

# 2021/22 Q3 Finance Update

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## Context

This paper summarises the Totex outturn versus Budget for the quarter ended 31<sup>st</sup> December 2021 and the anticipated impact on the charging position. Contract Managers are asked to: -

1. NOTE Actual Totex outturn versus BP21 for Q3.
2. NOTE the rebate to be included in BP22 charging statements published at the end of January 2022.

### 1) What is the Totex outturn position for the quarter?

- a. Actual Totex for the quarter ended 31<sup>st</sup> December 2021 was £64.5m, a £0.4m adverse delta to BP21 Totex of £64.2m.
- b. The adverse delta arises due to the recognition of bad debts in relation to CNG and other recent shipper/supplier failures.
- c. The recognition of provisions against bad debts will not adversely impact the P&L result, with a benefit from additional 3<sup>rd</sup> Party revenues and R&D claims providing mitigation.

TOTEX £m	YTD Opex	YTD Capex	YTD Totex Actuals	YTD Totex BP21	YTD Δ
TOTEX	<u>55.1</u>	<u>9.4</u>	<u>64.5</u>	<u>64.2</u>	<u>(0.4)</u>

### 2) BP22 charging statement updates

- a. As previously communicated at the January CoMC, a rebate of £3.1m is included in the BP22 charging statement. This is in relation to the following investment programmes:
  - Gemini enhancements - £0.5m
  - Future of Gemini - £1.1m
  - DSC Change - £1.1m
  - Other - £0.4m