

NHSR CCG GOVERNING BODY

PRESENTATION OF THE ANNUAL ACCOUNTS – Friday 22nd May 2015

Lead Executive:	Keely Firth, Chief Finance Officer
Lead Officer:	Stephen Wood, Head of Finance (Financial Services)
Lead GP:	Dr Richard Cullen

Purpose:

To present to Governing Body the 2014/15 Annual Accounts and related documents for approval.

Background:

Clinical Commissioning Groups (CCG's) are required to publish, as a single document, an Annual Report and Accounts in accordance with Directions issued by NHS England (NHSE). Those Directions require CCG's to comply with the requirements laid out in the Manual for Accounts issued by the Department of Health.

Officers have been delegated responsibility to complete these tasks and the main timescales are as follows.

1. Draft submission of Annual Report and Accounts **23rd April 2015.**
2. AQUA will review audited Annual Report and Accounts by **21st May 2015.**
3. Governing Body will approve audited Annual Report and Accounts on **22nd May 2015.**
4. Auditors submit signed copy of Annual Report and Accounts to NHSE on **29th May 2015.**

The following **six** documents are included in today's AQUA papers for review and consideration:-

1. **Annual Accounts**
2. **Annual Report**
3. Statements by the Accountable Officer
 - (i) **Annual Governance Statement**
 - (ii) **Letter of Representation**
4. **360 Assurance** - Head of Internal Audit Opinion
5. **KPMG** - ISA 260 Audit highlights memorandum ****to follow****

Risks and Issues:

1 Delivery of Obligations

In its second year of operation, the CCG has continued to deliver on all its financial obligations namely, a minimum 1% surplus, maintaining a recurrent "headroom" of 2% and non-recurrent use of the 1% contingency. In addition, over 99% of receipted and valid invoices were paid within 30 days.

The Annual Governance Statement includes the Head of Internal Audit Opinion which is positive and offers full assurance regarding systems of internal control.

2 Members of the Governing Body requirement (at the extraordinary meeting on 22nd May 2015)

There is a requirement that each member must state, and it must be minuted that they have done so, that as far as they are aware there is **no relevant audit information of which the clinical commissioning group's auditors are unaware** and that they have **taken all the steps that they**

ought to have taken as a member of the Governing Body in order to make themselves aware of any relevant audit information and to establish that the clinical commissioning group's auditors are aware of that information. (Companies Act 2006 Section 418 requirement adopted by the *Government Financial reporting Manual*. Note: paragraphs 418(5) and 418(6) are not applicable).

The following points aim to assist members with this requirement:-

- (i) As the Chief Finance Officer I can confirm that no audit information has been withheld;
- (ii) The ISA 260 from KPMG includes a range of statements which provide assurance around the general financial governance of the CCG;
- (iii) The Annual Governance Statement includes the Head of Internal Audit Opinion which is positive and offers full assurance regarding systems of internal control;
- (iv) Members of AQuA have received detailed audit reports throughout the year of financial systems and accounting processes which have offered full assurance;
- (v) The Lay Member for Governance on the Governing Body is also Chair of the Audit and Quality Assurance Committee and can provide assurance to members.

Recommendations:

Governing Body Members are asked to:-

- (i) **Consider the six documents presented including the respective audit opinions of 360 Assurance and KPMG and approve the Accounts and associated documents;**
- (ii) **Confirm that the requirements of the declaration are considered to have been met and declare to this effect as set out above.**