

BOARD PAPER - NHS ENGLAND

Title: Annual report and accounts 1 October 2012 to 31 March 2013

Clearance: Paul Baumann: Chief Financial Officer

Purpose of paper:

- To inform the Board that NHS England's annual report and accounts for the period 1 October 2012 to 31 March 2013 have now been laid before parliament and published on the NHS England website at www.england.nhs.uk/publications/.

Key issues and recommendations:

The key points of the accounts.

- The required submission to the Department of Health (DH) of the audited accounts was made on 7 June 2013, in accordance with the required deadline.
- The accounts include the remuneration report and governance statement. The governance statement was prepared with input from our DH sponsor. It reflects the developmental status of the organisation during the period in question and points to the governance structures which have been put in place.
- No significant amendments to the financial statements have arisen following the audit. Only minor presentational changes have been made.
- NHS England has met all of its required statutory duties and achieved an underspend against the revenue resource limit (budget) of £20.1m.
- We have recognised a loss on transfer by absorption, in accordance with accounting guidance, to bring the net liability of £6m from the National Commissioning Board Authority's accounts into the Board's accounts.
- The Statement of Financial Position shows a negative general fund balance as cash is only drawn down as payments are required. Furthermore, due to transition arrangements, the Board made payments of £13.2m on behalf of clinical commissioning groups (CCGs) before April 2013, which are being

reimbursed by the DH. As such, the receivables balance and overdraft include this balance, which offset against each other.

- After audit by the National Audit Office (NAO) the accounts were approved by the Audit Committee on the 17 June 2013. They were signed off by the chief executive on the 18 June 2013 and by the Comptroller and Auditor General on 21 June. In order to meet the Parliamentary timescale they were laid before Parliament on the 4 July 2014.
- The Board is advised that work is already in hand for the delivery of the 2013/2014 annual report and accounts. A draft plan and timetable was presented to the audit committee on the 17 June 2013. The deadlines will be challenging given the need to lay consolidated accounts before Parliament prior to summer recess and we are working closely with the NAO and the audit commission to work through the risks we face in achieving this.

Actions required by Board Members:

- The Board is asked to receive the annual report and accounts for the period 1 October 2012 to 31 March 2013.