

<b>Title of paper:</b>	<b>Annual Reporting Arrangements</b>
<b>Meeting:</b>	Governing Body, 31 <sup>st</sup> January 2014
<b>Author:</b>	Justin Dix, governing Body Secretary
<b>email:</b>	justin.dix@surreydownsccg.nhs.uk
<b>Exec Lead:</b>	Keith Edmunds, Chief Finance Officer

<b>Purpose</b>	To Agree	
	To Advise	
	To Note	

### **Development**

Attached are the provisional proposals for 2013/14 year end Annual Reporting - Annual Accounts, Annual Report, Annual General Meeting and Annual Governance Statement. These have been developed in discussion with the external auditors in the Audit Committee and with the communications and finance teams.

### **Executive Summary and Key Issues**

#### *Rationale*

The NHS lays down strict reporting requirements for year end. Guidance has not yet been received on this and is expected in February. However the CCG has been progressing the above four items and the purpose of this short paper is to set out the provisional timetable in this area.

#### *Scheme of reservation and delegation*

Under the scheme of reservation and delegation approval of the annual accounts is reserved to the Council of Members. However it is common in NHS bodies to delegate the technical approval to the Audit Committee and it is recommended that both the Governing Body and the Council of Members agree to this.

#### *Annual Accounts*

Annual Accounts must be finalised and submitted to NHS England by the 6<sup>th</sup> June, however prior to this there are several submission and external audit stages as set out in the provisional timetable below.

#### *Annual Report*

---

<b>Agenda item</b>	19
<b>Attachment</b>	15

The annual report is a narrative document which should contain certain minimum information such as a summary of income and expenditure, details of Governing Body members, the composition of the Governing Body and the principal committees, bands of Executive remuneration, management of conflict of interest, and key achievements during the year.

#### *Annual Governance Statement*

The AGS is a narrative document that sets out the system of internal controls and how the system of governance has enabled the CCG to manage risks to its business during the year. This would encompass a description of the major risks and any significant incidents or patterns of incidents encountered by the CCG. It is a statement made by the accountable officer based on advice he has received using the above systems of assurance and control.

#### *The Annual General Meeting*

The AGM is a constitutional and legal requirement. It is proposed that this should take place in July after the above processes have been finalised. The option exists to combine it with the business meeting of the Governing Body on the 19<sup>th</sup> July, having a combined meeting with the Council of Members, open to the public and key stakeholders.

#### *Role of Internal Audit*

Internal audit (South Coast Audit) give a Head of Internal Audit Opinion on the effectiveness of the system of internal controls, focusing in particular on whether there is a fit for purpose Assurance Framework and Risk register that supports the delivery of the organisation's objectives. This should be consistent with the Annual governance Statement.

#### *Role of External Audit*

The External Auditors (Grant Thornton) provide an independent review of the accounts and give a statement as to whether in their view the accounts represent a true and fair picture of the way in which the organisation has managed its finance during the period in question.

---

<b>Agenda item</b>	19
<b>Attachment</b>	15

*Provisional Timetable*

January TBC – interim audit by External Auditors	External Audit / KE
March TBC – External Auditors to supply a plan for their work in reviewing the CCG’s accounts.	External Audit
Early April TBC – Council of Members meeting to agree delegation for sign off of accounts to Governing Body and Audit Committee, and to receive draft annual report.	Executive to agree, JD to make arrangements
16 <sup>th</sup> April (PM) - Teleconference to talk through any issues with the draft accounts with members of the Audit Committee	JD to make arrangements – KE to lead
20 <sup>th</sup> April – first draft accounts submitted to NHS England	KE
25 <sup>th</sup> April (11.30) – Normal Audit Committee with final accounts, draft Annual Governance Statement and draft Annual Report on the agenda	JD to make arrangements
April – May: Final accounts audit by external auditors	External Audit / KE
16 <sup>th</sup> May – Annual Governance Statement and Annual Report to Governing Body.	JD
May, TBC - Head of Internal Audit Opinion to be supplied by South Coast Audit	South Coast Audit
4 <sup>th</sup> June (9.30) – Special Audit Committee to sign off accounts under delegated authority from the Council of Members and Governing body. Open to any Governing Body member to be in attendance if they wish.	JD to make arrangements
6 <sup>th</sup> June (or before) – Submit final accounts, annual report and Annual Governance Statement to NHS England	KE / Finance Team
July TBC – CCG Annual General Meeting including presentation of Annual Report, Accounts and Annual Governance Statement.	JD / Comms team to make arrangements

**Recommendation(s):** The Governing Body is asked to  
(i) Agree the delegated arrangements

<b>Agenda item</b>	19
<b>Attachment</b>	15

- |  |
|--|
| <p>(ii) Note the provisional timetable as set out above;</p> <p>(iii) Note the arrangements for the Annual General Meeting</p> |
|--|

<b>Attachments: None</b>
--------------------------

### **Implications for wider governance**

<b>Quality and patient safety:</b> The system of internal controls is central to the management of quality
--

<b>Patient and Public Engagement:</b> Of general relevance only
---

<b>Equality Duty:</b> Of general relevance only
---

<b>Finance and resources:</b> The annual reporting process is central finance and resources and includes a value for money and a going concern opinion
--

<b>Communications Plan:</b> The above will be published on the CCG web site when completed
--

<b>Legal or compliance issues:</b> The above are legal requirements on the CCG
--

<b>Risk and Assurance:</b> These processes are central to the systems of internal control of the CCG
--