

Anglesey Local Health Board

FOREWORD

These accounts have been prepared by the Local Health Board under schedule 9 section 178 Para 3(1) of the National Health Service (Wales) Act 2006 (c.42) in the form in which the Welsh Ministers have, with the approval of the Treasury, directed.

Statutory background

The Local Health Board was one of 22 which came into existence on 1st April 2003. As a statutory body governed by Acts of Parliament the LHB is responsible for :

- agreeing the action which is necessary to improve the health and health care of the population of [Anglesey](#);
- supporting and financing General Practitioner-led purchasing of the services needed to meet agreed priorities, including charter standards and guarantees;
- supporting and funding the contractor professions;
- the commissioning of health promotion, emergency planning and other regulatory tasks;
- the stewardship of resources including the financial management and monitoring of performance in critical areas;
- eliciting and responding to the views of local people and organisations and changing and developing services at a pace and in ways that they will accept.

Performance Management and Financial Results

Local Health Boards in Wales must comply fully with the Treasury's Financial Reporting Manual to the extent that it is applicable to them. As a result the Primary Statement of in-year income and expenditure is the Operating Cost Statement, which shows the net operating cost incurred by the LHB which is funded by the Assembly. This funding is allocated on receipt directly to the General Fund in the Balance Sheet.

The statutory duty for Local Health Boards is enacted in the 2002 NHS Reform and Health Care Professionals Act. Net Operating Costs incurred by Local Health Boards should not exceed their allocated Resource Limit.

The primary performance measure for Local Health Boards is note 2.1 Achievement of Operational Financial Balance on page 13. This note compares net operating costs expended against Resource Limits allocated by the Assembly and measures whether operational financial balance has been achieved in year.

OPERATING COST STATEMENT FOR THE YEAR ENDED 31 MARCH 2008

	Note	Total £000	2006-07 Total £000
Expenditure	4.1,4.2,4.3, 4.4	93,759	90,107
Miscellaneous income	3.1	663	815
Net operating costs		<u>93,096</u>	<u>89,292</u>

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

	£000	£000
Unrealised surplus on revaluation / indexations of fixed assets	0	0
Net increases / reductions in General Fund due to transfers of assets	0	0
Fixed asset impairment losses	0	0
Recognised gain / (loss) for the year	<u>0</u>	<u>0</u>

BALANCE SHEET AS AT 31 MARCH 2008

	Note	£000	31 March 2007 £000
TOTAL FIXED ASSETS			
Intangible fixed assets	5.1	0	0
Tangible fixed assets	5.2	11	16
CURRENT ASSETS			
Debtors	6.1	306	273
Cash at bank and in hand		819	187
Total Current Assets		1,125	460
Creditors: amounts falling due within one year	6.2	5,119	5,077
Net current assets / (liabilities)		(3,994)	(4,617)
Creditors: amounts falling due after more than one year	6.3	0	0
Provisions for liabilities and charges	6.4	191	101
TOTAL NET ASSETS		(4,174)	(4,702)
FINANCED BY:			
General fund	6.5	(4,174)	(4,702)
Donated Assets Reserve	6.6	0	0
Revaluation Reserve	6.7	0	0
TOTAL		(4,174)	(4,702)

Signed for and on behalf of the Board

Director of Finance Chief Executive

Date Date.....

Adopted by the Board on.....

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2008

	£000	2006-07 £000
Net operating costs	(93,096)	(89,292)
Adjust for non-cash transactions	(57)	(84)
Adjust for movements in working capital other than cash	9	362
Utilisation of provisions	(23)	(58)
	<hr/>	<hr/>
Net cash outflow from operating activities	(93,167)	(89,072)
	<hr/>	<hr/>
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT:		
Payments to acquire fixed assets	0	0
Receipts from the sale of fixed assets	0	0
	<hr/>	<hr/>
Net cash inflow / (outflow) from investing activities	0	0
	<hr/>	<hr/>
Net cash inflow / (outflow) before financing	(93,167)	(89,072)
	<hr/>	<hr/>
FINANCING:		
Net Assembly funding (including capital)	93,799	89,086
Surrender of income from sale of fixed assets	0	0
Donations	0	0
Capital element of finance lease rental payments	0	0
	<hr/>	<hr/>
Net cash inflow / (outflow) from financing	93,799	89,086
	<hr/>	<hr/>
Increase / (decrease) in cash	632	14

Notes to the cash flow statement

Adjust for non-cash transactions

	£000	2006-07 £000
Depreciation and other write-offs	5	5
Impairment of fixed assets	0	0
(Profit) / Loss on disposal of fixed assets	0	0
Non-cash provisions	113	63
Capital charge interest	(175)	(152)
	<u>(57)</u>	<u>(84)</u>

Adjust for movements in working capital other than cash

	£000	2006-07 £000
(Increase)/decrease in debtors	(33)	(71)
Increase/(decrease) in creditors	42	433
	<u>9</u>	<u>362</u>

Reconciliation of net cash flow to movement in net debt

	£000
Increase/(decrease) in cash in the period	632
Cash outflow from debt repaid and finance lease capital payments	<u>0</u>
Change in net debt resulting from cash flows	632
Non cash changes in debt	0
Net debt at 1 April 2007	<u>187</u>
Net debt at 31 March 2008	<u>819</u>

Analysis of changes in net debt

	As at 1 April 2007	Cash flows	Other changes	As at 31 March 2008
	£000	£000	£000	£000
Cash at bank and in hand	187	632	0	819
Bank overdraft	0	0	0	0
Debt due within one year	0	0	0	0
Debt due after one year	0	0	0	0
	<u>187</u>	<u>632</u>	<u>0</u>	<u>819</u>
Total	<u>187</u>	<u>632</u>	<u>0</u>	<u>819</u>

Amount held in Office of Paymaster General bank accounts as at 31 March 2008 was £819,011.33

Analysis of capital expenditure, financial investments and associated receipts

	Capital		Loans		Net Total £'000
	Additions £'000	Disposals £'000	Issues £'000	Repayments £'000	
Total cash payment and receipts	0	0	0	0	0

Reconciliation of loan issues and repayments to cash movements

	Issues £'000	2007-08	Net Movement £'000
		Repayments £'000	
Total issues and repayments (per creditors note 6.3)	0	0	0
Accrued movement in loan capital	0	0	0
Non-cash adjustments	0	0	0
Total financial investment and associated receipts	0	0	0

Reconciliation of fixed assets and disposals

	Additions £'000	2007-08	Net Movement £'000
		Disposals £'000	
Total assets and disposals (per fixed assets note 5.1 5.2)	0	0	0
Accrued movement in fixed asset additions	0	0	0
Non-cash adjustments	0	0	0
Total cash movement on asset additions and disposals	0	0	0

Notes to the Account

1. Accounting Policies

1.1 The financial statements have been prepared in accordance with the Financial Reporting Manual (FReM) issued by HM Treasury to the extent that the National Assembly for Wales has directed as being appropriate to LHB'S. The particular accounting policies adopted by the Local Health Board (LHB) are described below. They have been applied in dealing with items considered material in relation to the accounts.

These accounts have been prepared under the historical cost convention, modified by the application of current cost principles to tangible fixed assets, and in accordance with directions issued by the National Assembly for Wales (the Assembly) and approved by Treasury.

LHB's are not required to provide a reconciliation between current cost and historical cost surpluses and deficits.

Acquisitions and Discontinued Operations

Activities are considered to be "acquired" and disclosed as such, only if they are acquired from outside the public sector. Activities are considered to be "discontinued" and disclosed as such, only if they cease entirely or are transferred outside the public sector.

1.2 Income and funding

The main source of funding for the LHB is resource allocations from the Assembly within an approved cash limit, which is credited to the general fund when the associated cash is received. Income disclosed in the Operating Cost Statement reflects only the amounts other than Assembly Funding.

Miscellaneous income is income which relates directly to the operating activities of the LHB. It comprises principally of fees and charges for services provided on a full cost basis to external customers, (or any other other material types of income if this disclosure would not be sufficient).

It includes both income appropriated-in-aid of the Vote and income to the consolidated fund which HM Treasury has agreed should be treated as operating income.

Income is accounted for by applying the accruals convention. Income is recognised in the period in which services are provided.

1.3 Taxation

The LHB is not liable to pay corporation tax. Expenditure is shown net of recoverable VAT. Irrecoverable VAT is charged to the most appropriate expenditure heading or capitalised if it relates to an asset.

1.4 Intangible fixed assets

Intangible assets which can be valued, are capable of being used in a LHB's activities for more than one year and have a cost equal to or greater than £5,000 are capitalised;

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

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

1.5 Tangible fixed assets

a. Capitalisation

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

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

b. Valuation

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

Land and Buildings

Land and buildings are restated at current cost using professional valuations every five years and appropriate indices in intervening years. The buildings indexation is based on the All in Tender Price Index published by the Building Cost Information Service (BICS). The land index is based on the residential building and land values reported in the Property Market Report published by the Valuation Office. Valuations are carried out by the District Valuers of the Inland Revenue Government Department at five - yearly intervals. A five - yearly revaluation was carried out as at 1 April 2007.

The valuations have been carried out primarily on the basis of Depreciated Replacement Cost for specialised operational property and Existing Use Value for non - specialised operational property.

In respect of non - operational properties, including surplus land, the valuations have been carried out at Open Market Value. The value of land for existing use purposes is assessed to Existing Use Value. Land and buildings held under finance leases are capitalised at inception at the fair value of the asset but may be subsequently revalued by the District Valuer. The valuations do not include notional directly attributable acquisition costs nor have selling costs been deducted, since they are regarded as not material.

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

All impairments resulting from price changes are charged to the Statement of Recognised Gains and Losses where there is a credit balance for that impaired asset in the revaluation reserve, otherwise ordinarily they will be charged to the Operating Cost Statement. Falls in value when newly constructed assets are charged to the revaluation reserve even when there is no credit balance.

Equipment

Equipment surplus to requirements is valued at net recoverable amount and assets held under finance leases are capitalised at the fair value of the assets. With those exceptions, equipment is valued at Depreciated Replacement Cost.

Assets in the course of construction

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

c. Depreciation, amortisation and impairments

Depreciation is charged on a straight - line basis on each main class of fixed asset as follows:

Freehold land and land and buildings surplus to requirements are not depreciated. Assets in the course of construction and residual interests in off - balance sheet Private Finance Initiative contract assets are not depreciated until the asset is brought into use or reverts to the LHB, respectively.

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

Leaseholds are depreciated over the primary lease term.

Equipment is depreciated on current cost evenly over the estimated life of the asset.

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

1.6 Donated assets

Donated tangible fixed assets are capitalised at their valuation on receipt and are valued and depreciated as described above for purchased assets.

The value of donated tangible fixed assets and the donated element of part - donated assets are reflected in a donated asset reserve. This reserve is credited with the value of the original donation and any subsequent revaluation and indexation; an amount equal to the depreciation charge is released from this reserve each year to the Operating Cost Statement.

1.7 Research and development

Research and development expenditure is charged to the Operating Cost Statement in the year in which it is incurred, except insofar as it is separately identifiable development expenditure relating to a clearly defined project and benefits therefrom can reasonably be regarded as assured.

Expenditure so deferred is limited to the value of future benefits expected and is amortised through the Operating Cost Statement on a systematic basis over the period expected to benefit from the project.

1.8 Pension Costs

Past and present employees are covered by the provisions of the NHS Pension Scheme. The Scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of Secretary of State. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore the scheme is accounted for as a defined contribution scheme: the cost to the NHS body participating in the scheme is equal to the contributions payable to the scheme for the accounting period. The Scheme is subject to a full actuarial investigation every four years. The main purpose of which is to assess the level of liability in respect of the benefits due under the scheme (taking into account its recent demographic experience), and to recommend the contribution rates to be paid by employers and scheme members. The last such investigation, on the conclusions of which scheme contribution rates are currently based, had an effective date of valuation on this basis took place as at 31 March 2004 and covered the period from 1 April 1999 to that date.

Between the full actuarial valuations, the Government Actuary provides an annual update of the scheme liabilities for FRS 17 purposes. The latest assessment of the liabilities of the Scheme is contained in the Scheme Actuary report, which forms part of the NHS Pension Scheme (England and Wales) Resource Account, published annually. These accounts can be viewed on the Business Service Authority - Pensions Division website at www.nhs.gov.uk. Copies can also be obtained from the Stationary Office.

The conclusion of the 2004 investigation was that the scheme had accumulated a notional deficit of £3.3 billion against notional assets as at 31 March 2004. This is after making some allowance for the one-off effective of pay modernisation, but before taking into account any of the scheme changes which come into effect on 1 April 2008. Taking into account the changes in the benefit and contribution structure effective from 1 April 2008, employer contributions could continue at the existing rate of 14% of pensionable pay. On advice from the actuary, scheme contributions may be varied from time to time to reflect changes in the scheme's liabilities. Up to 31 March 2008 employees paid contributions of 6% (manual staff 5%) of their pensionable pay. From 1 April 2008, employees will pay contributions according to a tiered scale from 5% up to 8.5% of their pensionable pay.

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

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

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

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

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

1.9 Foreign currency

Transactions in foreign currencies are translated into sterling at the rates of exchange current at the dates of the transactions. Resulting exchange gains and losses are taken to the Operating Cost Statement.

1.10 Cost of Capital

The cost of capital applies to all the assets and liabilities of the LHB, less cash balances held at the OPG and donated assets. The interest rate applied to capital charges in the 2007/08 financial year was 3.5%.

1.11 Provisions

The LHB provides for legal or constructive obligations that are of uncertain timing or amount at the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the Treasury's discount rate of 2.2% in real terms. Provisions are only recognised where the amount of economic benefit is probable, and the amount of the transfer can reasonably be estimated.

1.12 Liquid resources

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

1.13 Leases

Where substantially all the risks and rewards of ownership of a leased asset are borne by the LHB, the asset is recorded as a tangible fixed asset and a debt is recorded to the lessor of the minimum lease payments discounted by the interest rate implicit in the lease. The interest element of the finance lease payment is charged to the OCS over the period of the lease at a constant rate in relation to the balance outstanding. Other leases are regarded as operating leases and the rentals are charged to the OCS on a straight line basis.

1.14 Contingent liabilities

- a possible obligation arising from past events whose existence will be confirmed by the occurrence of future events not wholly within the LHB's control;
- a present obligation arising from past events for which it is not probable that a transfer of economic benefits will be required to settle the obligation; or
- a present obligation where the amount of the obligation cannot be measured with sufficient accuracy.

Contingent liabilities are not disclosed where the probability of them becoming liabilities is considered to be remote.

Contingent assets are disclosed where a possible asset exists as a result of past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the LHB's control. Contingent assets are disclosed only where the future outflow of economic benefit is considered to be probable.

1.15 Deferred Income

Deferred income is recognised where income has been received with an obligation to use the monies for a specific purpose, but these monies have not yet been spent. Only third party income between non-government bodies may be recognised.

1.16 Expenditure

Interest payable arises from the unwinding of discount on provisions, as the value is restated to reflect the present value of the provision at the closing balance sheet date. Interest payable also arises on bank overdrafts and finance leases and is recognised on the accruals basis. Interest payable is not shown separately on the face of the Operating Cost Statement, but is included within expenditure.

Certain expenditure relating to reimbursement of General Practitioners for the provision of Family Health Services is defined by the National Assembly as "non-discretionary" and is deducted from net operating costs for the purposes of assessing outturn against revenue resource limit in note 2.1.

Programme expenditure is defined as costs relating directly to the provision of healthcare, social care and other services relating to the LHB's functions provided directly to the public. All other expenditure is classified as administration expenditure.

1.17 New Dental Contract

On 1 April 2006 a new dental contract was introduced in England and Wales. LHB's are now responsible for commissioning dental services and organising payment through the Dental Practice Division of the Business Services Authority.

Contractors who underperformed against their contracted level of Units of Dental Activity, (UDA's) by a margin of 5% or less, are contractually allowed to retain their payments for the year and deliver the underperformance of UDA's within the new financial year 2008-09.

The valuation in the annual accounts is based on an estimate provided by the Dental Practice Division in May 2008. The final outturn will not be available until after the publication of the annual accounts, and any variance will be recognised in the accounts for 2008-09.

The LHB's superannuation liability is contingent upon :
the actual UDA performance against the annual contracted target to arrive at a final gross earnings for the year;
the declared split of the gross final earnings over the performers registered on each individual contract.

To calculate the LHB's liability in respect of year end under or over performance, the baseline financial value of any under or over achievement against contracted activity is multiplied by a factor of 0.439, (the standard superannuation assumption for the profit element of gross earnings within the dental sector) and 0.14. (the superannuation employee contribution rate.)

2.1 Achievement of Operational Financial Balance

	£000	2006-07 £000
Net operating costs for the financial year	93,096	89,292
Non-discretionary expenditure	(238)	(36)
Operating costs less non-discretionary expenditure	93,334	89,328
Revenue Resource Limit	93,361	89,398
Under / (over) spend against Revenue Resource Limit	27	70
Unplanned resource brokerage received	0	0
Operational Financial Balance	27	70

Resource brokerage and cash brokerage figures brought and carried forward were as follows:-

	Resource Brokerage £	Cash Brokerage £
2006/07 brokerage returned to the LHB during 2007/08	0	1,500,000
2007/08 brokerage returned to WAG at end of 2007/08	535,000	900,000

3.1 Miscellaneous income

	£000	2006-07 £000
Fees & Charges	0	0
Prescription charge income	0	775
Dental fee income	504	0
Income for trust impairments	0	0
Deferred Income released to revenue	0	0
Other	159	40
Total	663	815

Other

The 2006/07 miscellaneous income statement did not include a line for dental fee income and this income was therefore included within prescription charge income for that year. A comparison of prescription charge income and dental fee income is shown below:-

	2007-08 £000	2006-07 £000
Prescription Income	0	452
Dental Fee Income	504	323

Analysis of "Other" Miscellaneous Income is as follows

FP10 drugs expenditure recovered from Trusts	70
Recovery of overpayments to independent contractors	37
Emergency intervention scheme income	38
Other miscellaneous receipts	14
	<u>159</u>

Expenditure:**4.1 Primary health care**

	Cash limited	Non cash limited	Total	2006-07 Total
	£000	£000	£000	£000
General Medical services	12,435	0	12,435	12,407
Pharmaceutical services	2,057	(470)	1,587	1,673
General Dental services	2,507	0	2,507	2,130
General Ophthalmic services	0	232	232	230
Other Primary health care expenditure	884	0	884	659
Prescribed drugs and appliances	11,261	0	11,261	10,988
Total	29,144	(238)	28,906	28,087

4.2 Secondary and Community health care

	Total £000	2006-07 Total £000
NHS Trusts:		
Provider 1 - .. North West Wales	51,794	49,840
Provider 2 - .. Conwy and Denbighshire	2,163	2,122
Provider 3 - .. North East Wales	1,133	1,049
Provider 4 - .. Robert Jones and Agnes Hunt Orthopaedic	627	751
Provider 5 - .. Southport and Ormskirk	294	299
Provider 6 - .. Royal Liverpool and Broadgreen	220	218
Provider 7 - .. South Manchester University Hospitals	154	167
Provider 8 - .. Liverpool Womens Hospital	111	82
Provider 9 - .. Aintree Hospitals	54	41
Provider 10 - .. Wrightington, Wigan and Leigh	36	36
Other Welsh NHS trusts	50	56
Other non Welsh NHS trusts	108	243
Local Authorities	0	0
Voluntary Organisations	128	125
NHS Funded Nursing Care	546	614
Continuing Care	5,421	4,314
Private providers	194	126
Specific projects funded by Welsh Assembly Government	0	0
Other	0	0
Total	63,033	60,083

	Total £000	2006-07 Total £000
Expenditure with Local Authorities is as follows: _		
Rapid Response Scheme (Note 4.1 - Other Primary health care expenditure)	60	87
Complementary Purchase Scheme (Note 4.1 - Other Primary health care expenditure)	128	130
Continuing Care	1,245	816
Free Nursing Care	428	418

4.3 Other programme expenditure

	£000	2006-07 £000
Salaries and wages	39	50
National Public Health Service	430	415
Losses, special payments and irrecoverable debts	0	0
Research and development	0	0
Other	32	28
	<hr/>	<hr/>
Total	501	493

4.4 Administration expenditure

	£000	2006-07 £000
Non-officer members' remuneration	92	99
Other salaries and wages	736	744
Consultancy services	6	0
Establishment expenses	87	127
Transport and moveable plant	2	1
Premises and fixed plant	93	68
External contractors	18	18
Auditors' remuneration - audit fee	56	65
Auditors' remuneration - other fees	0	0
Business Services Centre and Business Support Partnership recharge	376	454
Interest payable- unwinding of discount	0	0
Interest payable -other	0	0
Capital - depreciation	5	5
Amortisation	0	0
Capital charge interest	(175)	(152)
Impairment	0	0
(Profit) / loss on disposal of fixed assets	0	0
Other	23	15
	<hr/>	<hr/>
Total	1,319	1,444

Business Services Centre and Business Support Partnership Recharge (£376K)

Included within this figure are recharges for external audit of the BSC (£7,941) and the BSP (£5,760)

**4.5 Losses, special payments and irrecoverable debts:
charges to operating expenses**

	Total	2006-07 Total
	£000	£000
Clinical negligence	0	0
Personal injury	0	0
All other losses and special payments	0	0
Defence legal fees and other administrative costs	0	0
	<hr/>	<hr/>
Gross increase / decrease in provision for future payments	0	0
Contributions to Welsh Risk Pool/insurance premiums	0	0
Irrecoverable debts	0	0
Less: income received/due from Welsh Risk Pool	0	0
	<hr/>	<hr/>
Total	0	0
	<hr/>	<hr/>

Personal injury includes £ nil in respect of permanent injury benefits

4.6 Hire and operating lease rentals

	£000	2006-07 £000
Hire of plant and machinery	2	2
Other operating leases	35	35
Total	37	37

Commitments under non-cancellable operating leases:

	Land and Buildings £000	Other Leases £000	2006-07 Land and Buildings £000	2006-07 Other Leases £000
Operating leases which expire:				
Within 1 year	35	0	0	0
Between 1 and 5 years	0	2	35	2
After 5 years	0	0	0	0

4.7 Executive Directors and staff costs

	Total £000	2006-07 Total £000
Salaries and wages	1,190	1,020
Social security costs	87	79
Employer contributions to NHSPA	157	134
Other pension costs	0	0
Agency / seconded staff	9	14
Total	1,443	1,247

The total for Executive Directors and Staff Costs was understated in 2006/07 due to omission of grant funded staff from the total. The correct total for that year was £1,295k. An adjusted analysis of expenditure for both years is shown below:-

	£000	
Analysis of Total Executive Directors and Staff Costs is as follows:-		
Note 4.1 Primary health care Salaries and Wages	619	456
Note 4.2 Secondary Care NHS Funded Care Salaries and Wages	49	45
Note 4.3 Other Programme Expenditure Salaries and Wages	39	50
Note 4.4 Administration Expenditure Salaries and Wages	736	744
	1,443	1,295

4.8 Board Directors' remuneration

	£000	2006-07 £000
Non-officer members' remuneration	92	90
Executive Directors' remuneration:		
basic salaries	273	267
benefits	6	4
performance related bonuses	0	0
pension contributions	38	37
Compensation for loss of office	0	0
Pensions to former directors (early retirees)	0	0
Total	409	398

	£000	Chief Executive £000
Basic Salary	28	73
Benefits	0	3
Compensation for loss of office	0	0
Performance related bonuses	0	0
Pension contributions	4	10
Total	32	86

Remuneration waived by directors and allowances paid in lieu:

	Number	£000
Directors' remuneration waived	0	0
Allowances paid in lieu of remuneration	0	0

The basis on which performance related bonuses are calculated is as follows:

Anglesey LHB does not currently operate a bonus related scheme.

4.9 Average number of employees

The average number of employees during the year was:

	Permanent staff	Agency, temporary and cont- ract staff	Staff on inward second- ment	Total	2006-07
	Number	Number	Number	Number	Number
Executive Board Members	4	0	0	4	4
Other Local Health Board Staff	31	0	0	31	31
Recharged staff	0	0	1	1	3
Total	35	0	1	36	38

The average number of employees is calculated as the total number of employees under contract of service in each week in the financial year divided by the number of weeks in the financial year.

Expenditure on staff benefits

	£	£
Nature of expenditure:		
a.	0	0
b.	0	0
c.	0	0
d.	0	0
Total	0	0

4.10 Retirements due to ill-health

During 2007-08 there were no early retirements from the LHB agreed on the grounds of ill-health. The estimated additional pension costs of these ill-health retirements (calculated on an average basis and borne by the NHS Pension Scheme) will be £0.

4.11 Public Sector Payment Policy - Measure of Compliance

The National Assembly for Wales requires LHB's to pay non-NHS trade creditors in accordance with the CBI prompt payment code and Government Accounting rules. The target is to pay all trade creditors within 30 days of receipt of goods or a valid invoice (whichever is the later) unless other payment terms have been agreed with the supplier.

	Number	£000	2006-07 £000
Non- NHS			
Total bills paid 2007-2008	2,228	7,078	6,541
Total bills paid within target	2,193	7,031	6,503
Percentage of bills paid within target	98.4%	99.3%	99.4%

In addition, the National Assembly for Wales require LHB's to pay other NHS bodies in accordance with Government Accounting rules. The target is to pay all other NHS bodies within 30 days of receipt of goods or a valid invoice by the authority (whichever is the later) unless other payment terms have been agreed with the NHS body.

	Number	£000	2006-07 £000
NHS			
Total bills paid 2007-2008	606	59,627	52,680
Total bills paid within target	589	59,588	52,663
Percentage of bills paid within target	97.2%	99.9%	100.0%

	Number	£000	2006-07 £000
Total			
Total bills paid 2007-2008	2,834	66,705	59,221
Total bills paid within target	2,782	66,619	59,166
Percentage of bills paid within target	98.2%	99.9%	99.9%

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

	2006-07 £	£
Amounts included within Interest Payable arising from claims made by small businesses under this legislation (see note 4.4).	0	0
Compensation payable to cover debt recovery costs	0	0

5.1 Intangible Fixed Assets

	Software licences £000	Licenses and trademarks £000	Patents £000	Development expenditure £000	Total £000
Gross cost at 1 April 2007	0	0	0	0	0
Additions	0	0	0	0	0
Disposals	0	0	0	0	0
Gross replacement cost at 31 March 2008	0	0	0	0	0
Accumulated amortisation at 1 April 2007	0	0	0	0	0
Provided during the year	0	0	0	0	0
Additions	0	0	0	0	0
Disposals	0	0	0	0	0
Accumulated amortisation at 31 March 2008	0	0	0	0	0
Net book value at 1 April 2007	0	0	0	0	0
Net book value at 31 March 2008	0	0	0	0	0

Tangible fixed assets

5.2 Tangible assets at the balance sheet date:

Cost or valuation	Land £000	Buildings, excluding dwellings £000	Dwellings £000	Assets under construction and payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture and fittings £000	Total £000
At 1 April 2007	0	0	0	0	0	0	23	28	51
Additions - purchased	0	0	0	0	0	0	0	0	0
Additions - donated government granted	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Other in-year revaluations	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
At 31 March 2008	0	0	0	0	0	0	23	28	51
Depreciation									
At 1 April 2007	0	0	0	0	0	0	7	28	35
Additions - purchased	0	0	0	0	0	0	0	0	0
Additions - donated government granted	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Other in-year revaluations	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
Provided during the year	0	0	0	0	0	0	5	0	5
At 31 March 2008	0	0	0	0	0	0	12	28	40
Net book value									
at 1 April 2007	0	0	0	0	0	0	16	0	16
Net book value									
at 31 March 2008	0	0	0	0	0	0	11	0	11
Net book value of assets held under finance leases and hire purchase contracts									
Total	0	0	0	0	0	0	0	0	0
The total amount of depreciation charged in the Operating Cost Statement in respect of assets held under finance leases and hire purchase contracts:									
Total	0	0	0	0	0	0	0	0	0
Value of assets held at open market value	0	0	0	0	0	0	0	0	0

Tangible Fixed Assets (continued)

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

	£000	2006-07 £000
Freehold	0	0
Long leasehold	0	0
Short leasehold	0	0
	<hr/>	<hr/>
Total	0	0
	<hr/>	<hr/>

Net profit/(loss) on disposal of fixed assets

	£000	2006-07 £000
During the year the LHB disposed of fixed assets with the net book value of,	0	0
The gross proceeds from the sale(s) were	0	0
giving a net profit/(loss) on disposal of	<hr/> 0	<hr/> 0
The LHB paid over to the National Assembly for Wales the net proceeds from disposal of and retained the costs of disposal, met of,	0	0
	0	0

6.1 Debtors

Amounts falling due within one year:	£000	2006-07 £000
National Assembly for Wales	0	20
Health Commission Wales	0	0
Local Health Boards	74	15
Primary Care Trusts	0	0
NHS Trusts	22	65
Welsh Risk Pool	0	0
Capital debtors	0	0
Other debtors	187	160
Provision for irrecoverable debts	0	0
Pension Prepayments:	0	0
Other prepayments and accrued income	23	13
	<hr/>	<hr/>
Sub total	306	273
	<hr/>	<hr/>
Amounts falling due after more than one year:	£000	£000
National Assembly for Wales	0	0
Health Commission Wales	0	0
Local Health Boards	0	0
Primary Care Trusts	0	0
NHS Trusts	0	0
Welsh Risk Pool	0	0
Capital debtors	0	0
Other debtors	0	0
Provision for irrecoverable debts	0	0
Pension Prepayments	0	0
Other prepayments and accrued income	0	0
	<hr/>	<hr/>
Sub total	0	0
	<hr/>	<hr/>
Total	306	273
	<hr/>	<hr/>

6.2 Creditors

	£000	2006-07 £000
Amounts falling due within one year:		
National Assembly for Wales	5	0
Health Commission Wales	0	0
Local Health Boards	12	39
NHS Trusts	236	112
Primary Care Trusts	0	0
Income tax and social security	35	31
Non-NHS creditors	2,683	2,884
Capital Creditors	0	0
Overdraft	0	0
Rentals due under operating leases	0	0
Obligations under finance leases and HP contracts	0	0
GPFH savings	0	0
Pensions: staff	0	0
Accruals	2,148	2,011
Deferred Income	0	0
Other creditors	0	0
	<hr/>	<hr/>
Total	5,119	5,077

6.3 Creditors

	Total	2006-07 Total
Amounts falling due after more than one year:	£000	£000
Obligations under finance leases and HP contracts	0	0
NHS creditors	0	0
Assembly loans	0	0
Pensions: staff	0	0
Other	0	0
	<hr/>	<hr/>
Total	0	0

6.4 Provisions for liabilities and charges

	At 1 April 2007	Structured settlement cases trans- ferred to WRP	Transfer of prov- isions to creditors	Arising during the year	Reversed unused	Utilised during the year	Unwind- ing of discount	At 31 March 2008
	£000	£000	£000	£000	£000	£000	£000	£000
Clinical negligence	0	0	0	0	0	0	0	0
Personal injury	0	0	0	0	0	0	0	0
All other losses and special payments	0	0	0	0	0	0	0	0
Defence legal fees and other administration costs.	0	0	0	0	0	0	0	0
Sub-total	0	0	0	0	0	0	0	0
Pensions	0			0	0	0	0	0
Other	101			113	0	(23)		191
Total	101	0	0	113	0	(23)	0	191

Expected timing of cash flows:

	Within 1 year £000	Between 2 and 5 years £000	After 5 years £000	Total £000
Clinical negligence	0	0	0	0
Personal injury	0	0	0	0
All other losses and special payments	0	0	0	0
Defence legal fees and other administration costs	0	0	0	0
Pensions	0	0	0	0
Other	184	7	0	191
Total	184	7	0	191

The LHB estimates that in 2008-09 it will receive £'000 , and in 2009-10 and beyond £'000 from the Welsh Risk Pool in respect of losses and special payments.

6.5 General fund

The movement on the General fund in the year comprised:

	£000
At 1 April 2007	(4,702)
Net operating cost for the financial year	(93,096)
Net Assembly funding (including capital)	93,799
Capital charge interest	(175)
Transfers to NHS bodies	0
Transfer to general fund of realised elements of the revaluation reserve	0
	<hr/>
Balance at 31 March 2008	<u>(4,174)</u>

6.6 Donated asset reserve

The movement on the donated asset reserve in the year comprised:

	£000
Balance at 1 April 2007	0
Additions	0
Impairments	0
Revaluation and indexation	0
Disposals and write-offs	0
Depreciation	0
	<hr/>
Balance at 31 March 2008	<u>0</u>

6.7 Revaluation reserve

The movement on the revaluation reserve in the year comprised:

	£000
Balance at 1 April 2007	0
Revaluation	0
Indexation	0
Transfer to general fund - realised revaluation	0
	<hr/>
Balance at 31 March 2008	<u>0</u>

6.8 Contingent liabilities -

The following contingent losses/gains have not been included in the accounts

Nature:	2006-07	
	£000	£000
Legal claims for third parties liabilities	0	0
Doubtful debts	0	0
Other	0	0
Total	0	0

Uncertainties affecting outcome:

In January 2006 the High Court concluded that if, following a health care assessment, a person's health care needs formed the primary reason for their residence in a nursing home the NHS should fund the totality of their care (Grogan v Bexley NHS PCT). The judgement will also apply to retrospective reviews where requested. There have been no cases arising during 2007/08 where the specific criteria associated with the Grogan judgement could be attributed. The LHB has limited knowledge of the value or extent of any potential cases. This means that, at this stage, it is not possible for a reliable estimate to be made of the financial impact of the judgement.

6.9 Intra Government balances

	Debtors: Amounts falling due within one year £000	Debtors: Amounts falling due after more than one year £000	Creditors: Amounts falling due within one year £000	Creditors: Amounts falling due after more than one year £000
Balances with other central government bodies	5	0	127	0
Balances with local authorities	68	0	206	0
Balances with NHS trusts and Foundation trusts	22	0	236	0
Balances with Local Health Boards	74	0	12	0
Balances with public corporations and trading funds	0	0	0	0
Balances with bodies external to government	137	0	4,538	0
Total at 31 March 2008	306	0	5,119	0
Balances with other central government bodies	27	0	118	0
Balances with local authorities	0	0	0	0
Balances with NHS trusts and Foundation trusts	65	0	112	0
Balances with Local Health Boards	15	0	39	0
Balances with public corporations and trading funds	0	0	0	0
Balances with bodies external to government	166	0	4,808	0
Total at 31 March 2007	273	0	5,077	0

6.10 Post balance sheet events

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

1.	0
	
2.	0
	
Total		<u>0</u>

6.11 Capital commitments

The Local Health Board has the following capital commitments:

		2006-07
Contracted	0	0
Authorised but not contracted	0	0
Total	<u>0</u>	<u>0</u>

6.12 Related Party transactions**£000**

Total value of transactions with Board members and key senior staff in 2007-2008

0

Anglesey Local Health Board is a body corporate established by order of the National Assembly.

The Assembly is regarded as a related party. During the year Anglesey Local Health Board has had a significant number of material transactions with the Assembly and with other entities for which the Assembly is regarded as the parent body namely,

NHS providers with which the LHB has had material transactions are disclosed in note 4.2 to the accounts. In addition two Non-Officer Members of the LHB Board (Mr M Jamison and Mr C Barton) were also members of North West Wales NHS Trust Board during the year.

Other related entities with which the LHB has had material transactions include:

	Income £'000	Expenditure £'000
Powys Local Health Board	0	291

In addition, the Local Health Board has a significant number of material transactions with other Government Departments and other central and local Government bodies. The most significant of these transactions are as follows:

	Income £'000	Expenditure £'000
Isle of Anglesey County Council	0	1,861

GP , Optometry, Dental and Pharmacy Board members received payments to their medical, optical, dental or pharmacy practices from the LHB. These transactions were made under normal trading conditions i.e. as arm's length transactions:

Name	Practice Name	Board Position
Dr E Thomas	Gerafon Surgery, Benllech	Non - Officer Member
Dr H Parry	Cambria Surgery, Holyhead	Non - Officer Member
Dr M Williams	Parc Glas Surgery, Bodorgan	Medical Director
Mrs B Dixon	Holyhead	Non - Officer Member
Mr B Allport	Llandudno	Non - Officer Member
Mr D Barlow	Rhosneigr	Non - Officer Member

6.12 Related Party transactions

The following LHB Board members were associated with voluntary organisations that the LHB provided grants to during 2007/2008:

Name	Voluntary Organisation	Board Position
Mrs K Dignam	Medrwn Mon, Crossroads, Carers Outreach	Non - Officer Member
Rev H Meredydd	Crossroads	Non - Officer Member
Ms P Hughes	Medrwn Mon	Non - Officer Member

Grant Expenditure:	£
Medrwn Mon	5,857
Crossroads	18,658
Carers Outreach	2,689

6.13 Losses and special payments

Losses and special payments are transactions that the National Assembly for Wales would not have contemplated when it allocated and distributed funding for the National Health Service. By their nature they items that should not arise. They are therefore subject to special control procedures compared with the generality of payments and special notation in the accounts to draw them to the attention of the National Assembly for Wales. They are divided into different categories, which govern the way each individual case is handled. These payments are charged to the Operating Cost Statement in accordance with UK GAAP but are recorded in the losses and special payments register when payment is made. Therefore, this note is compiled on a cash basis.

	Number of cases	Value of cases £
Personal injury	0	0
Fraud cases	0	0
All other losses and special payments	178	2,324
Total losses and special payments	178	2,324

Analysis of cases which exceed £250,000 and all other cases

	Amounts paid out in year £	Cumulative amount £	Approved to write-off in year £
Cases exceeding £250,000			
.....	0	0	0
.....	0	0	0
.....	0	0	0
.....	0	0	0
.....	0	0	0
.....	0	0	0
.....	0	0	0
.....	0	0	0
.....	0	0	0
.....	0	0	0
Sub-total	0	0	0
All other cases	2,324	0	2,324
Total cases	2,324	0	2,324

6.14 Financial Instruments

FRS 13, Derivatives and Other Financial Instruments, requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Due to the way that LHB's in Wales are financed, they are not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which FRS 13 mainly applies. The LHB's have no power to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the LHB's in undertaking their activities.

Liquidity Risk

The LHB's income allocations and capital expenditure are financed from resources voted annually by Parliament. Therefore, they are not exposed to significant liquidity risks.

Interest-rate Risk

All the LHB's financial assets and financial liabilities carry nil or fixed rates of interest. Therefore, they are not exposed to interest-rate risk.

Foreign Currency Risk

The LHB's have negligible foreign currency income or expenditure. Therefore, they are not exposed to significant foreign currency risk.

6.15 Finance lease obligations

The future minimum lease payments under finance leases to which the Local Health Board was committed at the balance sheet date were as follows:

	£000	2006-07 £000
Within 1 year	0	0
Between 1 and 5 years	0	0
After 5 years	0	0
	<hr/>	<hr/>
Subtotal	0	0
	<hr/>	<hr/>
Less finance charges allocated to future periods	0	0
	<hr/>	<hr/>
Total	0	0

The total net obligation under finance leases can be analysed as follows:

Creditors: amounts due within one year	0	0
Creditors: amounts due after more than one year	0	0

6.16 Pooled Budgets

Anglesey LHB does not have any pooled budgets.

STATEMENT ON INTERNAL CONTROL

1. Scope of responsibility

The Board is accountable for internal control. As Accountable Officer and Chief Executive for this Board, I have the responsibility for maintaining a sound system of internal control that supports achievement of the organisation's policies, aims and objectives, whilst safeguarding the public funds and this organisation's assets for which I am personally responsible, in accordance with the responsibilities assigned by the Accounting Officer of NHS Wales

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 organisational policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the organisation for the year ended 31 March 2008 and up to the date of approval of the annual report and accounts, and accords with Welsh Assembly Government guidance.

3. Capacity to handle risk

The Risk Management Strategy sets out the responsibility and role of the Chief Executive, Executive Officers and Non-Officers in relation to Risk Management. A fundamental tenant of the Strategy is that all managers and staff must accept that the management of risks in their services and departments is one of their key operational and day to day responsibilities. The Director of Finance is the Board lead for the implementation of the Assurance Framework. The Medical Director has specific responsibility for the management of clinical risk and the development of clinical governance.

The LHB utilises its risk management system to identify and evaluate the principle risks that could potentially threaten the achievement of the organisations primary objectives.

The identification and continuous review of potential risks that threaten the achievement of the organisation's primary objectives is a standing agenda item for the Board, the Executive Management Team and all key sub groups/committees. Controls in place are designed to mitigate risk and to provide assurance that the systems in place are working effectively. The LHB has developed its approach to risk management to encompass the ethos of the Assurance Framework and whilst further refinement is required, this has been an important development to the way the LHB manages risk.

Further work has been undertaken during 2007-08 to develop the risk management system to encompass all known risks of the organisation and support the risk aware culture that is being promoted at the LHB. This has enabled risk management decision making to take place as near as is practicable to the risk source and for those that cannot be dealt with at that level to be passed upwards to the next appropriate level.

During the year, the LHB has integrated the Audit, Clinical Governance and Risk management Committees. This has been an important development in both further enhancing the risk management system and in providing assurance to the Board regarding the effectiveness of key controls.

The Audit and Integrated Governance Committee have met regularly every 2 months throughout the year. Membership of the committee has established at 6 members, all of whom are non officer Board members. In undertaking its work, the Committee gives due attention to Corporate, Financial and Clinical matters within the context of risks that pose a threat to achievement of organisational objectives.

Risk Management is included in the core induction folder. All staff are encouraged to identify any training requirements in respect of risk management, risk identification and evaluation through the LHB's appraisal system. Training requirements are then formalised within the individual staff member's personal development plan. Key staff have received training on risk management.

4. The risk and control framework

The risk management framework is set out in the Risk Management Strategy. The key elements of the strategy include:

- the LHB's policy on risk management with a clear commitment to having a robust and effective system of risk management that demonstrates how seriously the LHB takes
- the business of risk management;
- mission Statement that identifies that risk management is everyone's business and can only be delivered through involvement of all staff, who will be fully supported by the organisation;
- objectives of risk management;
- designated responsibilities;
- risk management processes, that includes the identification, evaluation, analysis, risk control review and follow up;
- the LHB's risk tolerance approach
- organisation chart and accountability arrangements; and
- Healthcare Standards

An Assurance Framework has been adopted by the Board, which covers the following:

- principal objectives of the LHB;
- identification of the risks to achievement of objectives and targets;
- identification and examination of the systems of internal control in place to manage the risks;
- identification and examination of the review and assurance mechanisms that relate to the effectiveness of the system of internal control.

Work has continued in an effort to make further increase the effectiveness of the overall Assurance Framework and good progress has been made. As key component of the assessment of how effective the LHB's systems and controls are is performance against the Healthcare Standards, which encompassed the previous mechanism of Welsh Risk Management Standards. There are 32 standards across 4 domains and performance is measured by means of a self assessment against each standard, which are then validated by Health Inspectorate Wales. The self assessed scores for 2007-08 are:

<u>Standard</u>	<u>Score</u>
Healthcare standard 1	3
Healthcare standard 2	4
Healthcare standard 3	4
Healthcare standard 4	3
Healthcare standard 5	3
Healthcare standard 6	3
Healthcare standard 7	3
Healthcare standard 8	3
Healthcare standard 9	3
Healthcare standard 10	3
Healthcare standard 11	3
Healthcare standard 12	3
Healthcare standard 13	3
Healthcare standard 14*	3
Healthcare standard 15	3
Healthcare standard 16*	3
Healthcare standard 17	3
Healthcare standard 18	4
Healthcare standard 19	3
Healthcare standard 20	3
Healthcare standard 21	4
Healthcare standard 22	3
Healthcare standard 23	3
Healthcare standard 24	4

<u>Standard</u>	<u>Score</u>
Healthcare standard 25	3
Healthcare standard 26	3
Healthcare standard 27*	3
Healthcare standard 28*	4
Healthcare standard 29	3
Healthcare standard 30	3
Healthcare standard 31	n/a
Healthcare standard 32	3

* denotes standards that underpin the management of risk across all Standards

Each standard has a designated Executive Director level who is responsible for validating the self assessment made by individual standard leads prior to the formal submission. The CEO retains overall responsibility for ensuring the completeness and robustness of the self assessment process. The final submission will be approved by the Board.

5. Review of effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive officers within the organisation who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee and a plan to address any weaknesses and ensure continuous improvement of the system is in place.

In maintaining and reviewing the effectiveness of internal control the following have played key roles:

- The Board's role is to provide active leadership of the LHB within a framework of prudent and effective controls that enable risk to be assessed and managed;
- The Audit and Integrated Governance Committee is a key mechanism by which I am able to assess the effectiveness and assure the Board of clinical and risk management generally;
- Internal Audit provides regular reports to the Audit and Integrated Governance Committee and full reports to the Executive management Team. Audit and Integrated Governance Committee also receives details of actions that remain outstanding following any recommendations made in any Internal Audit report. The Director of Finance also meets with the Audit Manager; and
- Other explicit review/assurance mechanisms include the Healthcare Standards self assessment process, which is then subjected to independent validation;
- Any significant internal control issues would be reported to the Board via the Audit and Integrated Governance Committee.

There have been no significant internal control issues identified during 2007-08.

Signed:.....

Date:

Chief Executive
(on behalf of board)

**STATEMENT OF THE CHIEF EXECUTIVE'S RESPONSIBILITIES
AS ACCOUNTABLE OFFICER OF THE LOCAL HEALTH BOARD**

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

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

Date: 2008 Chief Executive

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF
THE ACCOUNTS**

The directors are required under the National Health Service Act 1977 to prepare accounts for each financial year. The National Assembly, with the approval of the Treasury, directs that these accounts give a true and fair view of the state of affairs of the LHB and of the income and expenditure of the LHB for that period. In preparing those accounts, the directors are required to:

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

The directors confirm that they have complied with the above requirements in preparing the accounts.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the authority and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction by the Assembly.

By Order of the Board

Signed:

Chairman: Dated: 2008

Chief Executive: Dated: 2008

Director of Finance: Dated: 2008

AUDITORS' REPORT

The Certificate and Report of the Auditor General for Wales to the National Assembly for Wales

I certify that I have audited the financial statements of Anglesey Local Health Board for the year ended 31 March 2008 under Section 61 of the Public Audit (Wales) Act 2004. These comprise the Operating Cost Statement, the Balance Sheet, the Cash Flow Statement and Statement of Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the remuneration report that is required to be audited.

Respective responsibilities of Directors, the Chief Executive and the Auditor

The Directors and the Chief Executive are responsible for preparing the annual report, the remuneration report and the financial statements in accordance with paragraph 3 of schedule 9 to the National Health Service (Wales) Act 2006 and Welsh Ministers' directions made there under and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statements of Directors' and Chief Executive's Responsibilities.

My responsibility is to audit the financial statements and the part of the remuneration report to be audited in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

I report my opinion to you as to whether the financial statements give a true and fair view and whether the financial statements and the part of the remuneration report to be audited have been properly prepared in accordance with paragraph 3 of schedule 9 of the National Health Service (Wales) Act 2006 and Welsh Ministers' directions made there under. I also report whether in all material respects the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conform to the authorities which govern them.

In addition I report to you if in my opinion, Anglesey Local Health Board has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by HM Treasury or Welsh Ministers regarding remuneration and other transactions is not disclosed.

I review whether the Statement on Internal Control reflects Anglesey Local Health Board's compliance with HM Treasury's and Welsh Ministers' guidance and report if it does not. I am not required to consider whether this Statement covers all risks and controls, or to form an opinion on the effectiveness of Anglesey Local Health Board's corporate governance procedures or its risk and control procedures.

I have been unable to read other information contained in the Annual Report because it was not available at the time of my audit.

Basis of audit opinions

I conducted my audit in accordance with the Public Audit Wales Act 2004 and International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements and that part of the remuneration report to be audited. It also includes an assessment of the significant estimates and judgements made by the Directors and the Chief Executive in the

preparation of the financial statements, and of whether the accounting policies are most appropriate to Anglesey Local Health Board's circumstances, and are consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error and that in all material respects, the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conform to the authorities which govern them. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements and that part of the remuneration report to be audited.

Opinion

In my opinion:

- the financial statements give a true and fair view in accordance with the National Health Service (Wales) Act 2006 and directions made thereunder by Welsh Ministers of the state of affairs of Anglesey Local Health Board as at 31 March 2008 and of its net operating costs, recognised gains and losses and cash flows for the year then ended; and
- the financial statements and that part of the remuneration report to be audited have been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers.

Opinion on Regularity

In my opinion in all material respects, the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conform to the authorities which govern them.

Report

I have no observations to make on these financial statements.

My conclusion on Anglesey Local Health Board's arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2008 will be reported separately in the published Annual Audit Letter.

Jeremy Colman
Auditor General for Wales
27 June 2008

Wales Audit Office
24 Cathedral Road
Cardiff
CF11 9LJ

ACCOUNT OF - 2007-2008

THE NATIONAL HEALTH SERVICE IN WALES ACCOUNTS DIRECTION GIVEN BY THE NATIONAL ASSEMBLY FOR WALES IN ACCORDANCE WITH SECTION 98(2) OF THE NATIONAL HEALTH SERVICE ACT 1977 AND WITH THE APPROVAL OF TREASURY

LOCAL HEALTH BOARDS

1. The National Assembly for Wales (NAW) directs that an account shall be prepared for the financial year ended 31 March 2008 and subsequent financial years in respect of the Local Health Boards (LHB). The basis of preparation and the form and content shall be as set out in the following paragraphs and Schedules.

BASIS OF PREPARATION

2. The account of the LHB shall comply with:

- (a) generally accepted accounting practice in the United Kingdom (UK GAAP);
- (b) the accounting and disclosure requirements of the Companies Act;
- (c) all relevant accounting standards issued or adopted by the Accounting Standards Board, in so far as they are appropriate to the NHS and are in force for the financial year for which the accounts are to be prepared;
- (d) accounting guidance approved by the FRAB and contained in the Financial Reporting Manual (FReM), as detailed in the LHB Manual for Accounts, but specifically excluding schedules 1 and 5;
- (e) the historical cost convention modified by the inclusion of fixed assets at their value to the business by reference to current costs; and stocks at the lower of net current replacement cost (or historical cost if this is not materially different) and net realisable value.

FORM AND CONTENT

3. The account of the LHB for the year ended 31 March 2008 and subsequent years shall comprise an operating cost statement, a balance sheet, a cash flow statement and a statement of recognised gains and losses as long as these statements are required by FRAB, including such notes as are necessary to ensure a proper understanding of the accounts.

4. For the financial year ended 31 March 2008 and subsequent years, the account of the LHB shall give a true and fair view of the state of affairs as at the end of the financial year and the operating costs, recognised gains and losses and cashflows during the year.

5. The balance sheet shall be signed by the chief executive and the director of finance of the LHB and dated.

MISCELLANEOUS

6. The direction shall be reproduced as an appendix to the published accounts.
7. The notes to the accounts shall, inter alia, include details of the accounting policies adopted.
8. Notes providing further explanations of figures in the accounts shall be made where it is considered appropriate for a proper understanding of the accounts.

Signed by the authority of Welsh Ministers

Signed :

Dated :

ACCOUNT OF - 2007-2008

SCHEDULE 1

APPLICATION OF THE ACCOUNTING AND DISCLOSURE REQUIREMENTS OF THE COMPANIES ACT AND ACCOUNTING STANDARDS

Companies Act

1. The disclosure exemptions permitted by the Companies Act shall not apply to the NHS unless specifically approved by the Treasury.
2. The Companies Act requires certain information to be disclosed in the Director's Report. To the extent that it is appropriate, the information relating to NHS bodies shall be contained in the foreword.
3. The operating cost statement, balance sheet and cashflow statement shall have regard to the format prescribed in the Financial Reporting Manual.
5. NHS bodies are not required to provide the historical cost information described in paragraph (33) of Schedule 4 to the Companies Act.

Accounting Standards

6. NHS bodies are not required to include a note showing historical cost profits and losses as described in FRS 3.

SCHEDULE 2

ADDITIONAL REQUIREMENTS

1. The foreword shall include a statement that the account has been prepared to comply with a Direction given by the National Assembly for Wales in accordance with section 98(2) of the NHS Act 1977.
2. The foreword shall also contain a description of the statutory background and main functions of the LHB together with a fair review of their operational and financial activities and a summary of their performance against targets.

ANALYSIS OF EXPENDITURE BY TYPE**(A) Revenue - Salaries and Wages****£000**

Executive Board Members and Senior Managers	598
Medical (including locums)	2
Medical Locums	0
Dental (including locums)	0
Dental Locums	0
Nursing, Midwifery and Health Visiting	0
Professions Allied to Medicine (excl. speech therapy)	0
Professional & Scientific Staff (excl. PAMs)	0
Professional and Technical - PTB	0
Opticians	0
Pharmacists	0
Administrative and Clerical	175
Ancillary Staff	0
Maintenance Staff	0
Ambulance Staff	0
Health Care Assistants	0
	<hr/>
TOTAL NHS STAFF SALARIES AND WAGES	775
	<hr/>
Non NHS Staff (agency etc)	0
Chairman's and Non Officer Members' Remuneration	92
	<hr/>
TOTAL SALARIES AND WAGES	867
	<hr/>

NOTE: Consultant Distinction Awards - amount included in Medical & Dental consultants, is for NHS staff £ 0 and for honorary contract holders £ 0 . The line for Administrative and clerical includes £ 0 for pay supplements representing 0.0 % of that total.

ANALYSIS OF EXPENDITURE BY TYPE**(B) Revenue - Non-pay expenditure****£000**

Supplies and Services - clinical	0
Supplies and Services - general	7
Establishment Expenses	100
Transport and Movable Plant	2
Premises and Fixed Plant	97
Capital	5
Purchase of Health Care from Non-NHS Bodies -	6,285
External Contract Staffing and Consultancy Service	0
Miscellaneous Expenditure	742

TOTAL NON-PAY EXPENDITURE**7,238**

TOTAL Salaries and Wages	867
TOTAL Non-pay Revenue Expenditure	7,238
NHS Services (not recharges)	0

NET REVENUE EXPENDITURE**8,105****(C) - CAPITAL - SALARIES AND WAGES****£000**

Professional and Technical - PTB	0
Administrative and Clerical	0
Maintenance Staff	0
Non-NHS Staff (agency etc)	0
Professional Design Consultant Fees	0

TOTAL SALARIES AND WAGES**0**

Administrative and clerical includes £ 0 for pay supplements
representing 0.0 % of that total.

GENERAL MEDICAL SERVICES - NEW GMS CONTRACT**£000**

Global Sum	3,597
MPIG Correction Factor	1,053
TOTAL GLOBAL SUM & MPIG	<u>4,650</u>
Quality Aspiration Payments	824
Quality Achievement Payments	570
TOTAL QUALITY	<u>1,394</u>
Direct Enhanced Services	441
National Enhanced Services	172
Local Enhanced Services	395
TOTAL ENHANCED SERVICES	<u>1,008</u>
LHB Administered	879
Premises	490
IM & T	123
Out of Hours	607
Cost of Drugs and Appliances After Discounts and Plus Container Allowances	
Dispensing Doctors	2,402
Prescribing Medical Practitioners - Personal Administration	107
Professional Fees	
Dispensing Doctors	717
Prescribing Medical Practitioners - Personal Administration	58
Dispensing Doctors Prescribing Incentive schemes	0
TOTAL DISPENSING	<u>3,284</u>
TOTAL NEW GMS CONTRACT	<u>12,435</u>
Residuals: Cash Limited	0
Residuals: Non Cash Limited	0
TOTAL RESIDUALS	<u>0</u>
TOTAL	<u>12,435</u>

GENERAL MEDICAL SERVICES - NEW GMS CONTRACT**£000****Directed Enhanced Services**

Improved Access Scheme	114
Learning Disabilities	9
Childhood Immunisation Scheme (Target payments)	114
Childhood Imm (Boosters- 5 yrs, Pneumococcal Catch-up & Campaign)	3
Mental Health	9
Influenza & Pneumococcal Immunisations Scheme	108
Additional Access	0
Services for Violent Patients	4
Information Management and Technology	0
Minor Surgery Fees	80

TOTAL DIRECTED ENHANCED SERVICES**441****National Enhanced Services**

INR Monitoring	98
Shared Care Drug Monitoring (near patient testing)	54
Drug Misuse	1
IUCD	19
Alcohol Misuse	0
Depression	0
MS	0
Sexual Health	0
Minor Injury Services	0
First Response Services	0
Services to the Homeless	0
Intra Partum Care	0

TOTAL NATIONAL ENHANCED SERVICES**172****Analysis of Local Enhanced Services**

Asylum Seekers	0
Chiropody	0
Counselling	0
Depo - Provera	0
Dermatology	44
Drugs Misuse	0
Extended Minor Surgery	0
Methadone	0
Minor Injuries	23
MMR	0
Nursing Homes	0
Osteopathy	0
Phlebotomy	51
Physiotherapy	0
Quality Information Preparation Scheme (QUIPS)	0
Sexual Health Services	0
Substance Misuse	38
Suturing	1
Wound Care Management	0
Zoladex	4
Vaccines	187
HIB Catch Up	1
Others	46
.....	0
.....	0

TOTAL LOCAL ENHANCED SERVICES**395****TOTAL ENHANCED SERVICES****1,008****Memorandum item**

Enhanced Services included above but in dispute with LMC (TOTAL)	0
Enhanced Services included above but not yet formally agreed LMC	0

GENERAL MEDICAL SERVICES - NEW GMS CONTRACT**£000****LHB Administered**

Seniority	222
Doctors Retainer Scheme Payments	18
Locum Allowances: consists of adoptive, paternity & maternity	0
Locum Allowances: cover for sick leave	0
Locum Allowances: cover for suspended doctors	0
Prolonged Study Leave	0
Recruitment and Retention (including Golden Hello)	34
Appraisal - appraiser costs	0
Primary Care Development Scheme	0
Designated Area Allowance	0
Initial Practice Allowance	0
Assistant's Allowance	0
Associate Allowance	0
Supply of syringes and needles	24
Other (please detail below)	581

TOTAL LHB ADMINISTERED**879****Analysis of Other Payments**

GP Locums Employers Superannuation	17
Training	0
Stationery & Distribution	31
Additional Managed Practice costs (costs in excess of Global Sum/MPIG)	0
Managing Practice costs (LHB employed staff working in GP practices to improve GP services)	51
Primary Care Initiative	8
GMS Practice Staff	17
Other Locum Costs	18
GMS Support Staff	439
.....	0
.....	0
.....	0
.....	0
.....	0
.....	0

TOTAL OTHER PAYMENTS**581**

GENERAL MEDICAL SERVICES - NEW GMS CONTRACT**£000****Premises**

Notional Rents	184
Actual Rents: health centres	10
Actual Rents: others	31
Cost Rent	105
Clinical Waste	38
Borrowing Costs	0
Rates, water, sewerage etc	101
Health Centre Charges	0
Improvement Grants	0
N/Contract Premises Items	0
All Other Premises (please detail below)	21

TOTAL PREMISES**490****Analysis of Other Premises**

District Valuer Fees	21
.....	0
.....	0
.....	0
.....	0
.....	0
.....	0
.....	0
.....	0
.....	0
.....	0
.....	0
.....	0
.....	0
.....	0
.....	0

TOTAL OTHER PREMISES**21**

PHARMACEUTICAL SERVICES EXPENDITURE

	£000
New Pharmacy Contract	
Professional fees (pharmacists & appliance contractors)	1,098
Special fees and allowances	119
Essential Services	
Establishment payment	301
Practice payment	391
Protected professional allowance	15
Repeat dispensing setup	19
Repeat dispensing transition payment	0
ETP Allowance	0
Protected additional professional payment	0
Advanced Services	
Medicine Usage review (MUR)	5
Other advanced services	0
Enhanced Services	
Additional Hours Service (including Rotas)	33
Essential Small Pharmacy Service	14
Payments to Pharmacists Advice to Care Homes (nursing and residential)	0
Payments to Pharmacists for Patient Medical Records Set-ups Fees	0
Other Payments (Please detail below)	47
	<hr/>
Total Pharmacy Contract Expenditure	<u><u>2,042</u></u>
Analysis of Other Payments	
IM&T Connectivity costs	43
Pre-Registration Trainees	11
Other enhanced	(7)
	0
.....	0
.....	0
	<hr/>
Total Other Payments	<u><u>47</u></u>
Pharmacy - Non contractually funded expenditure	
Clinical Waste	0
LHB funded staff	0
Emergency Hormonal Contraception scheme	0
Needle Exchange	5
Supervised consumption Methadone	7
Smoking Cessation	3
	0
.....	0
.....	0
.....	0
	<hr/>
Total "Non Contractually funded items" expenditure	<u><u>15</u></u>
TOTAL PHARMACEUTICAL SERVICES EXPENDITURE	<u><u>2,057</u></u>
NON CASH LIMITED	
Appliance Contractor Costs	0
Difference Between Dispensing and Prescribing	(470)
Oxygen Cylinder service: Transitional payments	0
	<hr/>
TOTAL NON CASH LIMITED	<u><u>(470)</u></u>

DENTAL CONTRACT EXPENDITURE**£000**

Gross Contract Value	1,694
Emergency Dental Services (inc Out of Hours)	55
Business Rates	19
Employers Superannuation	104
Dental Access	0
Seniority	8
Clinical Audit & Peer Review costs	0
Vocational Training payments	118
Maternity/Paternity/Sickness etc.	4
Other (Please detail below)	505
TOTAL DENTAL SERVICES EXPENDITURE	2,507

Analysis of Other Payments

Improved Access	20
Patients charges refunds	1
Orthodontics-contracts with NHS Trusts	270
Community dental	100
IDH Recharges	41
Evolution of new Dental Contract	4
Admin Support	69
TOTAL OTHER PAYMENTS	505

Receipts

Patient Charges	505
Emergency Dental Treatment	8
TOTAL DENTAL SERVICES INCOME	513

GENERAL OPHTHALMIC SERVICES EXPENDITURE**£000**

Ophthalmic Medical Practitioner Sight Test Fees - Gross payments	0
Ophthalmic Medical Practitioner Domiciliary Visit Fees - Gross payments	0
Employers Superannuation Contributions (including Reg 79 optant payments)	0
Ophthalmic Optician Sight Test Fees	114
Ophthalmic Optician Domiciliary Visit Fees	8
Payment for HC 3 Holders Towards Cost of Private Sight Test and Domiciliary Visit Fees	0
Grants to Supervisors of Ophthalmic Opticians Trainees	0
Replacement and Repair of Children's and Handicapped Adults' Glasses	6
Cost of Vouchers for Supply of Spectacles	101
Superannuation	0
Continuing Education Allowance	0
Other Payments (Please detail below)	3

TOTAL OPHTHALMIC SERVICES EXPENDITURE**232****Analysis of Other Payments**

Welsh Eye Care Examination	0
Other payments	3
.....	0
.....	0
.....	0
.....	0
.....	0
.....	0

TOTAL OTHER PAYMENTS**3****INCOME:**

Incorrect Voucher Payments Recovered from Patients and Suppliers and Incorrect NHS Sight Test Fees Recovered from Patients	0
---	---

Analysis of Impairments

	Impairment £000	(Reversal) £000	Total £000
Intangible assets			
Loss or damage from normal operations	0	0	0
Loss as a result of catastrophe	0	0	0
Abandonment of assets in course of construction	0	0	0
Unforeseen obsolescence	0	0	0
Over specification of assets	0	0	0
Other	0	0	0
Changes in Market prices	0	0	0
Total	0	0	0
Tangible assets			
Loss or damage from normal operations	0	0	0
Loss as a result of catastrophe	0	0	0
Abandonment of assets in course of construction	0	0	0
Unforeseen obsolescence	0	0	0
Over specification of assets	0	0	0
Other	0	0	0
Changes in Market prices	0	0	0
Total	0	0	0
Investments			
Loss or damage from normal operations	0	0	0
Loss as a result of catastrophe	0	0	0
Abandonment of assets in course of construction	0	0	0
Unforeseen obsolescence	0	0	0
Over specification of assets	0	0	0
Other	0	0	0
Changes in Market prices	0	0	0
Total	0	0	0
Total			
Loss or damage from normal operations	0	0	0
Loss as a result of catastrophe	0	0	0
Abandonment of assets in course of construction	0	0	0
Unforeseen obsolescence	0	0	0
Over specification of assets	0	0	0
Other	0	0	0
Changes in Market prices	0	0	0
Total	0	0	0

LHB MEMORANDUM STATEMENT

	Creditors (Due to)		Debtors (Due from)	
	Total	Over	Total	Over
	12 months £000	12 months £000	12 months £000	12 months £000
Balances with the National Assembly, Local Health Boards and NHS trusts:				
Summary Sheet:				
National Assembly for Wales	5	0	0	0
Health Commission Wales	0	0	0	0
Local Health Boards	12	0	74	0
Welsh NHS trusts	69	0	23	0
All English NHS bodies	168	0	0	0
All N. Ireland NHS bodies	0	0	0	0
All Scottish NHS bodies	0	0	0	0
Miscellaneous	0	0	0	0
Credit note provision	0	0	0	0
	<hr/>	<hr/>	<hr/>	<hr/>
Sub Total	254	0	97	0
Other Central Government Bodies				
Other Government Departments *	87	0	0	0
HM Revenue & Customs	35	0	5	0
Local Authorities	206	0	68	0
Balances with Public Corporations and Trading Funds	0	0	0	0
Balances with bodies external to Government	0	0	0	0
	<hr/>	<hr/>	<hr/>	<hr/>
	582	0	170	0
	<hr/>	<hr/>	<hr/>	<hr/>

*** Other Government Departments**

Please specify :

NHS Pensions Agency	21,323
WAO	66,115

LHB MEMORANDUM STATEMENT

	Creditors (Due to)		Debtors (Due from)	
	Total	Over 12 months	Total	Over 12 months
	£000	£000	£000	£000
Balances with Local Health Boards, National Assembly and Health Commission Wales :				
Local Health Boards :				
Anglesey	0	0	0	0
Blaenau Gwent	0	0	0	0
Bridgend	0	0	0	0
Caerphilly	0	0	0	0
Cardiff	0	0	0	0
Carmarthen	0	0	0	0
Ceredigion	0	0	0	0
Conwy	1	0	2	0
Denbighshire	0	0	6	0
Flintshire	5	0	0	0
Gwynedd	4	0	66	0
Merthyr Tydfil	0	0	0	0
Monmouthshire	0	0	0	0
Neath Port Talbot	0	0	0	0
Newport	0	0	0	0
Pembrokeshire	0	0	0	0
Powys	2	0	0	0
Rhondda Cynon Taff	0	0	0	0
Swansea	0	0	0	0
Torfaen	0	0	0	0
Vale of Glamorgan	0	0	0	0
Wrexham	0	0	0	0
	<hr/>	<hr/>	<hr/>	<hr/>
Sub Total	12	0	74	0
National Assembly	5	0	0	0
Health Commission Wales	0	0	0	0
	<hr/>	<hr/>	<hr/>	<hr/>
	17	0	74	0

LHB MEMORANDUM STATEMENT

	Creditors (Due to)		Debtors (Due from)	
	Total	Over 12 months	Total	Over 12 months
	£000	£000	£000	£000
Balances with NHS trusts:				
Welsh NHS Trusts				
Bro Morgannwg	0	0	10	0
Cardiff & Vale	14	0	0	0
Carmarthenshire	0	0	0	0
Ceredigion and Mid Wales	0	0	0	0
Conwy & Denbighshire	5	0	11	0
Gwent Healthcare	0	0	0	0
North East Wales	3	0	1	0
North Glamorgan	0	0	0	0
North West Wales	44	0	0	0
Pembrokeshire & Derwen	0	0	0	0
Pontypridd & Rhondda	0	0	0	0
Swansea	0	0	0	0
Velindre	0	0	2	0
Welsh Ambulance Services	3	0	0	0
Welsh Risk Pool (claims submitted but not yet paid by WRP)	0	0	0	0
Welsh Risk Pool (expenses incurred but not yet claimed from WRP)	0	0	0	0
Other	0	0	0	0
Adjustment for roundings	0	0	(1)	0
TOTAL	69	0	23	0

LHB MEMORANDUM STATEMENT

	Expenditure (Due from) Total	Income (Due from) Total
	£000	£000
Balances with Local Health Boards, National Assembly and Health Commission Wales :		
Local Health Boards :		
Anglesey	0	0
Blaenau Gwent	0	0
Bridgend	0	0
Caerphilly	0	0
Cardiff	0	0
Carmarthen	0	0
Ceredigion	0	0
Conwy	8	2
Denbighshire	116	6
Flintshire	10	0
Gwynedd	185	189
Merthyr Tydfil	0	0
Monmouthshire	0	0
Neath Port Talbot	0	0
Newport	0	0
Pembrokeshire	0	0
Powys	291	0
Rhondda Cynon Taff	0	0
Swansea	0	0
Torfaen	0	0
Vale of Glamorgan	0	0
Wrexham	7	0
	<hr/>	<hr/>
Sub Total	617	197
National Assembly	0	27
Health Commission Wales	0	0
	<hr/>	<hr/>
	617	224
	<hr/>	<hr/>

LHB MEMORANDUM STATEMENT

	Expenditure (Due from) Total	Income (Due from) Total
	£000	£000
Balances with NHS trusts:		
Welsh NHS Trusts		
Bro Morgannwg	1	56
Cardiff & Vale	37	0
Carmarthenshire	6	0
Ceredigion and Mid Wales	7	0
Conwy & Denbighshire	2,482	5
Gwent Healthcare	0	0
North East Wales	1,177	1
North Glamorgan	0	0
North West Wales	52,474	0
Pembrokeshire & Derwen	0	1
Pontypridd & Rhondda	0	0
Swansea	0	0
Velindre	429	6
Welsh Ambulance Services		0
Welsh Risk Pool (claims submitted but not yet paid by WRP)	0	0
Welsh Risk Pool (expenses incurred but not yet claimed from WRP)	0	0
Other	0	0
Adjustment for roundings	(1)	1
TOTAL	56,612	70

LOSSES AND SPECIAL PAYMENTS FINANCIAL RETURN FR4

Part 1a:

Analysis of losses and special payments where approval for case write off has been received in financial year (including cash and non-cash write offs).

Cash written off may include amounts paid in previous years.

		Number of cases	Amount of loss or payment
		Number	£
LOSSES:			
1	Losses of cash due to:		
1a	Theft, Fraud, etc.	0	0
1b	Overpayment of salaries, wages, fees, allowances	2	-1,931
1c	Other causes	0	0
2	Fruitless payments	1	200
3	Bad debts and claims abandoned:		
3a	Private Patients	0	0
3b	Overseas visitors	0	0
3c	Other	150	1,200
4	Damage to buildings, property etc:		
4a	Theft, Fraud, etc.	0	0
4b	Other	0	0
SPECIAL PAYMENTS:			
5	Compensation under legal obligation		
5(a)	Directed by the Courts	0	0
5(b)	Directed by the NHS Pension Agency	0	0
5(c)	Other compensation payments made under legal obligation	0	0
6	Extra contractual to contractors	0	0
7	Ex gratia payments:		
7a	Loss of personal effects	0	0
7b	Clinical negligence with advice	0	0
7c	Personal injury with advice	0	0
7d	Other clinical negligence and personal injury	0	0
7e	Other	0	0
7f	Maladministration, no financial loss by claimant	0	0
7g	Patient referrals outside UK & EEA guidelines	0	0
8	Extra statutory and regulatory	0	0
TOTAL LOSSES AND SPECIAL PAYMENTS		153	-531
Of which, cases of £250,000 or more:			
1a/4a	Fraud Cases	0	0
2	Fruitless payments	0	0
4	Damage to buildings, property, etc.	0	0
5(a)	Directed by the Courts	0	0
5(b)	Directed by NHS Pension Agency	0	0
5(c)	Other compensation payments made under legal obligation	0	0
7b	Clinical negligence with advice	0	0
7c	Personal injury with advice	0	0
	All other cases	0	0

LOSSES AND SPECIAL PAYMENTS FINANCIAL RETURN**FR4****PART 1b:**

Analysis of losses and special payments in respect of Family Practitioner Services/Contractors where approval for case write off has been received in financial year (including cash and non-cash write offs).

Cash written off may include amounts paid in previous financial years.

		Number of cases	Amount of loss or payment
		Number	£
LOSSES:			
9	Losses due to overpayment of fees, salary, allowances :		
9(a)i	Fraud	0	0
9(a)ii	Other	0	0
9b	Unvouched/incompletely vouched payments	0	0
10	Claims Abandoned	0	0
SPECIAL PAYMENTS:			
11	Ex Gratia Payments	0	0
12	Extra statutory & extra regulatory payments:		
12a	To chemist contractors for forged /false prescription forms	0	0
12b	Excusal of statutory charges for replacement dentures	0	0
12c	Other	0	0
TOTAL LOSSES AND SPECIAL PAYMENTS		0	0
Of which, cases of £250,000 or more:			
9	Losses due to overpayment of fees, salary, allowances	0	0
10	Claims Abandoned	0	0
11	Ex Gratia Payments	0	0
12	Extra statutory & extra regulatory payments	0	0

LOSSES AND SPECIAL PAYMENTS FINANCIAL RETURN

FR4

CASES WITHIN HEALTH BODY'S DELEGATED LIMITS

PART 2a:

Analysis of losses and special payments cases managed within health body's delegated limit where approval for case write-off was necessary and has been obtained in the financial year.

Case Reference	Type of loss or payment (items 1(a) to 12(c))	Date of Approval to Write-off Case	Total Amount Approved £	Case Status
	2 Fruitless payment	08 Oct 2007	200	
	1b Overpayment of salaries, wages, fees and allowances	01 Apr 2007	-966	
	1b Overpayment of salaries, wages, fees and allowances	01 Apr 2007	-966	

TOTAL CASES

-1,732

PART 2b:

Analysis of losses and special payments cases managed within health body's delegated limit where approval for case write-off is necessary and is either awaited or has been obtained in the financial year.

Case Reference	Type of loss or payment (items 1(a) to 12(c))	Date of Claim	Actual/ Estimated Case Settlement Date	Amount Paid out in Financial Year £	Amount paid to date £	Case Status
	2 Fruitless payment	08 Oct 2007		0	200	
	1b Overpayment of salaries, wages, fees and allowances	01 Apr 2007		0	-966	
	1b Overpayment of salaries, wages, fees and allowances	01 Apr 2007		0	-966	

TOTAL CASES

0 **-1,732**

LOSSES AND SPECIAL PAYMENTS FINANCIAL RETURN FR4

CASES EXCEEDING HEALTH BODY'S DELEGATED LIMITS

PART 3a :

Analysis of losses and special payments cases managed outside health body's delegated limit for which Welsh Assembly Government approval for case write-off was necessary and has been obtained in the financial year.

Case Reference	Type of loss or payment (items 1(a) to 12(c))	Date of Approval to Offer Settlement	Limit of the Amount of Settlement to be Offered £	Date of Approval to Write-off Case	Total Amount Case Approved Status £
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TOTAL APPROVED CASES


PART 3b:

Analysis of losses and special payments cases managed outside health body's delegated limit for which Welsh Assembly Government approval for case write-off is necessary and is either awaited or has been obtained in the financial year.

Case Reference	Type of loss or payment (items 1(a) to 12(c))	Date of Claim	Actual/ Estimated Case Settlement Date	Amount Paid out in Financial Year £	Amount Case paid to Status date £
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TOTAL UNAPPROVED


LOSSES AND SPECIAL PAYMENTS FINANCIAL RETURN FR5

c: Analysis of all other losses and special payments provisio	Number of cases	Excess met by Health Body	Settlement from Risk Pool	Total
(i). All other loss or special payment provisions	Number	£	£	£
At 1st April 2006				0
Structured settlement cases transferred to the Welsh Risk Pool				0
Transfer of provisions to creditors				0
Arising during the year				2,324
Utilised during the year				-2,324
Reversed unused				0
Unwinding of discount				0
At 31st March 2007				0
(ii) All other defence costs provisions				
At 1st April 2006				0
Structured settlement cases transferred to the Welsh Risk Pool				0
Transfer of provisions to creditors				0
Arising during the year				0
Utilised during the year				0
Reversed unused				0
Unwinding of discount				0
At 31st March 2007				0
(iii) Total all other losses and special payments provisions				
At 1st April 2006	52	0	0	0
Structured settlement cases transferred to the Welsh Risk Pool	0	0	0	0
Transfer of provisions to creditors	0	0	0	0
Arising during the year	178	2,324	0	2,324
Utilised during the year	(153)	-2,324	0	-2,324
Reversed unused	(b)	0	0	0
Unwinding of discount		0	0	0
At 31st March 2007	77	0	0	0
Expected timing of cash flows				
Within 1 year		0	0	0
Between 1 and 5 years		0	0	0
After 5 years		0	0	0

(a) Number of cases column only includes cases that were utilised and closed during the financial year

(b) Number of cases column only includes cases that were cancelled during the financial year

LOSSES AND SPECIAL PAYMENTS FINANCIAL RETURN FR5

d: Analysis of total provisions	Number of cases	Excess met by Health Body	Settlement from Risk Pool	Total
(i). Total loss or special payment provisions	Number	£	£	£
At 1st April 2006				0
Structured settlement cases transferred to the Welsh Risk Pool				0
Transfer of provisions to creditors				0
Arising during the year				2,324
Utilised during the year				-2,324
Reversed unused				0
Unwinding of discount				0
At 31st March 2007				0
(ii) Total defence costs provisions				
At 1st April 2006				0
Structured settlement cases transferred to the Welsh Risk Pool				0
Transfer of provisions to creditors				0
Arising during the year				0
Utilised during the year				0
Reversed unused				0
Unwinding of discount				0
At 31st March 2007				0
(iii) Total losses and special payments provisions				
At 1st April 2006	52	0	0	0
Structured settlement cases transferred to the Welsh Risk Pool	0	0	0	0
Transfer of provisions to creditors	0	0	0	0
Arising during the year	178	2,324	0	2,324
Utilised during the year	(153)	-2,324	0	-2,324
Reversed unused	(b)	0	0	0
Unwinding of discount		0	0	0
At 31st March 2007	77	0	0	0
Expected timing of cash flows				
Within 1 year		0	0	0
Between 1 and 5 years		0	0	0
After 5 years		0	0	0

(a) Number of cases column only includes cases that were utilised and closed during the financial year

(b) Number of cases column only includes cases that were cancelled during the financial year