

North West London Hospitals NHS Trust

Financial Position

1. The organisation remains on track to meet the Capital Resource Limit. That is stay within the resources allocated for capital spending.
2. The organisation remains on track to meet the External Finance Limit.
 - a. That is, meet a predefined cash position in the organisations bank account. This will be achieved by ensuring the organisations income and expenditure position is met.
3. The financial position for September is a deficit of £5.6 as shown below and this reflects the organisation is facing a challenge in meeting its income and expenditure.

September Financial Position

Area	YTD Actual
Income	162.8
Expenditure	168.4
Total	(5.6)

4. The organisation does face a challenging environment and also legacy of non recurring benefits to balance the books last year.
5. The organisation has declared savings of £28m for 2008/9 to balance the books. Making this level of efficiency while maintaining targets and objectives is a balancing act.
6. The Trust has a forecast deficit of £5.9m as September. The organisation is working with commissioners to close this deficit.
7. During this process there will continue to be progress to ensuring that patient care is not compromised.
8. The organisation also continues to repay loan commitments from previous years deficits.
9. The Trust like many other public sector bodies will also be transferring its accounting practices to IFRS, as a mandatory requirement. This move while technical may involve significant impacts on the organisations books, particular given the large PFI at CMH.