

**NORTHERN IRELAND AMBULANCE SERVICE  
HEALTH AND SOCIAL SERVICES TRUST**

**ANNUAL ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2008**

**NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST**

**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008**

**FOREWORD**

These accounts for the year ended 31 March 2008 have been prepared in accordance with Article 90(2)(a) of the Health and Personal Social Services (Northern Ireland) Order 1972, as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003, in a form directed by the Department of Health, Social Services and Public Safety.

## **NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST**

### **ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008**

#### **STATEMENT OF THE NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST'S RESPONSIBILITIES AND CHIEF EXECUTIVE'S RESPONSIBILITIES**

Under the Health and Personal Social Services (Northern Ireland) Order 1972 (as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003), the Northern Ireland Ambulance Service HSS Trust is required to prepare financial statements for each financial year in the form and on the basis determined by the Department of Health, Social Services and Public Safety. The financial statements are prepared on an accruals basis and must provide a true and fair view of the state of affairs of the Northern Ireland Ambulance Service HSS Trust, of its income and expenditure and cash flows for the financial year.

In preparing the financial statements the Trust is required to:

- observe the accounts direction issued by the Department of Health, Social Services and Public Safety including relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis.
- make judgements and estimates on a reasonable basis.
- state whether applicable accounting standards have been followed, and disclose and explain any material departures in the financial statements.
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Trust will continue in operation.
- keep proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust.
- pursue and demonstrate value for money in the services the Trust provides and in its use of public assets and the resources it controls.

The Permanent Secretary of the Department of Health, Social Services and Public Safety as Accounting Officer for health and personal social services resources in Northern Ireland has designated Mr L McIvor of the Northern Ireland Ambulance Service HSS Trust as the Accounting Officer for the Trust. His relevant responsibilities as Accounting Officer, including his responsibility for the propriety and regularity of the public finances for which he is answerable and for the keeping of proper records, are set out in the Accountable Officer Memorandum, issued by the Department of Health, Social Services and Public Safety. The Accounting Officer is also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

**NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST**

**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008**

**CERTIFICATES OF DIRECTOR OF FINANCE, CHAIRMAN AND CHIEF EXECUTIVE**

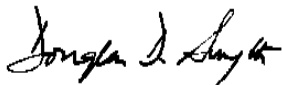
I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 13 to 48) which I am required to prepare on behalf of the Northern Ireland Ambulance Service Health and Social Services Trust have been compiled from and are in accordance with the accounts and financial records maintained by the Trust and with the accounting standards and policies for HSC Trusts approved by the DHSSPS.



Mrs Sharon McCue  
Director of Finance

29 May 2008

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 13 to 48) as prepared in accordance with the above requirements have been submitted to and duly approved by the Board.



Mr Douglas Smyth  
Chairman

29 May 2008



Mr Liam McIvor  
Chief Executive

29 May 2008

## **STATEMENT ON INTERNAL CONTROL FOR THE FINANCIAL YEAR 2007/08**

### ***Scope of Responsibility***

The Board of the Northern Ireland Ambulance Service (NIAS) is accountable for internal control. As Accounting Officer and Chief Executive of the Board, I have responsibility for maintaining a sound system of internal control that supports the achievement of the organisations policies, aims and objectives, and for reviewing the effectiveness of the system.

In essence, the role of Accounting Officer is to see that the Trust carries out the following functions in a way that ensures the proper stewardship of public money and assets:

- To enter into and fulfil service level agreements with commissioners;
- To meet statutory financial duties;
- To maintain and develop relationships with patients, the local community, commissioners and suppliers.

The Trust is directly accountable to the Department of Health, Social Services and Public Safety (DHSSPS) for the performance of these functions.

The Trust works in partnership with the DHSSPS and the four Health and Social Services Boards through the Commissioning Group for Ambulance Services (CGAS). This group has been established to secure the best possible service within the available resources. The role and remit of this group is contained within the Protocol for Partnership which is an integral part of the Service and Budget Agreement between the four Boards and the Trust. The Trust also works closely with other partner organisations through the establishment and representation on various working groups, for example local ambulance liaison groups.

### ***The purpose of the system of internal control***

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to:

- identify and prioritise the risks to the achievement of organisational policies, aims and objectives;
- evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in NIAS for the year ended 31 March 2008, and up to the date of approval of the annual report and accounts, and accords with Department of Finance and Personnel guidance.

The Board exercises strategic control over the operation of the organisation through a system of corporate governance which includes:-

- a schedule of matters reserved for Board decisions;
- a scheme of delegation, which delegates decision making authority within set parameters to the

Chief Executive and other officers;

- standing orders and standing financial instructions, the establishment of an audit committee.

The system of internal financial control is based on a framework of regular financial information, administrative procedures including the segregation of duties and a system of delegation and accountability. In particular it includes:-

- comprehensive budgeting systems with an annual budget which is reviewed and agreed by the board;
- regular reviews by the board of periodic annual financial reports which indicate financial performance against the forecast;
- setting targets to measure financial and other performances;
- clearly defined capital investment control guidelines;
- as appropriate, formal budget management disciplines.

The Trust has an internal audit function which operates to defined standards and whose work is informed by an analysis of risk to which the body is exposed and annual audit plans are based on this analysis. In 2007/08 Internal Audit reviewed the following systems:

- Bank & Cash
- Payments to Creditors
- Payroll (Including Human Resources)
- Financial Ledgers
- Budgetary Control
- Ordering and Receipt of Goods
- Travel Expenses

In his annual report, the Internal Auditor reported that overall based on the work performed, assurance could be provided on the system of internal control within NIAS. However, weaknesses in control were identified in a number of areas. In particular, limited assurance was provided in relation to the controls surrounding the authorisation and processing of travel claims. Recommendations to address these control weaknesses have been or are being implemented.

With regard to the wider control environment the Trust has in place a range of organisational controls, commensurate with the current assessment of risk, designed to ensure the efficient and effective discharge of its business in accordance with the law and departmental direction. Every effort is made to ensure that the objectives of the Trust are pursued in accordance with the recognised and accepted standards of public administration.

For example, the Trust's recruitment and selection policies are based on the principle of equality of opportunity and controls are in place to ensure that all such decisions are taken in accordance with the relevant legislation.

With regard to estate management, decisions are taken within the context of an estate plan, which prioritises management action based on an assessment of risk. The Trust reports on Fire Code compliance on a regular basis to the Department and, in conjunction with Health Estates, is further developing its Estate Strategy with particular regard to Health and Safety, Fire Code and the Disability Discrimination Act.

The Trust Board Clinical Governance Sub Committee continues to meet regularly and these meetings are recorded and minutes reported to Trust Board.

The Clinical Audit function continues to analyse all clinical information contained in Patient Report Forms, which are held electronically within the Formic Intelligent Data Capture System. Regular reports are produced and presented at the Clinical Governance Committee on a range of clinical issues.

The Trust has developed and is currently implementing a new management structure within the operations department. This structure is designed to enable the Trust to meet its PFA targets while at the same time delivering a robust system of clinical supervision.

During the year a control weakness was identified within the systems and procedures in place to record the arrival times of ambulances at potentially life threatening Category A calls. An investigation carried out under the Trust's disciplinary procedure revealed that the details for 123 calls (0.5% of the total number of Category A calls) had been falsified. The Trust's disciplinary process was followed and appropriate disciplinary action taken. This incident had no adverse impact on patient care or the response provided to patients. Improved procedures have been implemented to address this control weakness and ensure that there is a thorough audit trail of any alterations made to call times.

### **Capacity to handle risk**

The Board of the Northern Ireland Ambulance Trust has established a Risk Management Committee (RMC), which as a sub-committee of the Board is responsible for overseeing all aspects of risk management within the organisation. The RMC meets on a quarterly basis and receives regular reports on untoward incident reporting, the risk register, health and safety issues, controls assurance and other risk management issues. The Trust's Medical Director has been given delegated responsibility for risk management and a full time Risk Manager has been in post since July 2005.

The NIAS Risk Management Strategy which complies with the AS/NZS 4360 Risk Management Standard was approved by the Trust Board in December 06 and throughout 2008 staff will continue to receive risk management training complementary to the implementation of the strategy. This will include the further development of the Trust's Corporate and local risk registers.

The Trust's Untoward Incident Reporting Procedure has undergone a further review since its inception in April 2006. The revised procedure complies with the DHSSPS Safety Framework and was approved by the Board in December 2006.

### **The risk and control framework**

The Trust's Risk Management Strategy specifies a number of reactive and proactive ways in which risk will be identified. The means of identification include although not exclusively untoward incident reporting, complaints management, risk assessment, claims management, controls assurance, benchmarking and consultation with staff and service users. The strategy also places upon all Trust employees the responsibility to be aware of and to report any and all risks to which they or the Trust are exposed.

Once identified risks are recorded on the risk register and evaluated in line with the risk matrix identified within the strategy taking into account the potential impact on the Trust's patients, employees, environment, reputation and resources. This evaluation then prompts the development of individual risk treatment plans against which progress is monitored through the Trust's Risk Register, which is reviewed at each meeting of the RMC.

Corporate Risks are those that impact the organisation as a whole or which cannot be resolved immediately or adequately reduced by treatment at a local level. They are recorded on the Corporate Risk Register, which is reviewed at each meeting of the Risk Management Committee and by the responsible manager on a continual basis.

Local Risks are those which have a localised impact and which can be reduced to an acceptable level by treatment at a local level. These are recorded on the Local Risk Register and are the responsibility of NIAS line management. Local Risk Register updates are forwarded to the relevant Directors for distribution and review at local level on a bi-monthly basis.

The Trust assessed its compliance with the 22 Controls Assurance Standards which were defined by the Department and against which a degree of progress is expected in 2007/08.

Following the audit, the Trust achieved the following levels of compliance for 2007/08:

| <b>Standard</b>                                  | <b>DHSS&amp;PS Expected Level of Compliance</b> | <b>Trust Level of Compliance</b> | <b>Reviewed By</b> |
|--|---|----------------------------------|--------------------|
| Buildings, land, plant and non-medical equipment | 70% - 99% (Substantive)                         | Substantive                      | Self Assessment    |
| Decontamination of medical devices               | 70% - 99% (Substantive)                         | Not Assessed *                   |                    |
| Emergency Planning                               | 70% - 99% (Substantive)                         | Substantive                      | Self Assessment    |
| Environmental Cleanliness                        | 70% - 99% (Substantive)                         | Moderate                         | Internal Audit     |
| Environment Management                           | 70% - 99% (Substantive)                         | Substantive                      | Self Assessment    |
| Financial Management (Core Standard)             | 70% - 99% (Substantive)                         | Substantive                      | Internal Audit     |
| Fire safety                                      | 70% - 99% (Substantive)                         | Substantive                      | Self Assessment    |
| Fleet and Transport Management                   | 70% - 99% (Substantive)                         | Moderate                         | Self Assessment    |
| Food Hygiene                                     | 70% - 99% (Substantive)                         | Not Assessed *                   |                    |
| Governance (Core Standard)                       | 70% - 99% (Substantive)                         | Substantive                      | Internal Audit     |
| Health & Safety                                  | 70% - 99% (Substantive)                         | Substantive                      | Internal Audit     |
| Human Resources                                  | 70% - 99% (Substantive)                         | Substantive                      | Self Assessment    |
| Infection Control                                | 70% - 99% (Substantive)                         | Substantive                      | Internal Audit     |
| Information Communication Technology             | 70% - 99% (Substantive)                         | Substantive                      | Self assessment    |
| Management of Purchasing and Supply              | 70% - 99% (Substantive)                         | Substantive                      | Internal Audit     |
| Medical Devices and Equipment Management         | 70% - 99% (Substantive)                         | Substantive                      | Self assessment    |
| Medicines Management                             | 70% - 99% (Substantive)                         | Substantive                      | Self Assessment    |
| Records Management                               | 70% - 99% (Substantive)                         | Moderate                         | Self Assessment    |
| Research Governance                              | 30% - 69% (Moderate)                            | Not Assessed *                   |                    |
| Risk Management (Core Standard)                  | 70% - 99% (Substantive)                         | Substantive                      | Internal Audit     |
| Security Management                              | 70% - 99% (Substantive)                         | Substantive                      | Self Assessment    |
| Waste Management                                 | 70% - 99% (Substantive)                         | Substantive                      | Self Assessment    |

\* Refer to Departmental Guidance HSS (PPM) 1/2005 – not applicable to the Trust



The Trust has met the required levels of compliance as determined by the Department with the exception of the Environmental Cleanliness Standard, Fleet and Transport Management Standard and Records Management Standard. Performance against the Environmental Cleanliness Standard was judged as moderate after a process of self assessment and also a review by internal Audit. This was mainly due to the need to establish appropriate accountability arrangements, establish appropriate processes, targets and performance indicators and obtain independent assurance that an effective system of managing environmental cleanliness risk is in place. Performance against the Fleet and Transport Management Standard was self assessed as moderate. This was mainly due to the need to formally agree the Fleet and Transport Strategy with all Stakeholders for approval by Trust Board. Performance against the Records Management Standard was self assessed as moderate. This was mainly due to the need to establish appropriate accountability arrangements, establish appropriate processes, targets and performance indicators in relation to Records Management.

The Trust continues to develop systems and processes to ensure compliance with Controls Assurance Standards. An action plan will be developed for areas of non compliance with controls assurance standards and progress against the plan will be monitored throughout the year by the Trust's Risk Management Committee.

The age of the ambulance vehicles in service remained an issue and a risk for the Trust in 2007/08. At the end of the year, 55.3% of the Accident and Emergency (A&E) fleet and 57.1% of the Patient Care Service (PCS) fleet were overdue for replacement. During the year, the Trust purchased eleven replacement PCS vehicles using the general capital resource allocation. While this went some way to addressing the issue, unfortunately no funds were available in the year for the purchase of A&E vehicles. The Trust will continue to work with the DHSSPS to finalise a Fleet Replacement Strategy and develop the appropriate business cases to enable the release of funding to ensure that fleet can be replaced in an appropriate, planned and timely manner.

### ***Review of Effectiveness***

As Accounting Officer, I have responsibility for the review of effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, Audit Committee, Risk Management Committee and Clinical Governance Committee. A plan to address weaknesses and ensure continuous improvement to the system is in place.

The process of maintaining and reviewing the effectiveness of internal control is embedded throughout the organisation. In particular:

The Board exercises financial supervision and control by:

- Approving the financial strategy;
- Requiring the submission and approval of budgets within approved allocations/overall income;
- Defining and approving essential features in respect of important procedures and financial systems (including the need to obtain value for money);
- Defining specific responsibilities placed on directors and employees as indicated in the Scheme of Delegation Document.

The Audit Committee, with agreed terms of reference, provides an independent and objective view of internal financial control by:

- Overseeing internal and external audit services;
- Reviewing financial systems;
- Ensuring compliance with Standing Orders and Standing Financial Instructions;
- Reviewing schedules of losses and compensation payments and making recommendations to the Board;
- Review and discuss the annual financial statements before submission to the Board.

The Clinical Governance Committee is responsible for assuring the NIAS Board that effective and regularly reviewed structures are in place to support the implementation and development of Clinical Governance. The responsibilities of the Clinical Governance Committee include:

- To monitor and oversee all clinical activities occurring within the Trust and provide clinical advice to the Trust Board;
- To ensure that processes for assuring the quality of clinical care are in place and regulated by the Trust;
- To monitor and oversee the establishment of a framework for professional self regulation within the Trust;
- To monitor the development and implementation of national standards of care and practice within the Trust;
- That there is a system and support for clinical audit and that there is regular audit of patient report forms;
- To ensure that professional performance procedures are in place and understood by all staff;
- To ensure that regular reports are provided to the Trust Board regarding the quality of clinical care delivered by the Trust;
- To monitor and oversee all clinical research and development activities taking place within the Trust;
- To ensure that evidence based health care is fostered;
- To oversee clinical risk assessment procedures and outcomes;
- To oversee the continuing professional development of all staff within the Trust;
- To oversee the clinical complaints procedure and ensure that all lessons are learned from such complaints and action taken to avoid the recurrence of similar problems in the future;
- To monitor critical incident reporting to ensure that all adverse events are identified, openly investigated, lessons are learnt and promptly applied;
- To promote and facilitate a supportive “no-blame” culture committed to the concept of lifelong learning;
- To ensure that results from clinical review and risk management programmes inform the training agenda;
- To promote, monitor and oversee the Trust’s infection control programme;
- To oversee the preparation of an Annual report on Clinical Governance.

The Risk Management Committee is responsible for supporting the risk management accountability arrangements within the organisation and ensuring that all risks are properly considered and communicated to the board as appropriate. Its responsibilities are to:

- To develop and deliver a Trust wide strategy for risk management, establishing key performance indicators and monitoring actual performance against them;
- To review the Trust's Risk Register on an ongoing basis, and to make recommendations to Trust Board for action as required;
- To review the outcome of serious untoward incidents and to ensure that appropriate remedial action has been taken including measures to prevent reoccurrence;
- To monitor progress and ensure compliance with the DHSSPSNI's Controls Assurance Standards;
- To establish and receive reports from risk related working groups;
- To receive internal and external reviews and assessments relating to the management of risk within the Trust;
- To secure adequate resources for risk management.

Internal Audit will review, appraise and report upon:

- The extent of compliance with, and the financial effect of, relevant established policies, plans and procedures;
- The adequacy and application of financial and other related management controls;
- The suitability of financial and other related management data;
- The extent to which the Trust's assets and interests are accounted for and safeguarded from loss of any kind, arising from:
  - fraud and other offences;
  - waste, extravagance, inefficient administration;
  - poor value for money or other causes.

The Chief Executive is ultimately accountable to the Board and, as Accounting Officer, to the Accounting Officer of the DHSSPS for ensuring that the Board meets its obligation to perform its functions within the available financial resources. The Chief Executive has overall executive responsibility for the Trust's activities, is responsible to the Board for ensuring that its financial obligation and targets are met and has overall responsibility for the Trust's system of internal control.



Mr Liam McIvor  
Chief Executive

28 June 2007

## **NORTHERN IRELAND AMBULANCE SERVICE HEALTH AND SOCIAL SERVICES TRUST**

### **THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY**

I certify that I have audited the financial statements of Northern Ireland Ambulance Service Health and Social Services Trust for the year ended 31 March 2008 under the Health and Personal Social Services (Northern Ireland) Order 1972 as amended. These comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

#### **Respective responsibilities of the Trust, Chief Executive and Auditor**

The Trust and Chief Executive as Accounting Officer are responsible for preparing the Annual Report, the Remuneration Report and the financial statements in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972 as amended and Department of Health, Social Services and Public Safety directions made thereunder and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statement of Northern Ireland Ambulance Service Health and Social Services Trust's Responsibilities and Chief Executive's Responsibilities.

My responsibility is to audit the financial statements and the part of the Remuneration Report to be audited in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972 as amended and Department of Health, Social Services and Public Safety directions made thereunder. I report to you whether, in my opinion, the information, which comprises the information on the Trust Board included in the Annual Report is consistent with the financial statements. I also report whether in all material respects the expenditure and income have been applied to the purposes intended by the Assembly and the financial transactions conform to the authorities which govern them.

In addition, I report to you if the Northern Ireland Ambulance Service Health and Social Services Trust has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by the Department of Health, Social Services and Public Safety regarding remuneration and other transactions is not disclosed.

I review whether the Statement on Internal control reflects the Northern Ireland Ambulance Service Health and Social Services Trust's compliance with the Department of Health, Social Services and Public Safety guidance, and I report if it does not. I am not required to consider whether this statement covers all risks and controls, or form an opinion on the effectiveness of the Northern Ireland Ambulance Service Health and Social Services Trust's corporate governance procedures or its risk and control procedures.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises the unaudited part of the Remuneration Report, the Chairman's Preface, the Chief Executive Introduction and the information on services provided by the Trust included in the Annual report. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

#### **Basis of audit opinions**

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements and the part of the

Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgments made by the Trust and Accounting Officer in the preparation of the financial statements, and of whether the accounting policies are most appropriate to the Northern Ireland Ambulance Service Health and Social Services Trust's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error, and that in all material respects the expenditure and income have been applied to the purposes intended by the Assembly and the financial transactions conform to the authorities which govern them. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

## **Opinions**

In my opinion:


- the financial statements give a true and fair view, in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972 as amended and directions made thereunder by Department of Health, Social Services and Public Safety of the state of the Northern Ireland Ambulance Service Health and Social Services Trust's affairs as at 31 March 2008 and of its deficit, cash flows and recognised gains and losses for the year then ended;
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972 as amended and Department of Health, Social Services and Public Safety directions made thereunder; and
- information, which comprises the information on the Trust Board included within the Annual Report, is consistent with the financial statements.

## **Opinion on Regularity**

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

## **Report**

I have no observations to make on these financial statements.



**JM Dowdall**  
**Comptroller and Auditor General**  
**Northern Ireland Audit Office**  
**106 University Street**  
**Belfast BT7 1EU**  
**13<sup>th</sup> June 2008**

## **NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST**

### **INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2008**

|  | <b>NOTE</b> | <b>2008<br/>£'000</b> | <b>2007<br/>£'000</b> |
|--|-------------|-----------------------|-----------------------|
| Income from Activities                                   | 2           | 46,355                | 49,155                |
| Other Operating Income                                   | 3           | <u>251</u>            | <u>281</u>            |
|  |             | 46,606                | 49,436                |
| Operating Expenses                                       | 4,5         | <u>(50,057)</u>       | <u>(49,166)</u>       |
| <b>SURPLUS (DEFICIT) BEFORE INTEREST</b>                 |             | (3,451)               | 270                   |
| Interest Receivable                                      |             | 229                   | 366                   |
| Interest Payable   | 7           | <u>0</u>              | <u>(208)</u>          |
| <b>SURPLUS (DEFICIT) FOR THE FINANCIAL YEAR</b>          |             | (3,222)               | 428                   |
| Public Dividend Capital Dividends Payable                | 14.5        | <u>0</u>              | <u>(404)</u>          |
| <b>OPERATIONAL SURPLUS (DEFICIT) BEFORE PROVISIONS</b>   |             | (3,222)               | 24                    |
| Provisions for Future Obligations                        | 8.1         | <u>(934)</u>          | <u>681</u>            |
| <b>RETAINED SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR</b> |             | <u>(4,156)</u>        | <u>705</u>            |
| Adjustment for Capital Charges and Other Non Cash Costs  | 4.3         | 3,388                 | 0                     |
| <b>BREAK EVEN POSITION</b>                               | 19          | <u>166</u>            | <u>24</u>             |

The notes on pages 17 to 48 form part of these accounts.  
All Income and Expenditure is derived from continuing activities.

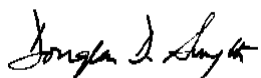
# NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

## BALANCE SHEET AS AT 31 MARCH 2008

|  | NOTE    | 2008     |                      | 2007     |                      |
|--|---------|----------|----------------------|----------|----------------------|
|  |         | £'000    | £'000                | £'000    | £'000                |
| <b>FIXED ASSETS</b>  |         |          |                      |          |                      |
| Intangible assets  | 9       |          | 47                   |          | 6                    |
| Tangible assets  | 10,10.2 |          | 19,962               |          | 19,227               |
|  |         |          | <u>20,009</u>        |          | <u>19,233</u>        |
| <b>CURRENT ASSETS</b>  |         |          |                      |          |                      |
| Stocks and work in progress                                    | 11      | 62       |                      | 63       |                      |
| Debtors: Amounts falling due                                   |         |          |                      |          |                      |
| Within one year  | 12      | 5,619    |                      | 9,125    |                      |
| After one year   | 12      | 33       |                      | 199      |                      |
| Short term investments   | 13      | 2,104    |                      | 105      |                      |
| Cash at bank and in hand                                       |         | <u>0</u> |                      | <u>0</u> |                      |
| <b>TOTAL CURRENT ASSETS</b>                                    |         |          | <b>7,818</b>         |          | <b>9,492</b>         |
| <b>CREDITORS:</b> Amounts falling due within one year          | 14      |          | <u>(11,609)</u>      |          | <u>(11,712)</u>      |
| <b>NET CURRENT ASSETS (LIABILITIES)</b>                        |         |          | <u>(3,791)</u>       |          | <u>(2,220)</u>       |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                   |         |          | <b>16,218</b>        |          | <b>17,013</b>        |
| <b>CREDITORS:</b> Amounts falling due after more than one year | 14      |          | (2,261)              |          | (2,093)              |
| <b>PROVISIONS FOR LIABILITIES AND CHARGES</b>                  | 8       |          | <u>(1,954)</u>       |          | <u>(1,186)</u>       |
| <b>TOTAL ASSETS EMPLOYED</b>                                   |         |          | <b><u>12,003</u></b> |          | <b><u>13,734</u></b> |
| <b>FINANCED BY:</b>  |         |          |                      |          |                      |
| <b>CAPITAL AND RESERVES</b>                                    |         |          |                      |          |                      |
| Public dividend capital  | 16      |          | 10,594               |          | 9,319                |
| Revaluation reserve  | 17      |          | 4,844                |          | 4,389                |
| Donation reserve   | 17      |          | 0                    |          | 0                    |
| Realised donation reserve                                      | 17      |          | 0                    |          | 0                    |
| Other reserves   | 17      |          | 0                    |          | 0                    |
| Income and expenditure reserve                                 | 17      |          | <u>(3,435)</u>       |          | <u>26</u>            |
|  |         |          | <b><u>12,003</u></b> |          | <b><u>13,734</u></b> |

The notes on pages 17 to 48 form part of these accounts.

Mr D Smyth  
Chairman



29 May 2008

Mr W McIvor  
Chief Executive



29 May 2008

## **NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST**

### **STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 MARCH 2008**

|  | <b>2008<br/>£'000</b> | <b>2007<br/>£'000</b> |
|--|-----------------------|-----------------------|
| Surplus (Deficit) for the financial year                         | (3,222)               | 428                   |
| Provisions for future obligations                                | <u>(934)</u>          | <u>681</u>            |
|  | (4,156)               | 1,109                 |
| Fixed asset impairment losses                                    | 0                     | 0                     |
| <b>Non donated Fixed Assets</b>                                  |                       |                       |
| Indexation of fixed assets                                       | 418                   | 420                   |
| Revaluation of fixed assets                                      | <u>0</u>              | <u>(152)</u>          |
|  | 418                   | 268                   |
| <b>Donated Assets</b>  |                       |                       |
| Additions to donated assets                                      | 0                     | 0                     |
| Indexation   | 0                     | 0                     |
| Revaluation  | 0                     | 0                     |
| Disposals<br>(except transfers to realised donation reserve)     | <u>0</u>              | <u>0</u>              |
|  | 0                     | 0                     |
| <b>Total recognised gains and losses relating to the year</b>    | (3,738)               | 1,377                 |
| Additions to Capital Assets Reserve                              | <u>0</u>              | <u>0</u>              |
| <b>TOTAL GAINS (LOSSES) RECOGNISED IN THE<br/>FINANCIAL YEAR</b> | <b><u>(3,738)</u></b> | <b><u>1,377</u></b>   |



## NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2008

|   | 2008    |              | 2007    |          |
|---|---------|--------------|---------|----------|
|   | £'000   | £'000        | £'000   | £'000    |
| <b>Net Cash Inflow from Operating Activities (Note 25.1)</b>                          |         | 3,573        |         | 3,646    |
| <b>Returns on Investments and Servicing of Finance</b>                                |         |              |         |          |
| Interest received   | 231     |              | 365     |          |
| Interest paid   | 0       |              | (208)   |          |
| Interest element of finance lease rental payments                                     | 0       |              | 0       |          |
| <b>Net Cash (Outflow) Inflow from Returns on Investments and Servicing of Finance</b> |         | 231          |         | 157      |
| <b>Capital Expenditure</b>  |         |              |         |          |
| Payments to acquire intangible fixed assets   | (43)    |              | 0       |          |
| Receipts from sales of intangible fixed assets  | 0       |              | 0       |          |
| Payments to acquire tangible fixed assets   | (2,606) |              | (3,149) |          |
| Receipts from sales of tangible fixed assets  | 43      |              | 0       |          |
| <b>Net Cash Inflow (Outflow) from Capital Expenditure</b>                             |         | (2,606)      |         | (3,149)  |
| <b>Dividends Paid</b>   |         | (404)        |         | (388)    |
| <b>Management of Liquid Resources</b>   |         |              |         |          |
| Purchase of current asset investments   | 0       |              | 0       |          |
| Sale of current asset investments   | 0       |              | 0       |          |
| <b>Net Cash Inflow (Outflow) from Management of Liquid Resources</b>                  |         | 0            |         | 0        |
| <b>Net Cash Inflow (Outflow) before Financing</b>                                     |         | 794          |         | 266      |
| <b>Financing</b>  |         |              |         |          |
| New money capital reserve   | 0       |              | 0       |          |
| Additional public dividend capital advances in year                                   | 1,275   |              | 0       |          |
| Repayment of public dividend capital to DHSSPS  | 0       |              | 0       |          |
| Repayment of loans – Interest Bearing Debt  | (9)     |              | (167)   |          |
| Repayment of prior year impairment  | (61)    |              | (99)    |          |
| <b>Net Cash Inflow (Outflow) from Financing</b>                                       |         | 1,205        |         | (266)    |
| <b>Increase (Decrease) in Cash (Notes 25.2 and 25.3)</b>                              |         | <b>1,999</b> |         | <b>0</b> |

The notes on page 17 to 48 form part of this statement.

# **NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST**

## **ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008**

### **NOTES TO THE ACCOUNTS**

#### **1. STATEMENT OF ACCOUNTING POLICIES**

##### **1.1 Authority**

These accounts have been prepared in a form determined by the Department of Health, Social Services and Public Safety in accordance with the requirements of Article 90(2)(a) of the Health and Personal Social Services (Northern Ireland) Order 1972 No 1265 (NI 14) as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003.

##### **1.2 Accounting Convention**

These accounts have been prepared under the historical cost convention as modified by the indexation and revaluation of tangible fixed assets.

##### **1.3 Basis of Preparation of Accounts**

The accounts have been prepared in accordance with the 2007/08 HSC Trust Manual of Accounts issued by the Department of Health, Social Services and Public Safety.

The accounting policies contained in that Manual follow UK generally accepted accounting practice (UK GAAP) to the extent that it is meaningful and appropriate to HSS Trusts. The accounting policies are selected in accordance with the principles set out in FRS 18 "Accounting Policies" as the most appropriate for giving a true and fair view. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

The principal variations between UK GAAP and the accounting policies directed by the Department of Health, Social Services and Public Safety are:

Paragraph 20 of Financial Reporting Standard 3 "Reporting Financial Performance" requires certain items of expenditure to be separately disclosed in the income and expenditure account after operating surplus/(deficit). These expenditure items do not include the costs associated with provision for liabilities and charges which are normally included within the calculation of the operating surplus/(deficit). However, as the Department measures the operating performance of Trusts by reference to the operating surplus/(deficit) excluding the impact of certain provisions, the income and expenditure account is presented to disclose the operating surplus/(deficit) before provisions for future obligations.

Financial Reporting Standard 15 "Tangible Fixed Assets" requires impairment losses on revalued fixed assets to be recognised in the Statement of Total Recognised Gains and Losses until the carrying value of the asset falls below depreciated historic cost, at which stage any further impairments are recognised in the Income and Expenditure Account. There are occasions, particularly in relation to new built where losses or downward revaluations arising from a general fall in prices are charged to the revaluation reserve and may lead to a temporary negative revaluation reserve in respect of certain assets.

# **NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST**

## **ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008**

### **NOTES TO THE ACCOUNTS**

#### **1.4 Intangible Fixed Assets**

Intangible fixed assets are capitalised when they are capable of being used in a Trust's activities for more than one year; and they have a cost of at least £5,000 (either individually or as a grouped asset).

Intangible fixed assets held for operational use are valued at historical cost and are depreciated over the estimated life of the asset on a straight line basis, except capitalised Research and Development which is revalued using an appropriate index figure. The carrying value of intangible assets is reviewed for impairment at the end of the first full year following acquisition and in other periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Purchased computer software licences are capitalised as intangible fixed assets where expenditure of at least £5,000 is incurred (either individually or as a grouped asset). They are amortised over the shorter of the term of the licence and their useful economic lives.

#### **1.5 Tangible Fixed Assets**

##### **Capitalisation**

Tangible assets are capitalised if they are capable of being used for a period which exceeds one year and they:

- ❑ individually have a cost of at least £5,000; OR
- ❑ they satisfy the criteria of a grouped assets i.e. collectively have a cost of at least £5,000, are functionally interdependent, broadly simultaneous purchase dates, and anticipated to have simultaneous disposal dates, under single managerial control and have an individual cost of £1,000 ;OR
- ❑ form part of the initial equipping and setting-up cost of a new building, ward or unit irrespective of their individual or collective cost.

##### **Valuation**

Tangible fixed assets are stated at the lower of replacement cost and recoverable amount. On initial recognition they are measured at cost (for leased assets, fair value) including any costs such as installation directly attributable to bringing them into working condition. They are restated to current value each year. The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

All land and buildings are restated to current value using professional valuations in accordance with FRS 15 every five years and in the intervening years by the use of indices. The buildings index is based on the All in Tender Price Index published by the Building Cost Information Service (BCIS). The land index is based on the residential building land values reported in the Property Market Report published by the Valuation Office.

## **NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST**

### **ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008**

#### **NOTES TO THE ACCOUNTS**

Professional valuations are carried out by the District Valuers of the Valuations and Land Agency.

The valuations are carried out in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual insofar as these terms are consistent with the agreed requirements of the Department of Health, Social Services and Public Safety. In accordance with the requirements of the Department, asset valuations were undertaken in 2004/05 as at the valuation date of 31 March 2005.

The valuations are carried out primarily on the basis of Depreciated Replacement Cost for specialised operational property and Existing Use Value for non-specialised operational property. The value of land for existing use purposes is assessed at Existing Use Value. For non-operational properties including surplus land, the valuations are carried out at Open Market Value.

Additional alternative Open Market Value figures have only been supplied for operational assets scheduled for imminent closure and subsequent disposal.

All increases in value arising from indexation and five-yearly revaluations are taken to the Revaluation Reserve. All decreases in value resulting from price changes are charged to the Statement of Total Recognised Gains and Losses to the extent that a revaluation reserve covers these price impairments and if there is insufficient cover in the revaluation reserve the remainder is charged to the I&E account.

Assets in the course of construction are valued at cost and are not indexed. These assets include any existing land or buildings under the control of a contractor.

Residual interests in off-balance sheet Private Finance Initiative properties are included in tangible fixed assets as 'assets under construction and payments on account' where the PFI contract specifies the amount, or a nil value, at which the assets will be transferred to the Trust at the end of the contract. The residual interest is built up, on an actuarial basis, during the life of the contract by capitalising part of the unitary charge so that at the end of the contract the balance sheet value of the residual value plus the specified amount equal the expected fair value of the residual asset at the end of the contract. The estimated fair value of the asset on reversion is determined by the District Valuer based on Department of Health guidance. The District Valuer should provide an estimate of the anticipated fair value of the assets on the same basis as the District Valuer values the NHS Trusts estate.

Operational equipment other than IT equipment, which is considered to have nil inflation, is valued at net current replacement cost through annual uplift by the change in the value of the GDP deflator. Equipment surplus to requirements is valued at net recoverable amount.

#### **Depreciation, Amortisation and Impairments**

Tangible fixed assets are depreciated at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives. No depreciation is provided on freehold land, and assets surplus to requirements.

# **NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST**

## **ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008**

### **NOTES TO THE ACCOUNTS**

Assets in the course of construction and residual interests in off-balance sheet PFI contract assets are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

Buildings, installations and fittings are depreciated on their current value over the estimated remaining life of the asset as advised by the District Valuer. Leaseholds are depreciated over the primary lease term.

Equipment is depreciated on current cost evenly over the estimated life of the asset.

Impairment losses resulting from short-term changes in price that are considered to be recoverable in the longer term are taken in full to the revaluation reserve, where one exists with any remaining balance charged to the I&E account. Impairment losses caused by economic events are taken in full to the I&E account with a transfer being made from the revaluation reserve to the I&E reserve up to the amount of the economic impairment.

#### **1.6 Donated Fixed Assets**

Donated fixed assets are capitalised at their current value on receipt and this value is credited to the Donated Asset Reserve. Donated fixed assets are valued and depreciated as described above for purchased assets. Gains and losses on revaluations are also taken to the Donated Asset Reserve and, each year, an amount equal to the depreciation charge on the asset is released from the Donated Asset Reserve to the Income and Expenditure account. Similarly, any impairment on donated assets charged to the Income and Expenditure Account is matched by a transfer from the Donated Asset Reserve. On sale of donated assets, the value of the sale proceeds is transferred from the Donated Asset Reserve to the Income and Expenditure Reserve.

#### **1.7 Research and Development**

Research and development expenditure is charged against income in the year in which it is incurred, except in so far as development expenditure relates to a clearly defined project and the benefits therefrom can reasonably be regarded as assured. Expenditure so deferred is limited to the value of future benefits and is amortised through the income and expenditure account on a systematic basis over the period expected to benefit from the project.

#### **1.8 Private Finance Initiative (PFI) transactions**

The HSS follows HM Treasury's Technical Note 1 (Revised) "How to Account for PFI transactions" which provides definitive guidance for the application of the FRS 5 Amendment.

PFI schemes are schemes under which the PFI operator receives an annual payment from the Trust for the services provided by the PFI operator.

# **NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST**

## **ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008**

### **NOTES TO THE ACCOUNTS**

Where the balance of the risks and rewards of ownership of the PFI property are borne by the PFI operator, the PFI obligations are recorded as an operating expense. Where the Trust has contributed assets, a prepayment for their fair value is recognised and amortised over the life of the PFI contract by charge to the Income and Expenditure Account. Where, at the end of the PFI contract, a property reverts to the Trust, the difference between the expected fair value of the residual on reversion and any agreed payment on reversion is built up over the life of the contract by capitalising part of the unitary charge each year, as a tangible fixed asset.

Where the balance of risks and rewards of ownership of the PFI property are borne by the Trust, it is recognised as a fixed asset along with the liability to pay for it which is accounted for as a finance lease. Contract payments are apportioned between an imputed finance lease charge and a service charge.

#### **1.9 Stocks and Work-in-Progress**

Stocks and work-in-progress are valued at the lower of cost and net realisable value. This is considered to be a reasonable approximation to current cost due to the high turnover of stocks. Work-in-progress comprises goods in intermediate stages of production. Partially completed contracts for patient services are not accounted for as work-in-progress.

#### **1.10 Provisions**

The Trust provides for legal or constructive obligations that are of uncertain timing or amount at the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are adjusted using the Treasury's discount rate of 2.2% in real terms.

Provisions for clinical negligence are recognised only where it is more probable than not that a settlement will be required.

#### **1.11 Clinical Negligence Central Fund**

A Clinical Negligence Central Fund was established in 1998 to manage the payment of clinical negligence settlements. HSS Trusts are reimbursed by the Central Fund for payments made. Reimbursements are accounted for as income.

The reimbursements from the Central Fund in respect of clinical negligence liabilities and provisions are included within debtors.

#### **1.12 Pensions**

The Trust participates in the HSS Superannuation Scheme. Under this multi-employer defined benefit scheme both the Trust and employees pay specified percentages of pay into the scheme and the liability to pay benefit falls to the DHSSPS. The Trust is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reliable basis. Further information regarding the HSS Superannuation Scheme can be found in the HSS Superannuation

## **NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST**

### **ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008**

#### **NOTES TO THE ACCOUNTS**

Scheme Statement in the Departmental Resource Account for the Department of Health, Social Services and Public Safety.

The costs of early retirements are met by the Trust and charged to the Income and Expenditure Account at the time the Trust commits itself to the retirement.

As per the requirements of FRS 17, full actuarial valuations by a professionally qualified actuary are required at intervals not exceeding four years. The actuary reviews the most recent actuarial valuation at the balance sheet date, in this case the 2003 valuation, and updates it to reflect current conditions. A full valuation took place with affect from 31 March 2004 and this is the valuation being used for 2007-08 accounting purposes.

#### **1.13 Third Party Assets**

Assets belonging to third parties (such as money held on behalf of Patients) are not recognised in the accounts since the Trust has no beneficial interest in them. Details of third party assets are given in Note 27 to the accounts.

#### **1.14 Leases**

Assets held under finance leases are capitalised at the fair value of the asset with an equivalent liability categorised as appropriate under creditors due within or after one year. The asset is subject to indexation and revaluation and is depreciated on its current fair value over the shorter of the lease term and its useful economic life. Finance charges are allocated to accounting periods over the period of the lease to produce a constant rate of interest on the outstanding balance. Rentals under operating leases are charged to the Income and Expenditure Account in the year in which they arise.

#### **1.15 Losses**

This note (Note 24) is a memorandum statement unlike most notes to the accounts which provide further detail of figures in the primary accounting statements. Most of the contents will be included in operating expenses.

## NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

### ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008

#### NOTES TO THE ACCOUNTS

|   | <b>2008</b>          | <b>2007</b>          |
|---|----------------------|----------------------|
|   | <b>£'000</b>         | <b>£'000</b>         |
| <b>2. Income from Activities</b>                  |                      |                      |
| NI Health and Social Services Boards              | 44,995               | 47,665               |
| GB/Republic of Ireland Health Authorities         | 0                    | 0                    |
| HSS Trusts  | 1,360                | 1,487                |
| Non-HSS:  |                      |                      |
| - private patients                                | 0                    | 3                    |
| - other   | 0                    | 0                    |
| Clients contributions                             | 0                    | 0                    |
|   | <hr/>                | <hr/>                |
| <b>Total</b>                                      | <b><u>46,355</u></b> | <b><u>49,155</u></b> |
|   |                      |                      |
| <b>3. Other Operating Income</b>                  |                      |                      |
|   | <b>2008</b>          | <b>2007</b>          |
|   | <b>£'000</b>         | <b>£'000</b>         |
| Other income from non-patient services            | 240                  | 220                  |
| NIMDTA / NICPMDE                                  | 0                    | 0                    |
| SUMDE   | 0                    | 0                    |
| Charitable and other contributions to expenditure | 0                    | 0                    |
| Donated asset reserve transfer for Impairment     | 0                    | 0                    |
| Donated asset reserve transfer for Depreciation   | 0                    | 0                    |
| Income in respect of fixed asset impairments      | 0                    | 61                   |
| Profit on disposal of land                        | 0                    | 0                    |
| Clinical Negligence Central Fund                  | 11                   | 0                    |
| Reversal of fixed asset impairments               | 0                    | 0                    |
| Other income                                      | 0                    | 0                    |
|   | <hr/>                | <hr/>                |
| <b>Total</b>                                      | <b><u>251</u></b>    | <b><u>281</u></b>    |

In 2007/08 the Department of Health, Social Services and Public Safety was required to change the funding arrangements for Trust's capital charges, with Trusts no longer receiving income for these charges. Consequently the income has decreased significantly in 2007/08 in comparison with 2006/07.

In line with guidance issued by the Department of Finance and Personnel and the Department of Health, Social Services and Public Safety, the comparative 2006/07 figures have not been restated to reflect the impact of these changes and therefore the 2006/07 income includes £3,514k for Trust capital charges.



# NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008

### NOTES TO THE ACCOUNTS

#### 4. Operating Expenses

##### 4.1 Operating Expenses are as follows:

|   | 2008<br>£'000        | 2007<br>£'000        |
|---|----------------------|----------------------|
| Salaries and Wages (excluding Board members' remuneration)                    | 37,676               | 36,322               |
| Executive Board members remuneration  | 387                  | 394                  |
| Non-executive Board members remuneration                                      | 48                   | 52                   |
| Supplies and services - clinical  | 603                  | 699                  |
| Supplies and services - general   | 193                  | 392                  |
| Establishment   | 1,137                | 1,242                |
| Transport   | 3,985                | 3,644                |
| Premises  | 1,538                | 1,774                |
| Bad debts   | 0                    | 1                    |
| Depreciation and amortisation   | 2,656                | 2,843                |
| Cost of Capital   | 530                  | 0                    |
| (Profit)/Loss on disposal of fixed assets<br>(excluding profit on land)       | (37)                 | 0                    |
| Fixed asset impairments   | 45                   | 61                   |
| Donated asset impairments   | 0                    | 0                    |
| Purchase of care from non-HSS bodies and<br>grants to voluntary organisations | 0                    | 0                    |
| Personal social services  | 0                    | 0                    |
| Recharges from other HSS organisations  | 396                  | 466                  |
| Clinical Negligence Payments:   |                      |                      |
| - Provisions utilised   | 7                    | 0                    |
| - Other   | 0                    | 0                    |
| Audit fees  | 24                   | 20                   |
| Other auditors remuneration   | 0                    | 0                    |
| Miscellaneous   | 869                  | 1,256                |
| <b>Total</b>  | <b><u>50,057</u></b> | <b><u>49,166</u></b> |

##### 4.2 Operating Leases

Operating expenses include the following amounts in respect of hire and operating lease rentals:

|                             | 2008<br>£'000     | 2007<br>£'000     |
|-----------------------------|-------------------|-------------------|
| Hire of plant and machinery | 0                 | 0                 |
| Other operating leases      | 156               | 136               |
|                             | <b><u>156</u></b> | <b><u>136</u></b> |

Commitments under non-cancellable operating leases are:

|                                | Land and buildings  |                   | Other leases    |                  |
|--------------------------------|---------------------|-------------------|-----------------|------------------|
|                                | 2008<br>£'000       | 2007<br>£'000     | 2008<br>£'000   | 2007<br>£'000    |
| Operating leases which expire: |                     |                   |                 |                  |
| Within 1 year                  | 2                   | 2                 | 0               | 12               |
| Between 1 and 5 years          | 106                 | 146               | 8               | 12               |
| After 5 years                  | 922                 | 785               | 0               | 0                |
|                                | <b><u>1,030</u></b> | <b><u>933</u></b> | <b><u>8</u></b> | <b><u>24</u></b> |

# **NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST**

## **ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008**

### **NOTES TO THE ACCOUNTS**

#### **NOTE 4 (Contd)**

#### **4.3 Capital Charges and Other Non Cash Costs (Memorandum Note)**

The following amounts have been included in Note 4.1:

|   | <b>2008</b>  |
|---|--------------|
|   | <b>£</b>     |
| Capital charges                             |              |
| - Depreciation                              | 2,656        |
| - Cost of capital                           | 530          |
| Audit fee                                   | 24           |
| Other auditors remuneration                 | 0            |
| Impairments                                 | 45           |
| Loss on sale / disposal of land & buildings | 0            |
| Other                                       | 133          |
|   | <hr/>        |
| <b>Total</b>                                | <b>3,388</b> |
|   | <hr/>        |

## NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

### ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008

#### NOTES TO THE ACCOUNTS

##### 5.1 Staff Costs

|   | <b>Directly<br/>employed<br/>£'000</b> | <b>Other<br/>£'000</b> | <b>2008<br/>£'000</b> | <b>2007<br/>£'000</b> |
|---|--|------------------------|-----------------------|-----------------------|
| Salaries and Wages (including Board Members remuneration and Non-executive Board Members)         | 33,347                                 | 354                    | 33,701                | 32,840                |
| Social security costs   | 2,549                                  | 0                      | 2,549                 | 2,309                 |
| Pension costs for early retirements reflecting the single lump sum to buy over the full liability | 0                                      | 0                      | 0                     | 6                     |
| Other pension costs   | 1,861                                  | 0                      | 1,861                 | 1,613                 |
| Early departure costs   | 0                                      | 0                      | 0                     | 0                     |
| <b>Sub-Total</b>  | <b>37,757</b>                          | <b>354</b>             | <b>38,111</b>         | <b>36,768</b>         |
| Less recoveries in respect of outward secondments   |  |                        | 0                     | 0                     |
| <b>Total net costs</b>  |  |                        | <b>38,111</b>         | <b>36,768</b>         |

Of the total, £NIL has been charged to capital.

##### 5.2 Average Number of Persons Employed

|                                  | <b>Directly<br/>employed<br/>No.</b> | <b>Other<br/>No.</b> | <b>2008<br/>No</b> | <b>2007<br/>No</b> |
|----------------------------------|--------------------------------------|----------------------|--------------------|--------------------|
| Medical and dental               | 1                                    | 0                    | 1                  | 1                  |
| Nursing and Midwifery            | 0                                    | 0                    | 0                  | 0                  |
| Professions allied to medicine   | 0                                    | 0                    | 0                  | 0                  |
| Ancillaries                      | 0                                    | 0                    | 0                  | 0                  |
| Administrative and clerical      | 50                                   | 14                   | 64                 | 71                 |
| Ambulance staff                  | 1,004                                | 4                    | 1,008              | 964                |
| Works                            | 3                                    | 0                    | 3                  | 3                  |
| Other professional and technical | 0                                    | 0                    | 0                  | 0                  |
| Social Services                  | 0                                    | 0                    | 0                  | 0                  |
| Other                            | 0                                    | 0                    | 0                  | 0                  |
| <b>Total</b>                     | <b>1,058</b>                         | <b>18</b>            | <b>1,076</b>       | <b>1,039</b>       |

Figures refer to wholtime equivalents (WTEs) rather than individuals.

**NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST**

**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008**

**NOTES TO THE ACCOUNTS**

**NOTE 5 (Contd)**

**5.3 Senior Employees' Remuneration**

The salary, pension entitlements, and the value of any taxable benefits in kind of the most senior members of the Trust were as follows:

| Name                                   | 2007-08   |   | 2006-07   |   | Real increase<br>in pension at<br>age 60 and<br>related lump<br>sum<br>£'000 | 2007-08  |                              | Real<br>increase<br>in CETV<br>£'000 |                              |
|--|---|---|---|---|--|--|------------------------------|--------------------------------------|------------------------------|
|  | Salary,<br>including<br>Performance<br>Pay<br>£'000 | Benefits in<br>Kind<br>(rounded to<br>nearest £100) | Salary,<br>including<br>Performance<br>Pay<br>£'000 | Benefits in<br>Kind<br>(rounded to<br>nearest £100) |  | Total accrued<br>pension at age<br>60 and related<br>lump sum<br>£'000 | CETV at<br>31/03/07<br>£'000 |                                      | CETV at<br>31/03/08<br>£'000 |
| <b>Non-Executive Members</b>           |   |   |   |   |  |  |                              |                                      |                              |
| D Smyth                                | 15-20   | -   | 15-20   | -   | -  | -  | -                            | -                                    | -                            |
| L Gillespie<br>(until 17 May 2007)     | 0 – 5<br>(5 – 10*)                                  | -   | 5-10  | -   | -  | -  | -                            | -                                    | -                            |
| M Greer                                | 5 – 10  | -   | 5 – 10  | -   | -  | -  | -                            | -                                    | -                            |
| M Hanratty<br>(Appointed 01 August 07) | 0 – 5<br>(5 – 10*)                                  | -   | -   | -   | -  | -  | -                            | -                                    | -                            |
| F Hughes                               | 5-10  | -   | 5-10  | -   | -  | -  | -                            | -                                    | -                            |
| S Mullan                               | 5-10  | -   | 5-10  | -   | -  | -  | -                            | -                                    | -                            |
| R Perrott                              | 5-10  | -   | 5-10  | -   | -  | -  | -                            | -                                    | -                            |
| <b>Executive Members</b>               |   |   |   |   |  |  |                              |                                      |                              |
| L McIvor                               | 65-70   | -   | 65-70   | -   | 0-2.5 + lump<br>sum of 0-2.5   | 15-20 + lump<br>sum of 45-50   | 195                          | 222                                  | 9                            |
| S McCue                                | 55-60   | -   | 55-60   | -   | 0-2.5 + lump<br>sum of 0-2.5   | 0-5 + lump<br>sum of 10-15   | 56                           | 71                                   | 11                           |
| R O'Hara                               | 55-60   | -   | 50-55   | -   | 0-2.5 + lump<br>sum of 0-2.5   | 10-15 + lump<br>sum of 40-45   | 147                          | 167                                  | 7                            |
| D McManus                              | 90-95   | -   | 80-85   | -   | 0-2.5 + lump<br>sum of 0-2.5   | 25-30 + lump<br>sum of 85-90   | 406                          | 453                                  | 15                           |
| B McNeill                              | 50-55   | -   | 50-55   | -   | 0-2.5 + lump<br>sum of 0-2.5   | 15-20 + lump<br>sum of 45-50   | 188                          | 208                                  | 6                            |

# NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008

### NOTES TO THE ACCOUNTS

#### NOTE 5 (Contd)

#### 5.3 Senior Employees' Remuneration (Contd)

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

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures, and from 2004-05 the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the HSS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost.

CETVs are calculated within the guidelines and framework prescribed by the institute and Faculty of Actuaries.

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

| <b>5.4 Staff Benefits</b>         | <b>2008<br/>£'000</b> | <b>2007<br/>£'000</b> |
|-----------------------------------|-----------------------|-----------------------|
| None                              | 0                     | 0                     |
|                                   | <u>0</u>              | <u>0</u>              |
| <b>5.5 Trust Management Costs</b> | <b>2008<br/>£'000</b> | <b>2007<br/>£'000</b> |
| Trust Management Costs            | 2,898                 | 2,870                 |
| Total Income                      | 46,250                | 49,029                |
| % of total income                 | <u>6.27%</u>          | <u>5.85%</u>          |

The above information is based on the Audit commission's definition "M2" Trust management costs, as detailed in HSS (THR) 2/99.

Changes to the Trust Budgeting Finance Regime (DHSSPS Circular HSS(F) 05/2008) were introduced in 2007/08. The principal change in the current year is the replacement of the circular flow of cash to fund depreciation and capital charges with a non-cash budget. This has the effect of reducing the Trust's income by the order of £3.5 million. As income is the denominator in the calculation of management costs, the headline management cost percentage has increased to 6.27%. The comparable figure under the new finance regime for 2006/07 is 6.34%.

#### 5.6 Retirements Due to Ill-health

During 2007/08 there were 5 early retirements from the Trust agreed on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £23,008.

## NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

### ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008

#### NOTES TO THE ACCOUNTS

##### 6.1 Public Sector Payment Policy - Measure of Compliance

The Department requires that Trusts pay their non HSS trade creditors in accordance with the CBI Prompt Payment Code and Government Accounting Rules. The Trust's payment policy is consistent with the CBI prompt payment codes and Government Accounting rules and its measure of compliance is:

|                                       | 2008<br>Number | 2007<br>Number |
|---------------------------------------|----------------|----------------|
| Total bills paid                      | <u>12,369</u>  | <u>12,040</u>  |
| Total bills paid within 30 day target | <u>11,411</u>  | <u>11,434</u>  |
| % of bills paid within 30 day target  | <u>92.3%</u>   | <u>95.0%</u>   |

##### 6.2 The Late Payment of Commercial Debts Regulations 2002

The amount included within Interest Payable (Note 7) arising from claims made by small businesses under this legislation are as follows:

|              | £               |
|--------------|-----------------|
| <b>Total</b> | <u><u>0</u></u> |

##### 7. Interest Payable

|                                   | 2008<br>£'000   | 2007<br>£'000     |
|-----------------------------------|-----------------|-------------------|
| Originating interest bearing debt | 0               | 208               |
| Further borrowing (government)    | 0               | 0                 |
| Further borrowing (other)         | 0               | 0                 |
| Finance leases                    | 0               | 0                 |
| Other interest                    | <u>0</u>        | <u>0</u>          |
| <b>Total</b>                      | <u><u>0</u></u> | <u><u>208</u></u> |

An amount of £37,537 is included within Note 8 for the unwinding of discount on provisions.

# NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008

### NOTES TO THE ACCOUNTS

#### 8. Provisions for Liabilities and Charges

|                          | Pensions<br>relating<br>to former<br>directors<br>£'000 | Pensions<br>relating<br>to other<br>staff<br>£'000 | Clinical<br>Negligence<br>£'000 | Restructuring<br>£'000 | Other<br>£'000 | 2008<br>£'000 | 2007<br>£'000 |
|--------------------------|---|--|---------------------------------|------------------------|----------------|---------------|---------------|
| Balance at 31 March 2007 | 0   | 0  | 199                             | 0                      | 987            | 1,186         | 1,859         |
| Arising during the year  | 0   | 0  | 8                               | 0                      | 1,158          | 1,166         | 100           |
| Utilised during the year | 0   | 0  | (7)                             | 0                      | (145)          | (152)         | (435)         |
| Reversed unused          | 0   | 0  | (168)                           | 0                      | (116)          | (284)         | (362)         |
| Unwinding of discount    | 0   | 0  | 1                               | 0                      | 37             | 38            | 24            |
| At 31 March 2008         | <b>0</b>  | <b>0</b>   | <b>33</b>                       | <b>0</b>               | <b>1,921</b>   | <b>1,954</b>  | <b>1,186</b>  |

#### 8.1 Income and Expenditure Account Charges

|   | £'000      |
|---|------------|
| Arising during the year                       | 1,166      |
| Utilised during the year                      | (152)      |
| Reversed unused                               | (284)      |
| Unwinding of discounts                        | 38         |
| <b>Movement in Year</b>                       | <b>768</b> |
| <b>Reimbursements Receivable</b>              |            |
| Clinical Negligence Central Fund              | 166        |
| Other   | 0          |
| <b>Total Reimbursements Receivable</b>        | <b>166</b> |
| <b>Total Increase/Decrease (to I &amp; E)</b> | <b>934</b> |

## NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

### ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008

#### NOTES TO THE ACCOUNTS

##### NOTE 8 (Contd)

##### Expected Timing of Cash Flow

|               | <b>Pensions<br/>relating to<br/>former<br/>directors<br/>£'000</b> | <b>Pensions<br/>relating<br/>to other<br/>Staff<br/>£'000</b> | <b>Clinical<br/>Negligence<br/>£'000</b> | <b>Restructuring<br/>£'000</b> | <b>Other<br/>£'000</b> | <b>2008<br/>£'000</b> | <b>2007<br/>£'000</b> |
|---------------|--|---|--|--------------------------------|------------------------|-----------------------|-----------------------|
| Within 1 year | 0  | 0   | 0  | 0                              | 171                    | 171                   | 249                   |
| 1 - 5 years   | 0  | 0   | 33                                       | 0                              | 73                     | 106                   | 247                   |
| Over 5 years  | 0  | 0   | 0  | 0                              | 1,677                  | 1,677                 | 690                   |

The provision in respect of other liabilities and charges comprises £241,845 for Accrued Leave, £157,995 for Employers Liability and £1,520,957 for Premature Pensions following Injury. The provision for Accrued Leave will crystallise as individuals retire or leave the service at future dates. The provision for Employers Liability has been calculated based in accordance with DHSSPS guidance and data was obtained from the CSA's Directorate of Legal Services.

Expected reimbursements from the Clinical Negligence Central Fund included in debtors are:

|                                  | <b>£'000</b> |
|----------------------------------|--------------|
| Clinical Negligence Central Fund | <u>33</u>    |

The clinical negligence provision includes £NIL for incidents against which claims have not, as yet been received. The related reimbursements, included in the debtors, amount to £NIL.

In addition to the clinical negligence provision, contingent liabilities for clinical negligence are given in Note 22.



# NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008

### NOTES TO THE ACCOUNTS

#### 9. Intangible Fixed Assets

| <b>Cost or Valuation</b> | <b>Purchased<br/>£'000</b> | <b>Software Licences<br/>Donated<br/>£'000</b> | <b>Total<br/>£'000</b> |
|--------------------------|----------------------------|--|------------------------|
| At 1 April 2007          | 6                          | 0  | 6                      |
| Indexation               | 0                          | 0  | 0                      |
| Additions                | 43                         | 0  | 43                     |
| Reclassifications        | 0                          | 0  | 0                      |
| Other Revaluation        | 0                          | 0  | 0                      |
| Impairments              | 0                          | 0  | 0                      |
| Disposals                | 0                          | 0  | 0                      |
|                          | <hr/>                      | <hr/>  | <hr/>                  |
| At 31 March 2008         | <b>49</b>                  | <b>0</b>                                       | <b>49</b>              |
| <b>Amortisation</b>      |                            |  |                        |
| At 1 April 2007          | 0                          | 0  | 0                      |
| Indexation               | 0                          | 0  | 0                      |
| Transfers                | 0                          | 0  | 0                      |
| Revaluation              | 0                          | 0  | 0                      |
| Impairments              | 0                          | 0  | 0                      |
| Disposals                | 0                          | 0  | 0                      |
| Provided during the year | 2                          | 0  | 2                      |
|                          | <hr/>                      | <hr/>  | <hr/>                  |
| At 31 March 2007         | <b>2</b>                   | <b>0</b>                                       | <b>2</b>               |
| <b>Net Book Value</b>    |                            |  |                        |
| At 31 March 2008         | <b>47</b>                  | <b>0</b>                                       | <b>47</b>              |
| At 31 March 2007         | <b>6</b>                   | <b>0</b>                                       | <b>6</b>               |

# NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008

### NOTES TO THE ACCOUNTS

#### 10. Tangible Fixed Assets

##### 10.1 Tangible fixed assets comprise the following elements:

| Purchased Assets         | Land<br>£'000 | Buildings<br>(excluding<br>dwellings)<br>£'000 | Dwellings<br>£'000 | Assets under<br>Construction<br>£'000 | Plant and<br>machinery<br>(Equipment)<br>£'000 | Transport<br>Equipment<br>£'000 | Information<br>Technology<br>(IT)<br>£'000 | Furniture<br>and<br>fittings<br>£'000 | Total<br>£'000 |
|--------------------------|---------------|--|--------------------|---------------------------------------|--|---------------------------------|--|---------------------------------------|----------------|
| <b>Cost or Valuation</b> |               |  |                    |                                       |  |                                 |  |                                       |                |
| At 1 April 2007          | 1,567         | 11,121   | 0                  | 0                                     | 3,990  | 16,792                          | 1,000                                      | 203                                   | 34,673         |
| Indexation               | 65            | 385  | 0                  | 0                                     | 107  | 162                             | (96)                                       | 2                                     | 625            |
| Additions                | 0             | 334  | 0                  | 0                                     | 160  | 2,411                           | 72   | 0                                     | 2,977          |
| Reclassifications        | 0             | 0  | 0                  | 0                                     | 0  | 0                               | 0  | 0                                     | 0              |
| Transfers                | 0             | 0  | 0                  | 0                                     | 0  | 0                               | 0  | 0                                     | 0              |
| Revaluation              | 0             | 0  | 0                  | 0                                     | 0  | 0                               | 0  | 0                                     | 0              |
| Impairments              | 0             | 0  | 0                  | 0                                     | 0  | 0                               | 0  | 0                                     | 0              |
| Disposals                | 0             | 0  | 0                  | 0                                     | (125)  | (1,689)                         | (55)                                       | 0                                     | (1,869)        |
| At 31 March 2008         | <b>1,632</b>  | <b>11,840</b>                                  | <b>0</b>           | <b>0</b>                              | <b>4,132</b>                                   | <b>17,676</b>                   | <b>921</b>                                 | <b>205</b>                            | <b>36,406</b>  |
| <b>Depreciation</b>      |               |  |                    |                                       |  |                                 |  |                                       |                |
| At 1 April 2007          | 0             | 3,538  | 0                  | 0                                     | 1,717  | 9,629                           | 534  | 28                                    | 15,446         |
| Indexation               | 0             | 122  | 0                  | 0                                     | 46   | 90                              | (51)                                       | 0                                     | 207            |
| Transfers                | 0             | 0  | 0                  | 0                                     | 0  | 0                               | 0  | 0                                     | 0              |
| Revaluation              | 0             | 0  | 0                  | 0                                     | 0  | 0                               | 0  | 0                                     | 0              |
| Impairments              | 0             | 0  | 0                  | 0                                     | 0  | 0                               | 0  | 0                                     | 0              |
| Disposals                | 0             | 0  | 0                  | 0                                     | (121)  | (1,687)                         | (55)                                       | 0                                     | (1,863)        |
| Reversal of impairments  | 0             | 0  | 0                  | 0                                     | 0  | 0                               | 0  | 0                                     | 0              |
| Provided during the year | 0             | 316  | 0                  | 0                                     | 281  | 1,904                           | 138  | 15                                    | 2,654          |
| At 31 March 2008         | <b>0</b>      | <b>3,976</b>                                   | <b>0</b>           | <b>0</b>                              | <b>1,923</b>                                   | <b>9,936</b>                    | <b>566</b>                                 | <b>43</b>                             | <b>16,444</b>  |
| <b>Net Book Value</b>    |               |  |                    |                                       |  |                                 |  |                                       |                |
| At 31 March 2008         | <b>1,632</b>  | <b>7,864</b>                                   | <b>0</b>           | <b>0</b>                              | <b>2,209</b>                                   | <b>7,740</b>                    | <b>355</b>                                 | <b>162</b>                            | <b>19,962</b>  |
| At 31 March 2007         | <b>1,567</b>  | <b>7,583</b>                                   | <b>0</b>           | <b>0</b>                              | <b>2,273</b>                                   | <b>7,163</b>                    | <b>466</b>                                 | <b>175</b>                            | <b>19,227</b>  |

Of the total net book value at 31 March 2008, £NIL related to buildings, installations and fittings valued at open market value for alternative use.

# NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008

### NOTES TO THE ACCOUNTS

#### NOTE 10 (Contd)

#### 10.2 Donated Assets

|   | Land<br>£000 | Buildings<br>(excluding<br>dwellings)<br>£000 | Dwellings<br>£000 | Assets under<br>Construction<br>£000 | Plant and<br>machinery<br>(Equipment)<br>£000 | Transport<br>Equipment<br>£000 | Information<br>Technology<br>(IT)<br>£000 | Furniture<br>and<br>fittings<br>£000 | Total<br>£000 |
|---|--------------|---|-------------------|--------------------------------------|---|--------------------------------|---|--------------------------------------|---------------|
| <b>Cost or Valuation</b>                            |              |   |                   |                                      |   |                                |   |                                      |               |
| At 1 April 2007                                     | 0            | 0   | 0                 | 0                                    | 0   | 0                              | 0   | 0                                    | 0             |
| Indexation  | 0            | 0   | 0                 | 0                                    | 0   | 0                              | 0   | 0                                    | 0             |
| Additions   | 0            | 0   | 0                 | 0                                    | 0   | 0                              | 0   | 0                                    | 0             |
| Transfers   | 0            | 0   | 0                 | 0                                    | 0   | 0                              | 0   | 0                                    | 0             |
| Impairments   | 0            | 0   | 0                 | 0                                    | 0   | 0                              | 0   | 0                                    | 0             |
| Revaluation   | 0            | 0   | 0                 | 0                                    | 0   | 0                              | 0   | 0                                    | 0             |
| Disposals   | 0            | 0   | 0                 | 0                                    | 0   | 0                              | 0   | 0                                    | 0             |
| At 31 March 2008                                    | <b>0</b>     | <b>0</b>                                      | <b>0</b>          | <b>0</b>                             | <b>0</b>                                      | <b>0</b>                       | <b>0</b>                                  | <b>0</b>                             | <b>0</b>      |
| <b>Depreciation</b>                                 |              |   |                   |                                      |   |                                |   |                                      |               |
| At 1 April 2007                                     | 0            | 0   | 0                 | 0                                    | 0   | 0                              | 0   | 0                                    | 0             |
| Indexation  | 0            | 0   | 0                 | 0                                    | 0   | 0                              | 0   | 0                                    | 0             |
| Transfers   | 0            | 0   | 0                 | 0                                    | 0   | 0                              | 0   | 0                                    | 0             |
| Impairments   | 0            | 0   | 0                 | 0                                    | 0   | 0                              | 0   | 0                                    | 0             |
| Revaluation   | 0            | 0   | 0                 | 0                                    | 0   | 0                              | 0   | 0                                    | 0             |
| Disposals   | 0            | 0   | 0                 | 0                                    | 0   | 0                              | 0   | 0                                    | 0             |
| Reversal of impairments<br>Provided during the year | 0            | 0   | 0                 | 0                                    | 0   | 0                              | 0   | 0                                    | 0             |
| At 31 March 2008                                    | <b>0</b>     | <b>0</b>                                      | <b>0</b>          | <b>0</b>                             | <b>0</b>                                      | <b>0</b>                       | <b>0</b>                                  | <b>0</b>                             | <b>0</b>      |
| <b>Net Book Value</b>                               |              |   |                   |                                      |   |                                |   |                                      |               |
| At 31 March 2008                                    | <b>0</b>     | <b>0</b>                                      | <b>0</b>          | <b>0</b>                             | <b>0</b>                                      | <b>0</b>                       | <b>0</b>                                  | <b>0</b>                             | <b>0</b>      |
| At 31 March 2007                                    | <b>0</b>     | <b>0</b>                                      | <b>0</b>          | <b>0</b>                             | <b>0</b>                                      | <b>0</b>                       | <b>0</b>                                  | <b>0</b>                             | <b>0</b>      |

# NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008

### NOTES TO THE ACCOUNTS

#### NOTE 10 (Contd)

#### 10.3 Total Fixed Assets:

|                                      | <b>Purchased<br/>£'000</b> | <b>Donated<br/>£'000</b> | <b>Total<br/>£'000</b> | <b>2007<br/>£'000</b> |
|--------------------------------------|----------------------------|--------------------------|------------------------|-----------------------|
| Net book value:                      |                            |                          |                        |                       |
| Land                                 | 1,632                      | 0                        | 1,632                  | 1,567                 |
| Buildings (excluding dwellings)      | 7,864                      | 0                        | 7,864                  | 7,583                 |
| Dwellings                            | 0                          | 0                        | 0                      | 0                     |
| Assets under construction            | 0                          | 0                        | 0                      | 0                     |
| Plant and machinery (equipment)      | 2,209                      | 0                        | 2,209                  | 2,273                 |
| Transport equipment                  | 7,740                      | 0                        | 7,740                  | 7,163                 |
| Information technology (IT)          | 355                        | 0                        | 355                    | 466                   |
| Furniture and fittings               | 162                        | 0                        | 162                    | 175                   |
| <b>Total Tangible Fixed Assets</b>   | <b>19,962</b>              | <b>0</b>                 | <b>19,962</b>          | <b>19,227</b>         |
| <b>Total Intangible Fixed Assets</b> | <b>47</b>                  | <b>0</b>                 | <b>47</b>              | <b>6</b>              |
| <b>Total Assets</b>                  | <b>20,009</b>              | <b>0</b>                 | <b>20,009</b>          | <b>19,233</b>         |

#### 10.4 The net book value of land, buildings and dwellings comprises:

|                 | <b>2008<br/>£'000</b> | <b>2007<br/>£'000</b> |
|-----------------|-----------------------|-----------------------|
| Freehold        | 0                     | 0                     |
| Long leasehold  | 9,496                 | 9,150                 |
| Short leasehold | 0                     | 0                     |
|                 | <b>9,496</b>          | <b>9,150</b>          |

#### 10.5 The net book value of assets held under finance leases and hire purchase contracts are as follows:

|                                 | <b>2008<br/>£'000</b> | <b>2007<br/>£'000</b> |
|---------------------------------|-----------------------|-----------------------|
| Land                            | 0                     | 0                     |
| Buildings (excluding dwellings) | 0                     | 0                     |
| Dwellings                       | 0                     | 0                     |
| Assets under construction       | 0                     | 0                     |
| Plant and machinery (equipment) | 0                     | 0                     |
| Transport equipment             | 0                     | 0                     |
| Information technology (IT)     | 0                     | 0                     |
| Furniture and fittings          | 0                     | 0                     |
|                                 | <b>0</b>              | <b>0</b>              |

The total amount of depreciation charged in the Income and Expenditure Account in respect of assets held under finance leases and hire purchase contracts is £NIL (2007 £NIL).

# **NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST**

## **ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008**

### **NOTES TO THE ACCOUNTS**

#### **11. Stocks and Work in Progress**

|                               | <b>2008<br/>£'000</b> | <b>2007<br/>£'000</b> |
|-------------------------------|-----------------------|-----------------------|
| Raw Materials and consumables | 62                    | 63                    |
| Work in progress              | 0                     | 0                     |
| Finished goods                | 0                     | 0                     |
| <b>Total</b>                  | <b>62</b>             | <b>63</b>             |

#### **12.1 Debtors: Amounts falling due within one year:**

|   | <b>2008<br/>£'000</b> | <b>2007<br/>£'000</b> |
|---|-----------------------|-----------------------|
| HSS or NHS debtors                                    | 194                   | 392                   |
| Impairment debtor                                     | 0                     | 61                    |
| Clinical negligence – Central Fund                    | 11                    | 0                     |
| Other debtors   | 5,248                 | 8,508                 |
| Pension prepayments                                   |                       |                       |
| in respect of former directors                        | 0                     | 0                     |
| in respect of other staff                             | 0                     | 0                     |
| Interest receivable                                   | 7                     | 5                     |
| Other prepayments and accrued income                  | 159                   | 159                   |
| <b>Sub Total</b>                                      | <b>5,619</b>          | <b>9,125</b>          |
| The balances are net of a provision for bad debts of: | 0                     | 0                     |

#### **12.2 Debtors: Amounts falling due after more than one year:**

|                                      |              |              |
|--------------------------------------|--------------|--------------|
| HSS or NHS debtors                   | 0            | 0            |
| Clinical Negligence – Central Fund   | 33           | 199          |
| Other debtors                        | 0            | 0            |
| Pension prepayments                  |              |              |
| in respect of former directors       | 0            | 0            |
| in respect of other staff            | 0            | 0            |
| Other prepayments and accrued income | 0            | 0            |
| <b>Sub Total</b>                     | <b>33</b>    | <b>199</b>   |
| <b>Total</b>                         | <b>5,652</b> | <b>9,324</b> |

# **NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST**

## **ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008**

### **NOTES TO THE ACCOUNTS**

#### **NOTE 12 (Contd)**

#### **12.3 Intra-Government balances (Debtors)**

| <b>Name</b>  | <b>Amounts falling<br/>due within 1 year<br/>2007/08<br/>£'000</b> | <b>Amounts falling<br/>due within 1 year<br/>2006/07<br/>£'000</b> | <b>Amounts falling<br/>due after more<br/>than 1 year<br/>2007/08<br/>£'000</b> | <b>Amounts falling<br/>due after more<br/>than 1 year<br/>2006/07<br/>£'000</b> |
|--|--|--|---|---|
| Department of Health, Social Services<br>and Public Safety | 4,556  | 8,053  | 33  | 199   |
| HSS Boards   | 31   | 401  | 0   | 0   |
| Health Estates Executive Agency                            | 0  | 0  | 0   | 0   |
| NI Central Services Agency                                 | 11   | 2  | 0   | 0   |
| Other Central Government Bodies                            | 679  | 440  | 0   | 0   |
| Local Authorities  | 3  | 3  | 0   | 0   |
| HSS/NHS Trusts   | 163  | 52   | 0   | 0   |
| Public Corporations and Trading Funds                      | 3  | 6  | 0   | 0   |
| <b>Intra-Government Balances</b>                           | <b>5,446</b>   | <b>8,957</b>   | <b>33</b>   | <b>199</b>  |
| Balances with bodies external to<br>government             | 173  | 168  | 0   | 0   |
| <b>Total Debtors at 31 March</b>                           | <b>5,619</b>   | <b>9,125</b>   | <b>33</b>   | <b>199</b>  |

#### **13. Short-term Investments**

|  | <b>2008<br/>£'000</b> | <b>2007<br/>£'000</b> |
|--|-----------------------|-----------------------|
| Government securities                      | 0                     | 0                     |
| Other approved public sector organisations | 0                     | 0                     |
| Banking deposits                           | 2,104                 | 105                   |
| Others                                     | 0                     | 0                     |
| <b>Total</b>                               | <b>2,104</b>          | <b>105</b>            |

# NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008

### NOTES TO THE ACCOUNTS

#### 14. Creditors

##### 14.1 Creditors: Amounts falling due within one year:

|   | 2008<br>£'000 | 2007<br>£'000 |
|---|---------------|---------------|
| Bank overdrafts   | 0             | 0             |
| Current instalments on Interest Bearing Debt              | 0             | 168           |
| IBD Interest payable                                      | 0             | 9             |
| Public dividend capital dividend payable                  | 0             | 404           |
| Public dividend capital payable in respect of impairments | 0             | 61            |
| Payments received on account                              | 0             | 0             |
| HSS or NHS creditors and accruals                         | 763           | 820           |
| Non HSS or NHS trade revenue creditors                    | 9,349         | 9,102         |
| Non HSS or NHS trade capital creditors                    | 1,485         | 1,115         |
| Payroll creditors including taxation and social security  | 12            | 33            |
| Net obligations under finance leases                      | 0             | 0             |
| Clinical Negligence                                       | 0             | 0             |
| Pensions  |               |               |
| - relating to former directors                            | 0             | 0             |
| - relating to other staff                                 | 0             | 0             |
| Other accruals  | 0             | 0             |
| Other creditors   | 0             | 0             |
| <b>Sub Total</b>  | <b>11,609</b> | <b>11,712</b> |

##### 14.2 Creditors: Amounts falling due after more than one year:

|                        |               |               |
|------------------------|---------------|---------------|
| Long Term Loans        | 2,261         | 2,093         |
| Other                  | 0             | 0             |
| <b>Sub Total</b>       | <b>2,261</b>  | <b>2,093</b>  |
| <b>Total Creditors</b> | <b>13,870</b> | <b>13,805</b> |

Pension creditors include £NIL relating to payments due in future years under arrangements to buy out the liability for zero early retirements over 5 years.

# NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008

### NOTES TO THE ACCOUNTS

#### NOTE 14 (Contd)

#### 14.3 Intra-Government balances (Creditors)

| Name   | Amounts falling<br>due within 1 year<br>2007/08<br>£'000   | Amounts falling<br>due within 1 year<br>2006/07<br>£'000 | Amounts falling<br>due after more<br>than 1 year<br>2007/08<br>£'000 | Amounts falling<br>due after more<br>than 1 year<br>2006/07<br>£'000 |
|--|--|--|--|--|
|  | Department of Health, Social Services<br>and Public Safety | 11   | 642  | 2,261  |
| HSS Boards                                     | 0  | 1  | 0  | 0  |
| Health Estates Executive Agency                | 0  | 0  | 0  | 0  |
| NI Central Services Agency                     | 10   | 31   | 0  | 0  |
| Other Central Government Bodies                | 1  | 4  | 0  | 0  |
| Local Authorities                              | 1  | 1  | 0  | 0  |
| HSS/NHS Trusts                                 | 753  | 820  | 0  | 0  |
| Public Corporations and Trading Funds          | 0  | 0  | 0  | 0  |
| <b>Intra-Government Balances</b>               | <b>776</b>   | <b>1,499</b>   | <b>2,261</b>   | <b>2,093</b>   |
| Balances with bodies external to<br>government | 10,833   | 10,213   | 0  | 0  |
| <b>Total Creditors at 31 March</b>             | <b>11,609</b>  | <b>11,712</b>  | <b>2,261</b>   | <b>2,093</b>   |

#### 14.4 Finance lease obligations

The future minimum lease payments under finance leases to which the Trust was committed at the balance sheet date were as follows:

|  | 2008<br>£'000 | 2007<br>£'000 |
|--|---------------|---------------|
| Within one year                                  | 0             | 0             |
| Between one and five years                       | 0             | 0             |
| After five years                                 | 0             | 0             |
| Less finance charges allocated to future periods | 0             | 0             |
|  | <b>0</b>      | <b>0</b>      |

This total net obligation under finance leases can be analysed as follows:

|   | 2008<br>£'000 | 2007<br>£'000 |
|---|---------------|---------------|
| Creditors: amounts due within one year          | 0             | 0             |
| Creditors: amounts due after more than one year | 0             | 0             |
|   | <b>0</b>      | <b>0</b>      |

#### 14.5 Public Dividend Capital Dividends

|  | 2008<br>£'000 | 2007<br>£'000 |
|--|---------------|---------------|
| The dividend is in respect of Public Dividend<br>Capital | 0             | 404           |
|  | <b>0</b>      | <b>404</b>    |



# NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008

### NOTES TO THE ACCOUNTS

#### 15. Loans

|                            | <b>Government<br/>Loans<br/>£'000</b> | <b>Other<br/>Loans<br/>£'000</b> | <b>2008<br/>£000</b> | <b>2007<br/>£000</b> |
|----------------------------|---------------------------------------|----------------------------------|----------------------|----------------------|
| Amounts falling due:       |                                       |                                  |                      |                      |
| In one year or less        | 0                                     | 0                                | 0                    | 168                  |
| Between one and two years  | 0                                     | 0                                | 0                    | 167                  |
| Between two and five years | 2,261                                 | 0                                | 2,261                | 503                  |
| In five years or more      | 0                                     | 0                                | 0                    | 1,423                |
| <b>Total</b>               | <b>2,261</b>                          | <b>0</b>                         | <b>2,261</b>         | <b>2,261</b>         |

|  | <b>Government<br/>Loans<br/>£'000</b> | <b>Other<br/>Loans<br/>£'000</b> | <b>2008<br/>£'000</b> | <b>2007<br/>£'000</b> |
|--|---------------------------------------|----------------------------------|-----------------------|-----------------------|
| Wholly repayable within five years                               | 0                                     | 0                                | 0                     | 0                     |
| Wholly repayable after five years, not<br>by instalments         | 2,261                                 | 0                                | 2,261                 | 0                     |
| Wholly or partially repayable after five<br>years by instalments | 0                                     | 0                                | 0                     | 2,261                 |
| <b>Total</b>   | <b>2,261</b>                          | <b>0</b>                         | <b>2,261</b>          | <b>2,261</b>          |

|  |          |          |          |              |
|--|----------|----------|----------|--------------|
| Total Repayable after five years by<br>instalments | <b>0</b> | <b>0</b> | <b>0</b> | <b>1,423</b> |
|--|----------|----------|----------|--------------|

|  |          |          |          |          |
|--|----------|----------|----------|----------|
| Loans wholly or partially repayable<br>after five years: | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> |
|--|----------|----------|----------|----------|

| <b>Terms of payment</b>  | <b>Interest<br/>Rate</b> | <b>2008<br/>£'000</b> | <b>2007<br/>£'000</b> |
|--------------------------|--------------------------|-----------------------|-----------------------|
| Originating Capital Debt | 8.750%                   | 2,261                 | 2,261                 |

# NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008

### NOTES TO THE ACCOUNTS

#### 16. Public Dividend Capital

|  | <b>2008</b><br><b>£'000</b> | <b>2007</b><br><b>£'000</b> |
|--|-----------------------------|-----------------------------|
| Public dividend capital was issued as follows: |                             |                             |
| Opening balance                                | 9,319                       | 9,380                       |
| Additional PDC advances in year                | 1,275                       | 0                           |
| PDC repaid to DHSSPS                           | 0                           | 0                           |
| PDC Impairments (current year)                 | 0                           | (61)                        |
| <b>Total</b>                                   | <b><u>10,594</u></b>        | <b><u>9,319</u></b>         |

#### 17. Movements on Reserves

|  | <b>Revaluation<br/>Reserve<br/>£'000</b> | <b>Donation<br/>Reserve<br/>£'000</b> | <b>Realised<br/>Donation<br/>Reserve<br/>£'000</b> | <b>Other<br/>Reserves<br/>£'000</b> | <b>Income and<br/>Expenditure<br/>Reserve<br/>£'000</b> | <b>Total<br/>£'000</b> |
|--|--|---------------------------------------|--|-------------------------------------|---|------------------------|
| At 1 April 2007                                  | 4,389                                    | 0                                     | 0  | 0                                   | 26  | 4,415                  |
| Retained surplus /<br>(deficit) for year         | 0  | 0                                     | 0  | 0                                   | (4,156)   | (4,156)                |
| Revaluation and<br>Indexation of fixed<br>assets | 463                                      | 0                                     | 0  | 0                                   | 0   | 463                    |
| Transfer of realised<br>profits / (losses)       | (8)                                      | 0                                     | 0  | 0                                   | 8   | 0                      |
| Movements in<br>donation reserve                 | 0  | 0                                     | 0  | 0                                   | 0   | 0                      |
| Fixed Asset<br>Impairments                       | 0  | 0                                     | 0  | 0                                   | 0   | 0                      |
| Other reserve<br>movements                       | 0  | 0                                     | 0  | 0                                   | 687   | 687                    |
| At 31 March 2008                                 | <b><u>4,844</u></b>                      | <b><u>0</u></b>                       | <b><u>0</u></b>                                    | <b><u>0</u></b>                     | <b><u>(3,435)</u></b>                                   | <b><u>1,409</u></b>    |

# **NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST**

## **ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008**

### **NOTES TO THE ACCOUNTS**

#### **18. Reconciliation of Movement in Government Funds**

|   | <b>2008</b><br><b>£'000</b> | <b>2007</b><br><b>£'000</b> |
|---|-----------------------------|-----------------------------|
| Surplus / (deficit) for the financial year                                  | (3,222)                     | 428                         |
| less provisions for future obligations                                      | (934)                       | 681                         |
| less public dividend capital dividends                                      | <u>0</u>                    | <u>(404)</u>                |
|   | <b>(4,156)</b>              | <b>705</b>                  |
| Gains / (losses) from revaluation / indexation of<br>purchased fixed assets | 418                         | 330                         |
| Public dividend capital impairments   | 0                           | (61)                        |
| Public dividend capital repayments  | 0                           | 0                           |
| Public dividend capital issued  | 1,275                       | 0                           |
| New Government loans issued   | 0                           | 0                           |
| Government loans repayments   | 0                           | (167)                       |
| Additions (reductions) in other reserves                                    | <u>0</u>                    | <u>0</u>                    |
| Net Movement in Government funds  | <b>(2,463)</b>              | <b>807</b>                  |
| Government funds at 31 March 2007   | <u><b>16,118</b></u>        | <u><b>15,311</b></u>        |
| Government funds at 31 March 2008   | <u><b>13,655</b></u>        | <u><b>16,118</b></u>        |

# NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008

### NOTES TO THE ACCOUNTS

#### 19 Financial Performance Targets

##### 19.1 Break Even Performance

The Trust is required to ensure that its income is sufficient to meet its expenditure taking one year with another. Over the last five years the Trust has achieved the following results:

|   | 2003/04<br>£'000  | 2004/05<br>£'000  | 2005/06<br>£'000  | 2006/07<br>£'000  | 2007/08<br>£'000  |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| i. Turnover                                   | <u>33,302</u>     | <u>39,941</u>     | <u>44,641</u>     | <u>49,436</u>     | <u>46,606</u>     |
| ii. Break Even in year position               | <u>7</u>          | <u>10</u>         | <u>(21)</u>       | <u>24</u>         | <u>166</u>        |
| iii. Break Even cumulative position (opening) | 359               | 366               | 376               | 355               | 379               |
| iv. Other Adjustments                         | <u>0</u>          | <u>0</u>          | <u>0</u>          | <u>0</u>          | <u>0</u>          |
| v. Break Even Cumulative Position (closing)   | <u><u>366</u></u> | <u><u>376</u></u> | <u><u>355</u></u> | <u><u>379</u></u> | <u><u>545</u></u> |

##### Materiality Test:

|   | 2003/04<br>% | 2004/05<br>% | 2005/06<br>% | 2006/07<br>% | 2007/08<br>% |
|---|--------------|--------------|--------------|--------------|--------------|
| Break Even in year position as % of turnover    | <u>0.0%</u>  | <u>0.0%</u>  | <u>0.0%</u>  | <u>0.0%</u>  | <u>0.4%</u>  |
| Break Even cumulative position as % of turnover | <u>1.1%</u>  | <u>0.9%</u>  | <u>0.8%</u>  | <u>0.8%</u>  | <u>1.2%</u>  |

##### 19.2 Capital Resource Limit

The Trust is given a Capital Resource Limit which it is not permitted to overspend.

|  | 2008<br>£'000   | 2007<br>£'000    |
|--|-----------------|------------------|
| Gross Capital Expenditure  | 3,020           | 3,980            |
| Receipts from sales of fixed assets where approval to use, has been granted by CIU | <u>43</u>       | <u>0</u>         |
| Capital Resource Limit   | <u>2,979</u>    | <u>4,015</u>     |
| (Over) Underspend against CRL (i.e. net capital expenditure less CRL)              | <u><u>2</u></u> | <u><u>35</u></u> |

# NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008

### NOTES TO THE ACCOUNTS

#### 20. Capital Commitments

Capital commitments at the balance sheet date are:

|   | <b>Finance<br/>Leases<br/>£'000</b> | <b>Other<br/>£'000</b> | <b>2008<br/>Total<br/>£'000</b> | <b>2007<br/>Total<br/>£'000</b> |
|---|-------------------------------------|------------------------|---------------------------------|---------------------------------|
| Contracted                                  | 0                                   | 0                      | 0                               | 0                               |
| Authorised by the Board, but not contracted | 0                                   | 0                      | 0                               | 0                               |
| <b>Total</b>                                | <b>0</b>                            | <b>0</b>               | <b>0</b>                        | <b>0</b>                        |

#### 21. Post Balance Sheet Events

There are no post balance sheet events having a material effect on the accounts.

#### 22. Contingent Liabilities

##### Clinical Negligence

The Trust has contingent liabilities of £NIL for clinical negligence incidents. The Trust's financial liability, if any, cannot be determined until the related claims are resolved. An estimate of the amount involved, inclusive of legal costs, is:

|  | <b>2008<br/>£'000</b> | <b>2007<br/>£'000</b> |
|--|-----------------------|-----------------------|
| Total estimate of contingent clinical negligence liabilities | 0                     | 0                     |
| Amount recoverable from the Clinical Negligence Central Fund | 0                     | 0                     |
| <b>Net Contingent liability</b>                              | <b>0</b>              | <b>0</b>              |

In addition to the above contingent liability, provisions for clinical negligence are given in Note 8.

Other clinical litigation claims could arise in the future due to incidents which have already occurred. The expenditure which may arise from such claims cannot be determined as yet.

Contingencies not relating to clinical negligence are as follows:

|                      | <b>2008<br/>£'000</b> | <b>2007<br/>£'000</b> |
|----------------------|-----------------------|-----------------------|
| Public Liability     | 0                     | 0                     |
| Employers' Liability | 0                     | 0                     |
| Accrued Leave        | 0                     | 0                     |
| Injury Benefit       | 0                     | 0                     |
| Other                | 0                     | 0                     |
| <b>Total</b>         | <b>0</b>              | <b>0</b>              |

# **NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST**

## **ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008**

### **NOTES TO THE ACCOUNTS**

#### **23. Related Party Transactions**

None of the Directors of the Trust hold company directorships with companies that are likely to do business with the HPSS.

During the year, none of the board members, members of the key management staff or other related parties has undertaken any material transactions with the Northern Ireland Ambulance Service HSS Trust.

The Department of Health, Social Services and Public Safety is regarded as a related party and the ultimate controlling parent Department. During the year the Northern Ireland Ambulance Service HSS Trust has had a significant number of material transactions with other entities for which the Department is regarded as the ultimate controlling parent Department. These entities include the four Health and Social Services Boards, the 5 HSC Trusts and the Central Services Agency.

# NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008

### NOTES TO THE ACCOUNTS

#### 24. Analysis of Losses and Special Payments

| TYPE OF LOSS  | NO OF CASES | VALUE<br>£    |
|---|-------------|---------------|
| 1. Cash Losses –Theft, fraud etc  | 0           | 0             |
| 2. Cash Losses – Overpayments of salaries, wages and allowances   | 1           | 8,462         |
| 3. Cash Losses – Other causes (including unvouched and incompletely vouched payments)                                   | 0           | 0             |
| 4. Nugatory and fruitless payments – Abandoned Capital Schemes  | 0           | 0             |
| 5. Other nugatory and fruitless payments  | 0           | 0             |
| 6. Bad debts and claims abandoned   | 0           | 0             |
| 7. Stores and Inventory Losses – Theft, fraud, arson (whether proved or suspected) etc                                  |             |               |
| i. Bedding and linen  | 0           | 0             |
| ii. Other equipment and property  | 0           | 0             |
| 8. Stores and Inventory Losses – Incidents of the service (result of fire, flood, etc)                                  | 0           | 0             |
| 9. Stores and Inventory Losses – Deterioration in store   | 0           | 0             |
| 10. Stores and Inventory Losses – Stocktaking discrepancies   | 0           | 0             |
| 11. Stores and Inventory Losses – Other Causes  |             |               |
| i. Bedding and linen  | 0           | 0             |
| ii. Other equipment and property  | 1           | 21,000        |
| 12. Compensation payments (legal obligation)  |             |               |
| i. Clinical negligence  | 3           | 7,250         |
| ii. Public Liability  | 1           | 200           |
| iii. Employers Liability  | 9           | 57,750        |
| 13. Ex-gratia payments – Compensation payments (including payments to patients and staff)                               | 0           | 0             |
| 14. Ex-gratia payments – Other payments   | 2           | 584           |
| 15. Extra statutory payments  | 0           | 0             |
| 16. a. Losses sustained as a result of damage to buildings and fixtures arising from bomb explosions or civil commotion | 0           | 0             |
| b. Damage to vehicles   | 0           | 0             |
| <b>TOTAL</b>  | <b>17</b>   | <b>95,246</b> |

#### 24.1 Special Payments

The Northern Ireland Ambulance Service HSS Trust did not make any special payments or gifts during the financial year.

# NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008

### NOTES TO THE ACCOUNTS

#### 25. Notes to the Cash Flow Statement

##### 25.1 Reconciliation of operating surplus (deficit) to net cash inflow from operating activities

|   | 2008<br>£'000       | 2007<br>£'000       |
|---|---------------------|---------------------|
| Operating surplus (deficit)                       | (3,451)             | 270                 |
| Depreciation charge                               | 2,656               | 2,843               |
| (Profit) Loss on sale of fixed assets             | (37)                | 0                   |
| Provisions for future obligations (I&E Account)   | (934)               | 681                 |
| Fixed asset impairments                           | 45                  | 61                  |
| Transfer from donation reserve                    | 0                   | 0                   |
| Non-cash Items                                    | 687                 | 0                   |
| Increase (decrease) in provisions (Balance Sheet) | 768                 | (673)               |
| (Increase) decrease in stocks                     | 1                   | 27                  |
| (Increase) decrease in debtors                    | 3,672               | (3,294)             |
| Increase (decrease) in creditors                  | 166                 | 3,731               |
| <b>Net cash inflow from operating activities</b>  | <b><u>3,573</u></b> | <b><u>3,646</u></b> |

##### 25.2 Reconciliation of net cash flow to movement in net debt

|  | 2008<br>£'000       | 2007<br>£'000         |
|--|---------------------|-----------------------|
| Increase (decrease) in cash in the period                          | 1,999               | 0                     |
| Cash inflow from new debt  | 0                   | 0                     |
| Cash outflow from debt repaid and finance lease capital payments   | 9                   | 167                   |
| Cash (inflow) outflow from decrease / increase in liquid resources | 0                   | 0                     |
| Change in net debt resulting from cash flows                       | 2,008               | 167                   |
| Non-cash changes in debt   | (9)                 | 0                     |
| Net debt at 1 April 2007   | (2,156)             | (2,323)               |
| Net debt at 31 March 2008  | <b><u>(157)</u></b> | <b><u>(2,156)</u></b> |

##### 25.3 Analysis of changes in net debt

|                           | At 1 April<br>2007<br>£'000 | Cash flows<br>£'000 | Non-cash<br>changes<br>£'000 | At 31 March<br>2008<br>£'000 |
|---------------------------|-----------------------------|---------------------|------------------------------|------------------------------|
| Cash at bank and in hand  | 0                           | 0                   | 0                            | 0                            |
| Bank overdrafts           | 0                           | 0                   | 0                            | 0                            |
| Debt due within 1 year    | (168)                       | 0                   | 168                          | 0                            |
| Debt due after 1 year     | (2,093)                     | 0                   | (168)                        | (2,261)                      |
| Finance leases            | 0                           | 0                   | 0                            | 0                            |
| Current asset investments | 105                         | 1,999               | 0                            | 2,104                        |
|                           | <b><u>(2,156)</u></b>       | <b><u>1,999</u></b> | <b><u>0</u></b>              | <b><u>(157)</u></b>          |



# **NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST**

## **ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008**

### **NOTES TO THE ACCOUNTS**

#### **26. Financial Instruments**

FRS 13, Derivatives and Other Financial Instruments, requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Because of the relationships with HSS Commissioners, and the manner in which they are funded, the Northern Ireland Ambulance Service HSS Trust 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 the listed companies to which FRS 13 mainly applies. The Northern Ireland Ambulance Service HSS Trust 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 Northern Ireland Ambulance Service HSS Trust in undertaking its activities.

#### **27. Third party assets**

The Trust held £NIL Cash at bank and in hand at 31/3/2008 which relates to monies held by the Trust on behalf of patients. The Trust does not hold any monies on behalf of patients due to the nature of the service provided.