Department of Health

NHS

Leeds Primary Care Trust

2012-13 Annual Report and Accounts

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Leeds Primary Care Trust

2012-13 Annual Report

NHS
Leeds

Annual Report 2012-13

About NHS Leeds

NHS Leeds was created on 1 October 2006 and was the leader of the NHS in Leeds. We were the primary care trust (PCT) responsible for ensuring that the people of Leeds have access to the health services they need. With a budget of over £1 billion, we were one of the largest primary care trusts in the country, commissioning healthcare services for over 750,000 Leeds residents. We also undertook a broad range of public health initiatives to improve the health and quality of life of local people.

We employed around 400 staff in a wide range of occupations and professions. In addition to this we ran a shared service scheme with the West Yorkshire Central Services Agency (WYCSA) and worked closely with our neighbouring PCTs. We also held contracts with independent contractors including GPs, dental practices, pharmacies and optometrists.

As part of the changes to the NHS brought about by the Health and Social Care Act 2012 Primary Care Trusts ceased to exist on 31 March 2013 and our main commissioning responsibilities will be transferred to Clinical Commissioning Groups (CCGs). To manage this transition, in October 2011 NHS Leeds joined with NHS Bradford and Airedale to become the NHS Airedale, Bradford and Leeds PCT Cluster. We have established a single board and executive team to lead the cluster and worked together to ensure resilience during the period of transition. We have remained working as a cluster throughout the transition. However, this annual report will solely focus on the achievements of NHS Leeds as NHS Leeds is the statutory organisation. The new CCGs in Leeds are:

NHS Leeds West Clinical Commissioning Group

Suites 2-4, Wira House
Wira Business Park
Leeds
LS16 6EB

Telephone: 0113 843 5470
www.leedswestccg.nhs.uk/

NHS Leeds North Clinical Commissioning Group

Leafield House
107-109 King Lane
Leeds
LS17 5BP

Telephone: 0113 843 2900
www.leedsnorthccg.nhs.uk/

NHS Leeds South and East Clinical Commissioning Group

4210 Park Approach Avenue
Thorpe Park
Leeds
LS15 8GB

Telephone: 0113 295 1091
www.leedssouthandeastccg.nhs.uk/

Additional organisations have come into being as a result of the reforms embodied in the Health and Social Care Act 2012. They include;

NHS England has been established to improve the health outcomes for people in England and commission health services including primary medical services and all dental services.NHS England will also commission some national immunisation programmes such as flu jabs
Strategic health authorities (SHAs) were created to manage the local NHS on behalf of the Secretary of State for Health. They were abolished in March 2013.

Commissioning support units (CSUs): These new NHS organisations provide specialist commissioning support which is available to CCGs if required. The PCT's approach to developing commissioning support has been to work in partnership with our CCGs to understand what they will need and whether they will want to build their own capacity, buy it in or share with other organisations. A key decision has been to develop a CSU across West and South Yorkshire.

Local Involvement Networks (LINks) have transformed into **HealthWatch** and aim to ensure that the views and feedback from patients and carers are an integral part of local commissioning across health and social care.

Health and Wellbeing Boards have been established in each Local Authority to bring together key decision makers to set a clear direction for the commissioning of healthcare, social care and public health, and to drive the integration of services across communities. CCG representatives are members of these boards, and each has already been working in shadow form, building on existing relationships and developing their joint agenda.

Contents

Foreword

While this has been a year of transition for NHS Leeds, bringing its own challenges, we are proud of our continuing achievements to treat people quicker and with greater dignity and respect, respond to emergency and urgent needs more consistently and develop continuing healthcare services. We have continued to listen to the concerns of patients and have not hesitated to act when shortcomings in service delivery have been identified.

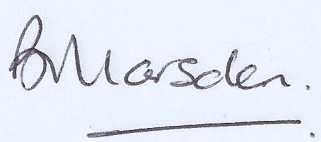
As a result of the health care reforms and the introduction of the Health and Social Care Act 2012, NHS Leeds ceased to exist on 31 March 2013 and our responsibilities for commissioning health and care services transferred to the new Clinical Commissioning Groups on 1 April 2013. The responsibility for public health has transferred to Leeds City Council and Public Health England and the NHS Commissioning Board will maintain responsibility for specialist health service commissioning, and Primary Care Services.

We are confident that there has been a smooth handover of our commissioning and public health responsibilities to the CCGs, local authorities and NHS Commissioning Board.

We have ensured that the new organisations have solid foundations on which to build their health commissioning priorities thanks to the efforts of our staff and partners, and our partner NHS Trusts. In particular we have ensured a firm financial base for the new CCG's including cash reserves and non-recurrent financial headroom.

NHS Leeds has enjoyed six successful years commissioning and delivering improved health and care services for the people of Leeds. I feel it is fitting in our final year of operation that I acknowledge the commitment and dedication of our staff in ensuring that the quality of our performance has continually improved during this time.

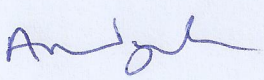
Finally, I would like to pay tribute to our former Chair, Linda Pollard OBE, JP,DL for her long standing commitment to ensuring the people of Leeds had access to a quality range of health and care services and for her leadership of the NHS Leeds Board for six years.



Brian Marsden

Chair

NHS Airedale, Bradford and Leeds



Andy Buck

Director (West Yorkshire)

NHS England

The Board

Throughout 2012/13 the Board of NHS Airedale, Bradford & Leeds has met in public regularly. Through those meetings, the Board has been responsible for taking key strategic decisions about the organisation, how it uses resources and agreeing key priorities and overseeing the delegated functions and budgets to Clinical Commissioning Groups.

The Board members for NHS Airedale, Bradford & Leeds are a mixture of Executive Directors, who are full-time officers, and Non Executive Directors, who are local people interested in the work of the NHS and appointed by the national NHS Appointments Commission (now abolished).

In July 2012 the Chief Executive of NHS Airedale, Bradford & Leeds stood down from his role as Accountable Officer. The Director of Finance was appointed as Acting Chief Executive. In January 2013 the Chief Executive took up a position with the NHS Commissioning Board, and the Acting Chief Executive was given Accountable Officer status.

On 14 September 2012, Chief Clinical Officers (Designate) and Chief Officers (Designate) of the 6 Clinical Commissioning Groups covering the Airedale, Bradford & Leeds geography were invited to the join the NHS Airedale, Bradford & Leeds Cluster Board in a non-voting capacity.

On 31 January 2013, the Chair of NHS Airedale, Bradford & Leeds resigned her position to take up the post of Chair of Leeds Teaching Hospitals Trust. Two further Non-Executive Directors also resigned on 31 January 2013 in order to focus on the Lay Member roles they had been appointed to with Clinical Commissioning Groups. A Chair, and similarly the Audit Committee Chair, for NHS Airedale, Bradford & Leeds were appointed from the existing complement of Non-Executive Directors.

All Directors have stated that he or she is aware that there is no relevant audit information of which the NHS body's auditors are unaware and he or she has taken all the steps that he or she ought to have taken as a director in order to make himself aware of any relevant information and to establish that the NHS body's auditors are aware of that information.

During the financial year April 2012 to March 2013, seven public meetings of the NHS Airedale, Bradford & Leeds Cluster Board took place. All meetings were recorded as fully quorate, with each meeting attended by at least one third of the Board including one Non Executive Director, one Executive Director, the Chair and the Chief Executive.

Members of the Board are listed below:

Executive Directors

John Lawlor, Chief Executive

Kevin Howells, Director of Finance, and July 2013 onwards, Acting Chief Executive

Dr Ian Cameron, Director of Public Health, Leeds

Dr Anita Parkin, Director of Public Health, Bradford

Philomena Corrigan, Executive Director of Strategy & Commissioning

Dr Damian Riley, Executive Director of Primary Care/Medical Director

Jo Coombs, Executive Director of Nursing & Quality (to October 2012)

Matt Neligan, Executive Director of Commissioning Development (to October 2012)

Dr Simon Stockill, Clinical Commissioning Executive Chair

June Goodson-Moore, Executive Director of Workforce & Corporate Development

Non-Executive Directors

Linda Pollard OBE, JP, DL – Chair (to 31 January 2013)

Neil Franklin, Deputy Chair (to June 2012)

Brian Marsden, Non-Executive Director and Chair from 1 February 2013

David Munt, Audit Committee Chair (to 31 January 2013)

Barry Fulton, Non-Executive Director and Audit Committee Chair from 1 February 2013

Peter Myers, Non-Executive Director (to 31 January 2013)

Shafiq Ahmed, Non-Executive Director

Cathy Clelland, Non-Executive Director

The NHS Airedale, Bradford and Leeds PCT Cluster Board Members Register of Interests 2012/2013 can be found at page 28.

Other Committees and Sub-Committees of the Board

Details of other committees and sub-committees of the Board and their membership are listed on the forthcoming pages.

Remuneration Committee

The Remuneration Committee is a formally appointed Committee of the Board of Directors and its Terms of Reference comply with the Secretary of State's Code of Conduct and Accountability for NHS Boards.

The role of the Remuneration Committee is to advise and make recommendations to the Board about appropriate remuneration and terms of service for the Chief Executive, Executive Directors and other very senior managers covered by the Pay Framework for Very Senior Managers (VSMs) in strategic health authorities, primary care trusts and ambulance trusts - Gateway reference 6931. The Committee will also approve any residual local pay arrangements and ratify the application of the national terms for staff.

The Committee is made up of the Board Chair and two Non Executive Board members, with a quorum being at least two members - the Chair and one other Non Executive Board member. During the financial year April 2012 to March 2013, ten meetings of the Remuneration Committee were held. All meetings were recorded as fully quorate.

Remuneration Report
This report provides details of the policy regarding the remuneration of senior managers employed by the PCT during 2012/13 and details of the remuneration paid to them. The report reflects the Airedale, Bradford and Leeds Cluster Board arrangements for managing the PCT. (see page 33). Senior managers for the purpose of this report are defined as the directors and non-executive directors of the PCT.

List of members on the Remuneration Committee

April to June 2012

Linda Pollard (Chair)

Neil Franklin, Non Executive Director

Peter Myers, Non Executive Director

June 2012 to January 2013

Linda Pollard, Chair

Peter Myers

Shafiq Ahmed

February to March 2013

Brian Marsden, Chair

Shafiq Ahmed

Cathy Clelland

Audit Committee

The Audit Committee was established to provide the Board with an independent and objective review on its financial systems, financial information and compliance with laws, guidance, and regulations governing the NHS.

The Committee is appointed by the Board from the Trust's Non Executive Directors and consists of not less than three members, with a quorum being two members. During the financial year April 2012 to March 2013, five Audit Committee meetings were held. All meetings were recorded as fully quorate.

As the constituent PCTs of the NHS Airedale, Bradford & Leeds Cluster (from 3/10/11) remain as separate statutory bodies, the PCTs it is necessary for each PCT to continue to have their own Audit Committee. Membership of the Audit Committees for NHS Leeds and NHS Bradford & Airedale is the same, however two separate meetings are held, with different internal auditors, external auditors and local counter fraud representatives attending each to ensure that the Board are giving sufficient focus to the audit matters of each constituent PCT. On the 1 November 2012 the external auditors for Bradford & Airedale Teaching PCT transferred from the Audit Commission to KPMG.

List of members on the Audit Committee

NHS Leeds and NHS Bradford & Airedale

1 April 2012 to 31 January 2013

David Munt (Chair), Non Executive Director

Brian Marsden, Non Executive Director

Peter Myers, Non Executive Director

1 February 2013 to 31 March 2013

Barry Fulton (Chair), Non Executive Director

Cathy Clelland, Non Executive Director

Shafiq Ahmed, Non Executive Director

Both internal and external auditors also attend the Audit Committee.

Governance and Risk Committee

The Governance and Risk Committee has the task of working closely with the Audit Committee and Executive Directors to provide assurance to the Board that the Trust has effective systems of internal control in relation to risk management and governance.

This Committee has delegated responsibility for developing key assurance and risk systems and processes in order that the Trust will be compliant with its statutory requirements and be able to ensure sound internal control arrangements. During the financial year April 2012 to March 2013, five Governance and Risk Committee meetings were held. All meetings were recorded as fully quorate.

List of Members on the Governance and Risk Committee

ABL Cluster (1 April 2012 – 1 December 2012)

Linda Pollard (Chair), Chair of the ABL Cluster

Brian Marsden, Non Executive Director

Cathy Clelland, Non Executive Director

John Lawlor, Chief Executive

Kevin Howells, Director of Finance

June Goodson-Moore, Director of Workforce and Corporate Development

Dr Ian Cameron, Director of Public Health (Leeds)/Dr Anita Parkin, Director of Public Health (Bradford and Airedale)

Dr Damian Riley, Director of Primary Care/Medical Director

Philomena Corrigan, Director of Strategy and Commissioning/Nurse Director

Jo Coombs, Director of Quality and Nursing

Matt Neligan, Director of Commissioning Development

ABL Cluster (1 December 2012 – 1 February 2013)

Linda Pollard (Chair), Chair of the ABL Cluster

Brian Marsden, Non Executive Director

Cathy Clelland, Non Executive Director

John Lawlor, Chief Executive

Kevin Howells, Director of Finance

June Goodson-Moore, Director of Workforce and Corporate Development

Dr Ian Cameron, Director of Public Health (Leeds)/Dr Anita Parkin, Director of Public Health (Bradford and Airedale)

Dr Damian Riley, Director of Primary Care/Medical Director

Philomena Corrigan, Director of Strategy and Commissioning/Nurse Director

ABL Cluster (1 February 2013 -31 March 2013)

Brian Marsden (Chair), Non Executive Director

Cathy Clelland, Non Executive Director

Shafiq Ahmed, Non Executive Director

Kevin Howells, Director of Finance

June Goodson-Moore, Director of Workforce and Corporate Development

Dr Ian Cameron, Director of Public Health (Leeds)/Dr Anita Parkin, Director of Public Health (Bradford and Airedale)

Dr Damian Riley, Director of Primary Care/Medical Director

Philomena Corrigan, Director of Strategy and Commissioning/Nurse Director

Internal auditors also attend the Governance and Risk Committee.

Further information about NHS Leeds' risk management and governance can be found in the Annual Governance Statement (AGS).

Our responsibilities

Safeguarding children and vulnerable adults

NHS Leeds has a legal responsibility to ensure that the needs of children suffering or at risk of abuse and vulnerable adults are addressed in all the work that they undertake and commission on behalf of the people of Leeds. We work closely with providers and key partner organisations to ensure that services are effective and that staff are able to meet the needs of these vulnerable individuals. The governance and reporting structures for safeguarding are in place within the organisation. The Safeguarding Children and Vulnerable Adults Committee is a formal sub group working to the NHS Leeds Governance and Risk Committee. The Safeguarding Committee leads work on behalf of NHS Leeds through an agreed action plan and monitors compliance of agreed safeguarding standards through a performance framework. There is a programme for safeguarding training in place for all NHS Leeds staff and independent contractors. The programme is providing tailored education sessions accessible to busy GPs, dentists, opticians and pharmacists.

The NHS Leeds Safeguarding Training Plan is aligned and complimentary to the Leeds Safeguarding Children Board (LSCB) and the Leeds Safeguarding Adult Partnership Board training (LSAPB). NHS Leeds remains committed to ensuring that the needs of children and vulnerable adults are central to our work and to that of our health providers. Senior members of staff from NHS Leeds are key contributors to the work of the multi-agency Boards, the LSCB and the LSAPB. These Boards are responsible for ensuring the effectiveness of partnership working around safeguarding children and vulnerable adults across Leeds.

Children

Since the integrated inspection of safeguarding and looked after children's services in 2009, there have been extensive changes to the services available to support children and families within Leeds. Progress continues to be made in partnership working and in integrating health services with the local authority children's services department. NHS Leeds and its key health providers undertake an annual audit of its safeguarding standards through the Section 11 Audit (Children Act 2004). This process is co-ordinated by the LSCB and allows the organisation to monitor its progress against defined standards. NHS Leeds is able to demonstrate its current position against those standards and how it is working to continually improve. During the past year there have been no SCR commissioned by the LSCB, but NHS Leeds has contributed to work on two learning lessons reviews. These reviews are led by the LSCB and undertaken when there is a death or serious injury to a child or young person where abuse is thought to be a contributory factor. The learning from the completed review has been fed back to relevant staff groups and is being used to improve the commissioning and delivery of services.

A General Practitioner with a Special Interest (GPwSI) in Children Safeguarding has been appointed for one a day a week to champion safeguarding in primary care.

Adults

A new Adult Safeguarding Commissioning Policy has been approved by NHS Leeds and has been inserted in all provider contracts for 2012-13. This document clearly sets out the safeguarding adults standards expected from all providers. Following the recent uncovering of abuse at Winterbourne View, NHS Leeds has reviewed all Leeds residents with Learning Disabilities located in out of area placements to ensure they are receiving high quality and safe care.

Work continues with partners and providers of services to ensure that the close relationship between safeguarding adults, the Mental Capacity Act (MCA) and Deprivation of Liberty Safeguards (DOLS) are understood. Awareness amongst health staff is demonstrated by the increasing numbers of DOLS applications and requests for training and information in this area. NHS Leeds is the Supervisory Body for hospital DOLS applications, this responsibility will transfer to the Local Authority from 1st April 2013. One multi agency Serious Case Review was completed in 2012 in regard to an injury to a vulnerable adult. This process is led by the LSAPB and its findings are being used to learn and improve the care provided to vulnerable individuals.

Emergency planning and preparedness

Emergency planning remains a key priority for NHS Leeds, particularly during a period of transition and change. All primary care trusts (PCTs) are categorised by the Civil Contingencies Act (2004) as Category One responders. This means there are certain statutory obligations to which we must respond and adhere to, with regards to emergency preparedness. These are:

- to assess risk of emergencies and use this to inform planning;
- to put in place and regularly test emergency plans including training for key staff;
- to put in place business continuity arrangements;
- to make information available to the public about civil protection matters and maintain arrangements to warn, inform and advise the public in the event of an emergency; and
- to share information and cooperate with other local responders to enhance co-ordination and efficiency.

NHS Leeds is an active member of the West Yorkshire Resilience Forum health sub group which is a multi agency group and has a regional remit for emergency preparedness under the Civil Contingencies Act (2004). Other stakeholders include the Yorkshire Ambulance Service, police, local authority and Health Protection Agency. Close links are also maintained with the West Yorkshire Emergency Preparedness and Resilience Manager, based at NHS Calderdale, Kirklees and Wakefield. This is to ensure that the NHS in West Yorkshire has a coordinated approach to emergency planning and response across the region.

As we move towards the transition of the NHS into the new arrangements under the Health and Social Care Bill, emergency planning teams across West Yorkshire are working together to maximise opportunities for efficient and effective ways of working.

Responding to patients, the public and staff

We continue to offer a highly valued support service to patients, the public and staff through the Patient Advice and Liaison Service (PALS) as well as a dedicated complaints department who respond to formal complaints. Through PALS we are able to review and respond to issues directly as well as identify, where applicable, patterns of comments or concerns. Between 1 April 2012 and 30 September 2012 we also provided a service to Leeds Community Healthcare NHS Trust In 2012-2013 PALS responded to 5599 general enquiries, complaints and compliments. It is important to us that people feedback their comments, compliments, concerns and complaints. All comments are valued and help our organisation to respond to the needs of the people of Leeds.

The full set of PCT Accounts for 2012/2013 are located from

Performance Overview

One of our main duties is to commission efficient and effective services to meet the needs of people who require NHS care and treatment each year in Leeds.
The services we commission are monitored locally, regionally and at a national level. This is done through a series of performance indicators. These cover a wide range of issues, such as the time a patient has to wait for hospital treatment. We also have quality standards to comply with, such as the rate of healthcare associated infections. In addition, we have several public health targets to meet such as reducing smoking, alcohol related illnesses and obesity.

These performance, quality and public health indicators are monitored by the Department of Health through NHS Yorkshire and the Humber, Strategic Health Authority. NHS Leeds has continued to monitor all of the key standards and has supported partner organisations in hospitals, GP practices, dentists and other healthcare providers to help them work towards achieving them.

Some of the highlights for 2012-13 are detailed below.

Service	Target	Actuals
18 week wait for treatment	90%	90.4%
A&E 4 hour target	95%	93.3%
Healthcare associated infection rate for MRSA (No. of cases)	26	22
Healthcare associated infection rate for CDI (No. of cases)	270	298
Cancer 62 day wait ***1 April 2012- 31 January 2013**	85%	90.5%*

Key achievements

Over the last year we have been working on initiatives, projects and campaigns to improve healthcare in the city, as well as helping people lead healthier lifestyles.

Choose well

The Choose well campaign helps to direct people to the right NHS service for their needs. If you're feeling unwell and you are unsure about where to go then our Choose well guide will help you choose the right place for treatment. Here in Leeds we have a range of local NHS services to choose from and it doesn't have to be A&E. The distinctive Choose well thermometer and colour coded design will help you to see quickly where you can go or who you can call for advice and treatment.

Alcohol awareness

A gritty new soap demonstrating the dangers of alcohol was launched during alcohol awareness week.

The soap, 'Meet The Corkers' was aired on local station Radio Aire (96.3 fm). The campaign was backed up by a dedicated website where people could listen to the soap again. The website also gave people the chance to use an innovative drinking time machine to see how alcohol could age them.

The hard-hitting drama, covered alcohol-related issues that could affect anyone at any time. The drama was centered on a fictitious local family called the Corkers. Over the week of the campaign, listeners heard how one member of the Corker family was affected by alcohol; ranging from issues in the workplace, relationship and family problems and weight gain before a dramatic finale.

Be clear on cancer

During autumn a campaign to raise awareness of the symptoms of bowel cancer brought a roadshow to Leeds. At each of the 'Be Clear on Cancer' shopping centre stands, a nurse was on hand to talk in more depth with anyone worried about their symptoms and give advice on visiting their GP. Featuring real GPs, the 'Be Clear on Cancer' bowel cancer campaign encourages people who have had blood in their poo or looser poo for three weeks or more to see their doctor. The adverts aim to make people aware of the symptoms of bowel cancer and make it easier for them to discuss this with their GP. It also raises awareness of the bowel cancer screening programme. Anyone aged 60-69 is sent out a bowel cancer screening kit once every two years.

Stoptober - challenge for Leeds smokers

During October, smokers were encouraged to take part in the first ever mass quit attempt launched by the Department of Health – *Stoptober*.

Research shows that if a smoker can stop smoking for 28 days, they are five times more likely to stay smoke-free, and *Stoptober* leads smokers through a detailed step-by-step programme to help them achieve this goal.

The Leeds NHS stop smoking service supported the new campaign in a bid to get people to quit. The campaign included a preparation pack, a 28-day quit calendar and a health and wealth wheel. Smokers also received support and encouragement through a daily messaging service, as well as inspiration from celebrity mentors and expert advice through the *Stoptober* app and motivational text messages.

NHS book is top of the crops

A new manual that tells people everything they need to know about growing their own vegetables is being launched as part of the award-winning back to front campaign.

The Back to Front project was initially set up by NHS Airedale, Bradford and Leeds and has delivered specific pieces of work in partnership with the British Trust for Conservation Volunteers, Leeds Metropolitan University and Leeds City Council. The project's aim is to support people and create 'front gardens that look good and taste better'. The project started as a result of seeing how Bangladeshi families in Leeds successfully grew all kinds of tasty food including spinach, garlic, coriander, beans and pumpkins in their front gardens. Apart from increasing exercise and healthy eating, the project contributes towards other aspects of health and wellbeing like improving community cohesion, reducing isolation and building some neighbourhood pride." A community event to launch the project was hosted by horticulturist and BBC Radio presenter Joe Maiden.

Community Pharmacy staff attend Friday prayers at Makkah Mosque

Community Pharmacy West Yorkshire enlisted the support of Makkah Mosque to get men to take a more active interest in their medicines as part of Ask Your Pharmacist Week. During Ask Your Pharmacist Week pharmacies across West Yorkshire encouraged men to step inside the pharmacy and enquire about NHS medicines advice services. The campaign received the backing of the Makkah Mosque as well as NHS Airedale, Bradford and Leeds. In an effort to target members of the south Asian population a number of local pharmacists provided advice and support during Friday prayers at Makkah Mosque in Hyde Park, Leeds. In addition to this, the Imam for the mosque used his sermon to remind the congregation of the support available at their community pharmacy.

Community Pharmacy West Yorkshire staff and local pharmacists attended the Mosque to give men information on the services they can receive from their community pharmacy.

Over 2000 men attended Friday prayers at the mosque and they all received a credit card size leaflet that described the services available in community pharmacy and some examples of questions men could ‘ask their pharmacist’.

Our staff

We are fully committed to supporting and engaging with our staff. A Staff Engagement Forum was introduced to promote open two way communication across the organisation. This has helped facilitate staff involvement with regard to business planning and harnessing ideas and contributions from the whole workforce. We have held staff roadshows to provide an opportunity for staff to hear from the Chief Executive and other members of the Executive team on key developments, including transition plans. In addition to this we have also used various internal communication briefings mechanisms to ensure all staff are informed. This has allowed us to foster an open and honest culture where staff opinions are valued and respected.

The health and wellbeing at Work Group considers measures to improve staff health and implements activities and awareness days to support this. We are also part of the Have Fun Feel Good Leeds campaign, a website which was launched in summer 2011 to encourage health and fitness and our staff participated in a pedometer challenge in July 2012 and a sports activity day in September 2012.

In the calendar year 2012/13 we lost a total of 3,388 days to sickness absence. With a total staff years of 455, this gives the average number of working days lost as 7.5 per employee. This equates to 1.64%.

A broad range of training initiatives took place during 2012/13 to support staff in a number of areas which included skill development identified through role priorities and preparing staff to be resilient to the changes taking place. We have also focused on monitoring organisational compliance with core statutory and mandatory training to ensure this is maintained. We have supported specific projects which have included coordinating training and development activities designed to meet the core skill needs across specific care and service pathways.

Equality and diversity

Equality and diversity remains very important to us and the last year has seen a number of changes and developments. Through these changes, our intention is always to provide:

- Excellent healthcare, equal at the point of access; and
- Excellent opportunities for staff and potential staff.

Over the last twelve months we have been working hard to ensure we meet the new public sector equality duties outlined in the Equality Act 2010. This includes collecting, assessing and publishing evidence of our progress in meeting these duties and in agreeing equality objectives.

To take this work forward we have been using the national Equality Delivery System (EDS). The EDS is designed to support NHS commissioners and providers to deliver better outcomes for patients and communities and better working environments for staff, which are personal, fair and diverse. We have worked on this in partnership with our three provider trusts; Leeds Teaching Hospital Trust, Leeds Community Healthcare NHS Trust and Leeds and York Partnership Foundation Trust. We set have up the citywide NHS Equality Advisory Panel, which is made up of representatives from the NHS, Local Authority, University and third sector partners who represent the equality act protected characteristic groups. The Equality Advisory Panel has acted as a critical friend in helping us make progress against our objectives to drive up equality performance with our local NHS.

We have also been working with the new developing Clinical Commissioning Groups (CCGs) in Leeds who have all agreed to take forward the EDS as a framework for improving equality performance and this is reflected in their Equality and Diversity Strategies. Expert equality and diversity support will continue to be provided to the CCGs through the Commissioning Support Unit.

Investing in services

NHS 111

The government has decided to introduce a new national NHS 111 service for patients who need urgent healthcare services. To implement this in Yorkshire and the Humber we are working with our colleagues to design, develop and commission the service which will be available 24 hours a day, 365 days a year from April 2013. We will promote this new and innovative service and talk to local people about how it will improve the way in which urgent care services are delivered.
So that people with emergency or urgent care needs are assessed and signposted to the most appropriate service, we have developed a new directory of services which will support NHS 111.

A new health centre for Crossgates

We consulted local people who are registered patients at the Church View and Manston Surgery GP practices in Crossgates, about our proposal to move our services to a purpose-built development on Station Road, Crossgates.
Each of our practices will keep their individual identity and patients will be able to stay with their current surgery.
As part of the consultation process we also asked for your suggestions on what we should call our new health centre.

Proposals for a new chronic back and neck pain service in Leeds

We consulted the public about plans for a new service for patients with chronic back and neck pain.
There are currently very limited dedicated NHS funded services in and around Leeds. Patients' views are important to us to ensure we deliver this new service to meet the needs of the people of Leeds.
We want to provide a new service to help patients cope with, and manage their chronic back and neck pain. Currently patients with chronic back and neck pain are seen in a number of different services. These include services in the hospital, such as orthopaedics and rheumatology, as well as in their GP practice. However, there are currently very limited dedicated community based services for patients experiencing chronic back and neck pain in Leeds.

Living well with dementia in Leeds

NHS Leeds and Leeds City Council want to improve quality of life and local services for people with dementia, their families and carers. Our local strategy document sets out a shared vision and approach to achieve the aims of the National Dementia Strategy in Leeds.

No decision about me, without me

Detailed proposals to secure genuinely shared decision-making for patients have been published by the Department of Health.
The Department of Health is consulting further on these detailed proposals to implement the Government's commitment to giving patients more say and choice over their care and treatment.

We have heard that patients want greater clarity over when and how they can share in decisions about their care, about the choices they have and when they apply.
The consultation proposes a model of shared decision-making all along the patient pathway, which should be relevant irrespective of patients' conditions, their clinical pathway or progress along it. The model indicates where patients would be expected to have more say in decisions about their care in primary care; before a diagnosis; at referral to secondary care; and after a diagnosis had been made.
It asks a small number of focused questions to seek views on:

- whether we have identified the right areas as well as the right levers for making sure our proposals will give patients more opportunities to make shared decisions about their care and treatment, all along the pathway
- whether our proposals are realistic and achievable
- whether we have missed any key issues
- whether we have identified the right means of delivering our proposals.

Proposals for changes to community ear, nose and throat (ENT) services in Leeds

People in Leeds can choose to have ENT services from a number of local community clinics and hospitals. About 30,000 patients used local ENT services last year, and 3,000 of these patients used services based in the community.
We are looking for new providers of ENT services in the community. These services would deliver a range of outpatient services, traditionally delivered in a hospital outpatient setting. The service would be delivered by a range of professionals including ENT consultants, GPs with a special interest in ENT, specialist nurses and audiologists.
We want to hear from you to check that our plans are shaped by what the local population wants and need.

The future

Across NHS Leeds, three shadow Clinical Commissioning Groups (CCGs) have been established; Leeds West CCG, Leeds North CCG and Leeds South and East CCG. Each shadow CCG's role includes commissioning services for its local population. It also has other duties including working in partnership with other CCGS and the local authority.

Each CCG is a membership organisation, with member practices delegating the day to day running of the CCG to the CCG Board. During 2012-13 member practices have been heavily involved in working together as shadow CCG organisations.

They have also elected GP members to help lead and make up CCG Boards. Each CCG Board Membership will include GPs, lay people, a nurse, a secondary care consultant, a Chief Finance Officer and an Accountable Officer and Chair.

Each shadow CCG is developing a Constitution to enable it to become a statutory organisation from 1 April 2013. Each CCG is working with its Board, member practices and other stakeholders to develop their own vision, mission and strategic objectives. Each CCG has been working on identifying its organisational development needs and diagnostic self assessments have taken place to inform this process.

Organisational development plans will continue to be refined and refreshed as shadow CCGs progress towards authorisation. CCG Board members are involved in a number of development activities including leadership programmes, as well as accessing nationally available coaching and mentoring schemes. CCGs across Leeds are collaborating on a number of key areas of work to reduce risk and improve capacity and capability. This includes working together on defining their commissioning support requirements and lead commissioner arrangements for major secondary care contracts.

In January 2013 all three Leeds CCGs received final authorisation approval and they are confirmed to go live on 1 April 2013.

What will the changes mean?

Services Clinical Commissioning Groups will buy include:
• community health services
• maternity services
• planned hospital care (operations, scans etc)
• rehabilitation services
• urgent and emergency care, including A&E, ambulances and out-of-hours services
• continuing healthcare (a package of care provided outside hospital, arranged and funded by the NHS, for people with ongoing healthcare needs).
Some specialist services will be commissioned by the NHS England:
• primary medical services, including community pharmacy and NHS sight tests

• all dental services
• specialised services
• high security psychiatric services
• health services for prisoners
• some services for members of the armed forced and their families
• some public health services.
Public health services will be provided by local councils including responsibility for health improvement services such as;
• most sexual health services
• the Healthy Child programme for school age children – including school nurses
• local programmes to promote physical activity, healthy eating and weight management
• drug and alcohol misuse services
• stop smoking services
• local projects to prevent accidental injury, such as stopping people falling
• local projects to reduce deaths related to the seasons, for example, cold-related deaths in winter emergency planning.

Finance Director's review

During 2012-2013 NHS Leeds maintained its excellent record of financial management by achieving all of its statutory and administrative financial duties. In 2012-2013:

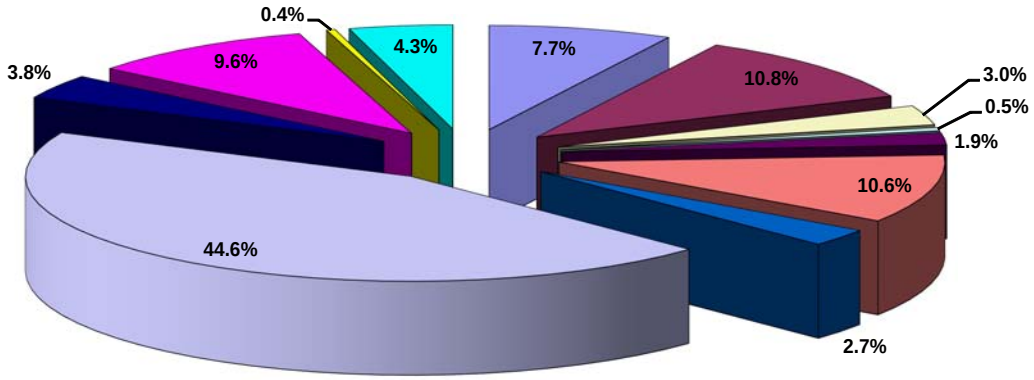
- Operational costs were contained within the target set by the Department of Health (revenue resource limit) – a surplus of £23.2m was delivered against a revenue resource limit of £1,408.9m;
- Expenditure on capital items was managed within the limit set by the Department of Health (capital resource limit) – a £0.003m underspend was delivered against the capital resource limit;
- Total cash spend was kept below the limit set by the Department of Health (cash limit); and

NHS Leeds received an additional £37m growth (2.9%) in 2012-2013 and started the financial year forecasting a £23.2m surplus in the financial plan presented to the Board in March 2012. Investment and resource plans were primarily focussed on priorities which would have the greatest impact on the health and wellbeing of the people of Leeds. Accordingly, in support of a range of national and local priorities agreed with our partners, NHS Leeds set aside funds to invest in a number of key areas already highlighted in this annual report.

To help fund this significant investment a number of ambitious quality, innovation, productivity & prevention (QIPP) savings or cost avoidance schemes were identified to deliver a target of £60.2m of which £33.3m related to the 4% national efficiency requirement built into provider contracts. The PCT achieved this target, delivering a total of £60.3m.

The chart below shows a breakdown of the key areas of expenditure for the financial year April 2012 to March 2013.

Analysis of 2012-2013 expenditure



GP led healthcare	Prescribing & pharmacy services
Dental services	General ophthalmic services
Learning difficulties	Mental illness
Maternity	General & acute
Accident & emergency	Community health services
Other purchase of healthcare	Other costs including administration

Further details of our financial performance is shown in the annual accounts for the financial year ending 31 March 2013, see page 37.

Performance against the Confederation of British Industry (CBI) Better Payment Practice Code is given in note 8 to the accounts. NHS Leeds also signed up to the Prompt Payments Code, a key initiative facilitated through the Institute of Credit Management (ICM), designed to encourage and promote best practice between organisations and their suppliers.

Details of the treatment of pension liabilities is given in Note 7.5 to the accounts.

There are no 'off-payroll' engagements that require disclosure.

The Board is responsible for maintaining an effective system of internal control that supports the achievement of our objectives. The annual governance statement which records the stewardship of the organisation is contained within the annual accounts.

The annual accounts have been subject to audit by KPMG, 1 The Embankment, Neville Street, Leeds, LS1 4DW and an unqualified audit opinion received. Details of the audit fees in respect of the statutory audit and associated services can be found in note 5.1 to the accounts. Internal audit services were provided by RSM Tenon.

NHS Airedale, Bradford and Leeds PCT cluster board members register of interests 2012/13

Name and position	Name of company, partnership, local authority of other organisation	Nature of interest	Type of interest	Date of appointment/ resignation
Linda Pollard Chairman OBE, JPDL (to 31 January 2013)	Yorkshire Forward	Deputy chair	Direct pecuniary	Resigned: June 2012
	University of Leeds	Chair and pro-chancellor	Direct non pecuniary	Appointed: January 2007
	Coutts plc	Regional chair	Direct pecuniary	Appointed: April 2007
	2% Club	Chair	Direct non pecuniary	Appointed: April 2009
	An Inspirational Journey	Chair	Direct non pecuniary	Appointed: March 2011
	Universities and Colleges Employers Association	Board member	Direct non pecuniary	Resigned: February 2012
	Committee of University Chairs	Committee member	Direct non pecuniary	Joined: January 2007
Shafiq Ahmed Non-executive director	Bradford Teaching Hospitals NHS Foundation Trust	Partner governor	Direct non pecuniary	Appointed: August 2007
	Farnham Road Children's Centre	Centre manager	Direct pecuniary	Appointed: December 2007
	Bradford Children's Trust board	Member	Direct non pecuniary	Appointed: June 2008
Cathy Clelland Non-executive director	Canny Consultants Ltd	50% owner & employee	Direct pecuniary	Appointed: October 1996
	City Kippig Ltd	90% owner/ director	Direct non pecuniary	Appointed: May 1999, dormant since 2000
	West North West Homes Ltd (Arms length management organisation)	Non-executive director	Direct pecuniary	Appointed: April 2006
	The Regional Food Group for Yorkshire and Humber Ltd	Non-executive director/chair	Direct pecuniary	Appointed: September 2010
Name and position	**Name of company, partnership, local**	**Nature of interest**	**Type of interest**	**Date of appointment/**

	authority of other organisation			**resignation**
Cathy Clelland Non-executive director (cont)	The Agriculture and Horticulture Development Board HGCA Ltd	Non-executive director	Direct pecuniary	Appointed: April 2011
	Harrogate and District NHS Foundation Trust	Stakeholder governor	Direct non pecuniary	Appointed: 1 May 2012
Brian Marsden Non-executive director	Harrogate and District NHS Foundation Trust	Stakeholder governor	Direct non pecuniary	Resigned: 1 May 2012
	Joint committee of the WYCSS	Non-executive member	Indirect	Appointed: 24 May 2012
Peter Myers Non-executive director	Finance Yorkshire Ltd	Non-executive director	Direct pecuniary	Appointed: 1 September 2009
	Royal Air Force Volunteer Reserve (training)	Officer	Direct pecuniary	Appointed: 28 April 2009
	Beverley Building Society	Chief executive	Direct pecuniary	Appointed: 1 September 2011
David Munt Non-executive director	University of Chester (As part of its courses the university trains nurses and midwives)	External advisor to the audit and risk committee	Direct non pecuniary	Appointed: 26 May 2006
		Member of University Council	Indirect non pecuniary	Appointed: 1 June 2012 (Council approved 28 June 2012)
John Lawlor Chief executive	Bradford Teaching Hospitals NHS Foundation Trust	Wife is an employee	Indirect non pecuniary	Appointed: October 2009
	NHS Commissioning Board Authority	Part-time secondment	Direct non pecuniary	Appointed: 1 March 2012
Ian Cameron Joint director of public health (Leeds)	Leeds City Council	Joint director of public health	Direct non pecuniary	Appointed: 1 October 2010
Name and position	**Name of company, partnership, local authority of other organisation**	**Nature of interest**	**Type of interest**	**Date of appointment/ resignation**

Jo Coombs Director of quality and nursing	Hammond and Coombs Dental Practice, Meanwood, Leeds	Husband is partner/owner	Indirect pecuniary	Appointed: Owner for past 20 years
Philomena Corrigan Director of delivery and service transformation	Leeds West Clinical Commissioning Group	Shadow accountable officer	Direct pecuniary	Appointed: 1 May 2012
Kevin Howells Director of finance (and July 2013 onwards, acting chief executive)	Community Ventures	Public sector director	Direct non pecuniary	Appointed: 1 September2009
June Goodson-Moore Director of corporate development	Employment tribunals panels	Employment judge/lay member	Direct non pecuniary	Appointed: 1990
	Leeds Partnership Foundation Trust	Partner governor	Direct non pecuniary	Appointed: November 2009 Resigned: 31 March 2012
Matt Neligan Director of commissioning development	Oasis School of Human Relations	Mother is non-executive director	Indirect non pecuniary	
Anita Parkin Joint director of public health (Bradford and Airedale)	Cit of Bradford Metropolitan District Council	Joint director of public health	Direct non pecuniary	Appointed: 16 April 2007
Damian Riley Medical director	National Clinical Assessment Service	Trainer and clinical assessor	Direct non pecuniary	Appointed: 1 April 2002
	Woodhouse Surgery, Leeds	General Practitioner	Direct non pecuniary	Appointed: 1 November 2007
Name and position	**Name of company, partnership, local authority of other organisation**	**Nature of interest**	**Type of interest**	**Date of appointment/ resignation**
Damian Riley Medical director (cont)	Leylands Medical Practice, Bradford	Wife is salaried employee	Indirect pecuniary	Appointed: 2004

Simon Stockill Clinical chair (Leeds)	Leeds Clinical Commissioning Groups	Interim director of transformation	Direct pecuniary* (paid as clinical chair)	Appointed: 1 June 2012
	Kirkstall Lane Medical Centre	Partner	Direct pecuniary	Appointed: 15 November 2006
	H3+ Commissioning Group	Member	Direct pecuniary	Appointed: 2008
	Assura Leeds LLP	Shareholder	Direct pecuniary	Appointed: 2008 Resigned: 3 September 2012
	National Youth Theatre of Great Britain	Board member/ trustee	Direct non pecuniary	Appointed: 2001
	The Labour Party	Member	Direct non pecuniary	Joined: 1996

REMUNERATION REPORT

Salary and Pension Entitlements of Board Members for the year ended 31st March 2013

	REMUNERATION PCT Board								
	Salary (bands of £5,000)	12 months to 31 March 2012 Bonus payments (bands of £5,000)	Other remuneration (bands of £5,000)	Benefits in Kind (Bands of £100)	Salary (bands of £5,000)	Bonus payments (bands of £5,000)	12 months to 31 March 2012 Other remuneration (bands of £5,000)	Benefits in Kind (Bands of £100)	
Name and title	£000	£000	£000	£00	£000	£000	£000	£00	
EXECUTIVE DIRECTORS									
John Lawlor - Chief Executive	75-80				130-135				To 9 Jan 2013
Kevin Howells - Acting Chief Executive	60-65				0				From 23 July 2012
Kevin Howells - Director of Finance	25-30				100-105	5-10			To 22 July 2013
Philomena Corrigan - Director of Delivery & Service Transformation	75-80				95-100				
Dr Ian Cameron - Director of Public Health	85-90	15-20	30-35		85-90	15-20	30-35		
Dr Damien Riley - Medical Director	80-85				95-100				
June Goodson-Moore - Director of Corporate Development	70-75				85-90				
Linda Joanne Coombs - Director of Nursing, Quality & Partnership	30-35				25-30				To 31 Oct 2012
Matt Neligan - Director of Commissioning Development	35-40				25-30				To 26 Oct 2012
NON-EXECUTIVE DIRECTORS									
Linda Pollard - PCT Board Chair	20-25				30-35				To 31 Jan 2013
Brian Marsden - PCT Board Chair	0-5				0				From 1 Feb 2013
Brian Marsden - Non Executive	0-5				10-15				To 31 Jan 2013
Barry Fulton - Non Executive	5-10				5-10				
Judith Blake- Non Executive	0				0-5				To 2 Oct 2011
Neil Franklin - Non Executive	0-5				5-10				To 30 June 2012
Peter Myers - Non Executive	0-5		0-5		5-10				To 31 Jan 2013
David Munt - Non Executive	5-10		0-5		0-5				To 31 Jan 2013
Shafiq Ahmed - Non Executive	0-5				0-5				
Cathy Clelland - Non Executive	0-5				0-5				
Dr Simon Stockill - Non Executive Chair Clinical Commissioning Executive	45-50				60-65				Revised contract wef.

Note 1 From 1 April 2012 to 22 July 2012 John Lawlor has spent up to 2.5 days per week carrying out work for the NHS Commissioning Board. No charges have been made for this work and therefore the salary disclosed above has not been abated.

Note 2 During 2012/13 June Goodson-Moore has carried out work across both Airedale, Bradford and Leeds Cluster and Calderdale Kirklees and Wakefield Cluster, in respect of providing Strategic HR and Communications advice. No charges have been made for this work and therefore the salary disclosed above has not been abated.

Airedale, Bradford and Leeds Cluster

With effect from 3 October 2011, Leeds PCT and Bradford and Airedale PCT, in accordance with Department of Health requirements, began working together under Cluster arrangements - the Airedale, Bradford and Leeds Cluster. From that date there has been a single Cluster Board, comprising Executive and Non Executive members. From this date the costs of these members have been allocated 60% to Leeds PCT and 40% to Bradford & Airedale PCT and the remuneration details shown above include the Leeds PCT share only, as required by the Department of Health. The full value of remuneration for these members is as follows:

	Salary (bands of £5,000)	12 months to 31 March 2012 Bonus payments (bands of £5,000)	Other remuneration (bands of £5,000)	Benefits in Kind (Bands of £100)	Salary (bands of £5,000)	Bonus payments (bands of £5,000)	12 months to 31 March 2012 Other remuneration (bands of £5,000)	Benefits in Kind (Bands of £100)
Name and title		£000	£000	£00	£000	£000	£000	£00
EXECUTIVE DIRECTORS								
John Lawlor - Chief Executive	125-135				160-165			
Kevin Howells - Acting Chief Executive	100-105							
Kevin Howells - Director of Finance	45-50				130-135	5-10		
Philomena Corrigan - Director of Delivery & Service Transformation	130-135				120-125			
Dr Damien Riley - Medical Director	140-145				120-125			
June Goodson-Moore - Director of Corporate Development	120-125				105-110			
Linda Joanne Coombs - Director of Nursing, Quality & Partnership	55-60				95-100			
Matt Neligan - Director of Commissioning Development	60-65				100-105			
NON-EXECUTIVE DIRECTORS								
Linda Pollard - PCT Board Chair	35-40				40-45			
Brian Marsden - PCT Board Chair	5-10							
Brian Marsden - Non Executive	5-10				10-15			
Barry Fulton - Non Executive	5-10				5-10			
Judith Blake- Non Executive	0				0-5			
Neil Franklin - Non Executive	0-5				5-10			
Peter Myers - Non Executive	5-10		5-10		5-10			
David Munt - Non Executive	10-15		0-5		10-15			
Shafiq Ahmed - Non Executive	5-10				5-10			
Cathy Clelland - Non Executive	5-10				5-10			

Benefits in kind shown in bands of £100 and relate to non cash benefits only

Pay multiples

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median remuneration of the organisation's workforce, and these are set out in the table below:.

Highest paid Director 2012/13 Mid point of £5,000 salary band	Median Remuneration 2012/13	Ratio 2012/13	Highest paid Director 2011/12 Mid point of £5,000 salary band	Median Remuneration 2011/12	Ratio 2011/12
£	£		£	£	
137,500	30,171	4.6	137,500	29,412	4.7

In 2012/13, no (2011/12, none) employees received remuneration in excess of the highest paid director.
Total remuneration includes salary, non consolidated performance-related pay, benefits-in-kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

The median salary of employees in the PCT has been calculated using payroll information at the end of the financial year. From this a basic salary on a full time basis has been calculated. This does not take into account any agency staff payments made by the PCT, since this is not a significant part of pay spend (approx 4.9%). This basis of calculation is consistent with that applied in 2011/12.

	DIRECTORS PENSION ENTITLEMENT							
	Real Increase Pension at age 60 (Bands of £2,500)	Real Increase ion Lump Sum at age 60 (Bands of £2,500)	Total Accrued pension at age 60 at 31 March 2013 (bands of £5,000)	Lump sum at age 60 related to accrued pension at 31 March 2013 (bands of £5,000)	Cash Equivalent Transfer Value at 31 March 2013	Cash Equivalent Transfer Value at 31 March 2012	Real Increase in Cash Equivalent Transfer Value	Employer's contribution to Stakeholder Pension (Rounded to nearest £00)
Name and title	£000	£000	£000	£00	£000	£000	£000	£
EXECUTIVE DIRECTORS								
John Lawlor - Chief Executive	0-(2.5)	0-(2.5)	55-60	165-170	1,025	961	8	
Kevin Howells - Director of Finance	0-(2.5)	0-(2.5)	45-50	140-145	951	894	7	
Philomena Corrigan - Director of Delivery & Service Transformation	0-(2.5)	0-(2.5)	35-40	105-110	621	579	8	
Dr Ian Cameron - Director of Public Health	0-(2.5)	(2.5)-(5)	45-50	140-145	1,068	1,005	7	
Dr Damien Riley - Medical Director	2.5-5	7.5-10	40-45	130-135	804	691	54	
June Goodson-Moore - Director of Corporate Development	0-2.5	5-7.5	45-50	135-140	1,045	920	54	
Linda Joanne Coombs - Director of Nursing, Quality & Partnership	0-2.5	0-2.5	35-40	115-120	679	635	15	
Matt Neligan - Director of Commissioning Development	0-(2.5)	0-(2.5)	20-25	60-65	273	261	3	

Notes

Note 1 As Non-Executive members do not receive pensionable remuneration, there are no entries in respect of pensions for Non-Executive members.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in the former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures and the other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real Increase in CETV

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement) and uses common market valuation factors for the start and end of the period.

LEEDS PRIMARY CARE TRUST

ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013

STATEMENT OF THE RESPONSIBILITIES OF THE SIGNING OFFICER OF THE PRIMARY CARE TRUST

The Department of Health's Accounting Officer designates the Signing Officer of the accounts of PCTs in England, an officer of the Department of Health, to discharge the following responsibilities for the Department, to ensure that for the year ended 31 March 2013:

- there were effective management systems in place to safeguard public funds and assets and assist in the implementation of corporate governance;
- value for money was achieved from the resources available to the primary care trust;
- the expenditure and income of the primary care trust had been applied to the purposes intended by Parliament and conform to the authorities which govern them;
- effective and sound financial management systems were in place; and
- annual statutory accounts are prepared in a format directed by the Secretary of State with the approval of the Treasury to give a true and fair view of the state of affairs as at the end of the financial year and the net operating cost, recognised gains and losses and cash flows for the year.

To the best of my knowledge and belief, I have properly discharged the above responsibilities, as designated Signing Officer and through experience in my role as Accountable Officer until 31 March 2013.

Signed.....Designated Signing Officer

Name: Andrew Buck

Date.....4/6/13.....

NHS Leeds Annual Governance Statement

Between 1 April 2012 and 31 March 2013 NHS Leeds has controlled a range of strategic risks in relation to the priorities set out in the NHS Operating Framework 2012/13 and managing the transition to the changing architecture of the NHS and the establishment and authorisation of Clinical Commissioning Groups, brought about by new primary legislation. The Board Assurance Framework (BAF) for 2012/13 captured the risks in relation to the transition moving forward.

Scope of responsibility

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the Trust is administered prudently and economically and that resources are applied efficiently and effectively.

The Governance Framework of the Organisation

NHS Leeds has a governance framework within which risk is managed. The governance framework maintains internal control to support the organisation to achieve its policies, aims and objectives and safeguard public funds and assets. NHS Leeds sets out to manage risks to a reasonable level through a robust process of risk assessment, prioritisation and a series of governance activities.

NHS Leeds' Board has an established governance structure and embedded risk management processes to maintain control and proactively manage the achievement of its objectives.

The Board has overall responsibility for risk management and has several formal Sub Committees that have delegated responsibilities. These are attached at appendix 1. Committees are well attended and routinely achieve quoracy.

The Assurance Framework is the key source of evidence that links strategic objectives to risks and provides the Board with a simple but comprehensive method for the effective and focused management of the risks that arise in meeting strategic objectives. It also provides a structure for the evidence to support the Annual Governance Statement. This simplifies Board reporting and prioritisation, which in turn allows more effective performance management. The Assurance Framework also facilitates reporting key information to the

Board, and is maintained as a dynamic document. The Board has undertaken a review of the Assurance Framework during the reporting period. A desk top review of risk management was undertaken during the reporting period and concluded that NHS Leeds has a robust Risk Management Framework in place.

By working closely together the Directors and I lead the risk management process, to ensure an integrated and holistic approach to NHS Leeds' risk management activities. Throughout the reporting period there have been a number of Board workshops that reviewed the effectiveness and development of a range of governance requirements.

The Board is of the opinion that it has discharged its duties in accordance with its legal and statutory requirements and the main principles and provisions of The UK Corporate Governance Code June 2010.

There have been four Audit Committee meetings during the reporting period and each meeting has been quorate.

The arrangements for Closure & Handover were managed across the cluster to cover NHS Leeds and NHS Bradford & Airedale PCTs. In order to manage the transfer of the responsibilities to the successor organisations a Programme Board called the Closure and Handover Programme Board was established in July 2012, operating as a sub-committee of the Executive Management Team. with the following delegated aims.

a) Ensure that all statutory accountabilities are safely and effectively transferred to successor organisations
b) Ensure a safe, effective, meaningful and accessible handover of relevant information to successors
c) Arrange for the archiving of all other relevant information in line with legislation, guidance and best practice
d) Ensure that all PCT assets are transferred or disposed of
e) Ensure that all liabilities are effectively dealt with prior to closure
f) Arrange for the legal transfer of all licences, Service level Agreements, contracts and leases
g) Ensure that the system for safe and effective governance of the PCT continues up to 31 March 2013
h) Ensure that the employed workforce of the trusts are transferred to successor organisations or that employment ceases in line with legal and contractual requirements
i) Ensure the delivery of an audited set of final accounts for each PCT

Since establishment, the Closure & Handover Programme Board have met on nine occasions. At each meeting detailed Delivery & Risk Reports for the 11 workstream elements which form the Closure & Handover Programme have been discussed and challenged.

Each workstream element has developed a project plan detailing key milestones and dates for delivery. These are maintained through the Closure &

Handover Programme Board and linkages across and between elements and workstreams are identified to ensure a cohesive programme was achieved.

The following actions for completing operational handover and closure and ensuring scrutiny of these arrangements are shown below.

- Two Receiver events were held across West Yorkshire, to engage Receivers in the transition process, supported by DAC Beachcroft our legal advisors
- Face to face meetings to produce the due diligence information in preparation of Transfer Scheme documentation, with sign off of the relevant Annex 2 documentation prior to each DH submission.
- Attendance at the Public Health Transition Steering Group meetings
- Attendance at the CCG senior management team meetings.
- Engagement with West Yorkshire Commissioning Support Unit (WYCSU) transition team
- Clarification of sign off process for transition for NHS Commissioning Board
- 'Page turn' process for the quality handover document with providers
- Programme highlight report produced for Cluster Governance & Risk Committee and Programme Boards.
- Work has taken place to address the initial findings of the Internal audit completed in early October 2012 by RSM Tenon for NHS Leeds and all improvement actions have been implemented.
- Work was undertaken by KMPG in December and early January 2013 to provide assurance over the appropriateness and adequacy of the delivery of the Closure & Handover Programme and the associated controls.
- All ongoing risks have a future risk destination identified within the risk register which is attached as an appendix to this report.

- Quality Assembly held on 19 March 2013 for the formal handover of the quality documentation to Receivers
- Board scrutiny of transfer documentation on 21 March 2013.

In preparation for closure of the PCT the Cluster Board Assurance Framework 2012/13 was reviewed at the Cluster Governance and Risk Committee on the 21 February 2013. Recommendations were made on where BAF risks may need to be forwarded as they may still be relevant to Receiving Organisations or cease on 31 March 2013.

As a result of the Committee decisions the Director of Workforce and Corporate Development formally wrote to the relevant Receiver Organisations on 6 March

2013 for them to give due consideration and relevant assessment of the risks. This assures the Board that all BAF risks have been appropriately managed for closure of the PCT on 31 March 2013.

At the point of closure there are four corporate risks that are being managed corporately. Each of these four risks have also been supplied, at the same time as the BAF risks, with information on existing control and assurance mechanisms to the relevant Receiver Organisations in order for closure of the PCT on 31 March 2013.

Under a separate risk management process, the relevant Receiver Organisations have been notified of the current active operational risks for their due consideration and relevant assessment.

In line with Department of Health guidance a sub-committee of the Department of Health Audit and Risk Committee has been established for the Airedale, Bradford and Leeds PCT cluster. The sub committee met in late May to review the annual report, financial statements and governance statements of the two PCTs prior to sign off by the West Yorkshire Area Team Director and Director of Finance. The annual report, financial statements and annual governance statement have been prepared by experienced members of staff, some of whom are part of an established legacy close down team, with appropriate senior officer review.

NHS Leeds is compliant with the Secretary of State's Directions for counter fraud and the requirement for the provision for a Local Counter Fraud Specialist (LCFS). The activities undertaken by the LCFS during the year have been delivered to ensure that they are risk-based and in-line with the latest thought-leadership and emerging methodologies, including the Government's National Fraud Strategy and Chartered Institute of Public Finance and Accountancy (CIPFA) 'Managing the Risk of Fraud' document which are considered best practice when countering fraud.

Risk Assessment

The risk management strategy sets the clear intention for NHS Leeds to maintain a robust system of internal control processes, critically examine and effectively manage all risks that could affect the ability of the organisation to carry out its normal activities and achieve its strategic objectives. It also sets out comprehensive arrangements for all levels of the organisation to undertake risk assessments appropriate to their areas of responsibility. The strategy of this organisation is to manage and assess risks through an organisationally layered approach. Internal Audit assesses the effectiveness of the risk management systems and processes to assure and assist compliance and continuous improvement.

The Board Assurance Framework for 2012/13 was developed through the Executive Management Team, the Corporate Leadership Team and the

Governance and Risk Committee and was approved by the Board. The Board has continued to develop the Assurance Framework during this period.

The Governance and Risk Committee uses established and embedded risk management processes and these operate throughout the organisation in the vast array of activities and functions. These are routinely audited to ensure they are operating effectively. NHS Leeds has a framework for the assessment and scoring of risks to enable ongoing analysis of all risks. The resulting rating of each risk's consequence and likelihood, and description of the risk treatment plans are entered in the organisation's risk registers. The risks and controls on registers are routinely reviewed and when appropriate are escalated. The Board routinely review the corporate risks in order to provide Board assurance and dialogue about controls.

A sequence of systematic processes ensures that NHS Leeds manages risk and that managers escalate appropriately risks that exceed specified levels. The Board receives a risk profile at every meeting that sets out those risks in need of consideration. The Governance and Risk Committee review the assurance framework and risk register at every meeting and as required recommend those risks in need of Board review. There is integration of the risk assessment process within the performance reporting arrangements to ensure that the Board are able to see at a glance those risks that require their attention.

NHS Leeds has continued to equip its staff to manage and improve the management of risk through a range of learning and development activities, including local and individual briefings and training in respect of a range of requirements. These include health and safety assessments; risk register management; and incident reporting, investigation and analysis. The PCT has continued emergency planning and business continuity training for staff. The PCT provided project and programme management training according to identified need. In-house training modules are in operation providing a comprehensive set of resources, including risk management and assessment, available to all staff including risk management and assessment. The PCT has continued to review, develop and update its Health and Safety Policy and guidance.

NHS Leeds has reviewed and updated its Risk Management Strategy and the Complaints and Claims Policies. The PCT has reviewed and revised the statutory and mandatory workforce development requirements in relation to risk management. A web-based risk management system has been implemented as good practice to enable more responsive and timely incident and complaint reporting and learning. PCT staff actively network with others in the risk and governance field in order to share good practice.

During the reporting period the Board has actively engaged in the management of a number of major risk areas in relation to:

- Infection control arrangements at main acute providers in Leeds and Bradford to ensure that there is a robust action plan in place to secure improvement.

- Emergency care standard- a whole health economy action plan is in place covering Primary Care demand in A&E, medical workforce, patient flows in the emergency department,

- All the Cancer Waiting time targets have been met to the end of Q3 for 2012/13. Data is currently not available beyond January 2013, due to national issues with the data sharing system. At the point the system became unavailable. NHS Leeds were well above the target level of performance, with 85% of all urgent referrals where cancer is suspected, being seen and treatment commenced within 62 days. The performance for the year up to January stood at 90.5%. There seems no reason to suggest that performance for the whole year, including February and March will not be above the 85% target, once the data is released. During the last 12 months there has only been one month that LTHT have dipped below the 85% target. This is a major achievement for the health economy and is a result of sustained work in both organisations over the past four years.

In the financial year 2012/13 there has been no serious incidents relating to data loss.

The Risk and Control Framework

NHS Leeds' Directors, Managers and staff work together to provide an integrated approach to the management of risk and work towards developing a culture that encourages or ensures:

- staff work together effectively, to recognise and manage the risks inherent in healthcare services that are commissioned and directly provided;
- increasing and effective incident reporting and complaints, claims and incident investigation and management;
- the undertaking and updating of risk assessments, and the development of control and treatment plans;
- improved systems of monitoring, performance management and learning from the risks we manage;
- achievement of, and compliance with, standards regarding the management of risks as specified by the organisations providing assurance to the PCT;
- the establishment of a framework of regular internal assessment and review of the risks we manage;
- better and safer buildings, estates, equipment and environments for both patients and staff;
- the delivery of safe systems of clinical practice;
- the provision of training and education for staff, to better equip them to manage the risks within their work environment; and

- compliance with current and future legislation.

NHS Leeds' Board has approved and reviewed the Assurance Framework, which provides evidence of the effectiveness of controls in place to manage major risks to the organisation achieving its principal objectives and has governance processes in place to ensure that these are regularly reviewed. The Board has corporate objectives that reflect the requirements of the Care Quality Commission's essential standards of quality and safety. The Assurance Framework has provided the Board and I with evidence of the controls and independent assurances that exist, to support delivery of all the organisation's objectives and actions. The Assurance Framework and the performance management system have highlighted that NHS Leeds has good evidence of controls and assurances on key objective areas.

The components of the Assurance Framework are in keeping with historical Strategic Health Authorities (SHA) requirements and include strategic objectives, risks, controls, positive assurance, gaps in assurance and control and any remedial action. The content of the Assurance Framework and corporate risk register have been discussed at the Board and the Governance and Risk Committee, and the Assurance Framework and corporate risk registers have been reviewed to ensure that they reflect the discussions in order to assure the Board that risks are controlled. The Chairs of these meetings are assured of the accuracy of the documentation associated with the above issues.

At the current time arrangements are in place to manage those risks identified on the Assurance Framework. Risks relating to data security are managed and controlled by ensuring that NHS Leeds assess its policies, procedures and practices against the criteria detailed within the NHS Information Governance Toolkit and addresses any shortcomings by in-year actions plans. The Internal Audit Team assists in ensuring that any self-assessment is robust**.**

Risk management is embedded within the organisation and standard practices are in operation and integrated within key activities such as policy development, risk assessment and equality impact assessments. All Directorates use agreed risk assessment processes and guidance and operate with agreed Health and Safety requirements.

In addition, the PCT has agreed a robust and ambitious approach to the Quality, Innovation, Productivity and Prevention (QIPP) challenges faced by the NHS to maximise value for money across all services. A Leeds-wide Health and Social Care Transformation Board has been established to secure the delivery of these QIPP plans in partnership with local providers and Leeds City Council.

Review of the Effectiveness of Risk Management and Internal Control

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed in a number of ways, by the work of the internal auditors and the executive managers and clinical leads within the organisation who have responsibility for the development and maintenance of the internal

control framework. I have drawn on the content of a number of reports and performance information available to me. My review is also informed by comments made by the external auditors in their management letter. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee, the Governance and Risk Committee and plans to address weaknesses and ensure continuous improvement of the system are in place.

Executive Directors within the organisation who have responsibility for the development and maintenance of the system of internal control provide me with assurance. The Assurance Framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed. My review is also informed by the NHS Leeds performance management system, internal and external auditor reviews and specific SHA related reviews.

The Head of Internal Audit provides me with an opinion on the overall arrangements for gaining assurance through the Assurance Framework and on the controls reviewed as part of Internal Audit's work. Based on the work undertaken in 2012/13, significant assurance can be given that there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently. However, some weakness in the design and inconsistent application of controls put the achievement of particular objectives at risk.

Assurance Mechanisms:

NHS Leeds external auditors, KPMG, have undertaken a range of work against their 2012/13 plan.

NHS Leeds internal auditors have completed the programme of a risk-based plan of work, agreed with management and approved by the Audit Committee, which was designed to provide a reasonable level of assurance, for 2012/13, including a range of financial systems based audits. NHS Leeds has agreed action plans with auditors to improve our control environment, but no significant control weaknesses have been found during the audits.

NHS Leeds maintains NHS Litigation Authority compliance against the NHSLA PCT Risk Management Standards at Level 1.

NHS Leeds' Audit Committee, with the advice of the Executive Director of Finance and other Executive Directors, take the lead role, on behalf of me and the Board, in maintaining and reviewing the effectiveness of the system of internal control. The Audit Committee advise and assure the Board upon the adequacy and effective operation of the organisations overall internal control system focussing upon the framework of risks, controls and assurances that underpin the delivery of the organisations objectives and to review the disclosure statements that flow from those assurance processes.

The Governance and Risk Committee monitors and reviews NHS Leeds' risk management arrangements and oversees key assurance and risk systems and processes, in order that the PCT is compliant with its statutory requirements and is able to ensure sound internal control arrangements. The Governance and Risk Committee reviews the effectiveness of the risk management activities and, in this, is helped by the Head of Internal Audit's work, report and opinion on the effectiveness of the PCT's system of internal control.

The Quality Committee (previously known as the Clinical Governance Committee) oversees the commissioning responsibility for clinical quality and effectiveness. It provides a strategic lead for the functioning of clinical governance within the PCT through the development and implementation of a patient focused, organisation wide, annual clinical governance development plan to improve standards, processes and systems for clinical excellence. It provides the Board with assurance that clinical governance systems, processes and mechanisms for quality improvement are in place and operating effectively within and across all providers from whom we commission care.

The Senior Information Risk Owner (SIRO) represents the interests of information security at Board level. Under their oversight, the Information Governance Committee oversees the approach to and implementation of a robust Information Governance framework for the management of information. It provides me and the Board with assurance that all information processing is undertaken in accordance with relevant legislation and best practice, minimises and manages key risks arising from information handling processes and maintains standards to required levels.

Significant issues

The Head of internal Audit reports that, based on the work they have undertaken in this reporting period on the Trust's system on internal control, we do not consider that within the audited areas there are any issues that need to be flagged as significant internal control issues within the AGS.

The system of internal control has been in place in NHS Leeds for the year ended 31 March 2013 and up to the date of approval of the annual report and accounts. My view is that NHS Leeds has no significant control issues that need to be raised in the AGS, after taking into consideration our systems of internal control and the assurance work conducted by internal audit. My review confirms that NHS Leeds has a generally sound system of internal controls that supports the achievement of its policies, aims and objectives.

Accountable Officer: Name. Andy Buck

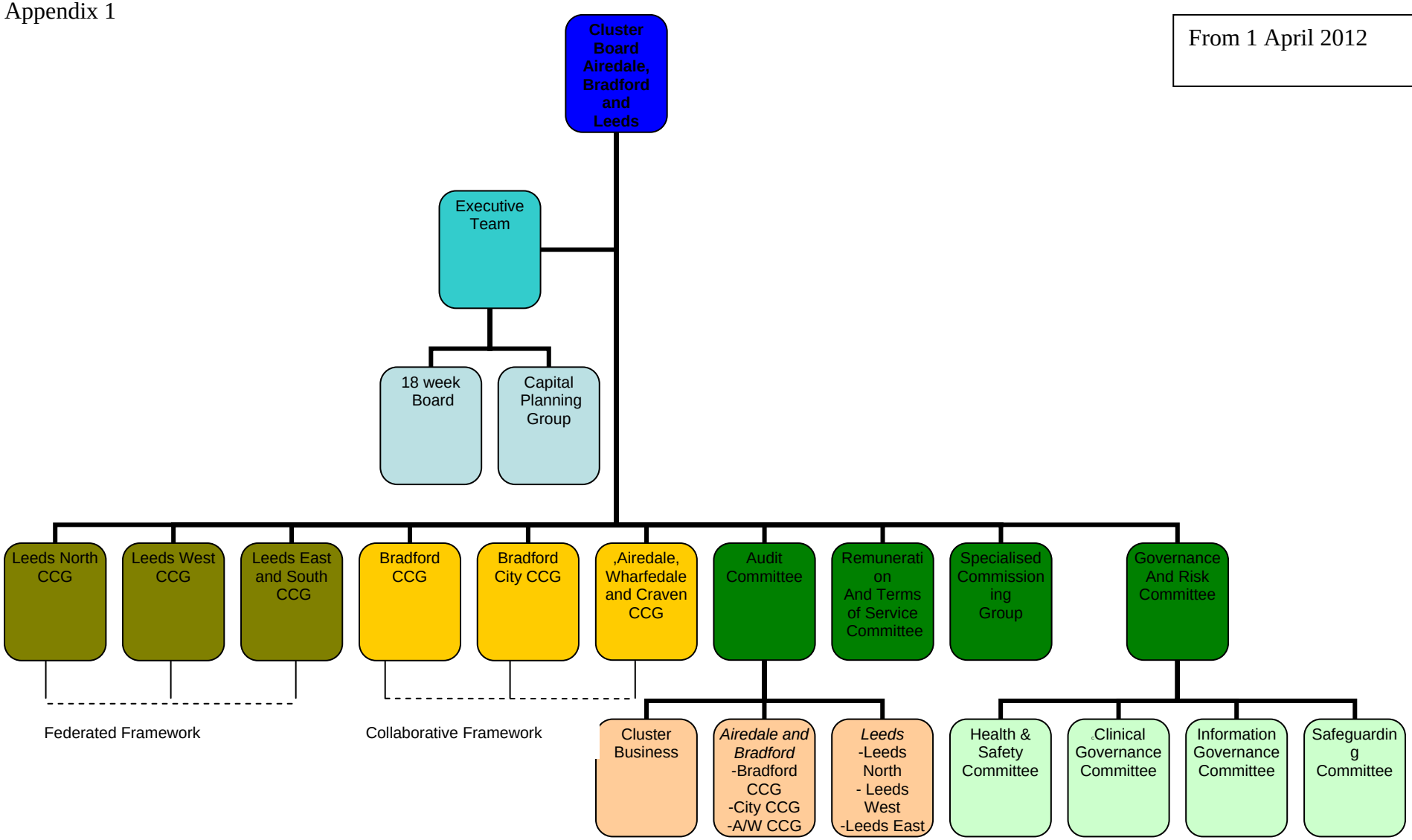
Organisation: NHS England

SIGNATURE Andy Buck **DIRECTOR (WEST YORKSHIRE)**

Date 4-6-13

Appendix 1

From 1 April 2012



INDEPENDENT AUDITOR'S REPORT TO THE SIGNING OFFICERS OF LEEDS PRIMARY CARE TRUST (PCT)

We have audited the financial statements of Leeds PCT for the year ended 31 March 2013, including the Statement of Comprehensive Net Expenditure, Statement of Financial Position, Statement of Changes in Taxpayers Equity, Statement of Cash Flows and all associated notes. The financial reporting framework that has been applied in their preparation is applicable law and the accounting policies directed by the Secretary of State with the consent of the Treasury as relevant to the National Health Service in England. We have also audited the information in the Remuneration Report that is subject to audit.

This report is made solely to the signing officers of Leeds PCT in accordance with Part II of the Audit Commission Act 1998. Our audit work has been undertaken so that we might state to the signing officers of the PCT 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 signing officers of the PCT for our audit work, for this report or for the opinions we have formed.

Respective responsibilities of Signing Officer and auditor

As explained more fully in the Statement of Signing Officer's Responsibilities, the Signing Officer is responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the PCT's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the PCT; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the financial position of Leeds PCT as at 31 March 2013 and of its expenditure and income for the year then ended; and

- have been prepared properly in accordance with the accounting policies directed by the Secretary of State with the consent of the Treasury as relevant to the National Health Service in England.

Opinion on regularity prescribed by the Code of Audit Practice 2010 for local NHS bodies

In our opinion, in all material respects the expenditure and income have been applied to the purposes intended by parliament and the financial transactions conform to the authorities which govern them.

Opinion on other matters prescribed by the Code of Audit Practice 2010 for local NHS bodies

In our opinion:

- the part of the Remuneration Report subject to audit has been properly prepared in accordance with the accounting policies directed by the Secretary of State with the consent of the Treasury as relevant to the National Health Service in England; and

- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Code of Audit Practice 2010 for local NHS bodies requires us to report to you if:

- in our opinion, the Governance Statement does not reflect compliance with the Department of Health's requirements;
- any referrals to the Secretary of State have been made under section 19 of the Audit Commission Act 1998; or
- any matters have been reported in the public interest under the Audit Commission Act 1998 in the course of, or at the end of, the audit.

Conclusion on the PCT's arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required under Section 5 of the Audit Commission Act 1998 to satisfy ourselves that the PCT has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Audit Commission requires us to report any matters that prevent us being satisfied that the audited body has put in place such arrangements.

We have undertaken our audit in accordance with the Code of Audit Practice 2010 for local NHS bodies, having regard to the guidance issued by the Audit Commission in November 2012. We have considered the results of the following:

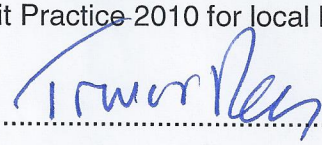
- our review of the Governance Statement;

- the work of other relevant regulatory bodies or inspectorates, to the extent that the results of this work impact on our responsibilities at the PCT; and

As a result, we have concluded that there are no matters to report.

Certificate

We certify that we have completed the audit of the accounts of Leeds PCT in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice 2010 for local NHS bodies issued by the Audit Commission.



6 June 2013

Trevor Rees for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
St James Square
Manchester M2 6DS
United Kingdom

Statement of Comprehensive Net Expenditure for year ended 31 March 2013

	NOTE	2012-13 £000	2011-12 £000
Administration Costs and Programme Expenditure			
Gross employee benefits	7.1	**22,658**	21,587
Other costs	5.1	**1,393,821**	1,350,083
Income	4	**(35,783)**	(32,380)
Net operating costs before interest		**1,380,696**	1,339,290
Investment income	9	**(188)**	(232)
Other (Gains)/Losses	10	**(11)**	30
Finance costs	11	**5,220**	5,087
Net operating costs for the financial year		**1,385,717**	1,344,175
Transfers by absorption -(gains)		**0**	
Transfers by absorption - losses		**0**	
Net (gain)/loss on transfers by absorption		**0**	
Net Operating Costs for the Financial Year including absorption transfers		**1,385,717**	**1,344,175**
Of which:			
Administration Costs			
Gross employee benefits	7.1	**20,596**	20,970
Other costs	5.1	**11,399**	11,463
Income	4	**(5,362)**	(5,406)
Net administration costs before interest		**26,633**	**27,027**
Investment income	9	**(188)**	(232)
Other (Gains)/Losses	10	**(11)**	30
Finance costs	11	**0**	41
Net administration costs for the financial year		**26,434**	**26,866**
Programme Expenditure			
Gross employee benefits	7.1	**2,062**	617
Other costs	5.1	**1,382,422**	1,338,620
Income	4	**(30,421)**	(26,974)
Net programme expenditure before interest		**1,354,063**	**1,312,263**
Investment income	9	**0**	0
Other (Gains)/Losses	10	**0**	0
Finance costs	11	**5,220**	5,046
Net programme expenditure for the financial year		**1,359,283**	**1,317,309**

Other Comprehensive Net Expenditure	2012-13 £000	2011-12 £000
Impairments and reversals put to the Revaluation Reserve	**0**	83
Net (gain) on revaluation of property, plant & equipment	**950**	0
Net (gain) on revaluation of intangibles	**0**	0
Net (gain) on revaluation of financial assets	**0**	0
Net (gain)/loss on other reserves	**0**	0
Net (gain)/loss on available for sale financial assets	**0**	0
Net (gain) /loss on Assets Held for Sale	**0**	
Release of Reserves to Statement of Comprehensive Net Expenditure	**0**	
Net actuarial (gain)/loss on pension schemes	**0**	0
Reclassification Adjustments		
Reclassification adjustment on disposal of available for sale financial assets	**0**	0
Total comprehensive net expenditure for the year*	**1,386,667**	**1,344,258**

*This is the sum of the rows above plus net operating costs for the financial year after absorption accounting adjustments.
The notes on the following pages form part of this account.

Statement of Financial Position at 31 March 2013

	NOTE	31 March 2013 £000	31 March 2012 £000
Non-current assets:			
Property, plant and equipment	12	**53,713**	58,615 *
Intangible assets	13	**0**	168
investment property	15	**0**	0
Other financial assets	21	**845**	868
Trade and other receivables	19	**0**	0
Total non-current assets		**54,558**	59,651
Current assets:			
Inventories	18	**0**	0
Trade and other receivables	19	**3,595**	3,842
Other financial assets	21	**22**	22
Other current assets	22	**0**	0
Cash and cash equivalents	23	**0**	1
Total current assets		**3,617**	3,865
Non-current assets held for sale	24	**190**	441
Total current assets		**3,807**	4,306
Total assets		**58,365**	63,957
Current liabilities			
Trade and other payables	25	**(52,998)**	(65,574)
Other liabilities	26,28	**0**	0
Provisions	32	**(3,166)**	(4,939)
Borrowings	27	**(1,446)**	(1,398)
Other financial liabilities	36.2	**0**	0
Total current liabilities		**(57,610)**	(71,911)
Non-current assets plus/less net current assets/liabilities		**755**	(7,954)
Non-current liabilities			
Trade and other payables	25	0	0
Other Liabilities	28	0	0
Provisions	32	(6,037)	(2,255)
Borrowings	27	(55,211)	(56,658)
Other financial liabilities	36.2	0	0
Total non-current liabilities		**(61,248)**	(58,913)
Total Assets Employed:		**(60,493)**	(66,867)
Financed by taxpayers' equity:			
General fund		(62,070)	(69,394) *
Revaluation reserve		1,577	2,527 *
Other reserves		0	0
Total taxpayers' equity:		**(60,493)**	(66,867)

* see Prior Period Adjustment note on Statement of Changes in Taxpayers Equity

The notes on the following pages form part of this account.

The financial statements were approved by the Board on 30 May 2013 and signed on its behalf by

Director (West Yorkshire) NHS England: Date: 4/6/13

Statement of Changes In Taxpayers Equity for the year ended 31 March 2013

	General fund	Revaluation reserve	Other reserves	Total reserves
	£000	£000	£000	£000
Balance at 1 April 2012	**(69,394)**	**2,527**	**0**	**(66,867)**
Changes in taxpayers' equity for 2012-13				
Net operating cost for the year	(1,385,717)			**(1,385,717)**
Net gain on revaluation of property, plant, equipment		(950)		**(950)**
Net gain on revaluation of intangible assets		0		**0**
Net gain on revaluation of financial assets		0		**0**
Net gain on revaluation of assets held for sale		0		**0**
Impairments and reversals		0		**0**
Movements in other reserves			0	**0**
Transfers between reserves	0	0		**0**
Release of Reserves to SOCNE		0		**0**
Reclassification Adjustments				
Transfers between Revaluation Reserve & General Fund in respect of assets transferred under absorption	0	0		**0**
Net actuarial gain/(loss) on pensions	0		0	**0**
Total recognised income and expense for 2012-13	**(1,385,717)**	**(950)**	**0**	**(1,386,667)**
Net Parliamentary funding	1,393,041			**1,393,041**
Balance at 31 March 2013	**(62,070)**	**1,577**	**0**	**(60,493)**
Balance at 1 April 2011	**(70,987)**	**2620**	**0**	**(68,367)**
Changes in taxpayers' equity for 2011-12				
Net operating cost for the year	(1,344,175)			(1,344,175)
Net Gain / (loss) on Revaluation of Property, Plant and Equipment		0		0
Net Gain / (loss) on Revaluation of Intangible Assets		0		0
Net Gain / (loss) on Revaluation of Financial Assets		0		0
Net Gain / (loss) on Assets Held for Sale		0		0
Impairments and Reversals		(83)		(83)
Movements in other reserves			0	0
Transfers between reserves	400	(400)		0
Release of Reserves to Statement of Comprehensive Net Expenditure		0		0
Reclassification Adjustments				
Transfers to/(from) Other Bodies within the Resource Account Boundary	0	0	0	0
On disposal of available for sale financial assets	0	0	0	0
Net actuarial gain/(loss) on pensions	0		0	0
Total recognised income and expense for 2011-12	(1,343,775)	(483)	0	(1,344,258)
Net Parliamentary funding	1,344,715			1,344,715
Balance at 31 March 2012	**(70,047)**	**2,137**	**0**	**(67,910)**
Prior Period Adjustment*	653	390		1,043
Restated Balance 31 March 2012	**(69,394)**	**2,527**	**0**	**(66,867)**

* On 1st April 2011, under the Transforming Community Services provisions, a number of properties were recognised in the books of Leeds Community NHS Trust, although legal title had not transferred. During 2012/13, it was finally determined that 2 of these properties should have remained on the SoFP of Leeds PCT. The properties involved were Shaftsbury Clinic, NBV £589k and East Leeds Clinic (car park) NBV £454k, totalling NBV of £1,043k. There was an associated revaluation reserve in respect of Shaftsbury Clinic of £390k. As a consequence, a prior period adjustment has been made and the closing General Fund and Revaluation Reserve have been restated, as shown in above.

Statement of cash flows for the year ended 31 March 2013

	NOTE	2012-13 £000	2011-12 £000
Cash Flows from Operating Activities			
Net Operating Cost Before Interest		**(1,380,696)**	(1,339,290)
Depreciation and Amortisation		**4,176**	3,352
Impairments and Reversals		**215**	20
Other Gains / (Losses) on foreign exchange		**0**	0
Donated Assets received credited to revenue but non-cash		**0**	0
Government Granted Assets received credited to revenue but non-cash		**0**	0
Interest Paid		**(5,212)**	(5,040)
Release of PFI/deferred credit		**0**	0
(Increase)/Decrease in Inventories		**0**	88
(Increase)/Decrease in Trade and Other Receivables		**247**	3,485
(Increase)/Decrease in Other Current Assets		**0**	0
Increase/(Decrease) in Trade and Other Payables		**(12,332)**	(6,171)
(Increase)/Decrease in Other Current Liabilities		**0**	0
Provisions Utilised		**(5,786)**	(2,515)
Increase/(Decrease) in Provisions		**7,787**	3,867
Net Cash Inflow/(Outflow) from Operating Activities		**(1,391,601)**	**(1,342,204)**
Cash flows from investing activities			
Interest Received		**188**	232
(Payments) for Property, Plant and Equipment		**(516)**	(1,918)
(Payments) for Intangible Assets		**0**	(75)
(Payments) for Other Financial Assets		**0**	0
(Payments) for Financial Assets (LIFT)		**0**	0
Proceeds of disposal of assets held for sale (PPE)		**262**	560
Proceeds of disposal of assets held for sale (Intangible)		**0**	0
Proceeds from Disposal of Other Financial Assets		**0**	0
Proceeds from the disposal of Financial Assets (LIFT)		**0**	0
Loans Made in Respect of LIFT		**0**	0
Loans Repaid in Respect of LIFT		**23**	22
Rental Revenue		**0**	0
Net Cash Inflow/(Outflow) from Investing Activities		**(43)**	**(1,179)**
Net cash inflow/(outflow) before financing		**(1,391,644)**	**(1,343,383)**
Cash flows from financing activities			
Capital Element of Payments in Respect of Finance Leases and On-SoFP PFI and LIFT		**(1,398)**	(1,340)
Net Parliamentary Funding		**1,393,041**	1,344,715
Capital Receipts Surrendered		**0**	0
Capital grants and other capital receipts		**0**	0
Cash Transferred (to)/from Other NHS Bodies (free text note required)		**0**	0
Net Cash Inflow/(Outflow) from Financing Activities		**1,391,643**	**1,343,375**
Net increase/(decrease) in cash and cash equivalents		**(1)**	**(8)**
Cash and Cash Equivalents (and Bank Overdraft) at Beginning of the Period		**1**	**9**
Effect of Exchange Rate Changes in the Balance of Cash Held in Foreign Currencies		**0**	0
Cash and Cash Equivalents (and Bank Overdraft) at year end		**0**	**1**

1. Accounting policies

The Secretary of State for Health has directed that the financial statements of PCTs shall meet the accounting requirements of the PCT Manual for Accounts, which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the 2012-13 PCTs Manual for Accounts issued by the Department of Health. The accounting policies contained in that manual follow International Financial Reporting Standards (IFRS) to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the PCT 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 PCT for the purpose of giving a true and fair view has been selected. The particular policies adopted by the PCT are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

The PCT is within the Government Resource Accounting Boundary and therefore has only consolidated interests in other entities where the other entity is also within the resource accounting boundary and the PCT exercises in-year budgetary control over the other entity.

In accordance with the directed accounting policy from the Secretary of State, the PCT does not consolidate the NHS charitable funds for which it is the corporate trustee.

1.1 Accounting Conventions

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

Transforming Community Services (TCS) transactions

Under the TCS initiative, services historically provided by PCTs have transferred to other providers - notably NHS Trusts and NHS Foundation Trusts. Such transfers fall to be accounted for by use of absorption accounting in line with the Treasury FReM. The FReM 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 SOCNE, and is disclosed separately from operating costs.

Acquisitions and Discontinued Operations

Activities are considered to be 'acquired' only if they are acquired 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 NHS body to another.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the PCT'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. 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.

Where critical judgements have been made, or estimates used, details are provided in the relevant note to the accounts.

1.2 Revenue and Funding

The main source of funding for the Primary Care Trust is allocations (Parliamentary Funding) from the Department of Health within an approved cash limit, which is credited to the General Fund of the Primary Care Trust. Parliamentary funding is recognised in the financial period in which the cash is received.

1. Accounting policies (continued)

Miscellaneous revenue is income which relates directly to the operating activities of the Primary Care Trust. It principally comprises fees and charges for services provided on a full cost basis to external customers, as well as public repayment work. It includes both income appropriated-in-aid of the Vote and income to the Consolidated Fund which HM Treasury has agreed should be treated as operating income.

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 revenue has been received for a specific activity to be delivered in the following financial year, that income will be deferred.

1.3 Taxation

The PCT is not liable to pay corporation tax. Expenditure is shown net of recoverable VAT. Irrecoverable VAT is charged to the most appropriate expenditure heading or capitalised if it relates to an asset.

1.4 Administration and Programme Costs

Treasury has set performance targets in respect of non-frontline expenditure (administration expenditure). From 2011-12, PCTs therefore analyse and report revenue income and expenditure by "admin and programme". For PCTs, the Department has defined "admin and programme" in terms of running costs.

The broad definition of running costs includes any cost incurred that is not a direct payment for the provision of healthcare or healthcare related services.

Expense incurred under NHS transition redundancy programmes is however classed as "programme" under Treasury budgetary control arrangements and so is recorded as such in the financial statements.

1.5 Property, Plant & Equipment

Recognition

Property, plant and equipment is capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to, the PCT;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has cost of at least £5,000; or
- Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

Valuation

All property, plant and equipment are measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. All assets are measured subsequently at fair value.

Land and buildings used for the PCT's services or for administrative purposes are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost

1. Accounting policies (continued)

Until 31 March 2008, the depreciated replacement cost of specialised buildings has been estimated for an exact replacement of the asset in its present location. HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

Until 31 March 2008, fixtures and equipment were carried at replacement cost, as assessed by indexation and depreciation of historic cost. From 1 April 2008 indexation has ceased. The carrying value of existing assets at that date will be written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit are charged to expenditure. Gains and losses recognised in the revaluation reserve are reported as other comprehensive net expenditure in the Statement of Comprehensive Net Expenditure.

Subsequent expenditure
Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any existing carrying value of the item replaced is written-out and charged to operating expenses

1.6 Intangible Assets

Recognition
Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the PCT's business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the PCT; where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Intangible assets acquired separately are initially recognised at fair value. Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:
- the technical feasibility of completing the intangible asset so that it will be available for use
- the intention to complete the intangible asset and use it
- the ability to sell or use the intangible asset
- how the intangible asset will generate probable future economic benefits or service potential
- the availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it
- the ability to measure reliably the expenditure attributable to the intangible asset during its development

Measurement
The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at fair value by reference to an active market, or, where no active market exists, at amortised replacement cost (modern equivalent assets basis), indexed for relevant price increases, as a proxy for fair value. Internally-developed software is held at amortized historic cost to reflect the opposing effects of increases in development costs and technological advances.

1. Accounting policies (continued)

1.7 Depreciation, amortisation and impairments

Freehold land, properties under construction and assets held for sale are not depreciated.

Otherwise, depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the PCT expects to obtain economic benefits or service potential from the asset. This is specific to the PCT and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over their estimated useful lives.

At each reporting period end, the PCT checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.

A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit are taken to expenditure. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited to expenditure to the extent of the decrease previously charged there and thereafter to the revaluation reserve.

Impairments are analysed between Departmental Expenditure Limits (DEL) and Annually Managed Expenditure (AME) from 2011-12. This is necessary to comply with Treasury's budgeting guidance. DEL limits are set in the Spending Review and Departments may not exceed the limits that they have been set. AME budgets are set by the Treasury and may be reviewed with departments in the run-up to the Budget. Departments need to monitor AME closely and inform Treasury if they expect AME spending to rise above forecast. Whilst Treasury accepts that in some areas of AME inherent volatility may mean departments do not have the ability to manage the spending within budgets in that financial year, any expected increases in AME require Treasury approval.

1.8 Donated assets

Following the accounting policy change outlined in the Treasury FREM for 2011-12, a donated asset reserve is no longer maintained. Donated non-current assets are capitalised at their fair value on receipt, with a matching credit to Income. They are valued, depreciated and impaired as described above for purchased assets. Gains and losses on revaluations, impairments and sales are as described above for purchased assets. Deferred income is recognised only where conditions attached to the donation preclude immediate recognition of the gain.

1.9 Government grants

Following the accounting policy change outlined in the Treasury FREM for 2011-12, a government grant reserve is no longer maintained. The value of assets received by means of a government grant are credited directly to income. Deferred income is recognised only where conditions attached to the grant preclude immediate recognition of the gain.

1.10 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the Statement of Comprehensive Net Expenditure. On disposal, the balance for the asset in the revaluation reserve is transferred to retained earnings.

Property, plant and equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead, it is retained as an operational asset and its economic life is adjusted. The asset is de-recognised when it is scrapped or demolished.

1. Accounting policies (continued)

1.11 Inventories

Inventories are valued at the lower of cost and net realisable value. This is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

1.12 Cash and 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 PCT's cash management.

1.13 Losses and 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 each individual case is handled.

Losses and special payments are charged to the relevant functional headings including losses which would have been made good through insurance cover had PCTs not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

1.14 Clinical Negligence Costs

From 1 April 2000, the NHS Litigation Authority (NHSLA) took over the full financial responsibility for all Existing Liabilities Scheme (ELS) cases unsettled at that date and from 1 April 2002 all Clinical Negligence Scheme for Trusts (CNST) cases. Provisions for these are included in the accounts of the NHSLA. Although the NHSLA is administratively responsible for all cases from 1 April 2000, the legal liability remains with the PCTs.

The NHSLA operates a risk pooling scheme under which the PCT pays an annual contribution to the NHSLA which in return settles all clinical negligence claims. The contribution is charged to expenditure in the year that it is due. The total value of clinical negligence provisions carried by the NHSLA on behalf of the PCT is disclosed at Note 32.

1.15 Employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees, except for bonuses earned but not yet taken which, like leave earned but not yet taken is not accrued for at the year end, on the grounds of immateriality.

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 NHS body 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 PCT commits itself to the retirement, regardless of the method of payment.

1.16 Research and Development

Research and development expenditure is charged against income 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 is revalued on the basis of current cost. The amortisation is calculated on the same basis as depreciation, on a quarterly basis.

1. Accounting policies (continued)

1.17 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.

1.18 Grant making

Under section 256 of the National Health Service Act 2006, the PCT has the power to make grants to local authorities, voluntary bodies and registered social landlords to finance capital or revenue schemes. A liability in respect of these grants is recognised when the PCT has a present legal or constructive obligation which occurs when all of the conditions attached to the payment have been met.

1.19 EU Emissions Trading Scheme

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 NHS body 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 are valued at fair value at the end of the reporting period.

1.20 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 PCT, 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 trust. 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.

1.21 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.

The PCT 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 PCT's net operating cost.

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.

The PCT as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the PCT'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 PCT'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. Accounting policies (continued)

1.22 Foreign exchange

Transactions which are denominated in a foreign currency are translated into sterling at the exchange rate ruling on the date of each transaction, except where rates do not fluctuate significantly, in which case an average rate for a period is used. Resulting exchange gains and losses are taken to the Statement of Comprehensive Net Expenditure.

1.23 Provisions

Provisions are recognised when the PCT has a present legal or constructive obligation as a result of a past event, it is probable that the PCT 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 of 2.2% (2.35% in respect of early staff departures) in real terms.

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.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the PCT has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when the PCT 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 arsing from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

1.24 Financial Instruments

Financial assets

Financial assets are recognised when the PCT 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 initially recognised at fair value.

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.

Financial assets at fair value through profit and loss

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the Statement of Comprehensive Net Expenditure. The net gain or loss incorporates any interest earned on the financial asset.

Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective

Available for sale financial assets

Available for sale financial assets are non-derivative financial assets that are designated as available for sale or that do not fall within any of the other three financial asset classifications. They are measured at fair value with changes in value taken to the revaluation reserve, with the exception of impairment losses. Accumulated gains or losses are recycled to the Statement of Comprehensive Net Expenditure on de-recognition.

1. Accounting policies (continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques and disclosed in note 36 to the accounts.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the initial fair value of the financial asset.

At the Statement of Financial Position date, the PCT assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Net Expenditure and the carrying amount of the asset is reduced directly, or through a provision for impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the Statement of Comprehensive Net Expenditure to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities

Financial liabilities are recognised on the Statement of Financial Position when the PCT 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.

Financial liabilities are initially recognised at fair value.

Financial liabilities are classified as either financial liabilities 'at fair value through profit and loss' or other financial liabilities.

Financial liabilities at fair value through profit and loss

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the Statement of Comprehensive Net Expenditure. The net gain or loss incorporates any interest earned on the financial asset.

Other financial liabilities

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. 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. Accounting policies (continued)

1.25 Private Finance Initiative (PFI) and NHS LIFT transactions

HM Treasury has determined that government bodies shall account for infrastructure PFI schemes (including NHS LIFT) where the government body controls the use of the infrastructure and the residual interest in the infrastructure at the end of the arrangement as service concession arrangements, following the principles of the requirements of IFRIC 12. The PCT therefore recognises the PFI asset as an item of property, plant and equipment together with a liability to pay for it. The services received under the contract are recorded as operating expenses.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

a) Payment for the fair value of services received;
b) Payment for the PFI asset, including finance costs; and
c) Payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

a) Services received

The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'.

b) PFI and LIFT assets, liabilities, and finance costs

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the PCT's approach for each relevant class of

LIFT assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at the present value of the minimum lease payments in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the PCT's approach for each relevant class of asset in accordance with the principles of IAS 16.

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the fair value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

A LIFT liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the present value of the minimum lease payments and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the Statement of Comprehensive Net Expenditure.

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the Statement of Comprehensive Net Expenditure.

c) Lifecycle replacement

Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the PCT's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

1. Accounting policies (continued)

Assets contributed by the PCT to the operator for use in the scheme
Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the PCT's Statement of Comprehensive Net Expenditure.

Other assets contributed by the PCT to the operator
Assets contributed (e.g. cash payments, surplus property) by the PCT to the operator before the asset is brought into use, which are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available to the PCT, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

1.26 Accounting Standards that have been issued but not yet been adopted

The Treasury FReM does not require the following Standards and Interpretations to be applied in 2012-13. The application of the Standards as revised would not have a material impact on the accounts for 2012-13, were they applied in that year:

IAS 27 Separate Financial Statements - subject to consultation
IAS 28 Investments in Associates and Joint Ventures - subject to consultation
IFRS 9 Financial Instruments - subject to consultation - subject to consultation
IFRS 10 Consolidated Financial Statements - subject to consultation
IFRS 11 Joint Arrangements - subject to consultation
IFRS 12 Disclosure of Interests in Other Entities - subject to consultation
IFRS 13 Fair Value Measurement - subject to consultation
IPSAS 32 - Service Concession Arrangement - subject to consultation

1.27 Dissolution of the Primary Care Trust

Under the provisions of The Health and Social Care Act 2012 (Commencement No 4 Transitional, Savings and Transitory Provisions) Order 2013, Leeds Primary Care Trust was dissolved on 1st April 2013. The Primary Care Trust's functions, assets and liabilities transferred to other public sector entities as outlined in Note 41.1 Events after the end of the Reporting Period. Where reconfigurations of this nature take place within the public sector, Government accounting requires that the activities concerned are to be considered as continuing operations, and so the closing entity prepares accounts on a 'going concern' basis.

The SoFP has therefore been drawn up at 31 March 2013, on the same basis as in previous years, reporting balances on the same basis as would a continuing entity. In particular, there has been no general revaluation of assets and liabilities, and no disclosures have been made under IFRS 5 Non -current Assets Held for Sale and Discontinued Operations.

During the period one property was revalued, the details of which are shown in Note 12.1. This transaction is considered routine within the annual cycle of activity.

2 Operating segments

During 2012/13 there has been only one operating segment - that of the Commissioner, and management reports to the Board are on this basis.

3. Financial Performance Targets

3.1 Revenue Resource Limit

	2012-13 £000	2011-12 £000
The PCTs' performance for the year ended 2012-13 is as follows:		
Total Net Operating Cost for the Financial Year		1,344,175
Net operating cost plus (gain)/loss on transfers by absorption	**1,385,717**	
Adjusted for prior period adjustments in respect of errors	**0**	0
Revenue Resource Limit	**1,408,915**	1,369,261
Under/(Over)spend Against Revenue Resource Limit (RRL)	**23,198**	25,086

3.2 Capital Resource Limit

	2012-13 £000	2011-12 £000
The PCT is required to keep within its Capital Resource Limit.		
Capital Resource Limit	**0**	(380)
Charge to Capital Resource Limit	**(3)**	(386)
(Over)/Underspend Against CRL	**3**	**6**

3.3 Under/(Over)spend against cash limit

	2012-13 £000	2011-12 £000
Total Charge to Cash Limit	**1,393,041**	1,344,715
Cash Limit	**1,393,041**	1,344,715
Under/(Over)spend Against Cash Limit	**0**	**0**

3.4 Reconciliation of Cash Drawings to Parliamentary Funding (current year)

	2012-13 £000
Total cash received from DH (Gross)	1,219,463
Less: Trade Income from DH	(247)
Less/(Plus): movement in DH working balances	(59)
Sub total: net advances	**1,219,157**
(Less)/plus: transfers (to)/from other resource account bodies (free text note required)	0
Plus: cost of Dentistry Schemes (central charge to cash limits)	32,263
Plus: drugs reimbursement (central charge to cash limits)	141,621
Parliamentary funding credited to General Fund	**1,393,041**

4 Miscellaneous Revenue

	2012-13 Total	2012-13 Admin	2012-13 Programme	2011-12
	£000	£000	£000	£000
Fees and Charges	**0**	0	0	0
Dental Charge income from Contractor-Led GDS & PDS	**9,573**		9,573	9,272
Dental Charge income from Trust-Led GDS & PDS	**0**		0	0
Prescription Charge income	**8,130**		8,130	6,723
Strategic Health Authorities	**107**	24	83	90
NHS Trusts	**867**	485	382	541
NHS Foundation Trusts	**136**	0	136	163
Primary Care Trusts Contributions to DATs	**0**		0	0
Primary Care Trusts - Other	**4,668**	3,579	1,089	3,032
Primary Care Trusts - Lead Commissioning	**0**	0	0	0
English RAB Special Health Authorities	**0**	0	0	0
NDPBs and Others (CGA)	**0**	0	0	0
Department of Health - SMPTB	**0**	0	0	0
Department of Health - Other	**239**	0	239	312
Recoveries in respect of employee benefits	**928**	908	20	1,036
Local Authorities	**60**	0	60	92
Patient Transport Services	**0**		0	0
Education, Training and Research	**1,178**	0	1,178	1,170
Non-NHS: Private Patients	**0**		0	0
Non-NHS: Overseas Patients (Non-Reciprocal)	**0**		0	0
NHS Injury Costs Recovery	**0**		0	0
Other Non-NHS Patient Care Services	**195**	195	0	257
Charitable and Other Contributions to Expenditure	**0**		0	0
Receipt of donated assets	**0**		0	0
Receipt of Government granted assets	**0**		0	0
Rental revenue from finance leases	**0**	0	0	0
Rental revenue from operating leases	**8,924**	0	8,924	8,787
Other revenue	**778**	171	607	905
Total miscellaneous revenue	**35,783**	**5,362**	**30,421**	**32,380**

5. Operating Costs

5.1 Analysis of operating costs:

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000	2011-12 Total £000
Goods and Services from Other PCTs				
Healthcare	**127,799**		127,799	92,083
Non-Healthcare	**2,513**	2,513	0	722
Total	**130,312**	**2,513**	**127,799**	**92,805**
Goods and Services from Other NHS Bodies other than FTs				
Goods and services from NHS Trusts	**626,232**	0	626,232	624,267
Goods and services (other, excl Trusts, FT and PCT))	**0**	0	0	896
Total	**626,232**	**0**	**626,232**	**625,163**
Goods and Services from Foundation Trusts	**142,299**	0	142,299	151,270
Purchase of Healthcare from Non-NHS bodies	**138,131**		138,131	126,773
Social Care from Independent Providers	**0**		0	0
Expenditure on Drugs Action Teams	**7,814**		7,814	8,741
Non-GMS Services from GPs	**4,591**	0	4,591	7,068
Contractor Led GDS & PDS (excluding employee benefits)	**43,074**		43,074	41,413
Salaried Trust-Led PDS & PCT DS (excluding employee benefits)	**0**		0	0
Chair, Non-executive Directors & PEC remuneration	**125**	125	0	141
Executive committee members costs	**34**	34	0	50
Consultancy Services	**151**	151	0	123
Prescribing Costs	**119,347**		119,347	124,876
G/PMS, APMS and PCTMS (excluding employee benefits)	**107,001**	0	107,001	110,603
Pharmaceutical Services	**843**		843	525
Local Pharmaceutical Services Pilots	**0**		0	0
New Pharmacy Contract	**33,884**		33,884	31,084
General Ophthalmic Services	**7,003**		7,003	6,762
Supplies and Services - Clinical	**723**	24	699	995
Supplies and Services - General	**509**	133	376	527
Establishment	**2,925**	2,040	885	2,791
Transport	**260**	185	75	48
Premises	**7,685**	2,405	5,280	6,282
Impairments & Reversals of Property, plant and equipment	**215**	0	215	20
Impairments and Reversals of non-current assets held for sale	**0**	0	0	0
Depreciation	**4,008**	155	3,853	3,322
Amortisation	**168**	44	124	30
Impairment & Reversals Intangible non-current assets	**0**	0	0	0
Impairment and Reversals of Financial Assets	**0**	0	0	0
Impairment of Receivables	**(62)**	(62)	0	33
Inventory write offs	**0**	0	0	0
Research and Development Expenditure	**309**	0	309	267
Audit Fees	**173**	173	0	290
Other Auditors Remuneration	**0**	0	0	0
Clinical Negligence Costs	**101**	100	1	129
Education and Training	**697**	5	692	1,124
Grants for capital purposes	**104**	0	104	269
Grants for revenue purposes	**0**	0	0	0
Impairments and reversals for investment properties	**0**	0	0	0
Other	**15,165**	3,374	11,791	6,559
Total Operating costs charged to Statement of Comprehensive Net Expenditure	**1,393,821**	**11,399**	**1,382,422**	**1,350,083**
Employee Benefits (excluding capitalised costs)				
PCT Officer Board Members	**901**	901	0	1,056
Other Employee Benefits	**21,757**	19,695	2,062	20,531
Total Employee Benefits charged to SOCNE	**22,658**	**20,596**	**2,062**	**21,587**
Total Operating Costs	**1,416,479**	**31,995**	**1,384,484**	**1,371,670**
Analysis of grants reported in total operating costs				
For capital purposes				
Grants to fund Capital Projects - GMS	**104**	0	104	0
Grants to Local Authorities to Fund Capital Projects	**0**	0	0	0
Grants to Private Sector to Fund Capital Projects	**0**	0	0	269
Grants to Fund Capital Projects - Dental	**0**	0	0	0
Grants to Fund Capital Projects - Other	**0**	0	0	0
Total Capital Grants	**104**	**0**	**104**	**269**
Grants to fund revenue expenditure				
To Local Authorities	**0**	0	0	0
To Private Sector	**0**	0	0	0
To Other	**0**	0	0	0
Total Revenue Grants	**0**	**0**	**0**	**0**
Total Grants	**104**	**0**	**104**	**269**

	Total	Commissioning Services	Public Health
PCT Running Costs 2012-13			
Running costs (£000s)	**26,434**	21,556	4,878
Weighted population (number in units)*	**778,545**	778,545	778,545
Running costs per head of population (£ per head)	**34**	**28**	**6**
PCT Running Costs 2011-12			
Running costs (£000s)	**26,866**	22,236	4,630
Weighted population (number in units)	**778,545**	778,545	778,545
Running costs per head of population (£ per head)	**35**	**29**	**6**

* Weighted population figures are not available for 2012-13 as the weighted capitation formula for PCT allocations was not updated for 2012-13. This was because it was decided to give all PCTs the same percentage growth in their allocations in this transitional year rather than differential growth based on a weighted capitation formula

Therefore, 2011-12 weighted populations have been used when calculated the Running Costs per head of population in 2012-13

5.2 Analysis of operating expenditure by expenditure classification	2012-13 £000	2011-12 £000
Purchase of Primary Health Care		
GMS / PMS/ APMS / PCTMS	107,001	110,603
Prescribing costs	119,347	124,876
Contractor led GDS & PDS	43,074	41,413
Trust led GDS & PDS	0	0
General Ophthalmic Services	7,003	6,762
Department of Health Initiative Funding	0	0
Pharmaceutical services	843	525
Local Pharmaceutical Services Pilots	0	0
New Pharmacy Contract	33,884	31,084
Non-GMS Services from GPs	2,714	5,264
Other	5,233	2,575
Total Primary Healthcare purchased	**319,099**	323,102
Purchase of Secondary Healthcare		
Learning Difficulties	27,047	26,380
Mental Illness	150,178	148,315
Maternity	38,528	38,691
General and Acute	634,668	611,420
Accident and emergency	53,647	52,441
Community Health Services	136,691	131,060
Other Contractual	0	0
Total Secondary Healthcare Purchased	**1,040,759**	1,008,307
Grant Funding		
Grants for capital purposes	104	269
Grants for revenue purposes	0	0
Total Healthcare Purchased by PCT	**1,359,962**	**1,331,678**
PCT self-provided secondary healthcare included above	0	0
Social Care from Independent Providers	0	0
Healthcare from NHS FTs included above	142,299	151,270

6. Operating Leases

The PCT has operating leases in respect of properties, primarily in respect of administrative buildings, photocopiers and lease cars. The leases are for an agreed number of years, with no renewal terms, purchase options or escalation clauses. Restrictions apply in terms of subletting arrangements.

6.1 PCT as lessee

	Buildings £000	Other £000	2012-13 Total £000	2011-12 £000
Payments recognised as an expense				
Minimum lease payments	**12,029**	**105**	**12,134**	12,288
Contingent rents	**971**		**971**	703
Sub-lease payments			**0**	0
Total	**13,000**	**105**	**13,105**	**12,991**
Payable:				
No later than one year	**2,934**	**37**	**2,971**	3,231
Between one and five years	**11,777**	**0**	**11,777**	13,341
After five years	**52,540**	**0**	**52,540**	55,713
Total	**67,251**	**37**	**67,288**	**72,285**

Leeds PCT has entered into certain financial arrangements involving the use of GP premises. Under IFRS the PCT has determined that operating leases must be brought to account. The leases do not involve the legal form of a lease. A total of £9.26m has been included in lease payments for 2012/13 (£9.35m for 2011/12). As there is no specified lease term the total value of future minimum payments payable cannot be included.

6.2 PCT as lessor

	2012-13 £000	2011-12 £000
Recognised as income		
Rental Revenue	**8,924**	8,787
Contingent rents	**0**	0
Total	**8,924**	8,787
Receivable:		
No later than one year	**8,924**	8,787
Between one and five years	**35,697**	34,076
After five years	**123,815**	129,432
Total	**168,436**	172,295

Leasing arrangements where the PCT is a lessor relate to the subletting of Health Centres and Clinics, where the lessee is generally a Leeds GP practice or other NHS organisation.

7. Employee benefits and staff numbers

7.1 Employee benefits

2012-13				Permanently employed			Other		
	Total £000	Admin £000	Programme £000	Total £000	Admin £000	Programme £000	Total £000	Admin £000	Programme £000
Employee Benefits - Gross Expenditure									
Salaries and wages	**18,613**	17,511	1,102	**16,342**	15,240	1,102	**2,271**	2,271	0
Social security costs	**1,264**	1,163	101	**1,264**	1,163	101	**0**	0	0
Employer Contributions to NHS BSA - Pensions Division	**2,089**	1,922	167	**2,089**	1,922	167	**0**	0	0
Other pension costs	**39**	0	39	**39**	0	39	**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	**653**	0	653	**653**	0	653	**0**	0	0
Total employee benefits	**22,658**	**20,596**	**2,062**	**20,387**	**18,325**	**2,062**	**2,271**	**2,271**	**0**
Less recoveries in respect of employee benefits (table below)	**(928)**	(908)	(20)	**(928)**	**(908)**	**(20)**	**0**	**0**	**0**
Total - Net Employee Benefits including capitalised costs	**21,730**	**19,688**	**2,042**	**19,459**	**17,417**	**2,042**	**2,271**	**2,271**	**0**
Employee costs capitalised	**0**	0	0	**0**	0	0	**0**	0	0
Gross Employee Benefits excluding capitalised costs	**22,658**	**20,596**	**2,062**	**20,387**	**18,325**	**2,062**	**2,271**	**2,271**	**0**
Recognised as:									
Commissioning employee benefits	**22,658**			**20,387**			**2,271**		
Provider employee benefits	**0**			**0**			**0**		
Gross Employee Benefits excluding capitalised costs	**22,658**			**20,387**			**2,271**		

2012-13				Permanently employed			Other		
	Total £000	Admin £000	Programme £000	Total £000	Admin £000	Programme £000	Total £000	Admin £000	Programme £000
Employee Benefits - Revenue									
Salaries and wages	**789**	772	17	**789**	772	17	**0**	0	0
Social Security costs	**52**	51	1	**52**	51	1	**0**	0	0
Employer Contributions to NHS BSA - Pensions Division	**87**	85	2	**87**	85	2	**0**	0	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
TOTAL excluding capitalised costs	**928**	**908**	**20**	**928**	**908**	**20**	**0**	**0**	**0**

Employee Benefits - Prior- year

	Total £000	Permanently employed £000	Other £000
Employee Benefits Gross Expenditure 2011-12			
Salaries and wages	**17,790**	16,722	1,068
Social security costs	**1,262**	1,262	0
Employer Contributions to NHS BSA - Pensions Division	**2,167**	2,167	0
Other pension costs	**0**	0	0
Other post-employment benefits	**0**	0	0
Other employment benefits	**0**	0	0
Termination benefits	**368**	368	0
Total gross employee benefits	**21,587**	**20,519**	**1,068**
Less recoveries in respect of employee benefits	**(1,036)**	(1,036)	0
Total - Net Employee Benefits including capitalised costs	**20,551**	**19,483**	**1,068**
Employee costs capitalised	**0**	0	0
Gross Employee Benefits excluding capitalised costs	**21,587**	**20,519**	**1,068**
Recognised as:			
Commissioning employee benefits	**21,587**		
Provider employee benefits	**0**		
Gross Employee Benefits excluding capitalised costs	**21,587**		

7.2 Staff Numbers

	2012-13 Total Number	2012-13 Permanently employed Number	2012-13 Other Number	2011-12 Total Number	2011-12 Permanently employed Number	2011-12 Other Number
Average Staff Numbers						
Medical and dental	**4**	3	1	**5**	4	0
Ambulance staff	**0**	0	0	**0**	0	0
Administration and estates	**368**	347	21	**328**	318	10
Healthcare assistants and other support staff	**3**	3	0	**3**	3	0
Nursing, midwifery and health visiting staff	**43**	41	2	**43**	43	0
Nursing, midwifery and health visiting learners	**0**	0	0	**0**	0	0
Scientific, therapeutic and technical staff	**16**	16	0	**19**	18	1
Social Care Staff	**0**	0	0	**0**	0	0
Other	**0**	0	0	**55**	53	2
TOTAL	**434**	**409**	**25**	**452**	**439**	**13**
Of the above - staff engaged on capital projects	**0**	0	0	**0**	0	0

7.3 Ill health retirements

	2012-13 Number	2011-12 Number
Number of persons retired early on ill health grounds	**0**	2
	£000s	**£000s**
Total additional pensions liabilities accrued in the year	**0**	234

7.4 Exit Packages agreed during 2012-13

	2012-13			2011-12		
Exit package cost band (including any special payment element)	***Number of compulsory redundancies**	***Number of other departures agreed**	**Total number of exit packages by cost band**	***Number of compulsory redundancies**	***Number of other departures agreed**	**Total number of exit packages by cost band**
	Number	**Number**	**Number**	**Number**	**Number**	**Number**
Lees than £10,000	**1**	**2**	**3**	0	0	**0**
£10,001-£25,000	**6**	**6**	**12**	0	1	**1**
£25,001-£50,000	**2**	**3**	**5**	0	2	**2**
£50,001-£100,000	**1**	**1**	**2**	0	3	**3**
£100,001 - £150,000	**0**	**4**	**4**	0	2	**2**
£150,001 - £200,000	**0**	**1**	**1**	0	0	**0**
>£200,000	**2**	**0**	**2**	0	0	**0**
Total number of exit packages by type	**12**	**17**	**29**	**0**	**8**	**8**
	£s	**£s**	**£s**	**£s**	**£s**	**£s**
Total resource cost	770,823	920,485	**1,691,308**	0	499,000	**499,000**

This note provides an analysis of Exit Packages agreed during the year. Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Scheme. Where the PCT has agreed early retirements, the additional costs are met by the PCT and not by the NHS pensions scheme. Ill-health retirement costs are met by the NHS pensions scheme and are not included in the table.

This disclosure reports the number and value of exit packages taken by staff leaving in the year. Note: The expense associated with these departures may have been recognised in part or in full in a previous period.

7.5 Pension costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at 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 NHS Body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of the scheme liability is carried out annually by the scheme actuary as at the end of the reporting period . Actuarial assessments are undertaken in intervening years between formal valuations using updated membership data and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2013, is based on the valuation data as at 31 March 2012, updated to 31 March 2013 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Account, published annually. These accounts can be viewed on the NHS Pensions website. Copies can also be obtained from The Stationery Office.

b) 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.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2004. Consequently, a formal actuarial valuation would have been due for the year ended 31 March 2008. However, formal actuarial valuations for unfunded public service schemes were suspended by HM Treasury on value for money grounds while consideration is given to recent changes to public service pensions, and while future scheme terms are developed as part of the reforms to public service pension provision due in 2015.

The Scheme Regulations were changed to allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

The next formal valuation to be used for funding purposes will be carried out at as at March 2012 and will be used to inform the contribution rates to be used from 1 April 2015.

c) Scheme provisions

The NHS Pension Scheme provided defined benefits, which are summarised below. This list is an illustrative guide only, and is not intended to detail all the benefits provided by the Scheme or the specific conditions that must be met before these benefits can be obtained:

The Scheme is a “final salary” scheme. Annual pensions are normally based on 1/80th for the 1995 section and of the best of the last three years pensionable pay for each year of service, and 1/60th for the 2008 section of reckonable pay per year of membership. Members who are practitioners as defined by the Scheme Regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This new provision is known as “pension commutation”.

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. From 2011-12 the Consumer Price Index (CPI) will be used to replace the Retail Price Index (RPI).

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year’s pensionable pay for death in service, and five times their annual pension for death after retirement is payable.

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 the employer.

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVC’s run by the Scheme’s approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

8. Better Payment Practice Code

8.1 Measure of compliance

	2012-13 Number	2012-13 £000	2011-12 Number	2011-12 £000
Non-NHS Payables				
Total Non-NHS Trade Invoices Paid in the Year	**24,004**	**171,394**	25,477	162,955
Total Non-NHS Trade Invoices Paid Within Target	**23,710**	**169,913**	25,028	158,979
Percentage of NHS Trade Invoices Paid Within Target	98.78%	99.14%	98.24%	97.56%
NHS Payables				
Total NHS Trade Invoices Paid in the Year	**5,629**	**903,728**	4,474	878,820
Total NHS Trade Invoices Paid Within Target	**5,486**	**895,243**	4,390	871,093
Percentage of NHS Trade Invoices Paid Within Target	97.46%	99.06%	98.12%	99.12%

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

8.2 The Late Payment of Commercial Debts (Interest) Act 1998

	2012-13 £000	2011-12 £000
Amounts included in finance costs from claims made under this legislation	**0**	0
Compensation paid to cover debt recovery costs under this legislation	**0**	0
Total	**0**	0

9. Investment Income

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000	2011-12 £000
Interest Income				
LIFT: equity dividends receivable	**59**	**59**	**0**	117
LIFT: loan interest receivable	**129**	**129**	**0**	115
Total investment income	**188**	**188**	**0**	232

10. Other Gains and Losses

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000	2011-12 £000
Gain/(Loss) on disposal of assets other than by sale (PPE)	**0**	**0**	**0**	(30)
Gain/(Loss) on disposal of assets other than by sale (intangibles)	**0**	**0**	**0**	0
Gain/(Loss) on disposal of Financial Assets - other than held for sale	**0**	**0**	**0**	0
Gain (Loss) on disposal of assets held for sale	**11**	**11**	**0**	0
Gain/(loss) on foreign exchange	**0**	**0**	**0**	0
Change in fair value of financial assets carried at fair value through the SoCNE	**0**	**0**	**0**	0
Change in fair value of financial liabilities carried at fair value through the SoCNE	**0**	**0**	**0**	0
Change in fair value of investment property	**0**	**0**	**0**	0
Recycling of gain/(loss) from equity on disposal of financial assets held for sale	**0**	**0**	**0**	0
Total	**11**	**11**	**0**	(30)

11. Finance Costs

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000	2011-12 £000
Interest				
Interest on obligations under finance leases	**0**	**0**	**0**	0
Interest on obligations under PFI contracts:				
- main finance cost	**0**	**0**	**0**	0
- contingent finance cost	**0**	**0**	**0**	0
Interest on obligations under LIFT contracts:				
- main finance cost	**4,241**	**0**	**4,241**	4,337
- contingent finance cost	**971**	**0**	**971**	703
Interest on late payment of commercial debt	**0**	**0**	**0**	0
Other interest expense	**0**	**0**	**0**	**0**
Total interest expense	**5,212**	**0**	**5,212**	**5,040**
Other finance costs	**0**	**0**	**0**	6
Provisions - unwinding of discount	**8**		**8**	41
Total	**5,220**	**0**	**5,220**	**5,087**

12.1 Property, plant and equipment

2012-13	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation:									
At 1 April 2012	**2,670**	**59,797**	**0**	**0**	**1,085**	**0**	**2,339**	**1,247**	**67,138 ***
Additions of Assets Under Construction				271					**271**
Additions Purchased	0	0	0		0	0	0	0	**0**
Additions Donated	0	0	0	0	0	0	0	0	**0**
Additions Government Granted	0	0	0	0	0	0	0	0	**0**
Additions Leased	0	0	0		0	0	0	0	**0**
Reclassifications	0	271	0	(271)	0	0	0	0	**0**
Reclassifications as Held for Sale	0	0	0	0	0	0	0	0	**0**
Disposals other than for sale	0	0	0	0	0	0	0	0	**0**
Upward revaluation/positive indexation	(950)	0	0	0	0	0	0	0	**(950)**
Impairments/negative indexation	0	0	0	0	0	0	0	0	**0**
Reversal of Impairments	0	0	0	0	0	0	0	0	**0**
Transfers (to)/from Other Public Sector Bodies	0	0	0	0	0	0	0	0	**0**
At 31 March 2013	**1,720**	**60,068**	**0**	**0**	**1,085**	**0**	**2,339**	**1,247**	**66,459**
Depreciation									
At 1 April 2012	**0**	**5,680**	**0**	**0**	**471**	**0**	**1,606**	**766**	**8,523**
Reclassifications	0	0	0		0	0	0	0	**0**
Reclassifications as Held for Sale	0	0	0		0	0	0	0	**0**
Disposals other than for sale	0	0	0		0	0	0	0	**0**
Upward revaluation/positive indexation	0	0	0		0	0	0	0	**0**
Impairments	0	215	0	0	0	0	0	0	**215**
Reversal of Impairments	0	0	0	0	0	0	0	0	**0**
Charged During the Year	0	2,650	0		555	0	598	205	**4,008**
Transfers (to)/from Other Public Sector Bodies	0	0	0	0	0	0	0	0	**0**
At 31 March 2013	**0**	**8,545**	**0**	**0**	**1,026**	**0**	**2,204**	**971**	**12,746**
Net Book Value at 31 March 2013	**1,720**	**51,523**	**0**	**0**	**59**	**0**	**135**	**276**	**53,713**
Purchased	1,720	51,523	0	0	59	0	135	276	**53,713**
Donated	0	0	0	0	0	0	0	0	**0**
Government Granted	0	0	0	0	0	0	0	0	**0**
Total at 31 March 2013	**1,720**	**51,523**	**0**	**0**	**59**	**0**	**135**	**276**	**53,713**
Asset financing:									
Owned	1,720	1,736	0	0	59	0	135	276	**3,926**
Held on finance lease	0	0	0	0	0	0	0	0	**0**
On-SOFP PFI contracts	0	49,787	0	0	0	0	0	0	**49,787**
PFI residual: interests	0	0	0	0	0	0	0	0	**0**
Total at 31 March 2013	**1,720**	**51,523**	**0**	**0**	**59**	**0**	**135**	**276**	**53,713**

None of the above are held at Open Market Value.

* On 1st April 2011, under the Transforming Community Services provisions, a number of properties were recognised in the books of Leeds Community NHS Trust, although legal title had not transferred. During 2012/13, it was finally determined that 2 of these properties should have remained on the SoFP of Leeds PCT. The properties involved were Shaftsbury Clinic, NBV £589k and East Leeds Clinic (car park) NBV £454k, totalling NBV £1,043k. As a consequence, a prior period adjustment has been made and the closing NBV of Property, Plant and Equipment has been restated, as shown in above.

12.1 Property, plant and equipment, cont

Revaluation Reserve Balance for Property, Plant & Equipment

	Land	Buildings	Dwellings	Assets under construction & payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
At 1 April 2012	**2,176**	**205**	**0**	**0**	**75**	**0**	**0**	**71**	**2,527 ***
Movements	(950)	0	0	0	0	0	0	0	**(950)**
At 31 March 2013	**1,226**	**205**	**0**	**0**	**75**	**0**	**0**	**71**	**1,577**

* On 1st April 2011, under the Transforming Community Services provisions, a number of properties were recognised in the books of Leeds Community NHS Trust, although legal title had not transferred. During 2012/13, it was finally determined that 2 of these properties should have remained on the SoFP of Leeds PCT. The properties involved were Shaftsbury Clinic, NBV £589k and East Leeds Clinic (car park) NBV £454k, totalling NBV £1,043k. There was an associated revaluation reserve for Shaftsbury Clinic of £390k.As a consequence, a prior period adjustment has been made and the closing revaluation reserve balance has been restated, as shown in above.

The reduction in revaluation reserve in respect to land relates to the revaluation of Leafield Clinic on 27 March 2013

Additions to Assets Under Construction in 2012-13

	£000
Land	0
Buildings excl Dwellings	271
Dwellings	0
Plant & Machinery	0
Balance as at YTD	**271**

12.2 Property, plant and equipment

2011-12	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	**£000**
Cost or valuation:									
At 1 April 2011	**2,203**	**59,577**	**0**	**196**	**1,085**	**0**	**2,159**	**1,247**	**66,467**
Additions - purchased	0	0	0	(28)	0	0	180	0	**152**
Additions - donated	0	0	0	0	0	0	0	0	**0**
Additions - government granted	0	0	0	0	0	0	0	0	**0**
Reclassifications	0	168	0	(168)	0	0	0	0	**0**
Reclassified as held for sale	(203)	(238)	0	0	0	0	0	0	**(441)**
Disposals other than by sale	0	0	0	0	0	0	0	0	**0**
Revaluation & indexation gains	0	0	0	0	0	0	0	0	**0**
Impairments	0	(83)	0	0	0	0	0	0	**(83)**
Reversals of impairments	0	0	0	0	0	0	0	0	**0**
In-year transfers to/from NHS bodies	0	0	0	0	0	0	0	0	**0**
Cumulative dep netted off cost following revaluatio	0	0	0	0	0	0	0	0	**0**
At 31 March 2012	**2,000**	**59,424**	**0**	**0**	**1,085**	**0**	**2,339**	**1,247**	**66,095**
Depreciation									
At 1 April 2011	**0**	**2,927**	**0**		**360**	**0**	**1,246**	**648**	**5,181**
Reclassifications		0	0		0	0	0	0	**0**
Reclassifications as Held for Sale	0	0	0		0	0	0	0	**0**
Disposals other than for sale	0	0	0		0	0	0	0	**0**
Upward revaluation/positive indexation	0	0	0		0	0	0	0	**0**
Impairments	0	20	0	0	0	0	0	0	**20**
Reversal of Impairments	0	0	0	0	0	0	0	0	**0**
Charged During the Year	0	2,733	0		111	0	360	118	**3,322**
In-year transfers to/from NHS bodies	0	0	0	0	0	0	0	0	**0**
Cumulative dep netted off cost following revaluatio	0	0	0	0	0	0	0	0	**0**
At 31 March 2012	**0**	**5,680**	**0**	**0**	**471**	**0**	**1,606**	**766**	**8,523**
Net Book Value at 31 March 2012	**2,000**	**53,744**	**0**	**0**	**614**	**0**	**733**	**481**	**57,572**
Purchased	2,000	53,744	0	0	614	0	733	481	**57,572**
Donated	0	0	0	0	0	0	0	0	**0**
Government Granted	0	0	0	0	0	0	0	0	**0**
At 31 March 2012	**2,000**	**53,744**	**0**	**0**	**614**	**0**	**733**	**481**	**57,572**
Asset financing:									
Owned	2,000	1,412	0	0	614	0	733	481	**5,240**
Held on finance lease	0	0	0	0	0	0	0	0	**0**
On-SOFP PFI contracts	0	52,332	0	0	0	0	0	0	**52,332**
PFI residual: interests	0	0	0	0	0	0	0	0	**0**
At 31 March 2012	**2,000**	**53,744**	**0**	**0**	**614**	**0**	**733**	**481**	**57,572**

* see Prior Period Adjustment note on Note 12.1.

12.3 Property, plant and equipment

During the year Leafield Clinic was refurbished and subsequent to this the property was revalued on 27 March 2013.

The revaluation was carried out by an independent firm of Chartered Surveyors on the basis of Existing Use Value.The decrease in valuation on land has been taken to the revaluation reserve. The decrease in valuation on buildings has been treated as an impairment and taken to the operating cost statement.

The economic lives of property, plant and equipment used in calculating the depreciation charge for the year is as follows:

	Min Life Years	Max Life Years
Buildings excluding dwellings	3	90
Plant & machinery	5	10
Transport equipment	7	7
Information technology	5	5
Furniture & fittings	5	5

13.1 Intangible non-current assets

2012-13	Software internally generated	Software purchased	Licences & trademarks	Patents	Development expenditure	Total
	£000	£000	£000	£000	£000	£000
At 1 April 2012	**0**	**378**	**0**	**0**	**0**	**378**
Additions - purchased	0	0	0	0	0	**0**
Additions - internally generated	0	0	0	0	0	**0**
Additions - donated	0	0	0	0	0	**0**
Additions - government granted	0	0	0	0	0	**0**
Additions Leased	0	0	0	0	0	**0**
Reclassifications	0	0	0	0	0	**0**
Reclassified as held for sale	0	0	0	0	0	**0**
Disposals other than by sale	0	0	0	0	0	**0**
Revaluation & indexation gains	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	**0**
In-year transfers to/from NHS bodies	0	0	0	0	0	**0**
At 31 March 2013	**0**	**378**	**0**	**0**	**0**	**378**
Amortisation						
At 1 April 2012	**0**	**210**	**0**	**0**	**0**	**210**
Reclassifications	0	0	0	0	0	**0**
Reclassified as held for sale	0	0	0	0	0	**0**
Disposals other than by sale	0	0	0	0	0	**0**
Revaluation or indexation gains	0	0	0	0	0	**0**
Impairments charged to operating expenses	0	0	0	0	0	**0**
Reversal of impairments charged to operating expenses	0	0	0	0	0	**0**
Charged during the year	0	168	0	0	0	**168**
In-year transfers to NHS bodies	0	0	0	0	0	**0**
At 31 March 2013	**0**	**378**	**0**	**0**	**0**	**378**
Net Book Value at 31 March 2013	**0**	**0**	**0**	**0**	**0**	**0**
Net Book Value at 31 March 2013 comprises						
Purchased	0	0	0	0	0	**0**
Donated	0	0	0	0	0	**0**
Government Granted	0	0	0	0	0	**0**
Total at 31 March 2013	**0**	**0**	**0**	**0**	**0**	**0**

None of the intangible assets have been revalued.
There are no revaluation reserve balances for intangible assets
There are no internally generated intangible assets.
The economic life of intangible non current assets is 5 years.

13.2 Intangible non-current assets

2011-12	Software internally generated	Software purchased	Licences & trademarks	Patents	Development expenditure	Total
	£000	£000	£000	£000	£000	£000
At 1 April 2011	**0**	**303**	**0**	**0**	**0**	**303**
Additions - purchased	0	75	0	0	0	**75**
Additions - internally generated	0	0	0	0	0	**0**
Additions - donated	0	0	0	0	0	**0**
Additions - government granted	0	0	0	0	0	**0**
Reclassifications	0	0	0	0	0	**0**
Reclassified as held for sale	0	0	0	0	0	**0**
Disposals other than by sale	0	0	0	0	0	**0**
Revaluation & indexation gains	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	**0**
In-year transfers to/from NHS bodies	0	0	0	0	0	**0**
Cumulative dep netted off cost following revaluation	0	0	0	0	0	**0**
At 31 March 2012	**0**	**378**	**0**	**0**	**0**	**378**
Amortisation						
At 1 April 2011	**0**	**180**	**0**	**0**	**0**	**180**
Reclassifications	0	0	0	0	0	**0**
Reclassified as held for sale	0	0	0	0	0	**0**
Disposals other than by sale	0	0	0	0	0	**0**
Revaluation or indexation gains	0	0	0	0	0	**0**
Impairments charged to operating expenses	0	0	0	0	0	**0**
Reversal of impairments charged to operating expenses	0	0	0	0	0	**0**
Charged during the year	0	30	0	0	0	**30**
In-year transfers to NHS bodies	0	0	0	0	0	**0**
Less cumulative dep written down on revaluation	0	0	0	0	0	**0**
At 31 March 2012	**0**	**210**	**0**	**0**	**0**	**210**
Net Book Value at 31 March 2012	**0**	**168**	**0**	**0**	**0**	**168**
Net Book Value at 31 March 2012 comprises						
Purchased	0	168	0	0	0	**168**
Donated	0	0	0	0	0	**0**
Government Granted	0	0	0	0	0	**0**
Total at 31 March 2012	**0**	**168**	**0**	**0**	**0**	**168**

14. Analysis of impairments and reversals recognised in 2012-13

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000
Property, Plant and Equipment impairments and reversals taken to SoCNE			
Charged to Departmental Expenditure Limit	0	0	0
Unforeseen obsolescence	0		0
Loss as a result of catastrophe	0		0
Other	215		215
Changes in market price	0		0
Total charged to Annually Managed Expenditure	**215**	**0**	**215**
Property, Plant and Equipment impairments and reversals charged to the revaluation reserve			
Changes in market price	0		
Total impairments for PPE charged to reserves	**0**		
Total Impairments of Property, Plant and Equipment	**215**	**0**	**215**

The impairment relates to Leafield Clinic. The impairment was due to the revaluation of the land and buildings on 27 March 2013.

15 Investment property

The PCT does not have any investment property.

16 Commitments

16.1 Capital commitments

There were no capital commitments as at 31 March 2013 (none at 31 March 2012).

16.2 Other financial commitments

There were no non-cancellable financial commitments as at 31 March 2013 (none at 31 March 2012).

17 Intra-Government and other balances

	Current receivables £000s	Non-current receivables £000s	Current payables £000s	Non-current payables £000s
Balances with other Central Government Bodies	912	0	2,499	0
Balances with Local Authorities	1,049	0	3,808	0
Balances with NHS bodies outside the Departmental Group	0	0	0	0
Balances with NHS Trusts and Foundation Trusts	630	0	9,179	0
Balances with Public Corporations and Trading Funds	0	0	0	0
Balances with bodies external to government	1,004	0	37,512	0
At 31 March 2013	**3,595**	**0**	**52,998**	**0**
prior period:				
Balances with other Central Government Bodies	379	0	2,579	0
Balances with Local Authorities	15	0	5,137	0
Balances with NHS Trusts and Foundation Trusts	940	0	8,049	0
Balances with Public Corporations and Trading Funds	0	0	0	0
Balances with bodies external to government	2,508	0	49,809	0
At 31 March 2012	**3,842**	**0**	**65,574**	**0**

18 Inventories

The PCT does not have any inventories.

19.1 Trade and other receivables

	Current	
	31 March 2013 £000	31 March 2012 £000
NHS receivables - revenue	**1,277**	1,039
NHS receivables - capital	**0**	0
NHS prepayments and accrued income	**0**	0
Non-NHS receivables - revenue	**1,784**	866
Non-NHS receivables - capital	**0**	0
Non-NHS prepayments and accrued income	**268**	1,114
Provision for the impairment of receivables	**(1)**	(80)
VAT	**265**	280
Current/non-current part of PFI and other PPP arrangements prepayments and accrued income	**0**	0
Interest receivables	**0**	0
Finance lease receivables	**0**	0
Operating lease receivables	**0**	0
Other receivables	**2**	623
Total	**3,595**	3,842

As at 31 March 2013 there were no non-current receivables (none at 31 March 2012).

There are no prepaid pension contributions included above.

The great majority of trade is with other NHS bodies, including other Primary Care Trusts as commissioners for NHS patient care services. As Primary Care Trusts are funded by Government to buy NHS patient care services, no credit scoring of them is considered necessary.

19.2 Receivables past their due date but not impaired

	31 March 2013 £000	31 March 2012 £000
By up to three months	**1,184**	619
By three to six months	**0**	15
By more than six months	**10**	65
Total	**1,194**	699

19.3 Provision for impairment of receivables

	2012-13 £000	**2011-12 £000**
Balance at 1 April 2012	**(80)**	(58)
Amount written off during the year	**17**	11
Amount recovered during the year	**0**	0
(Increase)/decrease in receivables impaired	**62**	(33)
Balance at 31 March 2013	**(1)**	(80)

The provision for impairment of receivables is based on the total amount of non NHS invoices overdue by more than 3 months.

20 NHS LIFT investments

	Loan £000	Share capital £000	Total £000
Balance at 1 April 2012	**868**	**0**	**868**
Additions	**0**	**0**	**0**
Disposals	**0**	**0**	**0**
Loan repayments	**0**	**0**	**0**
Revaluations	**0**	**0**	**0**
Loans repayable within 12 months	**(23)**	**0**	**(23)**
Balance at 31 March 2013	**845**	**0**	**845**
Balance at 1 April 2011	890	0	890
Additions	0	0	0
Disposals	0	0	0
Loan repayments	0	0	0
Revaluations	0	0	0
Loans repayable within 12 months	(22)	0	(22)
Balance at 31 March 2012	**868**	**0**	**868**

Leeds PCT holds 167 'B' shares and secured loan notes in Community Ventures Limited (formerly Leeds LIFT Limited). The investment comprises four acquisitions of subordinated loan stock purchased on 28 September 2004 for £213,876 on 22 December 2005 for £143,119, on 23 January 2007 for £250,500 and on 12 June 2009 for £350,616. Repayments totalling £22,809 were received during the year (£22,497 in 2011/12), in accordance with repayment schedules in the loan stock agreements.

21.1 Other financial assets - Current

	31 March 2013 £000	31 March 2012 £000
Opening balance 1 April	22	22
Transfers (to)/from Other Public Sector Bodies in year	0	0
Other Movements	0	0
Closing balance 31 March	**22**	22

21.2 Other Financial Assets - Non Current

	31 March 2013 £000	31 March 2012 £000
Opening balance 1 April	**868**	890
Additions	0	0
Revaluation	0	0
Impairments	0	0
Impairment Reversals	0	0
Transferred to current financial assets	0	0
Disposals	(23)	(22)
Transfers (to)/from Other Public Sector Bodies in year	0	0
Total Other Financial Assets - Non Current	**845**	868

21.3 Other Financial Assets - Capital Analysis

	31 March 2013 £000	31 March 2012 £000
Capital Expenditure	**0**	0
Capital Income	**(23)**	(23)

22 Other current assets

There were no other current assets as at 31 March 2011 (none at 31 March 2012).

23 Cash and Cash Equivalents

	31 March 2013 £000	31 March 2012 £000
Opening balance	**1**	9
Net change in year	**(1)**	(8)
Closing balance	**0**	1
Made up of		
Cash with Government Banking Service	**0**	0
Commercial banks	**0**	0
Cash in hand	**0**	1
Current investments	**0**	0
Cash and cash equivalents as in statement of financial position	**0**	1
Bank overdraft - Government Banking Service	**0**	0
Bank overdraft - Commercial banks	**0**	0
Cash and cash equivalents as in statement of cash flows	**0**	1
Patients' money held by the PCT, not included above	**0**	0

24 Non-current assets held for sale

	Land	Buildings, excl. dwellings	Total
	£000	£000	£000
Balance at 1 April 2012	203	238	**441**
Plus assets classified as held for sale in the year	0	0	**0**
Less assets sold in the year	(75)	(176)	**(251)**
Less impairment of assets held for sale	0	0	**0**
Plus reversal of impairment of assets held for sale	0	0	**0**
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	**0**
Transfers (to)/from other public sector bodies	0	0	**0**
Revaluation	0	0	**0**
Balance at 31 March 2013	**128**	**62**	**190**
Liabilities associated with assets held for sale at 31 March 2013	**0**	**0**	**0**
			0
Balance at 1 April 2011	590	0	**590**
Plus assets classified as held for sale in the year	203	238	**441**
Less assets sold in the year	(590)	0	**(590)**
Less impairment of assets held for sale	0	0	**0**
Plus reversal of impairment of assets held for sale	0	0	**0**
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	**0**
Balance at 31 March 2012	**203**	**238**	**441**
Liabilities associated with assets held for sale at 31 March 2012	0	0	**0**

Revaluation reserve balances in respect of non-current assets held for sale were:

At 31 March 2012	0
At 31 March 2013	0

During the year one of the properties classified as held for sale, Cringlebar Clinic, was sold. The remaining property is in respect of Hawthorne Medical Centre.

25 Trade and other payables

	Current	
	31 March 2013	31 March 2012
	£000	£000
Interest payable	**0**	0
NHS payables - revenue	**10,743**	8,739
NHS payables - capital	**0**	0
NHS accruals and deferred income	**0**	493
Family Health Services (FHS) payables	**28,763**	34,440
Non-NHS payables - revenue	**6,098**	8,566
Non-NHS payables - capital	**58**	302
Non_NHS accruals and deferred income	**6,218**	12,245
Social security costs	**198**	187
VAT	**0**	0
Tax	**478**	256
Payments received on account	**0**	0
Other	442	346
Total	**52,998**	65,574

As at 31 March 2013 there were no non-current payables (none at 31 March 2012).

Other payables include £0.27m (2011-12: £0.26m) in respect of outstanding pensions contributions at 31 March 2013.

26 Other liabilities

There were no other liabilities outstanding as at 31 March 2013 (none as at 31 March 2012).

27 Borrowings

	Current		Non-current	
	31 March 2013	31 March 2012	**31 March 2013**	31 March 2012
	£000	£000	**£000**	£000
Bank overdraft - Government Banking Service	**0**	0		
Bank overdraft - commercial banks	**0**	0		
PFI liabilities:				
Main liability	**0**	0	**0**	0
Lifecycle replacement received in advance	**0**	0	**0**	0
LIFT liabilities:				
Main liability	**1,446**	1,398	**55,211**	56,658
Lifecycle replacement received in advance	**0**	0	**0**	0
Finance lease liabilities	**0**	0	**0**	0
Other (describe)	**0**	0	**0**	0
Total	**1,446**	**1,398**	**55,211**	**56,658**
Total other liabilities (current and non-current)	**56,657**	**58,056**		

Borrowings/Loans - Payment of Principal Falling Due in:

	DH	Other	Total
	£000s	**£000s**	**£000s**
0 - 1 Years	0	1,446	**1,446**
1 - 2 Years	0	1,498	**1,498**
2 - 5 Years	0	5,442	**5,442**
Over 5 Years	0	48,271	**48,271**
TOTAL	**0**	**56,657**	**56,657**

28 Other financial liabilities

There were no other financial liabilities as at 31 March 2013 (none at 31 March 2012).

29 Deferred income

	Current	
	31 March 2013	31 March 2012
	£000	£000
Opening balance at 1 April	**266**	847
Deferred income addition	**0**	0
Transfer of deferred income	**(266)**	(581)
Current deferred Income at 31 March	**0**	266

There was no non-current deferred income as at 31 March 2013 (none at 31 March 2012).

30 Finance lease obligations

There were no amounts payable under finance leases as at 31 March 2013 (none at 31 March 2012).

31 Finance lease receivables as lessor

There are no amounts receivable under finance leases as at 31 March 2013 (none at 31 March 2012).

32 Provisions

Comprising:

	Total £000s	Pensions Relating to Other Staff £000s	Legal Claims £000s	Continuing Care £000s	Other £000s	Redundancy £000s
Balance at 1 April 2012	**7,194**	1,520	1,542	2,320	813	999
Arising During the Year	**8,857**	3,229	0	5,615	13	0
Utilised During the Year	**(5,786)**	(4,104)	(287)	0	(573)	(822)
Reversed Unused	**(1,070)**	0	(893)	0	0	(177)
Unwinding of Discount	**8**	8	0	0	0	0
Change in Discount Rate	**0**	0	0	0	0	0
Transferred (to)/from other Public Sector bodies	**0**	0	0	0	0	0
Balance at 31 March 2013	**9,203**	**653**	**362**	**7,935**	**253**	**0**
Expected Timing of Cash Flows:						
No Later than One Year	**3,166**	**44**	**362**	**2,667**	**93**	**0**
Later than One Year and not later than Five Years	**5,604**	**176**	**0**	**5,268**	**160**	**0**
Later than Five Years	**433**	**433**	**0**	**0**	**0**	**0**

Expected future payments to NHS Trusts was nil as at 31 March 2013 (£0.37m as at 31 March 2012) in respect of pensions relating to other staff.

In respect of Pensions relating to other staff, the remaining balance relates to Injury benefits, where the uncertainty and timings relate to the remaining lifespan of each individual. Provisions are reviewed periodically.

In respect to Legal claims, the uncertainty as to amounts and timings relate to the time taken to determine whether or not the PCT is liable and if so, what the value of that liability will be.

The provision for Continuing care relates potential costs for continuing care case reviews, where the uncertainty and timings relate to outcomes of the individual case reviews.

Other provisions relate to outstanding lease costs.

£0.89m is included in the provisions of the NHS Litigation Authority as at 31 March 2013 in respect of clinical negligence liabilities of the PCT (£0.77m as at 31 March 2012).

33 Contingencies

There were no contingencies as at 31 March 2013 (none as at 31 March 2012).

34 PFI and LIFT - additional information

	31 March 2013 £000	31 March 2012 £000

The PCT does not have any PFI schemes, nor does it have any NHS LIFT schemes off- Statement of Financial Position.

Charges to operating expenditure and future commitments in respect of on and off SOFP LIFT	**31 March 2013 £000**	31 March 2012 £000
Total Charge to Operating Expenses in year - OFF SOFP LIFT	**0**	0
Service element of on SOFP LIFT charged to operating expenses in year	**2,467**	2,345
Total	**2,467**	2,345

	31 March 2013 £000	31 March 2012 £000
Payments committed to in respect of off SOFP LIFT and the service element of on SOFP LIFT.		
LIFT Scheme Expiry Date:		
No Later than One Year	**2,606**	2,438
Later than One Year, No Later than Five Years	**10,974**	10,542
Later than Five Years	**51,492**	53,324
Total	**65,072**	66,304

The PCT operates 10 Community Health Centre buildings financed under NHS LIFT contracts. The buildings were constructed in 4 tranches by Community

	lease commenced
Tranche 1a	
Armley Moor	01/11/2005
Middleton	04/10/2005
Parkside	05/12/2005
Woodhouse	28/11/2005
Tranche 1b	
Beeston Hill	08/05/2007
Yeadon	15/10/2007
Tranche 2	
East Leeds	23/06/2008
Wetherby	30/06/2008
Wortley Beck	02/06/2008
Tranche 3	
Reginald Centre, Chapeltown	18/10/2010

All of the buildings were contracted to the PCT under 25 year lease plus agreements, under the same terms and conditions. Lease payments are based on an annual amount fixed in relation to a base date for each building at financial close of each tranche. Lease plus payments are recalculated annually on 1 February at the contract lease value multiplied by the Retail Price Index at 1 April of each year and divided by the Retail Price Index at the base date.

In common with all LIFT schemes, services, maintenance and upkeep of the buildings are managed by Community Ventures Limited, with the costs forming part of the lease plus rentals. The leases also take into account estimated lifecycle costs, scheduled to maintain the building over the period of the lease. Any structural alterations required from time to time after the commencement of the lease will be carried out by the service provider, but the costs are borne by the PCT. Any plant, equipment, furniture fixtures and fittings required from time to time is also supplied at the PCT's expense.

At the end of the lease period, the PCT has the option to purchase the properties at Open Market Value. Where this is significantly more than the residual value specified in the LIFT contract, there is a formula to reduce the price in order that all parties benefit. Where the PCT does not exercise the option to purchase, it can vacate the premises or negotiate a new lease.

Under IFRIC 12, the buildings are treated as assets of the PCT. The substance of each contract is that the PCT has a finance lease, and the lease plus payments comprise three elements – imputed finance lease charges, capitalised lifecycle costs, and service charges. Details of the imputed finance lease charges are set out in the table below.

Imputed "finance lease" obligations for on SOFP LIFT Contracts due	**31 March 2013 £000**	31 March 2012 £000
No Later than One Year	**5,588**	5,640
Later than One Year, No Later than Five Years	**22,415**	22,393
Later than Five Years	**81,490**	87,100
Subtotal	**109,493**	115,133
Less: Interest Element	**(52,836)**	(57,077)
Total	**56,657**	58,056

In valuing the assets and related finance leases, the PCT has assumed that it will not exercise its option to purchase the properties at the end of the leases. Under IFRIC 12, the properties are then valued at the Net Present Value of the Minimum Lease Payments and depreciated over the period of the leases.

35 Impact of IFRS treatment - 2012-13

	Total £000	Admin £000	Programme £000
Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g LIFT/PFI)			
Depreciation charges	**2,545**	0	2,545
Interest Expense	**4,241**	0	4,241
Impairment charge - AME	**0**		0
Impairment charge - DEL	**0**	0	0
Other Expenditure	**3,439**	0	3,439
Revenue Receivable from subleasing	**0**	0	0
Total IFRS Expenditure (IFRIC12)	**10,225**	**0**	**10,225**
Revenue consequences of LIFT/PFI schemes under UK GAAP / ESA95 (net of any sublease income)	**(9,078)**	0	(9,078)
Net IFRS change (IFRIC12)	**1,147**	**0**	**1,147**

There were no other revenue costs or capital consequences associated with IFRS.

36 Financial Instruments

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. As the cash requirements of the PCT are met through Parliamentary Funding, financial instruments play a more limited role in creating risk that would apply to a non-public sector body of a similar size. The majority of financial instruments relate to contracts for non-financial items in line with the PCT's expected purchase and usage requirements and the PCT is therefore exposed to little credit, liquidity or market list.

Currency risk

The PCT/Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and Sterling based. The PCT/Trust has no overseas operations. The PCT/Trust therefore has low exposure to currency rate fluctuations.

Interest rate risk
PCTs are not permitted to borrow. The PCT therefore has low exposure to interest-rate fluctuations

Credit Risk

Because the majority of the PCT's income comes from funds voted by Parliament the PCT has low exposure to credit risk.

Liquidity Risk
The PCT is required to operate within limits set by the Secretary of State for the financial year and draws down funds from the Department of Health as the requirement arises. The PCT is not, therefore, exposed to significant liquidity risks.

36.1 Financial Assets	**At 'fair value through profit and loss' £000**	**Loans and receivables £000**	**Available for sale £000**	**Total £000**
Embedded derivatives	0			**0**
Receivables - NHS		1,277		**1,277**
Receivables - non-NHS		1,816		**1,816**
Cash at bank and in hand		0		**0**
Other financial assets	0	867	0	**867**
Total at 31 March 2013	**0**	**3,960**	**0**	**3,960**
Embedded derivatives	0			0
Receivables - NHS		0		0
Receivables - non-NHS		0		0
Cash at bank and in hand		0		0
Other financial assets	0	868	0	868
Total at 31 March 2012	0	868	0	868

36.2 Financial Liabilities	**At 'fair value through profit and loss' £000**	**Other £000**	**Total £000**
Embedded derivatives	0		**0**
NHS payables		10,743	**10,743**
Non-NHS payables		41,579	**41,579**
Other borrowings		0	**0**
PFI & finance lease obligations		58,103	**58,103**
Other financial liabilities	0	0	**0**
Total at 31 March 2013	**0**	**110,425**	**110,425**
Embedded derivatives	0		0
NHS payables		0	0
Non-NHS payables		0	0
Other borrowings		0	0
PFI & finance lease obligations		58,056	58,056
Other financial liabilities	0	0	0
Total at 31 March 2012	**0**	58,056	58,056

37 Related party transactions

Leeds Primary Care Trust is a body corporate established by order of the Secretary of State for Health.

During the year the following Board/key management staff of the PCT were also members of medical and dental practices with which the PCT had material transa concerning the provision of medical/dental services and the purchase of healthcare. The total value of payments to these organisations are listed below:

In addition, during the year members of the Board/key management staff held positions with a number of organisations with which the PCT had transactions, in re purchase of healthcare, that require disclosure. The details are also shown below.

	2012/13		2011/12	
	Payments to Related Party	Net amounts owed to/(from) Related Party	Payments to Related Party	Net amounts owed to/(from) Related Party
	£000	£000	£000	£000
Dr S Stockhill - Dr Lawton & Ptnrs	**850**	**(13)**	**748**	**60**
Dr S Stockhill - Assura Leeds LLP	**105**	**0**	**146**	**12**
Dr D Riley - Dr Kinghorn & Ptnrs	**1,259**	**(58)**	**1,081**	**59**
L Pollard - University of Leeds *	**467**	**64**	**413**	**78**
J Blake - Health for All **			**408**	**8**

*to 4 February 2013
**to 2 October 2011

The Department of Health is regarded as a related party. During the year Leeds Primary Care Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department. These entities are listed below:

Leeds Teaching Hospitals NHS Trust
Leeds & York Partnership NHS Foundation Trust
Leeds Community Healthcare NHS Trust
Yorkshire Ambulance Service
Mid Yorkshire Hospitals NHS Trust
Bradford Teaching Hospitals NHS Foundation Trust
Harrogate and District NHS Foundation Trust
Bradford & Airedale PCT
Barnsley PCT

In addition, the Primary Care Trust has had a significant number of material transactions with other Government Departments and other central and local Governm Most of these transactions have been with Leeds City Council.

38 Losses and special payments

The total number of losses cases in 2012-13 and their total value was as follows:

	Total Value of Cases £s	Total Number of Cases
Losses - PCT management costs	17,308	13
Special payments - PCT management costs	339,706	13
Losses in respect of the provision of family practitioner services	0	0
Special payments in respect of he provision of family practitioner services	0	0
Total losses	17,308	13
Total special payments	339,706	13
Total losses and special payments	357,014	26

The total number of losses cases in 2011-12 and their total value was as follows:

	Total Value of Cases £s	Total Number of Cases
Losses - PCT management costs	12,535	32
Special payments - PCT management costs	61,643	20
Losses in respect of the provision of family practitioner services	0	0
Special payments in respect of he provision of family practitioner services	0	0
Total losses	12,535	32
Total special payments	61,643	20
Total losses and special payments	74,178	52

39 Third party assets

The PCT did not hold any third party assets in 2012/13 or 2011/12.

40 Cashflows relating to exceptional items

There were no exceptional items affecting cashflow in 2012/13 or in 2011/12.

41 Events after the end of the reporting period

The main functions carried out by Leeds

Primary Care
NHS England (circa £170.9m revenue value)

Secondary Care and Community Services commissioning, including Continuing Care and GP Prescribing
NHS Leeds North CCG, NHS Leeds South & East CCG and NHS Leeds West CCG (circa £1,139.6m revenue value)

Public Health
Leeds City Council (circa £47.6m revenue value)

Estates
NHS Property Services and Community Health Partnerships Trust (circa £1.2m revenue value)

Net assets and liabilities are due to transfer to the above bodies in accordance with the transfer of functions, in accordance with updated Department of Health guidance issued on 16 May 2013. This exercise is due to be completed on 20 June 2013 and therefore will not be completed prior to the submission deadline for audited accounts. Hence, no values associated with these transfers have been included in the above note.

Department of Health

NHS

Leeds Primary Care Trust

2012-13 Accounts

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Leeds Primary Care Trust

2012-13 Accounts

LEEDS PRIMARY CARE TRUST

ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013

2012-13 Annual Accounts of Leeds Primary Care Trust

STATEMENT OF THE RESPONSIBILITIES OF THE SIGNING OFFICER OF THE PRIMARY CARE TRUST

The Department of Health's Accounting Officer designates the Signing Officer of the accounts of PCTs in England, an officer of the Department of Health, to discharge the following responsibilities for the Department, to ensure that for the year ended 31 March 2013:

- there were effective management systems in place to safeguard public funds and assets and assist in the implementation of corporate governance;
- value for money was achieved from the resources available to the primary care trust;
- the expenditure and income of the primary care trust had been applied to the purposes intended by Parliament and conform to the authorities which govern them;
- effective and sound financial management systems were in place; and
- annual statutory accounts are prepared in a format directed by the Secretary of State with the approval of the Treasury to give a true and fair view of the state of affairs as at the end of the financial year and the net operating cost, recognised gains and losses and cash flows for the year.

To the best of my knowledge and belief, I have properly discharged the above responsibilities, as designated Signing Officer and through experience in my role as Accountable Officer until 31 March 2013.

Signed.....Designated Signing Officer

Name: Amanda Buck

Date.....4/6/13

STATEMENT OF RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Primary Care Trusts as NHS bodies are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of the Treasury, directs that these accounts give a true and fair view of the state of affairs of the primary care trust and the net operating cost, recognised gains and losses and cash flows for the year. From 1 April 2013 responsibility for finalising the accounts falls to the Secretary of State. Formal accountability lies with the Department of Health's Accounting Officer, and her letter of 28 March 2013 designated the Signing Officer and Finance Signing Officer, to discharge the following responsibilities for the Department in preparing the accounts:

- apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury;

- make judgements and estimates which are reasonable and prudent;

- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

- ensure that the PCT kept proper accounting records which disclosed with reasonable accuracy at any time the financial position of the primary care trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State.

- have taken reasonable steps for the prevention and detection of fraud and other irregularities.

The Signing Officer and the Finance Signing Officer confirm to the best of their knowledge and belief, they have complied with the above requirements in preparing the accounts.

By order of the Permanent Secretary.

4.6.13 Date ..... Signing Officer

4/6/13 Date ..... Finance Signing Officer

Department of Health

NHS Leeds Annual Governance Statement

Between 1 April 2012 and 31 March 2013 NHS Leeds has controlled a range of strategic risks in relation to the priorities set out in the NHS Operating Framework 2012/13 and managing the transition to the changing architecture of the NHS and the establishment and authorisation of Clinical Commissioning Groups, brought about by new primary legislation. The Board Assurance Framework (BAF) for 2012/13 captured the risks in relation to the transition moving forward.

Scope of responsibility

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the Trust is administered prudently and economically and that resources are applied efficiently and effectively.

The Governance Framework of the Organisation

NHS Leeds has a governance framework within which risk is managed. The governance framework maintains internal control to support the organisation to achieve its policies, aims and objectives and safeguard public funds and assets. NHS Leeds sets out to manage risks to a reasonable level through a robust process of risk assessment, prioritisation and a series of governance activities.

NHS Leeds' Board has an established governance structure and embedded risk management processes to maintain control and proactively manage the achievement of its objectives.

The Board has overall responsibility for risk management and has several formal Sub Committees that have delegated responsibilities. These are attached at appendix 1. Committees are well attended and routinely achieve quoracy.

The Assurance Framework is the key source of evidence that links strategic objectives to risks and provides the Board with a simple but comprehensive method for the effective and focused management of the risks that arise in meeting strategic objectives. It also provides a structure for the evidence to support the Annual Governance Statement. This simplifies Board reporting and prioritisation, which in turn allows more effective performance management. The Assurance Framework also facilitates reporting key information to the

Board, and is maintained as a dynamic document. The Board has undertaken a review of the Assurance Framework during the reporting period. A desk top review of risk management was undertaken during the reporting period and concluded that NHS Leeds has a robust Risk Management Framework in place.

By working closely together the Directors and I lead the risk management process, to ensure an integrated and holistic approach to NHS Leeds' risk management activities. Throughout the reporting period there have been a number of Board workshops that reviewed the effectiveness and development of a range of governance requirements.

The Board is of the opinion that it has discharged its duties in accordance with its legal and statutory requirements and the main principles and provisions of The UK Corporate Governance Code June 2010.

There have been four Audit Committee meetings during the reporting period and each meeting has been quorate.

The arrangements for Closure & Handover were managed across the cluster to cover NHS Leeds and NHS Bradford & Airedale PCTs. In order to manage the transfer of the responsibilities to the successor organisations a Programme Board called the Closure and Handover Programme Board was established in July 2012, operating as a sub-committee of the Executive Management Team. with the following delegated aims.

a) Ensure that all statutory accountabilities are safely and effectively transferred to successor organisations
b) Ensure a safe, effective, meaningful and accessible handover of relevant information to successors
c) Arrange for the archiving of all other relevant information in line with legislation, guidance and best practice
d) Ensure that all PCT assets are transferred or disposed of
e) Ensure that all liabilities are effectively dealt with prior to closure
f) Arrange for the legal transfer of all licences, Service level Agreements, contracts and leases
g) Ensure that the system for safe and effective governance of the PCT continues up to 31 March 2013
h) Ensure that the employed workforce of the trusts are transferred to successor organisations or that employment ceases in line with legal and contractual requirements
i) Ensure the delivery of an audited set of final accounts for each PCT

Since establishment, the Closure & Handover Programme Board have met on nine occasions. At each meeting detailed Delivery & Risk Reports for the 11 workstream elements which form the Closure & Handover Programme have been discussed and challenged.

Each workstream element has developed a project plan detailing key milestones and dates for delivery. These are maintained through the Closure &

Handover Programme Board and linkages across and between elements and workstreams are identified to ensure a cohesive programme was achieved.

The following actions for completing operational handover and closure and ensuring scrutiny of these arrangements are shown below.

- Two Receiver events were held across West Yorkshire, to engage Receivers in the transition process, supported by DAC Beachcroft our legal advisors
- Face to face meetings to produce the due diligence information in preparation of Transfer Scheme documentation, with sign off of the relevant Annex 2 documentation prior to each DH submission.
- Attendance at the Public Health Transition Steering Group meetings
- Attendance at the CCG senior management team meetings.
- Engagement with West Yorkshire Commissioning Support Unit (WYCSU) transition team
- Clarification of sign off process for transition for NHS Commissioning Board
- 'Page turn' process for the quality handover document with providers
- Programme highlight report produced for Cluster Governance & Risk Committee and Programme Boards.
- Work has taken place to address the initial findings of the Internal audit completed in early October 2012 by RSM Tenon for NHS Leeds and all improvement actions have been implemented.
- Work was undertaken by KMPG in December and early January 2013 to provide assurance over the appropriateness and adequacy of the delivery of the Closure & Handover Programme and the associated controls.
- All ongoing risks have a future risk destination identified within the risk register which is attached as an appendix to this report.

- Quality Assembly held on 19 March 2013 for the formal handover of the quality documentation to Receivers
- Board scrutiny of transfer documentation on 21 March 2013.

In preparation for closure of the PCT the Cluster Board Assurance Framework 2012/13 was reviewed at the Cluster Governance and Risk Committee on the 21 February 2013. Recommendations were made on where BAF risks may need to be forwarded as they may still be relevant to Receiving Organisations or cease on 31 March 2013.

As a result of the Committee decisions the Director of Workforce and Corporate Development formally wrote to the relevant Receiver Organisations on 6 March

2013 for them to give due consideration and relevant assessment of the risks. This assures the Board that all BAF risks have been appropriately managed for closure of the PCT on 31 March 2013.

At the point of closure there are four corporate risks that are being managed corporately. Each of these four risks have also been supplied, at the same time as the BAF risks, with information on existing control and assurance mechanisms to the relevant Receiver Organisations in order for closure of the PCT on 31 March 2013.

Under a separate risk management process, the relevant Receiver Organisations have been notified of the current active operational risks for their due consideration and relevant assessment.

In line with Department of Health guidance a sub-committee of the Department of Health Audit and Risk Committee has been established for the Airedale, Bradford and Leeds PCT cluster. The sub committee met in late May to review the annual report, financial statements and governance statements of the two PCTs prior to sign off by the West Yorkshire Area Team Director and Director of Finance. The annual report, financial statements and annual governance statement have been prepared by experienced members of staff, some of whom are part of an established legacy close down team, with appropriate senior officer review.

NHS Leeds is compliant with the Secretary of State's Directions for counter fraud and the requirement for the provision for a Local Counter Fraud Specialist (LCFS). The activities undertaken by the LCFS during the year have been delivered to ensure that they are risk-based and in-line with the latest thought-leadership and emerging methodologies, including the Government's National Fraud Strategy and Chartered Institute of Public Finance and Accountancy (CIPFA) 'Managing the Risk of Fraud' document which are considered best practice when countering fraud.

Risk Assessment

The risk management strategy sets the clear intention for NHS Leeds to maintain a robust system of internal control processes, critically examine and effectively manage all risks that could affect the ability of the organisation to carry out its normal activities and achieve its strategic objectives. It also sets out comprehensive arrangements for all levels of the organisation to undertake risk assessments appropriate to their areas of responsibility. The strategy of this organisation is to manage and assess risks through an organisationally layered approach. Internal Audit assesses the effectiveness of the risk management systems and processes to assure and assist compliance and continuous improvement.

The Board Assurance Framework for 2012/13 was developed through the Executive Management Team, the Corporate Leadership Team and the

Governance and Risk Committee and was approved by the Board. The Board has continued to develop the Assurance Framework during this period.

The Governance and Risk Committee uses established and embedded risk management processes and these operate throughout the organisation in the vast array of activities and functions. These are routinely audited to ensure they are operating effectively. NHS Leeds has a framework for the assessment and scoring of risks to enable ongoing analysis of all risks. The resulting rating of each risk's consequence and likelihood, and description of the risk treatment plans are entered in the organisation's risk registers. The risks and controls on registers are routinely reviewed and when appropriate are escalated. The Board routinely review the corporate risks in order to provide Board assurance and dialogue about controls.

A sequence of systematic processes ensures that NHS Leeds manages risk and that managers escalate appropriately risks that exceed specified levels. The Board receives a risk profile at every meeting that sets out those risks in need of consideration. The Governance and Risk Committee review the assurance framework and risk register at every meeting and as required recommend those risks in need of Board review. There is integration of the risk assessment process within the performance reporting arrangements to ensure that the Board are able to see at a glance those risks that require their attention.

NHS Leeds has continued to equip its staff to manage and improve the management of risk through a range of learning and development activities, including local and individual briefings and training in respect of a range of requirements. These include health and safety assessments; risk register management; and incident reporting, investigation and analysis. The PCT has continued emergency planning and business continuity training for staff. The PCT provided project and programme management training according to identified need. In-house training modules are in operation providing a comprehensive set of resources, including risk management and assessment, available to all staff including risk management and assessment. The PCT has continued to review, develop and update its Health and Safety Policy and guidance.

NHS Leeds has reviewed and updated its Risk Management Strategy and the Complaints and Claims Policies. The PCT has reviewed and revised the statutory and mandatory workforce development requirements in relation to risk management. A web-based risk management system has been implemented as good practice to enable more responsive and timely incident and complaint reporting and learning. PCT staff actively network with others in the risk and governance field in order to share good practice.

During the reporting period the Board has actively engaged in the management of a number of major risk areas in relation to:

- Infection control arrangements at main acute providers in Leeds and Bradford to ensure that there is a robust action plan in place to secure improvement.

- Emergency care standard- a whole health economy action plan is in place covering Primary Care demand in A&E, medical workforce, patient flows in the emergency department,

- All the Cancer Waiting time targets have been met to the end of Q3 for 2012/13. Data is currently not available beyond January 2013, due to national issues with the data sharing system. At the point the system became unavailable. NHS Leeds were well above the target level of performance, with 85% of all urgent referrals where cancer is suspected, being seen and treatment commenced within 62 days. The performance for the year up to January stood at 90.5%. There seems no reason to suggest that performance for the whole year, including February and March will not be above the 85% target, once the data is released. During the last 12 months there has only been one month that LTHT have dipped below the 85% target. This is a major achievement for the health economy and is a result of sustained work in both organisations over the past four years.

In the financial year 2012/13 there has been no serious incidents relating to data loss.

The Risk and Control Framework

NHS Leeds' Directors, Managers and staff work together to provide an integrated approach to the management of risk and work towards developing a culture that encourages or ensures:

- staff work together effectively, to recognise and manage the risks inherent in healthcare services that are commissioned and directly provided;
- increasing and effective incident reporting and complaints, claims and incident investigation and management;
- the undertaking and updating of risk assessments, and the development of control and treatment plans;
- improved systems of monitoring, performance management and learning from the risks we manage;
- achievement of, and compliance with, standards regarding the management of risks as specified by the organisations providing assurance to the PCT;
- the establishment of a framework of regular internal assessment and review of the risks we manage;
- better and safer buildings, estates, equipment and environments for both patients and staff;
- the delivery of safe systems of clinical practice;
- the provision of training and education for staff, to better equip them to manage the risks within their work environment; and

- compliance with current and future legislation.

NHS Leeds' Board has approved and reviewed the Assurance Framework, which provides evidence of the effectiveness of controls in place to manage major risks to the organisation achieving its principal objectives and has governance processes in place to ensure that these are regularly reviewed. The Board has corporate objectives that reflect the requirements of the Care Quality Commission's essential standards of quality and safety. The Assurance Framework has provided the Board and I with evidence of the controls and independent assurances that exist, to support delivery of all the organisation's objectives and actions. The Assurance Framework and the performance management system have highlighted that NHS Leeds has good evidence of controls and assurances on key objective areas.

The components of the Assurance Framework are in keeping with historical Strategic Health Authorities (SHA) requirements and include strategic objectives, risks, controls, positive assurance, gaps in assurance and control and any remedial action. The content of the Assurance Framework and corporate risk register have been discussed at the Board and the Governance and Risk Committee, and the Assurance Framework and corporate risk registers have been reviewed to ensure that they reflect the discussions in order to assure the Board that risks are controlled. The Chairs of these meetings are assured of the accuracy of the documentation associated with the above issues.

At the current time arrangements are in place to manage those risks identified on the Assurance Framework. Risks relating to data security are managed and controlled by ensuring that NHS Leeds assess its policies, procedures and practices against the criteria detailed within the NHS Information Governance Toolkit and addresses any shortcomings by in-year actions plans. The Internal Audit Team assists in ensuring that any self-assessment is robust.

Risk management is embedded within the organisation and standard practices are in operation and integrated within key activities such as policy development, risk assessment and equality impact assessments. All Directorates use agreed risk assessment processes and guidance and operate with agreed Health and Safety requirements.

In addition, the PCT has agreed a robust and ambitious approach to the Quality, Innovation, Productivity and Prevention (QIPP) challenges faced by the NHS to maximise value for money across all services. A Leeds-wide Health and Social Care Transformation Board has been established to secure the delivery of these QIPP plans in partnership with local providers and Leeds City Council.

Review of the Effectiveness of Risk Management and Internal Control

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed in a number of ways, by the work of the internal auditors and the executive managers and clinical leads within the organisation who have responsibility for the development and maintenance of the internal

control framework. I have drawn on the content of a number of reports and performance information available to me. My review is also informed by comments made by the external auditors in their management letter. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee, the Governance and Risk Committee and plans to address weaknesses and ensure continuous improvement of the system are in place.

Executive Directors within the organisation who have responsibility for the development and maintenance of the system of internal control provide me with assurance. The Assurance Framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed. My review is also informed by the NHS Leeds performance management system, internal and external auditor reviews and specific SHA related reviews.

The Head of Internal Audit provides me with an opinion on the overall arrangements for gaining assurance through the Assurance Framework and on the controls reviewed as part of Internal Audit's work. Based on the work undertaken in 2012/13, significant assurance can be given that there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently. However, some weakness in the design and inconsistent application of controls put the achievement of particular objectives at risk.

Assurance Mechanisms:

NHS Leeds external auditors, KPMG, have undertaken a range of work against their 2012/13 plan.

NHS Leeds internal auditors have completed the programme of a risk-based plan of work, agreed with management and approved by the Audit Committee, which was designed to provide a reasonable level of assurance, for 2012/13, including a range of financial systems based audits. NHS Leeds has agreed action plans with auditors to improve our control environment, but no significant control weaknesses have been found during the audits.

NHS Leeds maintains NHS Litigation Authority compliance against the NHSLA PCT Risk Management Standards at Level 1.

NHS Leeds' Audit Committee, with the advice of the Executive Director of Finance and other Executive Directors, take the lead role, on behalf of me and the Board, in maintaining and reviewing the effectiveness of the system of internal control. The Audit Committee advise and assure the Board upon the adequacy and effective operation of the organisations overall internal control system focussing upon the framework of risks, controls and assurances that underpin the delivery of the organisations objectives and to review the disclosure statements that flow from those assurance processes.

The Governance and Risk Committee monitors and reviews NHS Leeds' risk management arrangements and oversees key assurance and risk systems and processes, in order that the PCT is compliant with its statutory requirements and is able to ensure sound internal control arrangements. The Governance and Risk Committee reviews the effectiveness of the risk management activities and, in this, is helped by the Head of Internal Audit's work, report and opinion on the effectiveness of the PCT's system of internal control.

The Quality Committee (previously known as the Clinical Governance Committee) oversees the commissioning responsibility for clinical quality and effectiveness. It provides a strategic lead for the functioning of clinical governance within the PCT through the development and implementation of a patient focused, organisation wide, annual clinical governance development plan to improve standards, processes and systems for clinical excellence. It provides the Board with assurance that clinical governance systems, processes and mechanisms for quality improvement are in place and operating effectively within and across all providers from whom we commission care.

The Senior Information Risk Owner (SIRO) represents the interests of information security at Board level. Under their oversight, the Information Governance Committee oversees the approach to and implementation of a robust Information Governance framework for the management of information. It provides me and the Board with assurance that all information processing is undertaken in accordance with relevant legislation and best practice, minimises and manages key risks arising from information handling processes and maintains standards to required levels.

Significant issues

The Head of internal Audit reports that, based on the work they have undertaken in this reporting period on the Trust's system on internal control, we do not consider that within the audited areas there are any issues that need to be flagged as significant internal control issues within the AGS.

The system of internal control has been in place in NHS Leeds for the year ended 31 March 2013 and up to the date of approval of the annual report and accounts. My view is that NHS Leeds has no significant control issues that need to be raised in the AGS, after taking into consideration our systems of internal control and the assurance work conducted by internal audit. My review confirms that NHS Leeds has a generally sound system of internal controls that supports the achievement of its policies, aims and objectives.

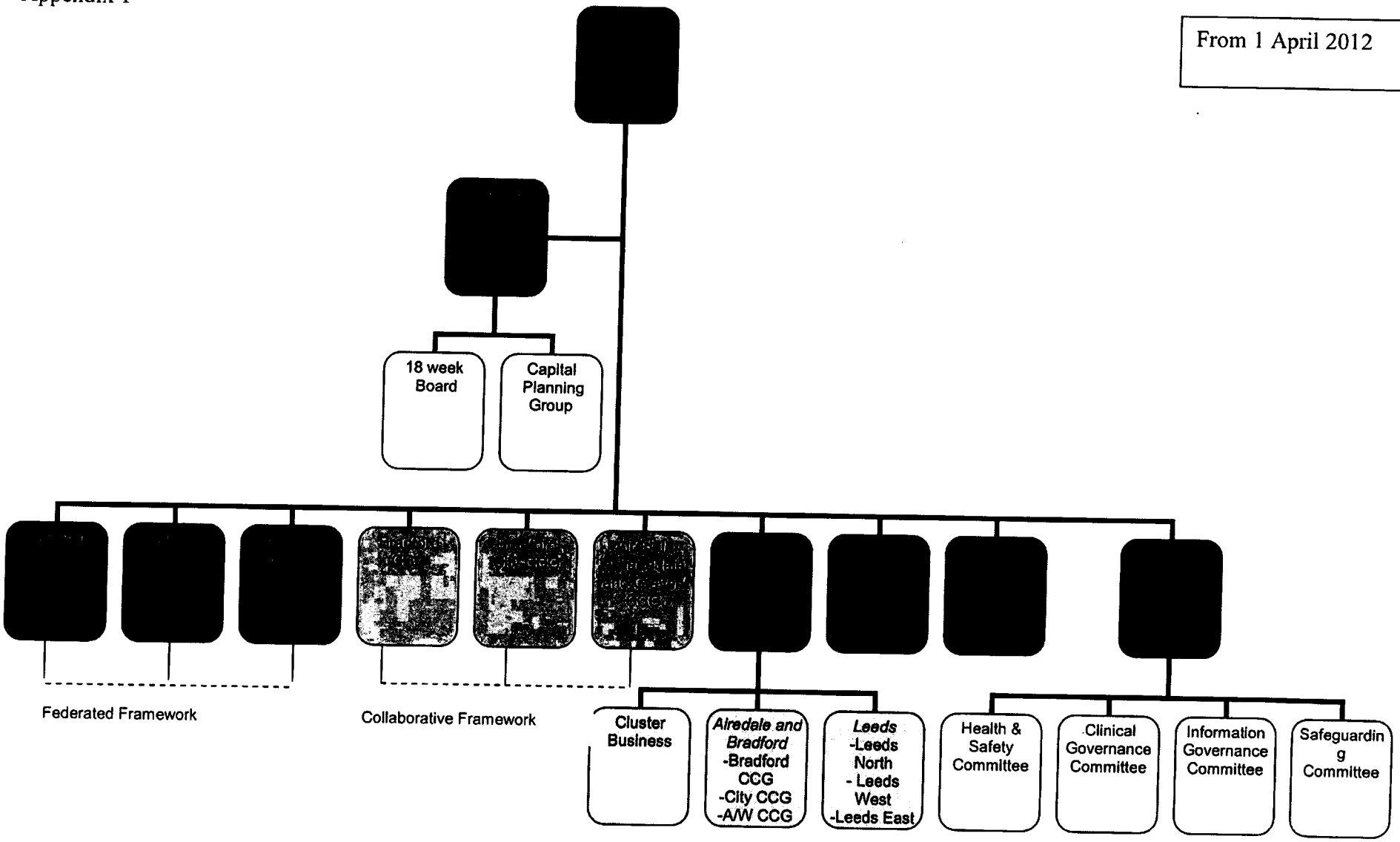
Accountable Officer: Name. Andy Buck

Organisation: NHS England
SIGNATURE **DIRECTOR (WEST YORKSHIRE)**

Date 4.6.13

Appendix 1

From 1 April 2012



INDEPENDENT AUDITOR'S REPORT TO THE SIGNING OFFICERS OF LEEDS PRIMARY CARE TRUST (PCT)

We have audited the financial statements of Leeds PCT for the year ended 31 March 2013, including the Statement of Comprehensive Net Expenditure, Statement of Financial Position, Statement of Changes in Taxpayers Equity, Statement of Cash Flows and all associated notes. The financial reporting framework that has been applied in their preparation is applicable law and the accounting policies directed by the Secretary of State with the consent of the Treasury as relevant to the National Health Service in England. We have also audited the information in the Remuneration Report that is subject to audit.

This report is made solely to the signing officers of Leeds PCT in accordance with Part II of the Audit Commission Act 1998. Our audit work has been undertaken so that we might state to the signing officers of the PCT 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 signing officers of the PCT for our audit work, for this report or for the opinions we have formed.

Respective responsibilities of Signing Officer and auditor

As explained more fully in the Statement of Signing Officer's Responsibilities, the Signing Officer is responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the PCT's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the PCT; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the financial position of Leeds PCT as at 31 March 2013 and of its expenditure and income for the year then ended; and

- have been prepared properly in accordance with the accounting policies directed by the Secretary of State with the consent of the Treasury as relevant to the National Health Service in England.

Opinion on regularity prescribed by the Code of Audit Practice 2010 for local NHS bodies

In our opinion, in all material respects the expenditure and income have been applied to the purposes intended by parliament and the financial transactions conform to the authorities which govern them.

Opinion on other matters prescribed by the Code of Audit Practice 2010 for local NHS bodies

In our opinion:

- the part of the Remuneration Report subject to audit has been properly prepared in accordance with the accounting policies directed by the Secretary of State with the consent of the Treasury as relevant to the National Health Service in England; and

- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Code of Audit Practice 2010 for local NHS bodies requires us to report to you if:

- in our opinion, the Governance Statement does not reflect compliance with the Department of Health's requirements;
- any referrals to the Secretary of State have been made under section 19 of the Audit Commission Act 1998; or
- any matters have been reported in the public interest under the Audit Commission Act 1998 in the course of, or at the end of, the audit.

Conclusion on the PCT's arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required under Section 5 of the Audit Commission Act 1998 to satisfy ourselves that the PCT has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Audit Commission requires us to report any matters that prevent us being satisfied that the audited body has put in place such arrangements.

We have undertaken our audit in accordance with the Code of Audit Practice 2010 for local NHS bodies, having regard to the guidance issued by the Audit Commission in November 2012. We have considered the results of the following:

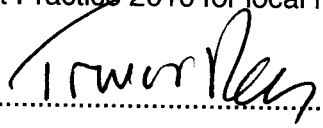
- our review of the Governance Statement;

- the work of other relevant regulatory bodies or inspectorates, to the extent that the results of this work impact on our responsibilities at the PCT; and

As a result, we have concluded that there are no matters to report.

Certificate

We certify that we have completed the audit of the accounts of Leeds PCT in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice 2010 for local NHS bodies issued by the Audit Commission.



6 June 2013

Trevor Rees for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
St James Square
Manchester M2 6DS
United Kingdom

Statement of Comprehensive Net Expenditure for year ended 31 March 2013

	NOTE	2012-13 £000	2011-12 £000
Administration Costs and Programme Expenditure			
Gross employee benefits	7.1	**22,658**	21,587
Other costs	5.1	**1,393,821**	1,350,083
Income	4	**(35,783)**	(32,380)
Net operating costs before interest		**1,380,696**	1,339,290
Investment income	9	**(188)**	(232)
Other (Gains)/Losses	10	**(11)**	30
Finance costs	11	**5,220**	5,087
Net operating costs for the financial year		**1,385,717**	1,344,175
Transfers by absorption -(gains)		**0**	
Transfers by absorption - losses		**0**	
Net (gain)/loss on transfers by absorption		**0**	
Net Operating Costs for the Financial Year including absorption transfers		**1,385,717**	**1,344,175**
Of which:			
Administration Costs			
Gross employee benefits	7.1	**20,596**	20,970
Other costs	5.1	**11,399**	11,463
Income	4	**(5,362)**	(5,406)
Net administration costs before interest		**26,633**	**27,027**
Investment income	9	**(188)**	(232)
Other (Gains)/Losses	10	**(11)**	30
Finance costs	11	**0**	41
Net administration costs for the financial year		**26,434**	**26,866**
Programme Expenditure			
Gross employee benefits	7.1	**2,062**	617
Other costs	5.1	**1,382,422**	1,338,620
Income	4	**(30,421)**	(26,974)
Net programme expenditure before interest		**1,354,063**	**1,312,263**
Investment income	9	**0**	0
Other (Gains)/Losses	10	**0**	0
Finance costs	11	**5,220**	5,046
Net programme expenditure for the financial year		**1,359,283**	**1,317,309**

Other Comprehensive Net Expenditure	2012-13 £000	2011-12 £000
Impairments and reversals put to the Revaluation Reserve	**0**	83
Net (gain) on revaluation of property, plant & equipment	**950**	0
Net (gain) on revaluation of intangibles	**0**	0
Net (gain) on revaluation of financial assets	**0**	0
Net (gain)/loss on other reserves	**0**	0
Net (gain)/loss on available for sale financial assets	**0**	0
Net (gain) /loss on Assets Held for Sale	**0**	
Release of Reserves to Statement of Comprehensive Net Expenditure	**0**	
Net actuarial (gain)/loss on pension schemes	**0**	0
Reclassification Adjustments		
Reclassification adjustment on disposal of available for sale financial assets	**0**	0
Total comprehensive net expenditure for the year*	**1,386,667**	**1,344,258**

*This is the sum of the rows above plus net operating costs for the financial year after absorption accounting adjustments.
The notes on the following pages form part of this account.

Statement of Financial Position at 31 March 2013

	NOTE	31 March 2013 £000	31 March 2012 £000
Non-current assets:			
Property, plant and equipment	12	**53,713**	58,615 *
Intangible assets	13	**0**	168
investment property	15	**0**	0
Other financial assets	21	**845**	868
Trade and other receivables	19	**0**	0
Total non-current assets		**54,558**	59,651
Current assets:			
Inventories	18	**0**	0
Trade and other receivables	19	**3,595**	3,842
Other financial assets	21	**22**	22
Other current assets	22	**0**	0
Cash and cash equivalents	23	**0**	1
Total current assets		**3,617**	3,865
Non-current assets held for sale	24	**190**	441
Total current assets		**3,807**	4,306
Total assets		**58,365**	63,957
Current liabilities			
Trade and other payables	25	**(52,998)**	(65,574)
Other liabilities	26,28	**0**	0
Provisions	32	**(3,166)**	(4,939)
Borrowings	27	**(1,446)**	(1,398)
Other financial liabilities	36.2	**0**	0
Total current liabilities		**(57,610)**	(71,911)
Non-current assets plus/less net current assets/liabilities		**755**	(7,954)
Non-current liabilities			
Trade and other payables	25	0	0
Other Liabilities	28	0	0
Provisions	32	(6,037)	(2,255)
Borrowings	27	(55,211)	(56,658)
Other financial liabilities	36.2	0	0
Total non-current liabilities		**(61,248)**	(58,913)
Total Assets Employed:		**(60,493)**	(66,867)
Financed by taxpayers' equity:			
General fund		(62,070)	(69,394) *
Revaluation reserve		1,577	2,527 *
Other reserves		0	0
Total taxpayers' equity:		**(60,493)**	(66,867)

* see Prior Period Adjustment note on Statement of Changes in Taxpayers Equity

The notes on the following pages form part of this account.

The financial statements were approved by the Board on 30 May 2013 and signed on its behalf by

Director (West Yorkshire) NHS England: Andy Buck Date: 4·6·13

Statement of Changes In Taxpayers Equity for the year ended 31 March 2013

	General fund	Revaluation reserve	Other reserves	Total reserves
	£000	£000	£000	£000
Balance at 1 April 2012	**(69,394)**	**2,527**	**0**	**(66,867)**
Changes in taxpayers' equity for 2012-13				
Net operating cost for the year	(1,385,717)			(1,385,717)
Net gain on revaluation of property, plant, equipment		(950)		(950)
Net gain on revaluation of intangible assets		0		0
Net gain on revaluation of financial assets		0		0
Net gain on revaluation of assets held for sale		0		0
Impairments and reversals		0		0
Movements in other reserves			0	0
Transfers between reserves	0	0		0
Release of Reserves to SOCNE		0		0
Reclassification Adjustments				
Transfers between Revaluation Reserve & General Fund in respect of assets transferred under absorption	0	0		0
Net actuarial gain/(loss) on pensions	0		0	0
Total recognised income and expense for 2012-13	**(1,385,717)**	**(950)**	**0**	**(1,386,667)**
Net Parliamentary funding	1,393,041			1,393,041
Balance at 31 March 2013	**(62,070)**	**1,577**	**0**	**(60,493)**
Balance at 1 April 2011	**(70,987)**	**2620**	**0**	**(68,367)**
Changes in taxpayers' equity for 2011-12				
Net operating cost for the year	(1,344,175)			(1,344,175)
Net Gain / (loss) on Revaluation of Property, Plant and Equipment		0		0
Net Gain / (loss) on Revaluation of Intangible Assets		0		0
Net Gain / (loss) on Revaluation of Financial Assets		0		0
Net Gain / (loss) on Assets Held for Sale		0		0
Impairments and Reversals		(83)		(83)
Movements in other reserves			0	0
Transfers between reserves	400	(400)		0
Release of Reserves to Statement of Comprehensive Net Expenditure		0		0
Reclassification Adjustments				
Transfers to/(from) Other Bodies within the Resource Account Boundary	0	0	0	0
On disposal of available for sale financial assets	0	0	0	0
Net actuarial gain/(loss) on pensions	0		0	0
Total recognised income and expense for 2011-12	(1,343,775)	(483)	0	(1,344,258)
Net Parliamentary funding	1,344,715			1,344,715
Balance at 31 March 2012	**(70,047)**	**2,137**	**0**	**(67,910)**
Prior Period Adjustment*	653	390		1,043
Restated Balance 31 March 2012	**(69,394)**	**2,527**	**0**	**(66,867)**

* On 1st April 2011, under the Transforming Community Services provisions, a number of properties were recognised in the books of Leeds Community NHS Trust, although legal title had not transferred. During 2012/13, it was finally determined that 2 of these properties should have remained on the SoFP of Leeds PCT. The properties involved were Shaftsbury Clinic, NBV £589k and East Leeds Clinic (car park) NBV £454k, totalling NBV of £1,043k. There was an associated revaluation reserve in respect of Shaftsbury Clinic of £390k. As a consequence, a prior period adjustment has been made and the closing General Fund and Revaluation Reserve have been restated, as shown in above.

Statement of cash flows for the year ended 31 March 2013

	NOTE	2012-13 £000	2011-12 £000
Cash Flows from Operating Activities			
Net Operating Cost Before Interest		**(1,380,696)**	(1,339,290)
Depreciation and Amortisation		**4,176**	3,352
Impairments and Reversals		**215**	20
Other Gains / (Losses) on foreign exchange		**0**	0
Donated Assets received credited to revenue but non-cash		**0**	0
Government Granted Assets received credited to revenue but non-cash		**0**	0
Interest Paid		**(5,212)**	(5,040)
Release of PFI/deferred credit		**0**	0
(Increase)/Decrease in Inventories		**0**	88
(Increase)/Decrease in Trade and Other Receivables		**247**	3,485
(Increase)/Decrease in Other Current Assets		**0**	0
Increase/(Decrease) in Trade and Other Payables		**(12,332)**	(6,171)
(Increase)/Decrease in Other Current Liabilities		**0**	0
Provisions Utilised		**(5,786)**	(2,515)
Increase/(Decrease) in Provisions		**7,787**	3,867
Net Cash Inflow/(Outflow) from Operating Activities		**(1,391,601)**	**(1,342,204)**
Cash flows from investing activities			
Interest Received		**188**	232
(Payments) for Property, Plant and Equipment		**(516)**	(1,918)
(Payments) for Intangible Assets		**0**	(75)
(Payments) for Other Financial Assets		**0**	0
(Payments) for Financial Assets (LIFT)		**0**	0
Proceeds of disposal of assets held for sale (PPE)		**262**	560
Proceeds of disposal of assets held for sale (Intangible)		**0**	0
Proceeds from Disposal of Other Financial Assets		**0**	0
Proceeds from the disposal of Financial Assets (LIFT)		**0**	0
Loans Made in Respect of LIFT		**0**	0
Loans Repaid in Respect of LIFT		**23**	22
Rental Revenue		**0**	0
Net Cash Inflow/(Outflow) from Investing Activities		**(43)**	**(1,179)**
Net cash inflow/(outflow) before financing		**(1,391,644)**	**(1,343,383)**
Cash flows from financing activities			
Capital Element of Payments in Respect of Finance Leases and On-SoFP PFI and LIFT		**(1,398)**	(1,340)
Net Parliamentary Funding		**1,393,041**	1,344,715
Capital Receipts Surrendered		**0**	0
Capital grants and other capital receipts		**0**	0
Cash Transferred (to)/from Other NHS Bodies (free text note required)		**0**	0
Net Cash Inflow/(Outflow) from Financing Activities		**1,391,643**	**1,343,375**
Net increase/(decrease) in cash and cash equivalents		**(1)**	**(8)**
Cash and Cash Equivalents (and Bank Overdraft) at Beginning of the Period		**1**	**9**
Effect of Exchange Rate Changes in the Balance of Cash Held in Foreign Currencies		**0**	0
Cash and Cash Equivalents (and Bank Overdraft) at year end		**0**	**1**

1. Accounting policies

The Secretary of State for Health has directed that the financial statements of PCTs shall meet the accounting requirements of the PCT Manual for Accounts, which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the 2012-13 PCTs Manual for Accounts issued by the Department of Health. The accounting policies contained in that manual follow International Financial Reporting Standards (IFRS) to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the PCT 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 PCT for the purpose of giving a true and fair view has been selected. The particular policies adopted by the PCT are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

The PCT is within the Government Resource Accounting Boundary and therefore has only consolidated interests in other entities where the other entity is also within the resource accounting boundary and the PCT exercises in-year budgetary control over the other entity.

In accordance with the directed accounting policy from the Secretary of State, the PCT does not consolidate the NHS charitable funds for which it is the corporate trustee.

1.1 Accounting Conventions

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

Transforming Community Services (TCS) transactions

Under the TCS initiative, services historically provided by PCTs have transferred to other providers - notably NHS Trusts and NHS Foundation Trusts. Such transfers fall to be accounted for by use of absorption accounting in line with the Treasury FReM. The FReM 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 SOCNE, and is disclosed separately from operating costs.

Acquisitions and Discontinued Operations

Activities are considered to be 'acquired' only if they are acquired 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 NHS body to another.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the PCT'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. 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.

Where critical judgements have been made, or estimates used, details are provided in the relevant note to the accounts.

1.2 Revenue and Funding

The main source of funding for the Primary Care Trust is allocations (Parliamentary Funding) from the Department of Health within an approved cash limit, which is credited to the General Fund of the Primary Care Trust. Parliamentary funding is recognised in the financial period in which the cash is received.

1. Accounting policies (continued)

Miscellaneous revenue is income which relates directly to the operating activities of the Primary Care Trust. It principally comprises fees and charges for services provided on a full cost basis to external customers, as well as public repayment work. It includes both income appropriated-in-aid of the Vote and income to the Consolidated Fund which HM Treasury has agreed should be treated as operating income.

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 revenue has been received for a specific activity to be delivered in the following financial year, that income will be deferred.

1.3 Taxation

The PCT is not liable to pay corporation tax. Expenditure is shown net of recoverable VAT. Irrecoverable VAT is charged to the most appropriate expenditure heading or capitalised if it relates to an asset.

1.4 Administration and Programme Costs

Treasury has set performance targets in respect of non-frontline expenditure (administration expenditure). From 2011-12, PCTs therefore analyse and report revenue income and expenditure by "admin and programme". For PCTs, the Department has defined "admin and programme" in terms of running costs.

The broad definition of running costs includes any cost incurred that is not a direct payment for the provision of healthcare or healthcare related services.

Expense incurred under NHS transition redundancy programmes is however classed as "programme" under Treasury budgetary control arrangements and so is recorded as such in the financial statements.

1.5 Property, Plant & Equipment

Recognition

Property, plant and equipment is capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to, the PCT;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has cost of at least £5,000; or
- Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

Valuation

All property, plant and equipment are measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. All assets are measured subsequently at fair value.

Land and buildings used for the PCT's services or for administrative purposes are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost

1. Accounting policies (continued)

Until 31 March 2008, the depreciated replacement cost of specialised buildings has been estimated for an exact replacement of the asset in its present location. HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

Until 31 March 2008, fixtures and equipment were carried at replacement cost, as assessed by indexation and depreciation of historic cost. From 1 April 2008 indexation has ceased. The carrying value of existing assets at that date will be written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit are charged to expenditure. Gains and losses recognised in the revaluation reserve are reported as other comprehensive net expenditure in the Statement of Comprehensive Net Expenditure.

Subsequent expenditure
Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any existing carrying value of the item replaced is written-out and charged to operating expenses

1.6 Intangible Assets

Recognition
Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the PCT's business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the PCT; where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Intangible assets acquired separately are initially recognised at fair value. Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use
- the intention to complete the intangible asset and use it
- the ability to sell or use the intangible asset
- how the intangible asset will generate probable future economic benefits or service potentia
- the availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it
- the ability to measure reliably the expenditure attributable to the intangible asset during its development

Measurement
The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at fair value by reference to an active market, or, where no active market exists, at amortised replacement cost (modern equivalent assets basis), indexed for relevant price increases, as a proxy for fair value. Internally-developed software is held at amortized historic cost to reflect the opposing effects of increases in development costs and technological advances.

1. Accounting policies (continued)

1.7 Depreciation, amortisation and impairments

Freehold land, properties under construction and assets held for sale are not depreciated.

Otherwise, depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the PCT expects to obtain economic benefits or service potential from the asset. This is specific to the PCT and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over their estimated useful lives.

At each reporting period end, the PCT checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.

A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit are taken to expenditure. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited to expenditure to the extent of the decrease previously charged there and thereafter to the revaluation reserve.

Impairments are analysed between Departmental Expenditure Limits (DEL) and Annually Managed Expenditure (AME) from 2011-12. This is necessary to comply with Treasury's budgeting guidance. DEL limits are set in the Spending Review and Departments may not exceed the limits that they have been set. AME budgets are set by the Treasury and may be reviewed with departments in the run-up to the Budget. Departments need to monitor AME closely and inform Treasury if they expect AME spending to rise above forecast. Whilst Treasury accepts that in some areas of AME inherent volatility may mean departments do not have the ability to manage the spending within budgets in that financial year, any expected increases in AME require Treasury approval.

1.8 Donated assets

Following the accounting policy change outlined in the Treasury FREM for 2011-12, a donated asset reserve is no longer maintained. Donated non-current assets are capitalised at their fair value on receipt, with a matching credit to Income. They are valued, depreciated and impaired as described above for purchased assets. Gains and losses on revaluations, impairments and sales are as described above for purchased assets. Deferred income is recognised only where conditions attached to the donation preclude immediate recognition of the gain.

1.9 Government grants

Following the accounting policy change outlined in the Treasury FREM for 2011-12, a government grant reserve is no longer maintained. The value of assets received by means of a government grant are credited directly to income. Deferred income is recognised only where conditions attached to the grant preclude immediate recognition of the gain.

1.10 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the Statement of Comprehensive Net Expenditure. On disposal, the balance for the asset in the revaluation reserve is transferred to retained earnings.

Property, plant and equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead, it is retained as an operational asset and its economic life is adjusted. The asset is de-recognised when it is scrapped or demolished.

1. Accounting policies (continued)

1.11 Inventories

Inventories are valued at the lower of cost and net realisable value. This is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

1.12 Cash and 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 PCT's cash management.

1.13 Losses and 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 each individual case is handled.

Losses and special payments are charged to the relevant functional headings including losses which would have been made good through insurance cover had PCTs not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

1.14 Clinical Negligence Costs

From 1 April 2000, the NHS Litigation Authority (NHSLA) took over the full financial responsibility for all Existing Liabilities Scheme (ELS) cases unsettled at that date and from 1 April 2002 all Clinical Negligence Scheme for Trusts (CNST) cases. Provisions for these are included in the accounts of the NHSLA. Although the NHSLA is administratively responsible for all cases from 1 April 2000, the legal liability remains with the PCTs.

The NHSLA operates a risk pooling scheme under which the PCT pays an annual contribution to the NHSLA which in return settles all clinical negligence claims. The contribution is charged to expenditure in the year that it is due. The total value of clinical negligence provisions carried by the NHSLA on behalf of the PCT is disclosed at Note 32.

1.15 Employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees, except for bonuses earned but not yet taken which, like leave earned but not yet taken is not accrued for at the year end, on the grounds of immateriality.

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 NHS body 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 PCT commits itself to the retirement, regardless of the method of payment.

1.16 Research and Development

Research and development expenditure is charged against income 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 is revalued on the basis of current cost. The amortisation is calculated on the same basis as depreciation, on a quarterly basis.

1. Accounting policies (continued)

1.17 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.

1.18 Grant making

Under section 256 of the National Health Service Act 2006, the PCT has the power to make grants to local authorities, voluntary bodies and registered social landlords to finance capital or revenue schemes. A liability in respect of these grants is recognised when the PCT has a present legal or constructive obligation which occurs when all of the conditions attached to the payment have been met.

1.19 EU Emissions Trading Scheme

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 NHS body 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 are valued at fair value at the end of the reporting period.

1.20 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 PCT, 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 trust. 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.

1.21 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.

The PCT 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 PCT's net operating cost.

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.

The PCT as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the PCT'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 PCT'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. Accounting policies (continued)

1.22 Foreign exchange

Transactions which are denominated in a foreign currency are translated into sterling at the exchange rate ruling on the date of each transaction, except where rates do not fluctuate significantly, in which case an average rate for a period is used. Resulting exchange gains and losses are taken to the Statement of Comprehensive Net Expenditure.

1.23 Provisions

Provisions are recognised when the PCT has a present legal or constructive obligation as a result of a past event, it is probable that the PCT 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 of 2.2% (2.35% in respect of early staff departures) in real terms.

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.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the PCT has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when the PCT 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 arsing from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

1.24 Financial Instruments

Financial assets

Financial assets are recognised when the PCT 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 initially recognised at fair value.

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.

Financial assets at fair value through profit and loss

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the Statement of Comprehensive Net Expenditure. The net gain or loss incorporates any interest earned on the financial asset.

Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective

Available for sale financial assets

Available for sale financial assets are non-derivative financial assets that are designated as available for sale or that do not fall within any of the other three financial asset classifications. They are measured at fair value with changes in value taken to the revaluation reserve, with the exception of impairment losses. Accumulated gains or losses are recycled to the Statement of Comprehensive Net Expenditure on de-recognition.

1. Accounting policies (continued)

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques and disclosed in note 36 to the accounts.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the initial fair value of the financial asset.

At the Statement of Financial Position date, the PCT assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Net Expenditure and the carrying amount of the asset is reduced directly, or through a provision for impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the Statement of Comprehensive Net Expenditure to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities
Financial liabilities are recognised on the Statement of Financial Position when the PCT 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.

Financial liabilities are initially recognised at fair value.

Financial liabilities are classified as either financial liabilities 'at fair value through profit and loss' or other financial liabilities.

Financial liabilities at fair value through profit and loss
Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the Statement of Comprehensive Net Expenditure. The net gain or loss incorporates any interest earned on the financial asset.

Other financial liabilities
After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. 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. Accounting policies (continued)

1.25 Private Finance Initiative (PFI) and NHS LIFT transactions

HM Treasury has determined that government bodies shall account for infrastructure PFI schemes (including NHS LIFT) where the government body controls the use of the infrastructure and the residual interest in the infrastructure at the end of the arrangement as service concession arrangements, following the principles of the requirements of IFRIC 12. The PCT therefore recognises the PFI asset as an item of property, plant and equipment together with a liability to pay for it. The services received under the contract are recorded as operating expenses.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

a) Payment for the fair value of services received;
b) Payment for the PFI asset, including finance costs; and
c) Payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

a) Services received

The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'.

b) PFI and LIFT assets, liabilities, and finance costs

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the PCT's approach for each relevant class of

LIFT assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at the present value of the minimum lease payments in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the PCT's approach for each relevant class of asset in accordance with the principles of IAS 16.

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the fair value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

A LIFT liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the present value of the minimum lease payments and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the Statement of Comprehensive Net Expenditure.

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the Statement of Comprehensive Net Expenditure.

c) Lifecycle replacement

Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the PCT's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

1. Accounting policies (continued)

Assets contributed by the PCT to the operator for use in the scheme
Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the PCT's Statement of Comprehensive Net Expenditure.

Other assets contributed by the PCT to the operator
Assets contributed (e.g. cash payments, surplus property) by the PCT to the operator before the asset is brought into use, which are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available to the PCT, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

1.26 Accounting Standards that have been issued but not yet been adopted

The Treasury FReM does not require the following Standards and Interpretations to be applied in 2012-13. The application of the Standards as revised would not have a material impact on the accounts for 2012-13, were they applied in that year:

IAS 27 Separate Financial Statements - subject to consultation
IAS 28 Investments in Associates and Joint Ventures - subject to consultation
IFRS 9 Financial Instruments - subject to consultation - subject to consultation
IFRS 10 Consolidated Financial Statements - subject to consultation
IFRS 11 Joint Arrangements - subject to consultation
IFRS 12 Disclosure of Interests in Other Entities - subject to consultation
IFRS 13 Fair Value Measurement - subject to consultation
IPSAS 32 - Service Concession Arrangement - subject to consultation

1.27 Dissolution of the Primary Care Trust

Under the provisions of The Health and Social Care Act 2012 (Commencement No 4 Transitional, Savings and Transitory Provisions) Order 2013, Leeds Primary Care Trust was dissolved on 1st April 2013. The Primary Care Trust's functions, assets and liabilities transferred to other public sector entities as outlined in Note 41.1 Events after the end of the Reporting Period. Where reconfigurations of this nature take place within the public sector, Government accounting requires that the activities concerned are to be considered as continuing operations, and so the closing entity prepares accounts on a 'going concern' basis.

The SoFP has therefore been drawn up at 31 March 2013, on the same basis as in previous years, reporting balances on the same basis as would a continuing entity. In particular, there has been no general revaluation of assets and liabilities, and no disclosures have been made under IFRS 5 Non -current Assets Held for Sale and Discontinued Operations.

During the period one property was revalued, the details of which are shown in Note 12.1. This transaction is considered routine within the annual cycle of activity.

2 Operating segments

During 2012/13 there has been only one operating segment - that of the Commissioner, and management reports to the Board are on this basis.

3. Financial Performance Targets

3.1 Revenue Resource Limit

	2012-13 £000	2011-12 £000
The PCTs' performance for the year ended 2012-13 is as follows:		
Total Net Operating Cost for the Financial Year		1,344,175
Net operating cost plus (gain)/loss on transfers by absorption	1,385,717	
Adjusted for prior period adjustments in respect of errors	0	0
Revenue Resource Limit	1,408,915	1,369,261
Under/(Over)spend Against Revenue Resource Limit (RRL)	23,198	25,086

3.2 Capital Resource Limit

	2012-13 £000	2011-12 £000
The PCT is required to keep within its Capital Resource Limit.		
Capital Resource Limit	0	(380)
Charge to Capital Resource Limit	(3)	(386)
(Over)/Underspend Against CRL	3	6

3.3 Under/(Over)spend against cash limit

	2012-13 £000	2011-12 £000
Total Charge to Cash Limit	1,393,041	1,344,715
Cash Limit	1,393,041	1,344,715
Under/(Over)spend Against Cash Limit	0	0

3.4 Reconciliation of Cash Drawings to Parliamentary Funding (current year)

	2012-13 £000
Total cash received from DH (Gross)	1,219,463
Less: Trade Income from DH	(247)
Less/(Plus): movement in DH working balances	(59)
Sub total: net advances	1,219,157
(Less)/plus: transfers (to)/from other resource account bodies (free text note required)	0
Plus: cost of Dentistry Schemes (central charge to cash limits)	32,263
Plus: drugs reimbursement (central charge to cash limits)	141,621
Parliamentary funding credited to General Fund	1,393,041

4 Miscellaneous Revenue

	2012-13 Total	2012-13 Admin	2012-13 Programme	2011-12
	£000	£000	£000	£000
Fees and Charges	**0**	0	0	0
Dental Charge income from Contractor-Led GDS & PDS	**9,573**		9,573	9,272
Dental Charge income from Trust-Led GDS & PDS	**0**		0	0
Prescription Charge income	**8,130**		8,130	6,723
Strategic Health Authorities	**107**	24	83	90
NHS Trusts	**867**	485	382	541
NHS Foundation Trusts	**136**	0	136	163
Primary Care Trusts Contributions to DATs	**0**		0	0
Primary Care Trusts - Other	**4,668**	3,579	1,089	3,032
Primary Care Trusts - Lead Commissioning	**0**	0	0	0
English RAB Special Health Authorities	**0**	0	0	0
NDPBs and Others (CGA)	**0**	0	0	0
Department of Health - SMPTB	**0**	0	0	0
Department of Health - Other	**239**	0	239	312
Recoveries in respect of employee benefits	**928**	908	20	1,036
Local Authorities	**60**	0	60	92
Patient Transport Services	**0**		0	0
Education, Training and Research	**1,178**	0	1,178	1,170
Non-NHS: Private Patients	**0**		0	0
Non-NHS: Overseas Patients (Non-Reciprocal)	**0**		0	0
NHS Injury Costs Recovery	**0**		0	0
Other Non-NHS Patient Care Services	**195**	195	0	257
Charitable and Other Contributions to Expenditure	**0**		0	0
Receipt of donated assets	**0**		0	0
Receipt of Government granted assets	**0**		0	0
Rental revenue from finance leases	**0**	0	0	0
Rental revenue from operating leases	**8,924**	0	8,924	8,787
Other revenue	**778**	171	607	905
Total miscellaneous revenue	**35,783**	**5,362**	**30,421**	**32,380**

5. Operating Costs

5.1 Analysis of operating costs:

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000	2011-12 Total £000
Goods and Services from Other PCTs				
Healthcare	127,799		127,799	92,083
Non-Healthcare	2,513	2,513	0	722
Total	130,312	2,513	127,799	92,805
Goods and Services from Other NHS Bodies other than FTs				
Goods and services from NHS Trusts	626,232	0	626,232	624,267
Goods and services (other, excl Trusts, FT and PCT))	0	0	0	896
Total	626,232	0	626,232	625,163
Goods and Services from Foundation Trusts	142,299	0	142,299	151,270
Purchase of Healthcare from Non-NHS bodies	138,131		138,131	126,773
Social Care from Independent Providers	0		0	0
Expenditure on Drugs Action Teams	7,814		7,814	8,741
Non-GMS Services from GPs	4,591	0	4,591	7,068
Contractor Led GDS & PDS (excluding employee benefits)	43,074		43,074	41,413
Salaried Trust-Led PDS & PCT DS (excluding employee benefits)	0		0	0
Chair, Non-executive Directors & PEC remuneration	125	125	0	141
Executive committee members costs	34	34	0	50
Consultancy Services	151	151	0	123
Prescribing Costs	119,347		119,347	124,876
G/PMS, APMS and PCTMS (excluding employee benefits)	107,001	0	107,001	110,603
Pharmaceutical Services	843		843	525
Local Pharmaceutical Services Pilots	0		0	0
New Pharmacy Contract	33,884		33,884	31,084
General Ophthalmic Services	7,003		7,003	6,762
Supplies and Services - Clinical	723	24	699	995
Supplies and Services - General	509	133	376	527
Establishment	2,925	2,040	885	2,791
Transport	260	185	75	48
Premises	7,685	2,405	5,280	6,282
Impairments & Reversals of Property, plant and equipment	215	0	215	20
Impairments and Reversals of non-current assets held for sale	0	0	0	0
Depreciation	4,008	155	3,853	3,322
Amortisation	168	44	124	30
Impairment & Reversals Intangible non-current assets	0	0	0	0
Impairment and Reversals of Financial Assets	0	0	0	0
Impairment of Receivables	(62)	(62)	0	33
Inventory write offs	0	0	0	0
Research and Development Expenditure	309	0	309	267
Audit Fees	173	173	0	290
Other Auditors Remuneration	0	0	0	0
Clinical Negligence Costs	101	100	1	129
Education and Training	697	5	692	1,124
Grants for capital purposes	104	0	104	269
Grants for revenue purposes	0	0	0	0
Impairments and reversals for investment properties	0	0	0	0
Other	15,165	3,374	11,791	6,559
Total Operating costs charged to Statement of Comprehensive Net Expenditure	1,393,821	11,399	1,382,422	1,350,083
Employee Benefits (excluding capitalised costs)				
PCT Officer Board Members	901	901	0	1,056
Other Employee Benefits	21,757	19,695	2,062	20,531
Total Employee Benefits charged to SOCNE	22,658	20,596	2,062	21,587
Total Operating Costs	1,416,479	31,995	1,384,484	1,371,670
Analysis of grants reported in total operating costs				
For capital purposes				
Grants to fund Capital Projects - GMS	104	0	104	0
Grants to Local Authorities to Fund Capital Projects	0	0	0	0
Grants to Private Sector to Fund Capital Projects	0	0	0	269
Grants to Fund Capital Projects - Dental	0	0	0	0
Grants to Fund Capital Projects - Other	0	0	0	0
Total Capital Grants	104	0	104	269
Grants to fund revenue expenditure				
To Local Authorities	0	0	0	0
To Private Sector	0	0	0	0
To Other	0	0	0	0
Total Revenue Grants	0	0	0	0
Total Grants	104	0	104	269

	Total	Commissioning Services	Public Health
PCT Running Costs 2012-13			
Running costs (£000s)	26,434	21,556	4,878
Weighted population (number in units)*	778,545	778,545	778,545
Running costs per head of population (£ per head)	34	28	6
PCT Running Costs 2011-12			
Running costs (£000s)	26,866	22,236	4,630
Weighted population (number in units)	778,545	778,545	778,545
Running costs per head of population (£ per head)	35	29	6

* Weighted population figures are not available for 2012-13 as the weighted capitation formula for PCT allocations was not updated for 2012-13. This was because it was decided to give all PCTs the same percentage growth in their allocations in this transitional year rather than differential growth based on a weighted capitation formula

Therefore, 2011-12 weighted populations have been used when calculated the Running Costs per head of population in 2012-13

5.2 Analysis of operating expenditure by expenditure classification	2012-13 £000	2011-12 £000
Purchase of Primary Health Care		
GMS / PMS/ APMS / PCTMS	107,001	110,603
Prescribing costs	119,347	124,876
Contractor led GDS & PDS	43,074	41,413
Trust led GDS & PDS	0	0
General Ophthalmic Services	7,003	6,762
Department of Health Initiative Funding	0	0
Pharmaceutical services	843	525
Local Pharmaceutical Services Pilots	0	0
New Pharmacy Contract	33,884	31,084
Non-GMS Services from GPs	2,714	5,264
Other	5,233	2,575
Total Primary Healthcare purchased	**319,099**	323,102
Purchase of Secondary Healthcare		
Learning Difficulties	27,047	26,380
Mental Illness	150,178	148,315
Maternity	38,528	38,691
General and Acute	634,668	611,420
Accident and emergency	53,647	52,441
Community Health Services	136,691	131,060
Other Contractual	0	0
Total Secondary Healthcare Purchased	**1,040,759**	1,008,307
Grant Funding		
Grants for capital purposes	104	269
Grants for revenue purposes	0	0
Total Healthcare Purchased by PCT	**1,359,962**	**1,331,678**
PCT self-provided secondary healthcare included above	0	0
Social Care from Independent Providers	0	0
Healthcare from NHS FTs included above	142,299	151,270

6. Operating Leases

The PCT has operating leases in respect of properties, primarily in respect of administrative buildings, photocopiers and lease cars. The leases are for an agreed number of years, with no renewal terms, purchase options or escalation clauses. Restrictions apply in terms of subletting arrangements.

6.1 PCT as lessee

	Buildings £000	Other £000	2012-13 Total £000	2011-12 £000
Payments recognised as an expense				
Minimum lease payments	12,029	105	12,134	12,288
Contingent rents	971		971	703
Sub-lease payments			0	0
Total	13,000	105	13,105	12,991
Payable:				
No later than one year	2,934	37	2,971	3,231
Between one and five years	11,777	0	11,777	13,341
After five years	52,540	0	52,540	55,713
Total	67,251	37	67,288	72,285

Leeds PCT has entered into certain financial arrangements involving the use of GP premises. Under IFRS the PCT has determined that operating leases must be brought to account. The leases do not involve the legal form of a lease. A total of £9.26m has been included in lease payments for 2012/13 (£9.35m for 2011/12). As there is no specified lease term the total value of future minimum payments payable cannot be included.

6.2 PCT as lessor

	2012-13 £000	2011-12 £000
Recognised as income		
Rental Revenue	8,924	8,787
Contingent rents	0	0
Total	8,924	8,787
Receivable:		
No later than one year	8,924	8,787
Between one and five years	35,697	34,076
After five years	123,815	129,432
Total	168,436	172,295

Leasing arrangements where the PCT is a lessor relate to the subletting of Health Centres and Clinics, where the lessee is generally a Leeds GP practice or other NHS organisation.

7. Employee benefits and staff numbers

7.1 Employee benefits

2012-13				Permanently employed			Other		
	Total £000	Admin £000	Programme £000	Total £000	Admin £000	Programme £000	Total £000	Admin £000	Programme £000
Employee Benefits - Gross Expenditure									
Salaries and wages	18,613	17,511	1,102	16,342	15,240	1,102	2,271	2,271	0
Social security costs	1,264	1,163	101	1,264	1,163	101	0	0	0
Employer Contributions to NHS BSA - Pensions Division	2,089	1,922	167	2,089	1,922	167	0	0	0
Other pension costs	39	0	39	39	0	39	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	653	0	653	653	0	653	0	0	0
Total employee benefits	22,658	20,596	2,062	20,387	18,325	2,062	2,271	2,271	0
Less recoveries in respect of employee benefits (table below)	(928)	(908)	(20)	(928)	(908)	(20)	0	0	0
Total - Net Employee Benefits including capitalised costs	21,730	19,688	2,042	19,459	17,417	2,042	2,271	2,271	0
Employee costs capitalised	0	0	0	0	0	0	0	0	0
Gross Employee Benefits excluding capitalised costs	22,658	20,596	2,062	20,387	18,325	2,062	2,271	2,271	0
Recognised as:									
Commissioning employee benefits	22,658			20,387			2,271		
Provider employee benefits	0			0			0		
Gross Employee Benefits excluding capitalised costs	22,658			20,387			2,271		

2012-13				Permanently employed			Other		
	Total £000	Admin £000	Programme £000	Total £000	Admin £000	Programme £000	Total £000	Admin £000	Programme £000
Employee Benefits - Revenue									
Salaries and wages	789	772	17	789	772	17	0	0	0
Social Security costs	52	51	1	52	51	1	0	0	0
Employer Contributions to NHS BSA - Pensions Division	87	85	2	87	85	2	0	0	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
TOTAL excluding capitalised costs	928	908	20	928	908	20	0	0	0

Employee Benefits - Prior- year

	Total £000	Permanently employed £000	Other £000
Employee Benefits Gross Expenditure 2011-12			
Salaries and wages	17,790	16,722	1,068
Social security costs	1,262	1,262	0
Employer Contributions to NHS BSA - Pensions Division	2,167	2,167	0
Other pension costs	0	0	0
Other post-employment benefits	0	0	0
Other employment benefits	0	0	0
Termination benefits	368	368	0
Total gross employee benefits	21,587	20,519	1,068
Less recoveries in respect of employee benefits	(1,036)	(1,036)	0
Total - Net Employee Benefits including capitalised costs	20,551	19,483	1,068
Employee costs capitalised	0	0	0
Gross Employee Benefits excluding capitalised costs	21,587	20,519	1,068
Recognised as:			
Commissioning employee benefits	21,587		
Provider employee benefits	0		
Gross Employee Benefits excluding capitalised costs	21,587		

7.2 Staff Numbers

	Total Number	2012-13 Permanently employed Number	Other Number	Total Number	2011-12 Permanently employed Number	Other Number
Average Staff Numbers						
Medical and dental	4	3	1	5	4	0
Ambulance staff	0	0	0	0	0	0
Administration and estates	368	347	21	328	318	10
Healthcare assistants and other support staff	3	3	0	3	3	0
Nursing, midwifery and health visiting staff	43	41	2	43	43	0
Nursing, midwifery and health visiting learners	0	0	0	0	0	0
Scientific, therapeutic and technical staff	16	16	0	19	18	1
Social Care Staff	0	0	0	0	0	0
Other	0	0	0	55	53	2
TOTAL	434	409	25	452	439	13
Of the above - staff engaged on capital projects	0	0	0	0	0	0

7.3 Ill health retirements

	2012-13 Number	2011-12 Number
Number of persons retired early on ill health grounds	0	2
	£000s	£000s
Total additional pensions liabilities accrued in the year	0	234

7.4 Exit Packages agreed during 2012-13

	2012-13			2011-12		
Exit package cost band (including any special payment element)	***Number of compulsory redundancies**	***Number of other departures agreed**	**Total number of exit packages by cost band**	***Number of compulsory redundancies**	***Number of other departures agreed**	**Total number of exit packages by cost band**
	Number	**Number**	**Number**	**Number**	**Number**	**Number**
Lees than £10,000	**1**	**2**	**3**	0	0	**0**
£10,001-£25,000	**6**	**6**	**12**	0	1	**1**
£25,001-£50,000	**2**	**3**	**5**	0	2	**2**
£50,001-£100,000	**1**	**1**	**2**	0	3	**3**
£100,001 - £150,000	**0**	**4**	**4**	0	2	**2**
£150,001 - £200,000	**0**	**1**	**1**	0	0	**0**
>£200,000	**2**	**0**	**2**	0	0	**0**
Total number of exit packages by type	**12**	**17**	**29**	**0**	**8**	**8**
	£s	**£s**	**£s**	**£s**	**£s**	**£s**
Total resource cost	770,823	920,485	**1,691,308**	0	499,000	**499,000**

This note provides an analysis of Exit Packages agreed during the year. Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Scheme. Where the PCT has agreed early retirements, the additional costs are met by the PCT and not by the NHS pensions scheme. Ill-health retirement costs are met by the NHS pensions scheme and are not included in the table.

This disclosure reports the number and value of exit packages taken by staff leaving in the year. Note: The expense associated with these departures may have been recognised in part or in full in a previous period.

7.5 Pension costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at 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 NHS Body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of the scheme liability is carried out annually by the scheme actuary as at the end of the reporting period . Actuarial assessments are undertaken in intervening years between formal valuations using updated membership data and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2013, is based on the valuation data as at 31 March 2012, updated to 31 March 2013 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Account, published annually. These accounts can be viewed on the NHS Pensions website. Copies can also be obtained from The Stationery Office.

b) 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.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2004. Consequently, a formal actuarial valuation would have been due for the year ended 31 March 2008. However, formal actuarial valuations for unfunded public service schemes were suspended by HM Treasury on value for money grounds while consideration is given to recent changes to public service pensions, and while future scheme terms are developed as part of the reforms to public service pension provision due in 2015.

The Scheme Regulations were changed to allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

The next formal valuation to be used for funding purposes will be carried out at as at March 2012 and will be used to inform the contribution rates to be used from 1 April 2015.

c) Scheme provisions

The NHS Pension Scheme provided defined benefits, which are summarised below. This list is an illustrative guide only, and is not intended to detail all the benefits provided by the Scheme or the specific conditions that must be met before these benefits car be obtained:

The Scheme is a "final salary" scheme. Annual pensions are normally based on 1/80th for the 1995 section and of the best of the last three years pensionable pay for each year of service, and 1/60th for the 2008 section of reckonable pay per year of membership. Members who are practitioners as defined by the Scheme Regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This new provision is known as "pension commutation".

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. From 2011-12 the Consumer Price Index (CPI) will be used to replace the Retail Price Index (RPI).

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year's pensionable pay for death in service, and five times their annual pension for death after retirement is payable.

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 the employer.

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVC's run by the Scheme's approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

8. Better Payment Practice Code

8.1 Measure of compliance

	2012-13 Number	2012-13 £000	2011-12 Number	2011-12 £000
Non-NHS Payables				
Total Non-NHS Trade Invoices Paid in the Year	**24,004**	**171,394**	25,477	162,955
Total Non-NHS Trade Invoices Paid Within Target	**23,710**	**169,913**	25,028	158,979
Percentage of NHS Trade Invoices Paid Within Target	98.78%	99.14%	98.24%	97.56%
NHS Payables				
Total NHS Trade Invoices Paid in the Year	**5,629**	**903,728**	4,474	878,820
Total NHS Trade Invoices Paid Within Target	**5,486**	**895,243**	4,390	871,093
Percentage of NHS Trade Invoices Paid Within Target	97.46%	99.06%	98.12%	99.12%

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

8.2 The Late Payment of Commercial Debts (Interest) Act 1998

	2012-13 £000	2011-12 £000
Amounts included in finance costs from claims made under this legislation	**0**	0
Compensation paid to cover debt recovery costs under this legislation	**0**	0
Total	**0**	0

9. Investment Income

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000	2011-12 £000
Interest Income				
LIFT: equity dividends receivable	59	59	0	117
LIFT: loan interest receivable	129	129	0	115
Total investment income	188	188	0	232

10. Other Gains and Losses

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000	2011-12 £000
Gain/(Loss) on disposal of assets other than by sale (PPE)	0	0	0	(30)
Gain/(Loss) on disposal of assets other than by sale (intangibles)	0	0	0	0
Gain/(Loss) on disposal of Financial Assets - other than held for sale	0	0	0	0
Gain (Loss) on disposal of assets held for sale	11	11	0	0
Gain/(loss) on foreign exchange	0	0	0	0
Change in fair value of financial assets carried at fair value through the SoCNE	0	0	0	0
Change in fair value of financial liabilities carried at fair value through the SoCNE	0	0	0	0
Change in fair value of investment property	0	0	0	0
Recycling of gain/(loss) from equity on disposal of financial assets held for sale	0	0	0	0
Total	11	11	0	(30)

11. Finance Costs

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000	2011-12 £000
Interest				
Interest on obligations under finance leases	0	0	0	0
Interest on obligations under PFI contracts:				
- main finance cost	0	0	0	0
- contingent finance cost	0	0	0	0
Interest on obligations under LIFT contracts:				
- main finance cost	4,241	0	4,241	4,337
- contingent finance cost	971	0	971	703
Interest on late payment of commercial debt	0	0	0	0
Other interest expense	0	0	0	0
Total interest expense	5,212	0	5,212	5,040
Other finance costs	0	0	0	6
Provisions - unwinding of discount	8		8	41
Total	5,220	0	5,220	5,087

12.1 Property, plant and equipment

2012-13	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation:									
At 1 April 2012	2,670	59,797	0	0	1,085	0	2,339	1,247	67,138 *
Additions of Assets Under Construction				271					271
Additions Purchased	0	0	0		0	0	0	0	0
Additions Donated	0	0	0	0	0	0	0	0	0
Additions Government Granted	0	0	0	0	0	0	0	0	0
Additions Leased	0	0	0		0	0	0	0	0
Reclassifications	0	271	0	(271)	0	0	0	0	0
Reclassifications as Held for Sale	0	0	0	0	0	0	0	0	0
Disposals other than for sale	0	0	0	0	0	0	0	0	0
Upward revaluation/positive indexation	(950)	0	0	0	0	0	0	0	(950)
Impairments/negative indexation	0	0	0	0	0	0	0	0	0
Reversal of Impairments	0	0	0	0	0	0	0	0	0
Transfers (to)/from Other Public Sector Bodies	0	0	0	0	0	0	0	0	0
At 31 March 2013	1,720	60,068	0	0	1,085	0	2,339	1,247	66,459
Depreciation									
At 1 April 2012	0	5,680	0	0	471	0	1,606	766	8,523
Reclassifications	0	0	0		0	0	0	0	0
Reclassifications as Held for Sale	0	0	0		0	0	0	0	0
Disposals other than for sale	0	0	0		0	0	0	0	0
Upward revaluation/positive indexation	0	0	0		0	0	0	0	0
Impairments	0	215	0	0	0	0	0	0	215
Reversal of Impairments	0	0	0	0	0	0	0	0	0
Charged During the Year	0	2,650	0		555	0	598	205	4,008
Transfers (to)/from Other Public Sector Bodies	0	0	0	0	0	0	0	0	0
At 31 March 2013	0	8,545	0	0	1,026	0	2,204	971	12,746
Net Book Value at 31 March 2013	1,720	51,523	0	0	59	0	135	276	53,713
Purchased	1,720	51,523	0	0	59	0	135	276	53,713
Donated	0	0	0	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0	0	0	0
Total at 31 March 2013	1,720	51,523	0	0	59	0	135	276	53,713
Asset financing:									
Owned	1,720	1,736	0	0	59	0	135	276	3,926
Held on finance lease	0	0	0	0	0	0	0	0	0
On-SOFP PFI contracts	0	49,787	0	0	0	0	0	0	49,787
PFI residual: interests	0	0	0	0	0	0	0	0	0
Total at 31 March 2013	1,720	51,523	0	0	59	0	135	276	53,713

None of the above are held at Open Market Value.

* On 1st April 2011, under the Transforming Community Services provisions, a number of properties were recognised in the books of Leeds Community NHS Trust, although legal title had not transferred. During 2012/13, it was finally determined that 2 of these properties should have remained on the SoFP of Leeds PCT. The properties involved were Shaftsbury Clinic, NBV £589k and East Leeds Clinic (car park) NBV £454k, totalling NBV £1,043k. As a consequence, a prior period adjustment has been made and the closing NBV of Property, Plant and Equipment has been restated, as shown in above.

12.1 Property, plant and equipment, cont

Revaluation Reserve Balance for Property, Plant & Equipment

	Land	Buildings	Dwellings	Assets under construction & payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
At 1 April 2012	**2,176**	**205**	**0**	**0**	**75**	**0**	**0**	**71**	**2,527 ***
Movements	(950)	0	0	0	0	0	0	0	(950)
At 31 March 2013	**1,226**	**205**	**0**	**0**	**75**	**0**	**0**	**71**	**1,577**

* On 1st April 2011, under the Transforming Community Services provisions, a number of properties were recognised in the books of Leeds Community NHS Trust, although legal title had not transferred. During 2012/13, it was finally determined that 2 of these properties should have remained on the SoFP of Leeds PCT. The properties involved were Shaftsbury Clinic, NBV £589k and East Leeds Clinic (car park) NBV £454k, totalling NBV £1,043k. There was an associated revaluation reserve for Shaftsbury Clinic of £390k.As a consequence, a prior period adjustment has been made and the closing revaluation reserve balance has been restated, as shown in above.

The reduction in revaluation reserve in respect to land relates to the revaluation of Leafield Clinic on 27 March 2013

Additions to Assets Under Construction in 2012-13

	£000
Land	0
Buildings excl Dwellings	271
Dwellings	0
Plant & Machinery	0
Balance as at YTD	**271**

12.2 Property, plant and equipment

2011-12	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation:									
At 1 April 2011	**2,203**	**59,577**	**0**	**196**	**1,085**	**0**	**2,159**	**1,247**	**66,467**
Additions - purchased	0	0	0	(28)	0	0	180	0	**152**
Additions - donated	0	0	0	0	0	0	0	0	**0**
Additions - government granted	0	0	0	0	0	0	0	0	**0**
Reclassifications	0	168	0	(168)	0	0	0	0	**0**
Reclassified as held for sale	(203)	(238)	0	0	0	0	0	0	**(441)**
Disposals other than by sale	0	0	0	0	0	0	0	0	**0**
Revaluation & indexation gains	0	0	0	0	0	0	0	0	**0**
Impairments	0	(83)	0	0	0	0	0	0	**(83)**
Reversals of impairments	0	0	0	0	0	0	0	0	**0**
In-year transfers to/from NHS bodies	0	0	0	0	0	0	0	0	**0**
Cumulative dep netted off cost following revaluatior	0	0	0	0	0	0	0	0	**0**
At 31 March 2012	**2,000**	**59,424**	**0**	**0**	**1,085**	**0**	**2,339**	**1,247**	**66,095**
Depreciation									
At 1 April 2011	**0**	**2,927**	**0**		**360**	**0**	**1,246**	**648**	**5,181**
Reclassifications		0	0		0	0	0	0	**0**
Reclassifications as Held for Sale	0	0	0		0	0	0	0	**0**
Disposals other than for sale	0	0	0		0	0	0	0	**0**
Upward revaluation/positive indexation	0	0	0		0	0	0	0	**0**
Impairments	0	20	0	0	0	0	0	0	**20**
Reversal of Impairments	0	0	0	0	0	0	0	0	**0**
Charged During the Year	0	2,733	0		111	0	360	118	**3,322**
In-year transfers to/from NHS bodies	0	0	0	0	0	0	0	0	**0**
Cumulative dep netted off cost following revaluatior	0	0	0	0	0	0	0	0	**0**
At 31 March 2012	**0**	**5,680**	**0**	**0**	**471**	**0**	**1,606**	**766**	**8,523**
Net Book Value at 31 March 2012	**2,000**	**53,744**	**0**	**0**	**614**	**0**	**733**	**481**	**57,572**
Purchased	2,000	53,744	0	0	614	0	733	481	**57,572**
Donated	0	0	0	0	0	0	0	0	**0**
Government Granted	0	0	0	0	0	0	0	0	**0**
At 31 March 2012	**2,000**	**53,744**	**0**	**0**	**614**	**0**	**733**	**481**	**57,572**
Asset financing:									
Owned	2,000	1,412	0	0	614	0	733	481	**5,240**
Held on finance lease	0	0	0	0	0	0	0	0	**0**
On-SOFP PFI contracts	0	52,332	0	0	0	0	0	0	**52,332**
PFI residual: interests	0	0	0	0	0	0	0	0	**0**
At 31 March 2012	**2,000**	**53,744**	**0**	**0**	**614**	**0**	**733**	**481**	**57,572**

* see Prior Period Adjustment note on Note 12.1.

12.3 Property, plant and equipment

During the year Leafield Clinic was refurbished and subsequent to this the property was revalued on 27 March 2013.

The revaluation was carried out by an independent firm of Chartered Surveyors on the basis of Existing Use Value.The decrease in valuation on land has been taken to the revaluation reserve. The decrease in valuation on buildings has been treated as an impairment and taken to the operating cost statement.

The economic lives of property, plant and equipment used in calculating the depreciation charge for the year is as follows:

	Min Life Years	Max Life Years
Buildings excluding dwellings	3	90
Plant & machinery	5	10
Transport equipment	7	7
Information technology	5	5
Furniture & fittings	5	5

13.1 Intangible non-current assets

2012-13	Software internally generated £000	Software purchased £000	Licences & trademarks £000	Patents £000	Development expenditure £000	Total £000
At 1 April 2012	**0**	**378**	**0**	**0**	**0**	**378**
Additions - purchased	0	0	0	0	0	**0**
Additions - internally generated	0	0	0	0	0	**0**
Additions - donated	0	0	0	0	0	**0**
Additions - government granted	0	0	0	0	0	**0**
Additions Leased	0	0	0	0	0	**0**
Reclassifications	0	0	0	0	0	**0**
Reclassified as held for sale	0	0	0	0	0	**0**
Disposals other than by sale	0	0	0	0	0	**0**
Revaluation & indexation gains	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	**0**
In-year transfers to/from NHS bodies	0	0	0	0	0	**0**
At 31 March 2013	**0**	**378**	**0**	**0**	**0**	**378**
Amortisation						
At 1 April 2012	**0**	**210**	**0**	**0**	**0**	**210**
Reclassifications	0	0	0	0	0	**0**
Reclassified as held for sale	0	0	0	0	0	**0**
Disposals other than by sale	0	0	0	0	0	**0**
Revaluation or indexation gains	0	0	0	0	0	**0**
Impairments charged to operating expenses	0	0	0	0	0	**0**
Reversal of impairments charged to operating expenses	0	0	0	0	0	**0**
Charged during the year	0	168	0	0	0	**168**
In-year transfers to NHS bodies	0	0	0	0	0	**0**
At 31 March 2013	**0**	**378**	**0**	**0**	**0**	**378**
Net Book Value at 31 March 2013	**0**	**0**	**0**	**0**	**0**	**0**
Net Book Value at 31 March 2013 comprises						
Purchased	0	0	0	0	0	**0**
Donated	0	0	0	0	0	**0**
Government Granted	0	0	0	0	0	**0**
Total at 31 March 2013	**0**	**0**	**0**	**0**	**0**	**0**

None of the intangible assets have been revalued.
There are no revaluation reserve balances for intangible assets
There are no internally generated intangible assets.
The economic life of intangible non current assets is 5 years.

13.2 Intangible non-current assets

2011-12	Software internally generated	Software purchased	Licences & trademarks	Patents	Development expenditure	Total
	£000	£000	£000	£000	£000	£000
At 1 April 2011	**0**	**303**	**0**	**0**	**0**	**303**
Additions - purchased	0	75	0	0	0	**75**
Additions - internally generated	0	0	0	0	0	**0**
Additions - donated	0	0	0	0	0	**0**
Additions - government granted	0	0	0	0	0	**0**
Reclassifications	0	0	0	0	0	**0**
Reclassified as held for sale	0	0	0	0	0	**0**
Disposals other than by sale	0	0	0	0	0	**0**
Revaluation & indexation gains	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	**0**
In-year transfers to/from NHS bodies	0	0	0	0	0	**0**
Cumulative dep netted off cost following revaluation	0	0	0	0	0	**0**
At 31 March 2012	**0**	**378**	**0**	**0**	**0**	**378**
Amortisation						
At 1 April 2011	**0**	**180**	**0**	**0**	**0**	**180**
Reclassifications	0	0	0	0	0	**0**
Reclassified as held for sale	0	0	0	0	0	**0**
Disposals other than by sale	0	0	0	0	0	**0**
Revaluation or indexation gains	0	0	0	0	0	**0**
Impairments charged to operating expenses	0	0	0	0	0	**0**
Reversal of impairments charged to operating expenses	0	0	0	0	0	**0**
Charged during the year	0	30	0	0	0	**30**
In-year transfers to NHS bodies	0	0	0	0	0	**0**
Less cumulative dep written down on revaluation	0	0	0	0	0	**0**
At 31 March 2012	**0**	**210**	**0**	**0**	**0**	**210**
Net Book Value at 31 March 2012	**0**	**168**	**0**	**0**	**0**	**168**
Net Book Value at 31 March 2012 comprises						
Purchased	0	168	0	0	0	**168**
Donated	0	0	0	0	0	**0**
Government Granted	0	0	0	0	0	**0**
Total at 31 March 2012	**0**	**168**	**0**	**0**	**0**	**168**

14. Analysis of impairments and reversals recognised in 2012-13

	2012-13 Total £000	2012-13 Admin £000	2012-13 Programme £000
Property, Plant and Equipment impairments and reversals taken to SoCNE			
Charged to Departmental Expenditure Limit	0	0	0
Unforeseen obsolescence	0		0
Loss as a result of catastrophe	0		0
Other	215		215
Changes in market price	0		0
Total charged to Annually Managed Expenditure	**215**	**0**	**215**
Property, Plant and Equipment impairments and reversals charged to the revaluation reserve			
Changes in market price	0		
Total impairments for PPE charged to reserves	**0**		
Total impairments of Property, Plant and Equipment	**215**	**0**	**215**

The impairment relates to Leafield Clinic. The impairment was due to the revaluation of the land and buildings on 27 March 2013.

15 Investment property

The PCT does not have any investment property.

16 Commitments

16.1 Capital commitments

There were no capital commitments as at 31 March 2013 (none at 31 March 2012).

16.2 Other financial commitments

There were no non-cancellable financial commitments as at 31 March 2013 (none at 31 March 2012).

17 Intra-Government and other balances

	Current receivables £000s	Non-current receivables £000s	Current payables £000s	Non-current payables £000s
Balances with other Central Government Bodies	912	0	2,499	0
Balances with Local Authorities	1,049	0	3,808	0
Balances with NHS bodies outside the Departmental Group	0	0	0	0
Balances with NHS Trusts and Foundation Trusts	630	0	9,179	0
Balances with Public Corporations and Trading Funds	0	0	0	0
Balances with bodies external to government	1,004	0	37,512	0
At 31 March 2013	**3,595**	**0**	**52,998**	**0**
prior period:				
Balances with other Central Government Bodies	379	0	2,579	0
Balances with Local Authorities	15	0	5,137	0
Balances with NHS Trusts and Foundation Trusts	940	0	8,049	0
Balances with Public Corporations and Trading Funds	0	0	0	0
Balances with bodies external to government	2,508	0	49,809	0
At 31 March 2012	**3,842**	**0**	**65,574**	**0**

18 Inventories

The PCT does not have any inventories.

19.1 Trade and other receivables

	Current	
	31 March 2013 £000	31 March 2012 £000
NHS receivables - revenue	**1,277**	1,039
NHS receivables - capital	**0**	0
NHS prepayments and accrued income	**0**	0
Non-NHS receivables - revenue	**1,784**	866
Non-NHS receivables - capital	**0**	0
Non-NHS prepayments and accrued income	**268**	1,114
Provision for the impairment of receivables	**(1)**	(80)
VAT	**265**	280
Current/non-current part of PFI and other PPP arrangements prepayments and accrued income	**0**	0
Interest receivables	**0**	0
Finance lease receivables	**0**	0
Operating lease receivables	**0**	0
Other receivables	**2**	623
Total	**3,595**	3,842

As at 31 March 2013 there were no non-current receivables (none at 31 March 2012).

There are no prepaid pension contributions included above.

The great majority of trade is with other NHS bodies, including other Primary Care Trusts as commissioners for NHS patient care services. As Primary Care Trusts are funded by Government to buy NHS patient care services, no credit scoring of them is considered necessary.

19.2 Receivables past their due date but not impaired

	31 March 2013 £000	31 March 2012 £000
By up to three months	**1,184**	619
By three to six months	**0**	15
By more than six months	**10**	65
Total	**1,194**	699

19.3 Provision for impairment of receivables

	2012-13 £000	**2011-12 £000**
Balance at 1 April 2012	**(80)**	(58)
Amount written off during the year	**17**	11
Amount recovered during the year	**0**	0
(Increase)/decrease in receivables impaired	**62**	(33)
Balance at 31 March 2013	**(1)**	(80)

The provision for impairment of receivables is based on the total amount of non NHS invoices overdue by more than 3 months.

20 NHS LIFT investments

	Loan £000	Share capital £000	Total £000
Balance at 1 April 2012	**868**	**0**	**868**
Additions	**0**	**0**	**0**
Disposals	**0**	**0**	**0**
Loan repayments	**0**	**0**	**0**
Revaluations	**0**	**0**	**0**
Loans repayable within 12 months	**(23)**	**0**	**(23)**
Balance at 31 March 2013	**845**	**0**	**845**
Balance at 1 April 2011	890	0	890
Additions	0	0	0
Disposals	0	0	0
Loan repayments	0	0	0
Revaluations	0	0	0
Loans repayable within 12 months	(22)	0	(22)
Balance at 31 March 2012	**868**	**0**	**868**

Leeds PCT holds 167 'B' shares and secured loan notes in Community Ventures Limited (formerly Leeds LIFT Limited). The investment comprises four acquisitions of subordinated loan stock purchased on 28 September 2004 for £213,876 on 22 December 2005 for £143,119, on 23 January 2007 for £250,500 and on 12 June 2009 for £350,616. Repayments totalling £22,809 were received during the year (£22,497 in 2011/12), in accordance with repayment schedules in the loan stock agreements.

21.1 Other financial assets - Current

	31 March 2013 £000	31 March 2012 £000
Opening balance 1 April	22	22
Transfers (to)/from Other Public Sector Bodies in year	0	0
Other Movements	0	0
Closing balance 31 March	**22**	22

21.2 Other Financial Assets - Non Current

	31 March 2013 £000	31 March 2012 £000
Opening balance 1 April	**868**	890
Additions	0	0
Revaluation	0	0
Impairments	0	0
Impairment Reversals	0	0
Transferred to current financial assets	0	0
Disposals	(23)	(22)
Transfers (to)/from Other Public Sector Bodies in year	0	0
Total Other Financial Assets - Non Current	**845**	868

21.3 Other Financial Assets - Capital Analysis

	31 March 2013 £000	31 March 2012 £000
Capital Expenditure	**0**	0
Capital Income	**(23)**	(23)

22 Other current assets

There were no other current assets as at 31 March 2011 (none at 31 March 2012).

23 Cash and Cash Equivalents

	31 March 2013 £000	31 March 2012 £000
Opening balance	**1**	9
Net change in year	**(1)**	(8)
Closing balance	**0**	1
Made up of		
Cash with Government Banking Service	**0**	0
Commercial banks	**0**	0
Cash in hand	**0**	1
Current investments	**0**	0
Cash and cash equivalents as in statement of financial position	**0**	1
Bank overdraft - Government Banking Service	**0**	0
Bank overdraft - Commercial banks	**0**	0
Cash and cash equivalents as in statement of cash flows	**0**	1
Patients' money held by the PCT, not included above	**0**	0

24 Non-current assets held for sale

	Land	Buildings, excl. dwellings	Total
	£000	£000	£000
Balance at 1 April 2012	203	238	**441**
Plus assets classified as held for sale in the year	0	0	**0**
Less assets sold in the year	(75)	(176)	**(251)**
Less impairment of assets held for sale	0	0	**0**
Plus reversal of impairment of assets held for sale	0	0	**0**
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	**0**
Transfers (to)/from other public sector bodies	0	0	**0**
Revaluation	0	0	**0**
Balance at 31 March 2013	**128**	**62**	**190**
Liabilities associated with assets held for sale at 31 March 2013	**0**	**0**	**0**
			0
Balance at 1 April 2011	590	0	**590**
Plus assets classified as held for sale in the year	203	238	**441**
Less assets sold in the year	(590)	0	**(590)**
Less impairment of assets held for sale	0	0	**0**
Plus reversal of impairment of assets held for sale	0	0	**0**
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	**0**
Balance at 31 March 2012	**203**	**238**	**441**
Liabilities associated with assets held for sale at 31 March 2012	0	0	**0**

Revaluation reserve balances in respect of non-current assets held for sale were:

At 31 March 2012	0
At 31 March 2013	0

During the year one of the properties classified as held for sale, Cringlebar Clinic, was sold. The remaining property is in respect of Hawthorne Medical Centre.

25 Trade and other payables

	Current	
	31 March 2013 £000	31 March 2012 £000
Interest payable	**0**	0
NHS payables - revenue	**10,743**	8,739
NHS payables - capital	**0**	0
NHS accruals and deferred income	**0**	493
Family Health Services (FHS) payables	**28,763**	34,440
Non-NHS payables - revenue	**6,098**	8,566
Non-NHS payables - capital	**58**	302
Non_NHS accruals and deferred income	**6,218**	12,245
Social security costs	**198**	187
VAT	**0**	0
Tax	**478**	256
Payments received on account	**0**	0
Other	442	346
Total	**52,998**	65,574

As at 31 March 2013 there were no non-current payables (none at 31 March 2012).

Other payables include £0.27m (2011-12: £0.26m) in respect of outstanding pensions contributions at 31 March 2013.

26 Other liabilities

There were no other liabilities outstanding as at 31 March 2013 (none as at 31 March 2012).

27 Borrowings

	Current		Non-current	
	31 March 2013 £000	31 March 2012 £000	**31 March 2013 £000**	31 March 2012 £000
Bank overdraft - Government Banking Service	**0**	0		
Bank overdraft - commercial banks	**0**	0		
PFI liabilities:				
Main liability	**0**	0	**0**	0
Lifecycle replacement received in advance	**0**	0	**0**	0
LIFT liabilities:				
Main liability	**1,446**	1,398	**55,211**	56,658
Lifecycle replacement received in advance	**0**	0	**0**	0
Finance lease liabilities	**0**	0	**0**	0
Other (describe)	**0**	0	**0**	0
Total	**1,446**	**1,398**	**55,211**	**56,658**
Total other liabilities (current and non-current)	**56,657**	**58,056**		

Borrowings/Loans - Payment of Principal Falling Due in:

	DH £000s	**Other £000s**	**Total £000s**
0 - 1 Years	0	1,446	**1,446**
1 - 2 Years	0	1,498	**1,498**
2 - 5 Years	0	5,442	**5,442**
Over 5 Years	0	48,271	**48,271**
TOTAL	**0**	**56,657**	**56,657**

28 Other financial liabilities

There were no other financial liabilities as at 31 March 2013 (none at 31 March 2012).

29 Deferred income

	Current	
	31 March 2013 £000	31 March 2012 £000
Opening balance at 1 April	**266**	847
Deferred income addition	**0**	0
Transfer of deferred income	**(266)**	(581)
Current deferred Income at 31 March	**0**	266

There was no non-current deferred income as at 31 March 2013 (none at 31 March 2012).

30 Finance lease obligations

There were no amounts payable under finance leases as at 31 March 2013 (none at 31 March 2012).

31 Finance lease receivables as lessor

There are no amounts receivable under finance leases as at 31 March 2013 (none at 31 March 2012).

32 Provisions

Comprising:

	Total £000s	Pensions Relating to Other Staff £000s	Legal Claims £000s	Continuing Care £000s	Other £000s	Redundancy £000s
Balance at 1 April 2012	**7,194**	1,520	1,542	2,320	813	999
Arising During the Year	**8,857**	3,229	0	5,615	13	0
Utilised During the Year	**(5,786)**	(4,104)	(287)	0	(573)	(822)
Reversed Unused	**(1,070)**	0	(893)	0	0	(177)
Unwinding of Discount	**8**	8	0	0	0	0
Change in Discount Rate	**0**	0	0	0	0	0
Transferred (to)/from other Public Sector bodies	**0**	0	0	0	0	0
Balance at 31 March 2013	**9,203**	**653**	**362**	**7,935**	**253**	**0**
Expected Timing of Cash Flows:						
No Later than One Year	**3,166**	**44**	**362**	**2,667**	**93**	**0**
Later than One Year and not later than Five Years	**5,604**	**176**	**0**	**5,268**	**160**	**0**
Later than Five Years	**433**	**433**	**0**	**0**	**0**	**0**

Expected future payments to NHS Trusts was nil as at 31 March 2013 (£0.37m as at 31 March 2012) in respect of pensions relating to other staff.

In respect of Pensions relating to other staff, the remaining balance relates to Injury benefits, where the uncertainty and timings relate to the remaining lifespan of each individual. Provisions are reviewed periodically.

In respect to Legal claims, the uncertainty as to amounts and timings relate to the time taken to determine whether or not the PCT is liable and if so, what the value of that liability will be.

The provision for Continuing care relates potential costs for continuing care case reviews, where the uncertainty and timings relate to outcomes of the individual case reviews.

Other provisions relate to outstanding lease costs.

£0.89m is included in the provisions of the NHS Litigation Authority as at 31 March 2013 in respect of clinical negligence liabilities of the PCT (£0.77m as at 31 March 2012).

33 Contingencies

There were no contingencies as at 31 March 2013 (none as at 31 March 2012).

34 PFI and LIFT - additional information

	31 March 2013 £000	31 March 2012 £000

The PCT does not have any PFI schemes, nor does it have any NHS LIFT schemes off- Statement of Financial Position.

Charges to operating expenditure and future commitments in respect of on and off SOFP LIFT	**31 March 2013 £000**	31 March 2012 £000
Total Charge to Operating Expenses in year - OFF SOFP LIFT	**0**	0
Service element of on SOFP LIFT charged to operating expenses in year	**2,467**	2,345
Total	**2,467**	2,345

	31 March 2013 £000	31 March 2012 £000
Payments committed to in respect of off SOFP LIFT and the service element of on SOFP LIFT.		
LIFT Scheme Expiry Date:		
No Later than One Year	**2,606**	2,438
Later than One Year, No Later than Five Years	**10,974**	10,542
Later than Five Years	**51,492**	53,324
Total	**65,072**	66,304

The PCT operates 10 Community Health Centre buildings financed under NHS LIFT contracts. The buildings were constructed in 4 tranches by Community

	lease commenced
Tranche 1a	
Armley Moor	01/11/2005
Middleton	04/10/2005
Parkside	05/12/2005
Woodhouse	28/11/2005
Tranche 1b	
Beeston Hill	08/05/2007
Yeadon	15/10/2007
Tranche 2	
East Leeds	23/06/2008
Wetherby	30/06/2008
Wortley Beck	02/06/2008
Tranche 3	
Reginald Centre, Chapeltown	18/10/2010

All of the buildings were contracted to the PCT under 25 year lease plus agreements, under the same terms and conditions. Lease payments are based on an annual amount fixed in relation to a base date for each building at financial close of each tranche. Lease plus payments are recalculated annually on 1 February at the contract lease value multiplied by the Retail Price Index at 1 April of each year and divided by the Retail Price Index at the base date.

In common with all LIFT schemes, services, maintenance and upkeep of the buildings are managed by Community Ventures Limited, with the costs forming part of the lease plus rentals. The leases also take into account estimated lifecycle costs, scheduled to maintain the building over the period of the lease. Any structural alterations required from time to time after the commencement of the lease will be carried out by the service provider, but the costs are borne by the PCT. Any plant, equipment, furniture fixtures and fittings required from time to time is also supplied at the PCT's expense.

At the end of the lease period, the PCT has the option to purchase the properties at Open Market Value. Where this is significantly more than the residual value specified in the LIFT contract, there is a formula to reduce the price in order that all parties benefit. Where the PCT does not exercise the option to purchase, it can vacate the premises or negotiate a new lease.

Under IFRIC 12, the buildings are treated as assets of the PCT. The substance of each contract is that the PCT has a finance lease, and the lease plus payments comprise three elements – imputed finance lease charges, capitalised lifecycle costs, and service charges. Details of the imputed finance lease charges are set out in the table below.

Imputed "finance lease" obligations for on SOFP LIFT Contracts due	**31 March 2013 £000**	31 March 2012 £000
No Later than One Year	**5,588**	5,640
Later than One Year, No Later than Five Years	**22,415**	22,393
Later than Five Years	**81,490**	87,100
Subtotal	**109,493**	115,133
Less: Interest Element	**(52,836)**	(57,077)
Total	**56,657**	58,056

In valuing the assets and related finance leases, the PCT has assumed that it will not exercise its option to purchase the properties at the end of the leases. Under IFRIC 12, the properties are then valued at the Net Present Value of the Minimum Lease Payments and depreciated over the period of the leases.

35 Impact of IFRS treatment - 2012-13

	Total £000	Admin £000	Programme £000
Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g LIFT/PFI)			
Depreciation charges	**2,545**	0	2,545
Interest Expense	**4,241**	0	4,241
Impairment charge - AME	**0**		0
Impairment charge - DEL	**0**	0	0
Other Expenditure	**3,439**	0	3,439
Revenue Receivable from subleasing	**0**	0	0
Total IFRS Expenditure (IFRIC12)	**10,225**	**0**	**10,225**
Revenue consequences of LIFT/PFI schemes under UK GAAP / ESA95 (net of any sublease income)	**(9,078)**	0	(9,078)
Net IFRS change (IFRIC12)	**1,147**	**0**	**1,147**

There were no other revenue costs or capital consequences associated with IFRS.

36 Financial Instruments

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. As the cash requirements of the PCT are met through Parliamentary Funding, financial instruments play a more limited role in creating risk that would apply to a non-public sector body of a similar size. The majority of financial instruments relate to contracts for non-financial items in line with the PCT's expected purchase and usage requirements and the PCT is therefore exposed to little credit, liquidity or market list.

Currency risk

The PCT/Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and Sterling based. The PCT/Trust has no overseas operations. The PCT/Trust therefore has low exposure to currency rate fluctuations.

Interest rate risk
PCTs are not permitted to borrow. The PCT therefore has low exposure to interest-rate fluctuations

Credit Risk

Because the majority of the PCT's income comes from funds voted by Parliament the PCT has low exposure to credit risk.

Liquidity Risk
The PCT is required to operate within limits set by the Secretary of State for the financial year and draws down funds from the Department of Health as the requirement arises. The PCT is not, therefore, exposed to significant liquidity risks.

36.1 Financial Assets	At 'fair value through profit and loss' £000	Loans and receivables £000	Available for sale £000	Total £000
Embedded derivatives	0			**0**
Receivables - NHS		1,277		**1,277**
Receivables - non-NHS		1,816		**1,816**
Cash at bank and in hand		0		**0**
Other financial assets	0	867	0	**867**
Total at 31 March 2013	**0**	**3,960**	**0**	**3,960**
Embedded derivatives	0			0
Receivables - NHS		0		0
Receivables - non-NHS		0		0
Cash at bank and in hand		0		0
Other financial assets	0	868	0	868
Total at 31 March 2012	0	868	0	868

36.2 Financial Liabilities	At 'fair value through profit and loss' £000	Other £000	Total £000
Embedded derivatives	0		**0**
NHS payables		10,743	**10,743**
Non-NHS payables		41,579	**41,579**
Other borrowings		0	**0**
PFI & finance lease obligations		58,103	**58,103**
Other financial liabilities	0	0	**0**
Total at 31 March 2013	**0**	**110,425**	**110,425**
Embedded derivatives	0		0
NHS payables		0	0
Non-NHS payables		0	0
Other borrowings		0	0
PFI & finance lease obligations		58,056	58,056
Other financial liabilities	0	0	0
Total at 31 March 2012	0	58,056	58,056

37 Related party transactions

Leeds Primary Care Trust is a body corporate established by order of the Secretary of State for Health.

During the year the following Board/key management staff of the PCT were also members of medical and dental practices with which the PCT had material transa concerning the provision of medical/dental services and the purchase of healthcare. The total value of payments to these organisations are listed below:

In addition, during the year members of the Board/key management staff held positions with a number of organisations with which the PCT had transactions, in re purchase of healthcare, that require disclosure. The details are also shown below.

	2012/13		2011/12	
	Payments to Related Party	Net amounts owed to/(from) Related Party	Payments to Related Party	Net amounts owed to/(from) Related Party
	£000	£000	£000	£000
Dr S Stockhill - Dr Lawton & Ptnrs	850	(13)	748	60
Dr S Stockhill - Assura Leeds LLP	105	0	146	12
Dr D Riley - Dr Kinghorn & Ptnrs	1,259	(58)	1,081	59
L Pollard - University of Leeds *	467	64	413	78
J Blake - Health for All **			408	8

*to 4 February 2013
**to 2 October 2011

The Department of Health is regarded as a related party. During the year Leeds Primary Care Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department. These entities are listed below:

Leeds Teaching Hospitals NHS Trust
Leeds & York Partnership NHS Foundation Trust
Leeds Community Healthcare NHS Trust
Yorkshire Ambulance Service
Mid Yorkshire Hospitals NHS Trust
Bradford Teaching Hospitals NHS Foundation Trust
Harrogate and District NHS Foundation Trust
Bradford & Airedale PCT
Barnsley PCT

In addition, the Primary Care Trust has had a significant number of material transactions with other Government Departments and other central and local Governm Most of these transactions have been with Leeds City Council.

38 Losses and special payments

The total number of losses cases in 2012-13 and their total value was as follows:

	Total Value of Cases £s	Total Number of Cases
Losses - PCT management costs	17,308	13
Special payments - PCT management costs	339,706	13
Losses in respect of the provision of family practitioner services	0	0
Special payments in respect of he provision of family practitioner services	0	0
Total losses	17,308	13
Total special payments	339,706	13
Total losses and special payments	357,014	26

The total number of losses cases in 2011-12 and their total value was as follows:

	Total Value of Cases £s	Total Number of Cases
Losses - PCT management costs	12,535	32
Special payments - PCT management costs	61,643	20
Losses in respect of the provision of family practitioner services	0	0
Special payments in respect of he provision of family practitioner services	0	0
Total losses	12,535	32
Total special payments	61,643	20
Total losses and special payments	74,178	52

39 Third party assets

The PCT did not hold any third party assets in 2012/13 or 2011/12.

40 Cashflows relating to exceptional items

There were no exceptional items affecting cashflow in 2012/13 or in 2011/12.

41 Events after the end of the reporting period

The main functions carried out by Leeds

Primary Care
NHS England (circa £170.9m revenue value)

Secondary Care and Community Services commissioning, including Continuing Care and GP Prescribing
NHS Leeds North CCG, NHS Leeds South & East CCG and NHS Leeds West CCG (circa £1,139.6m revenue value)

Public Health
Leeds City Council (circa £47.6m revenue value)

Estates
NHS Property Services and Community Health Partnerships Trust (circa £1.2m revenue value)

Net assets and liabilities are due to transfer to the above bodies in accordance with the transfer of functions, in accordance with updated Department of Health guidance issued on 16 May 2013. This exercise is due to be completed on 20 June 2013 and therefore will not be completed prior to the submission deadline for audited accounts. Hence, no values associated with these transfers have been included in the above note.