

Board
Tuesday 15th August 2006

Director of Finance

Board Paper No. 06/48

**PATIENTS' PRIVATE FUNDS – ANNUAL ACCOUNTS 2005/06
NHS GREATER GLASGOW AND NHS ARGYLL AND CLYDE**

Recommendations:

The Board is asked to:

1. adopt and approve for submission to the Scottish Executive Health Department the 2005/2006 Patients' Private Funds Annual Accounts for:
 - i) NHS Greater Glasgow; and
 - ii) NHS Argyll and Clyde
2. authorise:
 - i) the Director of Finance and Chief Executive to sign the Abstracts of Receipts and Payments for 2005/2006
 - ii) the Chairman and Director of Finance to sign the Statements of Board Members' Responsibilities

BACKGROUND

1. NHS Boards hold the private funds of many of their patients, especially those who have long term residence and who would have no ready alternative to safekeeping and management of their funds. Each of a Board's hospitals has arrangements in place to receive and hold and, where appropriate, manage the funds of any patients requiring this service. Any funds that are not required for immediate use are invested, on behalf of the patients, and the interest generated by this account is distributed across the patients' accounts based on each individual's balance of funds held.
2. The Scottish Executive Health Department requires NHS Boards to prepare, on an annual basis, an abstract of receipts and payments of patients' private funds administered by them.
3. The 2005/2006 Abstract of Receipts and Payments for NHS Greater Glasgow is attached along with the Statement of Board Members' Responsibilities and Auditors report. KPMG, External Auditors of the NHS Greater Glasgow Patients' Private funds, have indicated that they are prepared to sign their report without qualification.

4. The 2005/2006 Abstract of Receipts and Payments for NHS Argyll and Clyde is also attached together with the Statement of Board Members' Responsibilities and Auditors' Report. Ross & Company, External Auditors of the NHS Argyll and Clyde Patients' Private funds, have also given an unqualified audit opinion.

NHS GREATER GLASGOW

SFR 19.0

PATIENTS' PRIVATE FUNDS
FOR THE YEAR ENDED 31 MARCH 2006

2004/2005 £		£	TOTAL £
	100	RECEIPTS	
	110	Opening Balances :	
1,300,396.59	120	Cash in Bank	1,363,817.40
24,572.44	130	Cash on Hand	25,220.00
0.00	140	Other Funds	0.00
-----	180		
1,324,969.03	190		1,389,037.40
1,348,907.03	200	From or on behalf of Patients	1,153,671.01
39,468.32	210	Interest on Patients' Fund Account	39,984.35
-----	270		-----
2,713,344.38	280	TOTAL RECEIPTS	2,582,692.76
=====	290		=====
	400	PAYMENTS	
1,324,306.98	410	To or on behalf of Patients	1,208,432.85
0.00	420	Extra Comforts etc.	0.00
	500	Closing Balances:	
1,363,817.40	510	Cash in Bank	1,349,142.44
25,220.00	520	Cash in Hand	25,117.47
0.00	530	Other Funds	0.00
-----	550		
1,389,037.40	560		1,374,259.91
-----	570		-----
2,713,344.38	580	TOTAL PAYMENTS	2,582,692.76
=====	590		=====
	700	Closing Balances accounted for as:	
	710	Patients' Personal Accounts	
1,390,253.29	720	Credit Balances	1,375,227.14
-1,366.83	730	Less: Debit Balances	-1,082.11
-----	740		
1,388,886.46	750		1,374,145.03
150.94	760	Interest received but not credited	114.88
-----	770		-----
1,389,037.40	780	TOTAL CLOSING BALANCE AS LINE 560	1,374,259.91
=====	790		=====

I certify that the above abstract of Receipts and Payments is correct, and in accordance with the Books of Account and that the Register of Valuables has been inspected and checked with property held.

Douglas Griffin
Director of Finance

15 August 2006

The abstract of Receipts and Payments was submitted at a Board Meeting on 15 August 2006 and duly approved.

Tom A Divers
Chief Executive

15 August 2006

Note 1 to SFR19

The Scottish Executive Health Department requires Greater Glasgow NHS Board to prepare, on an annual basis, an abstract of receipts and payments of patients' private funds administered by Greater Glasgow NHS Board. The abstract of receipts and payments of the patients' private funds has been prepared by the Board, on a cash basis, in accordance with the requirements of the 2005-06 NHS Unified Board Manual for Accounts.

**NHS Greater Glasgow
Patients' Private Funds - Annual Accounts 2005/2006**

Statement of Board Members' responsibilities

The Scottish Executive Health Department requires NHS Greater Glasgow to prepare an abstract of receipts and payments of Patients' Private Funds for each financial year, which fairly presents the state of the funds administered.

NHS Greater Glasgow is responsible for ensuring proper accounting records are maintained, which disclose with reasonable accuracy at any time the financial position of the Patients' Private Funds and enable it to ensure that the statement complies with the requirements of the Scottish Executive Health Department given in the NHS Board Manual for Accounts. It is also responsible for safeguarding the assets held on behalf of the patients and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As members of Greater Glasgow NHS Board, we confirm that the above responsibilities have been discharged during the period 1 April 2005 to 31 March 2006 and in preparing the abstract of receipts and payments.

Chairman

Director of Finance

15 August 2006

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GREATER GLASGOW NHS BOARD

We have audited the attached abstract of receipts and payments of patients' private funds administered by Greater Glasgow NHS Board for the year ended 31 March 2006 and the related note ('the abstract of receipts and payments'). The abstract has been prepared for the reasons and on the cash receipts and payments basis set out in the note to the abstract.

Our report has been prepared for Greater Glasgow NHS Board solely in connection with the audit of the abstract of receipts and payments of patients' private funds. It has been released to Greater Glasgow NHS Board and to the Scottish Executive Health Department on the basis that our report shall not be copied, referred to or disclosed, in whole (save for Greater Glasgow NHS Board's or the Scottish Executive Health Department's own internal purposes) or in part, without our prior written consent.

Our report was designed to meet the agreed requirements of Greater Glasgow NHS Board and particular features of our engagement determined by Greater Glasgow NHS Board's needs at the time. Our report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than Greater Glasgow NHS Board for any purpose or in any context. Any party other than Greater Glasgow NHS Board who obtains access to our report or a copy and chooses to rely on our report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, KPMG LLP will accept no responsibility or liability in respect of our report to any other party.

Respective responsibilities of board members, and Auditors

As described on page [x], the board members are responsible for the preparation of the abstract of receipts and payments in accordance with the basis of preparation set out in the note to the abstract.

Our responsibility is to audit the abstract of receipts and payments in accordance with the terms of our engagement letter dated 7 July 2006 and International Standards on Auditing (UK and Ireland).

Under the terms of the engagement we are required to report to you our opinion as to whether the abstract of receipts and payments has been properly prepared in accordance with the basis of preparation set out in the note to the abstract. We also report to you if, in our opinion, we have not received all the information and explanations we require for our audit.

Basis of audit opinion

We conducted our audit having regard to International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the abstract of receipts and payments. It also includes an assessment of the significant estimates and judgments made by the board members in the preparation of the abstract of receipts and payments and of whether the basis of preparation is appropriate to the Board's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the abstract of receipts and payments is free from material misstatement, whether caused by fraud or other irregularity or error. In view of the purpose for which this abstract has been prepared, however, we did not evaluate the overall adequacy of the presentation of the information which would have been required if we were to express an audit opinion under International Standards on Auditing.

Opinion

In our opinion the abstract of receipts and payments for the year ended 31 March 2006 of patients' private funds administered by Greater Glasgow NHS Board has been properly prepared in accordance with the basis of preparation set out in the note to the abstract.

KPMG LLP
Chartered Accountants

SaltireCourt
20 Castle Terrace
Edinburgh
EH1 2EG

NHS Argyll and Clyde
Patients' Private Funds - Annual Accounts 2005/2006

Statement of Board Members' responsibilities

The Scottish Executive Health Department requires NHS Greater Glasgow to prepare an abstract of receipts and payments of Patients' Private Funds for each financial year, which fairly presents the state of the funds administered.

NHS Greater Glasgow is responsible for ensuring proper accounting records are maintained, which disclose with reasonable accuracy at any time the financial position of the Patients' Private Funds and enable it to ensure that the statement complies with the requirements of the Scottish Executive Health Department given in the NHS Board Manual for Accounts. It is also responsible for safeguarding the assets held on behalf of the patients and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As members of Greater Glasgow NHS Board, we confirm that the above responsibilities have been discharged during the period 1 April 2005 to 31 March 2006 and in preparing the abstract of receipts and payments.

Chairman

Director of Finance

15 August 2006