

STATEMENT OF ACCOUNTS FOR 2005/06

RECOMMENDATIONS:

The NHS Board is asked to:

1. adopt, and approve for submission to the Scottish Executive Health Department, the Statement of Accounts for the financial year ended 31 March 2006.
2. authorise:
 - (i) the Chief Executive to sign the Directors' Report.
 - (ii) the Chairman and Director of Finance to sign the Statement of Health Board Members' responsibilities in respect of the Accounts.
 - (iii) The Chief Executive to sign the Statement of Internal Control in respect of the Accounts
 - (iv) The Chief Executive and Director of Finance to sign the Balance Sheet

BACKGROUND

1. The External Auditors have completed their audit of the Accounts and have issued their Final Report to Board Members which confirms that their audit certificate on the financial statements for the year ended 31 March 2006 will be unqualified in respect of their true and fair opinion, and in respect of their regularity opinion. The External Auditors' Report is the subject of a separate paper to the Board.
2. At its meeting on 20 June 2006 the NHS Board Audit Committee considered the Statement of Accounts of the NHS Board. The decision of the Audit Committee was that the Statement of Accounts should be presented to the NHS Board at its meeting on 27 June 2006 with a recommendation that the accounts be adopted by the NHS Board and submitted to the Scottish Executive Health Department.

STATEMENT OF ACCOUNTS

A full Statement of Accounts for the financial year ended 31 March 2006 is attached to this paper, together with a commentary on the main elements of the statement.

The Statement includes a Directors' Report in a format specified by the Scottish Executive Health Department and a Statement of Accounting Policies. The Accounts comprise four principal forms namely:

- a. Operating Cost Statement
- b. Statement of Recognised Gains and Losses
- c. Balance Sheet, and
- d. Cash Flow Statement

These forms are supported by notes which provide analysis of the principal forms.