

REPORT ON FINANCIAL RISK RATINGS

Month 10 to January 2008

Executive Summary

Figures at plan and forecast remain unchanged from the M9 revised format report.

The year-to-date overall rating has decreased from a score of 4 at M9 to a score of 3 at M10. A detailed breakdown of year-to-date figures is shown below:

Criteria	Metric	M9 Ytd	M10 Ytd
Underlying performance	EBITDA margin %	4	4
Achievement of plan	EBITDA achieved %	5	4
Financial efficiency	Return on assets %	3	3
	I&E surplus margin %	3	2
Liquidity	Liquid ratio days	4	3
Average		3.70	3.15
Overriding rules	Overriding rules	0	3
Overall rating	Overall rating	4	3

The Trust's year-to-date EBITDA achieved and I&E surplus margin ratings have decreased. This is because the £10k increase in the Trust's surplus was small and lower than planned.

The liquidity rating score has decreased due to an increase in the level of creditors. This is in line with balance sheet plans developed to support financial planning. However, it underlines the importance of working capital management within the Foundation Trust financial regime.

The Board is asked to review these figures and approved them for submission to the East of England Strategic Health Authority.

Prepared by:
Vicky Flanagan
Corporate Reporting Accountant

Presented by:
Ken Sharp
Interim Director of Finance

February 2008