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Data entered below will be used throughout the workbook:

Entity name:	NHS Bury CCG
This year	2015-16
This year ended	31 March 2016
This year commencing:	01 April 2015



## ***Bury Clinical Commissioning Group***

### **FOREWORD TO THE ACCOUNTS**

#### **NHS Bury CCG**

The Clinical Commissioning Group was licenced from 1 April 2013 under provisions enacted in the Health & Social Care Act 2012, which amended the National Health Service Act 2006.

These accounts for the year ended 31 March 2016 have been prepared by Bury Clinical Commissioning Group under section 17 of schedule 1A of the National Health Service Act 2006 (as amended) in the form which the Secretary of State has, with the approval of the Treasury, directed.

The National Health Service Act 2006 (as amended) requires Clinical Commissioning Groups to prepare their Annual Report and Annual Accounts in accordance with Directions issued by NHS England.

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**Statement of Comprehensive Net Expenditure for the year ended  
31 March 2016**

	Note	2015-16 £000	2014-15 £000
<b>Total Income and Expenditure</b>			
Employee benefits	4.1.1	3,695	2,822
Operating Expenses	5	240,044	223,736
Other operating revenue	2	<u>(2,383)</u>	<u>(1,482)</u>
<b>Net operating expenditure before interest</b>		<b>241,357</b>	<b>225,076</b>
<b>Net operating expenditure for the financial year</b>		<b>241,357</b>	<b>225,076</b>
<b>Total Net Expenditure for the year</b>		<b><u>241,357</u></b>	<b><u>225,076</u></b>
Of which:			
<b>Administration Income and Expenditure</b>			
Employee benefits	4.1.1	2,074	1,147
Operating Expenses	5	2,315	3,136
Other operating revenue	2	<u>(65)</u>	<u>(85)</u>
<b>Net administration costs before interest</b>		<b><u>4,324</u></b>	<b><u>4,198</u></b>
<b>Programme Income and Expenditure</b>			
Employee benefits	4.1.1	1,621	1,675
Operating Expenses	5	237,729	220,600
Other operating revenue	2	<u>(2,317)</u>	<u>(1,397)</u>
<b>Net programme expenditure before interest</b>		<b><u>237,033</u></b>	<b><u>220,878</u></b>
<b>Total comprehensive net expenditure for the year</b>		<b><u>241,357</u></b>	<b><u>225,076</u></b>

**Statement of Financial Position as at  
31 March 2016**

	Note	2015-16 £000	2014-15 £000
<b>Non-current assets:</b>			
Property, plant and equipment	13	0	0
Intangible assets	14	0	0
Trade and other receivables	17	0	0
<b>Total non-current assets</b>		<u>0</u>	<u>0</u>
<b>Current assets:</b>			
Inventories	16	0	0
Trade and other receivables	17	2,200	2,242
Cash and cash equivalents	20	167	204
<b>Total current assets</b>		<u>2,367</u>	<u>2,446</u>
<b>Total current assets</b>		<u>2,367</u>	<u>2,446</u>
<b>Total assets</b>		<u>2,367</u>	<u>2,446</u>
<b>Current liabilities</b>			
Trade and other payables	23	(13,185)	(10,043)
Provisions	30	(169)	(204)
<b>Total current liabilities</b>		<u>(13,354)</u>	<u>(10,247)</u>
<b>Non-Current Assets plus/less Net Current Assets/Liabilities</b>		<u>(10,987)</u>	<u>(7,801)</u>
<b>Non-current liabilities</b>			
Trade and other payables	23	0	0
Provisions	30	0	0
<b>Total non-current liabilities</b>		<u>0</u>	<u>0</u>
<b>Assets less Liabilities</b>		<u>(10,987)</u>	<u>(7,801)</u>
<b>Financed by Taxpayers' Equity</b>			
General fund		(10,987)	(7,801)
<b>Total taxpayers' equity:</b>		<u>(10,987)</u>	<u>(7,801)</u>

The notes on pages 5 to 29 form part of this statement

The financial statements on pages 1 to 4 were approved by the Governing Body on 25th May 2016 and signed on its behalf b

Chief Accountable Officer:  
Date:

**Statement of Changes In Taxpayers Equity for the year ended  
31 March 2016**

	General fund £000	Total reserves £000
<b>Changes in taxpayers' equity for 2015-16</b>		
<b>Balance at 1 April 2015</b>	(7,801)	(7,801)
<b>Adjusted NHS Clinical Commissioning Group balance at 1 April 2015</b>	(7,801)	(7,801)
<b>Changes in NHS Clinical Commissioning Group taxpayers' equity for 2015-16</b>		
Net operating expenditure for the financial year	(241,357)	(241,357)
Net gain/(loss) on revaluation of property, plant and equipment	0	0
Net gain/(loss) on revaluation of intangible assets	0	0
<b>Total revaluations against revaluation reserve</b>	<u>0</u>	<u>0</u>
Net gain (loss) on revaluation of assets held for sale	0	0
Impairments and reversals	0	0
<b>Net Recognised NHS Clinical Commissioning Group Expenditure for the Financial Year</b>	<u>(241,357)</u>	<u>(241,357)</u>
Net funding	<u>238,171</u>	<u>238,171</u>
<b>Balance at 31 March 2016</b>	<u>(10,987)</u>	<u>(10,987)</u>
	General fund £000	Total reserves £000
<b>Changes in taxpayers' equity for 2014-15</b>		
<b>Balance at 1 April 2014</b>	<u>(7,748)</u>	<u>(7,748)</u>
<b>Adjusted NHS Clinical Commissioning Group balance at 1 April 2014</b>	(7,748)	(7,748)
<b>Changes in NHS Clinical Commissioning Group taxpayers' equity for 2014-15</b>		
Net operating costs for the financial year	(225,076)	(225,076)
Net gain/(loss) on revaluation of property, plant and equipment	0	0
Net gain/(loss) on revaluation of intangible assets	0	0
<b>Total revaluations against revaluation reserve</b>	0	0
Net gain (loss) on revaluation of assets held for sale	0	0
Impairments and reversals	0	0
<b>Net Recognised NHS Clinical Commissioning Group Expenditure for the Financial Year</b>	<u>(225,076)</u>	<u>(225,076)</u>
Net funding	<u>225,023</u>	<u>225,023</u>
<b>Balance at 31 March 2015</b>	<u>(7,801)</u>	<u>(7,801)</u>

**NHS Bury CCG - Annual Accounts 2015-16**

**Statement of Cash Flows for the year ended  
31 March 2016**

	Note	2015-16 £000	2014-15 £000
<b>Cash Flows from Operating Activities</b>			
Net operating expenditure for the financial year		(241,357)	(225,076)
(Increase)/decrease in trade & other receivables	17	42	153
Increase/(decrease) in trade & other payables	23	3,142	129
Provisions utilised	30	(96)	0
Increase/(decrease) in provisions	30	60	(66)
<b>Net Cash Inflow (Outflow) from Operating Activities</b>		<b>(238,208)</b>	<b>(224,860)</b>
<b>Net Cash Inflow (Outflow) before Financing</b>		<b>(238,208)</b>	<b>(224,860)</b>
<b>Cash Flows from Financing Activities</b>			
Grant in Aid Funding Received		238,171	225,023
<b>Net Cash Inflow (Outflow) from Financing Activities</b>		<b>238,171</b>	<b>225,023</b>
<b>Net Increase (Decrease) in Cash &amp; Cash Equivalents</b>	20	<b>(37)</b>	<b>163</b>
<b>Cash &amp; Cash Equivalents at the Beginning of the Financial Year</b>		<b>204</b>	<b>41</b>
<b>Cash &amp; Cash Equivalents (including bank overdrafts) at the End of the Financial Year</b>		<b>167</b>	<b>204</b>

**Notes to the financial statements**

**1 Accounting Policies**

NHS England has directed that the financial statements of clinical commissioning groups shall meet the accounting requirements of the *Manual for Accounts* issued by the Department of Health. Consequently, the following financial statements have been prepared in accordance with the *Manual for Accounts 2015-16* issued by the Department of Health. The accounting policies contained in the *Manual for Accounts* follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to clinical commissioning groups, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the *Manual for Accounts* permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the clinical commissioning group for the purpose of giving a true and fair view has been selected. The particular policies adopted by the clinical commissioning group are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

**1.1 Going Concern**

These accounts have been prepared on the going concern basis (despite the issue of a report to the Secretary of State for Health under Section 30 of the Local Audit and Accountability Act 2014).

Public sector bodies are assumed to be going concerns where the continuation of the provision of a service in the future is anticipated, as evidenced by inclusion of financial provision for that service in published documents.

Where a clinical commissioning group ceases to exist, it considers whether or not its services will continue to be provided (using the same assets, by another public sector entity) in determining whether to use the concept of going concern for the final set of Financial Statements. If services will continue to be provided the financial statements are prepared on the going concern basis.

**1.2 Accounting Convention**

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

**1.3 Acquisitions & Discontinued Operations**

Activities are considered to be 'acquired' only if they are taken on from outside the public sector. Activities are considered to be 'discontinued' only if they cease entirely. They are not considered to be 'discontinued' if they transfer from one public sector body to another.

**1.4 Movement of Assets within the Department of Health Group**

Transfers as part of reorganisation fall to be accounted for by use of absorption accounting in line with the Government Financial Reporting Manual, issued by HM Treasury. The Government Financial Reporting Manual does not require retrospective adoption, so prior year transactions (which have been accounted for under merger accounting) have not been restated. Absorption accounting requires that entities account for their transactions in the period in which they took place, with no restatement of performance required when functions transfer within the public sector. Where assets and liabilities transfer, the gain or loss resulting is recognised in the Statement of Comprehensive Net Expenditure, and is disclosed separately from operating costs.

Other transfers of assets and liabilities within the Department of Health Group are accounted for in line with IAS 20 and similarly give rise to income and expenditure entries.

**1.5 Pooled Budgets**

Where the clinical commissioning group has entered into a pooled budget arrangement under Section 75 of the National Health Service Act 2006 the clinical commissioning group accounts for its share of the assets, liabilities, income and expenditure arising from the activities of the pooled budget, identified in accordance with the pooled budget agreement.

If the clinical commissioning group is in a "jointly controlled operation", the clinical commissioning group recognises:

- The assets the clinical commissioning group controls;
- The liabilities the clinical commissioning group incurs;
- The expenses the clinical commissioning group incurs; and,
- The clinical commissioning group's share of the income from the pooled budget activities.

If the clinical commissioning group is involved in a "jointly controlled assets" arrangement, in addition to the above, the clinical commissioning group recognises:

- The clinical commissioning group's share of the jointly controlled assets (classified according to the nature of the assets);
- The clinical commissioning group's share of any liabilities incurred jointly; and,
- The clinical commissioning group's share of the expenses jointly incurred.

**1.6 Critical Accounting Judgements & Key Sources of Estimation Uncertainty**

In the application of the clinical commissioning group's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

**1.6.1 Critical Judgements in Applying Accounting Policies**

The following are the critical judgements, apart from those involving estimations (see below) that management has made in the process of applying the clinical commissioning group's accounting policies that have the most significant effect on the amounts recognised in the financial statements:

In accordance with Accounts Directions issued by NHS England, no assets and liabilities transferred to clinical commissioning groups in accordance with transfer orders issued under the Health and Social Care Act 2012 are to be accounted for by clinical commissioning groups with the exception of those listed below. In addition, no transactions relating to the discharge of liabilities or realisation of assets transferred to clinical commissioning groups in accordance with transfer orders issued under the Health and Social Care Act 2012 are to be accounted for by clinical commissioning groups.

Inventories, non-current assets and their closely related liabilities (meaning those specific liabilities which represent the financing or similar liabilities incurred in the purchase or leasing of those non-current assets) transferred to clinical commissioning groups in accordance with transfer orders issued under the Health and Social Care Act 2012 are to be accounted for by the clinical commissioning group.

Provisions for Continuing Healthcare Claims, although they may be non-current in nature, are to be accounted for in the financial statements of NHS England.

The calculation of running costs has been undertaken in accordance with NHS England national guidance and definitions. However the application of the rules for each organisation involves an application of professional judgement to particular circumstances



**Notes to the financial statements**

**1.6.2 Key Sources of Estimation Uncertainty**

The following are the key estimations that management has made in the process of applying the clinical commissioning group's accounting policies that have the most significant effect on the amounts recognised in the financial statements:  
 Due to the NHS England deadline for the submission of the accounts, actual information is not available for the full 12 months for some material expenditure such as prescribing expenditure and secondary care incomplete spells of treatment. The CCG therefore estimates one or two months of expenditure in some areas using historical information, in year trends and any other available information sources.  
 Amounts included in provisions include an element of uncertainty around both the amount and timing of the likely liability occurring. They are also frequently, but not necessarily, one-off or unusual items for which there are fewer comparisons. The CCG currently provides for termination costs in respect of the merger of Trafford Healthcare NHS Trust (now demised) with Central Manchester University Hospitals Foundation Trust, where future redundancy and restructuring costs are estimated but not yet certain.

**1.7 Revenue**

Revenue in respect of services provided is recognised when, and to the extent that, performance occurs, and is measured at the fair value of the consideration receivable.

Where income is received for a specific activity that is to be delivered in the following year, that income is deferred.

**1.8 Employee Benefits**

**1.8.1 Short-term Employee Benefits**

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees, including bonuses earned but not yet taken.

The cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

**1.8.2 Retirement Benefit Costs**

Past and present employees are covered by the provisions of the NHS Pensions Scheme. 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 clinical commissioning group of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

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 expenditure at the time the clinical commissioning group commits itself to the retirement, regardless of the method of payment.

Some employees are members of the Local Government Superannuation Scheme, which is a defined benefit pension scheme. The scheme assets and liabilities attributable to those employees can be identified and are recognised in the clinical commissioning group's accounts. The assets are measured at fair value and the liabilities at the present value of the future obligations. The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The expected gain during the year from scheme assets is recognised within finance income. The interest cost during the year arising from the unwinding of the discount on the scheme liabilities is recognised within finance costs. Actuarial gains and losses during the year are recognised in the General Reserve and reported as an item of other comprehensive net expenditure.

**1.9 Other Expenses**

Other operating expenses are recognised when, and to the extent that, the goods or services have been received. They are measured at the fair value of the consideration payable.

Expenses and liabilities in respect of grants are recognised when the clinical commissioning group has a present legal or constructive obligation, which occurs when all of the conditions attached to the payment have been met.

**1.10 Leases**

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

**1.10.1 The Clinical Commissioning Group as Lessee**

Property, plant and equipment held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate on interest on the remaining balance of the liability. Finance charges are recognised in calculating the clinical commissioning group's surplus/deficit.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Where a lease is for land and buildings, the land and building components are separated and individually assessed as to whether they are operating or finance leases.

**1.10.2 The Clinical Commissioning Group as Lessor**

Amounts due from lessees under finance leases are recorded as receivables at the amount of the clinical commissioning group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the clinical commissioning group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

**1.11 Cash & Cash Equivalents**

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the clinical commissioning group's cash management.

**Notes to the financial statements**

**1.12 Provisions**

Provisions are recognised when the clinical commissioning group has a present legal or constructive obligation as a result of a past event, it is probable that the clinical commissioning group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using HM Treasury's discount rate as follows:

- Timing of cash flows (0 to 5 years inclusive): Minus 1.55% (2014-15: minus 1.50%)
- Timing of cash flows (6 to 10 years inclusive): Minus 1% (2014-15: minus 1.05%)
- Timing of cash flows (over 10 years): Minus 0.80% (2014-15: plus 2.20%)

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

A restructuring provision is recognised when the clinical commissioning group has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with on-going activities of the entity.

**1.13 Clinical Negligence Costs**

The NHS Litigation Authority operates a risk pooling scheme under which the clinical commissioning group pays an annual contribution to the NHS Litigation Authority which in return settles all clinical negligence claims. The contribution is charged to expenditure. Although the NHS Litigation Authority is administratively responsible for all clinical negligence cases the legal liability remains with the clinical commissioning group.

**1.14 Non-clinical Risk Pooling**

The clinical commissioning group participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the clinical commissioning group pays an annual contribution to the NHS Litigation Authority and, in return, receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses as and when they become due.

**1.15 Continuing healthcare risk pooling**

In 2014-15 a risk pool scheme was introduced by NHS England for continuing healthcare claims, for claim periods prior to 31 March 2013. Under the scheme clinical commissioning group contribute annually to a pooled fund, which is used to settle the claims.

**1.16 Carbon Reduction Commitment Scheme**

Carbon Reduction Commitment and similar allowances are accounted for as government grant funded intangible assets if they are not expected to be realised within twelve months, and otherwise as other current assets. They are valued at open market value. As the clinical commissioning group makes emissions, a provision is recognised with an offsetting transfer from deferred income. The provision is settled on surrender of the allowances. The asset, provision and deferred income amounts are valued at fair value at the end of the reporting period.

**1.17 Contingencies**

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the clinical commissioning group, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the clinical commissioning group. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.

**1.18 Financial Assets**

Financial assets are recognised when the clinical commissioning group 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 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.

**1.19 Financial Liabilities**

Financial liabilities are recognised on the statement of financial position when the clinical commissioning group 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 derecognised when the liability has been discharged, that is, the liability has been paid or has expired.

Loans from the Department of Health are recognised at historical cost. Otherwise, financial liabilities are initially recognised at fair value.

**1.19.1 Financial Guarantee Contract Liabilities**

Financial guarantee contract liabilities are subsequently measured at the higher of:

- The premium received (or imputed) for entering into the guarantee less cumulative amortisation; and,
- The amount of the obligation under the contract, as determined in accordance with IAS 37: Provisions, Contingent Liabilities and Contingent Assets.

**1.19.3 Other Financial Liabilities**

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method, except for loans from Department of Health, which are carried at historic cost. 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.

**1.20 Value Added Tax**

**Notes to the financial statements**

Most of the activities of the clinical commissioning group are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.21 **Foreign Currencies**

The clinical commissioning group's functional currency and presentational currency is sterling. Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the spot exchange rate on 31 March. Resulting exchange gains and losses for either of these are recognised in the clinical commissioning group's surplus/deficit in the period in which they arise.

1.22 **Losses & Special Payments**

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled.

Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the clinical commissioning group not been bearing its own risks (with insurance premiums then being included as normal revenue expenditure).

1.23 **Research & Development**

Research and development expenditure is charged in the year in which it is incurred, except insofar as development expenditure relates to a clearly defined project and the benefits of it can reasonably be regarded as assured. Expenditure so deferred is limited to the value of future benefits expected and is amortised through the Statement of Comprehensive Net Expenditure on a systematic basis over the period expected to benefit from the project. It should be re-valued on the basis of current cost. The amortisation is calculated on the same basis as depreciation.

1.24 **Accounting Standards That Have Been Issued But Have Not Yet Been Adopted**

The Government Financial Reporting Manual does not require the following Standards and Interpretations to be applied in 2015-16, all of which are subject to consultation:

- IFRS 9: Financial Instruments
- IFRS 14: Regulatory Deferral Accounts
- IFRS 15: Revenue for Contract with Customers

The application of the Standards as revised would not have a material impact on the accounts for 2015-16, were they applied in that year.

**2 Other Operating Revenue**

	<b>2015-16 Total £000</b>	<b>2015-16 Admin £000</b>	<b>2015-16 Programme £000</b>	<b>2014-15 Total £000</b>
Education, training and research	33	30	2	25
Non-patient care services to other bodies	124	35	89	1,441
Other revenue	2,226	0	2,226	16
<b>Total other operating revenue</b>	<b><u>2,383</u></b>	<b><u>65</u></b>	<b><u>2,317</u></b>	<b><u>1,482</u></b>

Admin revenue is revenue received that is not directly attributable to the provision of healthcare or healthcare services.

Revenue in this note does not include cash received from NHS England, which is drawn down directly into the bank account of the CCG and credited to the General Fund.

**3 Revenue**

	<b>2015-16 Total £000</b>	<b>2015-16 Admin £000</b>	<b>2015-16 Programme £000</b>	<b>2014-15 Total £000</b>
From rendering of services	2,383	65	2,317	1,482
From sale of goods	0	0	0	0
<b>Total</b>	<b><u>2,383</u></b>	<b><u>65</u></b>	<b><u>2,317</u></b>	<b><u>1,482</u></b>

Revenue is totally from the supply of services. The clinical commissioning group receives no revenue from the sale of goods.

NHS Bury CCG - Annual Accounts 2015-16

4. Employee benefits and staff numbers

4.1.1 Employee benefits

	2015-16			Total			Admin			Programme		
	Total £000	Permanent Employees £000	Other £000	Total £000	Permanent Employees £000	Other £000	Total £000	Permanent Employees £000	Other £000	Total £000	Permanent Employees £000	Other £000
Employee Benefits												
Salaries and wages	3,193	2,385	808	1,768	1,392	377	1,425	993	432			
Social security costs	200	200	0	126	126	0	74	74	0			
Employer Contributions to NHS Pension scheme	301	301	0	179	179	0	122	122	0			
Other pension costs	0	0	0	0	0	0	0	0	0			
Other post-employment benefits	0	0	0	0	0	0	0	0	0			
Other employment benefits	0	0	0	0	0	0	0	0	0			
Termination benefits	0	0	0	0	0	0	0	0	0			
<b>Gross employee benefits expenditure</b>	<b>3,695</b>	<b>2,887</b>	<b>808</b>	<b>2,074</b>	<b>1,697</b>	<b>377</b>	<b>1,621</b>	<b>1,190</b>	<b>432</b>			
Less recoveries in respect of employee benefits (note 4.1.2)	0	0	0	0	0	0	0	0	0			
<b>Total - Net admin employee benefits including capitalised costs</b>	<b>3,695</b>	<b>2,887</b>	<b>808</b>	<b>2,074</b>	<b>1,697</b>	<b>377</b>	<b>1,621</b>	<b>1,190</b>	<b>432</b>			
Less: Employee costs capitalised	0	0	0	0	0	0	0	0	0			
<b>Net employee benefits excluding capitalised costs</b>	<b>3,695</b>	<b>2,887</b>	<b>808</b>	<b>2,074</b>	<b>1,697</b>	<b>377</b>	<b>1,621</b>	<b>1,190</b>	<b>432</b>			

4.1.1 Employee benefits

	2014-15			Total			Admin			Programme		
	Total £000	Permanent Employees £000	Other £000	Total £000	Permanent Employees £000	Other £000	Total £000	Permanent Employees £000	Other £000	Total £000	Permanent Employees £000	Other £000
Employee Benefits												
Salaries and wages	2,403	2,112	291	944	906	38	1,459	1,206	253			
Social security costs	171	168	3	87	85	2	84	83	1			
Employer Contributions to NHS Pension scheme	248	248	0	116	116	0	132	132	0			
Other pension costs	0	0	0	0	0	0	0	0	0			
Other post-employment benefits	0	0	0	0	0	0	0	0	0			
Other employment benefits	0	0	0	0	0	0	0	0	0			
Termination benefits	0	0	0	0	0	0	0	0	0			
<b>Gross employee benefits expenditure</b>	<b>2,822</b>	<b>2,528</b>	<b>294</b>	<b>1,147</b>	<b>1,107</b>	<b>40</b>	<b>1,675</b>	<b>1,421</b>	<b>254</b>			
Less recoveries in respect of employee benefits (note 4.1.2)	0	0	0	0	0	0	0	0	0			
<b>Total - Net admin employee benefits including capitalised costs</b>	<b>2,822</b>	<b>2,528</b>	<b>294</b>	<b>1,147</b>	<b>1,107</b>	<b>40</b>	<b>1,675</b>	<b>1,421</b>	<b>254</b>			
Less: Employee costs capitalised	0	0	0	0	0	0	0	0	0			
<b>Net employee benefits excluding capitalised costs</b>	<b>2,822</b>	<b>2,528</b>	<b>294</b>	<b>1,147</b>	<b>1,107</b>	<b>40</b>	<b>1,675</b>	<b>1,421</b>	<b>254</b>			

4.1.2 Recoveries in respect of employee benefits

There were no recoveries in respect of employee benefits during 2015/16 (2014/15 nil)

4.2 Average number of people employed

	2015-16		2014-15	
	Total Number	Permanently employed Number	Other Number	Total Number
<b>Total</b>	<b>63</b>	<b>51</b>	<b>12</b>	<b>52</b>
Of the above:				
<b>Number of whole time equivalent people engaged on capital projects</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

4.3 Staff sickness absence and ill health retirements

	2015-16 Number	2014-15 Number
Total Days Lost	349	301
Total Staff Years	82	36
<b>Average working Days Lost</b>	<b>4</b>	<b>8</b>

4.4 Exit packages agreed in the financial year

There were no exit packages agreed in the financial year.

#### **4.5 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.nhsbsa.nhs.uk/Pensions](http://www.nhsbsa.nhs.uk/Pensions).

The Scheme is an unfunded, defined benefit scheme that covers NHS employers, GP 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 clinical commissioning group 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, every five years) and an accounting valuation every year. An outline of these follows:

##### **4.5.1 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 2012 and covered the period from 1 April 2008 to that date. Details can be found on the pension scheme website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions).

For 2015-16, employers' contributions of £301,000 were payable to the NHS Pensions Scheme (2014-15: £248,000) were payable to the NHS Pension Scheme at the rate of 14.3% of pensionable pay. The scheme's actuary reviews employer contributions, usually every four years and now based on HMT Valuation Directions, following a full scheme valuation. The latest review used data from 31 March 2012 and was published on the Government website on 9 June 2014. These costs are included in the NHS pension line of note 4.1.1.

**5. Operating expenses**

	2015-16 Total £000	2015-16 Admin £000	2015-16 Programme £000	2014-15 Total £000
<b>Gross employee benefits</b>				
Employee benefits excluding governing body members	3,012	1,401	1,611	2,369
Executive governing body members	683	673	10	453
<b>Total gross employee benefits</b>	<b>3,695</b>	<b>2,074</b>	<b>1,621</b>	<b>2,822</b>
<b>Other costs</b>				
Services from other CCGs and NHS England	1,449	1,486	(36)	2,930
Services from foundation trusts	69,457	61	69,396	65,128
Services from other NHS trusts	93,197	64	93,133	94,003
Purchase of healthcare from non-NHS bodies	35,856	0	35,856	25,542
Chair and Non Executive Members	168	166	2	168
Supplies and services – clinical	2	0	2	0
Supplies and services – general	879	(54)	932	92
Consultancy services	147	47	100	276
Establishment	398	175	223	250
Transport	1,155	0	1,154	1,090
Premises	641	142	499	671
Audit fees	54	54	0	72
Prescribing costs	32,548	0	32,548	31,269
GPMS/APMS and PCTMS	2,570	0	2,570	1,740
Other professional fees excl. audit	542	73	469	153
Clinical negligence	6	6	0	6
Education and training	77	35	42	93
Provisions	60	60	0	(65)
CHC Risk Pool contributions	840	0	840	316
Other expenditure	0	0	0	2
<b>Total other costs</b>	<b>240,044</b>	<b>2,315</b>	<b>237,729</b>	<b>223,736</b>
<b>Total operating expenses</b>	<b>243,739</b>	<b>4,389</b>	<b>239,350</b>	<b>226,558</b>

Admin expenditure is expenditure incurred that is not a direct payment for the provision of healthcare or healthcare services.



### 6.1 Better Payment Practice Code

Measure of compliance	2015-16 Number	2015-16 £000	2014-15 Number	2014-15 £000
<b>Non-NHS Payables</b>				
Total Non-NHS Trade invoices paid in the Year	13,277	40,753	13,077	29,119
Total Non-NHS Trade Invoices paid within target	13,160	40,401	12,974	28,693
<b>Percentage of Non-NHS Trade invoices paid within target</b>	<b>99.12%</b>	<b>99.14%</b>	99.21%	98.54%
<b>NHS Payables</b>				
Total NHS Trade Invoices Paid in the Year	2,292	167,479	2,177	167,411
Total NHS Trade Invoices Paid within target	2,279	167,392	2,140	165,056
<b>Percentage of NHS Trade Invoices paid within target</b>	<b>99.43%</b>	<b>99.95%</b>	98.30%	98.59%

The Better Payment Practice Code requires the CCG to aim to pay all valid invoices by the due date or within 30 days of receipt of a valid invoice, whichever is later.

### 6.2 The Late Payment of Commercial Debts (Interest) Act 1998

The Clinical Commissioning Group had no costs attributable to The Late Payment of Commercial Debts in Financial year 2015/16 (2014/15 Nil).

### 7 Income Generation Activities

The Clinical Commissioning Group did not undertake any income generation activities during 2015/16 (2014/15 Nil).

### 8. Investment revenue

The Clinical Commissioning Group had no investment revenue during the year 2015/16 ( 2014/15 Nil).

### 9. Other gains and losses

The Clinical Commissioning Group had no other gains and losses during the year 2015/16 ( 2014/15 Nil).

### 10. Finance costs

There were no Finance costs attributable to the Clinical Commissioning Group during 2015/16 (2014/15 Nil).

### 11. Net gain/(loss) on transfer by absorption

There have been no transferred functions during the year 2015/16 resulting in any recognised gain or loss (2014/15 Nil).

### 12. Operating Leases

#### 12.1 As lessee

##### 12.1.1 Payments recognised as an Expense

	2015-16			2014-15		
	Buildings £000	Other £000	Total £000	Buildings £000	Other £000	Total £000
<b>Payments recognised as an expense</b>						
Minimum lease payments	624	4	628	658	1	659
Contingent rents	0	0	0	0	0	0
Sub-lease payments	0	0	0	0	0	0
<b>Total</b>	<b>624</b>	<b>4</b>	<b>628</b>	<b>658</b>	<b>1</b>	<b>659</b>

Whilst our arrangements with Community Health Partnership's Limited and NHS Property Services Limited fall within the definition of operating leases, rental charge for future years has not yet been agreed. Consequently this note does not include future minimum lease payments for the arrangements.

##### 12.1.2 Future minimum lease payments

	2015-16			2014-15		
	Buildings £000	Other £000	Total £000	Buildings £000	Other £000	Total £000
<b>Payable:</b>						
No later than one year	0	5	5	-	4	4
Between one and five years	0	5	5	-	9	9
After five years	0	0	0	-	-	0
<b>Total</b>	<b>0</b>	<b>10</b>	<b>10</b>	<b>0</b>	<b>13</b>	<b>13</b>

#### 12.2 As lessor

The Clinical Commissioning Group had no rental revenue as a lessor during 2015/16 (2014/15 Nil).

##### 12.2.2 Future minimum rental value

The Clinical Commissioning Group has no future minimum rental value as a lessor during 2015/16

### 13 Property, plant and equipment

The Clinical Commissioning Group purchased no property, plant, and equipment during the year 2015/16 (2014/15 Nil).

#### 13.1 Additions to assets under construction

There were no assets under construction during the year 2015/16 (2014/15 Nil).

#### 13.2 Donated assets

The CCG received no donated assets during the year 2015/16 (2014/15 Nil).

#### 13.3 Government granted assets

The CCG received no Government granted assets during the year 2015/16 (2014/15 Nil).

#### 13.4 Property revaluation

There were no property revaluations during the year 2015/16 (2014/15 Nil).

#### 13.5 Compensation from third parties

There is no compensation from third parties for assets impaired,

#### 13.6 Write downs to recoverable amount

There were no assets written down during the year 2015/16

#### 13.7 Temporarily idle assets

There were no temporarily idle assets during 2015/16 (2014/15 Nil).

#### 13.8 Cost or valuation of fully depreciated assets

The Clinical Commissioning Group carried no cost or valuation of fully depreciated assets in 2015/16 (2014/15 Nil).

#### 13.9 Economic lives

The Clinical Commissioning Group owned no property, plant, and equipment during the year 2015/16 (2014/15 Nil).

**14 Intangible non-current assets**

The Clinical Commissioning Group purchased no intangible assets during the year 2015/16 (2014/15 Nil).

**14.1 Donated assets**

The CCG received no donated assets during the year 2015/16 (2014/15 Nil).

**14.2 Government granted assets**

The CCG received no Government granted assets during the year 2015/16 (2014/15 Nil).

**14.3 Revaluation**

There were no property revaluations during the year 2015/16 (2014/15 Nil).

**14.6 Non-capitalised assets**

There were no non-capitalised assets utilised by the Clinical Commissioning Group during the year 2015/16 (2014/15 Nil).

**14.7 Temporarily idle assets**

There were no temporarily idle assets during 2015/16 (2014/15 Nil).

**14.8 Cost or valuation of fully amortised assets**

The Clinical Commissioning Group carried no cost or valuation of fully amortised assets in 2015/16 (2014/15 Nil).

**14.9 Economic lives**

The Clinical Commissioning Group purchased no assets during the year 2015/16 (2014/15 Nil).

**15 Investment property**

The Clinical Commissioning Group had no investment property as at 31 March 2016 (31 March 2015 Nil).

**16 Inventories**

The Clinical Commissioning Group had no inventories as at 31 March 2016 (31 March 2015 Nil).

<b>17 Trade and other receivables</b>	<b>Current 2015-16 £000</b>	<b>Current 2014-15 £000</b>
NHS receivables: Revenue	432	1,314
NHS receivables: Capital	0	0
NHS prepayments	1,514	583
NHS accrued income	0	88
Non-NHS receivables: Revenue	76	24
Non-NHS receivables: Capital	0	0
Non-NHS prepayments	71	76
Non-NHS accrued income	80	138
Provision for the impairment of receivables	0	0
VAT	28	17
Private finance initiative and other public private partnership arrangement prepayments and accrued income	0	0
Interest receivables	0	0
Finance lease receivables	0	0
Operating lease receivables	0	0
Other receivables	0	2
<b>Total Trade &amp; other receivables</b>	<b>2,200</b>	<b>2,242</b>
<b>Total current and non current</b>	<b>2,200</b>	<b>2,242</b>
Included above:		
Prepaid pensions contributions	0	0

The great majority of trade is with NHS England. As NHS England is funded by Government to provide funding to clinical commissioning groups to commission services, no credit scoring of them is considered necessary.

<b>17.1 Receivables past their due date but not impaired</b>	<b>2015-16 £000</b>	<b>2014-15 £000</b>
By up to three months	102	(193)
By three to six months	0	0
By more than six months	0	147
<b>Total</b>	<b>102</b>	<b>(46)</b>

The Clinical Commissioning Group did not hold any collateral against receivables outstanding at 31 March 2016 (31 March 2015 Nil).

#### **17.2 Provision for impairment of receivables**

The Clinical Commissioning Group did not provide for any impairment of receivables at 31 March 2016 (31 March 2015 Nil).

#### **18 Other financial assets**

The Clinical Commissioning Group acquired no other financial assets during the year 2015/16 (2014/15 Nil).

#### **19 Other current assets**

The Clinical Commissioning Group had no other current assets as at 31 March 2016 (31 March 2015 Nil).

**20 Cash and cash equivalents**

	<b>2015-16</b>	2014-15
	<b>£000</b>	£000
Balance at 01 April 2015	204	41
Net change in year	(37)	163
<b>Balance at 31 March 2016</b>	<b><u>167</u></b>	<b><u>204</u></b>
Made up of:		
Cash with the Government Banking Service	167	204
<b>Cash and cash equivalents as in statement of financial position</b>	<b>167</b>	<b>204</b>
<b>Balance at 31 March 2016</b>	<b><u>167</u></b>	<b><u>204</u></b>

The Clinical Commissioning Group holds no patients monies, and none therefore included in figures above

**21 Non-current assets held for sale**

The Clinical Commissioning Group had no Non-current assets held for sale during the year 2015/16 (2014/15 Nil).

**22 Analysis of impairments and reversals**

The Clinical Commissioning Group had no impairments or reversals during the year 2015/16 (2014/15 Nil).

<b>23 Trade and other payables</b>	<b>Current 2015-16 £000</b>	<b>Non-current 2015-16 £000</b>	<b>Current 2014-15 £000</b>	<b>Non-current 2014-15 £000</b>
Interest payable	0	0	0	0
NHS payables: revenue	1,720	0	533	0
NHS payables: capital	0	0	0	0
NHS accruals	1,083	0	1,570	0
NHS deferred income	0	0	0	0
Non-NHS payables: revenue	1,555	0	647	0
Non-NHS payables: capital	0	0	0	0
Non-NHS accruals	8,649	0	7,140	0
Non-NHS deferred income	0	0	0	0
Social security costs	39	0	25	0
VAT	0	0	0	0
Tax	39	0	27	0
Payments received on account	0	0	0	0
Other payables	102	0	101	0
<b>Total Trade &amp; Other Payables</b>	<b>13,185</b>	<b>0</b>	<b>10,043</b>	<b>0</b>
Total current and non-current	<b>13,185</b>		<b>10,043</b>	

The CCG has no liabilities due in future years under arrangements to buy out the liability for early retirement over 5 years.

Other payables include £52k outstanding pension contributions at 31 March 2016

#### **24 Other financial liabilities**

The Clinical Commissioning Group had no Other Financial liabilities during the year 2015/16 (2014/15 Nil).

#### **25 Other liabilities**

The Clinical Commissioning Group had no Other liabilities during the year 2015/16 (2014/15 Nil).

#### **26 Borrowings**

The Clinical Commissioning Group had no Borrowings during the year 2015/16 (2014/15 Nil).

#### **27 Private finance initiative, LIFT and other service concession arrangements**

The Clinical Commissioning Group had no Private Finance Initiative, LIFT or other Service Concession arrangements during the year 2015/16 (2014/15 Nil).

#### **28 Finance lease obligations**

The Clinical Commissioning Group had no Finance Lease obligations during the year 2015/16 (2014/15 Nil).

#### **29 Finance lease receivables**

The Clinical Commissioning Group had no Finance lease receivables during the year 2015/16 (2014/15 Nil).

**30 Provisions**

	Current 2015-16 £000	Non-current 2015-16 £000	Current 2014-15 £000	Non-current 2014-15 £000
Redundancy	60	0	0	0
Agenda for change	0	0	0	0
Equal pay	0	0	0	0
Legal claims	0	0	0	0
Continuing care	0	0	0	0
Other	109	0	204	0
<b>Total</b>	<b>169</b>	<b>0</b>	<b>204</b>	<b>0</b>
<b>Total current and non-current</b>	<b>169</b>		<b>204</b>	

	Pensions Relating to Former Directors £000s	Pensions Relating to Other Staff £000s	Restructuring £000s	Redundancy £000s	Agenda for Change £000s	Equal Pay £000s	Legal Claims £000s	Continuing Care £000s	Other £000s	Total £000s
<b>Balance at 01 April 2015</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>204</b>	<b>204</b>
Arising during the year	0	0	0	60	0	0	0	0	0	60
Utilised during the year	0	0	0	0	0	0	0	0	(96)	(96)
Reversed unused	0	0	0	0	0	0	0	0	0	0
Unwinding of discount	0	0	0	0	0	0	0	0	0	0
Change in discount rate	0	0	0	0	0	0	0	0	0	0
Transfer (to) from other public sector body	0	0	0	0	0	0	0	0	0	0
<b>Balance at 31 March 2016</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>60</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>109</b>	<b>169</b>
<b>Expected timing of cash flows:</b>										
Within one year	0	0	0	60	0	0	0	0	109	169
Between one and five years	0	0	0	0	0	0	0	0	0	0
After five years	0	0	0	0	0	0	0	0	0	0
<b>Balance at 31 March 2016</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>60</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>109</b>	<b>169</b>

The "other" provision relates to:

Restructuring costs at Central Manchester University Hospitals Foundation Trust (CMUHFT) as a result of the closure of Trafford Hospital. The provision is based on a Heads of Terms agreement between CMUHFT and Greater Manchester CCGs. Agreement was reached in 12/13 that each Greater Manchester CCG would contribute to the costs as part of a Greater Manchester risk share agreement.

The costs are based on an agreed transition arising as a result of the new Health Deal within Trafford and the process has been signed off by the Secretary of State and was subject to wider assurances provided in advance of the SOS decision.

The termination costs (redundancy and contracts) originally had a combined maximum limit of £11.0m (with a maximum of £6.5m for GM CCGs as £4.5m was previously settled by GM SHA) final actual values had to be signed off by CMUHFT and Trafford CCG as the lead responsible CCG. In 13/14 £1,828k was accrued and £4,322k provided for across GM in 14/15 these figures have been revised and £1,048k has been accrued and £3,274k provided for. However, the exact value is not as yet definitive. Exact timing of the discharge of the costs is uncertain but likely to be wholly within the next year.

Under the Accounts Direction issued by NHS England on 12 February 2014, NHS England is responsible for accounting for liabilities relating to NHS Continuing Healthcare claims relating to periods of care before establishment of the clinical commissioning group. However, the legal liability remains with the CCG. The total value of legacy NHS Continuing Healthcare provisions accounted for by NHS England on behalf of this CCG at March 31 March 2015 is £1,102 (31 March 2014 £2,256).

The redundancy provision is as a result of internal restructuring within the CCG.

**31 Contingencies**

The Clinical Commissioning Group had no Contingent Assets or Liabilities at 31 March 2016 (31 March 2015 Nil).



## **32 Commitments**

### **32.1 Capital commitments**

The Clinical Commissioning Group has no Capital Commitments at 31 March 2016 (31 March 2015 Nil).

### **32.2 Other financial commitments**

The Clinical Commissioning Group has no Other Financial Commitments at 31 March 2016 (31 March 2015 Nil).

## **33 Financial instruments**

### **33.1 Financial risk management**

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities.

Because NHS Clinical Commissioning Group is financed through parliamentary funding, it is 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 listed companies, to which the financial reporting standards mainly apply. The clinical commissioning group has limited 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 clinical commissioning group in undertaking its activities.

Treasury management operations are carried out by the finance department, within parameters defined formally within the NHS Clinical Commissioning Group standing financial instructions and policies agreed by the Governing Body. Treasury activity is subject to review by the NHS Clinical Commissioning Group and internal auditors.

#### **33.1.1 Currency risk**

The NHS Clinical Commissioning Group is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The NHS Clinical Commissioning Group has no overseas operations. The NHS Clinical Commissioning Group and therefore has low exposure to currency rate fluctuations.

#### **33.1.2 Interest rate risk**

The Clinical Commissioning Group borrows from government for capital expenditure, subject to affordability as confirmed by NHS England. The borrowings are for 1 to 25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan. The clinical commissioning group therefore has low exposure to interest rate fluctuations.

#### **33.1.3 Credit risk**

Because the majority of the NHS Clinical Commissioning Group and revenue comes parliamentary funding, NHS Clinical Commissioning Group has low exposure to credit risk. The maximum exposures as at the end of the financial year are in receivables from customers, as disclosed in the trade and other receivables note.

#### **33.1.3 Liquidity risk**

NHS Clinical Commissioning Group is required to operate within revenue and capital resource limits, which are financed from resources voted annually by Parliament. The NHS Clinical Commissioning Group draws down cash to cover expenditure, as the need arises. The NHS Clinical Commissioning Group is not, therefore, exposed to significant liquidity risks.

### 33 Financial instruments cont'd

#### 33.2 Financial assets

	At 'fair value through profit and loss' 2015-16 £000	Loans and Receivables 2015-16 £000	Available for Sale 2015-16 £000	Total 2015-16 £000
Receivables:				
· NHS	0	432	0	432
· Non-NHS	0	156	0	156
Cash at bank and in hand	0	167	0	167
Other financial assets	0	0	0	0
<b>Total at 31 March 2016</b>	<b>0</b>	<b>754</b>	<b>0</b>	<b>754</b>

	At 'fair value through profit and loss' 2014-15 £000	Loans and Receivables 2014-15 £000	Available for Sale 2014-15 £000	Total 2014-15 £000
Receivables:				
· NHS	0	1,314	0	1,314
· Non-NHS	0	24	0	24
Cash at bank and in hand	0	204	0	204
Other financial assets	0	2	0	2
<b>Total at 31-March-2015</b>	<b>0</b>	<b>1,544</b>	<b>0</b>	<b>1,544</b>

#### 33.3 Financial liabilities

	At 'fair value through profit and loss' 2015-16 £000	Other 2015-16 £000	Total 2015-16 £000
Payables:			
· NHS	0	2,803	2,803
· Non-NHS	0	10,305	10,305
Private finance initiative, LIFT and finance lease obligations	0	0	0
Other borrowings	0	0	0
Other financial liabilities	0	0	0
<b>Total at 31 March 2016</b>	<b>0</b>	<b>13,108</b>	<b>13,108</b>

	At 'fair value through profit and loss' 2014-15 £000	Other 2014-15 £000	Total 2014-15 £000
Payables:			
· NHS	0	2,103	2,103
· Non-NHS	0	7,888	7,888
Private finance initiative, LIFT and finance lease obligations	0	0	0
Other borrowings	0	0	0
Other financial liabilities	0	0	0
<b>Total at 31-March-2015</b>	<b>0</b>	<b>9,991</b>	<b>9,991</b>

**34 Operating segments**

The Clinical Commissioning Group consider they have only one segment: commissioning of healthcare services.

### 35 Pooled budgets

The Better Care Fund was set up in 2015-16 between Bury CCG and Bury Council. This is a pooled budget, hosted by Bury Council. The fund is jointly managed by Bury CCG and Bury Council, with a section 75 agreement in place. Overall accountability for the local BCF pooled budget is held by the local Health and Wellbeing Board.

The CCG's planned contribution to the fund in 2015-16 was £11.849M, across a number of schemes. Pay for performance under achievement resulted in a reduction of £1.3M to this contribution. This and slippage on scheme delivery has resulted in a total underspend of £2.01M for the overall pooled fund. The CCG's share of this underspend is 50% i.e. £1.005M.

Scheme Name	Annual Budget £000s	Actual £000s	Variance £000s	Pooled budgets: 50% share		
				CCG Share Budget £000s	CCG Share Actual £000s	CCG Share Variance £000s
<b>Total Pooled fund income (including pay for performance (P4P))</b>	(11,849)	(10,515)	(1,334)	(5,925)	(5,258)	(667)
<b>Expenditure:</b>						
1. Staying Well	374	-	374	187	-	187
2. Extended Access to Primary Care Extended GP hours (phase 1)	1,240	408	832	620	204	416
3. Integrated Locality Teams (phase 2)	2,373	441	1,932	1,187	220	966
4. Care of vulnerable adults LES - performance element	607	401	206	304	201	103
5. Reablement Intermediate Care (all schemes)	7,255	7,255	-	3,628	3,628	-
<b>Total pooled fund expenditure</b>	<b>11,849</b>	<b>8,505</b>	<b>3,344</b>	<b>5,925</b>	<b>4,253</b>	<b>1,672</b>
<b>Net position, pooled fund</b>	<b>-</b>	<b>(2,010)</b>	<b>2,010</b>	<b>-</b>	<b>(1,005)</b>	<b>1,005</b>

Bury Council contribution, within Better Care fund but outside the pooled budget:

5. Reablement Intermediate Care - Capital Grants (care capital grants)	<u>1,236</u>	<u>1,236</u>	<u>-</u>
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### 36 NHS Lift investments

The Clinical Commissioning Group held no LIFT Investments during the year 2015/16 (2014/15 Nil).

**37.1 Related party transactions 2015/16**

Details of related party transactions with individuals are as follows:

Dr Kiran Patel is the Chair, and principal GP at Greenmount Medical Centre. He is also the Medical Director of Laserase. Additionally, he is a member of the GP Federation. His wife is a shareholder in ABL Health and Laserase.

Claire Wilson's spouse is the Director of Financial Control at NHS England.

Dr Cathy Fines is a GP at Uplands Medical Centre and is a member of the GP Federation. Her spouse is a Consultant at Central Manchester University NHS FT.

Howard Hughes is a Clinical Director and both himself and his spouse are Directors of Prestwich Pharmacy and St Peter's Pharmacy.

Dr Victoria Moyle is a GP at Spring Lane Surgery and a member of the GP Federation. Her spouse is a Director of the GP Federation and father in law is co-owner of Oak Lodge Nursing Home.

Dr Jeffrey Schryer is a partner in Whittaker Lane Medical Centre and a member of the GP Federation.

Dr William Simmonds is a GP at Elms Medical Centre and a member of the GP Federation.

Dr Fazel Butt is a GP at Huntley Mount Medical Centre and a member of the GP Federation.

Dr Ajay Kotegaonkar is a GP at Spring Lane Surgery, a Director of Healthier Radcliffe and a shareholder of the GP Federation. His spouse is a GP at Spring Lane Surgery. His father is owner of Oak Lodge Nursing Home, Chair of Governors at Bardoc and a Shareholder in Rock Healthcare.

Dr Wissam El-Jouzi is a GP at Tottington Medical Practice and a member of the GP Federation. His spouse is a GP at Tottington Medical Practice.

David McCann is a Non-executive Director of Rock Healthcare Ltd.

Karen Richardson is a Lay Nurse Governing Body Member for Stockport CCG.

Paul Horrocks is a partner of Esstential Communications and appointed Trustee of Bury Hospice. His spouse is a partner of Essential Communications.

	Payments to Related Party £000	Receipts from Related Party £000	Amounts owed to Related Party £000	Amounts due from Related Party £000
ABL Health Ltd	91	-	-	-
Central Manchester University Hospitals NHS FT	8,392	-	246	-
Greenmount Medical Centre	148	-	-	-
Laserase Bolton Ltd	-	-	-	-
Minden Family Practices Ltd	15	-	-	-
NHS England	1,570	(322)	-	(268)
NHS Stockport CCG	5	(8)	2	-
Huntley Mount Medical Centre	24	-	-	-
Rock Healthcare	42	-	-	-
Uplands Medical Practice	74	-	-	-
Whittaker Lane Medical Centre	97	-	-	-
Spring Lane Surgery	63	-	-	-
Bury GP Practices	1,071	-	-	-
BARDOC	1,589	-	-	-
Oak Lodge Nursing Home	237	-	-	-
Tottington Medical Practice	80	-	-	-
The ELMS Medical Practice	49	-	-	-
Essential Communications	12	-	-	-
Bury Hospice	429	-	-	-
Prestwich Pharmacy	4	-	-	-

The Department of Health is regarded as a related party. During the year the clinical commissioning group has had a significant number of material transactions with entities for which the Department is regarded as the parent Department. For example:

	Payments to Related Party £000	Receipts from Related Party £000	Amounts owed to Related Party £000	Amounts due from Related Party £000
Central Manchester University Hospitals NHS FT	8,392	-	246	-
NHS England	1,570	(322)	268	-
Greater Manchester Shared Services	2,307	(9)	13	-
North West Ambulance Service NHS Trust	6,187	-	-	(43)
Pennine Acute Hospitals NHS Trust	87,083	-	-	(1,041)
Pennine Care NHS Foundation Trust	35,835	-	642	-
Royal Bolton Hospital NHS Foundation Trust	8,259	-	663	(199)
Salford Royal NHS Foundation Trust	10,265	-	521	-
University Hospital of South Manchester NHS FT	1,657	-	16	-
Wrightington Wigan & Leigh NHS Foundation Trust	1,401	-	-	(218)

In addition, the clinical commissioning group has had a number of material transactions with other government departments and other central and local government bodies.

Bury MBC	12,713	(2,554)	740	(67)
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### 37.2 Related party transactions 2014/15

Dr Kiran Patel is the Chair, and principal GP at Greenmount Medical Centre. He is also the Medical Director of Laserase. His wife is a shareholder in ABL Health.

Dr Cathy Fines is a GP at Uplands Medical Centre and her husband is a Consultant at Central Manchester University NHS FT  
Catherine Jackson is the Clinical Lead for Cervical Cytology and

Karen Richardson is a Lay Nurse Governing Body Member for Stockport CCG.

David McCann is a Non-executive Director of Rock Healthcare Ltd

Dr Jeffrey Schryer is a partner in Whittaker Lane Medical Centre.

Claire Wilson's spouse is the Director of Financial Control at NHS England.

Audrey Gibson is the GP Director of and a shareholder in Minden Medical Service Ltd

	Payments to Related Party £000	Receipts from Related Party £000	Amounts owed to Related Party £000	Amounts due from Related Party £000
ABL Health Ltd	91	-	-	-
Central Manchester University Hospitals NHS FT	8,462	-	-	-
Greenmount Medical Centre	129	-	-	-
Laserase Bolton Ltd	1	-	-	-
Minden Family Practices Ltd	34	-	-	-
NHS England	1,653	(941)	-	-
NHS Stockport CCG	6	(85)	-	-
Rock Healthcare	32	-	-	-
Uplands Medical Practice	78	-	-	-
Whittaker Lane Medical Centre	69	-	-	-

The Department of Health is regarded as a related party. During the year the clinical commissioning group has had a significant number of material transactions with entities for which the Department is regarded as the parent Department.

	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party
Central Manchester University Hospitals NHS FT	8,462	-	-	-
NHS England	1,653	(941)	-	-
NHS Greater Manchester CSU	3,729	(35)	-	-
North West Ambulance Service NHS Trust	5,858	-	6	-
Pennine Acute Hospitals NHS Trust	86,400	-	973	-
Pennine Care NHS Foundation Trust	36,030	(505)	219	-
Royal Bolton Hospital NHS Foundation Trust	8,072	-	126	-
Salford Royal NHS Foundation Trust	7,827	-	68	-
University Hospital of South Manchester NHS FT	1,811	-	-	-
Wrightington Wigan & Leigh NHS Foundation Trust	1,424	-	69	-

In addition, the clinical commissioning group has had a number of material transactions with other government departments and other central and local government bodies.

Bury MBC	2,870	(105)	729	0
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### **38 Events after the end of the reporting period**

#### Greater Manchester Shared Services (GMSS)

The 12 Greater Manchester CCGs and NHS England have agreed that the services provided by the former Greater Manchester Commissioning Support Unit (GMCSU), will be hosted by Oldham CCG from 1st April 2016. Formal transfer of services is now completed with the staff complement now being directly employed by NHS Oldham CCG, the business unit is to be known as 'Greater Manchester Shared Services' (GMSS). With effect from the GMSS accounts will be consolidated on Oldham CCG's ledger and this will be on a 'gross accounting' basis.

The GM CCGs agreed unanimously that collaboration is integral to the successful implementation of joint strategies designed to benefit local health populations, especially under Greater Manchester Devolution, whilst recognising each CCG's individual sovereignty and the need for decision making to be locally driven. Oldham CCG will be exposed to the risks and rewards associated with the GMSS Commissioning Support Services and will be the principle risk-holder from 1 April 2016. Whilst Oldham CCG gained agreement from the remaining GM CCGs to ameliorate any financial risks and credit risks relating to the GMSS, and any future reconfiguration of the GMSS service, each GM CCG will need to agree separately to such terms in a negotiated settlement. Oldham CCG retains any risk relating to the GMSS which cannot be mitigated.

#### Delegated CCGs 2016/17

NHS England recently announced details of the Clinical Commissioning Groups approved to take on greater delegated responsibility or to jointly commission GP services from 1st April 2016. The new primary care co-commissioning arrangements are part of a series of changes set out in the NHS Five Year Forward View.

NHS Bury CCG has been approved under delegated commissioning arrangements which mean that the CCG will assume full responsibility for contractual GP performance management, budget management and the design and implementation of local incentive schemes from 1st April 2016.

### **39 Losses and special payments**

#### **39.1 Losses**

The CCG had no losses during 2015/16.

#### **39.2 Special payments**

The CCG had no special payments during 2015/16.

**40 Third party assets**

The clinical commissioning group held no cash and cash equivalents which relate to monies held by the clinical commissioning group on behalf of other parties (31 March 2015 Nil).

**41 Financial performance targets**

NHS Clinical Commissioning Group have a number of financial duties under the NHS Act 2006 (as amended).

NHS Clinical Commissioning Group performance against those duties was as follows:

	<b>2015-16 Target</b>	<b>2015-16 Performance</b>	2014-15 Target	2014-15 Performance
Expenditure not to exceed income	1,500	2,549	250	282
Capital resource use does not exceed the amount specified in Directions	0	0	0	0
Revenue resource use does not exceed the amount specified in Directions	243,906	241,357	225,358	225,076
Capital resource use on specified matter(s) does not exceed the amount specified in Directions	0	0	0	0
Revenue resource use on specified matter(s) does not exceed the amount specified in Directions	0	0	0	0
Revenue administration resource use does not exceed the amount specified in Directions	4,344	4,324	4,674	4,198

**42 Impact of IFRS**

There has been no material impact as a result of the applications of IFRS during 2015/16 (2014/15 Nil).

**43 Analysis of charitable reserves**

The Clinical Commissioning Group does not hold charitable reserves