FOREWORD TO THE ACCOUNTS

NHS KIRKLEES CLINICAL COMMISSIONING GROUP

These accounts for the year ended 31 March 2022 have been prepared by NHS Kirklees Clinical Commissioning Group under the Health and Social Care Act 2012 in the form which the Secretary of State has, with the approval of the Treasury, directed.

NHS Kirklees CCG - Annual Accounts 2021-22

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Statement of Comprehensive Net Expenditure for the year ended 31 March 2022

	Note	2021-22 £'000
Income from sale of goods and services	2	(2,132)
Other operating income	2	-
Total operating income		**(2,132)**
Staff costs	4	10,606
Purchase of goods and services	5	711,164
Depreciation and impairment charges	5	62
Provision expense	5	(266)
Other Operating Expenditure	5	827
Total operating expenditure		**722,393**
Net Operating Expenditure		**720,261**
Finance income		-
Finance expense		-
Net expenditure for the Year		**720,261**
Net (Gain)/Loss on Transfer by Absorption		37,631
Total Net Expenditure for the Financial Year		**757,892**
Other Comprehensive Expenditure		
Items which will not be reclassified to net operating costs		
Net (gain)/loss on revaluation of PPE		-
Net (gain)/loss on revaluation of Intangibles		-
Net (gain)/loss on revaluation of Financial Assets		-
Net (gain)/loss on assets held for sale		-
Actuarial (gain)/loss in pension schemes		-
Impairments and reversals taken to Revaluation Reserve		-
Items that may be reclassified to Net Operating Costs		
Net (gain)/loss on revaluation of other Financial Assets		-
Net gain/loss on revaluation of available for sale financial assets		-
Reclassification adjustment on disposal of available for sale financial assets		-
Sub total		**-**
Comprehensive Expenditure for the year		**757,892**

Statement of Financial Position as at 31 March 2022

	Note	31-March-2022 £'000	01-April-2021 £'000
Non-current assets:			
Property, plant and equipment	13	-	62
Intangible assets	14	-	-
Investment property	15	-	-
Trade and other receivables	17	-	-
Other financial assets	18	-	-
Total non-current assets		-	62
Current assets:			
Inventories	16	-	-
Trade and other receivables	17	2,204	1,782
Other financial assets	18	-	-
Other current assets	19	-	-
Cash and cash equivalents	20	138	208
Total current assets		**2,342**	1,990
Non-current assets held for sale	21	-	-
Total current assets		**2,342**	1,990
Total assets		**2,342**	2,052
Current liabilities			
Trade and other payables	23	(37,320)	(39,417)
Other financial liabilities	24	-	-
Other liabilities	25	-	-
Borrowings	26	-	-
Provisions	30	-	-
Total current liabilities		**(37,320)**	(39,417)
Non-Current Assets plus/less Net Current Assets/Liabilities		**(34,978)**	(37,365)
Non-current liabilities			
Trade and other payables	23	-	-
Other financial liabilities	24	-	-
Other liabilities	25	-	-
Borrowings	26	-	-
Provisions	30	-	(266)
Total non-current liabilities		**-**	(266)
Assets less Liabilities		**(34,978)**	(37,631)
Financed by Taxpayers' Equity			
General fund		(34,978)	(37,631)
Revaluation reserve		-	-
Other reserves		-	-
Charitable Reserves		-	-
Total taxpayers' equity:		**(34,978)**	(37,631)

The notes on pages 5 to 35 form part of this statement

Carol McKenna
Chief Accountable Officer
15th June 2022

Statement of Changes In Taxpayers Equity for the year ended 31 March 2022

	Note	General fund £'000	Revaluation reserve £'000	Other reserves £'000	Total reserves £'000
Changes in taxpayers' equity for 2021-22					
Balance at 01 April 2021		(0)	0	0	**(0)**
Transfer between reserves in respect of assets transferred from closed NHS bodies		0	0	0	**0**
Adjusted NHS Clinical Commissioning Group balance at 31 March 2021		**(0)**	**0**	**0**	**(0)**
Changes in NHS Clinical Commissioning Group taxpayers' equity for 2021-22					
Net operating expenditure for the financial year		(720,261)			**(720,261)**
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**
Total revaluations against revaluation reserve			**0**		**0**
Net gain (loss) on available for sale financial assets		0	0	0	0
Net gain/(loss) on revaluation of other investments and Financial Assets (excluding available for sale financial assets)				0	0
Net gain (loss) on revaluation of assets held for sale		0	0	0	0
Impairments and reversals		0	0	0	0
Net actuarial gain (loss) on pensions		0	0	0	0
Movements in other reserves		0	0	0	0
Transfers between reserves		0	0	0	0
Release of reserves to the Statement of Comprehensive Net Expenditure		0	0	0	0
Reclassification adjustment on disposal of available for sale financial assets		0	0	0	0
Transfers by absorption to (from) other bodies		(37,631)	0	0	(37,631)
Reserves eliminated on dissolution		0	0	0	0
Net Recognised NHS Clinical Commissioning Group Expenditure for the Financial year		**(757,892)**	**0**	**0**	**(757,892)**
Net funding		722,914	0	0	**722,914**
Balance at 31 March 2022		**(34,978)**	**0**	**0**	**(34,978)**

The notes on pages 5 to 34 form part of this statement

Statement of Cash Flows for the year ended 31 March 2022

	Note	2021-22 £'000
Cash Flows from Operating Activities		
Net operating expenditure for the financial year		(720,261)
Depreciation and amortisation	5	62
Impairments and reversals		0
Non-cash movements arising on application of new accounting standards		0
Movement due to transfer by Modified Absorption		0
Other gains (losses) on foreign exchange		0
Donated assets received credited to revenue but non-cash		0
Government granted assets received credited to revenue but non-cash		0
Interest paid		0
Release of PFI deferred credit		0
Other Gains & Losses		0
Finance Costs		0
Unwinding of Discounts		0
(Increase)/decrease in inventories		0
(Increase)/decrease in trade & other receivables	17	(422)
(Increase)/decrease in other current assets		0
Increase/(decrease) in trade & other payables	23	(2,097)
Increase/(decrease) in other current liabilities		0
Provisions utilised		0
Increase/(decrease) in provisions	30	(266)
Net Cash Inflow (Outflow) from Operating Activities		**(722,984)**
Cash Flows from Investing Activities		
Interest received		0
(Payments) for property, plant and equipment		0
(Payments) for intangible assets		0
(Payments) for investments with the Department of Health		0
(Payments) for other financial assets		0
(Payments) for financial assets (LIFT)		0
Proceeds from disposal of assets held for sale: property, plant and equipment		0
Proceeds from disposal of assets held for sale: intangible assets		0
Proceeds from disposal of investments with the Department of Health		0
Proceeds from disposal of other financial assets		0
Proceeds from disposal of financial assets (LIFT)		0
Non-cash movements arising on application of new accounting standards		0
Loans made in respect of LIFT		0
Loans repaid in respect of LIFT		0
Rental revenue		0
Net Cash Inflow (Outflow) from Investing Activities		**0**
Net Cash Inflow (Outflow) before Financing		**(722,984)**
Cash Flows from Financing Activities		
Grant in Aid Funding Received		722,914
Other loans received		0
Other loans repaid		0
Capital grants and other capital receipts		0
Capital receipts surrendered		0
Non-cash movements arising on application of new accounting standards		0
Net Cash Inflow (Outflow) from Financing Activities		**722,914**
Net Increase (Decrease) in Cash & Cash Equivalents	20	**(70)**
Cash & Cash Equivalents at the Beginning of the Financial Year		**0**
Transfer by absorption		208
Effect of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies		0
Cash & Cash Equivalents (including bank overdrafts) at the End of the Financial Year		**138**

The notes on pages 5 to 34 form part of this statement

Notes to the financial statements

1 Accounting Policies

NHS England has directed that the financial statements of clinical commissioning groups shall meet the accounting requirements of the Group Accounting Manual issued by the Department of Health and Social Care. Consequently, the following financial statements have been prepared in accordance with the Group Accounting Manual 2021-22 issued by the Department of Health and Social Care. The accounting policies contained in the Group Accounting Manual follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to clinical commissioning groups, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the Group Accounting Manual permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the clinical commissioning group for the purpose of giving a true and fair view has been selected. The particular policies adopted by the clinical commissioning group are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Going Concern

These accounts have been prepared on a going concern basis.
The Health and Care Act received royal assent on 28 April 2022. The Act allows for the establishment of Integrated Care Boards (ICB) across England and will abolish CCGs. ICBs will take on the commissioning functions of CCGs. As a result the functions, assets and liabilities of the CCG will therefore transfer to NHS West Yorkshire Integrated Care Board.

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

Where a CCG ceases to exist, it considers whether or not its services will continue to be provided (using the same assets, by another public sector entity) in determining whether to use the concept of going concern. If services will continue to be provided the financial statements are prepared on the going concern basis. As the CCG's functions will continue to be delivered by the ICB the CCG has therefore assessed that it remains a going concern as at 31 March 2022.

Therefore Kirklees CCG will cease to exist as a Public Sector entity as at 30 June 2022, and its services will continue to be provided within the newly formed NHS West Yorkshire Health and Care Partnership Integrated Care Board effective from 1 July 2022 (using the same assets as what is expected to be the former Kirklees CCG). Given that the healthcare and associated services will continue within the scope of this new legal entity, the financial statements are therefore prepared on the going concern basis. The statement of financial position (SOFP) has therefore been drawn up at 31 March 2022 on a going concern basis.

1.2 Accounting Convention

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

1.3 Movement of Assets within the Department of Health and Social Care Group

As Public Sector Bodies are deemed to operate under common control, business reconfigurations within the Department of Health and Social Care Group are outside the scope of IFRS 3 Business Combinations. Where functions transfer between two public sector bodies, the Department of Health and Social Care GAM requires the application of absorption accounting. Absorption accounting requires that entities account for their transactions in the period in which they took place, with no restatement of performance required when functions transfer within the public sector. Where assets and liabilities transfer, the gain or loss resulting is recognised in the Statement of Comprehensive Net Expenditure, and is disclosed separately from operating costs.

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

1.4 Pooled Budgets

The clinical commissioning group has entered into three pooled budget arrangements with Kirklees Metropolitan Council and NHS Kirklees Clinical Commissioning Group in accordance with section 75 of the NHS Act 2006. Under the arrangement, funds are pooled for 1/ Community Equipment Service 2/ Better Care Fund and 3/ Healthy Child Programme and Note 35 provides details of the income and expenditure.

The three pooled arrangements are hosted by Kirklees Metropolitan Council. The clinical commissioning group accounts for its share of the assets, liabilities, income and expenditure arising from the activities of the pooled budget, identified in accordance with the pooled budget agreement.

1.5 Operating Segments

Income and expenditure are analysed in the Operating Segments note and are reported in line with management information used within the clinical commissioning group.

Notes to the financial statements

1.6 **Revenue**

In the application of IFRS 15 a number of practical expedients offered in the Standard have been employed. These are as follows:

• As per paragraph 121 of the Standard the clinical commissioning group will not disclose information regarding performance obligations part of a contract that has an original expected duration of one year or less,

• The clinical commissioning group is to similarly not disclose information where revenue is recognised in line with the practical expedient offered in paragraph B16 of the Standard where the right to consideration corresponds directly with value of the performance completed to date.

• The FReM has mandated the exercise of the practical expedient offered in C7(a) of the Standard that requires the clinical commissioning group to reflect the aggregate effect of all contracts modified before the date of initial application.

The main source of funding for the clinical commissioning group is from NHS England. This is drawn down and credited to the general fund. Funding is recognised in the period in which it is received.

Revenue in respect of services provided is recognised when (or as) performance obligations are satisfied by transferring promised services to the customer, and is measured at the amount of the transaction price allocated to that performance obligation.

Where income is received for a specific performance obligation that is to be satisfied in the following year, that income is deferred. Payment terms are standard reflecting cross government principles.

The value of the benefit received when the clinical commissioning group accesses funds from the Government's apprenticeship service are recognised as income in accordance with IAS 20, Accounting for Government Grants. Where these funds are paid directly to an accredited training provider, non-cash income and a corresponding non-cash training expense are recognised, both equal to the cost of the training funded.

1.7 **Employee Benefits**

1.7.1 **Short-term Employee Benefits**

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

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

1.7.2 **Retirement Benefit Costs**

Past and present employees are covered by the provisions of the NHS Pensions Schemes. These schemes are unfunded, defined benefit schemes that cover NHS employers, General Practices and other bodies allowed under the direction of the Secretary of State in England and Wales. The schemes are 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 schemes are accounted for as if they were a defined contribution scheme; the cost recognised in these accounts represents the contributions payable for the year. Details of the benefits payable under these provisions can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the clinical commissioning group commits itself to the retirement, regardless of the method of payment.

The schemes are subject to a full actuarial valuation every four years and an accounting valuation every year.

1.8 **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.

1.9 **Grants Payable**

Where grant funding is not intended to be directly related to activity undertaken by a grant recipient in a specific period, the clinical commissioning group recognises the expenditure in the period in which the grant is paid. All other grants are accounted for on an accruals basis.

1.10 **Property, Plant & Equipment**

1.10.1 **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 clinical commissioning group;

· 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 a 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.

1.10.2 **Measurement**

All property, plant and equipment is 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.

Assets that are held for their service potential and are in use are measured subsequently at their current value in existing use. Assets that were most recently held for their service potential but are surplus are measured at fair value where there are no restrictions preventing access to the market at the reporting date.

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. Current values in existing use are determined as follows:

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

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 re-valued and depreciation commences when they are brought into use.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful economic lives or low values or both, as this is not considered to be materially different from current value in existing use.

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 taken to expenditure. Gains and losses recognised in the revaluation reserve are reported as other comprehensive income in the Statement of Comprehensive Net Expenditure.

1.10.3 **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.

1.11 **Intangible Assets**

1.11.1 **Recognition**

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the clinical commissioning group'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 clinical commissioning group;
- Where the cost of the asset can be measured reliably; and,
- Where the cost is at least £5,000.

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 but 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; and,
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

1.11.2 **Measurement**

Intangible assets acquired separately are initially recognised at cost. 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 current value in existing use by reference to an active market, or, where no active market exists, at the lower of amortised replacement cost or the value in use where the asset is income generating. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances. Revaluations and impairments are treated in the same manner as for property, plant and equipment.

1.11.3 **Depreciation, Amortisation & 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 clinical commissioning group expects to obtain economic benefits or service potential from the asset. This is specific to the clinical commissioning group 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 the shorter of the lease term and the estimated useful life, unless NHS Kirklees CCG expects to acquire the asset at the end of the lease term, in which case the asset is depreciated in the same manner as for owned assets.

At each reporting period end, the clinical commissioning group checks whether there is any indication that any of its property, plant and equipment assets 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.

1.12 **Donated Assets**

Donated non-current assets are capitalised at current value in existing use, if they will be held for their service potential, or otherwise at 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 treated in the same way as for purchased assets. Deferred income is recognised only where conditions attached to the donation preclude immediate recognition of the gain.

1.13 **Government grant funded assets**

Government grant funded assets are capitalised at current value in existing use, if they will be held for their service potential, or otherwise at fair value on receipt, with a matching credit to income. Deferred income is recognised only where conditions attached to the grant preclude immediate recognition of the gain.

1.14 **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 on the revaluation reserve is transferred to the general reserve.
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.

1.15 **Leases**

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

1.16.1 **The Clinical Commissioning Group as Lessee**

Property, plant and equipment held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate on interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Comprehensive Net Expenditure.
Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.
Contingent rentals are recognised as an expense in the period in which they are incurred.
Where a lease is for land and buildings, the land and building components are separated and individually assessed as to whether they are operating or finance leases.

1.16.2 **The Clinical Commissioning Group as Lessor**

Amounts due from lessees under finance leases are recorded as receivables at the amount of the clinical commissioning group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the clinical commissioning group's net investment outstanding in respect of the leases.
Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

1.17 **Private Finance Initiative Transactions**

PFI transactions that meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as 'on-Statement of Financial Position' by the clinical commissioning group. In accordance with IAS 17, the underlying assets are recognised as property, plant and equipment, together with an equivalent finance lease liability.

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

- payment for the fair value of services received
- repayment of the finance lease liability, including finance costs, and
- payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

1.18.1 **Services Received**

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

1.18.2 **PFI Asset**

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 IAS17. Subsequently, the assets are measured at current value in existing use.

1.18.3 **PFI Liability**

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.

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.

1.18.4 **Lifecycle Replacement**

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

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.

1.18.5 **Assets Contributed by the Clinical Commissioning Group 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 clinical commissioning group's Statement of Financial Position.

1.18.6 **Other Assets Contributed by the Clinical Commissioning Group to the Operator**

Assets contributed (e.g. cash payments, surplus property) by the clinical commissioning group 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 clinical commissioning group, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured at the present value of the minimum lease payments, discounted using the implicit interest rate. It is subsequently measured as a finance lease liability in accordance with IAS 17.

On initial recognition of the asset, the difference between the fair value of the asset and the initial liability is recognised as deferred income, representing the future service potential to be received by the clinical commissioning group through the asset being made available to third party users.

The balance is subsequently released to operating income over the life of the concession on a straight-line basis.

On initial recognition of the asset, an equivalent deferred income balance is recognised, representing the future service potential to be received by the NHS Kirklees Clinical Commissioning Group through the asset being made available to third party users.

The balance is subsequently released to operating income over the life of the concession on a straight-line basis.

1.19 **Inventories**

Inventories are valued at the lower of cost and net realisable value.

1.20 **Cash & Cash Equivalents**

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

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

Notes to the financial statements

1.21 **Provisions**

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

All general provisions are subject to four separate discount rates according to the expected timing of cashflows from the Statement of Financial Position date:
• A nominal short-term rate of 0.47% (2020-21: -0.02%) for inflation adjusted expected cash flows up to and including 5 years from Statement of Financial Position date.
• A nominal medium-term rate of 0.70% (2020-21: 0.18%) for inflation adjusted expected cash flows over 5 years up to and including 10 years from the Statement of Financial Position date.
• A nominal long-term rate of 0.95% (2020-21 1.99%) for inflation adjusted expected cash flows over 10 years and up to and including 40 years from the Statement of Financial Position date.
• A nominal very long-term rate of 0.66% (2020-21: 1.99%) for inflation adjusted expected cash flows exceeding 40 years from the Statement of Financial Position date.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.
A restructuring provision is recognised when the clinical commissioning group has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with on-going activities of the entity.

1.22 **Clinical Negligence Costs**

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

1.23 **Non-clinical Risk Pooling**

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

Continuing healthcare risk pooling

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

1.24 **Carbon Reduction Commitment Scheme**

The Carbon Reduction Commitment scheme is a mandatory cap and trade scheme for non-transport CO_2 emissions. The NHS Kirklees CCG is registered with the CRC scheme, and is therefore required to surrender to the Government an allowance for every tonne of CO_2 it emits during the financial year. A liability and related expense is recognised in respect of this obligation as CO_2 emissions are made.
The carrying amount of the liability at the financial year end will therefore reflect the CO2 emissions that have been made during that financial year, less the allowances (if any) surrendered voluntarily during the financial year in respect of that financial year.

The liability will be measured at the amount expected to be incurred in settling the obligation. This will be the cost of the number of allowances required to settle the obligation.

Allowances acquired under the scheme are recognised as intangible assets.

1.25 **Contingent liabilities and contingent assets**

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the clinical commissioning group, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.
A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the clinical commissioning group. A contingent asset is disclosed where an inflow of economic benefits is probable.
Where the time value of money is material, contingent liabilities and contingent assets are disclosed at their present value.

1.26 **Financial Assets**

Financial assets are recognised when the clinical commissioning group becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are de-recognised when the contractual rights have expired or the asset has been transferred.

Financial assets are classified into the following categories:

- Financial assets at amortised cost;
- Financial assets at fair value through other comprehensive income and;
- Financial assets at fair value through profit and loss.

The classification is determined by the cash flow and business model characteristics of the financial assets, as set out in IFRS 9, and is determined at the time of initial recognition.

1.27.1 **Financial Assets at Amortised cost**

Financial assets measured at amortised cost are those held within a business model whose objective is achieved by collecting contractual cash flows and where the cash flows are solely payments of principal and interest. This includes most trade receivables and other simple debt instruments. After initial recognition these financial assets are measured at amortised cost using the effective interest method less any impairment. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the life of the financial asset to the gross carrying amount of the financial asset.

1.27.2 **Financial assets at fair value through other comprehensive income**

Financial assets held at fair value through other comprehensive income are those held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and where the cash flows are solely payments of principal and interest.

1.27.3 **Financial assets at fair value through profit and loss**

Financial assets measure at fair value through profit and loss are those that are not otherwise measured at amortised cost or fair value through other comprehensive income. This includes derivatives and financial assets acquired principally for the purpose of selling in the short term.

1.27.4 **Impairment**

For all financial assets measured at amortised cost or at fair value through other comprehensive income (except equity instruments designated at fair value through other comprehensive income), lease receivables and contract assets, the clinical commissioning group recognises a loss allowance representing the expected credit losses on the financial asset.

The clinical commissioning group adopts the simplified approach to impairment in accordance with IFRS 9, and measures the loss allowance for trade receivables, lease receivables and contract assets at an amount equal to lifetime expected credit losses. For other financial assets, the loss allowance is measured at an amount equal to lifetime expected credit losses if the credit risk on the financial instrument has increased significantly since initial recognition (stage 2) and otherwise at an amount equal to 12 month expected credit losses (stage 1).

HM Treasury has ruled that central government bodies may not recognise stage 1 or stage 2 impairments against other government departments, their executive agencies, the Bank of England, Exchequer Funds and Exchequer Funds assets where repayment is ensured by primary legislation. The clinical commissioning group therefore does not recognise loss allowances for stage 1 or stage 2 impairments against these bodies. Additionally Department of Health and Social Care provides a guarantee of last resort against the debts of its arm's lengths bodies and NHS bodies and the clinical commissioning group does not recognise allowances for stage 1 or stage 2 impairments against these bodies.

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

1.28 **Financial Liabilities**

Financial liabilities are recognised on the statement of financial position when the clinical commissioning group becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

1.28.1 **Financial Guarantee Contract Liabilities**

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

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

1.28.2 **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 clinical commissioning group's surplus/deficit. The net gain or loss incorporates any interest payable on the financial liability.

1.28.3 **Other Financial Liabilities**

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method, except for loans from Department of Health and Social Care, which are carried at historic cost. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

Notes to the financial statements

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

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

1.31 **Third Party Assets**
Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the clinical commissioning group has no beneficial interest in them.

1.32 **Losses & Special Payments**
Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled.
Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the clinical commissioning group not been bearing its own risks (with insurance premiums then being included as normal revenue expenditure).

1.33 **Critical accounting judgements and key sources of estimation uncertainty**
In the application of the clinical commissioning group's accounting policies, management is required to make various judgements, estimates and assumptions. These are regularly reviewed.

1.33.1 **Critical accounting judgements in applying accounting policies**
There are no judgements, apart from those involving estimations, that management is required to make various judgements, estimates and assumptions. There are regularly reviewed.

1.33.2 **Sources of estimation uncertainty**
The clinical commissioning group has made an estimate for prescribing accrual based on the latest available NHS Business Service Authority information.

1.34 **Gifts**
Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

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

The Department of Health and Social Care GAM does not require the following IFRS Standards and Interpretations to be applied in 2021-22. These Standards are still subject to HM Treasury FReM adoption, with IFRS 16 being for implementation in 2022/23, and the government implementation date for IFRS 17 still subject to HM Treasury consideration.

● IFRS 16 Leases – IFRS 16 Leases has been deferred until 1 April 2022, but CCGs will still need to provide adequate disclosure on the impact of the new standard. HM Treasury have issued application guidance which will assist entities in assessing the impact and this can be found at IFRS_16_Application_Guidance_December_2020.pdf (publishing.service.gov.uk).

IFRS 16 Leases will replace IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease and other interpretations and is applicable in the public sector for periods beginning 1 April 2022. The standard provides a single accounting model for lessees, recognising a right of use asset and obligation in the statement of financial position for most leases: some leases are exempt through application of practical expedients explained below. For those recognised in the statement of financial position the standard also requires the remeasurement of lease liabilities in specific circumstances after the commencement of the lease term. For lessors, the distinction between operating and finance leases will remain and the accounting will be largely unchanged.

IFRS 16 changes the definition of a lease compared to IAS 17 and IFRIC 4. The clinical commissioning group will apply this definition to new leases only and will grandfather its assessments made under the old standards of whether existing contracts contain a lease.

On transition to IFRS 16 on 1 April 2022, the clinical commissioning group will apply the standard retrospectively without restatement and with the cumulative effect of initially applying the standard recognised in the income and expenditure reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted on transition at the clinical commissioning group's incremental borrowing rate. The clinical commissioning group's incremental borrowing rate will be a rate defined by HM Treasury. For 2022, this rate is 0.95%. The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments. No adjustments will be made on 1 April 2022 for existing finance leases.

For leases commencing in 2022/23, the clinical commissioning group will not recognise a right of use asset or lease liability for short term leases (less than or equal to 12 months) or for leases of low value assets (less than £5,000). Right of use assets will be subsequently measured on a basis consistent with owned assets and depreciated over the length of the lease term.

Upon transition to IFRS 16, from 2022-23 the clinical commissioning group has quantified the impact of IFRS 16 on the financial statements to be immaterial. The value of assets and liabilities to be recognised in respect of this standard will be approx £0.2m.

● IFRS 17 Insurance Contracts – Application required for accounting periods beginning on or after 1 January 2021. Standard is not yet adopted by the FReM which is expected to be April 2023: early adoption is not therefore permitted.

1.36 Small rounding adjustments have been made in these published accounts for the clinical commissioning group.

2 Other Operating Revenue

Income from sale of goods and services (contracts)	2021-22 Total £'000
Education, training and research	-
Non-patient care services to other bodies	1,120
Patient transport services	-
Prescription fees and charges	-
Dental fees and charges	-
Income generation	-
Other Contract income	284
Recoveries in respect of employee benefits	728
Total Income from sale of goods and services	**2,132**
Other operating income	
Rental revenue from finance leases	-
Rental revenue from operating leases	-
Charitable and other contributions to revenue expenditure: NHS	-
Charitable and other contributions to revenue expenditure: non-NHS	-
Receipt of donations (capital/cash)	-
Receipt of Government grants for capital acquisitions	-
Continuing Health Care risk pool contributions	-
Non cash apprenticeship training grants revenue	-
Other non contract revenue	-
Total Other operating income	**-**
Total Operating Income	**2,132**

3 Revenue

3.1 Disaggregation of Income - Income from sale of good and services (contracts)

	Education, training and research	Non-patient care services to other bodies	Patient transport services	Prescription fees and charges	Dental fees and charges	Income generation	Other Contract income	Recoveries in respect of employee benefits
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Source of Revenue								
NHS	-	1,081	-	-	-	-	28	668
Non NHS	-	39	-	-	-	-	256	60
Total	**-**	**1,120**	**-**	**-**	**-**	**-**	**284**	**728**

	Education, training and research	Non-patient care services to other bodies	Patient transport services	Prescription fees and charges	Dental fees and charges	Income generation	Other Contract income	Recoveries in respect of employee benefits
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Timing of Revenue								
Point in time	-	1,120	-	-	-	-	284	728
Over time	-	-	-	-	-	-	-	-
Total	**-**	**1,120**	**-**	**-**	**-**	**-**	**284**	**728**

4. Employee benefits and staff numbers

4.1.1 Employee benefits

	Total		2021-22
	Permanent Employees £'000	Other £'000	Total £'000
Employee Benefits			
Salaries and wages	**7,642**	**626**	**8,268**
Social security costs	**817**	**-**	**817**
Employer Contributions to NHS Pension scheme	**1,508**	**-**	**1,508**
Other pension costs	**-**	**-**	**-**
Apprenticeship Levy	**12**	**-**	**12**
Other post-employment benefits	**-**	**-**	**-**
Other employment benefits	**-**	**-**	**-**
Termination benefits	**-**	**-**	**-**
Gross employee benefits expenditure	9,979	626	10,605
Less recoveries in respect of employee benefits (note 4.1.2)	**(727)**	**-**	**(727)**
Total - Net admin employee benefits including capitalised costs	9,252	626	9,878
Less: Employee costs capitalised	**-**	**-**	**-**
Net employee benefits excluding capitalised costs	9,252	626	9,878

4.1.2 Recoveries in respect of employee benefits

			2021-22
	Permanent Employees £'000	Other £'000	Total £'000
Employee Benefits - Revenue			
Salaries and wages	**(611)**	**-**	**(611)**
Social security costs	**(54)**	**-**	**(54)**
Employer contributions to the NHS Pension Scheme	**(62)**	**-**	**(62)**
Other pension costs	**-**	**-**	**-**
Other post-employment benefits	**-**	**-**	**-**
Other employment benefits	**-**	**-**	**-**
Termination benefits	**-**	**-**	**-**
Total recoveries in respect of employee benefits	(727)	-	(727)

4.2 Average number of people employed

	2021-22		
	Permanently employed Number	Other Number	Total Number
Total	**158.83**	**8.50**	**167.33**
Of the above:			
Number of whole time equivalent people engaged on capital projects	**-**	**-**	**-**

4.3 Staff sickness absence and ill health retirements

This note has been removed from the accounts and is now included in the Annual Report.

4.4 Exit packages agreed in the financial year

There have been no exit packages agreed during financial year 2021-22.

4.5 Pension costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are 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, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions.

These schemes are unfunded, defined benefit schemes that cover NHS employers, General Practices and other bodies allowed under the direction of the Secretary of State in England and Wales. The schemes are 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 schemes are accounted for as though they were defined contribution schemes: the cost to the clinical commissioning group of participating in a scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The schemes are subject to a full actuarial valuation every four years and an accounting valuation every year.

The employer contribution rate for NHS Pensions increased from 14.3% to 20.6% from 1st April 2019. From 2019/20, NHS CCGs continued to pay over contributions at the former rate with the additional amount being paid by NHS England on CCGs behalf. The full cost and related funding has been recognised in these accounts.

4.5.1 Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2022, is based on valuation data as 31 March 2021, updated to 31 March 2022 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 report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

4.5.2 Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay.

The 2016 funding valuation also tested the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. There was initially a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

HMT published valuation directions dated 7 October 2021 (see Amending Directions 2021) that set out the technical detail of how the costs of remedy are included in the 2016 valuation process. Following these directions, the scheme actuary has completed the cost control element of the 2016 valuation for the NHS Pension Scheme, which concludes no changes to benefits or member contributions are required. The 2016 valuation reports can be found on the NHS Pensions website at https://www.nhsbsa.nhs.uk/nhs-pension-scheme-accounts-and-valuation-reports.

5. Operating expenses	2021-22 Total £'000
Purchase of goods and services	
Services from other CCGs and NHS England	1,957
Services from foundation trusts	219,714
Services from other NHS trusts	169,934
Provider Sustainability Fund	-
Services from Other WGA bodies	-
Purchase of healthcare from non-NHS bodies	166,076
Purchase of social care	-
General Dental services and personal dental services	-
Prescribing costs	73,867
Pharmaceutical services	-
General Ophthalmic services	531
GPMS/APMS and PCTMS	73,809
Supplies and services – clinical	549
Supplies and services – general	804
Consultancy services	180
Establishment	935
Transport	0
Premises	2,455
Audit fees	84
Other non statutory audit expenditure	
· Internal audit services	-
· Other services	6
Other professional fees	116
Legal fees	129
Education, training and conferences	18
Total Purchase of goods and services	**711,164**
Depreciation and impairment charges	
Depreciation	62
Amortisation	-
Impairments and reversals of property, plant and equipment	-
Impairments and reversals of intangible assets	-
Impairments and reversals of financial assets	-
Impairments and reversals of non-current assets held for sale	-
Impairments and reversals of investment properties	-
Total Depreciation and impairment charges	**62**
Provision expense	
Change in discount rate	-
Provisions	(266)
Total Provision expense	**(266)**
Other Operating Expenditure	
Chair and Non Executive Members	634
Research and development (excluding staff costs)	63
Expected credit loss on receivables	34
Other expenditure	96
Total Other Operating Expenditure	**827**
Total operating expenditure	**711,787**

6.1 Better Payment Practice Code

Measure of compliance	2021-22 Number	2021-22 £'000
Non-NHS Payables		
Total Non-NHS Trade invoices paid in the Year	14,730	267,552
Total Non-NHS Trade Invoices paid within target	14,360	261,372
Percentage of Non-NHS Trade invoices paid within target	**97.49%**	**97.69%**
NHS Payables		
Total NHS Trade Invoices Paid in the Year	411	392,836
Total NHS Trade Invoices Paid within target	401	392,241
Percentage of NHS Trade Invoices paid within target	**97.57%**	**99.85%**

6.2 The Late Payment of Commercial Debts (Interest) Act 1998
The Clinical Commissioning Group has not made any payments under this legislation.

7 Income Generation Activities
The Clinical Commissioning Group does not undertake income generation activities.

8. Investment revenue
The Clinical Commissioning Group does not undertake income generation activities.

9. Other gains and losses
The Clinical Commissioning Group has had no other gains and losses.

10.1 Finance costs
The Clinical Commissioning Group has had no finance costs during the period.

10.2 Finance income
The Clinical Commissioning Group has had no finance income during the period.

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

On 1 April 2021 North Kirklees and Greater Huddersfield Clinical Commissioning Group ceased to exist and Kirklees Clinical Commissioning Group was established.

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

	North Kirklees CCG	Greater Huddersfield CCG	Total
	£'000	£'000	£'000
Transfer of property plant and equipment	29	33	62
Transfer of intangibles	-	-	-
Transfer of cash and cash equivalents	43	165	208
Transfer of receivables	1,073	709	1,782
Transfer of payables	(16,187)	(23,230)	(39,417)
Transfer of provisions	(93)	(173)	(266)
Net loss on transfers by absorption	**(15,135)**	**(22,496)**	**(37,631)**

As NHS Kirklees CCG is the recipient in the transfer of a function, it has recognised the assets and liabilities received as at the date of transfer. These balances are disclosed within the Statement of Financial Position and accompanying notes as at 1 April

12. Operating Leases

12.1 As lessee

12.1.1 Payments recognised as an Expense

	Land	Buildings	Other	2021-22 Total
	£'000	£'000	£'000	£'000
Payments recognised as an expense				
Minimum lease payments	-	82	16	**98**
Contingent rents	-	-	-	**-**
Sub-lease payments	-	-	-	**-**
Total	**-**	**82**	**16**	**98**

12.1.2 Future minimum lease payments

	Land	Buildings	Other	2021-22 Total
	£'000	£'000	£'000	£'000
Payable:				
No later than one year	-	82	13	**95**
Between one and five years	-	130	26	**156**
After five years	-	-	-	**-**
Total	**-**	**212**	**39**	**251**

13 Property, plant and equipment

2021-22	Land £'000	Buildings excluding dwellings £'000	Dwellings £'000	Assets under construction and payments on account £'000	Plant & machinery £'000	Transport equipment £'000	Information technology £'000	Furniture & fittings £'000	Total £'000
Cost or valuation at 01 April 2021	-	-	-	-	-	-	241	40	281
Addition of assets under construction and payments on account				-					-
Additions purchased	-	-	-	-	-	-	-	-	-
Additions donated	-	-	-	-	-	-	-	-	-
Additions government granted	-	-	-	-	-	-	-	-	-
Additions leased	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-
Reclassified as held for sale and reversals	-	-	-	-	-	-	-	-	-
Disposals other than by sale	-	-	-	-	-	-	-	-	-
Upward revaluation gains	-	-	-	-	-	-	-	-	-
Impairments charged	-	-	-	-	-	-	-	-	-
Reversal of impairments	-	-	-	-	-	-	-	-	-
Transfer (to)/from other public sector body	-	-	-	-	-	-	-	-	-
Cumulative depreciation adjustment following revaluation	-	-	-	-	-	-	-	-	-
Cost/Valuation at 31 March 2022	**-**	**-**	**-**	**-**	**-**	**-**	**241**	**40**	**281**
Depreciation 01 April 2021	-	-	-	-	-	-	179	40	219
Reclassifications	-	-	-	-	-	-	-	-	-
Reclassified as held for sale and reversals	-	-	-	-	-	-	-	-	-
Disposals other than by sale	-	-	-	-	-	-	0	-	0
Upward revaluation gains	-	-	-	-	-	-	-	-	-
Impairments charged	-	-	-	-	-	-	-	-	-
Reversal of impairments	-	-	-	-	-	-	-	-	-
Charged during the year	-	-	-	-	-	-	62	-	62
Transfer (to)/from other public sector body	-	-	-	-	-	-	-	-	-
Cumulative depreciation adjustment following revaluation	-	-	-	-	-	-	-	-	-
Depreciation at 31 March 2022	**-**	**-**	**-**	**-**	**-**	**-**	**241**	**40**	**281**
Net Book Value at 31 March 2022	**-**	**-**	**-**	**-**	**-**	**-**	**0**	**-**	**0**
Purchased	-	-	-	-	-	-	0	-	0
Donated	-	-	-	-	-	-	-	-	-
Government Granted	-	-	-	-	-	-	-	-	-
Total at 31 March 2022	**-**	**-**	**-**	**-**	**-**	**-**	**0**	**-**	**0**
Asset financing:									
Owned	-	-	-	-	-	-	0	-	0
Held on finance lease	-	-	-	-	-	-	-	-	-
On-SOFP Lift contracts	-	-	-	-	-	-	-	-	-
PFI residual: interests	-	-	-	-	-	-	-	-	-
Total at 31 March 2022	**-**	**-**	**-**	**-**	**-**	**-**	**0**	**-**	**0**

13 Property, plant and equipment cont'd

13.1 Additions to assets under construction
The Clinical Commissioning Group has no assets under construction as at 31st March 2022, (01 April 2021:Nil).

13.2 Donated assets
The Clinical Commissioning Group has no donated assets as at 31st March 2022, (01 April 2021:Nil).

13.3 Government granted assets
The Clinical Commissioning Group has no government granted assets as at 31st March 2022, (01 April 2021:Nil).

13.4 Property revaluation
The Clinical Commissioning Group has had no property revaluations during the period, (01 April 2021:Nil).

13.5 Compensation from third parties
The Clinical Commissioning Group has not received any compensation from third parties for assets impaired during the period, (01 April 2021:Nil).

13.6 Write downs to recoverable amount
No assets have been written down to recoverable amounts during the period, (01 April 2021:Nil).

13.7 Temporarily idle assets
The Clinical Commissioning Group has no temporarily idle assets as at 31st March 2022, (01 April 2021:Nil).

13.8 Cost or valuation of fully depreciated assets

The cost or valuation of fully depreciated assets still in use was as follows:

	2021-22 £'000	2020-21 £'000
Land	-	-
Buildings excluding dwellings	-	-
Dwellings	-	-
Plant & machinery	-	-
Transport equipment	-	-
Information technology	148	148
Furniture & fittings	40	40
Total	**188**	**188**

13.9 Economic lives

	Minimum Life (years)	**Maximum Life (Years)**
Buildings excluding dwellings	0	0
Dwellings	0	0
Plant & machinery	0	0
Transport equipment	0	0
Information technology	3	3
Furniture & fittings	0	0

14 Intangible non-current assets
The Clinical Commissioning Group has no intangible current assets as at 31st March 2022, (01 April 2021:Nil).

14.1 Donated assets
The Clinical Commissioning Group has no donated assets as at 31st March 2022, (01 April 2021:Nil).

14.2 Government granted assets
The Clinical Commissioning Group has no government granted assets as at 31st March 2022, (01 April 2021:Nil).

14.3 Revaluation
The Clinical Commissioning Group has no revalued assets as at 31st March 2022, (01 April 2021:Nil).

14.4 Compensation from third parties
The Clinical Commissioning Group has not received any compensation from third parties as at 31st March 2022, (01 April 2021:Nil).

14.5 Write downs to recoverable amount
The Clinical Commissioning Group has had no write downs to recoverable amount as at 31st March 2022, (01 April

14.6 Non-capitalised assets
The Clinical Commissioning Group has no non-capitalised assets as at 31st March 2022, (01 April 2021:Nil).

14.7 Temporarily idle assets
The Clinical Commissioning Group has no temporary idle assets as at 31st March 2022, (01 April 2021:Nil).

14.8 Cost or valuation of fully amortised assets
The Clinical Commissioning Group has no temporary idle assets as at 31st March 2022, (01 April 2021:Nil).

15 Investment property
The Clinical Commissioning Group has no investment property as at 31st March 2022, (01 April 2021:Nil).

16 Inventories
The Clinical Commissioning Group has no inventories as at 31st March 2022, (01 April 2021:Nil).

17.1 Trade and other receivables

	Current 2021-22 £'000	**Non-current 2021-22 £'000**	Current 01-April-2021 £'000	Non-current 01-April-2021 £'000
NHS receivables: Revenue	944	-	712	-
NHS receivables: Capital	-	-	-	-
NHS prepayments	-	-	4	-
NHS accrued income	113	-	-	-
NHS Contract Receivable not yet invoiced/non-invoice	-	-	-	-
NHS Non Contract trade receivable (i.e. pass through funding)	-	-	-	-
NHS Contract Assets	-	-	-	-
Non-NHS and Other WGA receivables: Revenue	789	-	615	-
Non-NHS and Other WGA receivables: Capital	-	-	-	-
Non-NHS and Other WGA prepayments	169	-	86	-
Non-NHS and Other WGA accrued income	116	-	279	-
Non-NHS and Other WGA Contract Receivable not yet invoiced/non-invoice	-	-	-	-
Non-NHS and Other WGA Non Contract trade receivable (i.e. pass through funding)	-	-	-	-
Non-NHS Contract Assets	-	-	-	-
Expected credit loss allowance-receivables	-	-	-	-
VAT	71	-	85	-
Private finance initiative and other public private partnership arrangement prepayments and accrued income	-	-	-	-
Interest receivables	-	-	-	-
Finance lease receivables	-	-	-	-
Operating lease receivables	-	-	-	-
Other receivables and accruals	2	-	1	-
Total Trade & other receivables	**2,204**	**-**	**1,782**	**-**
Total current and non current	**2,204**		**1,782**	
Included above:				
Prepaid pensions contributions	-		-	

17.2 Receivables past their due date but not impaired

	2021-22 DHSC Group Bodies £'000	**2021-22 Non DHSC Group Bodies £'000**	01-April-2021 DHSC Group Bodies £'000	01-April-2021 Non DHSC Group Bodies £'000
By up to three months	1,200	524	774	488
By three to six months	-	5	-	-
By more than six months	4	-	-	66
Total	**1,204**	**529**	**774**	**554**

£1,032k of the above amount has been subsequently recovered post the statement of financial position date.

The Clinical Commissioning Group did not hold any collateral against receivables outstanding at 31st March 2022.

18 Other financial assets

The Clinical Commissioning Group has no other financial assets as at 31st March 2022, (01 April 2021:Nil).

19 Other current assets

The Clinical Commissioning Group has no other current assets as at 31st March 2022, (01 April 2021:Nil).

20 Cash and cash equivalents

	2021-22 £'000
Balance at 01 April 2021	-
Transfer by Absorption	208
Net change in year	(70)
Balance at 31 March 2022	**138**
Made up of:	
Cash with the Government Banking Service	137
Cash with Commercial banks	-
Cash in hand	1
Current investments	-
Cash and cash equivalents as in statement of financial positio	**138**
Bank overdraft: Government Banking Service	-
Bank overdraft: Commercial banks	-
Total bank overdrafts	**-**
Balance at 31 March 2022	**138**

The Clinical Commissioning Group does not hold patient's monies.

21 Non-current assets held for sale

The Clinical Commissioning Group does not have any non current assets held for sale, (01 April 2021:Nil).

22 Analysis of impairments and reversals

The Clinical Commissioning Group has had no impairment or reversal of impairments on any of its assets during the period, (01 April 2021:Nil).

23 Trade and other payables	**Current 2021-22 £'000**	**Non-current 2021-22 £'000**	Current 01-April-2021 £'000	Non-current 01-April-2021 £'000
Interest payable	-	-	-	-
NHS payables: Revenue	913	-	178	-
NHS payables: Capital	-	-	-	-
NHS accruals	1,088	-	673	-
NHS deferred income	-	-	-	-
NHS Contract Liabilities	-	-	-	-
Non-NHS and Other WGA payables: Revenue	7,407	-	3,422	-
Non-NHS and Other WGA payables: Capital	-	-	-	-
Non-NHS and Other WGA accruals	26,884	-	34,290	-
Non-NHS and Other WGA deferred income	-	-	-	-
Non-NHS Contract Liabilities	-	-	-	-
Social security costs	125	-	128	-
VAT	-	-	-	-
Tax	104	-	126	-
Payments received on account	-	-	-	-
Other payables and accruals	799	-	600	-
Total Trade & Other Payables	**37,320**	**-**	**39,417**	**-**
Total current and non-current	**37,320**		**39,417**	

Other payables include £493k outstanding pension contributions at 31 March 2022; (01 April 2021: £496k).

24 Other financial liabilities
The Clinical Commissioning Group has no financial liabilities as at 31st March 2022, (01 April 2021:Nil).

25 Other liabilities
The Clinical Commissioning Group has no other liabilities as at 31st March 2022, (01 April 2021:Nil).

26 Borrowings
The Clinical Commissioning Group has no borrowings as at 31st March 2022, (01 April 2021:Nil).

27 Private finance initiative, LIFT and other service concession arrangements
The Clinical Commissioning Group has no private finance initiative, LIFT or service concession arrangements as at 31st March 2022, (01 April 2021:Nil).

28 Finance lease obligations
The Clinical Commissioning Group has no finance lease obligations as at 31st March 2022, (01 April 2021:Nil).

29 Finance lease receivables
The Clinical Commissioning Group has no finance lease receivables as at 31st March 2022, (01 April 2021:Nil).

30 Provisions

	Current 2021-22 £'000	**Non-current 2021-22 £'000**	Current 01-April-2021 £'000	Non-current 01-April-2021 £'000
Pensions relating to former directors	-	-	-	-
Pensions relating to other staff	-	-	-	-
Restructuring	-	-	-	-
Redundancy	-	-	-	-
Agenda for change	-	-	-	-
Equal pay	-	-	-	-
Legal claims	-	-	-	-
Continuing care	-	-	-	-
Other	-	-	-	266
Total	**-**	**-**	**-**	**266**
Total current and non-current	**-**		**266**	

	Pensions Relating to Former Directors £'000	**Pensions Relating to Other Staff £'000**	**Restructuring £'000**	**Redundancy £'000**	**Agenda for Change £'000**	**Equal Pay £'000**	**Legal Claims £'000**	**Continuing Care £'000**	**Other £'000**	**Total £'000**
Balance at 01 April 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**266**	**266**
Arising during the year	-	-	-	-	-	-	-	-	-	**-**
Utilised during the year	-	-	-	-	-	-	-	-	-	**-**
Reversed unused	-	-	-	-	-	-	-	-	(266)	**(266)**
Unwinding of discount	-	-	-	-	-	-	-	-	-	**-**
Change in discount rate	-	-	-	-	-	-	-	-	-	**-**
Transfer (to) from other public sector body	-	-	-	-	-	-	-	-	-	**-**
Transfer (to) from other public sector body under absorption	-	-	-	-	-	-	-	-	-	**-**
Balance at 31 March 2022	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Expected timing of cash flows:										
Within one year	-	-	-	-	-	-	-	-	-	**-**
Between one and five years	-	-	-	-	-	-	-	-	-	**-**
After five years	-	-	-	-	-	-	-	-	-	**-**
Balance at 31 March 2022	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

31 Contingencies

31.1 Contingent Liabilities
The Clinical Commissioning Group has recognised a contingent liabilities as at 31st March 2022. This is in respect of VAT attributable to wheelchair contract held by an independent provider. To date this contingent liability is estimated to be approximately £0.5m, (01 April

31.2 Contingent Assets
The Clinical Commissioning Group has no financial assets as at 31st March 2022, (01 April 2021:Nil).

32 Commitments

32.1 Capital commitments
The Clinical Commissioning Group has no outstanding capital commitments as at 31st March 2022, (01 April 2021:Nil).

32.2 Other financial commitments
The Clinical Commissioning Group has not entered into any non cancellable contracts as at 31st March 2022, (01 April 2021:Nil).

33 Financial instruments

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

Because NHS clinical commissioning group is financed through parliamentary funding, it is not exposed to the degree of financial risk faced by business entities. Also, financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The clinical commissioning group has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the clinical commissioning group in undertaking its activities.

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

33.1.1 Currency risk
The NHS clinical commissioning group is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The NHS clinical commissioning group has no overseas operations. The NHS clinical commissioning group and therefore has low exposure to currency rate fluctuations.

33.1.2 Interest rate risk

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

33.1.3 Credit risk

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

33.1.4 Liquidity risk

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

33.1.5 Financial Instruments

As the cash requirements of NHS England are met through the Estimate process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with NHS England's expected purchase and usage requirements and NHS England is therefore exposed to little credit, liquidity or market risk.

33 Financial instruments cont'd

33.2 Financial assets

	Financial Assets measured at amortised cost 2021-22 £'000	Equity Instruments designated at FVOCI 2021-22 £'000	Total 2021-22 £'000
Equity investment in group bodies		-	-
Equity investment in external bodies		-	-
Loans receivable with group bodies	-		-
Loans receivable with external bodies	-		-
Trade and other receivables with NHSE bodies	1,057		1,057
Trade and other receivables with other DHSC group bodies	381		381
Trade and other receivables with external bodies	524		524
Other financial assets	-		-
Cash and cash equivalents	138		138
Total at 31 March 2022	**2,100**	**-**	**2,100**

33.3 Financial liabilities

	Financial Liabilities measured at amortised cost 2021-22 £'000	Other 2021-22 £'000	Total 2021-22 £'000
Loans with group bodies	-		**-**
Loans with external bodies	-		**-**
Trade and other payables with NHSE bodies	186		**186**
Trade and other payables with other DHSC group bodies	1,815		**1,815**
Trade and other payables with external bodies	35,090		**35,090**
Other financial liabilities	-		**-**
Private Finance Initiative and finance lease obligations	-		**-**
Total at 31 March 2022	**37,091**	**-**	**37,091**

34 Operating segments

	Gross expenditure	Income	Net expenditure	Total assets	Total liabilities	Net assets
	£'000	£'000	£'000	£'000	£'000	£'000
NHS Kirklees CCG	722,393	(2,132)	**720,261**	2,342	(37,320)	**(34,978)**
Total	**722,393**	**(2,132)**	**720,261**	**2,342**	**(37,320)**	**(34,978)**

34.1 Reconciliation between Operating Segments and SoCNE

	2021-22 £'000
Total net expenditure reported for operating segments	720,261
Reconciling items:	
Total net expenditure per the Statement of Comprehensive Net Expenditure	720,261

34.2 Reconciliation between Operating Segments and SoFP

	2021-22 £'000
Total assets reported for operating segments	-
Reconciling items:	2,342
Total assets per Statement of Financial Position	**2,342**

	2021-22 £'000
Total liabilities reported for operating segments	(37,320)
Reconciling items:	
Total liabilities per Statement of Financial Position	**(37,320)**

35 Joint arrangements - interests in joint operations

CCGs should disclose information in relation to joint arrangements in line with the requirements in IFRS 12 - Disclosure of interests in other entities.

35.1 Interests in joint operations

			Amounts recognised in Entities books ONLY 2021-22			
Name of arrangement	Parties to the arrangement	Description of principal activities	Assets	Liabilities	Income	Expenditure
			£'000	£'000	£'000	£'000
Better Care Fund	Kirklees Metropolitan Council	Pooled Better Care Fund (inc. Community Equipment)	863	0	26,901	46,779
Better Care Fund	NHS Kirklees CCG	Pooled Better Care Fund (inc. Community Equipment)	0	0	31,920	12,042
Healthy Child Programme	NHS Kirklees CCG	Pooled Children's Services	0	0	3,314	3,314
Healthy Child Programme	Kirklees Metropolitan Council	Pooled Children's Services	0	0	7,493	7,493

As part of the pooled budget agreement for community equipment service within the better care fund, the Clinical Commissioning Group recognises £863k reserve held by Kirklees Metropolitan Council.

The Better Care Fund pool for financial year 2021-22 is made up of contributions for health related schemes and social care schemes. For the purposes of this note, the Clinical Commissioning Group have only recognised expenditure on health related schemes.

35.2 Interests in entities not accounted for under IFRS 10 or IFRS 11

The Clinical Commissioning Group has no interests in entities which have not been accounted for under IFRS 10 and IFRS 11 for year ended 31 March 2022.

36 NHS Lift investments

The Clinical Commissioning Group has no LIFT investments.

37 Related party transactions

Details of related party transactions with individuals are as follows:

	Payments to Related Party £'000	Receipts from Related Party £'000	Amounts owed to Related Party £'000	Amounts due from Related Party £'000
Parkview Surgery BD19 5AP (Yasar Mahmood)	1,095	-	39	-
Dr Jennison & Partners (Gareth Price)	2,338	-	199	-
Dr Chandra & Partners (Mahmood Yaqoob)	1,529	-	13	-
Eightlands Surgery (Muhammad Dadibhai)	1,052	-	0	-
The Lindley Village Surg (Iqbal Khan)	673	-	26	-
The Paddock Surgery (Nadeem Ghafoor)	891	-	24	-
Mount Pleasant Med Centre (Khaled Naeem)	1,956	-	87	-
West Park Surgery (Nadeem Ghafoor)	1,481	-	31	-
Dr Wybrew & Partner (Ramesh Edara)	415	-	3	-
Skelmanthorpe Family Doctors (Steve Ollerton)	1,475	-	19	-
Liversedge Medical Centre (Nadeem Ghafoor)	555	-	22	-
Ravensthorpe Health Centre (Yasar Mahmood)	578	-	22	-
The Junction Surgery HD5 8BE (Razwan Ali)	970	-	13	-
Curo Health Ltd (Khaled Naeem, Mahmood Yaqoob, Muhammad Dadibhai, Nadeem Ghafoor)	5,047	-	1,051	-

Payments to related parties include invoices paid totalling £20,056k and amounts owed of £1,758k.

The Governing Body members have no material related party transactions in 2021-22.

All 37 GP Practices in the former Greater Huddersfield area are members and have shares in My Health Huddersfield Limited, all 27 practices in the Related party transactions for the GP Federation My Health Huddersfield, payments totalling £26k were made in 2021-22, in addition to which a balance of £66k was owed at 31st March 2022 and received £52k of income from them.

Payments to GP Federation Curo Health Ltd totalled £5,047k and a balance of £1,051k was owed at 31st of March 2022, these amounts included payments in respect of the Primary Care Networks; Spen, 3 Centres, Batley & Birstall and Dewsbury & Thornhill to the value of £3,055k and a balance of £671k was owed at 31st March 2022.
However the 3 Centres PCN changed their nominated payee to Calder View Surgery, with effect from 1st March 2022, and have been paid £3k but are owed £209k.

The parent entity for the Clinical Commissioning Group is NHS England. The Department of Health is regarded as a related party. During the year the Clinical Commissioning Group has had a significant number of material transactions with entities for which the Department is regarded as the parent Department. For example:

	2021-22 £000
Calderdale & Huddersfield NHS Foundation Trust	149,463
Mid Yorkshire Hospitals NHS Trust	123,005
Prescription Pricing Authority	76,043
South West Yorkshire Partnership NHS Foundation Trust	54,659
Yorkshire Ambulance Service NHS Trust	27,999
Leeds Teaching Hospitals NHS Trust	18,996
Barnsley Hospital NHS Foundation Trust	7,298
Bradford Teaching Hospitals NHS Foundation Trust	7,510
Sheffield Teaching Hospitals NHS Foundation Trust	1,053
NHS Property Services	1,800

In addition, the Clinical Commissioning Group has had a number of material transactions with other government departments and other central and local government bodies. Most of these transactions have been with Kirklees Metropolitan Council in respect of joint enterprises.

	2021-22 £000
Kirklees Metropolitan Council	51,665

38 Events after the end of the reporting period

On 28 April 2022 the Health and Care Act received royal assent. This confirms the establishment of Integrated Care Boards in England. As a result of this the CCG expects to be wound up on 30 June 2022 and NHS West Yorkshire Integrated Care Board to be formed on 1 July 2022. As explained in note 1.1 the CCG's accounts are still prepared on a going concern basis due to the continued provision of the CCG's commissioning functions by the ICB.

39 Third party assets

NHS Kirklees CCG does not hold any third party assets.

40 Financial performance targets

NHS Clinical Commissioning Group have a number of financial duties under the NHS Act 2006 (as amended).
NHS Clinical Commissioning Group performance against those duties was as follows:

	2021-22 Target	2021-22 Performance
Expenditure not to exceed income	722,394	722,394
Capital resource use does not exceed the amount specified in Directions	-	-
Revenue resource use does not exceed the amount specified in Directions	720,261	720,261
Capital resource use on specified matter(s) does not exceed the amount specified in Directions	-	-
Revenue resource use on specified matter(s) does not exceed the amount specified in Directions	-	-
Revenue administration resource use does not exceed the amount specified in Directions	8,795	8,022

In 2021-22 the Clinical Commissioning Group received revenue resource allocations totalling £720,261k and had net expenditure of £720,261k delivering an in-year break even position.

41 Analysis of charitable reserves

The Clinical Commissioning Group has no charitable reserves as at 31st March 2022.

42 Losses and special payments

Losses

The total number of NHS clinical commissioning group losses and special payments cases, and their total value, was as follows:

	Total Number of Cases 2021-22 Number	Total Value of Cases 2021-22 £'000
Administrative write-offs	3	34
Fruitless payments	-	-
Store losses	-	-
Book Keeping Losses	-	-
Constructive loss	-	-
Cash losses	-	-
Claims abandoned	-	-
Total	**3**	**34**

Special payments

	Total Number of Cases 2021-22 Number	Total Value of Cases 2021-22 £'000
Compensation payments	-	-
Compensation payments Treasury Approved	-	-
Extra Contractual Payments	-	-
Extra Contractual Payments Treasury Approved	-	-
Ex Gratia Payments	-	-
Ex Gratia Payments Treasury Approved	-	-
Extra Statutory Extra Regulatory Payments	-	-
Extra Statutory Extra Regulatory Payments Treasury Approved	-	-
Special Severance Payments Treasury Approved	-	-
Special Severance Payments	-	-
Total	**-**	**-**