

NHS Greater Glasgow and Clyde	Paper No. 24/51
Meeting:	NHSGGC Board Meeting
Meeting Date:	30 April 2024
Title:	2021-22 Patients' Private Funds Annual Accounts
Sponsoring Director/Manager	Colin Neil, Director of Finance
Report Author:	BDO

1. Purpose

The purpose of the attached paper is to: present the 2022-23 Patients' Private Funds Annual Accounts and BDO External Audit report to the Board for approval.

2. Executive Summary

The paper can be summarised as follows:

The draft Annual Accounts are enclosed at Appendix A, the Independent Auditors report from BDO is enclosed at Appendix B and draft Letter of Representation is enclosed at Appendix C.

The BDO audit opinion states that:

In our opinion, the special purpose financial statements of NHS Greater Glasgow and Clyde Patients' Private Funds Annual Accounts ('Patients' Private Funds') for the year ended 31 March 2023 are prepared, in all material respects, in accordance with the 2022/23 NHS Board Accounts Manual.

On 12 March 2024 the Audit & Risk Committee reviewed the 2022-23 Annual Accounts and Audit report and agreed to recommend them to the Board for approval.

The auditor (BDO) anticipate that the PPF accounts for 2023-24 will be finalised September 2024 and that thereafter will move to a similar audit and reporting cycle as the main Board accounts.

3. Recommendations

The Standing Committee is asked to consider the following recommendations:

The Board is asked to consider the enclosed PPF Annual Accounts and audit report from BDO for the financial year ended 31 March 2023, and, if satisfied, agree to:

1. Adopt the Patient Private Funds Annual Accounts 2022-23
2. Authorise the Chief Executive and the Director of Finance sign the abstract of receipts and payments; and
3. Authorise the Director of Finance to sign the letter of representation on their behalf.

4. Response Required

This paper is presented for approval

5. Impact Assessment

The impact of this paper on NHSGGC's corporate aims, approach to equality and diversity and environmental impact are assessed as follows:

- Better Health Neutral impact
- Better Care Neutral impact
- Better Value Neutral impact
- Better Workplace Neutral impact
- Equality & Diversity Neutral impact
- Environment Neutral impact

6. Engagement & Communications

The issues addressed in this paper were subject to the following engagement and communications activity: N/A

7. Governance Route

This paper has been previously considered by the following groups as part of its development: None

8. Date Prepared & Issued

April 2024



NHS Greater Glasgow and Clyde
Patients' Private Funds - Annual Accounts
for the Year Ended 31 March 2023



NHS Greater Glasgow and Clyde
Patients' Private Funds - Annual Accounts for the Year Ended 31 March 2023

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NHS Greater Glasgow and Clyde

Patients' Private Funds - Annual Accounts for the Year Ended 31 March 2023

Statement of Board Members' responsibilities

The Scottish Government Health and Social Care Directorates require the members of the Board of NHS Greater Glasgow and Clyde ("the Board members") to prepare an abstract of receipts and payments of Patients' Private Funds for each financial year in accordance with the requirements of the 2022/23 NHS Board Accounts Manual, which fairly presents the state of the funds administered.

The Board members are 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 them to ensure that the statement complies with the requirements of the Scottish Government Health and Social Care Directorates given in the 2022/23 NHS Board Accounts Manual. They are also responsible for such internal control as they determine is necessary to enable the preparation of an abstract that is free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets held on behalf of patients and to prevent and detect fraud and other irregularities.

As Board members of NHS Greater Glasgow and Clyde, we confirm that the above responsibilities have been discharged during the period from 1 April 2022 to 31 March 2023, and in preparing the abstract of receipts and payments for that period.

C Neil

Director of Finance

30 April 2024

**INDEPENDENT AUDITOR'S REPORT TO THE BOARD MEMBERS OF NHS
GREATER GLASGOW AND CLYDE PATIENTS' PRIVATE FUNDS ANNUAL
ACCOUNTS**

Opinion on the financial statements

In our opinion, the special purpose financial statements of NHS Greater Glasgow and Clyde Patients' Private Funds Annual Accounts ('Patients' Private Funds') for the year ended 31 March 2023 are prepared, in all material respects, in accordance with the 2022/23 NHS Board Accounts Manual.

We have audited the special purpose financial statements of 'Patients' Private Funds', which comprise the Abstract of Receipts and Payments for the year ended 31 March 2023, and notes to the special purpose financial statements, including a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), including ISA (UK) 800. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the special purpose financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the special purpose financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter - basis of accounting and restriction on distribution and use

We draw attention to Note 1 to the special purpose financial statements, which describes the basis of accounting, which is a special purpose framework. The special purpose financial statements are prepared to assist the Board Members to meet the requirements of The Scottish Government Health Directorate and Social Care Directorate. As a result, the special purpose financial statements may not be suitable for another purpose. Our report is intended solely for the Board Members and should not be distributed to or used by parties other than the Board Members. Our opinion is not modified in respect of this matter.

Other information

The Board Members are responsible for the other information. The other information comprises the information included in the Patients' Private Funds Annual Accounts other than the Annual Accounts and our auditor's report thereon. Our opinion on the Patients' Private Funds Annual Accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Patients' Private Funds Annual Accounts or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the Patients' Private Funds Annual Accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the Board Members

The Board Members are responsible for the preparation of these special purpose financial statements in accordance with the 2022/23 NHS Board Accounts Manual and for such internal control as the Board Members determine is necessary to enable the preparation of special purpose financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the special purpose financial statements

Our objectives are to obtain reasonable assurance about whether the special purpose financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these special purpose financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Our procedures to detect irregularities include the following:

- Identification of applicable legal and regulatory framework, which include Part 4 of the Adults with Incapacity (Scotland) Act 2000, AWIA Part 4 Policy and Operational Procedures and the Guide to the Purchase of Goods and Services Through the Use of Personal Funds issued by the Scottish Government.
- Discussions with management and those charged with governance regarding these laws and regulatory frameworks, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;

- Evaluation of the susceptibility of the financial statements to fraud. Our assessment of the susceptibility noted that fraud was most likely to arise from manual override of controls regarding payments made on behalf of Adults with Incapacity. This led to additional audit procedures being performed to ensure that these controls were being adhered to.
- An internal assessment of the engagement team's competence in detecting irregularities based on their capabilities and experience, which found no issues regarding a lack of competency.
- Evaluation and testing of the operating effectiveness of management's controls designed to prevent and detect irregularities;
- Vouching balances and reconciling items in management's key control account reconciliations to supporting documentation as at 31 March 2023;
- Testing of payments and receipts to corresponding supporting documentation and appropriate authorisation in line with the entity's financial operating procedures;
- A reconciliation of payments and receipts recorded to the movement of cash in the bank statements.

Our audit procedures were designed to respond to risks of material misstatement in the special purpose financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the special purpose financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Board Members, as a body, in accordance with the terms of our engagement letter dated 27 October 2023. Our audit work has been undertaken so that we might state to the Board Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board Members as a body, for our audit work, for this report, or for the opinions we have formed.

NHS Greater Glasgow and Clyde
Patients' Private Funds - Annual Accounts for the Year Ended 31 March 2023

Martin Gill
BDO LLP, statutory auditor
Glasgow, United Kingdom
Date

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

NHS Greater Glasgow and Clyde

Patients' Private Funds - Annual Accounts for the Year Ended 31 March 2023

1. Note to SFR19

The Scottish Government Health Directorate requires NHS Greater Glasgow and Clyde to prepare, on an annual basis, an abstract of receipts and payments of patients' private funds administered by the 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 2022/23 NHS Board Accounts Manual.

**NHS Greater Glasgow and Clyde
Patients' Private Funds - Annual Accounts for the Year Ended 31 March 2023
Abstract of Receipts and Payments (SFR 19)**

NHS GREATER GLASGOW AND CLYDE PATIENTS PRIVATE FUNDS FOR THE YEAR ENDED 31 MARCH 2023	SFR 19.0
--	-----------------

2022 £		2023	
		£	£
	RECEIPTS		
	Opening Balances:		
2,662,944	Cash in Bank	2,477,951	
45,000	Cash on Hand	45,000	
-	Other Funds	-	
2,707,944			2,522,951
1,867,343	From or on behalf of Patients		1,810,840
-	Interest on Patients' Funds Accounts		-
4,575,287	TOTAL RECEIPTS		4,333,791
	PAYMENTS		
2,052,336	To or on behalf of patients		2,015,235
	Closing Balances:		
2,477,951	Cash in Bank	2,273,556	
45,000	Cash on Hand	45,000	
-	Other Funds	-	
2,522,951	CLOSING BALANCE		2,318,556
4,575,287	TOTAL PAYMENTS		4,333,791
	Closing Balances accounted for as :		
2,522,951	Patients' Personal Accounts		
-	Credit Balances	2,318,556	
2,522,951	Less: Debit Balances	-	
-	Interest received but not Credited		-
2,522,951	TOTAL CLOSING BALANCE AS ABOVE		2,318,556

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.

Director of Finance _____

Date _____

The abstract of Receipts and Payments was submitted and duly approved at the NHS Board Meeting on 30 April 2024

Chief Executive _____

Date _____

NHS Greater Glasgow & Clyde Patients' Private Funds

Audit Completion: year ended 31 March 2023

Report to the Audit and Risk Committee

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Welcome

Introduction

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We have pleasure in presenting our Audit Completion Report to the Audit and Risk Committee. This report is an integral part of our communication strategy with you, a strategy which is designed to ensure effective two-way communication throughout the audit process with those charged with governance.

It summarises the results of completing the planned audit approach for the year ended 31 March 2023 and specific audit findings. At the completion stage of the audit, it is essential that we engage with the Board on the results of audit work on key risk areas, including significant estimates and judgements made by Management, critical accounting policies, any significant deficiencies in internal controls, and the presentation and disclosure in the annual accounts.

We look forward to discussing these matters with you at the Audit and Risk Committee meeting on 12 March 2024, and to receiving your input. In the meantime, if you would like to discuss any aspects in advance of the meeting, we would be happy to do so.

This report contains matters which should properly be considered by the Board as a whole. We expect that the Audit and Risk Committee will refer such matters to the Board, together with any recommendations, as it considers appropriate.

We would also like to take this opportunity to thank the Management and staff of the PPF for the co-operation and assistance provided during the audit.

Martin Gill

Partner



Martin Gill
Partner

e: martin.gill@bdo.co.uk
m: +44(0)7710 825650

Overview

Executive summary

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This summary provides an overview of the audit matters that we believe are important to the audit of the Patients' Private Funds Annual Accounts (Annual Accounts) for the Patients' Private Fund (PPF) for the year ended 31 March 2023.

It is also intended to promote effective communication and discussion and to ensure that the results of the audit appropriately incorporate input from those charged with governance.

Board responsibilities

The Directors are responsible for preparing the Annual Accounts in accordance with the requirements of The Scottish Government Health Directorate and Social Care Directorate.

Our audit of the Annual Accounts does not relieve Management nor those charged with governance of their responsibilities for the preparation of the Annual Accounts.

Further information regarding these responsibilities is provided in the engagement letter.

Overview

Our audit work is substantially complete and we anticipate issuing an unmodified audit report on the PPF's annual accounts for the year ended 31 March 2023.

Outstanding matters are listed on this page in the appendices.

There were no significant changes to the planned audit approach and no additional significant audit risks have been identified.

No restrictions were placed on our work.

Audit report

We anticipate issuing an unmodified audit opinion on the annual accounts.

Independence

We confirm that the firm and its partners and staff involved in the audit remain independent of the PPF in accordance with the FRC's Ethical Standard.



The numbers

Executive summary

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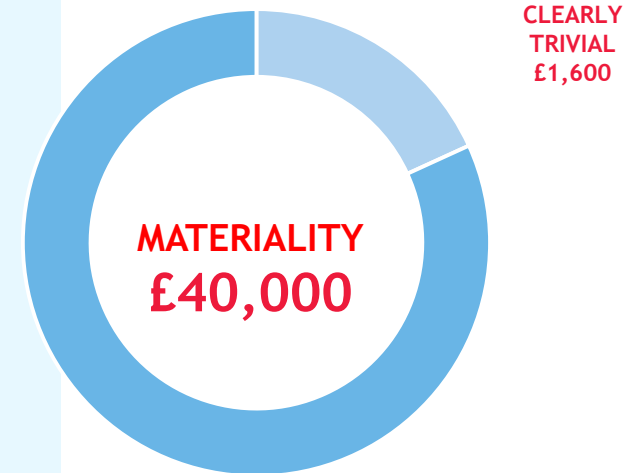
Final Materiality

Materiality was determined based on total assets.

There were no changes to final materiality and triviality from the levels determined at planning.

Unadjusted audit differences

We have identified audit adjustments that, if posted, would reduce reported expenditure and increase net assets by £10,000.



Key matters

Executive summary

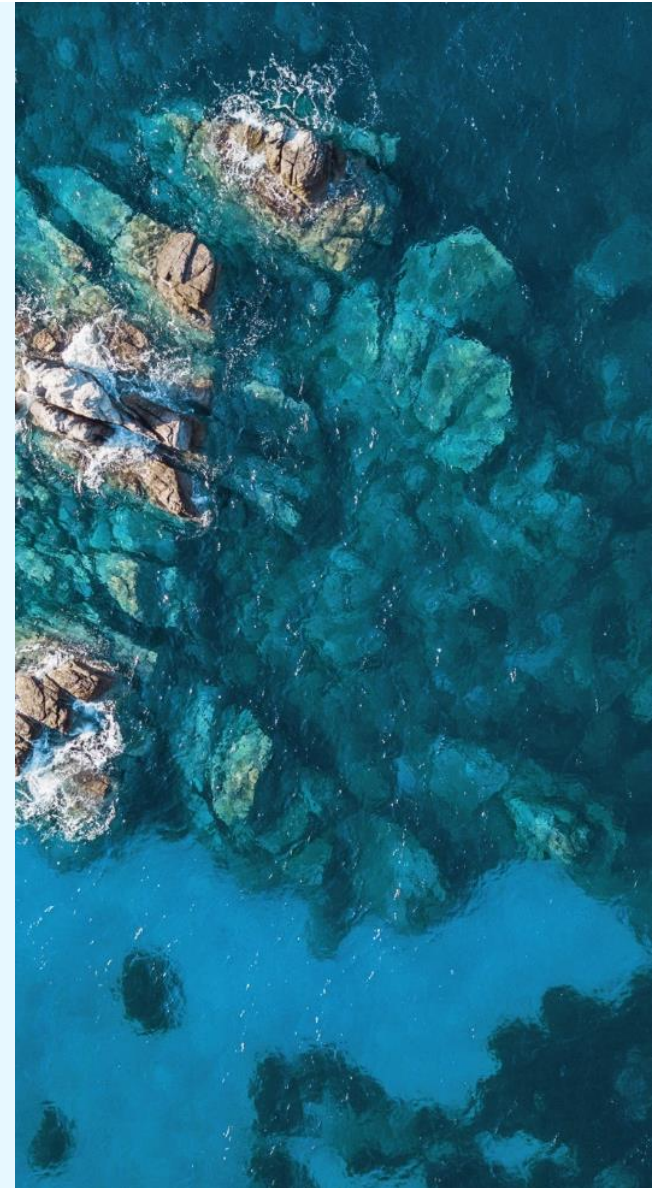
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Financial reporting

- ▶ We have not identified any non-compliance with accounting policies or applicable accounting framework.
- ▶ No significant accounting policy changes have been made in the current year.

Other matters that require discussion or confirmation

- ▶ Control findings identified have been detailed on page 13.
- ▶ Confirmation on fraud.



Overview of risks

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As identified in our audit planning report we assessed the following matters as being the most significant risks of material misstatement in the annual accounts. These include those risks which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit and the directing of the efforts of the engagement team.

#	Significant Audit Risk	Significant Management Judgement	Use of Experts Required	Unadjusted error reported	Adjusted error reported	Significant control findings reported	Specific Letter of Representation Point
1	Management override	No	No	No	No	No	No
2	Fraud in revenue recognition	No	No	No	No	Yes	No
3	Misstatement of cash	No	No	Yes	No	No	No
4	Existence of expenditure	No	No	Yes	No	No	No

Risk 1

Management override of controls

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Risk description

- ▶ Management has the ability to manipulate accounting records and override controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such override could occur, it is a risk of material misstatement due to fraud and thus a significant risk.

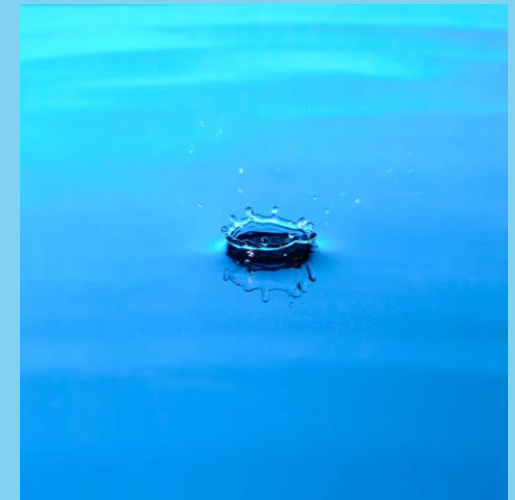
Details

- ▶ The control procedures of the PPF were identified and assessed. Those that could be evidenced were sample tested to gain assurance over the operation of internal financial controls.
- ▶ Controls identified related to the receipt of funds, as detailed on page 10, withdrawal of funds/expenditure, and the preparation of bank reconciliations.

Discussion and conclusion

- ▶ No significant issues were identified during our testing over management override.

● Significant risk
Normal risk
● Fraud risk
● Related controls identified to mitigate risk
Significant Management estimates & judgements
● Controls testing approach
● Substantive testing approach



Risk 2

Fraud in revenue recognition

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Risk description

- ▶ The amounts reported in relation to revenue represent information of significant interest to many users of the annual accounts. This puts revenue at a greater risk of manipulation, bias and misstatement.
- ▶ Revenue relates to the receipts of funds from patients.

Details

- ▶ We obtained a sample of 17-month end bank reconciliations, spread across all hospitals, to test the control that the reconciliation should be signed as prepared and reviewed each month. Five reconciliations were identified as not being signed as reviewed. See page 10 for further comments.
- ▶ We visited hospitals to complete controls testing. The hospitals visited were chosen based on size. We visited each site that held a material level of cash at the year end. Other, non-significant hospitals will be visited on a rolling basis and attended at least every three years.

- ▶ For a sample of receipts, we tested the control in place to that an Interim Ward Receipt is completed, signed and counter signed.
- ▶ For a sample of items, we tested the control in place that receipts are recorded in the ward cash book, signed and counter signed.
- ▶ We performed a reconciliation of receipts and payments per the bank statements to receipts and payments recorded in Trojan and the Annual Accounts.

Discussion and conclusion

- ▶ We have not identified any significant issues over the recognition of revenue.

● Significant risk
Normal risk
● Fraud risk
● Related controls identified to mitigate risk
Significant Management estimates & judgements
● Controls testing approach
● Substantive testing approach



Risk 3

Misstatement of cash

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Risk description

- ▶ The balance of cash reported at the year end is misstated or incorrectly disclosed.
- ▶ Cash balances relate to private funds held on behalf of patients.

Details

- ▶ We obtained bank confirmation letters for all bank accounts holding patients' private funds at the year end.
- ▶ We audited the reconciliation between these balances and the balances per the Trojan system as at 31/03/2023.
- ▶ For items that were reconciling between these two amounts, we tested the existence of these items through obtaining supporting documentation.
- ▶ We observed one immaterial error in relation to the treatment of a cheque not cashed at the year end. This error is included within the summary of misstatements.

Discussion and conclusion

- ▶ We have not identified any significant issues over the recognition of revenue.

● Significant risk
Normal risk
● Fraud risk
Related controls identified to mitigate risk
Significant Management estimates & judgements
● Controls testing approach
● Substantive testing approach



Risk 4

Existence of expenditure

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Risk description

- ▶ The risk is that the withdrawals made from Patients' Private Fund accounts are not genuine.

Details

- ▶ We selected a sample of 14 withdrawals from funds during the year from each hospital visited to test the controls regarding authorisation of Cash Requisition Forms.
- ▶ We visited hospitals to complete controls testing. The hospitals visited were Leverndale Hospital, Gartnavel Royal Hospital, Stobhill Hospital, Dykebar Hospital and Orchardview Hospital.
- ▶ We obtained copies of the Cash Requisition Forms and agreed that they had been appropriately signed off by the correct personnel given the patient's capabilities.
- ▶ We also agreed these withdrawals to the Ward Cash Book to show that this cash had in fact been withdrawn.

Discussion and conclusion

BDO noted no issues with the sample items tested.

● Significant risk
Normal risk
● Fraud risk
Related controls identified to mitigate risk
Significant Management estimates & judgements
● Controls testing approach
● Substantive testing approach



Unadjusted audit differences: Detail

Details for the current year

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Description of Proposed Audit Adjustment	Assets Dr/(Cr)	Liabilities Dr/(Cr)	Equity Dr/(Cr)	Profit & Loss Dr/(Cr)
1 To correct for cheque which should have been cancelled post year end				
Dr Bank	10,000			
Cr Payments				(10,000)
Current year cumulative uncorrected misstatements before tax effect	10,000	-	-	(10,000)

Control environment: Significant deficiencies

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We are required to report to you, in writing, significant deficiencies in internal control that we have identified during the audit. These matters are limited to those which we have concluded are of sufficient importance to merit being reported to the Audit and Risk Committee.

As the purpose of the audit is for us to express an opinion on the PPF's Annual Accounts, you will appreciate that our audit cannot necessarily be expected to disclose all matters that may be of interest to you and, as a result, the matters reported may not be the only ones which exist.

As part of our work, we considered internal control relevant to the preparation of the Annual Accounts such that we were able to design appropriate audit procedures. This work was not for the purpose of expressing an opinion on the effectiveness of internal control.

Area	Observation & implication	Recommendation	Management response
Bank Reconciliations	We obtained a sample of 17 month end bank reconciliations, spread across all hospitals, to test the control that the reconciliation should be signed as prepared and reviewed each month. Five reconciliations were identified as not being signed as reviewed.	We recommend that each monthly reconciliation is signed to evidence the review and approval of the bank reconciliation.	Management agreed with this recommendation.

Audit report overview

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Opinion on annual accounts

We anticipate issuing an unmodified opinion on the annual accounts.

There are no matters disclosed in the annual accounts that we wish to draw attention to by way of 'emphasis of matter'.

Irregularities, including fraud

Our report will contain an explain to what extent the audit was considered capable of detecting irregularities, including fraud. Irregularities in this context means non-compliance with laws or regulations.

Other information

We have reviewed the other information accompanying the Annual Accounts. We have not identified any material misstatements that would need to be referred to in our report.

Additional matters we are required to report

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	Issue	Comments
1	Significant difficulties encountered during the audit.	No exceptions to note.
2	Written representations which we seek.	We have previously provided a copy of our letter of representation.
3	Any fraud or suspected fraud issues.	No exceptions to note.
4	Any suspected non-compliance with laws or regulations.	No exceptions to note.
5	Significant matters in connection with related parties.	No exceptions to note.

Outstanding matters

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We have substantially completed our audit work in respect of the annual accounts for the year ended 31 March 2023.

There are no outstanding matters as at the date of this report that could impact our audit opinion.





For more information:

Martin Gill

e: martin.gill@bdo.co.uk

m: +44(0)7710 825650

The matters raised in our report prepared in connection with the audit are those we believe should be brought to your attention. They do not purport to be a complete record of all matters arising. This report is prepared solely for the use of the company and may not be quoted nor copied without our prior written consent. No responsibility to any third party is accepted.

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www.bdo.co.uk



Greater Glasgow and Clyde NHS Board

JB Russell House
Gartnavel Royal Hospital
1055 Great Western Road
GLASGOW
G12 0XH



Tel. 0141-201-4470
Fax. 0141-201-4601
Textphone: 0141-201-4470
www.nhsggc.org.uk

BDO LLP
2 Atlantic Square
31 York Street
Glasgow
G2 8NJ

Date: 30th April 2024
Our Ref: CN/
Enquiries to: Colin Neil
Direct Line: 0141-201-4470
E-mail: colin.neil@ggc.scot.nhs.uk

Dear Madam/Sirs

Financial Statements of NHS Greater Glasgow and Clyde Patients' Private Funds for the period ended 31 March 2023

We confirm that the following representations given to you in connection with your audit of the special purpose financial statements (the "financial statements") for the year ended 31 March 2023 are made to the best of our knowledge and belief, and after having made appropriate enquiries of other Board Members and officials of the NHS Greater Glasgow and Clyde Patients' Private Funds ('Patients' Private Funds').

We have fulfilled our responsibilities as Board Members for the preparation and presentation of the financial statements as set out in the terms of the engagement letter, and in particular that the financial statements have been prepared, in all material respects, in accordance with the 2022/23 NHS Board Accounts Manual and for making accurate representations to you.

We have provided you with unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence. In addition, all the accounting records of the Patients' Private Funds have been made available to you for the purpose of your audit as agreed in the terms of the audit engagement and all the transactions undertaken by the Patients' Private Funds have been properly recorded in the accounting records and reflected in the financial statements. All other records and related information, including minutes of all management and Board Members' meetings have been made available to you.

Laws and regulations

In relation to those laws and regulations which provide the legal framework within which our business is conducted and which are central to our ability to conduct our business, we have disclosed to you all instances of possible non-compliance of which we are aware and all actual or contingent consequences arising from such instances of non-compliance.

Fraud and error

We are responsible for adopting sound accounting policies, designing, implementing and maintaining internal control, to, among other things, help assure the preparation of the

financial statements in conformity with generally accepted accounting principles and preventing and detecting fraud and error.

We have considered the risk that the financial statements may be materially misstated due to fraud and have identified no risks.

To the best of our knowledge we are not aware of any fraud or suspected fraud involving management or employees. Additionally, we are not aware of any fraud or suspected fraud involving any other party that could materially affect the financial statements.

To the best of our knowledge we are not aware of any allegations of fraud or suspected fraud affecting the financial statements that have been communicated by employees, former employees, analysts, regulators or any other party.

Misstatements

We attach a schedule showing uncorrected misstatements that you identified, which we acknowledge that you request we correct. Where appropriate we have explained our reasons for not correcting such misstatements below

In our opinion, the effects of not correcting such identified misstatements are, both individually and in the aggregate, immaterial to the financial statements as a whole.

Litigation and claims

We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements and these have been accounted for and disclosed in accordance with the requirements of accounting standards.

We have disclosed to you all known contingencies and guarantees whose effect should be considered when preparing the financial statements and these have been disclosed and accounted for and disclosed in accordance with the requirements of accounting standards.

Confirmation

We confirm that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

Other Information

We have informed you of all the documents that we expected to issue that may comprise other information. The financial statements and any other information obtained by you prior to the date of the auditor's report are consistent with one another, and the other information does not contain any material misstatements.

We confirm that the financial statements are free of material misstatements, including omissions.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware. Each Board Member has taken all the steps that they ought to have taken as a Board

Member in order to make themselves aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully

(Signed on behalf of the Board)

Date:

Appendix 1 – Summary of Misstatements:

Description of Proposed Audit Adjustment	Assets Dr/(Cr)	Liabilities Dr/(Cr)	Equity Dr/(Cr)	Profit & Loss Dr/(Cr)
To correct for cheque which should have been cancelled post year end				
Dr Bank	10,000			
Cr Payments				(10,000)
Current year cumulative uncorrected misstatements before tax effect	10,000	-	-	(10,000)
Cumulative effect of prior period uncorrected misstatements brought forward				
Tax effect	-	-	-	-
Total of cumulative uncorrected misstatements	10,000	-	-	(10,000)