

Review Period: Quarter 2 Monitoring Report: 1 October 2017 – 31 December 2017

Performance Measure	Target Set 2017/18 Financial Year	Historical Trend Line					Achieved FY 2017/18				
		FY13	FY14	FY15	FY16	FY17	Budget \$		Actual \$		
Provision of a safe and effective blood service for all New Zealanders through supply and delivery of: <ul style="list-style-type: none"> ▪ Fresh Blood Components ▪ Fractionated Blood Products ▪ Other Products and Related Services 	Revenue of \$118.45m Expenses of \$120.30m Deficit of -\$1.85m	\$104.9m	\$104.0m	\$109.0m	\$115.6m	\$114.43m	Q1	\$592k	Q1	\$1,782k	+\$1,190k
		\$107.0m	\$103.1m	\$104.3m	\$117.9m	\$114.50m	Q2	-\$929k	Q2	\$549k	+\$1,488k
		-\$2.1m	\$0.9m	\$4.7m	-\$2.3m	-\$0.07m	Q3	-\$411k	Q3		
							Q4	-\$1,107k	Q4		
							FY18	-\$1,855k	FY18**	-\$133k	+\$1,722k

Quarter 2: Revenue for quarter 2 saw the continuation of solid revenue levels being 2.6% up on budget and 6.5% ahead of last year's revenue level. The December quarter's operational earnings result reflected the higher revenues with an operational surplus of \$426k compared with an operational budget deficit of -\$823k. The overall reported result was a surplus of \$549k a result \$1.48m favourable to budget as set out in the side table.

This was considered a good operational performance with points of note influencing the result detailed below;

- Gross margin at \$9.80m was favourable to budget by 2.6% (\$252k) achieved off better than budget revenue levels,
- Inventory manufacturing adjustments were favourable in the quarter at \$361k which included 3 toll fractionation manufacturing runs at CSL Behring's facilities,
- Production recoveries at \$14.73m for the quarter were favourable to budget by \$321k a result of the demand uplift on production mix and the steady increase in source plasma volumes required for fractionated product manufacture combined with the restoration of the plasma buffer,
- Overall expenditure in the quarter totalled \$24.68m which was slightly under the budgeted levels of \$24.73m.
- A favourable movement in the 'mark to market' position of forward currency contracts, being \$229k favourable to budget.

**** Forecast Full Year Result:** The latest full year forecast for the 2017/18 financial year is for a deficit of -\$133k compared to a budgeted deficit of -\$1.86m. This forecast reflects the uplift in demand experienced in the first half of the financial year and the expectation this level of DHB activity will likely continue over the balance of the financial year. At the operational level a deficit of -\$1.21m is forecast (+\$78 k favourable to budget) with expected favourable forward currency contract positions reducing the operational deficit to the reported -\$133k.

Summary of September Quarter - Q2 - 2018/19 Financial Performance					Full Year
Heading	Actual	Budget	Variance		Forecast
(xx) = Unfavourable	\$000's	\$000's	\$000's	%	%
Gross Revenues	30,505	29,736	770	2.6%	119,892
Product Margin	9,795	9,543	252	2.6%	38,652
Total Expenditure within P&L	(24,051)	(24,276)	225	0.9%	(96,966)
Inventory Adjustments	361	(167)	528	(315.6%)	814
Production Recoveries	14,730	14,409	321	2.2%	57,692
Product Expiry	(626)	(455)	(171)	(37.5%)	(2,175)
Other Income & Interest Earned	210	223	(13)	5.7%	735
Foreign Exchange - Realised	6	(99)	105	-	39
Operational Earnings	426	(823)	1,249	(151.7%)	(1,209)
Non Operating Costs	123	(106)	229		1,076
Price Rebate to DHBs	-	-	-	-	-
Reported Surplus for Quarter	549	(929)	1,478	(159.1%)	(133)

Quarter 1: Revenue for quarter 1 represented a solid start to the new financial year being 3.3% above budget and 6.3% up on last year's revenue level. The September quarter's operational earnings result was an operational surplus of \$695k compared with an operational budget of \$567k. The overall reported result was a surplus of \$1.78m assisted by a favourable 'mark to market' unrealised exchange gain of \$1.24m based off forward AUD currency contracts held by NZBS.

This was considered a good operational performance with points of note influencing the result detailed below;

- Gross margin at \$9.87m was favourable to budget by 1.6% (\$160k) albeit off higher than budget revenues,
- Inventory adjustments were unfavourable in the quarter at -\$289k which included 2 toll fractionation manufacturing runs,
- Production recoveries at \$14.67m for the quarter were adverse to budget by -\$388k a reflection of the change occurring in production mix with a reduction in fresh product volumes only partially offset by an increase in the lower value source plasma volumes required for fractionated product manufacture,
- Lower levels of general expenditure in the quarter totalled \$23.38m which was 4.5% favourable to budget (+\$1.09m) and helped offset the above unfavourable variances impacting the reported result.
- The NZ dollar weakened against the Australian dollar over the quarter resulting in a favourable movement in the 'mark to market' position of forward currency contracts held of +\$1.24m which was \$1.06m favourable to budget.

**** Fore Forecast Full Year Result:** The initial forecast for the 2017/18 financial year is for a deficit of -\$1.56m which compares to a budgeted deficit of -\$1.86m. This forecast is based on the expectation of NZBS operating in a largely flat demand environment over the 2017/18 financial year as DHBs are expected to continue their proactive management of their blood management programmes. This expected environment is challenging for NZBS, as the sector's manufacturer, to operationally fully compensate and at the same time maintain the expected quality and service standards. The forecast operational deficit of -\$2.21m reflects that challenge albeit being tempered by expected favourable forward currency contract positions reducing the forecast deficit to -\$1.56m.

Summary of September Quarter - Q1 - 2017/18 Financial Performance					Full Year
Heading	Actual	Budget	Variance		Forecast
(xx) = Unfavourable	\$000's	\$000's	\$000's	%	%
Gross Revenues	30,973	29,979	994	3.3%	117,027
Product Margin	9,869	9,709	160	1.6%	37,773
Total Expenditure within P&L	(23,382)	(24,472)	1,090	4.5%	(96,048)
Inventory Adjustments	(289)	547	(835)	(152.8%)	612
Production Recoveries	14,665	15,052	(388)	(2.6%)	56,737
Product Expiry	(495)	(460)	(34)	(7.5%)	(1,800)
Other Income & Interest Earned	466	252	215	(85.2%)	726
Foreign Exchange - Realised	(139)	(60)	(79)	-	(207)
Operational Earnings	695	567	128	22.6%	(2,207)
Non Operating Costs	1,087	25	1,062		645
Price Rebate to DHBs	-	-	-	-	-
Reported Surplus for Quarter	1,782	592	1,190	200.9%	(1,562)

Quarter 3:

Quarter 4:

Externally focussed Service Performance Measures relating to achievement of NZBS's two externally focussed strategic goals						
Performance Measures	2013/14	2014/15	2015/16	2016/17	2017/18	2017/18
	Actual	Actual	Actual	Actual	Target	Achieved YTD
1. External output measures related to Key Products and Services which contribute to achievement of NZBS Enduring Outcome and Strategic Goal 1						
1.1 Product and Service availability						
Key products and services are available at all times (24 x 7). Measure is instances when this is not achieved and which could potentially have a negative consequence for patients.	1	0	0	0	0	Q1: Achieved Q2: Achieved Q3: Q4:
2. External output measures related to Demand Management and the relationship with DHBs which contribute to achievement of Strategic Goal 4						
2.1 Planning and Communication with District Health Boards (DHBs)						
NZBS will demonstrate a productive and supportive relationship with the DHBs, including proactively engaging with them through the Lead DHB CEO to agree pricing for the next financial year, ensuring that this information is provided in sufficient time to inform preparation of DHB Annual Plans. <u>NOTE:</u> Exact measure has changed over recent years.	ACHIEVED As per feedback received from the Lead DHB CEO stating: <i>"NZBS has fully met the requirements of its 'Planning and Communications with DHBs' performance measure."</i>	ACHIEVED Feedback received from the Lead DHB CEO that stated: <i>"I can confirm from a DHB point of view NZBS has fully met the requirements of its 'Planning and Communications with DHBs' performance measure in the 2014/15 financial year".</i>	ACHIEVED Lead DHB CEO confirmed an open communication process with DHBs over price setting and utilisation patterns to inform the new financial year. To quote: <i>"I believe you have developed an open partnership with me which will hopefully see a greater strategic partnership developed"</i>	ACHIEVED NZBS assesses its communication obligations to the DHBs and relationship management were met over the course of the 2016/17 financial year However the Lead CEO changed twice during the year with an extended period of no Lead CEO. In these circumstances formal feedback could not realistically be expected	TARGET NZBS to receive favourable feedback from the Lead DHB CEO on maintaining a greater strategic partnership and the timely and relevant provision of information, including any issue resolution over the course of the 2017/18 financial year.	FULL YEAR MEASURE

Performance Measures	2013/14	2014/15	2015/16	2016/17	2017/18	2017/18
	Actual	Actual	Actual	Actual	Target	Achieved YTD
2.2 NZBS Reports for DHBs						
Monthly demand management reports outlining purchase volumes by key product line are provided to DHBs to assist them to manage local usage and costs.	ACHIEVED Reports are provided to each DHB by the 12th working day of the following month.	ACHIEVED All reports provided to each DHB within an average 4 working days over 2014/15.	ACHIEVED All reports provided to each DHB within an average 4 working days over 2015/16.	ACHIEVED All reports provided to each DHB within an average the stated timeframe over 2016/17.	TARGET Reports are provided to each DHB by the 10th working day of the following month.	ACHIEVED Q1, Q2: All monthly demand reports provided to each DHB within the stated timeframe.
2.3 Clinical Oversight Programme						
All Blood Banks located in main DHB hospitals (other than the 6 DHBs where NZBS is responsible for Blood Bank provision) will receive at least 1 NZBS Clinical Oversight visit (and audit report) per year in order to enable them to meet the requirements of ISO15189 for IANZ Accreditation.	ACHIEVED - 100%	NOT ACHIEVED – 96%	ACHIEVED - 100%	ACHIEVED - 100%	TARGET - 100% To achieve a minimum one clinical oversight visit and report per year to all non NZBS managed blood banks located in main DHB hospitals.	FULL YEAR MEASURE
2.4 Haemovigilance Reporting						
2.4.1 To promote risk awareness and best practice in transfusion, NZBS will publish an annual Haemovigilance report for each calendar year and will share this information with all DHBs to assist them to reduce the incidence of adverse transfusion related events.	ACHIEVED 2012 Haemovigilance Report distributed to all DHBs in December 2013 and available on NZBS web-site.	ACHIEVED 2013 Haemovigilance report published in November 2014 and provided to all DHBs and is posted on NZBS website	ACHIEVED 2014 Haemovigilance report completed and released to DHBs in October 2015.	ACHIEVED 2015 Haemovigilance report completed and released to DHBs in October 2016.	TARGET 2016 Annual Haemovigilance Report published and distributed to all DHBs by Quarter 2 of 2017.	ACHIEVED 2016 Haemovigilance Report completed and released to all DHBs during Quarter 2 of the 2017/18 financial year.
Haemovigilance - Patient safety (measured in calendar years)	2012	2013	2014	2015	2016 TARGET	2016
2.4.2 Number of transfusion related adverse events occurring as a result of an NZBS "system failure" reported to the National Haemovigilance Programme, with a severity score greater than 1 and imputability score classified as likely/probable or certain.	ACHIEVED 0	ACHIEVED 0	ACHIEVED 0	ACHIEVED 0	0	FULL YEAR MEASURE

Internally focussed Service Performance Measures relating to achievement of NZBS's five internally focussed strategic goals						
These are considered "proxy output measures" in the context of NZBS activities and are key contributors to NZBS's success in achieving its enduring outcome and the external output measures identified in the Strategic Goals Section (Section 4) of the Statement of Intent						
Performance Measures	2013/14	2014/15	2015/16	2016/17	2017/18	2017/18
	Actual	Actual	Actual	Actual	Target	Achieved YTD
3. Internal measures related to Products and Service Quality which contribute to achievement of Strategic Goal 2						
3.1 Donation Testing						
Each donation will be tested prior to use in accordance with the NZBS Manufacturing Standards (as approved by Medsafe). <ul style="list-style-type: none">No product is released for issue to a patient until it has passed all safety tests and associated records are maintained.	100% tested	100% tested	100% tested	100% tested	100% tested	Q1: 100% tested Q2: 100% tested Q3: Q4:
3.2 Regulatory Compliance - Medsafe						Achieved YTD
NZBS will ensure it maintains Medsafe licences for its 6 hub sites 100% of the time, to provide an assurance of GMP compliance.	100% GMP Licensing compliance	100% GMP Licensing compliance	100% GMP Licensing compliance	100% GMP Licensing compliance	100% GMP Licensing compliance	FULL YEAR MEASURE
3.3 Regulatory Compliance – IANZ (International Accreditation New Zealand)						FULL YEAR MEASURE
NZBS will ensure it maintains IANZ accreditation 100% of the time at all of its diagnostic laboratories.	100% IANZ accreditation maintained	100% IANZ accreditation maintained	100% IANZ accreditation maintained	100% IANZ accreditation maintained	100% IANZ accredited	
3.4 Regulatory Compliance – ASHI (American Society of Histocompatibility and Immunogenetics)						Achieved YTD
NZBS will maintain ASHI accreditation 100% of the time at the national Tissue Typing laboratory.	100% ASHI accredited Biennial on-site audit completed	100% ASHI accreditation maintained	100% ASHI accreditation maintained via biennial on-Site audit for Tissue Typing laboratory	100% ASHI accredited maintained	100% ASHI accredited Biennial on-site audit to be conducted	FULL YEAR MEASURE

Performance Measures	2013/14	2014/15	2015/16	2016/17	2017/18	2017/18
	Actual	Actual	Actual	Actual	Target	Achieved YTD
4. Internal measures related to Donors which contribute to achievement of Strategic Goal 3						
4.1 Donor Population						
NZBS maintains a donor population capable of meeting the on-going demand for blood and blood products.	These reported donor numbers represent the donor population required to meet demand noting that within any given financial year there is constant flexing to ensure demand alignment that in turn minimises expiry.					Q1: 109,202 Q2: 108,818 Q3: Q4:
<ul style="list-style-type: none"> Active whole blood & apheresis donor panels. 	112,744	109,518	110,746	109,781	102,715	
Comment: The donor population, split between Whole Blood, Plasmapheresis and Platelepheresis donor panels are managed to meet the forecast demand profile and forecast fractionated product source plasma requirements.						
4.2 Donor Satisfaction (Old Measure)						
Measure of Overall Satisfaction with the Quality of Service using the Common Measurement Tool questionnaire.						DISCONTINUED MEASURE (See new Measure below)
<ul style="list-style-type: none"> Greater than 90% of donors surveyed state that they are either "Satisfied" or "Very Satisfied" with the overall quality of service. 	NOT ACHIEVED 88.3%	NOT ACHIEVED 87.9%	NOT ACHIEVED 88.4%	NOT ACHIEVED 87.9%		
4.2 Donor Satisfaction (new measure)	NEW MEASURE IN 2016/17 FINANCIAL YEAR			ACHIEVED 91.35%	Target	Achieved YTD
Measure of overall satisfaction with the quality of service					Greater than 90% satisfaction with the service	FULL YEAR MEASURE ✓ Initial survey completed in November 2017 produced a 91.98% donor satisfaction rating.
<ul style="list-style-type: none"> 90% of donors give an 8 or higher score out of 10 of their experience/satisfaction with the service. 						
Note: This is a new measure developed by NZBS that is better suited to blood donation and related activities. The reported results are ascertained by internal donor surveys conducted 6 monthly over the financial year. The first survey using this new measure was conducted in June 2017. The survey results will be benchmarked for comparative purposes against the Australian Red Cross Blood Service who have developed and use a similar performance monitoring approach.						

Performance Measures	2013/14	2014/15	2015/16	2016/17	2017/18	2017/18
	Actual	Actual	Actual	Actual	Target	Achieved YTD
4.3 Targeted donor recruitment strategies (old measure)						
4.3.1 Increase percentage of Māori donors on the active donor panel from the level achieved in the prior year.	ACHIEVED 7.7%	ACHIEVED 9.3%	ACHIEVED 9.8%	NOT ACHIEVED 9.55%	DISCONTINUED MEASURE	
4.3.2 Increase the percentage of youth donors between the ages of 19 – 25 years on the active donor panel from the 2012/13 level of 18.4% of all donors. ²	ACHIEVED 18.8%	NOT ACHIEVED 18.8%	NOT ACHIEVED 18.8%	NOT ACHIEVED 17.54%	DISCONTINUED MEASURE	
² Attraction of youth donors assists in future proofing the service – encouraging new donors to replace those who are retiring.						
Comment: Donor population movement impacts these key performance indicators and for that reason new measures will apply in 2017/18 that set real targets for performance not a shifting % of the donor panel always dependent on demand profile.						
4.3 Targeted donor recruitment strategies (New Measure)	Actual	Actual	Actual	Actual	Target	Achieved YTD
4.3.1 Recruit 2,900 new and reinstated Maori donors to the active donor panel (each year measure)	NEW MEASURE IN 2017/18 FINANCIAL YEAR				2,900	FULL YEAR MEASURE
4.3.2 Recruit 11,000 new and reinstated youth donors between the ages of 16 – 25 on the active donor panel – attracting youth donors assists in future proofing the service by encouraging new donors to replace those retiring.	NEW MEASURE IN 2017/18 FINANCIAL YEAR				11,000	FULL YEAR MEASURE
NOTE: For clarity, the definition of a New Donor is a donor who has made a valid blood donation for the very first time in New Zealand. The definition of a Reinstated Donor is a person who has made at least two donations of which one blood donation was made within the last 12 months and the interval between that donation and the prior donation is more than 24 months excluding autologous or therapeutic donations.						

Performance Measures	2013/14	2014/15	2015/16	2016/17	2017/18	2017/18
	Actual	Actual	Actual	Actual	Forecast	Achieved YTD
4.4 Raw Material (Collections) Inputs						
4.4.1 Total Whole Blood donations.	120,858	120,099	119,967	111,146	110,365 Q1: 28,817 Q2: 27,396 Q3: 26,696 Q4: 27,476	Q1: 28,175 Q2: 27,943 Q3: Q4:
4.4.2 Total Plateletpheresis donations.	3,942	3,436	3,145	2,852	2,965 Q1: 773 Q2: 736 Q3: 717 Q4: 739	Q1: 663 Q2: 677 Q3: Q4:
4.4.3 Total Plasmapheresis donations.	32,514	41,438	52,026	53,081	51,800 Q1: 13,533 Q2: 12,853 Q3: 12,527 Q4: 12,887	Q1: 13,664 Q2: 15,061 Q3: Q4:
4.4.4 Total donations.	157,314	164,973	175,138	167,079	165,130 Q1: 43,124 Q2: 40,985 Q3: 39,920 Q4: 41,101	Q1: 42,502 Q2: 43,681 Q3: Q4:

Comment: The level of donations reflect the demand profile noting the ongoing decline in red cell demand (sourced from whole blood) and the continuing focus on plasmapheresis collection to meet source plasma requirements for fractionated product manufacturing.

5. Internal measures related to People which contribute to achievement of Strategic Goal 5						
Performance Measures	2013/14	2014/15	2015/16	2016/17	2017/18	2017/18
	Actual	Actual	Actual	Actual	Target	Achieved YTD
5.1 Annual Employee turnover - Moving annual total basis for reporting.	10.4%	8.1%	9.9%	10.6%	≤ 12.0%	Q1: 8.66% Q2: 9.55% Q3: Q4:
5.2 Employee Engagement Index Score undertaken as part of the broader Culture and Engagement survey.	68.5%	No survey Note: the referenced survey results were released in June 2014	No survey	ACHIEVED 71.4% The survey was conducted in October 2016	No Survey	FULL YEAR MEASURE
6. Internal measure related to Development which contributes to achievement of Strategic Goal 6						
6.1 Auckland Facility Project Successful completion of key project milestones in accordance with Board approved project plan.	New measure in 2015/16		DEFERRED Project deferred to enable certain work to be completed such work having the potential to materially impact on the nature and scope of the planned project	No performance measure set for 2016/17.	Business case and associated project plan for the redevelopment of the Auckland site facilities to be approved by the Board no later than 30 June 2018.	FULL YEAR MEASURE
7. Internal measures related to Financial Sustainability which contribute to achievement of Strategic Goal 7					Target	Achieved YTD
Achievement of budget Forecast deficit of \$1.855m. No Rebate Planned	ACHIEVED Actual surplus of \$0.86m Price rebate of \$2.0m paid to DHBs	ACHIEVED Actual surplus of \$4.7m Price rebate of \$3.55m paid to DHBs.	NOT ACHIEVED Actual Deficit of (\$2.34m) No DHB price rebate paid to DHBs.	ACHIEVED Actual Deficit of (\$73K) No DHB price rebate paid to DHBs.	Achievement of Budget set as a Deficit of (\$1.855m) No price rebate planned to DHBs.	Q1: \$1.78m Q2: \$2.33m YTD Q3: YTD Q4: FY No DHB price rebate planned to DHBs.

Specific Commentary Relating to the Quarter under Review

Headline Achievements / Activities in December 2017 Quarter:

- On 8 November 2017 NZBS commenced support of the Whangarei blood bank following concerning IANZ and NZBS Clinical oversight visits. The subsequent IANZ suspension of the blood bank accreditation on 24 November saw NZBS provide experienced blood bankers for 3 days per week combined with NZBS working with the Northland DHB to ensure safe rostering, clinical practice, reporting and incident management to ensure the maintaining of a patient safe environment and work practices until such time as IANZ accreditation is restored.
- The bi-annual strategic meeting with CSL Behring and the NZBS commercial senior team was held November 22nd focussing on key issues around the new toll fractionation contract, product supply timelines, outstanding quality matters and a general bilateral organisational update. Overall the relationship is positive and while the new contract introduced some complexities it is working well.
- The introduction of Fresh Frozen Plasma in New Zealand commenced 11 December 2017 and following consultation with all DHB blood banks commenced in 8 blood banks, namely Auckland City, Middlemore, Waikato, Tauranga, Palmerston North, Wellington, Christchurch and Dunedin hospitals. This initiative will reduce overall sector expiry of thawed plasma.
- NZBS is planning the introduction of cryopreserved platelets to its product range, reconstituted in matched plasma or platelet additive solution (PAS). A novel method for freezing, storage and thawing has been developed in-house which allows rapid thawing and reconstitution to take place in the blood bank providing rapid access to the thawed product in a trauma situation. This newly developed manufacturing method is a world first solving the important issue of removing any manufacturing steps from the blood bank. Medsafe approval is currently awaited.
- NZBS has developed a system for secure remote access release of resuspended red cells to named patients. The system requires a blood refrigerator with an electronic remote release lock, label printer and barcode scanner at the nominated hospital. This initiative was triggered due to unacceptable delays arising from often gridlocked traffic between Auckland City Blood Bank and Ascot Hospital in Greenlane Auckland. Contract arrangements between NZBS and MercyAscot have been agreed and a proposed go-live date set for 5 March 2018.
- The organisation review work that commenced with the Executive has been undertaken in other areas with the Clinical team review and the Finance team reviews being successfully concluded in the December 2017 quarter. The changes at the Executive level have resulted in considerable accountability changes and these have bedded down well in this first full quarter under the new structure.

Overall Commentary on Quarter 2 Performance and Full Year Outlook:

NZBS has reported a very solid half year financial performance assisted by an uplift in demand and in particular demand for immunoglobulin product. In the expectation that current demand patterns are maintained over the second half of the financial year a small deficit of **-\$133k** is currently forecast (budgeted deficit of **-\$1,855k**). As this report indicates NZBS continues to make good progress on a range of planned initiatives in the current financial year and considers it is on track to meet its targets as set out in the 2017/18 Annual Statement of Performance.

FINANCIAL PERFORMANCE WORKSHEETS with FTE Numbers – Quarter 2: 3 Months to 31 December 2017

Ministry of Health Template - Financial Performance Information							Current Full Year Forecast		
Heading	December 2017 Quarter			Actual 2017/18 YTD Result			Current Forecast	Full Year Budget	Var. to Budget
	Actual	Budget	Var.	Actual	Budget	Var.			
Revenue									
Blood Products	24,636	23,834	802	49,544	47,739	1,805	96,714	94,545	2,169
Services	5,659	5,678	(19)	11,257	11,501	(244)	22,157	22,877	(720)
Other Income	133	150	(18)	520	329	191	735	732	3
Interest Income	78	73	5	157	146	11	286	291	(5)
Total revenue	30,505	29,736	770	61,478	59,715	1,763	119,892	118,445	1,447
Expenditure									
Cost of Goods Sold	20,500	19,970	530	41,138	39,988	1,149	80,219	79,248	971
Production & Service Costs	12,205	12,080	125	24,300	24,249	51	48,668	48,092	576
Inventory Adjustments	(361)	167	(528)	(72)	(379)	307	(814)	(197)	(617)
Production Recoveries	(14,730)	(14,409)	(321)	(29,395)	(29,461)	67	(57,692)	(58,030)	338
Expiry & Obsolescence	626	455	171	1,121	916	205	2,175	1,190	985
Indirect Overheads	10,113	10,305	(192)	19,805	20,731	(927)	41,571	41,891	(320)
Depreciation	993	1,086	(93)	1,845	2,155	(310)	3,989	4,447	(458)
Interest & Capital Charge	740	805	(65)	1,483	1,613	(130)	3,024	3,157	(133)
Forex Fluctuations - Realised	(6)	99	(105)	133	159	(26)	(39)	(66)	27
Forex Fluctuations - Unrealised	(274)	(44)	(229)	(1,511)	(219)	(1,291)	(1,677)	(33)	(1,644)
Premises Accrued Rent	150	150	(0)	301	301	(0)	601	601	-
Price Rebate to DHBS	-	-	-	-	-	-	-	-	-
Total Net Expenditure	29,956	30,665	(709)	59,147	60,052	(905)	120,025	120,300	(275)
Quarterly Surplus / (Deficit)	549	(929)	1,478	2,331	(337)	2,668	(133)	(1,855)	1,722
FTE Levels	522.73	535.65	(12.92)	522.73	535.65	(12.92)	534.87	533.89	0.98
Ministry of Health Template									
Heading	December 2017 Quarter			Actual 2017/18 YTD Result			Current Forecast	Full Yr Budget	Var. to Budget
	Actual	Budget	Var.	Actual	Budget	Var.			
Revenue	30,505	29,736	770	61,478	59,715	1,763	119,892	118,445	1,447
Expenditure	29,956	30,665	(709)	59,147	60,052	(905)	120,025	120,300	(275)
Surplus / Deficit	549	(929)	1,478	2,331	(337)	2,668	(133)	(1,855)	(1,722)
Expenditure Analysis									
Cost of Goods sold	20,500	19,970	530	41,138	39,988	1,149	80,219	79,248	971
Expenditures	24,671	24,831	(160)	48,686	49,823	(1,136)	99,388	98,711	677
Production Recoveries	(14,730)	(14,409)	(321)	(29,395)	(29,461)	67	(57,692)	(58,030)	338
Inventory Adjustments	(361)	167	(528)	(72)	(379)	307	(814)	(197)	(617)
Non Operating Items	(123)	106	(229)	(1,210)	81	(1,291)	(1,076)	(1,210)	134
Rebate of Surplus to DHBS	0	0	0	0	0	0	0	0	0
Total Expenditure per Above	29,956	30,665	(709)	59,147	60,052	(905)	120,025	118,522	1,504
Heading	2017/18 BUDGET (\$000's)					Closing Equity Position			
	QTR 1	QTR 2	QTR 3	QTR 4	Total	Actual - 30/06/2017	\$000's		
Revenue	29,978	29,736	28,907	29,824	118,445	Closing Equity	39,399		
Expenditure	29,386	30,665	29,318	30,931	120,300				
Surplus / Deficit	592	(929)	(411)	(1,107)	(1,855)	Forecast - 30/06/2018	\$000's		
		(337)	(748)	(1,855)		Closing Equity	39,266		
Expenditure Analysis						FTE Position at Quarter's end			
Cost of Goods sold	20,018	19,971	19,259	20,000	79,248	Period	Actual	Rolling	
Expenditure	24,992	24,830	23,776	25,113	98,711		FTE Level	FTE Estab.	
Production Recoveries	(15,052)	(14,409)	(13,976)	(14,593)	(58,030)	Quarter 1	520.07	535.65	
Inventory Adjustments	(547)	167	17	166	(197)	Quarter 2	522.73	535.65	
Non Operating Items	(25)	106	242	245	568	Quarter 3			
Total Expenditure per Above	29,386	30,665	29,318	30,931	120,300	Quarter 4			
Quarter End Cumulative Total		60,051	89,369	120,300					