

# Facing the challenge

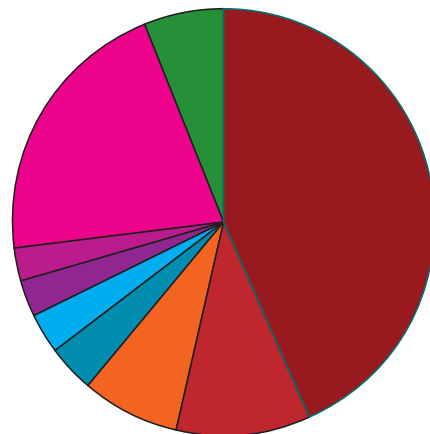
THE last financial year (2005-2006) has again been one of challenges as NHS Greater Glasgow integrated with NHS Argyll & Clyde to create one of the biggest health authorities in the UK.

On this page, we highlight the performance against financial targets for NHS Greater Glasgow and NHS Argyll & Clyde and we show details of the Board's balance sheet and operating costs for the year ended march 31, 2006.

A copy of our annual financial report will be available on our website: [www.nhsggc.org.uk](http://www.nhsggc.org.uk) along with Health Minister Andy Kerr's findings following our Annual Review (as soon as it's available).

## FINANCIAL INFORMATION

Gross expenditure on Clinical Services of £1798.4 million is shown in the following chart.



- Acute Services £779.5m (43.4%)
- Mental Health Services £187.2m (10.4%)
- Other Community Services £134.5m (7.5%)
- Maternity Services £66.3m (3.7%)
- Learning Disability £53.9m (3.0%)
- Geriatric Assessment £51.4m (2.9%)
- Geriatric Long Stay £44.4m (2.5%)
- Family Health Services £374.7m (20.8%)
- Others £106m (5.9%)

## NHS GREATER GLASGOW

### Performance against Financial Targets

The Scottish Executive set three budget limits at a NHS Board Level on an annual basis. NHS Boards are expected to stay within these limits. The performance against these limits during 2005/06 was as follows:

	Limit as set by SEHD £'m	Actual Outturn £'m	Variance (Over)/Under £'m
1 Revenue Resource limit	1,370.3	1,358.0	12.3
2 Capital Resource Limit	69.5	69.3	0.2
3 Cash Requirement	1,323.4	1,323.1	0.3

## NHS ARGYLL & CLYDE

### Performance against Financial Targets

The Scottish Executive set three budget limits at a NHS Board Level on an annual basis. NHS Boards are expected to stay within these limits. The performance against these limits during 2005/06 was as follows:

	Limit as set by SEHD £'m	Actual Outturn £'m	Variance (Over)/Under £'m
1 Revenue Resource limit	616.1	615.5	0.6
2 Capital Resource Limit	16.0	14.5	1.5
3 Cash Requirement	592.3	592.3	-

## NHS GREATER GLASGOW OPERATING COST STATEMENT

### For the Year ended 31 March 2006

2005 £'000		2006 £'000	2006 £'000
1,305,227	<b>Clinical Services Costs</b>		
321,218	Hospital and Community	1,423,638	
984,009	Less: Hospital and Community Income	351,327	
			1,072,356
350,677	Family Health	374,753	
16,168	Less: Family Health Income	17,194	
334,509			357,559
<b>1,318,518</b>	<b>Total Clinical Services Costs</b>		1,429,915
11,721	Administration Costs	11,137	
5	Less: Administration Income	19	
11,716			11,118
21,278	Other Non Clinical Services	29,870	
18,198	Less: Other Operating Income	33,712	
3,080			(3,842)
261	Local Health Councils		
<b>1,333,575</b>	<b>Net Operating Costs</b>		<b>1,437,191</b>

### SUMMARY OF REVENUE RESOURCE OUTTURN

2005 £'000		2006 £'000
1,333,575	Net Operating Costs (per above)	1,437,191
(238)	Less: Capital Grants to / (from) Public Bodies	(7,570)
(64,592)	Less: FHS Non Discretionary Allocation	(71,603)
(261)	Less: Local Health Council Allocation/Expenditure	-
(427)	Less: Other Allocations (Public Health Trainees)	-
<b>1,268,057</b>	<b>Net Resource Outturn</b>	<b>1,358,018</b>
1,280,160	Revenue Resource Limit	1,370,302
<b>12,103</b>	<b>Saving/(excess) against Revenue Resource Limit</b>	<b>12,284</b>

## NHS GREATER GLASGOW BALANCE SHEET

### As at 31 March 2006

2005 £'000		2006 £'000	2006 £'000
	<b>FIXED ASSETS</b>		
297	Intangible Fixed Assets	1,385	
877,173	Tangible fixed assets	923,633	
<b>877,470</b>	<b>Total Fixed Assets</b>		<b>925,018</b>
	<b>Debtors falling due after more than one year</b>		<b>1,875</b>
	<b>CURRENT ASSETS</b>		
16,610	Stocks	18,021	
46,399	Debtors	49,292	
5,476	Cash at bank and in hand	4,197	
68,485			71,510
	<b>CURRENT LIABILITIES</b>		
(191,115)	Creditors due within one year	(197,524)	
<b>(122,630)</b>	<b>Net current assets/(liabilities)</b>		<b>(126,014)</b>
758,629	<b>Total assets less current liabilities</b>		<b>800,879</b>
(222)	<b>CREDITORS DUE AFTER MORE THAN 1 YEAR</b>		<b>(8)</b>
(70,330)	<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>		<b>(107,205)</b>
<b>688,077</b>			<b>693,666</b>
	<b>FINANCED BY:</b>		
458,333	General Fund		439,912
219,626	Revaluation Reserve		244,161
10,118	Donated Asset Reserve		9,593
<b>688,077</b>			<b>693,666</b>