fund the capital programme.	Monthly
TRU64a MI, TRU64b MI and TRU64c MI: Source and Application of Funds	Provides an analysis of the bridge between the financial position for the previous year and the projected position for the current year through the source and application of funds	Quarterly (Q2 only)
TRU65 MI: Analysis of Efficiency Programmes	The main elements of the NHS trust's efficiency programme are summarised on this table. It provides headline figures for schemes by completion status, by recurring/non-recurring, by pay/non pay and income and risk category. It also contains a separate section that identifies the full year effect of CIP projects that were identified in the previous financial year. Summary information feeds efficiency values into TRU64a and b.	Monthly
TRU67 MI: Summary of Efficiencies	This summarises the NHS trust efficiency measures and performance based upon TRU64 and TRU65 and how these impact on the normalised position and the reported levels of efficiency.	Quarterly (Q2 only)
TRU76a MI: Gross Employee Benefits	Comprises three tables. The first table provides a full analysis of gross employee costs split between substantive costs, bank and agency. The second table provides details of bank staff included within agency / contract costs and the third table provides the agency control total.	Monthly
TRU76b MI: Financial Headlines	This table provides details of the various financial sanctions and performance headlines.	Monthly

Form	Description of Form	Frequency of completion
TRU80 MI: Cost per Care Hour Calculation	This provides analysis to support the Carter initiative and generate the cost per care hour metric. Initially, this is required in total only but as the year progresses; this will be collected at ward level.	Monthly
TRU81 MI: Model Hospital Data	This provides information to support the Carter initiative in terms of the model hospital with the year to date figures feeding from TRU01, TRU06, TRU76a and TRU80.	Monthly
TRU COM(A): Key item Commentary	These tables are RAG rated and allow NHS trusts to provide an expansive commentary on the key headline indicators of financial performance, financial efficiency, governance and the Use of Resources (UOR) Ratings .	Monthly
TRU COM(B): Key Item Commentary	Five tables require commentary (at a more summarised level than in TRU COM (A) on capital expenditure, BPPC, over 90 day debt, liquidity days, movement from the previous month and an analysis of financial performance movements between Plan and Actual/FOT. Please note that there is also a further table where NHS trusts may record any further comments which they may wish to make in relation to the submission.	Monthly
TRU_LAAA: Status Update	This form is designed to obtain periodic updates from the trust sector in relation to the implementation of the Local Audit and Accountability Act 2014 and to inform DH.	Ad Hoc
Validations	This provides a summary of all validations and highlights errors where tests cannot be fulfilled. NHS trusts are required to clear all validation errors prior to submission or reach agreement with NHS Improvement prior to submission.	Monthly
TRU99 NHSI	This is a new form for 2016-17 and all of the cells are formula driven or fed from other forms within the collection. It has been developed to facilitate effective consolidation of the provider sector. The data collected will be used by NHSI for financial reporting purposes.	Monthly

Authorisation as a foundation trust

- 1.4 NHS trusts attaining foundation trust status during the year, should complete the monthly financial monitoring forms to record the financial position up to the date of foundation status being granted. (i.e. where a trust was authorised on

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October 2016, they would be required to complete and submit monthly monitoring forms for months one to six) In addition they will also be required to complete months nine and 12 to reflect the financial position of the NHS trust.

- 1.5 Similarly, where NHS trusts have merged with an existing foundation trust they will also need to complete the monthly financial monitoring forms to record the financial position up to the date of transfer under absorption accounting and also at months nine and twelve.

2. TRU Key Data

- 2.1 This form provides a summary of the headline financial data provided by the more detailed forms that support it. The key information summarised is:
- **Statement of Comprehensive Income (SoCI) (sc100 to sc120):** Comprises details of turnover, retained surplus/(deficit) represented both in absolute terms and as a percentage of turnover
 - **Reported Financial Performance (sc130 to sc165):** This links the retained surplus/(deficit) and adjusts this for items that should not impact on financial performance, these include impairments, donated assets and Government granted assets, IFRIC 12 items and gains and losses relating to transfers by absorption. It also reports at forecast outturn the performance against the Stretch Financial Performance target
 - **Earnings before Interest, Taxation, Depreciation and Amortisation (EBITDA) (sc170 to sc180):** EBITDA is an important measure of financial performance and components of EBITDA feed into the calculation of the FSRR
 - **Capital Position (sc190 to sc240):** This provides key data relating to gross capital expenditure, receipts and losses, other adjustments regarding grants, donations and losses on disposal of donated assets. The section also summarises the CRL, the spend against this and the resulting under or over spend
 - **Cash Funding and Loans (sc250 to sc370):** This comprises key data relating to cash balances, PDC issued and repaid, new RWCSF, loans, 90 day plus debt for receivables and payables and performance against the BPPC
 - **CIPs/Efficiencies (sc380 to sc450):** This summarises the total efficiency programme for the year to date and forecast outturn showing their risk profile, those that are unidentified and those that are recurrent and non-recurrent. This section also provides the measure of efficiencies as a percentage of expenditure in sc450
 - **Normalised position (sc460 to sc470):** This identifies the underlying surplus/(deficit) both in absolute terms and as a percentage of total expenditure
 - **Other key metrics (sc480 to sc520):** This includes a number of other key metrics currently not reported elsewhere on the Key Data sheet, and includes under/(over) spend against EFL and annual capital cost absorption rate. It also reflects areas of national interest and includes additional metrics for consultancy and agency spend

- **Agency ceiling (sc523):** This details the agency control total set for the trust. This is fed from TRU76a
- **Use of Resource Metric (sc600 to sc650):** This sets out the UOR by its component parts of liquidity days (sc600) and Capital Servicing Capacity (sc610), I&E margin (sc620) and I&E margin. I&E margin variance from plan (sc630) and Agency (sc640). When combined, these give the overall UOR for each trust (sc650).

3. TRU01_SCI_MI Statement of Comprehensive Income (SoCI) (sc100 to sc800)

Statement of Comprehensive Income (sc100 to sc220)

- 3.1 The entire SoCI table (sc100 to sc220) is pre-populated from either plan figures or from data entered in the accounts form TRU01 or other forms. Trusts should ensure that the table is carefully reviewed.

Reported NHS Financial Performance (sc350 to sc395)

- 3.2 This is a financial measure which recognises the impact of items that are considered to be either one off or outside of the normal running costs of the NHS trust. These include impairments, IFRIC 12 costs, income/expenditure arising from Government grants and/or donated assets and losses or gains relating to mergers accounted for on an absorption basis. These items are added back to the retained surplus/(deficit) to arrive at the adjusted financial performance retained surplus/(deficit). As with the SoCI, the entire table is pre-populated and no direct input is required. Subcode 395 is used to record the trust's performance against its control total.

Earnings Before Interest, Taxation, Depreciation and Amortisation (EBITDA) (sc400 to sc510)

- 3.3 This is used as a key financial performance measure and also feeds into the calculation of the UOR on TRU54a. The table starts with retained surplus/(deficit) (sc400) and adds back interest, depreciation, amortisation, impairments, IFRIC 12 items, dividends and (gains)/losses relating to government grants, donated assets and disposals.
- 3.4 With the exception of restructuring costs (sc500), all of the entries feed from other tables or are formula driven.
- 3.5 **Restructuring costs (sc500):** This row is used to record restructuring costs of an exceptional nature, i.e. this should not be used to record restructuring costs that are within the normal running costs of the NHS trust. Any figures reported in mc01 and mc02 will have been already agreed with NHS Improvement prior to plan submission.
- 3.6 **Normalised EBITDA (sc510):** This is the total of sc490 to sc500 and comprises EBITDA adjusted for restructuring costs of an exceptional nature.

Notes 1-11 (sc550-sc800)

- 3.7 **Note 1: Donation/grant receipts and depreciation of donated /grant funded assets (sc550 to sc555):** The figures are fed from TRU05MI and TRU06MI for the year to date

and forecast outturn figures for both mc03 and mc06 respectively in sc550 and sc555. This adjustment ensures consistency with the measure used in the planning process.

- 3.8 **Note 2: Stock write down included in operating surplus/(deficit) (sc570):** This feeds into the UOR on TRU54a and is included within impairments via the FSRR feed calculation on TRU01. The figure is fed from TRU06 for the year to date and forecast outturn figures for both mc03 and mc06 respectively.
- 3.9 **Note 3: Impairment of receivables included in operating surplus/(deficit) (sc580):** As with the stock write down, this is required for the UOR calculation on TRU54a. The figure is fed from TRU06MI for the current year to date and forecast outturn figures for both mc03 and mc06 respectively.
- 3.10 **Note 4: Underlying surplus/(deficit) (sc590):** NHS trusts must manually input forecast outturn figures in main code 06. .
- 3.11 **Note 6: Split of Patient Care Revenue by Tariff/Non-Tariff (sc620 to sc630):** This provides the analysis of the revenue from patient care activities between tariff and non-tariff funding. The figures are fed from TRU05MI for Tariff revenue both the year to date and forecast outturn figures for non-tariff income mc03 and mc06 respectively.
- 3.12 **Note 7: Analysis of Agency/Contract Staff Costs (sc640):** This is the agency/contracts costs net of related income. Agency/ Contract Staff includes Agency/Contract staff engaged on the objectives of the NHS trust. This will include payments to an agency for the employment of staff where the staff remain employees of the agency. "Contract staff" means staff engaged by the NHS trust on a contract to undertake a project or task. It does not include amounts payable to contractors in respect of the provision of services (e.g. cleaning or security). The figures for year to date and forecast outturn are fed from TRU76a.
- 3.13 **Note 8: Analysis of Bank Staff Costs (sc660 to sc700):** Bank staff costs provide a summary of the detailed costs listed on TRU76a providing the total cost of bank staff within overall employee benefits (sc660). If bank costs are included in other agency/contract, this sum is shown on sc670 and the supplier on sc700. The data is all pre-populated from other forms. The validation TRU01(mi)-05 will check that this entry has been completed.
- 3.14 **Note 9: Consultancy Spend (sc710):** The validation TRU01(mi)-05 checks to ensure that these fields have been completed. There is now much more scrutiny of consultancy expenditure and NHS trusts should refer to guidelines that have been issued by NHS Improvement to NHS trust Finance Directors, relating to any consultancy expenditure on schemes over £50,000. The year to date and forecast outturn figures feed from TRU06MI.
- 3.15 **Note 10: Breakdown of Finance Costs (sc720 to sc770):** NHS trusts are required to enter in sc740 to sc750 the year to date figure in main code 03. Sc760 IFRIC 12 Interest is populated with figures drawn from TRU20MI and sc720 is a total of the Finance costs reported in sc730 to sc770. NHS trusts that are assuming receipt of interim revenue PDC in the financial year should ensure that the 1% commitment fee applicable to this form of financing is recognised in sc730. Similarly NHS trusts that are anticipating financing from the Interim revolving working capital facility should recognise the 3.5% interest charge applicable to this form of financing in sc740.

4. TRU01a - STF

Overview

- 4.1 A new form has been included in the monthly monitoring pack from month 3 onward. This deals with the control totals and the mechanism for the release of the STF. The intention is that the tables included assist trusts in ensuring that they are following a standard methodology in dealing with this. The first table (sc100 to sc150) summarise the key values and the other tables (sc160 to sc430) provide the workings to generate these values. Detailed guidance that underpins the STF and control total processes has been sent to trusts separately.

Summary table (sc100 to sc150)

- 4.2 This table provides a summary of the relationship between the STF and the control totals.
- 4.3 **Control Total Basis Surplus / Deficit (sc100):** this is the adjusted financial position and is fed from TRU01 (sc390).
- 4.4 **STF Fund (sc110):** These figures comprise the agreed plan position together with the year to date and forecast outturn figures which are fed from TRU01. These figures should agree to the calculated values generated by the other tables in the form and summarised in sc150. A validation rule (TRU01a(mi)-03) has been included to ensure consistency between these figures.
- 4.5 **Control total basis surplus / (deficit) excluding STF vs plan (sc120):** This is the calculation of control totals less the STF.
- 4.6 **Control total basis surplus / (deficit) excluding STF vs control total (sc130):** The full year plan figure (mc04) take the planned performance against control total from TRU01 and deducts the forecast STF fund from this figure. The plan year to date figure is calculated by pro rating this by the value in sc120.
- 4.7 **STF Allocation (sc140):** This is the centrally approved STF allocation.
- 4.8 **Calculated STF (sc150):** This represents the STF attributable to the trust in the year to date and forecast outturn and is calculated via the tables included in sc175 to sc430. This should be consistent with values included at sc110.

STF Calculation Tables (sc160 to sc650)

- 4.9 Full guidance relating to the detailed calculation of the components of the STF funding (including the Incentive STF) will be issued by early April 2017.

5. TRU02_SFP_MI Statement of Financial Position (sc100-sc500)

- 5.1 With the exception of entries relating to DH Working Capital FT Liquidity Loans (sc300 and sc400), at Q4 the entire SoFP table is pre-populated from either plan figures or from data entered in the Accounts forms. Guidance relating to the individual rows can be found in the accounts forms guidance in section A.

5.2 Cash held in GBS Accounts/National Loans Fund (sc500):

- closing Government Banking Service (GBS) balance at the end of each period. This is populated from the Analysis of Cash Balances table sc690 and sc695.

Memorandum items (sc510 to sc570)

5.3 The memorandum section is used to facilitate the calculation of the UOR, as well as providing some further validation re validation tests and loans. Where applicable, NHS trusts should input the current year to date and forecast outturn into main codes 03 and 06 respectively.

Analysis of Cash Balances (sc685 to sc810)

5.4 The information required focuses firstly on the overall cash balances (sc685 to sc710) and secondly on the commercial bank accounts held (sc720 to sc810).

5.5 **Analysis of Total Cash Balances (sc685 to sc705):** This analyses the total cash balance in sc200. A validation TRU02(mi)-05 has been set up to ensure that the sub totals in sc710 agree to the total cash balances in sc685 and sc200.

5.6 **Number of commercial accounts (sc720):** NHS trusts are required to enter the number of commercial bank accounts held in sc720 for both the year to date and forecast outturn. A validation TRU02(mi)-08 requires that where NHS trusts have reported cash held in commercial accounts in sc700 then a value is also expected in sc720.

5.7 **Banks in which the trust holds commercial accounts (sc730 to sc810):** Trusts are required to provide details of each account held in the year split between those that were identified at plan (pre-populated) and those that are new in year (see yellow input cells sc780 to sc810). Validation TRU02(mi)-06 ensures that the analysis provided in this section of the form is consistent with the cash balances reported at sc700 for both year to date and forecast outturn.

6. TRU04_CF_MI Statement of Cash Flows (sc100-sc640)

6.1 The cash flows reported relate to movements in cash and cash equivalents. IFRS requires cash flows to be reported under only three sections: operating, investing and financing. NHS trusts should complete the Statement of Cash Flows in accordance with the [Department of Health Group Accounting Manual 2016-17](#) and all amounts must be shown gross. The majority of entries on this table feed directly from the TRU04 accounts form or from sub workings however attention should be given to the following subcodes.

6.2 **Capital Grants in Kind (sc155):** *An extra row has been included to reflect the separate inclusion of grants in kind (i.e. donations of assets by the Trust). This links directly to the equivalent entry in the accounts TRU04 (sc160).*

Cash flows from financing activities (sc428 to sc560)

6.3 Revolving Working Capital Support Facility Accessed (sc428):

- advice regarding the classification of interim financing products which NHS trusts are anticipating utilising can be found in the DH document Interim Support Finance which was issued to all NHS trusts earlier in 2015. If further advice is required on the interim financing products please contact the Capital and Cash Team at NHSI NHSI.CapitalCashQueries@nhs.net.
- both main codes 03 and 06 are fed from the detailed analysis provided by NHS trusts in the Memorandum Items table at the foot of TRU04 (sc650 and sc660).

6.4 Revolving Working Capital Support Facility Repaid (sc429):

- both main codes 03 and 06 are fed from the detailed analysis provided by NHS trusts in the Memorandum Items table at the foot of TRU04 (sc655 and sc665).

6.5 New PDC received/repaid in year PDC - capital (sc430 and sc441):

- both mc03 and mc06 are fed from the detailed analysis provided by NHS trusts in the Memorandum Items table at the foot of TRU04_CF_MI (sub codes 670, 672, 674, 676, 678 and 680 and 671, 673, 675, 677, 679 and 681).

6.6 New PDC received/repaid in year PDC – Revenue (sc440 and sc442):

- both mc03 and mc06 are fed from the detailed analysis provided by NHS trusts in the Memorandum Items table at the foot of TRU04 (sc700 and sc710 and sc705 and sc715). Note that the figure reported in sc440 feeds through to the key metrics table on TRU04 Metrics sc400.

6.7 Loans received/repaid (sc450 to sc500):

- used to record the loans received and repaid from DH/other sources, with the exception of sub codes 460, where NHS trusts are required to manually input figures for year to date, these are fed from either the detailed analysis provided by NHS trusts in the Memorandum Items table at the foot of TRU04 or from the TRU04 accounts form
- repayments of loans in respect of PFI's, finance leases and overdrafts should be reported on the row for Capital Element of Payments in respect of Finance Leases and on-SoFP PFI and LIFT (sc495)
- repayments recognised on sub code 495 should represent only the capital cash repayments made in relation to PFI/LIFT/Finance Leases and should represent actual cash out-flows; this will equal the element of the Unitary Payment that has been applied to reduce the finance lease principal in the year. The NHS trust should have calculated this in its accounting model for the PFI/LIFT/finance lease. In rare circumstances where the finance lease principal increases in the year, NHS trusts should contact NHS Improvement NHSI.CapitalCashQueries@nhs.net to discuss how to account for this within TRU04.

6.8 Cash transferred to NHS foundation trusts or on dissolution (sc520):

- the cash payment should be recorded in the period of the transfer.

- 6.9 **Capital grants and other capital receipts (excluding donated/government granted cash receipts) (sc560):**
- the cash payment/receipt should be recorded in the period of the transfer.
- 6.10 **Net cash inflow/(outflow) from financing activities (sc580):**
- sub-total of sc424 to sc560.
- 6.11 **Net increase/(decrease) in cash and cash equivalents (sc590):**
- total of sub codes 100 to 250, 270 to 400 and 424 to 560.
- 6.12 **Cash and cash equivalents (and bank overdraft) at beginning of the period (sc600):**
- should include the net of the cash balances recorded in the SoFP TRU02 (sc200) and any bank overdrafts (expected to be rare) that are included in the SoFP TRU02 under borrowings (sc555).
- 6.13 **Opening balance adjustment (sc610):**
- expected to be exceptional cases only.
- 6.14 **Restated cash and cash equivalents (and bank overdraft) at beginning of the Period (sc620):**
- Sub-total of sc600 and sc610.
- 6.15 **Effect of exchange rate changes in the balance of cash held in foreign currencies (sc630):**
- the cash payment/receipt should be recorded in the period of the foreign currency exchange.
- 6.16 **Cash and cash equivalents (and bank overdraft) at year to date (sc640):**
- the final cash balance for the period should match the net of the cash balance reported on the SoFP TRU02 (sc200) and any bank overdrafts that are included under borrowings TRU02 (sc555). A validation check TRU04(mi)-03 has been included to reflect this.
- 6.17 **Anticipated first month of repayment for revolving working capital support (sc645):**
- NHS trusts are required to enter a date when it is anticipated that this will be repaid. A validation (TRU04(mi)-08) confirms that where sc429 is populated that this has been completed.
- 6.18 **Memorandum Items: DH/Other Financing Products (sc650 to sc775):**
- this table provides a more detailed analysis of the following financing products and NHS trusts are required, where appropriate, to input figures for both the year to date and forecast outturn in main codes 03 and 06 respectively

- **RWCSF (sc650 to sc665):** NHS trusts should only recognise interim/normal RWCSF on main code 03 sc650 and sc660 where this has been drawn down as at the end of the period. This amount should be gross of any repayments of interim/normal RWCSF PDC already made which should be noted on sc655 and sc665 as set out below e.g. if £2 million has been received and already repaid, +ve £2 million should be recognised in sc650 and sc660 and –ve £2 million recognised on sc655 and sc665;
- forecast interim/normal RWCSF figures should reflect the NHS trust's planned cash flow, in line with the proposed financing route, as discussed with NHS Improvement. Sc650 and c660 should recognise the total forecast amount of interim and normal RWCSF drawn down gross of the total anticipated repayments which should be recognised on sc655 and sc665. This is a cumulative figure so should include any amount already drawn down in the current period. The interim and normal RWCSF where a value for RWCSF has been input on TRU04 sc650 and/or sc660, the validation TRU04(mi)-17 ensures that a value has also been entered for the linked interest charge on TRU01 sc740 and vice versa
- where a value for Revolving Working Capital Support Facility (RWCF) has been input on TRU04 sub codes 650 and/or 660, the validation TRU04(mi)-17 ensures that a value has also been entered for the linked interest charge on TRU01 sub code 740 and vice versa
- **new public dividend capital – Capital (sc670 to sc681):** All issued PDC for capital purposes should be captured on sub-codes 670, 672, 674, 676, 678, 680. In addition all capital PDC repaid should be captured on sub codes 671, 673, 675, 677, 679, 681
- **new public dividend capital – Revenue (sc700 to sc715):** only PDC issued in the form of interim revenue support PDC or planned term support revenue PDC for non-capital use by NHS trusts should be entered on sc700 and sc710; the validation TRU04(mi) –18 also ensures that where a trust has entered a value for Interim Revenue PDC on TRU04 sc700, 1% of this value has also been entered for the linked commitment fee on TRU01 sc730
- **capital investment loans (sc720 to sc745):** NHS trusts should record here new and existing capital investment loans received and repaid, ensuring that the correct categorisation has been applied i.e. interim or normal;
- **revenue support loans (sc750 to sc775):** NHS trusts should record here new and existing revenue support loans received and repaid, ensuring that the correct categorisation has been applied i.e. interim or normal.

6.19 Memorandum Items: Other Loans Received and Repaid (sc790 to sc840):

- the title field (Column B) of this table is pre-populated with the loan description details identified at plan. In addition, NHS trusts are required to separately identify other loans received or repaid during the year at sc805 and sc835. Note the figures reported in sc810 and sc840 feed sc470 and sc500 in the cash flow.

7. TRU05_REV_MI: Revenue

Revenue from patient care activities (sc100 to sc200)

- 7.1 This section is used to show patient care revenue together with the organisations from which it is sourced. It is an abbreviated version of the TRU05 that is incorporated into the FMA forms and follows the style of the in year version of TRU05. No input is required as this is all fed from the Accounts [TRU05](#).

Other operating revenue (sc220 to sc358)

- 7.2 This should be completed using guidance in the DH Group Manual for Accounts 2016-17. It is an abbreviated version of the TRU05 that is incorporated into the FMA forms and follows the style of the in year version of TRU05. No input is required as this is all fed from the Accounts [TRU05](#).

Memorandum Items (sc650 to sc690)

- 7.3 The memorandum table provides further analysis in respect of revenue from patient care activities and also the STF.
- 7.4 The majority of the data feeds directly from the FMA version of TRU05.
- 7.5 The second part of the table has been added to capture the STF on an accruals basis to be consistent with TRU05, split between the general and targeted funds.
- 7.6 ***Following the announcement of the STF incentive scheme a new line has been added at (sc685) to enable providers to record the value of incentive STF that has been assumed in the forecast outturn position. Providers should not assume any incentive STF in the year to date position at Q3. Two further lines have been added at Q4, sc681) and sc682 to analyse appeals relating to STF core. Additional lines have also been added at Q4 to reflect the finance, performance and bonus incentive schemes.***

8. TRU06 Operating expenses (sc100 to sc360)

- 8.1 The operating expenses form should be completed in accordance with the guidance in the DH Group Manual for Accounts 2016-17, Chapter 4. It is an abbreviated version of the TRU06 that is incorporated into the FMA forms at the financial year end. However, unlike the year end forms, this only captures non pay operating costs. Gross payroll costs are dealt with separately on TRU76a. No input is required as this is all fed from the Accounts [TRU06](#).

Memorandum, Consultancy Services Analysis (sc650 to sc680)

- 8.2 NHS trusts will be aware of the emphasis that has been placed on reducing the national spend on consultancy and the controls that were introduced for schemes over £50,000 from 2015-16. As a result of continuing scrutiny in this area a summary table has been included in TRU06 which replaces the more expansive TRU75 that was used in 2015-16.
- 8.3 With the exception of sc670, where only actual needs to be completed, data entry is required for the number of cases (mc01) and the year to date costs (mc03). At Q4 forecast outturn costs (mc06) are formula driven from year to date (mc03). Data is required by the following categories:

- costs related to business cases approved by NHS Improvement (sc650)
- costs related to business cases awaiting approval by NHS Improvement (sc655)
- costs exempt from approval by NHS Improvement (<£50k or prior to 2 June 2015) (sc660)
- costs exempt from approval by NHS Improvement (Other) (sc665)
- not yet identified (sc670).

Memorandum, Drug Costs (sc675 to sc680)

- 8.4 A memorandum table has been included from 2016-17 to facilitate the development of the Carter metrics. NHS trusts are required to enter for year to date the value of high cost drugs in sc675. High cost drugs are drugs excluded from PBR outside tariff, include drugs charged to the cancer drugs fund and also include AIDS/HIV drugs. The list of high cost drugs can be found on the high cost drugs tab on tab 18 of the PBR Tariff guidance see <https://www.gov.uk/government/publications/nhs-national-tariff-payment-system-201617>. The figure reported for other drug costs (and includes gases) is calculated using sc155 less the value of high cost drugs reported in sc675.

9. TRU14_Imp_MI Analysis of Impairments and Reversals (sc100-sc960)

- 9.1 This table collects information for HM Treasury on the causes and values of impairments and reversals. Please note that the form no longer requires completion of the sections relating to Investment property and it now focuses purely on the impact on the SoCI and no longer includes the impairments that are charged to the revaluation reserve.
- 9.2 The entire table is linked to the [TRU14 \(Accounts\) form](#), therefore no input is required. However, trusts should carefully review the results generated by this form as impairments is a key control figure which is monitored by the DH/HM Treasury.

10. TRU19__PRV_MI Provisions for liabilities and charges (sc114-sc310)

- 10.1 IAS37, *Provisions, contingent Liabilities and Contingent Assets* should be followed when accounting for provisions. IAS 39, *Employee Benefits* is also relevant. Note this information feeds entirely from the accounts [TRU19](#).
- 10.2 The table of provisions (is presented to provide year to date and forecast outturn position in total in the first table (sc114 to sc220). The second table (sc230 to sc310) provides an analysis of the forecast outturn position between the various categories of provision.

11. TRU20_PFI_MI IFRIC 12/UKGAAP data (sc510-sc1140)

- 11.1 This table identifies the additional costs/ (revenues) that arise as a result of the application of IFRIC 12 to 'service concession' arrangements, such as PFI and LIFT schemes, in the NHS. Virtually all arrangements that fall within the scope of IFRIC 12 fall to be accounted for as "on Statement of Financial Position" items.

- 11.2 The table is split into three parts – the first table (sc510 to sc620) is for the “List A” schemes which scored against the Department of Health budget in their year of completion as set out on sc980. The only one now is:
- Buckinghamshire Hospitals NHS trust – South Bucks PFI (Wycombe and Amersham).
- 11.3 The second table (sc630 to sc705) is for all other schemes and is formula driven using the total figures t in the final table below sub codes 710 to 785 less that reported in the table above for List A schemes. Further detailed guidance for accounting for service concession arrangements and imputed leases is dealt with in Appendix 4 of NHS Improvement TFMS Plan Guidance.
- 11.4 The third table (sc710 to sc785) relates to PFI/LIFT schemes not identified as List A schemes. At Q4 this table requires no manual input as it is formula driven from the accounts forms.
- 11.5 Summary of guidance:
- properties that are on-SoFP under IFRIC 12 should be included in the PFI disclosures in TRU20
 - properties that are on-SoFP by virtue of IFRIC 4 (i.e. where a IFRIC 12 service concession does not exist) should not be included within the TRU20 but should be included within the normal leasing disclosure notes
 - where a new transaction creates a legal charge over property and IFRIC 4 or IFRIC 12 requires recognition of the asset on the SoFP, NHS trusts should refer to the DH guidance document “Accounting Under IFRS for properties where a body holds a legal charge”
 - where a legal charge exists in respect of an on-SoFP asset, that charge cannot be disposed of without accounting for the transaction as a disposal
 - the guidance on PFI disclosures applies equally to LIFT.
- 11.6 **Depreciation charges (sc510, sc630 and sc710):**
- annual depreciation of all non-current assets within the relevant arrangements. The depreciation charged on an arrangement reported as “on SoFP” under IFRIC 12 must be calculated in accordance with the trust’s accounting policy for recording depreciation on Property, Plant and Equipment.
- 11.7 **Interest expense (excluding contingent rent) (sc520, sc635 and sc715):**
- annual finance lease interest for relevant arrangements. These items should be identified within the accounting model the trust should have completed to enable it to account for the “on SoFP” arrangement.
- 11.8 **Impairments – AME (sc530, sc640 and sc720) and DEL (sc540, sc645 and sc725):**
- annual impairments to all non-current assets within the relevant arrangements. The impairment charged on an arrangement reported as on SoFP under IFRIC 12 must be calculated in accordance with the trust’s accounting policy for

impairments. AME (Annually Managed Expenditure) and DEL (Departmental Expenditure Limit) are terms applied in Central Government accounting

- DEL impairments are those caused by loss or damage resulting from normal business operations, abandonment of projects (indicating that better managerial decisions might have avoided the need for impairment, or over-specification / gold plating leading to write downs
- AME impairments are those caused by loss caused by catastrophe, unforeseen obsolescence, write-downs of development land to market value, write-downs where the asset is to be used for a lower specification than originally intended, write-downs of specialised properties held at DRC to market value prior to sale or write-downs of newly constructed specialised properties to DRC
- See [TRU14 \(Accounts\)](#) forms for further guidance on other categories of impairments.

11.9 Other expenditure (including contingent rent (sc550, sc650 and sc730):

- annual revenue expenditure incurred in relation to relevant arrangements. This cell must include operating costs and net off from this figure any deferred income in relation to third party revenues (see notes relating to the completion of TRU05 in the Plan Guidance for further detail on third party income) released to the Statement of Comprehensive Income.

11.10 Revenue receivable from subleasing (sc560, sc655 and sc735):

- annual revenue income due from subleasing contained within relevant arrangements, excluding payments that reduce any finance lease receivables associated with the subleasing.

11.11 Impact on PDC dividend payable (sc570, sc660 and sc740):

- the increased PDC dividend payable following the recognition of “on-SoFP” items.

11.12 Total IFRS expenditure (IFRIC 12) (sc580, sc665 and sc745):

- total of sc510 to sc570, sc630 to sc660 and sc710 to sc740.

11.13 Revenue consequences of LIFT/PFI schemes under UK GAAP/ESA10 (net of any sublease income) (sc590, sc670 and sc750):

- the net revenue costs for all relevant arrangements accounted for under Treasury Taskforce Technical Note 1 for projects that reached financial close prior to 1 April 2009 or ESA10 for projects that reached financial close from 1 April 2009. For the avoidance of doubt, this is net of the annual build up in the residual interest where the Treasury Taskforce Technical Note 1 has been applied and includes annual amortisation of any capital contributions and the annual release of relevant deferred assets. Net revenue costs of LIFT/PFI schemes under UK GAAP should be input as a negative value.

IFRIC 12 performance calculation (sc605 to sc614, sc680 to sc695 and sc760 to sc775)

11.14 IFRIC 12 adjustments including IFRIC impairments (as reported in TRU01 sc360):

During 2012-13 there was a change in the performance measurement, in relation to the IFRIC 12 adjustment for NHS trusts. This is to ensure that in cases where IFRIC 12 costs are below UK GAAP costs, the NHS trust performance is not adversely affected. Therefore, where IFRIC 12 costs are lower than under UK GAAP, the shortfall will not be an additional charge included within reported financial performance. It remains the case that where IFRIC 12 costs are greater than UK GAAP costs, the NHS financial performance will be adjusted appropriately. As such, the figures that automatically feed sc605 to sc612 and sc680 to sc690 reflect this amendment. The figures generated on sc614 and sc695 together with the impairments on sc608 and sc685 represent the total of this adjustment that feeds sc360 of TRU01.

Capital consequences of IFRS: LIFT/PFI and other items under IFRIC 12**11.15 Capital expenditure 2016-17 (sc620 and sc700):**

- **Annual additions under IFRS to non-current assets relating to the relevant arrangements. These figures should match the total capital expenditure categorised on TRU56 as arising from arrangements accounted for under IFRIC 12, which will include any capitalised lifecycle costs**
- **the total year to date and forecast outturn IFRIC 12 capital expenditure on sc700 is automatically calculated from sc780 which is linked to TRU55 sc505 which feeds from TRU56 sc500.**

11.16 UK GAAP Capital expenditure (sc705):

- Information is required in this form in respect of the equivalent “UK GAAP” costs of arrangements accounted for as “on SoFP” under IFRIC 12. This is because the National Accounts normally account for arrangements accounted for as “on SoFP” under IFRIC 12 as “off balance sheet”. Provision of the equivalent UK GAAP costs in the TRU forms therefore enables this information to be captured for the National Accounts
- for cases that are judged to be off -SoFP for Departmental budgetary purposes, Departments (including DH) are required to score the reversionary interest that would have applied under UK GAAP against the Departmental capital budget. NB: This applies to the arrangements accounted for under Treasury Taskforce Technical Note 1 for projects that reached financial close prior to 1 April 2009 or ESA10 for projects that reached financial close from 1 April 2009. These figures feed the UK GAAP/reversionary interest expenditure recognised on TRU55 sc530 – see the further explanation of UK GAAP accounting in the bullet points below
- where newly constructed PFI assets were due to pass back to the NHS body at the end of the PFI contract, NHS trusts would have been required to create a “Residual Interest” in their accounts. The estimated fair value on reversion of the residual interest is based on the DV’s professional estimate at the start of the concession period
- existing assets passed to the PFI contractor that were due to pass back to the NHS body at the end of the PFI contract would normally be described as a “reversionary interest”

- however, we note that historically, the use of the terms “residual interest” and “reversionary interest” were interchangeable
- the DH document “LAND AND BUILDINGS IN PFI SCHEMES (VERSION 2)” dated 16 January 2003 includes detailed guidance on the accounting methodology required for calculating the residual interest.
- This document is available by copying the following link into your browser:
http://webarchive.nationalarchives.gov.uk/20130107105354/http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/@dh/@en/documents/digitalasset/dh_4021120.pdf

11.17 Memorandum table on PFI/LIFT Schemes – “List A” (sc980):

- provides the remaining trust that is classified as “List A” (sc980). i.e. Buckinghamshire Hospitals NHS trust – South Bucks PFI (Wycombe and Amersham).

11.18 Memorandum – Scheme Descriptions (sc1010 to sc1070):

- provides numbers of schemes captured on TRU20 (sc1010)
- this memorandum table also requires NHS trusts to input the name, descriptions of the PFI Schemes, year of inception, capital value and implicit interest rate that are included within the information on the TRU20 and identify those schemes as either “List A” or “Other”. Please note that only the one scheme identified as “List A” in sc980 should be classified as “List A” and the validation TRU20(mi)-05 confirms this has been completed.

11.19 Memorandum – Unitary Payments (sc1090 to sc1150):

- this memorandum table is split between the various elements of the Unitary Payment. Cells 1090, 1105, 1120, 1130 and 1150 require a manual entry by NHS trusts. The total value in sc1140 should be consistent with the total unitary payments for IFRIC 12 schemes. Interest Expense / Contingent Rent (sc1200 to sc1250).

11.20 Interest Expenses / Contingent Rent (sc1200 to sc1250):

- this table provides further analysis of the plan figures to reflect the revised accounts presentation. At Q4 sc1210 and sc1250 are linked to the information previously provided at month 9, although these cells remain editable.

12. Single Oversight Framework (SoF) TRU54a

12.1 From month 7 of 2016-17, the principle financial metrics applicable to both NHS trusts and foundation trusts is derived from the Single Oversight Framework (SOF) which sets out the NHS Improvement’s approach to overseeing NHS providers and which was published in September 2015. This document can be found on the NHS Improvement website at: <https://improvement.nhs.uk/resources/single-oversight-framework/>

12.2 The SOF came into effect on 1 October 2016 and assesses: the financial performance of providers via the “Use of Resources Metrics (UOR)” which has supplemented the

Financial Sustainability Risk Rating (FSRR) previously used. The UOR comprises the following five metrics:

- Liquidity Ratio (sc 371)
- Capital Servicing Capacity (sc 378)
- I&E Margin (sc 430)
- I&E Distance from Plan (sc 440)
- Agency (sc 460)

12.3 The key features of the UOR ratings and the differences to the FSRR previously used are set out below (note that the scoring has reversed (compared with the FSRR ratings) so that 1 is now the highest score and 4 is now the lowest :

- Capital Service Capacity, this measures the degree to which the provider's generated income covers its financial obligations. The calculation of this metric is identical to that previously used in the FSRR.
- Liquidity Ratio, this measures the days of operating costs held in cash or cash equivalent forms, including wholly committed lines of credit available for drawdown. The calculation of this metric is identical to that previously used in the FSRR. **(nb: an adjustment has been made between Q3 and Q4 to take out a double count of financial assets available for sale).**
- I&E margin Ratio, this metric is based on the overall surplus or deficit. The calculation of this is similar to the FSRR except that it is based on a control total basis rather than normalised surplus (deficit).
- Distance from plan ratio. This measures the actual or forecast surplus / deficit in comparison to the planned surplus / deficit. Once again this is similar to those used in the FSRR except that the calculation is based on a control total basis rather than normalised surplus (deficit). Note that these are not applied to plan data (main codes 2 and 6) as control totals were not in use prior to 2016/17.
- Agency Spend, this is a new metric which has been introduced to measure spend on agency staff as a proportion of the ceiling.

12.4 Overall Metric: This is calculated by attaching a 20% weighting to each category to provide a weighted score which is then adjusted for rounding (see sc487 to sc491). The next section (sc493 to sc515) then applies the following overrides:

- If any of the individual metric scores are 4, this restricts the overall best UOR score to a three.
- If the trust has not accepted its control total and has a full year planned, actual or forecast deficit, the maximum score achievable is a three.
- If the trust is in special measures, the overall UOR score will automatically be a four, regardless of the component metrics.

12.5 The UOR figures are all pre-populated from other forms. The parameters that are used to determine the scores are set out in a table alongside the UOR table. A summary of the scores for each of the key metrics and the overall score feeds the Key Data summary sc600 to sc650.

13. TRU55_MI Capital tables (sc100-sc680)

Capital tables (sc100 to sc530)

13.1 Should be completed in accordance with the detailed guidance on the financial performance targets in the DH Group Manual for Accounts 2016-17.

Annual capital cost absorption rate (sc100 to sc220)

13.2 The majority of data feeds from other forms, however trusts are required to provide forecast outturn figures for:

- Opening Adjustments (sc120)
- Opening Donated Asset Net Book Value (sc130)
- Closing Adjustments (sc170)
- Closing Donated Assets Net Book Value (sc180)
- Adjustments to exclude significant disposals/acquisitions in closing total assets employed (sc185)
- Average Daily Cleared Balances in GBS/NLF Deposits over the year (sc214)
- Adjustment for part-year effect of significant disposals/acquisitions reported on sc185 (sc216).

13.3 NHS trusts whose average net relevant assets are lower than the level needed to hit this threshold should contact NHS Improvement in order to agree an approach for completion. PDC and dividends policy issued to NHS trusts on 15 October 2013 provides further information about the PDC Calculation.

13.4 In the very rare circumstances, where there is an I&E movement between draft and final accounts, an adjustment may be made by NHS Improvement on behalf of a trust in order to reset the closing net relevant assets to the position as at the draft accounts. Trusts which need to use this cell should contact the NHS Improvement Cash and Capital team (using the queries mailbox CapitalCashQueries who will review the circumstances and make any resulting changes centrally. This cell (sc190) is currently hidden but may be opened at Q4 dependant on the number of cases in which it is required.

13.5 NHS trusts should ensure that in all cases in which the average relevant net assets (sc218) is positive, the capital absorption rate is 3.5%. Where a NHS trust's net relevant assets are zero, no PDC Dividend will be chargeable and this cell should equal 0%.

13.6 All part-year NHS trusts are asked to ensure that both an opening and a closing net relevant assets position is recognised in the TRU55 PDC dividend calculation by amending either sc120 or sc170 as appropriate. In the vast majority of cases, this will require trusts to recognise their forecast closing net relevant assets on sc170. This is needed due to the requirement for part-year trusts to 'zero-out' their opening or closing balance sheets.

13.7 Trusts should continue to ensure that their forecast average annual cash balances continue to be recognised on sc214. The forecast PDC dividend expenditure will remain

as the trust's expectation of the charge it is due for the period it existed as an NHS trust. This will feed from the trust's I&E forecast on TRU01. An additional row at sc219 is included to calculate the full-year equivalent PDC dividend charge in those instances where a part-year charge only has been calculated by NHS trusts.

- 13.8 The 3.5% validation check uses this figure and we therefore expect all trusts to pass this test when the steps set out above have been followed. This applies to all part-year trusts even if they have a previously agreed validation error with NHS Improvement.
- 13.9 The number of months that a trust has remained an NHS trust is pre-populated in cell I26.
- 13.10 The validation check TRU55 (mi)-09 will be triggered if the capital absorption rate is not achieved and uses the same tolerance as in previous DH returns i.e. anything below 3.495% or above 3.504% will flag as an error.

External Financing Limit (sc240 to sc280)

13.11 The EFL controls cash expenditure by NHS trusts. It encompasses all sources of financing available to an NHS trust, whether internal, external or from DH. With the exception of sc250 mc02, all of the cells in this table are fed from other forms or formula driven.

13.12 Cash flow financing (sc240):

- this feeds directly from TRU04 as sc420 - net cash inflow/ (outflow) before financing.

13.13 Finance leases taken out in the year (sc250):

- NHS trusts are required to enter the forecast outturn in main code 02; this is the value at which assets acquired under finance leases during the year are capitalised in the asset register at the inception of the lease
- in the majority of cases, this figure will be consistent with the capital expenditure categorised under IFRIC 4 on TRU56 sc510.

13.14 Other capital receipts (sc260):

- value of capital receipts from other sources (excluding donated/government granted cash receipts). This feeds directly from the cash flow TRU04 sc560.

13.15 External Financing Requirement (EFR) (sc270):

- subtotal of sc240 to sc260.

13.16 External Financing limit (EFL) (sc275):

- the NHS trusts planned EFL for each period. For plan, this will be equal to the EFR. The outturn figure is taken from the CRL and EFL limits table: TRU57 sc580, mc02.

13.17 Under/(over) spend against External Financing limit (EFL) (sc280):

- calculates EFL sc275 less EFR sc270. The validation TRU55(mi)-07 will check to ensure that there is no overspend against the EFL but where this is present will prompt NHS trusts to review both TRU57 and TRU04.

Summary capital expenditure (sc290 to sc340)

13.18 Gross Capital Expenditure including IFRS impact (sc290):

- feeds from the analysis total at sc419 on TRU56.

13.19 Asset transfers in to NHS trusts (sc294):

- total book value of assets received by the NHS trust from NHS organisations feed from TRU56 sc430.

13.20 Gross Capital Expenditure including IFRS impact including asset transfers (sc296):

- subtotal of sc290 to sc294.

13.21 Less: book value of assets disposed of to NHS organisations (sc300):

- profile for the total book value of assets disposed of to NHS organisations for year to date (mc02) and forecast outturn (mc05).

13.22 Less: book value of assets disposed of to non-NHS organisations (sc310):

- profile for the total book value of assets disposed of to non-NHS organisations for year to date (mc02) and forecast outturn (mc05).

13.23 Less: book value of financial instruments (investments) disposed of to NHS / non NHS bodies (sc314 and sc316):

- net book value of financial instruments split between NHS and non-NHS bodies for year to date (mc02) and forecast outturn (mc05).

13.24 Less: capital grants received (sc322)/less donations (sc325):

- total values for year to date (mc02) and forecast outturn (mc05).

13.25 Validation check for capital receipts (sc300 to sc325):

- the capital receipts recorded in the section must agree to those detailed in TRU56. A validation check TRU55(mi)-04 has been incorporated into the forms to ensure that sc300 to sc320 agree to TRU56 sc452 and that sc322 and sc325 agree to TRU56 sc488.

13.26 Charge against the CRL including IFRS impact (sc330):

- total of sc296 to sc325.

13.27 CRL including IFRS impact (sc335):

- notified/planned CRL. Except for Q4 which is linked to the FOT mc05, the year to date figure (mc02) should be input. The forecast outturn feeds from TRU57 (sc580, mc01).

13.28 Under/(over) spend against CRL (sc340):

- calculated as sc335 less sc330.

IFRS capital expenditure IFRIC 12 and non-IFRIC 12 (sc505 to sc530)

13.29 The impact of IFRS on net capital expenditure for both IFRIC 12 schemes (sc505) and non-IFRIC 12 i.e. IFRIC 4 schemes relating to Finance Leases (sc510), are automatically populated from data on TRU56 (sc500 and sc510).

13.30 Total impact of IFRS (sc520):

- total of sc505 to sc510.

13.31 UK General Accepted Accounting Practice (UK GAAP/ESA10) capital expenditure (sc530):

- total impact on the SOFP under UK GAAP accounting rules – i.e. for a PFI scheme, this would be the build-up of the residual interest that would be charged to the SOFP in each planning period. It is important that this figure is accurately recorded as it is used to help determine the overall level of resource available to fund the cost of IFRIC 12 schemes and it is the residual interest that is charged to HMT's Capital DEL control;
- feeds from the analysis of UK GAAP/Reversionary Interest recognised on TRU20 sc785 for 2016-17, with manual input required for 2016-17 onwards in the full planning forms. Input all values manually in the initial planning forms.

Aged receivables/payables: Current month (sc550 to sc580)

13.32 This table provides a summary of the aged receivables and payables. This is a key indicator of the NHS trust's cash management systems and is routinely collected on a monthly basis. For the input required on this table, receivables are taken to be all trade receivables and payables are taken to be all trade payables including those relating to capital:

- **receivables Non-NHS (sc550):** NHS trusts are required to manually input the value of debt which falls within the standard analysis 0 - 30 days (mc02), 31 - 60 days (mc04) and 61 - 90 days (mc06) **and over 90 days (mc08)**
- **receivables NHS (sc560):** NHS trusts are required to manually input the value of debt which fall within the standard analysis 0-30 days (mc02), 31 - 60 days (mc04) and 61 - 90 days (mc06) **and over 90 days (mc08)**
- the figures relating to receivables feed into the Key Item Commentary TRU_COM (B) and NHS trusts are required to explain the reasons for receivables balances over 90 days which are in excess of 5%, together with the actions to reduce this
- **payables Non NHS (sc570):** NHS trusts are required to manually input the value of creditors which fall within the standard analysis 0 - 30 days (mc02), 31 - 60 days (mc 04), and 61 - 90 days (mc06) **and over 90 days (mc08)**
- **payables NHS (sc580):** NHS trusts are required to manually input the value of creditors which fall within the standard analysis of 0 - 30 days (mc02), 31 - 60 days (mc04) and 61 - 90 days (mc06) **and over 90 days (mc08).**

Aged receivables/payables: previous month (sc590 to sc620)

13.33 This table provides a summary of the aged receivables and payables for the previous month and is pre-populated.

Better Payments Practice Code (sc630 to sc680)

13.34 This is a key indicator of the performance of the NHS trust which will be collected on a monthly basis analysed by Non-NHS and NHS. This table is populated with figures input into TRU09 (Accounts) from sc600 to sc610. For the previous period both the number and value is pre-populated with the previous period figures i.e.M8.

14. TRU56_MI Capital analysis of projects (sc100-sc710)

14.1 It is particularly important that the gross capital expenditure and capital disposals are broken down to individual schemes to allow complete analysis of capital schemes. An analysis of schemes was produced at Plan with the intention that this is updated with actual Year to Date and Forecast Outturn figures on a monthly basis. The majority of the capital scheme details are pre populated based on information supplied at plan however there is also space to add entries for additional schemes, transfers, disposals and adjustments that take place during the year. For such entries:

- NHS trusts should provide as much detail as space allows and avoid excessive aggregation of schemes. All individual schemes with a value of over £1 million should be entered on a separate line.
- NHS trusts should identify whether the capital expenditure scheme or capital disposal is over the NHS trust delegated limit (£5million or 3% of NHS trust turnover – whichever is lower) and will require NHS Improvement business case approval or whether the scheme will need only internal NHS trust approval. Please note where schemes are deemed novel or contentious or involve PFI/LIFT then irrespective of value these may also require NHS Improvement approval.
- NHS trusts are required to provide the following in mc11 to mc14 for each capital scheme:
 - scheme start date;
 - scheme end date;
 - ongoing scheme;
 - project need.

14.2 Capital Schemes (sc100 to sc417):

- With the exception of Q4 where mc09 is linked to the year to date figure, for all other submissions, trusts are required to input figures for the year to date (mc06) and Forecast Outturn (mc09)
- sc100 to sc225 are for capital expenditure schemes that do not require business case approval by NHS Improvement, these rows are pre populated based on the information collected at Plan and include the scheme analysis in mc01 to mc04
- sc280 to sc380 are for capital expenditure schemes that will require NHS Improvement business case approval, these rows are pre populated based on the information collected at Plan and include the scheme analysis in main codes 01 to 04
- sc401 to sc417 are used to record new schemes since plan. Trusts should include all capital schemes (whether or not business case approval is required) and should ensure that the drop down menus in main codes 01 to 04 are completed to analyse the schemes by type of expenditure, DH programme, IFRS category and PDC draw down. Validation TRU56(mi)-03 has been set up to ensure that these disclosures are correctly made
- information on the analysis required across main codes 01 to 04 is set out below.

14.3 Gross Capital Expenditure (Including IFRS) (Excluding Asset Transfers) (sc419):

- this is the total of all expenditure recorded in sc100 to sc417 and is also used to populate TRU55 sc290.

14.4 Asset Transfers in to NHS trust (sc420 to sc429):

- Sc420 to sc427 are pre-populated with information collected at plan and sc428 to sc429 are for transfers identified in-year. The analysis columns main codes 01 and 03 should be completed using the drop down menus and NHS trusts are also required to input figures for the year to date, main code 06 and forecast outturn, main code 09.

14.5 Capital Receipts - Disposals/Asset Transfers Out (sc431 to sc451):

- With the exception of Q4 FOT (mc09) which is linked to YTD (mc06), input is required for the YTD (mc06) and FOT (mc09)
- sc431 to sc440 are for capital disposals that do not require business case approval by NHS Improvement. These cells are locked and only actual asset disposals that have been completed can be populated in these sections. trusts should request this via the Capital and Cash inbox at NHSI.CapitalCashQueries@nhs.net
- sc441 to sc447 are for capital disposals that will require NHS Improvement business case approval. These cells are locked and only actual asset disposals that have been completed can be populated in these sections. NHS trusts should request this via the Capital and Cash inbox at NHSI.CapitalCashQueries@nhs.net
- sc449 to sc451 are for disposals identified in year whether or not NHS Improvement approval is required. Main codes 06 and 09 are locked and only actual asset disposals that have been completed can be populated in these sections. NHS trusts should request this via the Capital and Cash inbox at NHSI.CapitalCashQueries@nhs.net.

14.6 Total Capital Receipts - Disposals/Asset Transfers Out (sc452):

- this is the sum of disposals identified in sc431 to sc451.

14.7 Other Adjustments: Grants/Donations (sc470 to sc487):

- sc470 to sc484 are for capital grants and donations identified at Plan and are pre populated in year from plan data, sc485 to sc487 are used to record those identified in year. With the exception of the forecast outturn (mc09) at Q4 which is fed from the year to date (mc06), NHS trusts are also required to input figures for the year to date (mc06) and forecast outturn (mc09).

14.8 Total Other Adjustments: Grants/Donations (sc488):

- this is the sum of adjustments identified in sc470 to sc487.

14.9 Charge against CRL including IFRS impact (sc490):

- this is the sum of Gross Capital Expenditure (Including IFRS), Total Asset Transfers, Total Capital Receipts (Disposals/Asset Transfers Out) and Other Adjustments: Grants/Donations (sc419, sc430, sc452 and sc488)

14.10 Summary analysis of total gross capital expenditure (by type) (sc500 to sc710):

- This analysis continues to be required by HM Treasury colleagues – total gross capital expenditure including asset transfers must be captured across these headings before deducting any disposals and transfers, grants and donations. This is to enable HM Treasury to report to Parliament as appropriate. The following information is collected automatically by completing the drop down menus for each scheme in sc100 to sc487:
- Type of Expenditure options (mc01) split by:
 - * **New build (sc550):** designed to capture the gross capital amounts allocated and spent on new buildings. NHS organisations should therefore include capital projects funded through Procure 21 and other publicly financed schemes as well as Private Finance Initiative and LIFT projects and any expenditure on maintaining and refurbishing existing buildings
 - * **Maintenance – routine non-backlog – locally funded (sc560):** gross capital expenditure and expenditure on routine maintenance (i.e. non-backlog) should be shown separately to backlog maintenance which should be analysed by locally funded and DH funded. This is to capture all capital expenditure on healthcare facilities, which is not associated with the provision of new buildings/new facilities
 - * **Backlog Maintenance (sc561):** gross capital expenditure that has been classified as Backlog Maintenance
 - * **Equipment (sc570):** designed to capture new equipment purchases treated as capital either for existing or new buildings. Again, gross capital expenditure must be used here
 - * **Information technology (sc580):** all gross capital expenditure, including any central budget expenditure, on Information Technology to arrive at total gross capital expenditure for this category
 - * **Other (sc590):** all other gross capital expenditure – including any central budget expenditure – to arrive at total gross capital expenditure.
- Breakdown of total gross capital expenditure by DH programme drop down options (mc02), split by:
 - * Technology Fund for Nursing (sc641)
 - * Non-central programme funded from exceptional PDC (sc642)
 - * Integrated Digital Care Fund (sc643)
 - * Genomics (sc648): This is a new DH programme category in 2015-16. This categorisation should only be completed if agreed with DH policy/budget holder

- * Other central programmes i.e. gross capital expenditure funded via any of the other DH central programme budgets, in addition to those set out above, should be recognised on sc649
- * Planned non programme capital schemes funded from PDC i.e. large pre-approved schemes should be recognised on sc650
- * Non-central programme funded from interim support PDC (PDC capital funding applied for in 2015-16) should be recognised on sc651
- * Non-central programme funded from planned term support PDC (PDC capital funding applied for in 2015-16) should be recognised on sc652
- * Non-central programme funded from pre-agreed exceptional PDC should be recognised on sc653
- * Non-central programme funded from transaction PDC should be recognised on sc655
- * Non-central programme sc660); all non-central programme funded expenditure – i.e. locally funded expenditure. It should cover all other expenditure not included in the categories above
- a validation TRU56(mi)–09 has been added to ensure that classification of PDC/Loans spend in TRU56 matches the classification in TRU04;
- breakdown of total gross capital expenditure by planned funding method (main code 04):
 - * non-PDC funded capital programme – non central schemes i.e. not be funded from PDC cash – “Non-PDC” (sc671)
 - * non-PDC funded capital programme – central schemes (matched funding) - where NHS trusts have received DH central programme funding and agreed to match the funding from their internal resources this funding should be shown in sc672
 - * PDC funded capital programme - trust planned PDC funding shown in sc673
 - * capital programme funded from carried forward PDC - capital PDC cash that has been received in previous years and not been spent by the NHS trust and has been carried forward into 2016-17 should be included in sc674. This relates only to actual PDC cash which has been drawn down and not spent. NHS trusts should only recognise amounts here that have been agreed as carry forward by NHS Improvement/DH. Any schemes funded from “Cfwd PDC” should be classified as “Non-central” in mc02
 - * capital programme funded from Interim Capital Investment Loans (Interim) - interim capital loan funding shown in sc675
 - * capital programme funded from Normal Capital Investment Loans (Normal) – normal capital loan funding shown in sc676
 - * loans other e.g. Salix – where NHS trusts have planned other loans to fund capital expenditure these should be entered in sc677.

14.11 The charge to CRL and the gross capital expenditure under both the expenditure by type and by programme analyses need to include the impact on the SoFP of IFRS schemes as selected on mc03.

14.12 Total gross capital expenditure (sc670):

- total gross capital expenditure on sc670 should equal total gross capital expenditure on sc600 and sc535. The validation TRU56(MI)-07 will fail if this is not the case.

Memorandum – Business Cases for NHSI Approval (sc4030 to sc5150)

14.13 This memorandum table has been updated for month 4 / to collect additional information on capital projects/disposals. This uses the information from the capital analysis of projects (sc100 to sc487) to identify where schemes are above £15 million.

14.14 The additional disclosure calculation fields (sc4040 to sc5050) and project analysis are to determine the NHS trusts capital projects/disposals in which the total anticipated expenditure is above £15 million.

14.15 Additional disclosure is required for those capital schemes and capital disposals which the NHS trust has identified are above £15 million:

- for each expenditure scheme/disposal, the NHS trust should recognise whether or not there are any whole life costs which would contribute to the approval level of the individual scheme and the value of these costs. This is mostly applicable for schemes involving I.T., leased equipment, leased property, managed equipment and managed service scheme and NHS trusts should refer to the NHS TDA Capital Regime and IBC Approvals Guidance for further information. Where appropriate trusts should use the drop down menu options;
- for each expenditure scheme/disposal above £15 million, the NHS trust should recognise the dates at which each scheme has had NHS trust Board approval, planned SOC submission date, planned OBC submission date, planned FBC submission date;
- for each expenditure scheme above £15 million but is an aggregate scheme which comprises a number of smaller schemes of which none is over the NHS trust delegated limit, or a scheme which is over the NHS trust delegated limit but which has been previously signed off, NHS trusts should recognise this using the drop down options.

14.16 Since plan stage an additional memo box has been added (sub code 5060 to 5150) to capture any schemes not separately identified in sub codes 4040 to 5050.

15. TRU57_MI Analysis of Capital Resource Limits, External Financing Limits and Capital Cash Management Plan (sc100-sc775)

15.1 The purpose of TRU57 is to track the adjustments made, requested and anticipated to the NHS trusts own CRL and EFL throughout the year. The tracking of adjustments is important to NHS Improvement and to the DH who must be able to account to HM Treasury and Parliament for all adjustments to EFLs and CRLs and provide accurate and timely outturn information.

Initial capital allocations (sc100)

15.2 These are the initial CRL and EFL limits based on NHS trusts 2016-17 plan and pre-populated from the limits reports provided by the DH.

Adjustments actioned in year (sc102 to sc310)

- 15.3 These are pre-populated from the limits reports provided by the DH and categorise the in-year transactions for NHS trusts that are transacted through the limits reports:
- sc102 to sc106: these lines are for approved use of trust's internal funding sources
 - sc110 to sc137: these lines cover the capital PDC transactions in-year
 - sc140 to sc150: these two lines are used for asset transfers transactions in year
 - sc160 to sc170: these lines are used for any retained estate transactions in year
 - sc190 to sc240: these lines relate to revenue and capital loan transactions
 - sc235 to sc240: please note these lines will always be anticipated in year and will actually be actioned when an NHS trust becomes an NHS foundation trust
 - sc255 and sc256 : these lines are used to record any revenue PDC transactions in the form of Interim Revenue Support PDC or Planned Term Support PDC
 - sc260 to sc290: these lines are used for the IFRS impact of bringing the asset on to the SOFP for IFRIC 12 and IFRIC 4 schemes and recognises CRL cover only, they remain anticipated until the year-end and are actioned only between draft and final accounts
 - sc295: this line is populated based on sc570 to match the year to date CRL and EFL for an NHS trust when they become an NHS foundation trust or cease to exist, for the part of the year they were an NHS trust
 - sc300: this line is used for all repayment of Other Loans as captured on TRU04 sc500
 - sc305: this line is for any other transactions that have been notified to the NHSI/DH and have been approved
 - sc320: the current quarter position captured here is a sum of the initial limits captured on sc100 and any actioned adjustments as captured in sc102 to sc305

Adjustments anticipated to year end (sc321 to sc560)

- 15.4 The categories in this section mirror sc102 to sc310 and are pre-populated in the quarter as per the plan and for any known amendments since plan. The description of the categories above, are to be referenced to when populating this section at a quarter.
- 15.5 Where this data is available elsewhere in the Financial Monitoring forms, this has been automatically linked.

Part-year NHS trust breakeven variance (sc570)

- 15.6 This is an adjustment in order to match the year to date CRL and EFL for an NHS trust when they become an NHS foundation trust or cease to exist, for the part of the year they were an NHS trust. This row remains locked for editing unless required for

completion by any part-year NHS trusts and once the NHS trust's part-year position has been finalised will be populated in sc295.

Forecast year end resource and cash limits (sc580)

15.7 This is the total Forecast CRL, EFL and NBR limit for an NHS trust at year end:

- CRL (mc01) feeds through to TRU55 sc335 and is compared against the trust's 'charge to CRL' based on their capital forecast outturn as calculated on TRU55 sc330
- EFL (mc02) feeds through to TRU55 sc275 and compared against the trust's 'external financing requirement' based on their forecast outturn as calculated in TRU55 sc270.

Capital Cash Management Plan (sc590 to sc775)

15.8 This table identifies the sources of cash, distinguishing between internal/approved non-discretionary sources, grants/donations/disposals and discretionary external sources of funds, to finance the capital programme set out on form TRU56. This is a summary of figures included on TRU63 in the TFMS plans.

15.9 **Depreciation (sc590 to sc600):**

- sc590: total depreciation and amortisation recognised by a NHS trust on non-IFRIC 12 assets. This figure feeds directly from the total amount of depreciation and amortisation recognised on TRU01 sc410 to sc420 less any depreciation on IFRIC 12 assets on sc595 (see below)
- sc595: total amount of depreciation recognised on IFRIC 12 assets and feeds directly from the amount recognised on TRU20 mc05 sc710
- sc600: total IFRIC 12 depreciation that is recognised as not being available to fund capital expenditure as this forms part of the PFI unitary payment that NHS trusts make to their PFI providers. Plan figures here are linked directly to those recognised on TRU63 sc150 in the TFMS plans. Forecast outturn figures need to be manually entered here and trusts should refer to the guidance set out below:
 - the purpose of this adjustment is that trusts with arrangements accounted for as "on SoFP" under IFRIC 12 (such as PFI and LIFT schemes), will have less funding available for their capital programme due to the cash commitments arising from the obligation to pay off the finance lease creditor as part of the Unitary Payment:
 - there is not a "depreciation element" in the unitary charge. NHS trusts therefore have three options on how to complete this cell:
 1. the capital element of the unitary charge, being equal to the amount of the finance lease creditor repaid in the year
 2. the depreciation charge calculated for the assets on the SoFP recognised as a result of the application of IFRIC 12 (which will be the same figure as recognised in TRU63 sc140), or
 3. if an alternative method is proposed, trusts must contact NHS Improvement to discuss and agree it.

- where an NHS trust receives third party income, the amount amortised to the SoCI in the year should be netted of the entry made into TRU63 sc600
- the aim of these entries is to eliminate the element of overall depreciation charge that is required to fund the relevant part of the unitary charge, to arrive at a total amount of depreciation that is available for non-IFRIC 12 related investments.

15.10 I&E surplus attributed to financing of capital expenditure (sc605 and sc685):

- plan figures here are extracted from the total amount of I&E surplus recognised as being available to fund capital expenditure as anticipated in the TFMS plan on TRU63 sc160 and sc265
- manual input is required for the forecast amount of I&E surplus that will be available to fund capital expenditure and should not exceed the total amount of forecast I&E surplus recognised on TRU01 sc390
- sc605 is locked and any use of internal funds will be populated here only once this has been approved by NHSI/DH. Trusts are only able to populate anticipated use of internal funds on sc685.

15.11 Movement in payables/receivables including unspent capital/revenue cash from previous years (sc610 and sc690, sc620 and sc695):

- Plan figures here feed directly from the total cash recognised as being available to fund capital expenditure at plan stage on TRU63 sc171, sc172, sc270 or sc275
- Manual input is required in cell sc690 or sc695, mc02 and should recognise the total amount of forecast cash available from all sources including movement in working capital and unspent capital and revenue cash from previous years
- sc610 and sc620 are locked and any use of internal funds will be populated here only once this has been approved by NHSI/DH. Trusts are only able to populate anticipated use of internal funds on sc690 or sc695.

15.12 Net book value of asset disposals and receipts to non-NHS / NHS organisations (sc665):

- these figures feed directly from the total amount of asset disposals to both non-NHS and NHS organisations that a NHS trust has recognised on TRU55 sc300 and sc310 and the trusts will only be able to recognise available funds from disposals which have competed in line with guidance set out above for TRU55 and TRU56
- due to the circular flow of funds arrangements, proceeds from disposals to NHS trusts would not be recognised as a source of funds for capital expenditure and this amount is reversed out on sc675 (see below).

15.13 Asset transfers in from NHS organisations (sc670):

- these totals feed directly from the totals recognised TRU55 sc294 (which in turn are fed from the totals on TRU56 sc430)

- these are included here as these values are also included within the Gross Capex Actuals less IFRS spend on sc775. Both feed from the same source and will be of equal value.

15.14 Asset disposals/transfers out to NHS Organisations (sc675):

- this input is fed directly from TRU55 sc300
- due to the circular flow of funds arrangements, proceeds from disposals to NHS trusts would not be recognised as a source of funds and is reversed out here.

15.15 Grants and donations (sc680):

- the total amount of grants/donations received by NHS trusts is recognised here and feeds directly from figures entered on TRU56 sc470 to sc487 'other adjustments'. No manual input required.

15.16 Unspent Capital PDC (sc620 to sc625 and sc700 to sc705):

- the total amount of any capital PDC which has been drawn previously by an NHS trust and not spent in previous years. Any values recognised here should be agreed with the Capital and Cash team.

15.17 PDC capital funding (sc635 to sc648 and sc710 to sc735):

- these lines recognise the total PDC capital funding recognised by an NHS trust and feeds directly from sc110 to sc137 and sc330 to sc339 above (split between approved/pending approval). No manual input required.

15.18 Capital loan funding (sc650 to sc652 and sc740 to sc745):

- sc650 and sc740: total amount of funding recognised from new DH capital investment loans in 2016-17 as set out in the NHS trust cash flow. These lines feed directly from TRU57 sc410 and sc415 (split between what is approved/pending approval) and no manual input is required. This recognises both new interim capital support loans and new normal capital investment loans
- sc652 and sc745: total amount of principal loan repayments on new and existing capital loans. These lines feed directly from TRU57 sc420 and sc425 (split between what is approved/pending approval) and no manual input is required. This recognises repayments on new and existing interim capital support loans and new normal capital investment loans.

15.19 Other capital loan funding e.g. London RE:FIT/Salix (sc655 to sc657 and sc750 to sc755):

- sc655 and sc750: total amount of funding recognised from other capital loans including Salix and London RE: FIT loans. These lines feed directly from TRU57 sc430 (split between what is approved/pending approval) and no manual input is required
- sc657 and sc755: total amount of loan repayments on other loans. These lines feed directly from TRU57 sc500 (split between what is approved/pending approval) and no manual input is required.

15.20 Gross Capex Actuals Less IFRS (sc770):

- feeds from TRU56 and is the gross capital spend on sc100 to sc419 plus asset transfers in, identified on sc430, less total IFRS impact identified on sc520.

16. TRU64a, TRU64b and TRU64c

16.1 TRU 64 is not included in the Q4 forms.

17. TRU65_MI Analysis of Efficiency Programmes

17.1 The purpose of TRU65 is for NHS trusts to describe details of the actions they will be taking to deliver their efficiencies in the current year. This form provides more detailed information in respect of the efficiency programmes and summaries of the proportion of identified and unidentified schemes and also total efficiencies by category.

17.2 Details of each individual savings programme are pre-populated from the plan information and the categorisation of these schemes in mc02 and mc03 is also pre-populated and locked as blue cells. The detail provided in mc01 and 04 has been linked to Plan but left as editable, recognising that these will potentially change over the year. Validation TRU65(mi)-02 ensures that all the appropriate categories have been completed for each scheme. The categories of efficiencies in mc01 to mc04 are shown here.

17.3 Main code 01, status definition must be one of the following:

- fully developed - New identified and fully implemented schemes, where budget holder sign off has been completed, savings may have already been removed from budgets, scheme has been approved by CIP committee and QIA has been checked
- plans in progress
 - * scheme has been identified but one item is outstanding from the following list, either;
 - Budget holder signed off has not been completed, or
 - Scheme has not been approved by CIP committee, or
 - QIA has not yet been checked
- in order to fit into this category schemes must therefore be almost ready to be implemented. Two examples are:
 - * a staffing reconfigurations where the restructure has been agreed by unions, or
 - * procurement savings where final negotiations on price are in progress and are on track
- opportunity
 - * where a scheme has been identified either based on
 - a high level possibility for savings identified e.g. via benchmarking, reference cost analysis, supplies costs data warehouses, or

- where an initial exploration of a proposed savings has commenced, for example e.g. opening contract negotiations expected to lead to cost reductions
- * and in either case the actual mechanics or source of savings is still to be worked up
- unidentified
 - * where no opportunity has yet been identified;
 - * the target held centrally or allocated to a department or service line, however if no opportunity is yet attached to the savings then the value must be shown in TRU65 as unidentified.

17.4 Main code 02 must be one of the following:

- recurrent – continuing
- non recurrent – one off.

17.5 Main code 03 category must be one of the following:

- Pay (Skill Mix), Pay (WTE reduction), Non Pay or Income where:
- Pay (Skill Mix) should be used where the saving is not WTE related. Entries will relate to all pay savings schemes or elements of pay savings schemes where savings arise from changes other than the number of WTE's. Examples include:
 - * savings relating to price reductions of agency rates achieved through agency contract negotiation or reductions in the cost of a recruitment and retention premium
- pay (WTE reduction) should be used where the saving is related to WTE change. Entries categorised in this way should relate to pay WTE reductions
 - * as 'Pay (WTE Reduction) is the element of pay efficiency relating to reducing numbers of WTE's, it will be used for checking the triangulation of submissions between finance and workforce. It is vital that the pay schemes are correctly sub-analysed into the Pay (Skill Mix) and Pay (WTE reduction) categories
 - * bank and agency efficiency schemes can relate to either pay (Skill Mix) or pay (WTE reduction) depending on the nature of the saving. Entries should be properly analysed out to separate WTE related and Skill Mix changes
 - * note that one pay efficiency scheme may be a mixture of Pay (Skill Mix) and Pay (WTE reduction). If this is the case then the scheme will need to be sub-analysed into Pay (Skill Mix) and Pay (WTE reduction)
- non Pay should be used where the saving relates to expenditure other than pay
- income should be used where the saving relates to either income generation.

17.6 Main code 04 select from the following – high, medium or low risk where:

- high risk is either due to concern arising from QIA or anticipated issues for QIA assessment which is still outstanding, or concern relating to delivery

- medium risk is either due to some minimal concerns following QIA or some potential for minor QIA issues on completion of assessment, or some concern relating to delivery
- low risk is either due to no concerns following QIA or no prospect of QIA identifying concerns, and no concerns relating to delivery.

- 17.7 Any new schemes that are identified during the year should also be manually input in the yellow input section of the form 'New Programmes Identified In-Year' and should include details of the scheme. This includes the analysis for mc01 to mc04 as set out above. As a result of the breakdown required in TRU65 the same efficiency scheme may need to be reported on a number of lines e.g. if the scheme has pay and non-pay savings and some are non-recurring then the scheme will need to be broken down into its constituent parts and reported over the appropriate number of rows.
- 17.8 NHS trusts are required to manually input year to date and forecast outturn figures in main codes 06 and 09 for all schemes listed at plan and for any new schemes that have been identified in year. Variances are formula driven and no input is required.
- 17.9 The table in sc100 to sc280 provides a summary by category of the efficiencies identified in the more detailed tables in sc290 to sc520.
- 17.10 The tables including sc290 to sc520 provide summary information, all of this is formula driven. NHS trusts are encouraged to review these summary tables to ensure that the information is consistent with their understanding of the efficiency programmes (mc01 to mc11).
- 17.11 The final table of TRU65 shows the full year effect in the current year of savings schemes originating from the previous year or earlier. The majority of data in this table is pre-populated from the plan form; however, NHS trusts are required to complete entries in main code 06 and 09.

18. TRU67 - Metrics derived from Source and Application of Funds (sc100-sc360)

- 18.1 Form TRU67 Metrics are all calculated and are driven from the source and application of funds. They are used by the NHSI teams in the assessment of each NHS trust's performance. This form is not required to be completed at Q4.

19. TRU75_MI Analysis of Consultancy Services Expenditure

- 19.1 For 2016-17, this form has now been removed. Information is now included as a memorandum section in TRU06 (sc650 to sc670).

20. TRU76a_MI Gross Employee Benefits Breakdown (sc100 to sc910)

- 20.1 In 2015-16, trusts were required to complete an analysis of gross employee benefits. This has been expanded from 2016-17 onward and the entire TRU76(a) is devoted to gross employee benefits.
- 20.2 Gross Employee Benefits (sc100 to sc640): This sets out the trust's gross employee costs split between substantive (sc100 to sc230), bank (sc300 to sc430) and agency/contract costs (sc500 to sc630). Each category is then sub analysed into the following:
- medical (sc100 to sc150) comprising:
 - * ambulance staff
 - * administration and estates staff
 - * healthcare assistants and other support staff
 - * medical consultants
 - * medical career/staff grade
 - * medical trainee grades.
 - nursing (sc170 to sc180) comprising
 - * nursing - Qualified Nursing, Midwifery and Health Visiting Staff (Registered)
 - * nursing - support to qualified nursing.
 - other staff costs (sc200 to sc230) comprising:
 - * nursing, midwifery and health visiting learners
 - * scientific, therapeutic and technical staff
 - * healthcare science
 - * other.
 - total costs, capturing each of the above categories are included at sc500 to sc630).
- 20.3 **Bank staff included within agency / contract costs (sc700 to sc850):** This should be used to record the element of external bank which has been reported within Agency /Contract Staff at sc500 to sc550 (as previously recorded in TRU01 sc670 and sc680). The totals are split into the same sub-categories used in the gross employee benefits analysis. Sc850 should be used to identify the Agency Control Total (sc900 to sc910):
- **agency excluding external bank (sc900):** this is the total agency costs per sc640 less the element relating to the bank costs identified in sc840
 - **agency control total (sc910):** The control totals are pre-populated in mc04 for plan and mc05 for forecast outturn.

21. TRU76b Financial Headlines (sc100 to sc320)

- 21.1 This table requires trusts to provide details of various financial sanctions, MRET, readmissions, delayed transfers of care, waiting list initiative work and outsourcing of work to other providers for both year to date and forecast outturn. NHS trusts no longer need to separately report the year to date figure by month.
- 21.2 A number of validations are in place to ensure that these tables have been correctly completed (TRU76b(mi)- 01 to 04).

22. TRU80_MI Ward based costs for Cost per Care Hour Carter Metrics

- 22.1 TRU80 has been designed to provide an analysis of staff costs that can be used to generate the cost per care hour information for the Carter benchmarking metrics.
- 22.2 At months 2 and 3, the information was collected in total only, and most of the content of the form was greyed out in these. However, the intention was that, in certain selected months (likely to be months 4, 6, 9 and 12), this data will be collected by ward. Further details are provided below.
- 22.3 Completion of this table is required only for trusts engaged in the Carter model hospital work. The input cells for non-Carter trusts have been shaded to denote that completion is not required.
- 22.4 The purpose of this return is to collect the cost of care delivered by Registered Nurses, Midwives, and care staff in inpatient wards. Currently only acute trusts are required to submit this information. Data will be utilised with care hour data obtained from Safer Staffing Unify returns in order to calculate the aggregate cost per care Hour for each provider. The cost per patient day for each ward from the patient day data in the submissions will also be calculated. The aggregate cost of care can be further broken down to show the element of the cost that is driven by Registered Nursing / Midwifery staff and the element that is driven by Care staff.
- 22.5 Ward names (mc01), primary speciality (mc02) and secondary speciality (mc03) will be prepopulated based upon the data included in the trusts previous months safer staffing return. A number of rows (rows 41 to 99) will be left blank to enable additional wards, ward name changes or changes in speciality to be reflected. It is essential that ward descriptions and specialities are consistent with the current safer staffing return. Consequently it is recommended that finance staff liaise with the staff completing the safer staffing return.
- 22.6 In line with the safer staffing unify return all inpatient wards should be included, with the exception of day care wards, CDUs or other clinical assessment units, and any additional capacity wards.
- 22.7 Costs for each staff group should only include pay costs for staff working in inpatient areas. The recorded costs should include the costs of unproductive time (e.g. training, annual leave, sickness, maternity leave, paternity leave etc.). Where a member of staff works across both inpatient and non-inpatient services only the proportion of cost relating to the work done in inpatient areas should be recorded. It is anticipated that in the main the data will be fed from cost centre level ward budget reports.

- 22.8 Costs of inpatient based staff that do not fall into the categorisation of Registered Nursing / Midwives or care staff should not be included. It is anticipated that future developments of the inpatient productivity metrics will begin to include the care costs of other staff groups.
- 22.9 The actual costs of Bank and Agency staff working in inpatient areas should be recorded separately in the forms for each of the staff groups. Planned costs of bank and agency are not required to be separated from total planned costs.
- 22.10 In line with the safer staffing data return the information provided should include costs associated with Mental Health, Community and High Dependency wards if they are run by an acute trust.

23. TRU81_MI Data for Model Hospital Efficiency Metrics (Carter)

- 23.1 The intention on this form is to collect data that will feed into the central benchmarking work that is being carried out. At present this only relates to selected trusts.
- 23.2 Further guidance regarding the Lord Carter review can be found at <https://www.gov.uk/government/publications/productivity-in-nhs-hospitals>. If you would like to find out more information about the Model Hospital prototype portal please contact productivity&efficiency@dh.gsi.gov.uk.
- 23.3 All of the data in the form is generated from entries in other forms, however a comments section is available for trusts to provide any further information that is relevant to the understanding of this data.
- 23.4 It is likely that the nature of the data collected on this form will continue to develop as the financial year progresses.

24. TRU_COM (A) and (B) - Key Item Commentary

- 24.1 The trust financial commentary comprise two forms that give trusts an opportunity to add an further explanatory narrative to support the figures provided in the returns. In addition further analysis can be made on specific matters in either the FMA Free-text page or in the narrative section of the validations page.. The commentary tables are:
- TRU_COM(A): Detailed Commentary on Financial Performance, Financial Efficiency, Governance and Use of Resources Metric (UoR) ;
 - TRU_COM(B): Key item variances requiring explanation including a review of the current month's data with that of the previous month and an analysis of financial performance movements between plan and actual.

TRU_COM (A) Detailed Commentary

- 24.2 Tables 1(a – c) deal with financial efficiency. Table 1(a) analyses year to date financial efficiency and requires commentary on progress in achieving the CIP plans and highlights areas of significant underperformance setting out an action plan to rectify this. Similarly Table 1(b) deals with forecast outturn. Finally, table 1(c) requires a narrative

explanation if the metric for forecast outturn underlying position shows either a red or amber metric.

- 24.3 Tables 2(a) and 2(b) are concerned with Governance. Table 2(a) requires NHS trusts to confirm that the financial monitoring forms are consistent with the latest NHS trust board reports. If the forms are not consistent with the board reporting, an explanation and reconciliation is required in Table 2(b).
- 24.4 Table 3(a) and 3(b) Use of Resources (UoR) Metric . These tables require an explanation if the UoR score is greater than 2.5 either year to date or forecast outturn.

TRU_COM (B) Key Item Commentary

- 24.5 This form highlights a further six key items of which the first three relate to capital expenditure and the second three relate to the Better Payment Practice Code (BPPC), over 90 day debt and Liquidity Days. They are formula driven using data fed from other forms within the collection. Please note that these require organisational review and explanation where the indicators are highlighted in red.
- 24.6 Table 1(a) compares year to date capital expenditure with plan. An explanation is required where the variance to plan is greater than 15% of the plan (year to date). NHS trusts are required to manually input a narrative explanation and an associated value. Where this is within an acceptable tolerance then this narrative will change to 'Fully Explained'.
- 24.7 Table 1(b) compares forecast outturn capital expenditure to plan. An explanation is required where the variance to plan is greater than 15% of the plan (forecast outturn). NHS trusts are required to manually input a narrative explanation and an associated value. Where this is within an acceptable tolerance then this narrative will change to 'Fully Explained'.
- 24.8 The third Table 1(c) compares the forecast outturn CRL to the forecast outturn expenditure to establish if there is any under/(overspend) against the CRL. NHS trusts are required to provide a narrative explanation and value for this variance which is within 15% of the variance highlighted to ensure that the table is 'fully explained'.
- 24.9 Table 2(a) concerns the BPPC. NHS trusts are required to provide an explanation where either the percentage of the total number or value for the year to date BPPC falls below 95%. Where this is the case NHS trusts are required to provide details of the actions being taken to address this and the anticipated percentage increase in performance that this will deliver.
- 24.10 Table 2(b) indicates where NHS trusts receivables, of over 90 days (both NHS and Non NHS) exceeds 5% of the total balances. As for the other tables above, NHS trusts are required to manually input an explanation where this table is flagged red and the 'Explanation Missing' is present.
- 24.11 Table 2(c) identifies where the liquidity days are below the level of fifteen days which would trigger a score of 3 in the liquidity rating of the UoR rating . An explanation is required to be manually input by the NHS trusts to clear the query.

- 24.12 The final three commentary tables are available for NHS trusts to provide any further narrative which is considered necessary to explain any significant movements or additional comments to support the submission.
- 24.13 Table 3 highlights any significant changes that have occurred between the current month and the previous month and focuses on the forecast outturn only. NHS trusts should review this section and provide extra narrative where the movements warrant this (and where the reasons for the movement are not already described in other narrative sections).
- 24.14 Table 4 provides a fuller and more structured reconciliation of the movements in financial performance between plan and actual for both the year to date and forecast outturn. This is intended to replace the tables previously included on form TRU Com A table 1. The table starts with the planned financial position per the latest iteration of the plan. This is then compared to the year to date and forecast outturn and the resulting movement is required to be explained via a series of sub headings that are selected from drop down menus (see main code 01). The extent to which the movements have been explained, (to within a 5% tolerance of the variance) is highlighted by green or red flags. All flags that indicate that an explanation is required must be cleared prior to submission of the forms (this is controlled by a validation test).
- 24.15 Table 4(A) is not a new table; it simply moves the analysis of action plans, key risks and mitigating actions from TRU_COM_A so that it logically follows from Table 4 which also deals with movements in financial performance.
- 24.16 A further table has been added to TRU COM(B) to enable NHS trusts to add any further information relevant to the forms or the NHS trust's finances i.e. where there is no requirement to include this elsewhere in the forms. Completion of this section is not mandatory **and is not required at Q4 (when additional comments should be posted to the freetext page of the accounts forms)**.

25. TRU_LAAA: Local Audit and Accountability Act: Status Upgrade

25.1 This form was collected on an ad hoc basis to identify any risks to the appointment of trust external auditors by the 31 December 2016 set out in the legislation. This is not required at Q4.

25.2 .

26. TRU99 Key Finance Data

26.1 The purpose of TRU99 is to collect data that will be used by NHS Improvement for financial reporting purposes.

26.2 The data is collected in this way to make NHS trust data directly comparable with the equivalent information collected in the foundation trust sector thus facilitating effective consolidation of the two sectors.

26.3 All cells on this table are linked to other tables; there is no need therefore for direct input by trusts. However NHS trusts may wish to review this data as a cross check.

