

Data entered below will be used throughout the workbook:

Trust name:	London Ambulance Service NHS Trust
This year	2007/08
Last year	2006/07
This year ended	31 March 2008
Last year ended	31 March 2007
This year beginning	1 April 2007

DIRECTORS' STATEMENT

Statement of the Chief Executive's responsibilities as the Accountable Officer of the Trust

The Secretary of State has directed that the Chief Executive should be the Accountable Officer to the Trust. The relevant responsibilities of Accountable Officers, including their responsibility for the propriety and regularity of the public finances for which they are answerable, and for the keeping of proper records, are set out in the Accountable Officers' Memorandum issued by the Department of Health.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as an accountable officer.

.....Date.....Chief Executive

Statement of directors' responsibilities in respect of the accounts

The directors are required under the National Health Services Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of the Treasury, directs that these accounts give a true and fair view of the state affairs of the trust and of the income and expenditure of the trust for that period. In preparing those accounts, the directors are required to:

- apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury
- make judgements and estimates which are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the trust and to enable them to ensure that the accounts comply with requirement outlined in the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the accounts.

By order of the Board

.....Date.....Chief Executive

.....Date.....Finance Director

Independent auditor's report to the Board of Directors of London Ambulance Service

Opinion on the financial statements

I have audited the financial statements of London Ambulance Service for the year ended 31 March 2008 under the Audit Commission Act 1998. The financial statements comprise the Income and Expenditure Account, the Balance Sheet, the Cashflow Statement, the Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared in accordance with the accounting policies directed by the Secretary of State with the consent of the Treasury as relevant to the National Health Service set out within them. I have also audited the information in the Remuneration Report that is described as having been audited.

This report is made solely to the Board of Directors of London Ambulance Service in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 36 of the Statement of Responsibilities of Auditors and of Audited Bodies prepared by the Audit Commission.

Respective responsibilities of Directors and auditor

The directors' responsibilities for preparing the financial statements in accordance with directions made by the Secretary of State are set out in the Statement of Directors' Responsibilities.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view in accordance with the accounting policies directed by the Secretary of State as being relevant to the National Health Service in England. I report whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the accounting policies directed by the Secretary of State as being relevant to the National Health

Service in England. I also report to you whether, in my opinion, the information which comprises the commentary on the financial performance included within the Operational and Financial Review and the elements included in the Annual Report, is consistent with the financial statements.

I review whether the directors' Statement on Internal Control reflects compliance with the Department of Health's requirements, set out in 'The Statement on Internal Control 2003/04' issued on 15 September 2003 and the further guidance relating to that Statement issued on 7 April 2006, 2 April 2007, 7 April 2008 and 20 May 2008. I report if it does not meet the requirements specified by the Department of Health or if the statement is misleading or inconsistent with other information I am aware of from my audit of the financial statements. I am not required to consider, nor have I considered, whether the directors' Statement on Internal Control covers all risks and controls. Neither am I required to form an opinion on the effectiveness of the Trust's corporate governance procedures or its risk and control procedures.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information, comprising the Foreword, the unaudited part of the Remuneration Report, the Chairman's Statement and the remaining elements of the Operating and Financial Review included in the Annual Report, is consistent with the financial statements. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

Basis of audit opinion

I conducted my audit in accordance with the Audit Commission Act 1998, the Code of Audit Practice issued by the Audit Commission and International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Trust's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that:

- the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error; and
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared.

In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

Opinion

In my opinion:

- the financial statements give a true and fair view, in accordance with the accounting policies directed by the Secretary of State as being relevant to the National Health Service in England, of the state of the Trust's affairs as at 31 March 2008 and of its income and expenditure for the year then ended;

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the accounting policies directed by the Secretary of State as being relevant to the National Health Service in England; and

- information which comprises the commentary on the financial performance included within the Operational and Financial Review, included within the Annual Report, is consistent with the financial statements.

.....

Date

.....
Susan M Exton
District Auditor
Audit Commission
First Floor, Millbank Tower
30 Millbank, London, SW1P 4HQ

Conclusion on arrangements for securing economy, efficiency and effectiveness in the use of resources

Directors' Responsibilities

The directors are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in the Trust's use of resources, to ensure proper stewardship and governance and regularly to review the adequacy and effectiveness of these arrangements.

Auditor's Responsibilities

I am required by the Audit Commission Act 1998 to be satisfied that proper arrangements have been made by the Trust for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Audit Commission requires me to report to you my conclusion in relation to proper arrangements, having regard to the criteria for NHS bodies specified by the Audit Commission. I report if significant matters have come to my attention which prevent me from concluding that the Trust has made such proper arrangements. I am not required to consider, nor have I considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Conclusion

I have undertaken my audit in accordance with the Code of Audit Practice and having regard to the criteria for NHS bodies specified by the Audit Commission and published in December 2006, I am satisfied that, in all significant respects, London Ambulance Service made proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2008.

Certificate

I certify that I have completed the audit of the accounts in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission.

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Date

.....
Susan M Exton
District Auditor
Audit Commission
First Floor, Millbank Tower
30 Millbank, London, SW1P 4HQ

Statement of Internal Control 2007-08

1. Scope of Responsibility

The Board is accountable for internal control. As Accountable Officer, and Chief Executive of this Board, I have responsibility for maintaining a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives. I also have responsibility for safeguarding the public funds and the organisation's assets for which I am personally responsible as set out in the Accountable Officer Memorandum.

The accountability arrangements that surround this role are supported by the management structure, process and monitoring arrangements set out in the Risk Management Policy. The Policy defines risk as anything threatening the achievement of our strategic objectives. It defines the ownership and the subsequent management of the identified risks. The Chief Executive has overall responsibility for risk management in the London Ambulance Service.

The London Ambulance Service NHS Trust is an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments in to the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

A summary of the Risk Management Policy can be found on our website.

As part of our Strategic planning process, a wide range of stakeholders have been involved in determining our strategic objectives and associated risks.

2. The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to:

Identify and prioritise the risks to the achievement of the organisation's policies, aims and objectives

Evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in the London Ambulance Service NHS Trust for the year ended 31 March 2008 and up to the date of the approval of the annual report and accounts.

3. Capacity to handle risk

The management of risk within the LAS is delegated by the Trust Board through the Chief Executive who attends the Audit Committee and is chair of the Risk Compliance and Assurance Group. Risk is divided into corporate, financial, clinical and health and safety; with the Director of Finance having overall responsibility for financial risk and any other corporate risks not covered by other directors. He attends the Audit Committee and chairs the Standards for Better Health Group, overseeing part of the Annual Health Check that includes the healthcare standards. The Medical Director is responsible for clinical risk which is reported to and monitored by the Risk Compliance and Assurance Group through the mechanism of the Clinical Governance Committee. The Medical Director is a member of the Risk Compliance and Assurance Group and Clinical Governance Committee. She is the Director of Infection Prevention and Control and monitors the Trust's compliance with Code of Hygiene. Individual executive directors are responsible for, and manage, the corporate risks within their particular areas of responsibility.

Risks, as identified using the risk assessment tool in the Risk Reporting and Assessment Procedure, are approved at the Risk Compliance and Assurance Group. The tool uses a numerical scoring system when grading risks. The management of the identified risks is coordinated by the Risk Compliance & Assurance Group. Those of a high priority are monitored by one of the sub-committees of the Board. All significant risks are recorded on the Risk Register which is used to help prioritise and make decisions on spending allocation for service development.

The Trust holds its governance arrangements under continuous review and ensures that other infrastructure requirements, statutory, mandatory or desirable for the organisation are in place. Strengths and weaknesses of current governance practice within the Trust will be amended where necessary to meet the requirements for becoming a Foundation Trust. Systems of internal control will be fully maintained during the authorisation process for becoming a Foundation Trust.

4. The risk and control framework

The Risk Management Policy defines the risk management process which specifies the way risk (or change in risk) is identified, evaluated and controlled. In addition to this the Trust is compliant with level 2 of the NHSLA Risk Management Standards for Ambulance Services.

The Risk Management Policy also describes responsibilities for embedding risk management in the organisation. On a local level staff report clinical and non-clinical incidents as indicated in the Incident Reporting procedure. All incidents are assessed using the LAS Risk Scoring Matrix and according to grade and score investigated so that actions can be implemented to prevent a re-occurrence. The Infection Control Steering Group has undertaken an Infection Control Audit Programme by completing a baseline audit of all stations. Information provided from this audit has been returned to managers on every ambulance station. The baseline data has been reviewed by the Infection Control Steering group and was part of the Annual Infection Control Report to the Board. This report also provided assurance regarding the application of the Make Ready Scheme.

The Serious Untoward Incident (SUI) Management system of the Trust is set out in detail in the Trust's Serious Untoward Incident Policy. This policy has been applied for the period covered by this statement and has embedded within it the core requirements for SUI management as required and monitored by NHS London, the Strategic Health Authority (SHA) for all NHS Trusts in London. The Trust reports all SUIs to NHS London. This enables the SHA Public Health Directorate to monitor the outcomes and action plans derived from our SUI root cause analysis. The purpose of the reporting system is to enable the Trust and wider NHS to actively learn from incidents and ensure that where required changes are identified and embedded in practice. Our policy states the details of how we manage our SUIs, and the following summary paragraph sets out key steps in the SUI management system.

When a potential SUI is reported the Assistant Chief Ambulance Officer (ACAO), Director of Operations and Medical Director review the information and conduct a risk assessment of the incident (using the LAS Risk Reporting and Assessment Procedure). A decision is then made on whether to recommend to the Chief Executive Officer whether the incident should be classified and dealt with as an SUI or not. If the incident is declared an SUI then the CEO/Director of Operations delegates the authority to the ACAO to ensure the SUI investigation is conducted in full compliance with our SUI Policy and the appointment of a Case manager (at Assistant Director Operations level) is undertaken. The incident is then managed as described in Appendix 2 of our SUI Policy. SUIs are also reported to other statutory bodies as described in Appendix 3 of the policy.

In addition to the Risk Management Policy and the Risk Register, the Assurance Framework enables us to examine how we are managing risks that are threatening the achievement of our strategic objectives and key targets in the Healthcare Commission Annual Health check. This has been achieved by mapping risks from the Risk Register against the standards contained within the health check, identifying the key controls in place that are managing these risks and listing assurances (positive or negative) that we have received assuring the effectiveness of these controls. Progress with mitigating the risks is reviewed by the Risk Compliance and Assurance Group.

The development of the Assurance Framework is an ongoing process and it will be amended with Board level objectives as they are reviewed and developed in strategic plans. As the Framework covers all of our organisation's main activities, it is a key tool in examining the system of internal control that is in place to manage our risks. The 25 highest scoring risks populate the Assurance Framework and are cross referenced to the domains and core standards of the Annual Health Check. The Standards for Better Health Group updated the controls as they analysed the evidence of compliance with the requirements of the Annual Health Check 07/08.

The Assurance Framework provides the Board with assurance of compliance with the core standards of the Annual Health Check. On the basis of this evidence the Board uses the Assurance Framework to determine what level of compliance should be declared for the Annual Health Check. On March 18th the Board agreed that full compliance with the core standards of the Annual Healthcheck be stated in the Final Declaration submitted as part of the Annual Health Check 07/08, having considered the Assurance Framework which maps the domains of the core standards to the objectives of the Trust. The Assurance Framework was also presented to the Overview and Scrutiny Committees of the boroughs of London when the Trust held the 247247 compliance event on March 13th 2008 for stakeholders required to provide commentary on the Trust's Final Declaration for 2007/8. It helps contribute evidence in support of the Statement of Internal Control.

The Assurance Framework has highlighted some gaps in control and assurance to the Board. This is part of an ongoing process where the Board uses the Assurance Framework as a decision-making tool. Building on gaps from last year's Statement of Internal Control, developments in controls and assurance have taken place in the following areas:

Human Resources and Organisation Development

CRB Checks are in place to ensure that we remain compliant with the national guidance to check staff who have direct patient contact. In addition, and over and above our obligations, this year a further process of undertaking retrospective checks for all relevant staff who joined the Trust prior to the routine requirement becoming mandatory has been implemented. Our compliance with requirements for dealing with children and vulnerable adults, has been monitored by the Medical Director using existing staff to strengthen controls and benchmarking compliance with the London-wide Safeguarding Children professional network.

The Trust has had a Race Equality Scheme in place that complies with the current legislation. Controls to achieve equality haven been strengthened by the introduction of the Disability Equality Scheme and the completion of the project to deliver a robust Gender Equality Scheme. The Trust has established its Equality Impact Assessment methodology and used it with members of the public at an event held on 26th March where the application of our Equality Assessment tool was applied to the five workstreams of our Service Improvement Programme.

Operational Support

Purchase of an electronic fleet management system has been completed in accordance with NHS procurement guidelines. It will put in place more rigorous reporting processes that will present an accurate real-time picture of vehicle resourcing.

Clinical

Documentation of clinical care has been identified as a clinical risk for the Service. In addition to a robust programme of clinical audit, we have in place a structured Clinical Performance Indicator (CPIs) process by which Team Leaders monitor the standards of clinical care delivered to patients and PRF documentation. Information from the CPIs is used to provide individual feedback to operational staff highlighting areas of concern and good clinical practice. Monthly reports providing compliance to care standards, levels of PRF completion and rates of staff feedback are provided to Complex Management Teams across the Service to enable them to benchmark and monitor performance, and take remedial action where necessary. The findings from these reports are routinely discussed at the Area Business Meeting and in other forums such as the Clinical Governance Committee.

Control Services

The system for responding to calls received by the Trust's Control Services has been enhanced. All Doctors' calls are now triaged using the nationally agreed "Card 35" manual assessment card. The Calls are triaged as either a Red call (i.e. requiring a response to be on scene within 8 minutes) or as a Green call with an agreed time for our resource to be at the patient of between one and four hours depending upon the patient's condition and the agreement of the attending clinician. This has replaced the previous system whereby the response was calculated as the time of the patient's arrival at the admitting facility as opposed to the patient's location.

Information Management and Technology

Controls have been enhanced to comply with the recent Department of Health Information Assurance initiative to secure person identifiable data. These have included the mapping of information flows, the encryption of all laptops and portable data devices, placing restrictions on the transfer of data and compliance with additional standards based on the Information Governance Toolkit. The Information Governance Group, jointly chaired by the Medical Director and Director of Information Management and Technology, monitors progress and development of key policy documents including the Information Security Policy. The Trust has developed the IT Infrastructure Library (ITIL) to ensure that best practice for IT service management is embedded within the Trust. A training programme is underway to support this development.

Business Continuity

The Business Continuity Steering Group monitors the Trust's Business Continuity Policy and the Business Continuity Plan. It is chaired by the Director of Finance and has established a programme for testing business continuity plans at departmental level within every Trust directorate. The Trust has been given robust assurance from the audit of compliance with the requirements of the Civil Contingencies Act 2004 commissioned by the Department of Health. The Trust obtained the highest score of all UK ambulance services against the audit criteria. Business Critical systems are routinely tested and documentation of them held under review. Further links are also being developed to ensure the Trust's business continuity requirements are an integral part of the Trust's major incident and other emergency plans. The Emergency Preparedness Strategy Group chaired by the Deputy Director of Operations strengthens these links and controls by testing them with multi agency exercises involving our partners in other emergency services (e.g. London Fire Brigade, Metropolitan Police Service).

A&E Operations

National Category B targets have been highlighted by internal performance monitoring mechanisms as being at high risk for non-achievement. The senior A&E management team worked with commissioners who agreed to commission the Trust to achieve a 90% Category B target for the year as a whole with a trajectory to achieve 93% by March 2009. The Trust achieved 84.4% for the year as a whole which is the best performance ever against the Category B target.

Finally, with respect to the risk and control framework, the Complaints and PALs Teams have been integrated in accordance with the government's '*Making Experiences Count*' programme. Outcome reporting from complaints has been strengthened as evidenced in our Final Declaration for the Annual Health Check 07/08 in the commentary provided by the Patients' Forum.

5. Review of Effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed in a number of ways. The head of internal audit provides me with an opinion on the overall arrangements for gaining assurance through the Assurance Framework and on the controls reviewed as part of the internal audit work. Executive managers within the organisation who have responsibility for the development and maintenance of the system of internal control provide me with assurance. The Assurance Framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed. My review is also informed by bodies such as external auditors, the Healthcare Commission, the HSE and the validation team of Improving Working Lives.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Audit Committee and Risk Compliance & Assurance Group. A plan to address weaknesses and ensure continuous improvement of the system is in place.

The Board is informed of the effectiveness of the system on internal control through its sub-committees. The Audit Committee advises the Board about how well the Trust is operating the Risk Management System. To carry out this responsibility it receives reports from the Chief Executive and from both internal and external audit when they review risk management systems and processes.

The Clinical Governance Committee has responsibility for ensuring the provision of high quality clinical care in the Trust. This is achieved through monitoring and making appropriate recommendations on performance in areas of clinical governance reviewed by the Healthcare Commission. The Risk Compliance & Assurance Group has delegated responsibility for taking a general overview of all risk management activities within the Trust and to pick up any specific risk management issues which are not covered by the specific Audit and Clinical Governance Committees. This committee also receives a report on the management of all identified high priority risks that have been identified by Trust systems and processes. A full trust-wide risk assessment was undertaken this year.

The structure is supported by the Executive Managers of the Trust including the Director of Finance who has overall responsibility for financial risk, and for any corporate risks not covered by other directors. The Medical Director has overall responsibility for clinical governance, and is a member of the Clinical Governance Committee and Information Governance Group. The Director of IM&T is responsible for all risks arising out of the provision, use, operation and maintenance of the Trust's technology and communication systems and he also jointly chairs the Information Governance Panel. The Director of Communications is chair of the PPI Committee.

To supplement this mechanism, information is provided to the Board through minutes and annual reports from the Audit Committee, and on risk management, infection control, PALS and complaints, and clinical governance to assure the Board that sufficient progress has been made.

To conclude, procedures are in place to ensure a robust system of internal control is in place which is reflected in the risk and assurance frameworks.

Chief Executive Officer
(on behalf of the Board)

**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED
31 March 2008**

	NOTE	2007/08 £000	2006/07 £000
Income from activities	3	234,117	214,075
Other operating income	4	2,013	1,801
Operating expenses	5	<u>(232,451)</u>	<u>(212,003)</u>
OPERATING SURPLUS/(DEFICIT)		3,679	3,873
Cost of fundamental reorganisation/restructuring*		0	0
Profit/(loss) on disposal of fixed assets	8	<u>(41)</u>	<u>(19)</u>
SURPLUS/(DEFICIT) BEFORE INTEREST		3,638	3,854
Interest receivable		989	526
Interest payable	9	(3)	(1)
Other finance costs - unwinding of discount	16	<u>(147)</u>	<u>(132)</u>
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR		4,477	4,247
Public Dividend Capital dividends payable		<u>(4,079)</u>	<u>(4,134)</u>
RETAINED SURPLUS/(DEFICIT) FOR THE YEAR		<u><u>398</u></u>	<u><u>113</u></u>

The notes on pages 5 to 42 form part of these accounts.
All income and expenditure is derived from continuing operations.

**BALANCE SHEET AS AT
31 March 2008**

	NOTE	31 March 2008 £000	31 March 2007 £000
FIXED ASSETS			
Intangible assets	10	3,765	1,593
Tangible assets	11	119,652	113,013
Investments	14.1	0	0
		<u>123,417</u>	<u>114,606</u>
CURRENT ASSETS			
Stocks and work in progress	12	1,930	1,965
Debtors	13	21,417	15,887
Investments	14.2	0	0
Cash at bank and in hand	18.3	10,478	719
		<u>33,825</u>	<u>18,571</u>
CREDITORS: Amounts falling due within one year	15	<u>(18,471)</u>	<u>(6,998)</u>
NET CURRENT ASSETS/(LIABILITIES)		15,354	11,573
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>138,771</u>	<u>126,179</u>
CREDITORS: Amounts falling due after more than one year	15	0	0
PROVISIONS FOR LIABILITIES AND CHARGES	16	(18,589)	(15,464)
TOTAL ASSETS EMPLOYED		<u><u>120,182</u></u>	<u><u>110,715</u></u>
FINANCED BY:			
TAXPAYERS' EQUITY			
Public dividend capital	22	56,488	55,526
Revaluation reserve	17	50,605	46,776
Donated asset reserve	17	68	294
Government grant reserve	17	0	0
Other reserves*	17	(419)	(419)
Income and expenditure reserve	17	13,440	8,538
TOTAL TAXPAYERS' EQUITY		<u><u>120,182</u></u>	<u><u>110,715</u></u>

Signed:(Chief Executive)

Date:

The financial statements on pages 1 to 42 were approved by the Audit Committee on 16th June 2008 and signed on its behalf by:

Signed:(Chairman)

Date:

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED
31 March 2008**

	2007/08	2006/07
	£000	£000
Surplus/(deficit) for the financial year before dividend payments	4,477	4,247
Fixed asset impairment losses	0	0
Unrealised surplus/(deficit) on fixed asset revaluations/indexation	8,341	6,386
Increases in the donated asset and government grant reserve due to receipt of donated and government grant financed assets	0	0
Defined benefit scheme actuarial gains/(losses)	0	0
Additions/(reductions) in "other reserves"	0	0
Total recognised gains and losses for the financial year	12,818	10,633
Prior period adjustment	0	0
Total gains and losses recognised in the financial year	12,818	10,633

CASH FLOW STATEMENT FOR THE YEAR ENDED
31 March 2008

	NOTE	2007/08 £000	2006/07 £000
OPERATING ACTIVITIES			
Net cash inflow/(outflow) from operating activities	18.1	18,970	5,380
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE:			
Interest received		913	526
Interest paid		(3)	(1)
Interest element of finance leases		0	0
Net cash inflow/(outflow) from returns on investments and servicing of finance		910	525
CAPITAL EXPENDITURE			
(Payments) to acquire tangible fixed assets		(6,703)	(6,313)
Receipts from sale of tangible fixed assets		6	9
(Payments) to acquire intangible assets		(1,745)	(1,295)
Receipts from sale of intangible assets		0	0
(Payments to acquire)/receipts from sale of fixed asset investments		0	0
Net cash inflow/(outflow) from capital expenditure		(8,442)	(7,599)
DIVIDENDS PAID			
Net cash inflow/(outflow) before management of liquid resources and financing		7,359	(5,828)
MANAGEMENT OF LIQUID RESOURCES			
(Purchase) of investments with DH		0	0
(Purchase) of other current asset investments		0	0
Sale of investments with DH		0	0
Sale of other current asset investments		0	0
Net cash inflow/(outflow) from management of liquid resources		0	0
Net cash inflow/(outflow) before financing		7,359	(5,828)
FINANCING			
Public dividend capital received		2,329	5,909
Public dividend capital repaid (not previously accrued)		(1,367)	0
Loans received from DH		0	0
Other loans received		0	0
Loans repaid to DH		0	0
Other loans repaid		0	0
Other capital receipts		0	0
Capital element of finance lease rental payments		0	0
Cash transferred (to)/from other NHS bodies*		0	0
Net cash inflow/(outflow) from financing		962	5,909
Increase/(decrease) in cash		8,321	81

* This line is only used by NHS Trusts that are dissolved mid-year.

NOTES TO THE ACCOUNTS

1 ACCOUNTING POLICIES

The Secretary of State for Health has directed that the financial statements of NHS trusts shall meet the accounting requirements of the NHS Trust Manual for Accounts which shall be agreed with HM Treasury. The accounting policies contained in that manual follow UK generally accepted accounting practice and HM Treasury's Government Financial Reporting Manual to the extent that they are meaningful and appropriate to the NHS. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of fixed assets at their value to the business by reference to their current costs. NHS Trusts are not required to provide a reconciliation between current cost and historical cost surpluses and deficits.

1.2 Acquisitions and discontinued operations

Activities are considered to be 'acquired' only if they are acquired from outside the public sector. Activities are considered to be 'discontinued' only if they cease entirely. They are not considered to be 'discontinued' if they transfer from one public sector body to another.

1.3 Income Recognition

Income is accounted for applying the accruals convention. The main source of income for the Trust is from commissioners in respect of healthcare services provided under local agreements. Income is recognised in the period in which services are provided. Where income is received for a specific activity which is to be delivered in the following financial year, that income is deferred.

1.4 Intangible fixed assets

Intangible assets are capitalised when they are capable of being used in a Trust's activities for more than one year; they can be valued; and they have a cost of at least £5,000.

Intangible fixed assets held for operational use are valued at historical cost and are depreciated over the estimated life of the asset on a straight line basis, except capitalised Research and Development which is revalued using an appropriate index figure. The carrying value of intangible assets is reviewed for impairment at the end of the first full year following acquisition and in other periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Purchased computer software licences are capitalised as intangible fixed assets where expenditure of at least £5,000 is incurred. They are amortised over the shorter of the term of the licence and their useful economic lives.

1.5 Tangible fixed assets

Capitalisation

Tangible assets are capitalised if they are capable of being used for a period which exceeds one year and they:

- individually have a cost of at least £5,000; or
- collectively have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- form part of the initial equipping and setting-up cost of a new building, ward or unit irrespective of their individual or collective cost.

Valuation

Tangible fixed assets are stated at the lower of replacement cost and recoverable amount. On initial recognition they are measured at cost (for leased assets, fair value) including any costs such as installation directly attributable to bringing them into working condition. They are restated to current value each year. The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

All land and buildings are restated to current value using professional valuations in accordance with FRS15 every five years and in the intervening years by the use of indices. The buildings index is based on the All in Tender Price Index published by the Building Cost Information Service (BCIS). The land index is based on the residential building land values reported in the Property Market Report published by the Valuation Office.

Professional valuations are carried out by the District Valuers of the Revenue and Customs Government Department. The valuations are carried out in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual insofar as these terms are consistent with the agreed requirements of the Department of Health and HM Treasury. In accordance with the requirements of the Department of Health, the last asset valuations were undertaken in 2004 as at the prospective valuation date of 1 April 2005 and were applied on the 31 March 2005.

The valuations are carried out primarily on the basis of Depreciated Replacement Cost for specialised operational property and Existing Use Value for non-specialised operational property. The value of land for existing use purposes is assessed at Existing Use Value. For non-operational properties including surplus land, the valuations are carried out at Open Market Value.

Additional alternative Open Market Value figures have only been supplied for operational assets scheduled for imminent closure and subsequent disposal.

Assets in the course of construction are valued at current cost using the indexes as for land and buildings, as above. These assets include any existing land or buildings under the control of a contractor.

Operational equipment other than IT equipment, which is considered to have nil inflation, is valued at net current replacement cost through annual uplift by the change in the value of the GDP deflator. Equipment surplus to requirements is valued at net recoverable amount.

Depreciation, amortisation and impairments

Tangible fixed assets are depreciated at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives. No depreciation is provided on freehold land and assets surplus to requirements.

Assets in the course of construction are not depreciated until the asset is brought into use.

Buildings, installations and fittings are depreciated on their current value over the estimated remaining life of the asset as advised by the District Valuer. Leaseholds are depreciated over the primary lease term.

Equipment is depreciated on current cost evenly over the estimated life of the asset using the following lives:

	Years
Medical equipment & engineering plant & equipment	5 to 15
Furniture	10
Set up costs in new buildings	10
PTS Ambulances & Other Vehicles	7
A&E Ambulances & Rapid Response Vehicles	5
Office equipment	5
Information Technology Equipment	3

Impairment losses resulting from short-term changes in price that are considered to be recoverable in the longer term are taken in full to the revaluation reserve. These include impairments resulting from the revaluation of fixed assets from their cost to their value in existing use when they become operational. This may lead to a negative revaluation reserve in certain instances.

Where, under Financial Reporting Standard 11, a fixed asset impairment is charged to the Income and Expenditure Account, offsetting income may be paid by the Trust's main commissioner using funding provided by the NHS Bank.

1.6 Donated fixed assets

Donated fixed assets are capitalised at their current value on receipt and this value is credited to the Donated Asset Reserve. Donated fixed assets are valued and depreciated as described above for purchased assets. Gains and losses on revaluations are also taken to the Donated Asset Reserve and, each year, an amount equal to the depreciation charge on the asset is released from the Donated Asset Reserve to the Income and Expenditure account. Similarly, any impairment on donated assets charged to the Income and Expenditure Account is matched by a transfer from the Donated Asset Reserve. On sale of donated assets, the value of the sale proceeds is transferred from the Donated Asset Reserve to the Income and Expenditure Reserve.

1.7 Government Grants

Government grants are grants from government bodies other than funds from NHS bodies or funds awarded by Parliamentary Vote. The government grants reserve is maintained at a level equal to the net book value of the assets which it has financed. Gains and losses on revaluations are also taken to the Government grant reserve and, each year, an amount equal to the depreciation charge on the asset is released from the Government grant reserve to the Income and Expenditure account. Similarly, any impairment on grant funded assets charged to the Income and Expenditure Account is matched by a transfer from the Reserve.

1.8 Stocks and work-in-progress

Stocks and work-in-progress are valued at the lower of cost and net realisable value. This is considered to be a reasonable approximation to current cost due to the high turnover of stocks. Work-in-progress comprises goods in intermediate stages of production. Partially completed contracts for patient services are not accounted for as work-in-progress.

1.9 Research and development

Expenditure on research is not capitalised. Expenditure on development is capitalised if it meets the following criteria:

- there is a clearly defined project;
- the related expenditure is separately identifiable;
- the outcome of the project has been assessed with reasonable certainty as to:
 - its technical feasibility;
 - its resulting in a product or service which will eventually be brought into use;
- adequate resources exist, or are reasonably expected to be available, to enable the project to be completed and to provide any consequential increases in working capital.

Expenditure so deferred is limited to the value of future benefits expected and is amortised through the income and expenditure account on a systematic basis over the period expected to benefit from the project. It is revalued on the basis of current cost. The amortisation charge is calculated on the same basis as used for depreciation i.e. on a quarterly basis. Expenditure which does not meet the criteria for capitalisation is treated as an operating cost in the year in which it is incurred. NHS Trusts are unable to disclose the total amount of research and development expenditure charged in the income and expenditure account because some research and development activity cannot be separated from patient care activity.

Fixed assets acquired for use in research and development are amortised over the life of the associated project.

1.10 Provisions

The Trust provides for legal or constructive obligations that are of uncertain timing or amount at the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation. Where the effect of the time value of money is material, the estimated risk-adjusted cash flows are discounted using the Treasury's discount rate of 2.2% in real terms.

Clinical negligence costs

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the NHS Trust pays an annual contribution to the NHSLA which in return settles all clinical negligence claims. Although the NHSLA is administratively responsible for all clinical negligence cases the legal liability remains with the Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Trust is disclosed at note 16. £331,107 (2006/07 £2,503,583)

Since financial responsibility for clinical negligence cases transferred to the NHSLA at 1 April 2002, the only charge to operating expenditure in relation to clinical negligence in 2007/08 relates to the Trust's contribution to the Clinical Negligence Scheme for Trusts.

Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to the NHS Litigation Authority and, in return, receives assistance with the costs of claims arising. The annual membership contributions, and any 'excesses' payable in respect of particular claims are charged to operating expenses as and when they become due.

1.11 Pension costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The Scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. As a consequence it is not possible for the NHS Trust to identify its share of the underlying scheme assets and liabilities. Therefore the scheme is accounted for as a defined contribution scheme and the cost of the scheme is equal to the contributions payable to the scheme for the accounting period.

The Scheme is subject to a full valuation for FRS 17 purposes every four years. The last valuation on this basis took place as at 31 March 2003 however, the revaluation is to be aligned with the full valuation and will take place in 2008. The scheme is also subject to a full valuation by the Government Actuary to assess the scheme's assets and liabilities to allow a review of the employers contribution rates, this valuation took place as at 31 March 2004 and has yet to be finalised. The last published valuation on which contributions are based covered the period 1 April 1994 to 31 March 1999. Between valuations, the Government Actuary provides an update of the scheme liabilities. The latest assessment of the liabilities of the Scheme is contained in the Scheme Actuary report, which forms part of the NHS Pension Scheme (England and Wales) Resource Account, published annually. These accounts can be viewed on the Business Service Authority - Pensions Division website at www.nhs.gov.uk. Copies can also be obtained from The Stationery Office.

The conclusion of the 1999 valuation was that the scheme continues to operate on a sound financial basis and the notional surplus of the scheme is £1.1 billion. It was recommended that employers' contributions are set at 14% of pensionable pay from 1 April 2003. On advice from the actuary the contribution may be varied from time to time to reflect changes in the scheme's liabilities. Employees pay contributions of 6% (manual staff 5%) of their pensionable pay.

The Scheme is a "final salary" scheme. Annual pensions are normally based on 1/80th of the best of the last 3 years pensionable pay for each year of service. A lump sum normally equivalent to 3 years pension is payable on retirement. Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. On death, a pension of 50% of the member's pension is normally payable to the surviving spouse.

Early payment of a pension, with enhancement, is available to members of the Scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final years pensionable pay for death in service, and up to five times their annual pension for death after retirement, less pensions already paid, subject to a maximum amount equal to twice the member's final years pensionable pay less their retirement lump sum for those who die after retirement is payable.

Additional pension liabilities arising from early retirement are not funded by the scheme except where the retirement is due to ill-health. For early retirements not funded by the scheme, the full amount of the liability for the additional costs is charged to the Income and Expenditure account at the time the NHS Trust commits itself to the retirement, regardless of the method of payment.

The Scheme provides the opportunity to members to increase their benefits through money purchase Additional Voluntary Contributions (AVCs) provided by an approved panel of life companies. Under the arrangement the employee/member can make contributions to enhance an employee's pension benefits. The benefits payable relate directly to the value of the investments made.

[Where the NHS Trust has employees who are members of pension schemes other than the NHS Pension scheme described above, additional disclosure will be required to give details of those schemes e.g. stakeholder pensions.]

1.12 Liquid resources

Deposits and other investments that are readily convertible into known amounts of cash at or close to their carrying amounts are treated as liquid resources in the cashflow statement. The Trust does not hold any investments with maturity dates exceeding one year from the date of purchase.

1.13 Value Added Tax

Most of the activities of the Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.14 Foreign Exchange

Transactions that are denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. Resulting exchange gains and losses are taken to the Income and Expenditure Account.

1.15 Third Party Assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the Trust has no beneficial interest in them. Details of third party assets are given in Note 28 to the accounts.

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3. Income from Activities

	2007/08	2006/07
	£000	£000
Strategic Health Authorities	376	0
NHS Trusts	7,895	9,110
Primary Care Trusts*	220,987	201,228
Foundation Trusts	1,587	1,444
Local Authorities	15	15
Department of Health	899	1,123
NHS Other	0	0
Non NHS:		
- Private patients	0	0
- Overseas patients (non-reciprocal)	0	0
- Road Traffic Act	0	0
- Injury cost recovery	0	0
- Other	2,358	1,155
	<u>234,117</u>	<u>214,075</u>

4. Other Operating Income

	2007/08	2006/07
	£000	£000
Education, training and research	754	551
Charitable and other contributions to expenditure	0	0
Transfers from donated asset reserve	234	228
Transfers from government grant reserve	0	0
Non-patient care services to other bodies	0	0
Income Generation	0	0
Other income	1,025	1,022
	<u>2,013</u>	<u>1,801</u>



5.2 Operating leases

5.2/1 Operating expenses include:

	2007/08	2006/07
	£000	£000
Hire of plant and machinery	0	0
Other operating lease rentals	7,722	6,645
	<u>7,722</u>	<u>6,645</u>

5.2/2 Annual commitments under non - cancellable operating leases are:

	Land and buildings		Other leases	
	2007/08	2006/07	2007/08	2006/07
	£000	£000	£000	£000
Operating leases which expire:				
Within 1 year	117	34	368	27
Between 1 and 5 years	447	173	542	742
After 5 years	674	400	4,377	4,546
	<u>1,238</u>	<u>607</u>	<u>5,287</u>	<u>5,315</u>

5.3 Salary and Pension entitlements of senior managers

A) Remuneration

Name and Title	2007-08			2006-07		
	Salary (bands of £5000)	Other Remuneration (bands of £5000)	Benefits in Kind Rounded to the nearest £100	Salary (bands of £5000)	Other Remuneration (bands of £5000)	Benefits in Kind Rounded to the nearest £100
Sigurd Reinton, Chairman	£20,001-£25,000	£0		£20,001-£25,000	£0	
*** Barry MacDonald, Non-Executive Director	£0-£5,000	£0		£5,001-£10,000	£0	
Beryl Magrath, Non-Executive Director	£5,001-£10,000	£0		£5,001-£10,000	£0	
Sarah Waller, Non-Executive Director	£5,001-£10,000	£0		£5,001-£10,000	£0	
Roy Griffins, Non-Executive Director	£5,001-£10,000	£0		£5,001-£10,000	£0	
Ingrid Prescod, Non-Executive Director	£5,001-£10,000	£0		£0-£5,000	£0	
*** Brian Hockett, Non-Executive Director	£0-£5,000	£0		£0	£0	
Caroline Silver, Non-Executive Director	£5,001-£10,000	£0		£5,001-£10,000	£0	
* Peter Bradley, Chief Executive	£120,001-£125,000	£0	£4,300	£130,001-£135,000	£0	£4,300
Michael Dinan, Director of Finance	£110,001-£115,000	£0		£100,001-£105,000	£0	
Martin Flaherty, Director of Operations	£105,001-£110,000	£0	£2,600	£95,001-£100,000	£0	£2,100
Caron Hitchen, Director of Human Resources	£95,001-£100,000	£0		£90,001-£95,000	£0	
** Fiona Moore, Medical Director	£75,001-£80,000	£0		£75,001-£80,000	£0	

The figures shown under the heading 'benefit in kind' refer to the provision of lease cars.

* Excludes remuneration recharged to the Department of Health for role as National Ambulance Advisor. 2006-07 salary has been restated to reflect this.

** Fiona Moore is an employee of Imperial College Healthcare NHS Trust who works part-time for the London Ambulance Service as Medical Director.

*** Directors who were in post for part of the financial year. Brian Hockett was appointed Non-Executive director on 1 February 2008. Barry MacDonald resigned from the post of Non-Executive Director on 30 November 2007.

5.3 Salary and Pension entitlements of senior managers

B) Pension Benefits

Name and title	Real increase in pension at age 60 (bands of £2,500)	Real increase in pension lump sum at aged 60 (bands of £2,500)	Total accrued pension at age 60 at 31 March 2008 (bands of £5,000)	Lump sum at age 60 at related to accrued pension at 31 March 2008 (bands of £5,000)	Cash Equivalent Transfer Value at 31 March 2008	Cash Equivalent Transfer Value at 31 March 2007	Real Increase in Cash Equivalent Transfer Value	Employers Contribution to Stakeholder Pension To nearest £100
Sigurd Reinton, Chairman	**	**	**	**	**	**	**	
Barry MacDonald, Non-Executive Director	**	**	**	**	**	**	**	
Beryl Magrath, Non-Executive Director	**	**	**	**	**	**	**	
Sarah Waller, Non-Executive Director	**	**	**	**	**	**	**	
Roy Griffins, Non-Executive Director	**	**	**	**	**	**	**	
Ingrid Prescod, Non-Executive Director	**	**	**	**	**	**	**	
Caroline Silver, Non-Executive Director	**	**	**	**	**	**	**	
Peter Bradley, Chief Executive	£0-£2,500	£2,501-£5,000	£5,001-£10,000	£25,001-£30,000	£156,499	£139,810	£9,236	
Michael Dinan, Director of Finance	£0-£2,500	£2,501-£5,000	£0-£5,000	£10,001-£15,000	£59,347	£38,820	£13,690	
Martin Flaherty, Director of Operations	£0-£2,500	£2,501-£5,000	£30,001-£35,000	£100,001-£105,000	£538,562	£493,909	£22,613	
Caron Hitchen, Director of Human Resources	£0-£2,500	£2,501-£5,000	£20,001-£25,000	£60,001-£65,000	£289,009	£259,502	£16,113	
Fionna Moore, Medical Director	£0	£0	£35,001-£40,000	£115,001-£120,000	£686,485	£662,740	£5,023	

** As Non-Executive members do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Executive members.

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures and the other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real Increase in CETV - This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement) and uses common market valuation factors for the start and end of the period.

6. Staff costs and numbers

6.1 Staff costs

	Total	2007/08 Permanently Employed	Other	2006/07
	£000	£000	£000	£000
Salaries and wages	140,191	136,506	3,685	131,621
Social Security Costs	11,538	11,538	0	11,479
Employer contributions to NHS Pension Scheme	16,905	16,905	0	17,092
Other pension costs	834	834	0	1,055
	<u>169,468</u>	<u>165,783</u>	<u>3,685</u>	<u>161,247</u>

6.2 Average number of persons employed

	Total	2007/08 Permanently Employed	Other	2006/07
	Number	Number	Number	Number
Medical and dental	0	0	0	0
Ambulance staff	2,972	2,972	0	2,872
Administration and estates	1,087	989	98	1,229
Healthcare assistants and other support staff	0	0	0	0
Nursing, midwifery and health visiting staff	0	0	0	0
Nursing, midwifery and health visiting learners	0	0	0	0
Scientific, therapeutic and technical staff	0	0	0	0
Social care staff	0	0	0	0
Other	0	0	0	0
Total	<u>4,059</u>	<u>3,961</u>	<u>98</u>	<u>4,101</u>

6.3 Employee benefits

There were no employee benefits in the year and there were none in 2006/07.

6.4 Management costs

	2007/08	2006/07
	£000	£000
Management costs	16,509	13,803
Income	236,049	215,866

Management costs are defined as those on the management costs website at www.dh.gov.uk/PolicyAndGuidance/OrganisationPolicy/FinanceAndPlanning/NHSManagementCosts/fs/en..

6.5 Retirements due to ill-health

During 2007/08 there were 5 (2006/07, 9) early retirements from the NHS Trust on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £670,833 (£1,102,663). The cost of these ill-health retirements will be borne by the NHS Business Services Authority -Pensions Division.

7. Better Payment Practice Code

7.1 Better Payment Practice Code - measure of compliance

	2007/08	
	Number	£000
Total Non-NHS trade invoices paid in the year	48,791	56,409
Total Non NHS trade invoices paid within target	41,478	51,088
Percentage of Non-NHS trade invoices paid within target	85%	91%
Total NHS trade invoices paid in the year	474	2,934
Total NHS trade invoices paid within target	397	2,675
Percentage of NHS trade invoices paid within target	84%	91%

The Better Payment Practice Code requires the Trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later.

7.2 The Late Payment of Commercial Debts (Interest) Act 1998

	2007/08	2006/07
	£000	£000
Amounts included within Interest Payable (Note 9) arising from claims made under this legislation	3	1
Compensation paid to cover debt recovery costs under this legislation	0	0

8. Profit/(Loss) on Disposal of Fixed Assets

Profit/(loss) on the disposal of fixed assets is made up as follows:

	2007/08	2006/07
	£000	£000
Profit on disposal of fixed asset investments	0	0
(Loss) on disposal of fixed asset investments	0	0
Profit on disposal of intangible fixed assets	0	0
(Loss) on disposal of intangible fixed assets	0	0
Profit on disposal of land and buildings	0	0
(Loss) on disposal of land and buildings	0	0
Profits on disposal of plant and equipment	0	0
(Loss) on disposal of plant and equipment	(41)	(19)
	<u>(41)</u>	<u>(19)</u>

9. Interest Payable

	2007/08	2006/07
	£000	£000
Finance leases	0	0
Late payment of commercial debt	3	1
Loans	0	0
Other	0	0
	<u>3</u>	<u>1</u>

10. Intangible Fixed Assets

	Software licences £000	Licenses and trademarks £000	Patents £000	Development expenditure £000	Total £000
Gross cost at 1 April 2007	1,806	0	0	1,258	3,064
Indexation				0	0
Impairments	0	0	0	0	0
Reclassifications	604	0	0	(604)	0
Revaluation	0	0	0	0	0
Additions purchased	555	0	0	1,945	2,500
Additions donated	0	0	0	0	0
Additions government granted	0	0	0	0	0
Disposals	(50)	0	0	0	(50)
Gross cost at 31 March 2008	2,915	0	0	2,599	5,514
Amortisation at 1 April 2007	1,471	0	0	0	1,471
Indexation				0	0
Impairments	0	0	0	0	0
Reversal of impairments	0	0	0	0	0
Reclassifications	0	0	0	0	0
Revaluation	0	0	0	0	0
Charged during the year	328	0	0	0	328
Disposals	(50)	0	0	0	(50)
Amortisation at 31 March 2008	1,749	0	0	0	1,749
Net book value					
- Purchased at 1 April 2007	335	0	0	1,258	1,593
- Donated at 1 April 2007	0	0	0	0	0
- Government granted at 1 April 2007	0	0	0	0	0
- Total at 1 April 2007	335	0	0	1,258	1,593
- Purchased at 31 March 2008	1,166	0	0	2,599	3,765
- Donated at 31 March 2008	0	0	0	0	0
- Government granted at 31 March 2008	0	0	0	0	0
- Total at 31 March 2008	1,166	0	0	2,599	3,765

11. Tangible Fixed Assets
11.1 Tangible fixed assets at the balance sheet date comprise the following elements:

	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account*	Plant and machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2007	48,695	51,724	0	4,735	8,380	18,880	9,245	57	141,716
Additions purchased	0	2,223	0	3,484	0	1,534	1,042	0	8,283
Additions donated	0	0	0	0	0	0	0	0	0
Additions government granted	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Reclassifications	0	1,406	0	(4,476)	645	1,865	560	0	0
Indexation	2,632	4,310	0	19	225	507	0	2	7,695
Revaluation	2,659	(1,424)	0	0	0	0	0	0	1,235
Disposals	(3,289)	(640)	0	0	0	(1,632)	0	0	(5,561)
Cost or Valuation at 31 March 2008	50,697	57,599	0	3,762	9,250	21,154	10,847	59	153,368
Depreciation at 1 April 2007					6,102	15,830	6,770	1	28,703
Charged during the year	0	2,358	0		1,071	1,308	1,333	6	6,076
Impairments	0	0	0	0	0	0	0	0	0
Reversal of Impairments	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0		0	0	0	0	0
Indexation	0	0	0		164	425		0	589
Revaluation					0	0	0	0	0
Disposals	0	(67)	0		0	(1,585)	0	0	(1,652)
Depreciation at 31 March 2008	0	2,291	0	0	7,337	15,978	8,103	7	33,716
Net book value									
- Purchased at 1 April 2007	48,695	51,724	0	4,735	1,996	3,038	2,475	56	112,719
- Donated at 1 April 2007	0	0	0	0	282	12	0	0	294
- Government granted at 1 April 2007	0	0	0	0	0	0	0	0	0
- Total at 1 April 2007	48,695	51,724	0	4,735	2,278	3,050	2,475	56	113,013
- Purchased at 31 March 2008	50,697	55,308	0	3,762	1,855	5,166	2,744	52	119,584
- Donated at 31 March 2008	0	0	0	0	58	10	0	0	68
- Government granted at 31 March 2008	0	0	0	0	0	0	0	0	0
- Total at 31 March 2008	50,697	55,308	0	3,762	1,913	5,176	2,744	52	119,652

11.1 Tangible Fixed Assets (contd)

Of the totals at 31 March 2008, £Nil related to land valued at open market value and £Nil related to buildings valued at open market value and £Nil related to dwellings valued at open market value.

The net book value of assets held under finance leases and hire purchase contracts at the balance sheet date are as follows:

	Land	Buildings, excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
At 31 March 2008	0	0	0	0	0	0	0	0	0
At 31 March 2007	0	0	0	0	0	0	0	0	0

The total amount of depreciation charged to the income and expenditure in respect of assets held under finance leases and hire purchase contracts:

	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Depreciation 31 March 2008	0	0	0	0	0	0	0	0	0
Depreciation 31 March 2007	0	0	0	0	0	0	0	0	0

11.2 The net book value of land, buildings and dwellings at 31 March 2008 comprises:

	31 March 2008	31 March 2007
	£000	£000
Freehold	103,558	98,924
Long leasehold	2,108	1,201
Short leasehold	339	294
TOTAL	<u>106,005</u>	<u>100,419</u>

12. Stocks and Work in Progress

	31 March 2008	31 March 2007
	£000	£000
Raw materials and consumables	1,930	1,965
Work-in-progress	0	0
Finished goods	0	0
TOTAL	<u>1,930</u>	<u>1,965</u>

13. Debtors

	31 March 2008	31 March 2007
	£000	£000

Amounts falling due within one year:

NHS debtors	1,281	2,675
Provision for irrecoverable debts	(11)	(28)
Other prepayments and accrued income	5,292	2,811
Other debtors	4,976	663
Sub Total	<u>11,538</u>	<u>6,121</u>

Amounts falling due after more than one year:

NHS debtors	9,875	9,766
Provision for irrecoverable debts	0	0
Other prepayments and accrued income	0	0
Other debtors	4	0
Sub Total	<u>9,879</u>	<u>9,766</u>

TOTAL	<u>21,417</u>	<u>15,887</u>
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Other Debtors include £Nil prepaid pension contributions at 31 March 2008 (£Nil at 31 March 2007)

14. Investments

14.1 Fixed Asset Investments

	<i>Description</i> £000	<i>Description</i> £000	Other £000	Total £000
Balance at 1 April 2007	0	0	0	0
Additions	0	0	0	0
Disposals	0	0	0	0
Revaluations	0	0	0	0
Balance at 31 March 2008	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Please note: Any NHS Trust that holds a fixed asset investment should include the accounting policy on the fixed asset investment in Note 1 - Accounting Policies, and the final sentence of note 1.15 should be deleted

14.2 Current Asset Investments

	EU emissions trading scheme £000	Department of Health £000	Other £000	Total £000
Balance at 1 April 2007	0	0	0	0
Additions	0	0	0	0
Disposals	0	0	0	0
Revaluations	0	0	0	0
Balance at 31 March 2008	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

15. Creditors

15.1 Creditors at the balance sheet date are made up of:

	31 March 2008 £000	31 March 2007 £000
Amounts falling due within one year:		
Bank overdrafts	1,513	75
Current instalments due on loans	0	0
Interest payable	0	0
Payments received on account	0	0
NHS creditors	198	368
Non - NHS trade creditors - revenue	11,462	3,561
Non - NHS trade creditors - capital	2,756	388
Tax	975	306
Social security costs	0	0
Obligations under finance leases and hire purchase contracts	0	0
Other creditors	797	1,729
Accruals and deferred income	770	571
Sub Total	18,471	6,998
Amounts falling due after more than one year:		
Long - term loans	0	0
Obligations under finance leases and hire purchase contracts	0	0
NHS creditors	0	0
Other	0	0
Sub Total	0	0
TOTAL	18,471	6,998

Other creditors include;

- £Nil for payments due in future years under arrangements to buy out the liability for early retirements over 5 years; and
- £251,208 outstanding pensions contributions at 31 March 2008 (31 March 2007 £67,520).

15.2 Loans [and other long-term financial liabilities]

The Trust had not entered in to any loan arrangement at 31 March 2008 or 31 March 2007.

15.3 Finance lease obligations

	31 March 2008	31 March 2007
	£000	£000
Payable:		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
	<hr/> 0	<hr/> 0
Less finance charges allocated to future periods	0	0
	<hr/> 0 <hr/>	<hr/> 0 <hr/>

15.4 Finance Lease Commitments

London Ambulance Service NHS Trust has not entered into any new finance lease arrangements during the year.

16. Provisions for liabilities and charges

	Pensions relating to former directors £000	Pensions relating to other staff £000	Legal claims £000	Restructurings £000	Other £000	Total £000
At 1 April 2007	0	4,930	511	0	10,023	15,464
Arising during the year	0	812	595	812	2,919	5,138
Utilised during the year	0	(285)	(190)	0	(1,237)	(1,712)
Reversed unused	0	(92)	(280)	0	(76)	(448)
Unwinding of discount	0	108	0	0	39	147
At 31 March 2008	0	5,473	636	812	11,668	18,589

Expected timing of cashflows:

Within one year	0	280	636	812	1,226	2,954
Between one and five years	0	1,400	0	0	7,832	9,232
After five years	0	3,793	0	0	2,610	6,403

Pensions relating to other staff - payments relating to this provision will be made quarterly over the life of each member of staff and have been discounted using a rate of 2.2%. Every year the provision is adjusted for inflation.

Legal claims - claims brought against the Trust provided for above vary between probabilities of 50% to 94%. The amount provided are based upon estimates of costs and settlements provided by the NHS Litigation Authority.

Other - £7.0 million (2005/06 £6.5 million) of the balance relates to an estimate for our tax liability on subsistence payments made to staff (An amount of £500,000 that was previously shown in error under other creditors has now been transferred to provisions). Both the exact amount and the expected timing of the payout are currently uncertain. £1,835,949 (2006/07 £1,777,431) is an estimate for pension payments due to employees being made redundant prior to 1995 as a result of the restructuring of the Trust. The provisions are calculated using actuarial tables and are payable quarterly over the life of the employees. The balance also includes £1,763,595 estimated costs for modifying the Mercedes Ambulances, £391,334 relating to AFC (2006/07 £958,000) & £644,553 relating to excesses on motor insurance claims (2006/07 £685,197).

£331,107 is included in the provisions of the NHS Litigation Authority at 31 March 2008 in respect of clinical negligence liabilities of the NHS Trust (31 March 2007 £2,503,583).

17. Movements on Reserves

Movements on reserves in the year comprised the following:

	Revaluation Reserve £000	Donated Asset Reserve £000	Government Grant Reserve £000	Other Reserves £000	Income and Expenditure Reserve £000	Total £000
At 1 April 2007 as previously stated	46,776	294	0	(419)	8,538	55,189
Prior Period Adjustments	0	0	0	0	0	0
At 1 April 2007 as restated	<u>46,776</u>	<u>294</u>	<u>0</u>	<u>(419)</u>	<u>8,538</u>	<u>55,189</u>
Transfer from the income and expenditure account					398	398
Fixed asset impairments	0	0	0			0
Surplus/(deficit) on other revaluations/indexation of fixed/current assets	8,333	8	0			8,341
Transfer of realised profits/(losses) to the income and expenditure reserve	(3,296)	0	0		3,296	0
Receipt of donated/government granted assets		0	0			0
Transfers to the income and expenditure account for depreciation, impairment, and disposal of donated/government granted assets		(234)	0			(234)
Other transfers between reserves	(1,208)	0	0	0	1,208	0
Other movements on reserves [specify]				0		0
Reserves eliminated on dissolution	0	0	0	0	0	0
At 31 March 2008	<u><u>50,605</u></u>	<u><u>68</u></u>	<u><u>0</u></u>	<u><u>(419)</u></u>	<u><u>13,440</u></u>	<u><u>63,694</u></u>

18. Notes to the cash flow Statement

18.1 Reconciliation of operating surplus to net cash flow from operating activities:

	2007/08	2006/07
	£000	£000
Total operating surplus/(deficit)	3,679	3,873
Depreciation and amortisation charge	6,404	6,103
Fixed asset impairments and reversals	0	0
Transfer from donated asset reserve	(234)	(228)
Transfer from the government grant reserve	0	0
(Increase)/decrease in stocks	35	(49)
(Increase)/decrease in debtors	(1,630)	7,093
Increase/(decrease) in creditors	7,738	(2,205)
Increase/(decrease) in provisions	2,978	(9,207)
	<hr/>	<hr/>
Net cash inflow/(outflow) from operating activities before restructuring costs	18,970	5,380
Payments in respect of fundamental reorganisation/restructuring	0	0
	<hr/>	<hr/>
Net cash inflow from operating activities	18,970	5,380
	<hr/> <hr/>	<hr/> <hr/>

18.2 Reconciliation of net cash flow to movement in net debt

	2007/08	2006/07
	£000	£000
Increase/(decrease) in cash in the period	8,321	81
Cash (inflow) from new debt	0	0
Cash outflow from debt repaid and finance lease capital payments	0	0
Cash (inflow)/outflow from (decrease)/increase in liquid resources	0	0
	<hr/>	<hr/>
Change in net debt resulting from cash flows	8,321	81
Non - cash changes in debt	0	0
Net debt at 1 April 2007	644	563
	<hr/>	<hr/>
Net debt at 31 March 2008	8,965	644
	<hr/> <hr/>	<hr/> <hr/>

18.3 Analysis of changes in net debt

	At 1 April 2007	Cash Transferred (to)/from other NHS bodies	Other cash changes in year	Non-cash changes in year	At 31 March 2008
	£000	£000	£000	£000	£000
OPG cash at bank	687	0	9,753		10,440
Commercial cash at bank and in hand	32	0	6		38
Bank overdraft	(75)	0	(1,438)		(1,513)
Loan from DH due within one year	0	0	0	0	0
Other debt due within one year	0	0	0	0	0
Loan from DH due after one year	0	0	0	0	0
Other debt due after one year	0	0	0	0	0
Finance leases	0	0	0	0	0
Current asset investments	0	0	0	0	0
	644	0	8,321	0	8,965

19. Capital Commitments

Commitments under capital expenditure contracts at 31 March 2008 were £564,726 (31 March 2007 £2,942,021)

	£000
Windows Call Taking Software enhancements	174
Mapping Software Upgrades	163
Minor Estate Projects	149
Other	79

20. Post Balance Sheet Events

Post balance sheet events having a material effect on the accounts are nil.

21. Contingencies

	2007/08	2006/07
	£000	£000
Contingent liabilities	(764)	(444)
Amounts recoverable against contingent liabilities	582	304
Net value of contingent liabilities	<u>(182)</u>	<u>(140)</u>
Contingent Assets	<u>0</u>	<u>0</u>

There are no contingencies for clinical negligence since all clinical negligence claims are handled by NHSLA as from 1st April 2002.

22. Movement in Public Dividend Capital

	2007/08	2006/07
	£000	£000
Public Dividend Capital as at 1 April 2007	55,526	49,617
New Public Dividend Capital received (including transfers from dissolved NHS Trusts)	2,329	5,909
Public Dividend Capital repaid in year	(1,367)	0
Public Dividend Capital written off	0	0
Public Dividend Capital issued as originating capital on new establishment	0	0
Public Dividend Capital transferred to Foundation Trust	0	0
Other movements in Public Dividend Capital in year	0	0
Public Dividend Capital as at 31 March 2008	<u>56,488</u>	<u>55,526</u>

23. Financial Performance Targets

23.1 Breakeven Performance

The trust's breakeven performance for 2007/08 is as follows:

	2003/04	2004/05	2005/06	2006/07	2007/08
	£000	£000	£000	£000	£000
Turnover	168,508	192,588	215,947	215,941	236,130
Retained surplus/(deficit) for the year	89	332	1,258	113	398
Adjustment for:					
- Timing/non-cash impacting distortions					
- Use of pre - 1.4.97 surpluses [FDL(97)24 Agreements]	0	0	0	0	0
- 2004/05 Prior Period Adjustment (relating to 1997/98 to 2003/04)	0				
- 2005/06 Prior Period Adjustment (relating to 1997/98 to 2004/05)	0	0			
- 2006/07 Prior Period Adjustment (relating to 1997/98 to 2005/06)	0	0	0		
- 2007/08 Prior Period Adjustment (relating to 197/98 to 2006/07)	0	0	0	0	
- Other agreed adjustments	0	0	0	0	0
Break-even in-year position	89	332	1,258	113	398
Break-even cumulative position	(257)	75	1,333	1,446	1,844
Materiality test (i.e. is it equal to or less than 0.5%):					
- Break-even in-year position as a percentage of turnover	0.05%	0.17%	0.58%	0.05%	0.17%
- Break-even cumulative position as a percentage of turnover	(0.15%)	0.04%	0.62%	0.67%	0.78%

23.2 Capital cost absorption rate

The Trust is required to absorb the cost of capital at a rate of 3.5% of average relevant net assets. The rate is calculated as the percentage that dividends paid on public dividend capital, totalling £4,079,000, bears to the average relevant net assets of £109,704,000 that is 3.7%. The variance from 3.5% is within the Departments of health's materiality range of 3.0% to 4.0%.

23.3 External financing

The Trust is given an external financing limit which it is permitted to undershoot.

	£000	2007/08 £000	2006/07 £000
External financing limit		(7,359)	5,828
Cash flow financing	(7,359)		5,828
Finance leases taken out in the year	0		0
Other capital receipts	0		0
External financing requirement	<u>0</u>	<u>(7,359)</u>	<u>5,828</u>
Undershoot/(overshoot)		<u>0</u>	<u>0</u>

23.4 Capital Resource Limit

The Trust is given a capital resource limit which it is not permitted to overspend

	2007/08 £000	2006/07 £000
Gross capital expenditure	10,783	7,647
Less: book value of assets disposed of	(3,909)	(28)
Plus: loss on disposal of donated assets	0	0
Less: capital grants	0	0
Less: donations towards the acquisition of fixed assets	0	0
Charge against the capital resource limit	<u>6,874</u>	<u>7,619</u>
Capital resource limit	8,978	10,423
(Over)/Underspend against the capital resource limit	<u>2,104</u>	<u>2,804</u>

24. Related Party Transactions

London Ambulance Service NHS Trust is a body corporate established by order of the Secretary of State for Health.

During the year none of the Board Members or members of the key management staff or parties related to them has undertaken any material transactions with London Ambulance Service NHS Trust.

The Department of Health is regarded as a related party. During the year London Ambulance Service NHS Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department. These entities are listed below:

Richmond & Twickenham PCT
the NHS Supply Chain
the NHS Litigation Authority
the NHS Pensions Agency
Other Primary Care Trusts

The Trust received an administration fee of £2,500 (2006/07 £2,500) from the London Ambulance Service charitable funds. The London Ambulance Service NHS Trust is the corporate trustee of the funds.

25. Private Finance Transactions

25.1 PFI schemes deemed to be off-balance sheet

The Trust has not entered into any PFI schemes deemed to be off balance sheet.

25.2 'Service' element of PFI schemes deemed to be on-balance sheet

The Trust has not entered into any PFI schemes deemed to be on balance sheet.

26 Pooled Budget

The Trust did not participate in any Pooled Budget projects.

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FRS 13,
Derivatives
As allowed by
The NHS
100% of the

27.1 Financial Assets

Currency	Total	Floating rate	Fixed rate	Non-interest bearing	Fixed rate		Non-interest bearing Weighted average term
					Weighted average interest rate	Weighted average period for which fixed	
	£000	£000	£000	£000	%	Years	Years
At 31 March 2008							
Sterling	19,854	10,471	9,376	7	2.20%	8	0
Other	0	0	0	0	0.00%	0	0
Gross financial assets	19,854	10,471	9,376	7			
At 31 March 2007							
Sterling	10,064	711	9,346	7	2.20%	8	0
Other	0	0	0	0	0.00%	0	0
Gross financial assets	10,064	711	9,346	7			

27.2 Financial Liabilities

Currency	Total	Floating rate	Fixed rate	Non-interest bearing	Fixed rate		Non-interest bearing Weighted average term
					Weighted average interest rate	Weighted average period for which fixed	
	£000	£000	£000	£000	%	Years	Years
At 31 March 2008							
Sterling	7	0	0	7	2.20%	21	0
Other	0	0	0	0	0.00%	0	0
Gross financial liabilities	7	0	0	7			
At 31 March 2007							
Sterling	70,989	0	1,777	69,212	2.20%	21	0
Other	0	0	0	0	0.00%	0	0
Gross financial liabilities	70,989	0	1,777	69,212			

Note: The public dividend capital is of unlimited term.

Foreign Currency Risk

The Trust has no/negligible foreign currency income or expenditure.

27.3 Fair Values

Set out below is a comparison, by category, of book values and fair values of the NHS Trust's financial assets and liabilities as at 31 March 2008.

	Book Value	Fair Value	Basis of fair valuation
	£000	£000	
Financial assets			
Cash	10,478	10,478	
Debtors over 1 year:			
- Agreements with commissioners to cover creditors and provisions	9,376	9,376	Note a
Investments	0	0	
Total	<u>19,854</u>	<u>19,854</u>	
Financial liabilities			
Overdraft	(1,513)	(1,513)	
Creditors over 1 year:			
- Finance leases	0	0	Note b
Provisions under contract	7,007	7,007	Note c
Loans	0	0	
Total	<u>5,494</u>	<u>5,494</u>	

Notes

a These debtors reflect agreements with commissioners to cover creditors over 1 year for early retirements and provisions under contract, and their related interest charge/unwinding of discount.

b To obtain fair value, cash flows have been discounted at prevailing market interest rates for finance leases for a similar term.

c Fair value is not significantly different from book value since, in the calculation of book value, the expected cash flows have been discounted by the Treasury discount rate of 2.2% in real terms.

28 Third Party Assets

The Trust held £Nil cash at bank and in hand at 31 March 2008 (£Nil - at 31 March 2007) which relates to monies held by the NHS Trust on behalf of patients. This has been excluded from cash at bank and in hand figure reported in the accounts.

29 Intra-Government and Other Balances

	Debtors: amounts falling due within one year	Debtors: amounts falling due after more than one year	Creditors: amounts falling due within one year	Creditors: amounts falling due after more than one year
	£000	£000	£000	£000
Balances with other Central Government Bodies	638	9,875	1,025	0
Balances with Local Authorities	1	0	0	0
Balances with NHS Trusts and Foundation Trusts	1,074	0	148	0
Balances with Public Corporations and Trading Funds	0	0	0	0
Balances with bodies external to government	9,825	4	17,298	0
At 31 March 2008	<u>11,538</u>	<u>9,879</u>	<u>18,471</u>	<u>0</u>
Balances with other Central Government Bodies	1,866	9,766	514	0
Balances with Local Authorities	2	0	0	0
Balances with NHS Trusts and Foundation Trusts	1,229	0	286	0
Balances with Public Corporations and Trading Funds	0	0	2	0
Balances with bodies external to government	3,024	0	6,196	0
At 31 March 2007	<u>6,121</u>	<u>9,766</u>	<u>6,998</u>	<u>0</u>

30 Losses and Special Payments

There were 1,544 cases of losses and special payments (2006/07: 1,522 cases) totalling £1,012,379 (2006/07: £1,279,646) paid during 2007/08.

During the financial year ending 31.3.08 there were no cases of losses and special payments exceeding £250,000.