

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 16. 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 2009

	Note	Total £000	2007-08 Total £000
Expenditure	4.1,4.2,4.3, 4.4	98,636	93,759
Miscellaneous income	3.1	852	663
Net operating costs		97,784	93,096

STATEMENT OF RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 MARCH 2009

	£000	£000
Unrealised surplus on revaluation / indexations of fixed assets	1	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	1	0

BALANCE SHEET AS AT 31 MARCH 2009

	Note	£000	31 March 2008 £000
TOTAL FIXED ASSETS			
Intangible fixed assets	5.1	0	0
Tangible fixed assets	5.2	7	11
CURRENT ASSETS			
Debtors	6.1	621	306
Cash at bank and in hand		49	819
Total Current Assets		670	1,125
Creditors: amounts falling due within one year	6.2	6,483	5,119
Net current assets / (liabilities)		(5,813)	(3,994)
Creditors: amounts falling due after more than one year	6.3	0	0
Provisions for liabilities and charges	6.4	119	191
TOTAL NET ASSETS		(5,925)	(4,174)
FINANCED BY:			
General fund	6.5	(5,926)	(4,174)
Donated Assets Reserve	6.6	0	0
Revaluation Reserve	6.7	1	0
TOTAL		(5,925)	(4,174)

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 2009

	£000	2007-08 £000
Net operating costs	(97,784)	(93,096)
Adjust for non-cash transactions	(186)	(57)
Adjust for movements in working capital other than cash	1,049	9
Utilisation of provisions	(72)	(23)
	<hr/>	<hr/>
Net cash outflow from operating activities	(96,993)	(93,167)
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	(96,993)	(93,167)
FINANCING:		
Net Assembly funding (including capital)	96,223	93,799
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	96,223	93,799
	<hr/>	<hr/>
Increase / (decrease) in cash	(770)	632

Notes to the cash flow statement

Adjust for non-cash transactions

	£000	2007-08 £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	0	113
Capital charge interest	(191)	(175)
	<u>(186)</u>	<u>(57)</u>

Adjust for movements in working capital other than cash

	£000	2007-08 £000
(Increase)/decrease in debtors	(315)	(33)
Increase/(decrease) in creditors	1,364	42
	<u>1,049</u>	<u>9</u>

Reconciliation of net cash flow to movement in net debt

	£000
Increase/(decrease) in cash in the period	(770)
Cash outflow from debt repaid and finance lease capital payments	<u>0</u>
Change in net debt resulting from cash flows	(770)
Non cash changes in debt	0
Net debt at 1 April 2008	<u>819</u>
Net debt at 31 March 2009	<u>49</u>

Analysis of changes in net debt

	As at 1 April 2008	Cash flows	Other changes	As at 31 March 2009
	£000	£000	£000	£000
Cash at bank and in hand	819	(770)	0	49
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>819</u>	<u>(770)</u>	<u>0</u>	<u>49</u>
Total	<u>819</u>	<u>(770)</u>	<u>0</u>	<u>49</u>

Amount held in Office of Paymaster General bank accounts as at 31 March 2009 was £49,246.46.

Analysis of capital expenditure, financial investments and associated receipts

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

Reconciliation of loan issues and repayments to cash movements

	Issues £'000	2008-09	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	2008-09	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 (FRoM) issued by HM Treasury to the extent that the Welsh Assembly Government 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 Welsh Assembly Government 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 Welsh Assembly Government 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 Welsh Assembly Government 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 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, except capitalised Research and Development which is carried at historic cost. 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 is 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

Operational equipment is carried at current value. Where assets are of low value, and/or have short useful economic lives, these are carried at depreciated historic cost as a proxy for current value. 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. Details of the benefits payable under these provisions can be found on the NHS Pensions website at www.pensions.nhsbsa.nhs.uk. The Scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. 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 if it were a defined contribution scheme; the cost to the NHS Body of participating in the Scheme is taken as equal to the contributions payable to the Scheme for the accounting period.

The Scheme is subject to a full actuarial valuation every four years (until 2004, based on a five year valuation cycle), and a FRS17 accounting valuation every year. An outline of these follows:

a) Full actuarial (funding) valuation

The purpose of this valuation 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 valuation, which determined current contribution rates was undertaken as at 31 March 2004 and covered the period from 1 April 1999 to that date.

The conclusion from the 2004 valuation was that the Scheme had accumulated a notional deficit of £3.3 billion against the notional assets as at 31 March 2004. However, after taking into account the changes in the benefit and contribution structure effective from 1 April 2008, the Scheme actuary reported that employer contributions could continue at the existing rate of 14% of pensionable pay.

On advice from the Scheme Actuary, scheme contributions may be varied from time to time to reflect changes in the schemes liabilities. Up to 31 March 2008, the vast majority of employees paid contributions at the rate of 6% of pensionable pay. From 1 April 2008, employees contributions are on a tiered scale from 5% up to 8.5% of their pensionable pay depending on total earnings.

b) FRS17 Accounting Valuation

In accordance with FRS17, a valuation of the Scheme liability is carried out annually by the Scheme Actuary as at the balance sheet date by updating the results of the full actuarial valuation.

Between the full actuarial valuations at a two-year midpoint, a full and detailed member data-set is provided to the Scheme Actuary. At this point the assumptions regarding the composition of the Scheme membership are updated to allow the Scheme liability to be valued.

The valuation of the Scheme liability as at 31 March 2008, is based on detailed membership data as at 31 March 2006 (the latest midpoint) updated to 31 March 2008 with summary global member and accounting data.

The latest assessment of the liabilities of the Scheme is contained in the Scheme Actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Resource Account, published annually. These accounts can be viewed on the NHS Pensions website. Copies can be obtained from The Stationery Office.

Scheme provisions as at 31 March 2008

The Scheme is a "final salary" scheme. Annual pensions are normally based on 1/80th of the best of the last 3 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 member's pension is normally payable to the surviving spouse.

Early payment 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 final year's pensionable pay for death in service, and 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.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the income and expenditure account 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 (AVCs) 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.

Scheme provisions from 1 April 2008

From 1 April 2008 changes have been made to the NHS Pension Scheme contribution rates and benefits. Further details of these changes can be found on the NHS Pensions website www.pensions.nhsbsa.nhs.uk.

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

Between valuations, the Government Actuary provides an update of the scheme liabilities on an annual basis. The latest assessment of the liabilities of the Scheme is contained in the Scheme Actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Resource Account, published annually. These accounts can be viewed on the NHS Pensions Agency website at www.nhspa.gov.uk. Copies can also be obtained from the Stationary Office.

The conclusion from the 1999 valuation was that the scheme continues to operate on a sound financial basis and the notional surplus of the scheme is £1.1 billion. It was recommended that employers' contributions are set at 14% of pensionable pay from 1 April 2003. On advice from the actuary the contribution may be varied from time to time to reflect changes in the scheme's liabilities. Employees pay contributions of 6% (manual staff 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 for those who die after retirement, is payable.

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 LHB can make contributions to enhance an employee's pension benefits. The benefits payable relate directly to the value of the investments made.

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.

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 2008-09 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 met 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 Financial Instruments

Financial Assets

Financial assets are recognised on the balance sheet when the LHB becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

Financial assets are initially recognised at fair value.

Financial assets are classified into the following categories: financial assets at fair value through profit and loss; held to maturity investments; available for sale financial assets, and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets at fair value through profit and loss

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the income statement. The net gain or loss incorporates any interest earned on the financial asset.

Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Available for sale financial assets

Available for sale financial assets are non-derivative assets that are designated as available for sale or that do not fall within any of the other three financial asset classifications. They are measured at fair value with changes in value taken to the revaluation reserve, with the exception of impairment losses. Accumulated gains or losses are recycled to the income statement on de-recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques [Specify. See IAS 39 AG 74 and following paragraphs]

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the net carrying amount of the financial asset. At the balance sheet date, the LHB assesses whether any financial assets, other than those held at fair value through profit and loss are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence or impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the income statement and the carrying amount of the asset is reduced directly, or through a provision for impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the income statement to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

[Omit any of the above that does not apply to the LHB]

Financial Liabilities

Financial liabilities are recognised on the balance sheet when the LHB becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

Financial liabilities are initially recognised at fair value.

Financial liabilities are classified as either financial liabilities at fair value through profit and loss or other financial liabilities.

Financial liabilities at fair value through profit and loss:

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through profit and loss. They are held at value, with any resultant gain or loss recognised in the income statement. The net gain or loss incorporates any interest earned on the financial asset.

Other financial liabilities:

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

[Omit any of the above that does not apply to the LHB.]

2.1 Achievement of Operational Financial Balance

	£000	2007-08 £000
Net operating costs for the financial year	97,784	93,096
Non-discretionary expenditure	354	(238)
Operating costs less non-discretionary expenditure	97,430	93,334
Revenue Resource Limit	97,433	93,361
Under / (over) spend against Revenue Resource Limit	3	27
Unplanned resource brokerage received	0	0
Operational Financial Balance	3	27

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

	Resource Brokerage £	Cash Brokerage £
2007/08 brokerage returned to the LHB during 2008/09	535,000	900,000
2008/09 brokerage returned to WAG at the end of 2008/09	301,000	2,300,000

3.1 Miscellaneous income

	£000	2007-08 £000
Fees & Charges	0	0
Prescription charge income	0	0
Dental fee income	536	504
Income for trust impairments	0	0
Deferred Income released to revenue	0	0
Rental income from finance leases	0	0
Rental income from operating leases	0	0
Other	316	159
Total	852	663

Other

Analysis of "Other" Miscellaneous Income is as follows:-

	£000	2007-08 £000
.....PP10 drugs expenditure recovered from Trusts	90	70
.....Recovery of overpayments to independent contractors	9	37
.....Emergency intervention scheme income	39	38
.....Amounts reclaimed from WAG for ARMD expenditure	144	0
.....Other miscellaneous receipts	34	14
Total	316	159

Expenditure:**4.1 Primary health care**

	Cash limited	Non cash limited	Total	2007-08 Total
	£000	£000	£000	£000
General Medical services	12,777	0	12,777	12,435
Pharmaceutical services	2,560	111	2,671	1,587
General Dental services	2,623	0	2,623	2,507
General Ophthalmic services	0	243	243	232
Other Primary health care expenditure	1,150	0	1,150	884
Prescribed drugs and appliances	10,980	0	10,980	11,261
Total	30,090	354	30,444	28,906

4.2 Secondary and Community health care

	Total £000	2007-08 Total £000
NHS Trusts:		
Provider 1 - ...North West Wales.....	53,311	51,794
Provider 2 - ...North Wales Central.....	2,426	2,163
Provider 3 - ...North Wales East.....	1,184	1,133
Provider 4 - ...Robert Jones and Agnes Hunt Orthopaedic.....	1,155	627
Provider 5 - ...Southport and Ormskirk.....	313	294
Provider 6 - ...Royal Liverpool and Broadgreen.....	266	220
Provider 7 - ...South Manchester University Hospitals.....	119	154
Provider 8 - ...Liverpool Womens Hospital.....	108	111
Provider 9 - ...Aintree Hospitals.....	61	54
Provider 10 - ...Wrightington, Wigan and Leigh.....	37	36
Other Welsh NHS trusts	30	50
Other non Welsh NHS trusts	184	108
Local Authorities	0	0
Voluntary Organisations	130	128
NHS Funded Nursing Care	591	546
Continuing Care	6,170	5,421
Private providers	183	194
Specific projects funded by Welsh Assembly Government	0	0
Other	16	0
Total	66,284	63,033

The North Wales NHS Trust was established on 1st July 2008 with the merger of the former North East Wales Trust and Conwy and Denbighshire NHS Trust. The North Wales NHS Trust has continued to operate throughout the year as two divisions (East and Central) that correspond to the former Trusts for North East Wales and Conwy and Denbighshire respectively.

	Total £000	2007-08 £000
.....		
.....		
.....		

Expenditure with Local Authorities is as follows:-

Rapid Response Scheme (Note 4.1 - Other Primary Health Care Expenditure)	115	60
Complementary Purchase Scheme (Note 4.1 - Other Primary Health Care Expenditure)	172	128
Continuing Care	1,441	1,245
Free Nursing Care	332	428

4.3 Other programme expenditure

	£000	2007-08 £000
Salaries and wages	7	39
National Public Health Service	440	430
Losses, special payments and irrecoverable debts	0	0
Research and development	0	0
Other	27	32
	<hr/>	<hr/>
Total	474	501

4.4 Administration expenditure

	£000	2007-08 £000
Non-officer members' remuneration	75	92
Other salaries and wages	831	736
Consultancy services	64	6
Establishment expenses	82	87
Transport and moveable plant	0	2
Premises and fixed plant	76	93
External contractors	18	18
Auditors' remuneration - audit fee	75	56
Auditors' remuneration - other fees	0	0
Business Services Centre recharge	357	376
Interest payable - unwinding of discount	0	0
Interest payable - other	0	0
Capital - Depreciation	5	5
Amortisation	0	0
Capital charge interest	(191)	(175)
Impairments and reversals (property, plant, equipment)	0	0
Impairments and reversals (intangible assets)	0	0
Impairments and reversals of financial assets (by class)	0	0
(Profit) / loss on disposal of fixed assets	0	0
Other	42	23
	<hr/>	<hr/>
Total	1,434	1,319

Business Services Centre and Business Support Partnership Recharge (£357K)

Included within this figure are recharges for external audit of the BSC (£7,932) and the BSP (£1,329).

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

	Total	2007-08 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	2007-08 £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	2007-08 Land and Buildings £000	2007-08 Other Leases £000
Operating leases which expire:				
Within 1 year	35	0	35	0
Between 1 and 5 years	0	2	0	2
After 5 years	0	0	0	0

4.7 Executive Directors and staff costs

	Total £000	2007-08 Total £000
Salaries and wages	1,267	1,190
Social security costs	87	87
Employer contributions to NHSPA	158	157
Other pension costs	32	0
Agency / seconded staff	0	9
Total	1,544	1,443

	Total £000	2007-08 Total £000
--	---------------	--------------------------

Analysis of Total Directors and Staff Costs is as follows:-

Note 4.1 Primary health care salary and wages	646	619
Note 4.2 Secondary care NHS Funded Care salaries and wages	60	49
Note 4.3 Other Programme Expenditure salaries and wages	7	39
Note 4.4 Administration Expenditure salaries and wages	831	736
Total	1,544	1,443

4.8 Board Directors' remuneration

	£000	2007-08 £000
Non-officer members' remuneration	80	92
Executive Directors' remuneration:		
basic salaries	247	273
benefits	9	6
performance related bonuses	0	0
pension contributions	35	38
Compensation for loss of office	0	0
Pensions to former directors (early retirees)	0	0
Total	371	409

	£000	Chief Executive £000
Basic Salary	28	75
Benefits	0	4
Compensation for loss of office	0	0
Performance related bonuses	0	0
Pension contributions	4	11
Total	32	90

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 contract staff	Staff on inward secondment	Total	2007-08
	Number	Number	Number	Number	Number
Executive Board Members	4	0	0	4	4
Other Local Health Board Staff	29	0	0	29	31
Recharged staff	0	0	1	1	1
Total	33	0	1	34	36

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 2008-09 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 Welsh Assembly Government 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	2007-08 £000
Non- NHS			
Total bills paid 2008-2009	2,607	7,872	7,078
Total bills paid within target	2,597	7,817	7,031
Percentage of bills paid within target	99.6%	99.3%	99.3%

In addition, the Welsh Assembly Government requires 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	2007-08 £000
NHS			
Total bills paid 2008-2009	569	62,621	59,627
Total bills paid within target	567	62,595	59,588
Percentage of bills paid within target	99.6%	100.0%	99.9%

	Number	£000	2007-08 £000
Total			
Total bills paid 2008-2009	3,176	70,493	66,705
Total bills paid within target	3,164	70,412	66,619
Percentage of bills paid within target	99.6%	99.9%	99.9%

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

	2007-08 £	£
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 2008	0	0	0	0	0
Additions	0	0	0	0	0
Disposals	0	0	0	0	0
Gross replacement cost at 31 March 2009	0	0	0	0	0
Accumulated amortisation at 1 April 2008	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 2009	0	0	0	0	0
Net book value at 1 April 2008	0	0	0	0	0
Net book value at 31 March 2009	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	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture and fittings £000	Total £000
				construction and payments on account £000					
At 1 April 2008	0	0	0	0	0	0	23	28	51
Indexation	0	0	0	0	0	0	1	0	1
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 2009	0	0	0	0	0	0	24	28	52
Depreciation									
At 1 April 2008	0	0	0	0	0	0	12	28	40
Indexation	0	0	0	0	0	0	0	0	0
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 2009	0	0	0	0	0	0	17	28	45
Net book value									
at 1 April 2008	0	0	0	0	0	0	11	0	11
Net book value									
at 31 March 2009	0	0	0	0	0	0	7	0	7
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 2009 comprises:

	£000	2007-08 £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	2007-08 £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 Welsh Assembly Government the net proceeds from disposal of and retained the costs of disposal, met of,	0	0
	0	0

6.1 Debtors

	£000	2007-08 £000
Amounts falling due within one year:		
Welsh Assembly Government	31	0
Health Commission Wales	0	0
Local Health Boards	78	74
Primary Care Trusts	0	0
NHS Trusts	311	22
Welsh Risk Pool	0	0
Capital debtors	0	0
Other debtors	196	187
Provision for irrecoverable debts	0	0
Pension Prepayments:	0	0
Other prepayments and accrued income	5	23
	<hr/>	<hr/>
Sub total	621	306
	<hr/>	<hr/>
Amounts falling due after more than one year:		
Welsh Assembly Government	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	621	306
	<hr/>	<hr/>
Provision for irrecoverable debts (impairment of receivables):		
Balances at 1 April	0	0
Provided in year	0	0
Written-off in year	0	0
Recovered during year	0	0
Balance at 31 March	<hr/> 0 <hr/>	<hr/> 0 <hr/>
Debtors past due date but not impaired:		
Up to 3 months	497	231
3 to 6 months	119	71
More than 6 months	5	4
Total	<hr/> 621 <hr/>	<hr/> 306 <hr/>

6.2 Creditors

Amounts falling due within one year:	2007-08	
	£000	£000
Welsh Assembly Government	0	5
Health Commission Wales	0	0
Local Health Boards	182	12
NHS Trusts	191	236
Primary Care Trusts	0	0
Income tax and social security	30	35
VAT	0	0
Non-NHS creditors	2,295	2,683
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	3,785	2,148
Deferred Income	0	0
Other creditors	0	0
Total	6,483	5,119

6.3 Creditors

Amounts falling due after more than one year:	2007-08	
	Total	Total
	£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
Total	0	0

6.4 Provisions for liabilities and charges

	At 1 April 2008	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 2009
	£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
Sub-total	0	0	0	0	0	0	0	0
Pensions	0			0	0	0	0	0
Other	191			32	(32)	(72)		119
Total	191	0	0	32	(32)	(72)	0	119

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	119	0	0	119
Total	119	0	0	119

The LHB estimates that in 2009-10 it will receive £'000 , and in 2010-11 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 2008	(4,174)
Net operating cost for the financial year	(97,784)
Net Assembly funding (including capital)	96,223
Capital charge interest	(191)
Transfers to NHS bodies	0
Transfer to general fund of realised elements of the revaluation reserve	0
	<hr/>
Balance at 31 March 2009	<u>(5,926)</u>

6.6 Donated asset reserve

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

	£000
Balance at 1 April 2008	0
Additions	0
Impairments	0
Revaluation and indexation	0
Disposals and write-offs	0
Depreciation	0
	<hr/>
Balance at 31 March 2009	<u>0</u>

6.7 Revaluation reserve

The movement on the revaluation reserve in the year comprised:

	£000
Balance at 1 April 2008	0
Revaluation	0
Indexation	1
Transfer to general fund - realised revaluation	0
	<hr/>
Balance at 31 March 2009	<u>1</u>

6.8 Contingent liabilities -

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

Nature:	2007-08	
	£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 2008/09 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	39	0	31	0
Balances with local authorities	118	0	0	0
Balances with NHS trusts and Foundation trusts	311	0	191	0
Balances with Local Health Boards	78	0	182	0
Balances with public corporations and trading funds	0	0	0	0
Balances with bodies external to government	75	0	6,079	0
Total at 31 March 2009	621	0	6,483	0
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

6.10 Post balance sheet events

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

1.	0
	
2.	0
	
Total		0

6.11 Capital commitments

The Local Health Board has the following capital commitments:

	2007-08	
Contracted	0	0
Authorised but not contracted	0	0
Total	0	0

6.12 Related Party transactions**£000**

Total value of transactions with Board members and key senior staff in 2008-2009

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:

	2008-09 Income £'000	2008-09 Expenditure £'000	2007-08 Income £'000	2007-08 Expenditure £'000
Powys Local Health Board	0	302	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:

	2008-09 Income £'000	2008-09 Expenditure £'000	2007-08 Income £'000	2007-08 Expenditure £'000
Isle of Anglesey County Council	0	2,060	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 H Parry	Cambria Surgery, Holyhead	Non - Officer Member
Dr M Williams	Parc Glas Surgery, Bodorgan	Medical Director
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 2008/2009:

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

Grant Expenditure:	2008-09 £	2007-08 £
Medrwn Mon	1,505	5,857
Crossroads	16,188	18,658
Carers Outreach	2,764	2,689

6.13 Losses and special payments

Losses and special payments are transactions that the Welsh Assembly Government 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 Welsh Assembly Government. 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	203	2,493
Total losses and special payments	203	2,493

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	2,493	0	2,493
Total cases	2,493	0	2,493

6.14 Financial Instruments

Financial Risk Management

FRS 29 "Financial Instruments: Disclosures" 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 LHBs 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 this standard mainly applies. LHBs have no powers 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 in undertaking its activities.

Liquidity Risk

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

Foreign Currency Risk

The LHB has negligible foreign currency income or expenditure. Therefore, it is 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	2007-08 £000
In one year or on demand	0	0
In more than 1 year but no longer than 2	0	0
in more than 2 year but no longer than 5	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
	<hr/>	<hr/>

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 has not contributed to any pooled budgets for 2008/09.

6.17 Financial Assets

	At fair value through Profit & Loss £000	Loans and receivables £000	Available for sale £000	Total £000
Embedded derivatives	0	0	0	0
NHS receivables	392	0	0	392
Cash at bank and in hand	49	0	0	49
Other financial assets	229	0	0	229
At 31 March 2009	670	0	0	670
Embedded derivatives	0	0	0	0
NHS receivables	96	0	0	96
Cash at bank and in hand	819	0	0	819
Other financial assets	210	0	0	210
At 31 March 2008 (Prior year)	1125	0	0	1125

6.18 Financial liabilities

	At fair value through Profit & Loss £000	Other £000	Total £000
Embedded derivatives	0	0	0
Borrowings	0	0	0
PFI and finance lease obligations	0	0	0
Other financial liabilities	6602	0	6602
At 31 March 2009	6602	0	6602
Embedded derivatives	0	0	0
Borrowings	0	0	0
PFI and finance lease obligations	0	0	0
Other financial liabilities	5310	0	5310
At 31 March 2008 (Prior year)	5310	0	5310

[If fair value of financial assets or financial liabilities differs from carrying amount:

a) give the fair values by class of financial assets and financial liability (classes chosen according to type of information/characteristics of the financial instruments) in a way that allows comparison with carrying amount

b) state how the fair values have been obtained

c) state the assumptions used in applying any valuation technique]

7 Additional Information

Reconfiguration of the NHS in Wales

In 2008 the Health and Social Services Minister in the Welsh Assembly Government gave approval for the merger of NHS Trusts and Local Health Boards to create seven new Local Health Boards at 1st October 2009. The Anglesey Local Health Board will continue in its present form until that date. These financial statements are the final full year financial statements. Six month financial statements from 1st April 2009 to 30th September 2009 will be produced and on 1st October 2009 the Anglesey Local Health Board will merge with the Trusts and Local Health Boards listed below. All of the assets and liabilities of the Anglesey local Health Board will transfer to the Betsi Cadwaladr University Local Health Board at that date and all operations are continuing.

Merging Trusts and Local Health Boards :-

North Wales NHS Trust

North West Wales NHS Trust

Anglesey Local Health Board

Gwynedd Local Health Board

Conwy Local Health Board

Denbighshire Local Health Board

Wrexham Local Health Board

Flintshire Local Health Board

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 2009 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 organisation's primary objectives.

The identification and continuous review of potential risks that threaten the achievement of the organisation's principal 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 always possible, the current system is mature and robust and a critical component of the way the LHB manages risk.

Development has continued during 2008/09 to enhance 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. Specific developments during 2008/09 have included the introduction of formal key performance indicators in respect of the assurance framework. It is still at an early stage of their implementation but measurement of performance against these KPIs will further enhance the level of assurance that can be derived for the effectiveness of the assurance framework as part of the system of internal control.

The LHB has maintained the integration of the Audit, Clinical Governance and Risk management Committees into a single combined committee. This has proved 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, Public Involvement 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 include 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 further increase the effectiveness of the overall Assurance Framework and good progress has been made. A 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 is then validated by Health Inspectorate Wales. The self assessed scores for 2008-09 are:

<u>Standard</u>	<u>2008-09 Score</u>	<u>2007-08 Score</u>
Healthcare standard 1	4	3
Healthcare standard 2	4	4
Healthcare standard 3	4	4
Healthcare standard 4	3	3
Healthcare standard 5	3	3
Healthcare standard 6	4	3
Healthcare standard 7	3	3
Healthcare standard 8	3	3
Healthcare standard 9	3	3
Healthcare standard 10	4	3
Healthcare standard 11	3	3
Healthcare standard 12	4	3
Healthcare standard 13	3	3
Healthcare standard 14*	4	3
Healthcare standard 15	3	3
Healthcare standard 16*	4	3
Healthcare standard 17	3	3
Healthcare standard 18	4	4
Healthcare standard 19	3	3
Healthcare standard 20	4	3
Healthcare standard 21	4	4
Healthcare standard 22	3	3
Healthcare standard 23	3	3
Healthcare standard 24	4	4

<u>Standard</u>	2008-09 <u>Score</u>	2007-08 <u>Score</u>
Healthcare standard 25	4	3
Healthcare standard 26	3	3
Healthcare standard 27*	3	3
Healthcare standard 28*	4	4
Healthcare standard 29	3	3
Healthcare standard 30	3	3
Healthcare standard 31	n/a	n/a
Healthcare standard 32	5	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. Both the level of Board assurance and Board involvement has been enhanced during the year through the formal designation of Board members with individual responsibility, on behalf of the entire Board, for each of the 4 Health Care Standard Domains.

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. The 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;
- Committee.

There have been no significant internal control issues identified during 2008-09.

Signed:.....

Date:

Chief Executive
(on behalf of board)

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

The Welsh Ministers have 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.....2009 Chief Executive

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

The directors are required under the National Health Service Act (Wales) 2006 to prepare accounts for each financial year. The Welsh Ministers, 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 principles laid down by the Welsh Ministers 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 Welsh Ministers.

By Order of the Board

Signed:

Chairman: Dated:2009

Chief Executive: Dated:2009

Director of Finance: Dated:2009

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 2009 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 thereunder 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 thereunder. 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 the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements as 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 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 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 2009 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 thereunder 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 2009 will be reported separately in the published Annual Audit Letter.

Jeremy Colman
Auditor General for Wales
29 June 2009

Wales Audit Office
24 Cathedral Road
Cardiff
CF11 9LJ

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

Executive Board Members and Senior Managers	631
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	197
Ancillary Staff	0
Maintenance Staff	0
Ambulance Staff	0
Health Care Assistants	0
	<hr/>
TOTAL NHS STAFF SALARIES AND WAGES	830
	<hr/> <hr/>
Non NHS Staff (agency etc)	0
Chairman's and Non Officer Members' Remuneration	83
	<hr/>
TOTAL SALARIES AND WAGES	913
	<hr/> <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	0
Establishment Expenses	82
Transport and Movable Plant	0
Premises and Fixed Plant	76
Capital	(191)
Purchase of Health Care from Non-NHS Bodies -	7,074
External Contract Staffing and Consultancy Service	64
Miscellaneous Expenditure	492

TOTAL NON-PAY EXPENDITURE**7,597**

TOTAL Salaries and Wages	1,619
TOTAL Non-pay Revenue Expenditure	7,597
NHS Services (not recharges)	0

NET REVENUE EXPENDITURE**9,216****(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 £
representing 0.0 % of that total.

0 for pay supplements

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

Global Sum	3,658
MPIG Correction Factor	1,006
TOTAL GLOBAL SUM & MPIG	<u>4,664</u>
Quality Aspiration Payments	151
Quality Achievement Payments	1,244
TOTAL QUALITY	<u>1,395</u>
Direct Enhanced Services	393
National Enhanced Services	181
Local Enhanced Services	485
TOTAL ENHANCED SERVICES	<u>1,059</u>
LHB Administered	531
Premises	437
IM & T	145
Out of Hours	723
Cost of Drugs and Appliances After Discounts and Plus Container Allowances	
Dispensing Doctors	2,817
Prescribing Medical Practitioners - Personal Administration	106
Dispensing Service Quality Payment	0
Professional Fees	
Dispensing Doctors	857
Prescribing Medical Practitioners - Personal Administration	43
Dispensing Doctors Prescribing Incentive schemes	0
TOTAL DISPENSING	<u>3,823</u>
TOTAL NEW GMS CONTRACT	<u>12,777</u>
Residuals: Cash Limited	0
Residuals: Non Cash Limited	0
TOTAL RESIDUALS	<u>0</u>
TOTAL	<u>12,777</u>

GENERAL MEDICAL SERVICES - NEW GMS CONTRACT

£000

Directed Enhanced Services

Improved Access Scheme	2
Learning Disabilities	9
Childhood Immunisation Scheme (Target payments)	100
Childhood Imm (Boosters- 5 yrs)	26
Mental Health	8
Influenza & Pneumococcal Immunisations Scheme	110
Additional Access	0
Services for Violent Patients	6
Information Management and Technology	0
Care Homes	45
Minor Surgery Fees	87

TOTAL DIRECTED ENHANCED SERVICES**393****National Enhanced Services**

INR Monitoring	105
Shared Care Drug Monitoring (near patient testing)	53
Drug Misuse	3
IUCD	20
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**181****Analysis of Local Enhanced Services**

Asylum Seekers (up to 31 March 2008)	0
Asylum Seekers & Refugess (from 1st April 2008)	0
Care of diabetes	0
Chiropody	0
Counselling	0
Depo - Provera	0
Dermatology	2
Drugs Misuse	0
Extended Minor Surgery	0
Homeless	1
Methadone	0
Minor Injuries	25
MMR	0
Nursing Homes	0
Osteopathy	0
Phlebotomy	53
Physiotherapy	0
Quality Information Preparation Scheme (QUIPS)	0
Sexual Health Services	0
Substance Misuse	70
Suturing	2
Wound Care Management	0
Zoladex	5
Vaccines	(2)
Weight Loss Clinic	1
Orthopaedic Clinical Assessment	(2)
Prescribing Incentive Scheme	113
HPV Vaccination scheme	3
Cardiology	47
COPD	37
Access	82
Other	48

TOTAL LOCAL ENHANCED SERVICES**485****TOTAL ENHANCED SERVICES****1,059****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	221
Doctors Retainer Scheme Payments	12
Locum Allowances: consists of adoptive, paternity & maternity	6
Locum Allowances: cover for sick leave	0
Locum Allowances: cover for suspended doctors	0
Prolonged Study Leave	0
Recruitment and Retention (including Golden Hello)	32
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	25
Pnemococcal Campaign	0
Pnemococcal Catch-up	0
Other (please detail below)	235

TOTAL LHB ADMINISTERED**531****Analysis of Other Payments**

GP Locums Employers Superannuation	10
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)	13
Primary Care Initiatives	9
Other locum costs	5
GMS Support staff	126
GP Medical equipment	1
Clinical Validation re LHB strategies	1
Clinical Waste	39
.....	0
.....	0
.....	0
.....	0

TOTAL OTHER PAYMENTS**235**

GENERAL MEDICAL SERVICES - NEW GMS CONTRACT

£000

Premises

Notional Rents	190
Actual Rents: health centres	13
Actual Rents: others	28
Cost Rent	98
Borrowing Costs	0
Rates, water, sewerage etc	106
Health Centre Charges	0
Improvement Grants	0
N/Contract Premises Items	0
All Other Premises (please detail below)	2

TOTAL PREMISES

437

Analysis of Other Premises

District Valuer Fees	2
.....	0
.....	0
.....	0
.....	0
.....	0
.....	0
.....	0
.....	0
.....	0
.....	0
.....	0
.....	0
.....	0
.....	0
.....	0

TOTAL OTHER PREMISES

2

PHARMACEUTICAL SERVICES EXPENDITURE

	£000
New Pharmacy Contract	
Professional fees (pharmacists & appliance contractors)	1,157
Special fees and allowances	70
Essential Services	
Establishment payment	301
Practice payment	852
DDA Allowance	0
Protected professional allowance	0
Repeat dispensing setup	20
Repeat dispensing transition payment	19
ETP Allowance	29
Protected additional professional payment	0
Advanced Services	
Medicine Usage review (MUR)	15
Other advanced services	2
Enhanced Services	
Additional Hours Service (including Rotas)	34
Essential Small Pharmacy Service	36
Payments to Pharmacists Advice to Care Homes (nursing and residential)	11
Payments to Pharmacists for Patient Medical Records Set-ups Fees	0
Other Payments (Please detail below) <i>not including Difference between Dispensing & Prescribin</i>	11
	2,557
Total Pharmacy Contract Expenditure	2,557
Analysis of Other Payments	
IM&T Connectivity costs	0
Pre-Registration Trainees	5
Other Enhanced	6
	0
	0
	0
	0
	0
	0
Total Other Payments	11
Pharmacy - Non contractually funded expenditure	
Clinical Waste	0
LHB funded staff	0
Emergency Hormonal Contraception scheme	0
Needle Exchange	5
Supervised consumption Methadone	(4)
Smoking Cessation	2
.....	0
.....	0
.....	0
.....	0
Total "Non Contractually funded items" expenditure	3
TOTAL PHARMACEUTICAL SERVICES EXPENDITURE	2,560
NON CASH LIMITED	
Appliance Contractor Costs	0
Difference Between Dispensing and Prescribing	111
Oxygen Cylinder service: Transitional payments	0
TOTAL NON CASH LIMITED	111
TOTAL PHARMACEUTICAL INCOME	0

DENTAL CONTRACT EXPENDITURE**£000**

Gross Contract Value	1,920
Emergency Dental Services (inc Out of Hours)	56
Business Rates	29
Improved Access	0
Maternity/Sickness etc.	0
Orthodontics	0
Seniority	15
Vocational Training	58
Hepatitis B	0
Other (Please detail below)	545

TOTAL DENTAL SERVICES EXPENDITURE**2,623****Analysis of Other Payments**

Employers Superannuation	95
Other Payments	449
Patient Charges Refunds	1

TOTAL OTHER PAYMENTS**545****Receipts**

Patient Charges	(536)
Emergency Dental Treatment	0

TOTAL DENTAL SERVICES INCOME**(536)**

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	105
Ophthalmic Optician Domiciliary Visit Fees	7
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	97
Superannuation	0
Other Payments (Please detail below)	28
	<hr/>
TOTAL OPHTHALMIC SERVICES EXPENDITURE	243
	<hr/> <hr/>

Analysis of Other Payments

Welsh Eye Care Examination	0
Continuing Education Allowance	4
Ophthalmic Eye Care	(1)
Other payments	25
.....	0
.....	0
.....	0
.....	0
	<hr/>
TOTAL OTHER PAYMENTS	28
	<hr/> <hr/>

INCOME:

Incorrect Voucher Payments Recovered from Patients and Suppliers and Incorrect NHS Sight Test Fees Recovered from Patients	<hr/>
	0
	<hr/> <hr/>

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

Month 12

LOCAL HEALTH BOARD MEMORANDUM STATEMENT

	Creditors (Due to)		Debtors (Due from)		Expenditure (Due to) Total £000	Income (Due from) Total £000
	Total	Of which over 12 months	Total	Of which over 12 months		
	£000	£000	£000	£000		
Summary Sheet:						
Welsh Assembly Government	0	0	31	0	37	96,643
Welsh local health boards	182	0	79	0	653	241
Welsh NHS Trusts	99	0	311	0	58,882	387
Health Commission Wales	0	0	0	0	48	0
All English health bodies	90	0	0	0	2,121	0
All N. Ireland health bodies	0	0	0	0	0	0
All Scottish health bodies	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0
Credit note provision						
Sub total	371	0	421	0	61,741	97,271
Other Central Government Bodies						
Other Government Departments*	1	0	0	0	1,158	0
Revenue & Customs	30	0	8	0	373	57
Local Authorities	0	0	118	0	2,209	203
Balances with Public Corporations and trading funds	0	0	0	0	0	0
Balances with bodies external to Government	0	0	0	0	0	0
TOTAL	402	0	547	0	65,481	97,531

* Other Government Departments with Balances > £1,000k

Please specify:

LOCAL HEALTH BOARD MEMORANDUM STATEMENT

Month 12

	Creditors (Due to)		Debtors (Due from)	
	Total	Of which over 12 months	Total	Of which over 12 months
	£000	£000	£000	£000
Balance with WAG & HCW				
Welsh Assembly Government	0	0	31	0
Health Commission Wales	0	0	0	0
TOTAL	0	0	31	0
Balances with Welsh 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
Carmarthenshire	0	0	0	0
Ceredigion	0	0	0	0
Conwy	4	0	3	0
Denbighshire	2	0	3	0
Flintshire	3	0	0	0
Gwynedd	145	0	71	0
Merthyr	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 Information must be provided for split below.	0	0	1	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	28	0	0	0
Adjustment for roundings	0	0	1	0
TOTAL	182	0	79	0

NOTE: ONLY COMPLETE FOR BALANCES > £1K Total

Powys				
Commissioning	0	0	0	0
Providing	0	0	0	0
BSC Mid & West Wales	0	0	0	0
BSC North Wales	0	0	0	0
BSC South East Wales	0	0	1	0
CHC	0	0	0	0
Total	0	0	1	0

Month 12**LOCAL HEALTH BOARD MEMORANDUM STATEMENT**

	Trust Code	Creditors (Due to)		Debtors (Due from)	
		Total £000	Of which over 12 months £000	Total £000	Of which over 12 months £000
Balances with Welsh NHS Trusts:					
Abertawe Bro Morgannwg University	RYM	0	0	7	0
Cardiff & Vale	RWM	13	0	0	0
Cwm Taf	RYL	0	0	0	0
Gwent Healthcare	RVF	0	0	0	0
Hywel Dda	RYN	5	0	0	0
North Wales	RYP	8	0	0	0
North West Wales	RT7	35	0	300	0
Velindre	RQF	37	0	4	0
Welsh Ambulance Services	RT4	0	0	0	0
Welsh Risk Pool (claims submitted but not yet paid by WRP)	-	0	0	0	0
Welsh Risk Pool (expenses incurred by Trust but not yet claimed from WRP)	-	0	0	0	0
Welsh Risk Pool other		0	0	0	0
Adjustment for roundings		1	0	0	0
TOTAL		99	0	311	0

NOTE: ONLY COMPLETE FOR BALANCES > £1K Total

LOCAL HEALTH BOARD MEMORANDUM STATEMENT

	Expenditure (Due to) Total	Income (Due from) Total
	£000	£000
Balance with WAG & HCW		
Welsh Assembly Government	37	96,643
Health Commission Wales	48	0
TOTAL	85	96,643
Balances with Welsh Local Health Boards		
Anglesey	0	0
Blaenau Gwent	0	0
Bridgend	0	0
Caerphilly	0	0
Cardiff	0	0
Carnarthenshire	0	0
Ceredigion	0	0
Conwy	8	10
Denbighshire	111	13
Flintshire	12	0
Gwynedd	169	199
Merthyr	0	0
Monmouthshire	0	0
Neath Port Talbot	0	0
Newport	0	0
Pembrokeshire	0	0
Powys Information must be provided for split below.	302	0
Rhondda Cynon Taff	0	1
Swansea	0	0
Torfaen	0	0
Vale of Glamorgan	0	0
Wrexham	52	17
Adjustment for roundings	(1)	1
TOTAL	653	241
Powys		
Commissioning	0	0
Providing	0	0
BSC Mid & West Wales	0	0
BSC North Wales	0	0
BSC South East Wales	302	0
CHC	0	0
Total	302	0

LOCAL HEALTH BOARD MEMORANDUM STATEMENT

		Expenditure (Due to) Total	Income (Due from) Total
	Trust Code	£000	£000
Balances with Welsh NHS Trusts:			
Abertawe Bro Morgannwg University	RYM	1	35
Cardiff & Vale	RWM	20	0
Cwm Taf	RYL	0	0
Gwent Healthcare	RVF	0	0
Hywel Dda	RYN	13	0
North Wales	RYP	3,946	46
North West Wales	RT7	54,330	300
Velindre	RQF	441	6
Welsh Ambulance Services	RT4	131	0
Adjustment for roundings		0	0
		<hr/>	<hr/>
TOTAL		58,882	387