Welcome to our annual report for 2008/09. This publication incorporates a wide range of mandatory information to meet our statutory obligations but we have listened to and where possible incorporated the views of our patients, members and staff into the content and style of this document. We hope you find it informative and easy to read.

Over the past twelve months Mayday has continued to improve and develop services, successfully delivering a financial surplus and achieved most of the national standards and targets.

The achievement of our three key corporate objectives of quality, people and business remain at the heart of our organisation. We are committed to improving the experience of our patients and have introduced a number of initiatives to help us achieve this. Some of these are outlined further in this document but reflect only a handful of the many innovative developments that are taking place across the Trust.

One development I want to highlight personally is the introduction of the NHS Institute for Innovation and Improvement “productive ward” programme which we are implementing across the Trust. I recently paid a visit to some of our “productive wards” and was impressed by both the enthusiasm of our staff and the changes that are taking place to free up nurses so they can spend more time directly caring for their patients. In addition, we have reviewed both the number and skills of our nurses across the Trust and as a result have invested in additional nursing and midwifery staff.

Investment has also been made in strengthening our infection control team and ensuring that good practice is followed throughout the organisation. It is encouraging to be able to report that incidents of MRSA have remained stable compared to the previous year, with 21 cases recorded during the year. In addition, incidents of Clostridium difficile (C.diff) have reduced by 47% during the financial year 08/09 and we had 54 cases less than the predicted threshold.

Mayday aims to provide a progressive, honest, open and ‘just’ environment for its staff, where risks, accidents, mistakes and ‘near misses’ are identified quickly and acted upon in a positive and constructive way. As part of developing this open and learning culture we have introduced an online reporting system that means any member of staff can quickly and easily report incidents. These incidents are investigated and action taken to reduce the risk of them happening again.
The commitment and support of our staff is key to the Trust’s objective of providing quality care and to recognise their contribution we have introduced a staff recognition scheme. The scheme comprises monthly, quarterly and annual employee awards to show our appreciation for the unsung heroes and those within our organisation who go the extra mile.

We continue in our preparations to become a Foundation Trust and are extremely pleased that we have in excess of 4,700 public members. We have held a number of member and prospective governor events throughout the year, which have been very well attended.

I would like to end my introduction to our Annual Report with some thanks. Firstly, to Helen Walley who retired as Chief Executive at the end of April after three years at the Trust and 35 years in the NHS. Helen was passionate about improving quality across the organisation and her legacy leaves Mayday well placed to become a Foundation Trust.

I am pleased to be able to welcome Nick Hulme, our new Chief Executive, to the Trust. Nick joined us in July 2009 and has over seven years experience as a Director in the NHS.

I would also like to thank Elaine Wilde for her valued contribution during her eight-year term as Non-Executive Director, which ended in October. I am sure that the whole organisation wishes both Helen and Elaine well for the future.

And finally, on behalf of the Board, thank you to all our staff, volunteers, patients, friends and members for their dedication and continued support over the last year.

Brian Phillpott
Chairman
Mayday Healthcare provides a range of health services to a population of around 360,000 centred on the London Borough of Croydon.

The Trust provides services from four main centres:

- Mayday University Hospital, a 545 bed acute hospital in Thornton Heath
- Purley Hospital, a community facility that provides a range of diagnostic services
- The Sickle Cell and Thalassaemia Centre located in Thornton Heath
- A minor injuries unit in New Addington providing a nurse led walk in clinic

Mayday is one of the largest employers in Croydon, employing over 2,300 permanent staff and a turnover of £185 million per year. During the year the Trust treated approximately:

- 28,180 day case and elective (planned) in-patients
- 38,608 non-elective (emergency) in-patients
- 290,138 outpatients
- 129,085 people attended the A&E department.

The Trust is in the area for which the London Strategic Health Authority (NHS London) is responsible and its main source of income is from services commissioned by Croydon Primary Care Trust. The Trust has smaller contracts with other neighbouring primary care trusts.

Mayday has seen a dramatic shift in its success in recent years, gradually transforming itself from an organisation characterised by financial instability with variable performance to one where ambition, delivery and good governance are key to its achievements. During this turnaround period the organisation has concentrated on improving patient safety and injecting a new business rigour into the Trust.

Operating and Financial Review

As an organisation Mayday has, through a combination of service redesign, reduced length of stay and significant improvements in access to diagnostics, moved to being close to achieving the 18 week referral to treatment targets.

At the same time, the Trust has proved itself capable of handling major organisational change. More efficient ways of working, including the introduction of quality initiatives such as admission on the day of surgery, have allowed the Trust to improve its services and bed usage.

In the Annual Health Check rating published in October 2008 the Trust was rated as “Fair” for both quality of services and use of resources. This is consistent with the previous year.

Historically, the Trust has always fared poorly in the Healthcare Commission’s Inpatient Survey and has now introduced a patient experience tracker (PET). The PET system asks patients to answer five straightforward questions on an easy-to-use lightweight handheld unit. Independently produced reports are emailed to the Trust on a weekly basis. This allows staff to be more responsive to patient feedback as well as providing the whole Trust with data to review, monitor and make the all-important
changes that will improve quality of care for our patients.

Strategic Overview

In the last eighteen months the Trust has become more outward looking with excellent examples of partnership working including developments with local GPs and the PCT, and joint work with St George’s, King’s and the Royal Marsden hospitals in developing cardiology, stroke and cancer services.

There are good communication links and networks between Mayday’s consultants and local GPs. External relationships with stakeholder organisations and the public give the organisation a solid base to further redesign and develop patient centred care.

The production of a Clinical Strategy started in November 2008 and presents the vision for the future of Mayday’s clinical services, placing the patient at the centre of its quest for excellence. It is a vision that describes the highest quality of patient care provided from facilities that are fit for purpose, on the basis that patients deserve nothing less. The strategy describes a plan for the continued development of Mayday as an acute hospital providing core clinical services including: accident and emergency, obstetrics, neonatal services, intensive care, non selected emergency medical and surgical service provision.

The strategy takes into consideration existing and emerging national policy that will shape the NHS for the foreseeable future. It also anticipates many changes in patient care due to new clinical knowledge and technology. It states the need to work closely with practice based commissioners, the primary care trust, local authority and voluntary organisations to provide the most effective and efficient service as close to patients’ homes as possible.

The Trust’s Estate Strategy, developed and approved by the Trust Board in November 2008, is essential for a well governed acute Trust. It identifies the current use of the estate, and the proposals of how the estate will need to change over the next 10 years to meet the future requirements of Mayday.

Management

The Trust has undergone a significant transformation in the past two years driven by a new leadership, greater clinical engagement and revised organisational structure.

During the year the operational management structure was reviewed and the number of clinical directorates increased to four; with the establishment of a Women and Children’s Directorate. The other Directorates are Planned Care, Emergency Care and Diagnostics & Clinical Support.

A senior clinician, the Clinical Director, who has overall responsibility for quality, performance, budget management and delivery, heads each Directorate.
- Inpatient specialties: general surgery, urology, trauma & orthopaedics, gynaecology in-patients, ITU/HDU, anaesthetics, pre-operative assessment
- Head and neck specialties: ENT, ophthalmology, restorative dentistry, orthodontics, plastic surgery, maxillo-facial
- Theatres, day surgery, endoscopy
- Out-patients and admissions
- Medical records
- Patient transport services

Cancer services
Sexual health
Imaging
Pathology,
Neurophysiology,
Mortuary
Infection Control,
Pharmacy
Therapies
Registry and Chaplains
Trust Secretary and Head of Corporate Affairs

Director of Finance & Information

Director of Human Resources and Organisational Development

Director of Nursing, Quality and Allied Health Professionals

Directorate of Emergency Care

Clinical Director

Associate Director of Operations

Associate Director of Nursing

Operational Manager for A&E

Directorate of Women and Children

Clinical Director

Head of Midwifery/General Manager

Maternity Services
Early Pregnancy Unit,
Special Care Baby Unit
(SCBU)
Paediatrics (except A&E)
Out-patient
Gynaecology, Fertility
Colposcopy

Accident and Emergency
(including children’s area)

General and specialist medicine
Sickle Cell service
GP Trainees

Medical Assessment Unit
Elderly Care and Stroke
## Key Performance Indicators: Trust Performance Against Targets

### Healthcare Commission: Existing Commitments

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Target</th>
<th>Trust Performance</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>A&amp;E Target</td>
<td>More than 98% of patients seen, treated, admitted or discharged within 4 hours</td>
<td>97%</td>
<td>Underachieved</td>
</tr>
<tr>
<td>Cancelled Operations Readmitted within 28 days</td>
<td>Less than 5% of patients wait more than 28 days for readmission</td>
<td>6.00%</td>
<td>Underachieved</td>
</tr>
<tr>
<td>Cancelled Operations on the day</td>
<td>Less than 0.8% of operations cancelled on the day</td>
<td>1.10%</td>
<td>Underachieved</td>
</tr>
<tr>
<td>Data Quality on Ethnic Groups</td>
<td>95% or more of patients ethnicity recorded on the patient administration system</td>
<td>89.70%</td>
<td>Underachieved</td>
</tr>
<tr>
<td>Delayed Transfers of Care</td>
<td>Less than 3.5% of patient transfers of care to be classified as delayed</td>
<td>3.10%</td>
<td>Achieved</td>
</tr>
<tr>
<td>GUM Access</td>
<td>Offer appointment within 48 hours of contact</td>
<td>100%</td>
<td>Fully Achieved</td>
</tr>
<tr>
<td>Rapid Access Pain Clinics</td>
<td>All patients referred by GP to be seen within two weeks</td>
<td>99.7%</td>
<td>Fully Achieved</td>
</tr>
<tr>
<td>Thrombolysis</td>
<td>Eligible patients Thrombolysed within 60 minutes</td>
<td>Not Applicable</td>
<td>Not Achieved</td>
</tr>
<tr>
<td>Waiting List (Elective)</td>
<td>No patients waiting longer than 26 weeks</td>
<td>100%</td>
<td>Fully Achieved</td>
</tr>
<tr>
<td>Waiting List (Outpatients)</td>
<td>No patients waiting longer than 13 weeks</td>
<td>100%</td>
<td>Fully Achieved</td>
</tr>
<tr>
<td>Waiting List (Revascularisation)</td>
<td>No patients waiting longer than 3 months</td>
<td>100%</td>
<td>Fully Achieved</td>
</tr>
</tbody>
</table>

### Healthcare Commission: New National Priorities

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Target</th>
<th>Trust Performance</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cancer Wait - Diagnosis to Treatment</td>
<td>Maximum 31 days</td>
<td>99%</td>
<td>Fully Achieved</td>
</tr>
<tr>
<td>Cancer Wait - Referral to First Appointment for Urgent Suspected Cancer*</td>
<td>Maximum 14 days</td>
<td>98.97%</td>
<td>Fully Achieved</td>
</tr>
<tr>
<td>Cancer Wait - Referral to Treatment for Urgent Cases</td>
<td>Maximum 62 Days</td>
<td>99.13%</td>
<td>Fully Achieved</td>
</tr>
<tr>
<td>Suspected Cancer*</td>
<td>Infection Control : Clostridium difficile Cases</td>
<td>Maximum 196 cases</td>
<td>142 Cases</td>
</tr>
<tr>
<td>Infection Control : MRSA Bacteraemia Cases</td>
<td>Maximum 24 cases</td>
<td>21 Cases</td>
<td>Fully Achieved</td>
</tr>
<tr>
<td>18 Weeks from GP referral to treatment for admitted patients</td>
<td>90% of patients treated within 18 weeks</td>
<td>90.5%</td>
<td>Fully Achieved</td>
</tr>
<tr>
<td>18 Weeks from GP referral to treatment for non-admitted patients</td>
<td>95% of patients treated within 18 weeks</td>
<td>96.90%</td>
<td>Fully Achieved</td>
</tr>
<tr>
<td>Maternity Deliveries: Known to be smokers</td>
<td>Not higher than 10.9%</td>
<td>8.50%</td>
<td>Fully Achieved</td>
</tr>
<tr>
<td>Maternity Deliveries: Known to have initiated breastfeeding</td>
<td>At least 83.6%</td>
<td>85.20%</td>
<td>Fully Achieved</td>
</tr>
<tr>
<td>Maternity Deliveries: Smoking status recorded</td>
<td>100%</td>
<td>100.00%</td>
<td>Fully Achieved</td>
</tr>
<tr>
<td>Maternity Deliveries: Breastfeeding status recorded</td>
<td>100%</td>
<td>98.40%</td>
<td>Achieved</td>
</tr>
</tbody>
</table>

* measured to quarter 3 as per CQC guidance and targets
Summary of the financial year and historic position

The Trust closed the financial year with a £2.1 million surplus, and a £1.4 million surplus when the cumulative financial position is viewed over a five year period. The financial position has been problematic in the past and in 2005/06 the Trust posted a deficit of £5.8 million, followed by a small surplus in 2006/07 and a £5 million surplus last year.

To finance the historic financial position, the Trust took out a cash loan of £11 million from the Department of Health in 2005/06. The Trust repaid £3.6 million towards this loan in 2008/09, and plans to make a final payment of £3.7 million in 2009/10 to clear the balance of the loan. The Trust closed the year with £2.1 million of cash, meeting the statutory duty to remain within a pre-set cash limit.

Income

The Trust income has increased above inflation between financial years, as a result of more patients than planned being treated at the hospital.

Trust income has increased by almost £7 million between 2007/08 and 2008/09, and the total income received by the Trust during the financial year was £185 million of which £174 million was income for clinical services, and £11 million related to income for non-patient care services such as training and education monies.

The following chart shows the breakdown of the different types of income received by the Trust during the year:

Breakdown of Income by Type 2008/09

[Pie chart showing income breakdown]

- Primary Care Trusts: 79%
- Department of Health: 14%
- Education, Training and Research: 5%
- Other Clinical Income: 1%
- Other Non-clinical Income: 1%
**Expenditure**

The Trust spent £177 million during the financial year, up by £8 million from the previous financial year. The largest amount of money was spent on staffing at £120 million. The Trust spent £27.5 million on supplies and services in relation to direct patient care, £9 million on other supplies and services, £10 million on transport, the trust site and other costs and finally £8 million on depreciation of our capital assets.

**Breakdown of Expenditure by Type 2008/09**

- Staff costs: 68%
- Supplies and services - clinical: 16%
- Supplies and services - general: 5%
- Depreciation and Amortisation: 4%
- Establishment and Transport and Premises: 5%
- Other Costs: 2%

**Financial Risk Rating**

In line with the way in which the performance of foundation trusts are assessed, the Trust calculates a financial risk rating based on its performance throughout the year. This is scored from 1 (lowest) to a 5 (highest). The Trust has scored a 2 for the financial year. 5 criteria are assessed. The Trust achieved level 3 in three of the criteria, and one score at level 5. However, because the Trust has an outstanding loan a score of 1 is allocated for cash liquidity. This means the Trust is automatically awarded a score of 2 overall.

**Capital Expenditure**

During 2008/09 the Trust has invested £7 million in capital expenditure. Most of this expenditure has been committed to three schemes.

1. Upgrading the catering facilities in the hospital to improve facilities for patients, spending £1.7 million during the year. It is planned that a further £2.4 million will be committed from next years capital programme to complete this scheme.
2. Reconfigured, extended and relocated endoscopy decontamination facilities at a cost of £1.5 million. This will provide our patients with a larger unit and will improve decontamination facilities at the Trust.

3. Refurbished Maternity Unit at a cost of £0.8 million. This is aimed at giving women and their families a better experience and the reception area, labour wards and general environment have been greatly improved.

In addition, there have been a number of smaller capital schemes, many of which are routine updates to facilities and systems. These include:

- £0.4 million on infection control
- £0.2 million on A&E expansion
- £0.2 million on electronic procurement.

The main focus of capital investment of the Trust over the next five years will be the delivery of the Purley site redevelopment in partnership with the Croydon PCT and the South London and Maudsley NHS Foundation Trust (SLAM), the refurbishment of the Mayday site, reduction in backlog maintenance and supply of medical equipment to support service developments and service delivery. The Trust estimates that in the financial year of 2008/9 it has £12 million of backlog maintenance. The capital program for 2009/10 has allocations for further catering works, medical equipment, IT spend, fire precautions, health and safety, backlog maintenance and minor works.

**Key financial risks and uncertainties**

There are a number of risks and opportunities to the business environment that may or will impact on the financial plans for the forthcoming year and are outlined within the Trust 5 year Integrated Business Plan as follows:

- Market assessment of changes in demand for services (including: Patient Choice, PCT Commissioning Strategy and Healthcare for London)
- Plans to improve current facilities and services, and development of new services
- Human resource capacity
- Medium term NHS funding and delivery of increased and sustainable efficiency savings
- Changes to the structure of the national NHS tariff
- Commissioning affordability in current economic climate
- Funding for European Working Time Directive compliance for obstetrics and gynaecology

**International Financial Reporting Standards (IFRS)**

IFRS are new international accounting regulations. The Trust is required to account under IFRS in line with government policy for public sector organisations in 2009/10. In preparing for this the Trust has restated its closing 2007/08 balance sheet under the new regulations during the current financial year. In addition the Trust has reviewed major contracts and accounting plans for the future, and had its process reviewed by the Trust’s external auditors. This process has been given a green rating as part of the review.
Going Concern

The Trust is now in recurrent breakeven, has a surplus historic income and expenditure reserve and has an underlying surplus. We plan to post surplus positions in the future and repay remaining outstanding loans in 2009/10. The Trust therefore has a reasonable expectation that adequate resources will be in place to continue in operational existence for the foreseeable future.

Improving Value for Money

The Trust has made £5 million of efficiency savings during the financial year, which equates to a 2.9% saving against planned turnover. Every acute trust is required to make roughly 3% of efficiency savings each year in line with government funding allocations.

Counter Fraud

Counter Fraud services are provided via the Trust’s internal audit contract and the Trust has a current counter fraud and whistle blowing policy. The counter fraud service provide advice and support to the Trust and advise on appropriate best practice initiatives while being available to carry out any investigations if required.

Service Developments

The service development plans for 2009/10 are focused on achieving the organisation’s strategic vision through:

• Implementing and aligning the clinical strategy, working closely with commissioners to identify areas to increase capacity and secure where appropriate additional work
• Identifying potential partnerships within existing networks to further develop services that will benefit the local population
• Investing in the existing infrastructure to improve and maintain the quality of services at Mayday.

Specific service developments for the forthcoming year include:

• Development and consolidation of the Medical Assessment Unit and Physician of the Day to streamline the emergency patient pathway and improve quality and efficiency
• Further development of stroke services to provide stroke unit and transient ischemic attack services to the Healthcare for London specification
• Development of Trauma Unit networked with St Georges Trauma Centre to meet the Healthcare for London service specification
• Review of usage and a business case for redevelopment of Purley
• Appointment of two additional gastric surgeons, repatriation of surgical activity and development of bowel screening service
• Consolidation of the Surgical Assessment Unit
• Refurbishment of dental department, appointment of a paediatric dentist and repatriation of activity
• Implementation of the programme of development to deliver a first class maternity service, with potential for expansion
• Progression and implementation of the business case to bring Marsden to Mayday for solid tumour chemotherapy services
• Options appraisal for development of a minor injuries unit at Mayday in line with the PCT urgent care commissioning strategy.

Environmental Matters and the Trust Estate

The objective of business continuity planning is to enable planning and reaction in a coordinated manner. The Estate continuity plan addresses the effects of a crisis and the possible solutions, and provides guidance on how services can be continued in the event of a crisis.

The plan was tested in February 2009 in response to adverse weather conditions where substantial numbers of Trust staff were unable to attend work or return home, as public and private transport were severely restricted. Throughout this period, Estates & Facilities staff and contractors rallied to the challenge, maintaining services, including extended patient and staff meal availability, snow clearing and supporting other Directorate’s requests for assistance.

Waste Management

The Trust is currently in the position of having arrangements at both Mayday and Purley Hospital sites for segregating our domestic waste so that key items which can be recycled are disposed of in that way. Several areas around Mayday and the whole of the Purley site are equipped for separate collection of recyclable items such as paper, cardboard and plastics which has helped to reduce the disposal costs. The next stage is to introduce revised waste collection procedures in some of the clinical areas, including theatres, to remove as much domestic waste as possible from the clinical waste stream.

A further responsibility is to ensure that building waste is not disposed of in landfill sites unless absolutely necessary. On the recent contract for the Decontamination Unit and Endoscopy extension the contractor operated a Site Waste Management Plan (commonly known as a SWAMPSY) and separate collection skips were used for disposal of different types of waste.

The Trust’s success with recycling is a credit to the combined effort of staff who take time to dispose of the waste into the correct bins and the work of the waste collection staff who ensure it is properly segregated for contractor collection.

Energy Consumption & Carbon Emissions

The introduction of additional meters around the site will provide information on use in specific areas, and the ability to measure the impact of new equipment and any initiatives implemented to reduce consumption. This requirement is being addressed as part of the Heating and Cooling Strategy work.
Energy Financial Savings and Outlook

Following the recent downward trend in the price of crude oil, price fluctuation is not as great as predicted, therefore, overall unit energy expenditure by the Trust should stabilise in the coming months. Indeed, the unit price the Trust paid for electricity fell by 30% in January, back to the price being paid in the autumn.

Maintaining the LTHW boiler temperature from the heated water system, as opposed to burning gas, has saved an additional £30K in the last 12 months. This figure is better than anticipated, due to the previous year’s cost of energy.

Electricity Consumption

The graph above illustrates total electricity consumed at Mayday Hospital, including electricity generated by the Combined Heat and Power units, and demonstrates consumption patterns very similar to previous years. (May 2008 dip is a data quality issue.)

Given the considerable increase in electricity consumed within the node room, servers and other new equipment introduced during 2007/2008, the energy saving initiatives introduced throughout 2007/2008 appear to be proving effective.
Risk Management

The Trust owes a duty of care to its patients, staff and the local population; it seeks to minimise risks to all its stakeholders through a comprehensive system of internal controls, whilst maximising the potential for flexibility, innovation and best practice in delivery of its strategic objectives.

Key risks are recorded in Directorate and Departmental Risk Registers and gaps in assurances and control measures are identified. This provides the Trust with an effective and focused process for the management of the principal risks to achieving its key objectives.

The organisation will continue to encourage reporting and learning from all incidents, mistakes, accidents and ‘near misses’, be these related to clinical, financial, environmental or organisational events. The key to a safer organisation is to have an open culture where staff can report and learn, and where blame is rarely and fairly used. Such a culture helps to encourage a high level of reporting: the more frequently incidents and ‘near misses’ are reported, better the opportunity to address underlying causes to reduce recurrence and enhance safety. An online reporting system is used by staff to record and notify incidents. These are reviewed by management and action taken.

An integral part of the system for the management of adverse events is the protocol for the management of Serious Untoward Incidents (SUI): those where serious actual harm has resulted and/or raises an issue of potential public interest. All SUIs are investigated fully and action plans developed. Incidents and action plans are considered by the Risk Management Committee at its monthly meeting before being closed.

Business Continuity and Business Contingency

In an organisation as complex as the NHS, there will be occasions where the failure of an individual service, or the occurrence of an individual incident leads to widespread disruption. For example, a failure in information technology or in the power supply. Such incidents may disrupt the flow of patients through the Trust and potentially impact on the ability of the organisation to meet its clinical and financial targets. Above all, the biggest potential risk is to patients’ health and well-being.

To maintain the highest possible standard of patient services and continuity of care during any disruption, the Trust has a duty to ensure that all employees and all partner organisations which support the Trust’s services have a clear understanding of the business continuity and business contingency arrangements. To limit the impact and risk of any disruption, the organisation has continuity and business contingency planning arrangements as part of the strategy for the management of all risk.
Health and Safety

The Trust is committed to developing a pro-active and positive health and safety culture.

Over the past twelve months there have been some marked improvements in health and safety performance, as follows:

• The profile of health and safety management has been raised and staff awareness of health and safety issues has been heightened.
• The Trust’s health and safety policy and associated policies have been reviewed and brought up to current legislative standards.
• An holistic health and safety, Safety Management System (SMS) has been included in the health and safety policy.
• A programme of internal health and safety audits has been introduced on a 2 yearly cycle (annual in high risk areas) and a quarterly workplace health and safety inspection programme has been introduced.
• There has been a continued reduction in reported needle stick injuries

• 2006/07 - 115
• 2007/08 - 86
• 2008/09 - 65
• There has been a recent decision to increase the health and safety management training for key managers throughout the Trust.

Additional areas have been identified for improvement and an action plan is being devised to reflect this.

Patient Assembly

Mayday’s approach to patient and public involvement has been furthered through work with service-based patient user groups and has moved towards a more inclusive and collaborative approach.

In March 2008, the Trust held an open evening for patients and their carers who were interested in joining a Patient Assembly to work with the Trust to improve the patient experience. This could include reviewing patient information, patient letters, food and other areas that the Assembly recommends it would be useful for them to examine. It is anticipated that the Assembly will be up and running by the end of the Summer 2009.

The provision of information to patients is an essential part of the patient journey, and a fundamental element in the overall quality of the patient experience. Patients have a right and a need to know about their condition, treatment options, and the availability of services. Mayday believes all patients should have access to high quality information at the appropriate time in an easily accessible format and written patient information should be used in conjunction with a verbal explanation wherever possible.

The process for developing patient information at Mayday has been revised this year with the setting up of a new Patient Information Group to oversee the production and review of all new patient information. The Trust is actively encouraging patient involvement in this work and will set up links with the newly formed Patient Assembly, existing user groups and the Local Involvement Network (LinKs) to ensure that the views of patients are taken into account.

Patient Information
Complaints

The Trust is a quality-oriented organisation and is keen to develop new initiatives to improve the service it provides to patients. The Trust welcomes and encourages feedback on the services provided. Complaints received from or on behalf of patients in no way affects how they are treated.

The Complaints Department is responsible for the management of the complaints process. This involves all formal complaints received by the Trust both verbal and written. The Complaints Department will continue to assist patients if they wish to make a complaint and will work closely with the Trust’s Patient Advice and Liaison Service (PALs), who will assist where it is appropriate for them to do so.

In dealing with both formal and informal complaints the Trust takes into account the six Principles for Remedy as defined by the Parliamentary and Health Service Ombudsman.

The Trust aims to respond to all complainants within 25 working days. When this is not possible the complainant will be contacted and advised of the reason for delay.

Workforce Profile

It is one of the Trust’s corporate goals to be an employer of choice and a number of initiatives have been introduced over the past year to support this aim.

With over 2,300 staff in post and support from approximately 250 dedicated volunteers and 350 bank staff, Mayday has a workforce that reflects the diversity of the population it serves.

The Trust undertook a skills mix review study this year. Phase one of the study covered all general wards, accident and emergency, medical assessment unit and paediatrics. The short-term outcome of the study was to recruit additional nursing staff to work on wards where it had been demonstrated that there were significant staff shortages. In addition to this and to further increase stability and reduce dependency on the Nurse Bank, an additional 18 staff nurses were recruited to the wards.

Age profile

The majority 706 (30%) of the staff employed at the Trust are between ages 45-54. The graph below is based on actual numbers and not Whole Time Equivalents (WTE).
**People 4 People Charter**

The People 4 People Charter was launched in April 2008 and has been developed in response to staff ideas about how the Trust should "do business". It supports the ongoing drive to improve how patients and staff are treated. It was designed to complement the Trust’s Attitude, Behaviour and Communications (ABC) Policy. The Charter applies to everyone who works at Mayday and is based on the acronym CARE:

- **Create** a welcoming, caring and safe environment for all who use Trust services and those who work here
- **Act** quickly and appropriately when problems or concerns are identified and show pride in the Trust’s good name
- **Respect** individuality through sensitive responsive services and support to staff
- **Ensure** we listen and include individuals in all communication that involves them and enable staff to contribute ideas and suggestions for improvement

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**Gender Profile**

The ratio of females to males employed at the trust is 4:1 and is based on the number of staff in post.

**Gender Profile of the Trust**

![Gender Profile Chart]

**Ethnicity**

1,135 (43.2%) of staff in post have classified themselves under the ethnic group White.

**Ethnicity Breakdown of the Trust as at 31st March 2009**

![Ethnicity Breakdown Graph]

1. White includes White Irish, White British, White Greek, White Polish and any white background
Staff Recognition

In 2008 following feedback from staff the Trust introduced a Recognition Scheme to acknowledge and reward staff who have shown outstanding dedication and commitment to their work at Mayday, that is staff who ‘go the extra mile’. The scheme includes monthly, quarterly and annual awards as well as Quarterly Unsung Hero awards, Team of the Year and Lifetime Achievement award.

Staff Survey

During 2008, staff feedback on what it is like working at Mayday was obtained through the national NHS annual staff survey carried out by the Healthcare Commission.

Approximately 48% of staff took part in the survey, which is an increase of 2% when compared to the survey in 2007. Mayday’s survey results were compared with those from other acute NHS Trusts.

Mayday achieved scores in the top 20% of staff in three key areas:

- staff agreeing that their role makes a difference to patients
- staff feel satisfied with the quality of work and patient care they are able to deliver
- quality of job design (clear job content, feedback and staff involvement)

Disappointingly Mayday’s scores compared most unfavourably with other acute Trusts in the following four key areas:

- staff that would recommend the Trust as a place to work
- staff receiving health and safety training in the last 12 months
- staff believing the Trust provides equal opportunities for career progression or promotion
- staff intention to leave jobs

Corporate and local action plans are developed to respond to the survey results.

Equality and Diversity

Over the last year Mayday has begun to embed its Single Equality Scheme, which seeks to ensure the Trust provides accessible patient services as well as a work environment for staff that are free from any form of discrimination. The six equality sub groups, which include members from the local community, have continued the work to promote equality and diversity within the Trust.

Achievements to date include:

- A review of the provision of services for adolescents leading to plans to provide dedicated inpatient facilities for teenagers and young adults
- To promote a warm and friendly hospital environment, ‘Welcome’ signs in other languages are now in place in prominent positions across the Trust
- Partnership working with local community groups to promote the employment of disabled people
- A vibrant multi-faith chaplaincy team
- Awareness raising events to positively promote gender equality and sexual orientation in the work place
Staff Counselling Service
Free and confidential counselling service is available to all staff. This is run by a team of professional staff counsellors who offer a diverse range of counselling methods including individual and group therapy as well as mediation.

Occupational Health Service
The Occupational Health service is available to all staff, providing an independent advisory service to staff on a range of workplace health issues such as health screening, immunisation, fitness to work reviews, rehabilitation, health education and promotion.

Foundation Trust update
The Trust is continuing its journey to achieve Foundation Trust status and aims to have achieved this by the spring of 2010.

Moving towards Foundation Trust status the establishment of a strong membership base will enable Mayday to build and maintain effective links with the community it serves and the staff that work with the Trust, ensuring the direct involvement of the public and staff into corporate governance and decision making processes.

The Foundation Trust membership community comprises of the Public Constituency, Staff Constituency and Out of Area Patient Constituency. The Trust began recruiting members in February 2008 and by the spring of 2009 had already registered 4,700 members of public and 3,100 staff members. The aim is to recruit at least 5,000 Public members by the time of authorisation as a Foundation Trust and thereafter to achieve growth of at least 2% each year.

In defining membership the Trust looked critically at the geographical and demographic profile of the local population, the Trust staff and its patients. As a result we have eight constituencies; three public, four staff and one out of area patient constituency.

Public Members
Eligibility for membership of the Public Constituency includes anyone aged 16 and over who lives in Croydon and the surrounding areas. This constituency is divided into three distinct areas and their borders, Croydon North, Croydon Central and Croydon South, each representing the surrounding areas of the Trust.

Staff Members
Staff who hold a permanent contract of employment with the Trust or who have provided services for the Trust for more than 12 months will be invited to become members of the Staff Constituency.

Patient Members
Patients of the Trust who live outside of the Croydon and surrounding area and therefore are not eligible to become public or staff members may join the Out of Area Patient Constituency. Members of this Constituency must have been a patient at the Trust in the last three years to be eligible to apply. In establishing this constituency the Trust is recognising those patients who utilise Trust services but live outside of the area and in addition the Trust is mindful of the impact that potential referral pattern changes and Healthcare for London review may have.

Members receive a quarterly newsletter and are also invited to attend regular health information evenings.
The Trust has a well-balanced board with a Chairman, five non-executive directors and five executive directors. In addition three non-voting executive directors attend Board meetings.

All board directors have equal responsibility and accountability for the financial performance and quality of healthcare delivery. The board delivers focused strategic leadership, undertakes effective scrutiny of the organisation and makes informed and transparent decisions.

The Board meets ten times a year and meetings are open to members of the public to attend as observers. There is an opportunity for the public to ask questions at the end of each meeting. Where there is business to be transacted of a confidential nature or where publicity on the matter would be prejudicial to the public interest a closed board meeting is held.

There is a clear division of responsibilities between the roles of Chairman and Chief Executive; the Chairman leads the Board of Directors and provides leadership, guidance and promotes collaborative working. The Chief Executive is responsible for the operational aspects of the business and is the Accountable Officer of the Trust.

Board changes during the year were as follows:
- Helen Walley retired as Chief Executive on 30th April 2009
- Stephen Wells Director of Estates and Facilities left the Trust on 7th December
- Elaine Wilde completed her 8th year as Non-Executive Director and finished her term on 31 October 2008
- Mariane Cavalli was appointed as Non-Executive Director on 1st November 2008 and resigned on 12th January 2009
- Rosemary Dooley was appointed Director of Operations and joined the Trust on 9th March 2009
- Mark Kemp was interim Director of Operations for the entire financial year until the 8th March 2009
- Helen Daniels was acting Director of Estates and Facilities from 8th December 2008 until 31st March 2009
- Michael Ralph was appointed Director of Estates and Facilities and commenced on 1st April 2009

Biographies:

Brian Phillpott  
Chairman
Formerly a Divisional Commander with the Metropolitan Police Service and career police officer Brian joined the Trust in January 2006. In addition to his role with the Trust he is a lead Auditor for ISO 9000 (Quality in the Public Service) and a fellow of the Royal Society of Arts.

Helen Walley  
Chief Executive
Helen joined the Trust in May 2006. She was previously Chief Executive of Wandsworth Teaching PCT and its predecessor organisation South West London Community NHS Trust. Before her retirement in April 2009, she worked in the NHS for 35 years, beginning her career as a staff nurse.

Chrisha Alagaratnam  
Acting Director of Finance
Chrisha has 15 years experience within the NHS, 6 of which have been at Deputy Director level, and has worked in both Mental Health and Acute NHS Trusts within South London. Her experience within the NHS includes finance, turnaround, information, coding, performance and procurement.
Tony Leonard  
**Acting Chief Executive**  
Tony joined the Trust in December 2006 as Director of Finance. Since 1 May 2009 he has taken on the role of Acting Chief Executive following Helen Walley’s retirement. Tony is experienced in financial turnaround and NHS management having joined the NHS as a finance trainee in 1979 and has held directorships in other London Trusts.

David Jordan  
**Deputy Chairman/Chair of Audit Committee**  
David has been working with the Trust since 1998 initially as an Associate Non-Executive Director and since 2000 as a Non-Executive Director. He was Chief Executive of Phillips Electronics in the UK and is currently Chair of Philips Pension Fund. He is also a trustee and Vice Chair of Sightsavers International a charity that works to combat blindness in developing countries.

Jeevan Gunaratnam  
**Non Executive Director**  
Jeevan joined the Board on 1 August 2006. He has worked in senior positions as a consultant to public and private healthcare organisations in USA, Europe and Asia, he was also UK Service Manager for a private healthcare provider and Head of European organisation of major medical equipment manufacturer. He is a member of the Institute of Engineering and Technology and Trustee of the British Institute of Radiology.

David Jones  
**Non-Executive Director**  
David’s career has spanned print production and industrial relations and he was previously Managing Director of Newsquest (South London) Limited. He was appointed Non-Executive Director of Mayday in October 2003. He has held a number of Non-Executive roles including South London Training and Enterprise Council and Croydon Chamber of Commerce and is currently Non-Executive Chairman of Status Employment Limited, a charity based in Croydon and Lambeth, which seeks to place disabled people into paid employment.

Nero Ughwujabo  
**Non-Executive Director**  
Currently Chief Executive of Croydon BME Forum, Nero has been a Non-Executive Director at Mayday since March 2007. He is also a senior partner of Olde Oake Consultancy for Management, a member of Croydon Strategic Partnership and Chief Executives Group, board member of both Servite Thames Housing Association and Visiting Arts.

Denise Chaffer  
**Director of Nursing**  
An experienced Director of Nursing, qualified nurse and midwife; Denise has also undertaken lecturing and been a National Education advisor for the Royal College of Nursing. She joined the Board in October 2007 and has responsibility for standards of quality and patient care, including health care associated infections.
Rosemary Dooley
Director of Operations
Rosemary joined the Trust in March 2009 having previously held a number of senior management positions in the NHS most recently as Deputy Director of Operations at Oxford Ratcliffe NHS Trust. Rosemary has day-to-day responsibility for the operational management of the Trust’s clinical services.

Annette Gately*
Director of Human Resources and Organisational Development
Annette joined Mayday in August 2007 from Kingston Hospital, where she was Deputy Director of Human Resources. She has worked in the NHS for eleven years in both primary care and acute settings, and also has experience of working in the private sector. Annette has an MSc in Human Resource Leadership and Chartered FCIPD status.

Gavin Marsh
Medical Director
Gavin has been Medical Director of Mayday since May 2005. He is a consultant trauma and orthopaedic surgeon and has an honorary contract with St. George’s Hospital as a spinal surgeon. He has been Chairman of Surgical Division, Clinical Lead for Trauma and Orthopaedic Surgery and chaired the junior doctors’ new deal implementation group. He has Board responsibility for medical issues, strategy and clinical governance.

Michael Ralph*
Director of Estates and Facilities
Formerly Director of Estates and Facilities at Great Ormond Street, Mike joined Mayday on 1 April 2009. He is a chartered mechanical engineer and a fellow of the ImechE and IHEEM. He has been in the health service for 20 years and has worked at regional and national level on various engineering and estates based initiatives. He leads the work to maintain and improve the Trust’s physical assets. He is executive lead for fire, health and safety, and security.

Sally Smith*
Director of Strategy and Service Improvement
Sally has been the Director of Strategy & Service Improvement since March 2008. She has held a variety of senior management positions, mainly in the South East area.

*non voting executive directors
### Attendance at Board Meetings:

#### Executive Directors:

<table>
<thead>
<tr>
<th>Name</th>
<th>Designation</th>
<th>From</th>
<th>To</th>
<th>Board* Attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Helen Walley</td>
<td>Chief Executive</td>
<td>1 June 2006</td>
<td>30 April 2009</td>
<td>7/8</td>
</tr>
<tr>
<td>Tony Leonard</td>
<td>Deputy Chief Executive and Director of Finance</td>
<td>1 September 2006</td>
<td>Present</td>
<td>8/8</td>
</tr>
<tr>
<td>Rosemary Dooley</td>
<td>Director of Operations</td>
<td>9 March 2009</td>
<td>Present</td>
<td>1/1</td>
</tr>
<tr>
<td>Denise Chaffer</td>
<td>Director of Nursing and Quality</td>
<td>1 October 2007</td>
<td>Present</td>
<td>8/8</td>
</tr>
<tr>
<td>Mark Kemp</td>
<td>Acting Director of Operations</td>
<td>22 January 2008</td>
<td>9 March 2009</td>
<td>5/7</td>
</tr>
<tr>
<td>Gavin Marsh</td>
<td>Medical Director</td>
<td>1 June 2005</td>
<td>Present</td>
<td>7/8</td>
</tr>
</tbody>
</table>

#### Non Voting Executive Directors:

<table>
<thead>
<tr>
<th>Name</th>
<th>Responsibilities</th>
<th>From</th>
<th>To</th>
<th>Board* Attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annette Gately</td>
<td>Director of Human Resources &amp; Organisational Develop.</td>
<td>20 August 2007</td>
<td>Present</td>
<td>8/8</td>
</tr>
<tr>
<td>Sally Smith</td>
<td>Director of Strategy and Service Improvement</td>
<td>3 March 2008</td>
<td>Present</td>
<td>8/8</td>
</tr>
<tr>
<td>Stephen Wells</td>
<td>Director of Estates and Facilities</td>
<td>20 June 2005</td>
<td>7 December 2008</td>
<td>5/5</td>
</tr>
<tr>
<td>Helen Daniels</td>
<td>Acting Director of Estates and Facilities</td>
<td>8 December 2008</td>
<td>Present</td>
<td>2/3</td>
</tr>
</tbody>
</table>

#### Non-Executive Directors:

<table>
<thead>
<tr>
<th>Name</th>
<th>Responsibilities</th>
<th>Tenure (Yrs)</th>
<th>Appointed From</th>
<th>To</th>
<th>Board* Attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brian Philpott</td>
<td>Chairman</td>
<td>3</td>
<td>1 January 2006</td>
<td>31 December 2009</td>
<td>7/8</td>
</tr>
<tr>
<td>David Jordan</td>
<td>Vice Chairman</td>
<td>2</td>
<td>Reappointed</td>
<td>31 October 2010</td>
<td>5/8</td>
</tr>
<tr>
<td>David Jones</td>
<td>Non-Executive Director</td>
<td>4</td>
<td>Reappointed</td>
<td>30 September 2011</td>
<td>7/8</td>
</tr>
<tr>
<td>Nero Ughwujabo</td>
<td>Non-Executive Director</td>
<td>4</td>
<td>1 March 2007</td>
<td>28 February 2011</td>
<td>7/8</td>
</tr>
<tr>
<td>Jeevan Gunaratnam</td>
<td>Non-Executive Director</td>
<td>4</td>
<td>1 August 2006</td>
<td>31 July 2010</td>
<td>8/8</td>
</tr>
<tr>
<td>Elaine Wilde</td>
<td>Non-Executive Director</td>
<td>4</td>
<td>Reappointed</td>
<td>31 October 2008</td>
<td>4/4</td>
</tr>
<tr>
<td>Marianne Cavalli</td>
<td>Non-Executive Director</td>
<td>4</td>
<td>1 November 2008</td>
<td>12 January 2009</td>
<td>1/1</td>
</tr>
</tbody>
</table>

* Denotes number of Board meetings attended compared to number Director could have attended
Committee Structure

A review of the Trust’s Committee structure was undertaken in 2008 and the Trust Board receives its assurance about its governance arrangements from these committees.
Summary Financial Statements

The summary financial statements set out on pages 24 to 29 are a summary of the information published in the full accounts for the year ended 31 March 2009 and they reflect the fully audited position.

The summary financial statements may not contain sufficient information for a full understanding of the Trust’s financial position and performance. A full set of accounts may be obtained by applying to the Director of Finance at the address on the back page of this report. There is no charge for this document. The full accounts will also be available on Mayday’s website.

These accounts for the year ended 31 March 2008 have been prepared by the Mayday Healthcare NHS Trust under section 98(2) of the National Health Service Act 1977 (as amended by section 24(2), schedule 2 of the National Health Service and Community Care Act 1990) in the form which the Secretary of State has, with the approval of the Treasury, directed.

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 are set out in the Accountable Officers Memorandum issued by the Department of Health. These include ensuring that:

- there are effective management systems in place to safeguard public funds and assets and assist in the implementation of corporate governance;
- value for money is achieved from the resources available to the trust;
- the expenditure and income of the Trust has been applied to the purposes intended by Parliament and conform to the authorities which govern them;
- effective and sound financial management systems are in place; and
- annual statutory accounts are prepared in a format directed by the Secretary of State with the approval of the Treasury to give a true and fair view of the state of affairs as at the end of the financial year and the income and expenditure, recognised gains and losses and cash flows for the year.

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.

Tony Leonard
Acting Chief Executive
8 June 2009
Statement of Directors’ responsibilities in respect of the accounts

The directors are required under the National Health Service 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 of affairs of the trust and of the income and expenditure, recognised gains and losses and cash flows for the year. In preparing those accounts, 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 requirements 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

Tony Leonard
Acting Chief Executive
8 June 2009

Chrisha Alagaratnam
Acting Director of Finance
8 June 2009

Independent auditor’s statement to the Board of Directors of Mayday Healthcare NHS Trust

I have examined the summary financial statement which comprises the Income and Expenditure Account, Balance Sheet, Statement of Total Recognised Gains and Losses and Cash Flow Statement.

This report is made solely to the Board of Directors of Mayday Healthcare NHS Trust in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 49 of the Statement of Responsibilities of Auditors and of Audited Bodies prepared by the Audit Commission.
**Respective responsibilities of directors and auditor**

The directors are responsible for preparing the Annual Report.

My responsibility is to report to you my opinion on the consistency of the summary financial statement within the Annual Report with the statutory financial statements. I also read the other information contained in the Annual Report and consider the implications for my report if I become aware of any mis-statements or material inconsistencies with the summary financial statement.

**Basis of opinion**

I conducted my work in accordance with Bulletin 1999/6 ‘The auditors’ statement on the summary financial statement’ issued by the Auditing Practices Board. My report on the statutory financial statements describes the basis of our audit opinion on those financial statements.

**Opinion**

In my opinion the summary financial statement is consistent with the statutory financial statements of the Trust for the year ended 31 March 2009.

Lindsey Mallors  
District Auditor  
Audit Commission,

First Floor, Millbank Tower, Millbank, London SW1P 4HQ

11 June 2009

**Statement on Internal Control 2008/09**

Mayday Healthcare NHS Trust

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.

As Chief Executive I have overall responsibility for the governance process across the Trust. This includes a responsibility for ensuring that processes are in place to enable identification and management of current risk and anticipation of future risk.

NHS London is responsible for the performance management of the Trust. A formal process is in place to report and discuss performance and achievement of Trust objectives, including reporting of serious untoward incidents.
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 Mayday Healthcare NHS Trust for the year ended 31 March 2009 and up to the date of approval of the annual report and accounts.

3. Capacity to handle risk

The Trust has in place an integrated governance framework, incorporating risk management, which is designed to assimilate the three separate strands of risks, i.e. financial, organisational and clinical, with an approach to manage them in a seamless and holistic way.

The Risk Management Strategy (previously the Healthcare Governance Strategy) further sets out the key roles and responsibilities of the Trust Board, its sub-committees, the Executive Directors, Managers and all employees within the organisation in respect of risk management.

Communication of risk management matters, including sharing good practice, takes place in a wide variety of ways, both at corporate and departmental level. The Governance Team provides essential risk management support and training to all staff. All significant risks, identified through the local incident reporting system and risk assessments, are placed on the Trust Corporate Risk Register and reviewed appropriately.

The Director of Finance and Information has delegated authority to manage financial and information governance risk, and the Medical Director and Director of Nursing have delegated authority to manage clinical risk and all other risks by the relevant Director. They are supported by the Head of Risk Management in implementing both non-clinical and clinical risk management programmes across the Trust. Adverse event reporting information is shared widely through local clinical governance forums and staff forums.
4. The risk and control framework

All risks are identified, analysed, evaluated, and controlled through the Trust Incident Reporting and Information System (IRIS) the risk assessment reviews, clinical audits and other clinical and non-clinical reviews.

All significant risks are subsequently populated into the departmental and corporate risk register, which forms the basis of the business planning and clinical care management process.

The Trust Assurance Framework 2008/09 clearly links risks with corporate objectives and the Standards for Better Health. It sets out the corporate objectives and the principal risks against achieving them along with an assessment of the effectiveness of internal controls to mitigate the risks to the Trust achieving its organisational objectives. It describes the key risks to achieving each objective, the internal controls in place, and an assessment of the assurances reported to the Board and its sub-committees. It also identifies where there are areas of poor control, or where a lack of assurance exists. This, together with other key processes, is used to provide the Board with assurance that an effective system of internal control is in place for the Trust. Additionally, the Assurance Framework is cross-referenced with the Corporate Risk Register to ensure that all risks faced by the Trust are managed seamlessly. The Trust Assurance Framework was reviewed by the Governance Committee and Trust Board during the course of the year.

Risks to information and data security are being managed and controlled through the process of the Information Governance Assurance Programme (IGAP), measurement against the standards in the Information Governance Toolkit and the Information Governance Committee. The submission for 2008/09 carried a score of 66%, which reflects an improved score to that achieved in 2007/08. Measures to further improve this score have been put in place. Section 11 of the Health and Social Care Act 2001 places a duty on the NHS to consult and involve patients and the public in the planning and development of health services and in making decisions affecting the way those services operate. The Trust has continued to strengthen closer working relationships with the public stakeholders, for example the Mayday Patient and Public Involvement Forum (PPI Forum), with the aim of providing information about issues relating to service provision and will now work with the newly established LINks forum which have replaced the PPI forum. This is done through an environment of openness, transparency and accessibility in order to allow the public to engage with the Trust to make service improvements.

Trust Board meetings are held in public; staff and members of the public regularly attend.

As 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 timescales detailed in the Regulations.

Control measures are in place to ensure that all the organisation’s obligations under equality, diversity and human rights legislation are complied with.
5. Standards for Better Health

Further to the Trust’s recent NHSLA assessment, the Trust will declare limited assurance against standard C7a in relation to governance of Trust policies, for which a review is underway, with an expected report in May 2009.

Following this the Trust will implement any recommendations and take appropriate action. In addition the Trust will review all policies by September 2009.

In 2005/06 the Trust declared a significant lapse in relation to standard C4c which states that ‘Healthcare organisations keep patients, staff and visitors safe by having systems to ensure that all reusable medical devices are properly decontaminated prior to use and that all risks associated with decontamination facilities and processes are well managed’. An action plan to address this was completed in June 2006.

The introduction of the Health Act 2006 on 1 October 2006 has caused the Trust to be non-compliant with this standard. Further measures to achieve compliance were approved by the Board in March 2008 and were scheduled for completion by March 2009. This was achieved and from April 2009 from which time the Trust is fully compliant with this standard following the opening of a new decontamination facility.

The Trust has declared limited assurance in relation to standard C4b, which states ‘Healthcare organisations keep patients, staff and visitors safe by having systems to ensure that all risks associated with the acquisition of medical devices are minimised’. The Trust is unable to give reasonable assurance of compliance with this standard at the year end and expects to be compliant with the standard by June 2009, through putting in place additional governance arrangements and training measures.

The Trust is declaring limited assurance in relation to standard C20a which states ‘Healthcare services are provided in environments which promote effective care and optimise health outcomes by being a safe and secure environment which protects patients, staff, visitors and their property, and the physical assets of the organisation’. Following the appointment of a new Director of Estates the Trust wishes to carry out a full review of fire and security measures before declaring compliance with this standard. The Trust expects to finish the review by October 2009.
6. 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:

1. Data Quality Review by the Audit Commission
2. Baseline assessment on the Information Governance Framework
3. Internal Audit reviews of the Trust's Assurance Framework and systems of internal control
4. Overall compliance with core and developmental Standards for Better Health
5. Reports from External Auditors;
6. Reports from the Healthcare Commission;
7. The monthly finance and performance reports to the Board;
8. Reports from a wide variety of other external bodies, including the Medical Royal Colleges, London Deanery, Clinical Pathology Accreditation (CPA), the Health & Safety Executive and the London Fire & Civil Defence Authority,
9. The Auditors Local Evaluation (ALE) to be reported as part of the Healthcare Commission's Annual Health check for 2008/09,
10. Financial reviews by external consultants

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Head of Internal Audit Report, Board, the Audit Committee, Governance Committees, Finance Committee and other Board sub-committees. A plan to address weaknesses and ensure continuous improvement of the system is in place.

The Trust Board has continued to develop its Assurance Framework; and this has been regularly reviewed by the Board sub-committees. The Audit Committee reviews the overall approach to risk management and receives advice from Internal Audit as appropriate. The Governance Committee scrutinises and monitors all key activities of the operational sub-committees and reports to the Board.
The Trust has identified the following significant control issues:

- Limited assurance in relation to Healthcare Commission standards C4b, C7a and C20a were self assessed as non compliant.
- Significant lapse in relation to Healthcare Commission standard C4c.
- The NHSLA acute assessment has moved the Trust from a score of 2 to a score of 0.
- On one occasion a laptop containing information on 20 patients was stolen at another NHS organisation’s site. An action plan was put in place during the year and all Trust laptops are now encrypted. In addition policy changes have meant that Trust employees are only able to use encrypted memory sticks.
- The Trust received two internal audit reports with limited assurance during the financial year. Action plans have been put in place for 2009/10 to address the issues raised within these reports.
- The Trust has achieved 97.1% against the 98% target to see, treat, admit or discharge patients visiting A&E within 4 hours.
- The Trust has achieved 6% against the 5% target to re-admit patients within 28 days from the date an operation was cancelled.
- 1.1% of planned operations were cancelled on the day, against a target of 0.8%
- 89.7% of patients had their ethnicity recorded on the Trust patient administration system, against a target of 95%.

Tony Leonard
Acting Chief Executive
8 June 2009
Remuneration Report

The Remuneration Committee meets as and when necessary to review the performance of executive directors. It sets the scale and structure of their remuneration with due regard to comparable positions across the sector. No director is permitted to participate in discussions or decisions concerning their own remuneration.

The Remuneration Committee comprises all the non-executive directors. During 2008/09 the committee was chaired by Brian Philpott, Trust Chairman. Members during the 2008/09 year were:

- Jeevan Gunaratnam
- David Jones
- David Jordan
- Nero Ughwujabo
- Elaine Wilde

The committee also monitors and evaluates the performance of the Executive Directors in the same way. This approach is consistent with the overall performance management ethos of the Trust and ensures linkage to national targets and local priorities.

The committee’s role is to ensure that the Executives are fairly rewarded for their contribution to the Trust, having proper regard to its circumstances and performance and to the provisions of any national arrangements for such staff where appropriate.

Annual data comparisons will continue to be made with other Trusts of a similar size to ensure that Mayday continues to pay what is generally considered to be the market rate. No part of the Chief Executive’s or Directors’ remuneration is subject to their performance (in other words they do not attract any kind of performance bonus).

None of the Directors have fixed-term contracts. Their contracts can be terminated by either side giving, in the case of the Chief Executive, six months notice and for the Executive Directors, three months.

Salary and Pensions figures

There were no employer contributions to stakeholder pensions. As Non-executive Directors do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-executive Directors.

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 that 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 guidance 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.

**Audit**

The statutory and audit services carried out in relation to the statutory audit e.g. reports to the Department of Health were provided to the Trust by the Audit Commission. The cost of these services in 2008/09 was £167,000. The Audit Commission supplied no other services.

The audit committee comprises a minimum of three of the non-executive directors of the Trust and meets at least three times a year. The function of this Committee is to assist the Board in fulfilling its oversight responsibilities by reviewing and monitoring the governance, financial, risk management and internal control systems. Taking counsel from both internal and external auditors the Committee can make recommendations as to the steps to be taken if it considers that action or improvement is needed.

Members of the Audit Committee are:

- **David Jordan** (Committee Chair)
- **David Jones**
- **Jeevan Gunaratnam**

All were non-executive Directors of the Trust in 2008/09.

Internal Audit is undertaken by London Audit Consortium.

**Directors’ interests**

None of the Trust’s directors held company directorships or held significant interests in companies that did any business, or sought to do any business, within the NHS during the financial year ended 31 March 2009 that conflicted with their managerial responsibilities.

**Directors’ Representations**

The directors are not aware of any significant differences between the carrying amount and the market value of interests in land.

The Trust’s directors confirm as far as they are aware there is no relevant audit information of which the Trust’s auditors are unaware.
## Salary and Pension Entitlement of Senior Managers Remuneration 2008-09

<table>
<thead>
<tr>
<th></th>
<th>2008-09</th>
<th>2007-08</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Salary (bands of £5,000)</td>
<td>Other Remuneration (bands of £5,000)</td>
</tr>
<tr>
<td><strong>Executive Directors</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ms Helen Walley</td>
<td>125-130</td>
<td>125-130</td>
</tr>
<tr>
<td>(Retired as Chief Executive 30 April 2009)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mr Gavin Marsh</td>
<td>20-25</td>
<td>140-145</td>
</tr>
<tr>
<td>Mr Tony Leonard</td>
<td>110-115</td>
<td>105-110</td>
</tr>
<tr>
<td>Ms Denise Chaffer</td>
<td>85-90</td>
<td>40-45</td>
</tr>
<tr>
<td>Mr Michael Dickson</td>
<td>-</td>
<td>30-35</td>
</tr>
<tr>
<td>(Interim Director of Nursing (Resigned 30 September 2007))</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ms Annette Gately</td>
<td>85-90</td>
<td>50-55</td>
</tr>
<tr>
<td>Director of Human Resources and Organisational Development</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mr Benjamin Gowland</td>
<td>-</td>
<td>35-40</td>
</tr>
<tr>
<td>(Director of Service Improvement (Resigned 30 September 2007))</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ms Nicola Luffingham</td>
<td>-</td>
<td>65-70</td>
</tr>
<tr>
<td>(Director of Operations (Resigned 21 January 2008))</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mr Stephen Wells</td>
<td>60-65</td>
<td>75-80</td>
</tr>
<tr>
<td>(Director of Estates and Facilities (Resigned 7 December 2008))</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mr Mark Kemp *</td>
<td>90-95</td>
<td>15-20</td>
</tr>
<tr>
<td>(Acting Director of Operations (Until 8 March 2009))</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ms Sally Smith *</td>
<td>90-95</td>
<td>5-10</td>
</tr>
<tr>
<td>(Director of Strategy and Service Improvement)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ms Rosemary Dooley</td>
<td>5-10</td>
<td>-</td>
</tr>
<tr>
<td>(Director of Operations (Appointed 9 March 2009))</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ms Helen Daniels</td>
<td>20-25</td>
<td>-</td>
</tr>
<tr>
<td>(Director of Estates and Facilities (8 December 2008 to 31 March 2009))</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Non-Executive Directors</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mr Brian Philpott</td>
<td>20-25</td>
<td>20-25</td>
</tr>
<tr>
<td>Ms Jeevan Gunaratnam</td>
<td>5-10</td>
<td>5-10</td>
</tr>
<tr>
<td>Mr David Jones</td>
<td>5-10</td>
<td>5-10</td>
</tr>
<tr>
<td>Ms David Jordan</td>
<td>5-10</td>
<td>5-10</td>
</tr>
<tr>
<td>Mr Nero Ughwujabo</td>
<td>5-10</td>
<td>5-10</td>
</tr>
<tr>
<td>Ms Elaine Wilde</td>
<td>0-5</td>
<td>5-10</td>
</tr>
<tr>
<td>(Non-Executive Director (Finished term on 31 October 2008))</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ms Mariane Cavalli</td>
<td>0-5</td>
<td>-</td>
</tr>
<tr>
<td>(Non-Executive Director (Appointed 1 November 2008. Resigned 12 January 2009))</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Includes salary payments relating to the prior financial year
**Pension Benefits 2008-09**

<table>
<thead>
<tr>
<th>Name and title</th>
<th>Real increase in pension at aged 60 (£2,500)</th>
<th>Real increase in pension lump sum at aged 60 (£2,500)</th>
<th>Total accrued pension at age 60 at 31 March 2009 (£5,000)</th>
<th>Lump sum at age 60 related to accrued pension at 31 March 2009 (£5,000)</th>
<th>Cash Equivalent Transfer Value at 31 March 2009 (£000)</th>
<th>Cash Equivalent Transfer Value at 31 March 2008 (£000)</th>
<th>Real increase in Cash Equivalent (£000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ms Helen Walley</td>
<td>Chief Executive</td>
<td>0-2.5</td>
<td>2.5-5</td>
<td>55-60</td>
<td>165-170</td>
<td>1,193</td>
<td>872</td>
</tr>
<tr>
<td>Mr Gavin Marsh</td>
<td>Medical Director</td>
<td>2.5-5</td>
<td>12.5-15</td>
<td>40-45</td>
<td>125-130</td>
<td>789</td>
<td>534</td>
</tr>
<tr>
<td>Mr Tony Leonard</td>
<td>Director Of Finance</td>
<td>2.5-5</td>
<td>7.5-10</td>
<td>40-45</td>
<td>120-125</td>
<td>748</td>
<td>537</td>
</tr>
<tr>
<td>Ms Denise Chaffer</td>
<td>Director Of Nursing</td>
<td>0-2.5</td>
<td>2.5-5</td>
<td>20-25</td>
<td>60-65</td>
<td>401</td>
<td>288</td>
</tr>
<tr>
<td>Ms Annette Gately</td>
<td>Director Of Human Resources &amp; OD</td>
<td>0-2.5</td>
<td>5-7.5</td>
<td>10-15</td>
<td>30-35</td>
<td>197</td>
<td>127</td>
</tr>
<tr>
<td>Mr Stephen Wells</td>
<td>Director Of Estates and Facilities</td>
<td>0-2.5</td>
<td>2.5-5</td>
<td>10-15</td>
<td>40-45</td>
<td>183</td>
<td>135</td>
</tr>
<tr>
<td>Mr Mark Kemp</td>
<td>Acting Director Of Operations (Until 8 March 2009)</td>
<td>2.5-5</td>
<td>10-12.5</td>
<td>15-20</td>
<td>50-55</td>
<td>260</td>
<td>158</td>
</tr>
<tr>
<td>Ms Sally Smith</td>
<td>Director of Strategy and Service Improvement (Appointed 3 March 2008)</td>
<td>N/A</td>
<td>N/A</td>
<td>25-30</td>
<td>70-75</td>
<td>490</td>
<td>N/A</td>
</tr>
</tbody>
</table>

N/A - Data not available
Explanatory Notes on the Summary Financial Statements that follow:

**Income and Expenditure Account** (Page 38):

Income from activities is the Trust’s income received directly from patient care.

Other operating income shows income from other sources, of which the largest component is training grants from central funds.

Public dividends represent the return paid to the Government on the net value of assets used in the Trust.

**Statement of total Recognised Gains and Losses** (Page 40):

This statement shows all the gains recognised by the Trust during the year. These comprise the realised surplus and the unrealised gains from revaluation of assets.

**Breakeven Performance** (Inside back cover):

The Trust carries an historical surplus of £1.4 million. This is calculated by adding the current and past financial positions that have been posted by the Trust.
## Balance Sheet as at 31 March 2009

<table>
<thead>
<tr>
<th></th>
<th>31 March 2009</th>
<th>31 March 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FIXED ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intangible assets</td>
<td>701</td>
<td>451</td>
</tr>
<tr>
<td>Tangible assets</td>
<td>148,380</td>
<td>168,638</td>
</tr>
<tr>
<td>Investments</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL FIXED ASSETS</strong></td>
<td>149,081</td>
<td>169,089</td>
</tr>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stocks and work in progress</td>
<td>2,467</td>
<td>2,047</td>
</tr>
<tr>
<td>Debtors</td>
<td>5,414</td>
<td>7,665</td>
</tr>
<tr>
<td>Investments</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>2,103</td>
<td>3,961</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT ASSETS</strong></td>
<td>9,983</td>
<td>13,673</td>
</tr>
<tr>
<td><strong>CREDITORS:</strong> Amounts falling due within one year</td>
<td>(18,630)</td>
<td>(20,225)</td>
</tr>
<tr>
<td>Financial liabilities</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td><strong>NET CURRENT ASSETS/(LIABILITIES)</strong></td>
<td>(8,647)</td>
<td>(6,552)</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS LESS CURRENT LIABILITIES</strong></td>
<td>140,434</td>
<td>162,537</td>
</tr>
<tr>
<td><strong>CREDITORS:</strong> Amounts falling due after more than one year</td>
<td>(0)</td>
<td>(3,668)</td>
</tr>
<tr>
<td>Financial liabilities</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td><strong>PROVISIONS FOR LIABILITIES AND CHARGES</strong></td>
<td>(2,235)</td>
<td>(3,060)</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS EMPLOYED</strong></td>
<td>138,199</td>
<td>155,809</td>
</tr>
<tr>
<td><strong>FINANCED BY:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TAXPAYERS’ EQUITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public dividend capital</td>
<td>55,955</td>
<td>55,955</td>
</tr>
<tr>
<td>Revaluation reserve</td>
<td>57,043</td>
<td>77,401</td>
</tr>
<tr>
<td>Donated asset reserve</td>
<td>4,304</td>
<td>5,375</td>
</tr>
<tr>
<td>Government grant reserve</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other reserves*</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Income and expenditure reserve</td>
<td>20,897</td>
<td>17,078</td>
</tr>
<tr>
<td><strong>TOTAL TAXPAYERS’ EQUITY</strong></td>
<td>138,199</td>
<td>155,809</td>
</tr>
<tr>
<td></td>
<td>2008/09 (£000)</td>
<td>2007/08 (£000)</td>
</tr>
<tr>
<td>---------------------------------------</td>
<td>----------------</td>
<td>----------------</td>
</tr>
<tr>
<td><strong>Income from activities</strong></td>
<td>173,822</td>
<td>167,207</td>
</tr>
<tr>
<td><strong>Other operating income</strong></td>
<td>10,831</td>
<td>10,564</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td>(177,321)</td>
<td>(168,432)</td>
</tr>
<tr>
<td><strong>OPERATING SURPLUS/(DEFICIT)</strong></td>
<td>7,332</td>
<td>9,339</td>
</tr>
<tr>
<td><strong>Profit/(loss) on disposal of fixed assets</strong></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>SURPLUS/(DEFICIT) BEFORE INTEREST</strong></td>
<td>7,332</td>
<td>9,339</td>
</tr>
<tr>
<td><strong>Interest receivable</strong></td>
<td>484</td>
<td>552</td>
</tr>
<tr>
<td><strong>Interest payable</strong></td>
<td>(347)</td>
<td>(544)</td>
</tr>
<tr>
<td><strong>Other finance costs - unwinding of discount</strong></td>
<td>0</td>
<td>(26)</td>
</tr>
<tr>
<td><strong>SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR</strong></td>
<td>7,469</td>
<td>9,321</td>
</tr>
<tr>
<td><strong>Public dividend capital dividends payable</strong></td>
<td>(5,320)</td>
<td>(4,277)</td>
</tr>
<tr>
<td><strong>RETAINED SURPLUS/(DEFICIT) FOR THE YEAR</strong></td>
<td>2,149</td>
<td>5,044</td>
</tr>
</tbody>
</table>
# Cash Flow Statement for the year ended 31 March 2009

<table>
<thead>
<tr>
<th></th>
<th>2008/09</th>
<th>2007/08</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net cash inflow/(outflow) from operating activities</td>
<td>14,584</td>
<td>16,899</td>
</tr>
<tr>
<td><strong>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest received</td>
<td>484</td>
<td>552</td>
</tr>
<tr>
<td>Interest paid</td>
<td>(353)</td>
<td>(544)</td>
</tr>
<tr>
<td>Interest element of finance leases</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Net cash inflow/(outflow) from returns on investments and servicing of finance</td>
<td>131</td>
<td>8</td>
</tr>
<tr>
<td><strong>CAPITAL EXPENDITURE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Payments) to acquire tangible fixed assets</td>
<td>(7,169)</td>
<td>(4,659)</td>
</tr>
<tr>
<td>Receipts from sale of tangible fixed assets</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>(Payments) to acquire intangible assets</td>
<td>(418)</td>
<td>(71)</td>
</tr>
<tr>
<td>Receipts from sale of intangible assets</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>(Payments to acquire)/receipts from sale of fixed asset investments</td>
<td>-</td>
<td>0</td>
</tr>
<tr>
<td>(Payments to acquire)/receipts from sale of financial instruments</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>Net cash inflow/(outflow) from capital expenditure</td>
<td>(7,587)</td>
<td>(4,730)</td>
</tr>
<tr>
<td><strong>DIVIDENDS PAID</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividends paid</td>
<td>(5,320)</td>
<td>(4,277)</td>
</tr>
<tr>
<td>Net cash inflow/(outflow) before management of liquid resources and financing</td>
<td>1,808</td>
<td>7,900</td>
</tr>
<tr>
<td><strong>MANAGEMENT OF LIQUID RESOURCES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Purchase) of financial assets with the Department of Health</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>(Purchase) of other current financial assets</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Sale of financial assets with the Department of Health</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Sale of other current financial asset</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Net cash inflow/(outflow) from management of liquid resources</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Net cash inflow/(outflow) before financing</td>
<td>1,808</td>
<td>7,900</td>
</tr>
<tr>
<td><strong>FINANCING</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public dividend capital received</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Public dividend capital repaid</td>
<td>0</td>
<td>(322)</td>
</tr>
<tr>
<td>Loans received from the Department of Health</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other loans received</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Loans repaid to the Department of Health</td>
<td>(3,666)</td>
<td>(3,666)</td>
</tr>
<tr>
<td>Other loans repaid</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other capital receipts</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Capital element of finance lease rental payments</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Cash transferred (to)/from other NHS bodies*</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Net cash inflow/(outflow) from financing</td>
<td>(3,666)</td>
<td>(3,988)</td>
</tr>
<tr>
<td>Increase/(decrease) in cash</td>
<td>(1,858)</td>
<td>3,912</td>
</tr>
</tbody>
</table>
### Statement of Total Recognised Gains and Losses for the year ended 31 March 2009

<table>
<thead>
<tr>
<th>Description</th>
<th>2008/09 £000</th>
<th>2007/08 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus/(deficit) for the financial year before dividend payments</td>
<td>7,469</td>
<td>9,321</td>
</tr>
<tr>
<td>Fixed asset impairment losses</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Unrealised surplus/(deficit) on fixed asset revaluations/indexation</td>
<td>(19,781)</td>
<td>12,448</td>
</tr>
<tr>
<td>Increases in the donated asset and government grant reserve due</td>
<td>186</td>
<td>0</td>
</tr>
<tr>
<td>to receipt of donated and government grant financed assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Defined benefit scheme actuarial gains/(losses)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additions/(reductions) in &quot;other reserves&quot;</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total recognised gains and losses for the financial year</strong></td>
<td>(12,126)</td>
<td>21,769</td>
</tr>
<tr>
<td>Prior period adjustment</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total gains and losses recognised in the financial year</strong></td>
<td>(12,126)</td>
<td>21,769</td>
</tr>
</tbody>
</table>
Breakeven Performance

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>134,794</td>
<td>149,361</td>
<td>161,102</td>
<td>166,030</td>
<td>177,771</td>
<td>184,653</td>
</tr>
<tr>
<td>Retained surplus/(deficit) for the year</td>
<td>(163)</td>
<td>252</td>
<td>(5,847)</td>
<td>122</td>
<td>5,044</td>
<td>2,149</td>
</tr>
<tr>
<td>Break-even cumulative position</td>
<td>(317)</td>
<td>(65)</td>
<td>(5,912)</td>
<td>(5,790)</td>
<td>(746)</td>
<td>1,403</td>
</tr>
<tr>
<td>Break-even in-year position as a percentage of turnover</td>
<td>-12.1%</td>
<td>0.2%</td>
<td>-3.6%</td>
<td>0.1%</td>
<td>2.8%</td>
<td>1.2%</td>
</tr>
<tr>
<td>Break-even cumulative position as a percentage of turnover</td>
<td>-0.2%</td>
<td>0.0%</td>
<td>-3.7%</td>
<td>-3.5%</td>
<td>-0.4%</td>
<td>0.8%</td>
</tr>
</tbody>
</table>

Better Payment Practice Code

<table>
<thead>
<tr>
<th></th>
<th>2008/09</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Non-NHS trade invoices paid in the year</td>
<td>53,531</td>
<td>59,819</td>
</tr>
<tr>
<td>Total Non-NHS trade invoices paid within target</td>
<td>45,469</td>
<td>53,325</td>
</tr>
<tr>
<td>Percentage of Non-NHS trade invoices paid within target</td>
<td>85%</td>
<td>89%</td>
</tr>
<tr>
<td>Total NHS trade invoices paid in the year</td>
<td>1,760</td>
<td>7,248</td>
</tr>
<tr>
<td>Total NHS trade invoices paid within target</td>
<td>1,112</td>
<td>6,483</td>
</tr>
<tr>
<td>Percentage of NHS trade invoices paid within target</td>
<td>63%</td>
<td>89%</td>
</tr>
</tbody>
</table>

The Trust aims to pay all NHS and non-NHS creditors within 30 calendar days of receipt of goods or a valid invoice (whichever is later) unless other payment terms have been agreed.

The Department of Health sets a target of paying at least 95% of invoices within these terms. The Trust’s actual achievement level in 2008/09 is shown in the table above.
MAYDAY

Mayday Healthcare NHS Trust

530 London Road, Croydon, CR7 7YE

t: 020 8401 3000
e: comms@mayday.nhs.uk
w: www.maydayhospital.nhs.uk