

**NORTHERN IRELAND AMBULANCE
SERVICE HSS TRUST**



2001/02 ANNUAL ACCOUNTS

FOREWORD

These accounts for the year ended 31 March 2002 have been prepared in accordance with Article 90 (2)(a) of the Health and Personal Social Services (Northern Ireland) Order 1972, as substituted by Article 22 of the Health and Personal Social Services (Northern Ireland) Order 1991, in a form directed by the Department of Health and Social Services and Public Safety.

INTERNAL FINANCIAL CONTROL

Key financial control 2001/2002 - The minimum control standards

1. THE CONTROL ENVIRONMENT

Minimum control standards

- 1.1 Standing Orders are in place.
- 1.2 Standing Financial Instructions are in place.
- 1.3 There is a Fraud and Corruption Policy and Response Plan in place.
- 1.4 There is an Audit Committee in place.
- 1.5 There is a Remuneration Committee in place.
- 1.6 There is an adequate internal audit function.
- 1.7 There is a mechanism in place to facilitate control over the acquisition, use, disposal and safeguarding of assets.
- 1.8 There is a budgetary control system in place.

2. INFORMATION AND COMMUNICATION

Minimum control standards

- 2.1 There are systems in place which produce reliable financial information and proper accounting records.
- 2.2 There are controls in place concerning the security of financial systems and data.

3. CONTROL PROCESSES

Minimum control standards

- 3.1 Procedure notes are in place for all significant and fundamental financial systems.
- 3.2 Financial systems are subject to internal audit coverage.

4. MONITORING

Minimum control standards

- 4.1 The Audit Committee reviews and monitors internal financial control and the implementation of agreed control improvements.
- 4.2 The Board regularly receives and reviews financial and performance reports.

TRANSITIONAL STATEMENT ON INTERNAL CONTROL FOR THE FINANCIAL YEAR 2001/2002

The Board of Northern Ireland Ambulance Service HSS Trust is accountable for internal control. As Accountable Officer and Chief Executive of the Board of NIAS I have responsibility for maintaining a sound system of internal control that supports the achievement of the policies, aims and objective of the organisation, and for reviewing effectiveness of the system.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objective; 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 the principal risks to the achievement of the organisation's policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. I plan to have the necessary procedures in place by 2003-04 to meet the Department of Finance and Personnel guidance on the introduction of statement of internal control.

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.

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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 2001-02 Internal audit reviewed the following systems :

Local Accounts Payable
Bank and Cash
Payroll

In his annual report, the Internal Auditor reported that the Trust's system of internal financial control was adequate and effective. However, non-fundamental weaknesses and opportunities for improvements in control were identified in a small number of areas. Recommendations to address these control weaknesses have been or are being implemented.

With regard to the wider control environment, the Board 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.

NIAS has commissioned a health and safety review to make recommendations for improvements to our working practices.

NIAS is developing its approach to risk management in three key stages :

1. Risk awareness
2. Identification of risks
3. Prioritisation of risk control procedures
4. Monitoring and review

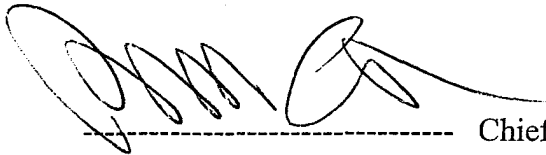
The following steps have taken place as part of that framework :

1. Presentations have taken place to Trust Board and senior management to highlight their responsibilities under corporate governance.
2. A NIAS workshop on corporate governance developed an outline framework to formally identify risks across the organisation, recognise contingency plans, and review them for effectiveness. It is intended to tailor this model (taking account of best practice) and extend it across the service throughout 2002-03. This will ensure a risk assessment approach throughout the Trust by 2003-04.

This will consider the risks on a corporate basis, across the whole of NIAS with the aim of risk management being incorporated fully into the corporate planning and decision making processes of the organisation.

The Directors confirm that they have undertaken the review and the above requirements have been met

By order of the Board.


----- Chief Executive

5/9/02
----- Date

CERTIFICATE 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 1 to 37) which I am required to prepare on behalf of The 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 HSS Trusts approved by the DHSSPS.

Sharon McCre
.....

Director of Finance

5/09/02
.....

Date

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 1 to 37) as prepared in accordance with the above requirements have been submitted to and duly approved by the Board.

James J. Smyth
.....

Chairman

5th Sept 2002
.....

Date

Paul McCann
.....

Chief Executive

5/9/02
.....

Date

NORTHERN IRELAND AMBULANCE TRUST

INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2002

	NOTE	2002 £000	2001 £000
Income from Activities			
Continuing activities	2	25,959	23,762
Other operating income	3	<u>1,232</u>	<u>903</u>
		27,191	24,665
Operating expenses			
continuing activities	4, 5	<u>(26,532)</u>	<u>(23,978)</u>
OPERATING SURPLUS (DEFICIT)			
continuing activities		659	687
Profit/(loss) on disposal of Fixed Assets	7	<u>(6)</u>	<u>(23)</u>
SURPLUS (DEFICIT) BEFORE INTEREST		653	664
Interest Receivable		75	93
Interest Payable	8	<u>(281)</u>	<u>(297)</u>
SURPLUS (DEFICIT) FOR THE FINANCIAL YEAR		447	460
Public Dividend Capital Dividends Payable	15	<u>(443)</u>	<u>(463)</u>
OPERATIONAL SURPLUS (DEFICIT) BEFORE PROVISIONS & EXCEPTIONAL INCOME	9.2	4	(3)
Provisions for Future Obligations	9.3	<u>(89)</u>	<u>(547)</u>
RETAINED SURPLUS (DEFICIT) BEFORE EXCEPTIONAL INCOME		(85)	(550)
Exceptional Income	9.4	-	-
RETAINED SURPLUS (DEFICIT) FOR THE FINANCIAL YEAR		<u>(85)</u>	<u>(550)</u>
OPERATIONAL SURPLUS (DEFICIT) FOR THE FINANCIAL YEAR BEFORE PROVISIONS & EXCEPTIONAL INCOME	9.2	<u><u>4</u></u>	<u><u>(3)</u></u>

Notes 1 to 27 form part of these accounts

NORTHERN IRELAND AMBULANCE TRUST

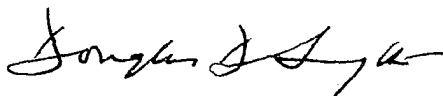
BALANCE SHEET AS AT 31 MARCH 2002

		2002	2001
	NOTE	£000	£000
FIXED ASSETS			
Intangible assets	10	0	0
Tangible assets	11	11,795	10,049
		11,795	10,049
CURRENT ASSETS			
Stocks and work in progress	12	101	65
Debtors: Amounts falling due			
Within one year	13	793	432
After one year	13	82	0
Short-term investments	14	158	1,682
Cash at bank and in hand		27	212
		1,161	2,391
CREDITORS: Amounts falling due within one year	15	(2,583)	(2,145)
NET CURRENT ASSETS (LIABILITIES)		(1,422)	246
TOTAL ASSETS LESS CURRENT LIABILITIES		10,373	10,295
Creditors: Amounts falling due after more than one year	15	(2,934)	(3,100)
Provisions for Liabilities and Charges	17	(1,561)	(1,390)
TOTAL ASSETS EMPLOYED		5,878	5,805
FINANCED BY:			
CAPITAL AND RESERVES			
Public dividend capital	18	5,496	5,496
Revaluation reserve	19	1,762	1,603
Donation reserve	19	0	0
Realised donation reserve	19	0	0
Other reserves	19	0	0
Income and Expenditure reserve	19	(1,380)	(1,294)
		5,878	5,805

Notes 1 to 27 form part of these accounts

I certify that the attached financial statements and annual report were approved by the Board of Directors on 5 SEPTEMBER 2002.

Chairman



Chief Executive



NORTHERN IRELAND AMBULANCE TRUST

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2002

	2002	2001
	£000	£000
Net Cash Inflow from Operating Activities (Note 27.1)	2,183	2,329
Exceptional Income	0	0
Returns on Investments and Servicing of Finance		
Interest received	75	93
Interest Paid	(281)	(297)
Interest element of finance lease rental payments	<u>0</u>	<u>0</u>
Net Cash (Outflow) Inflow from Returns on Investments and Servicing of Finance	(206)	(204)
Capital Expenditure		
Payments to acquire fixed assets	(3,058)	(2,122)
Receipts from sale of fixed assets	<u>2</u>	<u>10</u>
Net Cash (Outflow) Inflow from Capital Expenditure	(3,056)	(2,112)
Dividends Paid	(463)	(400)
Management of Liquid Resources		
Purchase of current asset investments	0	0
Sale of current asset investments	<u>0</u>	<u>0</u>
Net Cash Inflow (Outflow) from Management of Liquid Resources	<u>0</u>	<u>0</u>
Net Cash Inflow (Outflow) before Financing	(1,542)	(387)
Financing		
New money capital reserve	0	0
New public dividend capital	0	1,309
New long-term loans - Government	0	0
New long-term loans - Others	0	0
New short-term loans - Government	0	0
New short-term loans - Others	0	0
Repayment of loans - Government	(167)	(167)
Repayment of loans - Others	0	0
Capital element of finance lease rental payments	<u>0</u>	<u>0</u>
Net cash inflow (outflow) from financing	<u>(167)</u>	<u>1,142</u>
Increase (decrease) in cash (Note 27.2 and 27.3)	<u>(1,709)</u>	<u>755</u>

NORTHERN IRELAND AMBULANCE TRUST

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 MARCH 2002

	2002		2001
	£000	£000	£000
Surplus (Deficit) for the financial year	447		460
Provisions for future obligations	(89)		(547)
	<u>358</u>		<u>(87)</u>
Fixed Asset Impairment Losses	0		0
Non donated Fixed Assets			
Indexation of fixed assets	159		167
Unrealised Surplus (Deficit) on revaluation of fixed assets	0		(105)
	<u>159</u>		<u>62</u>
Donated Assets			
Additions to donated assets	0		0
Changes to donation reserve (except transfers to realised donation reserve)	0		0
	<u>0</u>		<u>0</u>
Total recognised Gains (Losses) relating to the year	517		(25)
Additions to Capital Assets Reserve	0		0
Total Gains (Losses) recognised in the financial year	<u>517</u>		<u>(25)</u>

THE NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2002

NOTES TO THE ACCOUNTS

1 STATEMENT OF ACCOUNTING POLICIES

a. 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 substituted by the Health and Personal Social Services (Northern Ireland) Order 1991 No 194 (NI 1).

b. Basis of Preparation of Accounts

These accounts have been prepared under the historical cost convention as modified by the indexation and revaluation of tangible fixed assets. The accounts have been prepared in accordance with the accounting standards and policies for Health and Social Services and Public Safety. The accounting policies adopted follow UK generally accepted accounting practice (UKGAPP) to the extent that it is meaningful and appropriate to the Public Sector. 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.

c. Fixed assets

i. Capitalisation

All assets falling into the following categories are capitalised in accordance with the capital accounting guidance issued by the Department of Health, Social Services and Public Safety:

intangible assets which can be valued, are capable of being used in a Trust's activities for more than one year and have a value in excess of £5,000;

tangible assets which are capable of being used for a period which could exceed one year, and have a cost in excess of £5,000;

groups of tangible assets which are interdependent having a total cost of acquisition in excess of £5,000.

ii. Fixed assets are valued as follows:

Land, buildings, installations, and fittings are valued at open market valuation for their existing use, other than land and buildings surplus to requirements which are valued at open market value for their alternative use. Valuations are carried out at five-yearly intervals by an independent valuer. Between valuations an appropriate index is applied to arrive at a current value;

equipment is valued at estimated net current replacement cost;

assets in the course of construction are valued at current cost.

Revaluation

The last formal revaluation was carried out as at 1 April 2000 and was accounted for in the 2000/01 accounts

iii. Depreciation and amortisation

Depreciation is charged on a straight line basis on each main class of tangible asset as follows:

Land and assets in the course of construction are not depreciated.

Buildings, installations, and fittings are depreciated on their current value over the estimated remaining life of the asset as advised by the District Valuer. Depending on the type of installation or fitting it is expected that the maximum useful lives will be in the range 15-80 years;

Equipment is depreciated on current replacement cost over the standard life of the asset using the following standard lives:

	Years
moveable engineering plant and equipment and long life medical equipment	15
furniture and medium life medical equipment	10
mainframe information technology installations	8
vehicles and soft furnishings	7
office, information technology, short life medical and other equipment	5

Intangible assets are amortised over the estimated lives of the assets.

iv. Profit (Loss) on Sale of Fixed Assets

These are treated in accordance with FRS3. The difference between the net book value and the sale proceeds is taken to the Income and Expenditure Account. The difference between the net book value and depreciated historic cost is transferred from the Revaluation Reserve to the Income and Expenditure Reserve.

v. Donated assets

Donated assets are capitalised on receipt and are valued and depreciated as described above.

The value of donated assets and the donated element of part donated assets is reflected in a donation reserve which is credited with the value of the original donation and subsequent revaluation and indexation; an amount equal to the depreciation charge is released from this reserve each year to the Income and Expenditure Account.

vi. Leasing

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.

d. 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.

e. Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value.

Work in progress comprises goods in intermediate stages of production. Partially completed contracts for patient services are not accounted for as work in progress.

f. Pensions

The Trust participates in the HPSS 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 HPSS Superannuation scheme can be found in the HPSS Superannuation scheme can be found in the HPSS Superannuation 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 are charged to the income and expenditure account at the time the Trust commits itself to retirement.

g. Losses

This note (Note 27) 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.

h. Clinical Negligence

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.

i. Private Finance Initiative

The amendment to FRS 5 dealing with Private Finance Initiative (PFI) contracts was adopted by the HPSS from 1999/2000. The HPSS follows HM Treasury's 'Technical Note 1 (Revised) How to Account for PFI transactions' which provides practical guidance for the application of the FRS 5 Amendment.

NI AMBULANCE TRUST
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2002

2 Income from Activities

	2002	2001
	£000	£000
N.I. Health & Social Services Boards	24,936	22,75
GB / Republic of Ireland Health Authorities		
General Practice Fundholders		
HSS Trusts	1,010	1,01
Non-HPSS:		
- private patients	13	
- other		
Clients contributions		
	<hr/>	<hr/>
Total	<u>25,959</u>	<u>23,76</u>

3 Other Operating Income

	2002	2001
	£000	£000
Patient transport services	0	
Other income from non-patient services	1,232	90
Star Post Graduate Monies	0	
Charitable and other contributions to expenditure	0	
Transfers from the donation reserve in	0	
respect of depreciation on donated assets	0	
Reversal of Fixed Asset Impairments	0	
Other income	0	
	<hr/>	<hr/>
Total	<u>1,232</u>	<u>90</u>

NI AMBULANCE TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2002

4 OPERATING EXPENSES

4.1 Operating Expenses are as follows:-

	2002 £000	2001 £000
Salaries and wages (excl. board members' remuneration)	18,445	16,849
Board Members remuneration	237	249
Supplies and services - clinical	569	491
- general	243	172
Establishment	875	739
Transport	2,384	2,281
Premises	1,721	1,170
Bad debts	0	1
Depreciation and amortisation	1,540	1,358
Fixed Asset Impairments	0	0
Purchase of care from non-HPSS bodies and grants to voluntary organisations	0	0
Personal social services	0	0
Recharges from other HPSS organisations	247	251
Audit fees	21	25
Other auditors remuneration	0	0
Miscellaneous	251	392
Total	26,532	23,978

4.2 Operating Leases

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

	2002 £000	2001 £000
Hire of plant and machinery	0	0
Other operating leases	41	40
	41	40

Commitments under non-cancellable operating leases are:

	Land and buildings		Other leases	
	2002 £000	2001 £000	2002 £000	2001 £000
Operating leases which expire:				
Within 1 year	0	0	0	0
Between 1 and 5 years	0	0	60	40
After 5 years	0	0	0	0
	0	0	60	40

NI AMBULANCE TRUST
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2002

5 INFORMATION REGARDING BOARD MEMBERS AND EMPLOYEES

	Remuneration as Director £000	Other Remuneration £000	2002 Total £000	2001 Total £000
5.1 Board Members' Remuneration				
Non-Executive directors remuneration	38	0	38	31
Executive directors remuneration:-				
Basic Salary	196	0	196	198
Performance Related pay 2001/02	3	0	3	2
Performance Related pay Prior years	12	0	12	10
Employers' pension contributions	10	0	10	8
Benefits in kind	8	0	8	6
Compensation for loss of Office	0	0	0	0
Pensions to former directors	0	0	0	0
	267	0	267	255

Performance related pay award for 2001/02 falls within the 2.7% Departmental ceiling.

Performance related pay for prior years relates to the cumulative effect of PRP awards made in prior years. These cumulative pay awards form part of current year salary in accordance with both contracts of employment and Departmental guidance.

£NIL remuneration was waived by Directors

£NIL allowances were paid in lieu

NI AMBULANCE TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2002

The Remuneration of the Chairman and Chief Executive and where the Chief Executive is not the highest paid member, the highest paid director are as follows :

	Remuneration as Director £000	Other Remuneration £000	2002 Total £000	2001 Total £000
Chairman				
Basic Salary	17	0	17	17
Benefits	0	0	0	0
Performance Related Pay	0	0	0	0
	<u>17</u>	<u>0</u>	<u>17</u>	<u>17</u>
Pension contributions	0	0	0	0
	<u>17</u>	<u>0</u>	<u>17</u>	<u>17</u>
Chief Executive				
Basic Salary	61	0	61	60
Benefits	0	0	0	0
Performance related pay	7	0	7	7
	<u>68</u>	<u>0</u>	<u>68</u>	<u>67</u>
Pension contributions	3	0	3	2
	<u>71</u>	<u>0</u>	<u>71</u>	<u>69</u>

The Chief Executive received an increase in remuneration of 2.00% (2000/01 3.25%)

NI AMBULANCE TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2002

Director's remuneration (excluding pension contributions)
fell within the following ranges :-

		2002 No	2001 No
£0	- £5,000	4	2
£5,001	- £10,000	0	2
£10,001	- £15,000	0	1
£15,001	- £20,000	1	0
£20,001	- £25,000	0	0
£25,001	- £30,000	0	0
£30,001	- £35,000	0	0
£35,001	- £40,000	1	0
£40,001	- £45,000	1	1
£45,001	- £50,000	0	1
£50,001	- £55,000	1	1
£55,001	- £60,000	0	0
£60,001	- £65,000	0	0
£65,001	- £70,000	1	1
£70,001	- £75,000	0	0
£75,001	- £80,000	0	0
£80,001	- £85,000	0	0
£85,001	- £90,000	0	0
£90,001	- £95,000	0	0
£95,001	- £100,000	0	0
£100,001	- £105,000	0	0
£105,001	- £110,000	0	0
£110,001	- £115,000	0	0
£115,001	- £120,000	0	0

Benefits in kind paid to all executive and non-executive directors:-

	2002 £000	2001 £000
Executive Director's cars / allowances	9	6
Total	<u>9</u>	<u>6</u>

NI AMBULANCE TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2002

Related Party Transactions

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.

5.2 Staff costs	2002 £000	2001 £000
Salaries and Wages	16,712	15,405
Social security costs	1,136	1,168
Other pension costs	656	494
Agency staff	149	115
	<u>18,653</u>	<u>17,182</u>

5.3 Average Number of Employees	2002 No.	2001 No
The average number of employees during the year was		
Medical and dental	0	0
Nursing and Midwifery	0	0
Professions allied to medicine	0	0
Ancillaries	0	0
Administrative and clerical	66	43
Ambulance Staff	737	711
Works	3	3
Other Professional and technical	1	1
Social Services	0	0
All Other	0	0
	<u>807</u>	<u>758</u>
Total	807	758

NI AMBULANCE TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2002

5.4 Senior Employees' Remuneration

The following number of employees received remuneration
(excluding pension contributions) falling within the following ranges

	2002	2001
Medical	No	No
£40,001-£45,000	0	0
£45,001-£50,000	0	0
 Administration		
£40,001-£45,000	0	0
£45,001-£50,000	0	0
 Other		
£40,001-£45,000	0	0
£45,001-£50,000	0	0
£50,001-£55,000	0	0

5.5 Staff Benefits

	2002	2001
	£000	£000
NIL	<u>0</u>	<u>0</u>

5.6 Trust Management Costs

	2002	2001
	£000	£000
Trust Management Costs	1,688	1,428
Total Income	25,735	23,962
% of total income	<u>6.6%</u>	<u>6.0%</u>

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

NI AMBULANCE TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2002

6.1 Public Sector Payment Policy - Measure of Compliance

The Department requires that Trusts pay their non HPSS 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 code and Government Accounting rules and it's measure of compliance is :

	Number	2002 £	Number	2001 £
Total bills paid 2001/2002	8,420	8,863,940	8,377	7,025,674
Total bills paid within 30 day target	7,687	8,599,960	7,282	6,732,399
% of bills paid within 30 day target	91.3%	97.0%	86.9%	95.8%

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

The amounts included within Interest payable (Note 8) arising from claims made by small businesses under this legislation are as follows:

	£
TOTAL	NIL

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ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2002

7 Profit (Loss) on Disposal of Fixed Assets

	2002	2001
	£000	£000
Profit on disposal of land and buildings	0	0
Loss on disposal of land and buildings	0	0
Profit on disposal of plant and equipment	3	9
Loss on disposal of plant and equipment	(9)	(32)
Total	(6)	(23)

8 Interest payable

	2002	2001
	£000	£000
Originating interest bearing debt	281	297
Further borrowing (government)	0	0
Further borrowing (other)	0	0
Finance Leases	0	0
Other interest	0	0
Total	281	297

An amount of £67,711 is included within Note 9.3 for the unwinding of discount on provisions.

NI AMBULANCE TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2002

9. Financial Performance Targets

9.1 Capital Cost Absorption Duty

The Trust is required to absorb the cost of capital at a rate of 6% of average relevant net assets. The rate is calculated as the percentage that interest payable on Government borrowing plus dividends payable on public dividend capital, totalling £724K, bears to the average relevant net assets of £7,716K, that is 9.38%.

The CCA rate comprises two components - the T.D.R (numerator), and the A.R.N.A (denominator). In order to achieve compliance with the 6% target the Trust need to manage the TDR such that it equates to exactly 6% of the A.R.N.A. The TDR comprises PDC dividend and Interest Payable and varies based on the actual out-turn depreciation deviation from the estimated primary capital charges forecast liability minus the 6% interest on A.R.N.A (referred to as a windfall). The increased absorption is as a result of a number of factors as follows :

- i *Increased PDC dividend to balance the capital charges debits to I&E, with the Income received in prices in the I&E.*
- ii *Changes in the actual profile of capital programme from that forecast, primarily due to supplier constraints.*
- iii *Expenditure due to in-year changes to the approved capital programme notified by the DHSS&PS via the EFL letters.*
- iv *Deviations of A.R.N.A from Opening Fixed Asset base which the forecast capital charge is based on. (The actual A.R.N.A 's include adjustments for assets under contruction, bank deposits and include the I&E reserve balance after FRS 12 provisions, all of which are ignored in the forecasting mechanism).*

The Capital Cost Absorption Rate is calculated as follows:

Capital Cost Absorption rate (%) = (TDR/Average relevant net assets) X 100

Trust Debt Remuneration is calculated as:	£'000
Interest payable on Government borrowing	281
Plus	
Dividends payable on Public Dividend Capital	443
Trust Debt Remuneration	<u>724</u>

NI AMBULANCE TRUST ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2002

9 (Contd)

Average Relevant Net Assets is calculated as:

Average relevant net assets is the simple average of opening and closing relevant net assets, where each are calculated as follows:

	Opening £000	Closing £000	Average £000
Total capital and reserves (equivalent to total net assets)	5,805	5,878	5,842
Less:			
Donation reserve	0	0	0
Purchased assets in the course of construction	(41)	(738)	(390)
Short-term assets	(1,682)	(158)	(920)
Finance lease assets (during their primary lease term)	0	0	0
Plus:			
Loans and overdrafts	3,267	3,100	3,184
Finance lease creditors (capital only)	0	0	0
Relevant Net Assets	7,349	8,082	7,716

NI AMBULANCE TRUST ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2002

9.2 Breakeven Performance

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

		1997/98 £000	1998/99 £000	1999/00 £000	2000/01 £000	2001/02 £000
i	Turnover	<u>19,334</u>	<u>20,982</u>	<u>23,360</u>	<u>24,666</u>	<u>27,191</u>
ii	Operational Surplus/(Deficit) for Financial year before provisions and Exceptional Income	<u>(41)</u>	<u>65</u>	<u>6</u>	<u>(3)</u>	<u>4</u>
iii	Break Even in year position	(41)	65	6	(3)	4
iv	Break Even cumulative position (opening)	0	26	91	97	94
v	Break Even position at 1 April 1997	67	0	0	0	0
vi	Cumulative Provisions at 31 March 1998	0	0	0	0	0
vii	Other adjustments	0	0	0	0	0
viii	Exceptional Income Year Ended 31 March 2001	0	0	0	0	0
ix	Break Even cumulative position (closing)	<u>26</u>	<u>91</u>	<u>97</u>	<u>94</u>	<u>98</u>
	If a breakeven cumulative deficit - anticipated year of recovery	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>
	If more than two years - agreed period	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>
	Materiality Test:	1997/98 %	1998/99 %	1999/00 %	2000/01 %	2001/02 %
	Break Even in year position as a % of turnover	<u>-0.21%</u>	<u>0.31%</u>	<u>0.03%</u>	<u>-0.01%</u>	<u>0.01%</u>
	Break Even cumulative position as % of turnover	<u>0.13%</u>	<u>0.43%</u>	<u>0.42%</u>	<u>0.38%</u>	<u>0.36%</u>

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ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2002

9.3 Provisions for Future Obligations

2002 **2001**
£000 **£000**

Provisions are analysed as follows:

Clinical Negligence	0	0
Pensions	0	0
Employers Liability	111	508
Public Liability	0	0
Injury Benefit	0	0
Accrued Leave	(12)	(18)
Restructuring	0	0
Unwinding of Provisions discount	72	57
Other	<u>0</u>	<u>0</u>
Sub-total (Note 17 movement)	171	547
(Increase)/decrease in reimbursements receivable	<u>(82)</u>	
Increase/(decrease) in Provisions	<u>89</u>	<u>547</u>

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ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2002

10 Intangible Fixed Assets

Intangible fixed assets comprise the following elements:

	2002	2001
	£000	£000
Original valuation	0	0
Additions	0	0
Cumulative write-off brought forward	0	0
Write-off this period	0	0
Net book value carried forward at 31 March 2001	<u>0</u>	<u>0</u>

NI AMBULANCE TRUST
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11 Tangible Fixed Assets

11.1 Tangible fixed assets comprise the following elements:

Purchased Assets

	Land £000	Buildings Installations and fittings £000	Equipment £000	Assets under Construction £000	Total £000
Cost or Valuation					
At 31 March 2001	255	5,078	11,704	41	17,078
Impairments	0	0	0	0	0
Revaluations	0	0	0	0	0
Cumulative depreciation	0	0	0	0	0
At 1 April 2002	255	5,078	11,704	41	0 17,078
Indexation	13	30	272	1	316
Additions	0	133	2,264	738	3,135
Transfers	0	0	42	(42)	0
Other in year revaluations	0	0	0	0	0
Disposals	0	0	(735)	0	(735)
At 31 March 2002	268	5,241	13,547	738	19,794
Depreciation					
At 31 March 2001	0	305	6,724	0	7,029
Netted off Cost/Valuation	0	0	0	0	0
At 1 April 2001	0	305	6,724	0	7,029
Indexation	0	0	157	0	157
Transfers	0	0	0	0	0
Revaluation	0	0	0	0	0
Impairments	0	0	0	0	0
Disposals	0	0	(726)	0	(726)
Reversal of impairments	0	0	0	0	0
Provided during the year	0	305	1,234	0	1,539
At 31 March 2002	0	610	7,389	0	7,999
Net Book Value					
At 31 March 2002	268	4,631	6,158	738	11,795
At 31 March 2001	255	4,773	4,980	41	10,049

Of the total net book value at 31 March 2002, £NIL related to buildings, installations and fittings valued at open market value for alternative use.

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ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2002

11.1 (Contd.)

Donated Assets					
	Land £000	Buildings, Installations & fittings £000	Equipment £000	Assets Under Construction £000	Total £000
Cost or valuation					
At 1 April 2001	0	0	0	0	0
Indexation	0	0	0	0	0
Additions	0	0	0	0	0
Transfers	0	0	0	0	0
Revaluation	0	0	0	0	0
Disposals	0	0	0	0	0
At 31 March 2002	0	0	0	0	0
Depreciation					
At 1 April 2001	0	0	0	0	0
Indexation	0	0	0	0	0
Transfers	0	0	0	0	0
Revaluation	0	0	0	0	0
Disposals	0	0	0	0	0
Provided during the Year	0	0	0	0	0
At 31 March 2002	0	0	0	0	0
Net Book Value					
At 31 March 2002	0	0	0	0	0
At 31 March 2001	0	0	0	0	0

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11.2 Total Tangible Fixed Assets :

	Purchased £000	Donated £000	Total £000	2001 £000
Net book value :				
Land	268	0	268	255
Buildings, Installations and fittings	4,631	0	4,631	4,773
Equipment	6,158	0	6,158	4,980
Assets under construction	738	0	738	41
Total	11,795	0	11,795	10,049

11.3 The net book value of land and buildings comprises:

	2002 £000	2001 £000
Freehold	0	0
Long leasehold	4,899	5,028
Short leasehold	0	0
	4,899	5,028

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

	2,002 £000	2,001 £000
Land	0	0
Buildings, Installations and fittings	0	0
Equipment	0	0
Assets under construction	0	0
	0	0

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 (2001 £NIL)

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12 Stocks and work in progress

	2002 £000	2001 £000
Raw Materials and consumables	101	65
Work in progress	0	0
Finished goods	0	0
Total	101	65

13 Debtors

	2002 £000	2001 £000
Amounts falling due within one year:		
HSS or NHS debtors	110	185
Clinical negligence - Central Fund	1	0
Other Debtors	608	148
Pension Prepayments		
in respect of former directors		0
in respect of other staff		0
Other prepayments and accrued income	74	99
Sub Total	793	432

The balances are net of a provision for Bad Debts
of £NIL (2001 £NIL)

Amounts falling due after more than one year:

HSS or NHS debtors	0	0
Clinical negligence - Central Fund	82	0
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
Sub Total	82	0
Total	875	432

14 Short-term investments

	2002 £000	2001 £000
Government Securities	0	0
Other Approved Public Sector Organisations	0	0
Banking Deposits	158	1,682
Others (Specify if in excess of £50,000)	0	0
Total	158	1,682

NI AMBULANCE TRUST
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15 Creditors

	2002 £000	2001 £000
15.1 Creditors: amounts falling due within one year :		
Bank overdrafts	0	0
Current instalments due on loans	167	167
Interest payable	13	14
Public dividend capital dividend payable	443	463
Payments received on account	0	0
HPSS or NHS creditors and accruals	218	292
Non HPSS or NHS trade revenue creditors	1,540	612
Non HPSS or NHS trade capital creditors	189	111
Payroll creditors including taxation and social security	2	474
Net obligations under finance leases	0	0
Clinical Negligence	0	0
Pensions	0	
- relating to former directors	0	0
- relating to other staff	0	0
Other accruals and deferred income	11	12
Other creditors	0	0
Sub Total	2,583	2,145
15.2 Creditors: amounts falling due after more than one year:		
Long Term Loans	2,933	3,100
Obligations under finance leases and hire		
purchase contracts	0	0
HPSS or NHS creditors	0	0
Clinical Negligence	0	0
Pensions		
- relating to former directors	0	0
- relating to other staff	0	0
Other	0	0
Sub Total	2,933	3,100
Total Creditors	5,516	5,245

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.

NI AMBULANCE TRUST
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15.3 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:

	2002	2001
	£000	£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
	0	0

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

	2002	2001
	£000	£000
Creditors: amounts due within one year	0	0
Creditors: amounts due after more than one year	0	0
	0	0

15.4 Public Dividend Capital Dividends

	2002	2001
	£000	£000
The dividend is in respect of Public Dividend Capital Dividend	443	463
	443	463

NI AMBULANCE TRUST
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16 Loans

	Government Loans £000	Other Loans £000	Total 2002 £000	2001 £000
Amounts falling due :				
In one year or less	167	0	167	167
Between one and two years	167	0	167	167
Between two and five years	502	0	502	502
In five years or more	2,264	0	2,264	2431
Total	3,100	0	3,100	3,267

	Government Loans £000	Other Loans £000	Total 2002 £000	2001 £000
Wholly repayable within five years	0	0	0	0
Wholly repayable after five years, not by instalments	0	0	0	0
Wholly or partially repayable after five years by instalments	3,100	0	3,100	3267
Total	3,100	0	3,100	3,267
Total Repayable after five years by instalments	2,264	0	2,264	2,431

Loans wholly or partially repayable after five years:

Terms of payment	Interest Rate %	2002 £000	2001 £000
25 year fixed rate repayment loan outstanding balance	8.75	3,100	3,267

NI AMBULANCE TRUST
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17 Provisions for liabilities and charges

	Pensions relating to Former Directors £000	Pensions relating to other staff £000	Clinical Negligence £000	Restruct uring £000	Other £000	Total £000	Prior Year £000
At 1 April 2001	0	0	0	0	1390	1390	842
Arising during the year	0	0	78	0	417	495	779
Utilised during the year	0	0	0	0	(79)	(79)	(88)
Reversed unused	0	0	0	0	(317)	(317)	(201)
Unwinding of discount	0	0	4	0	68	72	58
At 31 March 2002	<u>0</u>	<u>0</u>	<u>82</u>	<u>0</u>	<u>1,479</u>	<u>1,561</u>	<u>1,390</u>

Expected timing
of cash flow

Within 1 year	0	0	1	0	842	843	689
1-5 years	0	0	81	0	404	485	581
Over 5 years	0	0	0	0	233	233	119

The provision in respect of other liabilities and charges comprises of £282,789 for Accrued Leave and £1,196,232 for Employers Liability.

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 in accordance with DHSS&PS guidance. Data was obtained from the CSA Legal department.

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

	£000
Clinical Negligence Central Fund	83

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

In addition to the clinical negligence provision, contingent liabilities for clinical negligence are given in Note 25.

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18 Public Dividend Capital

	2002 £000	2001 £000
Public dividend capital was issued as follows:		
During the reporting year	0	1,309
In prior years	5,496	4,187
Total	5,496	5,496

19 Movements on Reserves

	Revaluation Reserve £000	Donation Reserve £000	Realised Donation Reserve £000	Other Reserves £000	Income and Expenditure Reserve £000	Total £000
At 1 April 2001	1,603	0	0	0	(1,294)	309
Retained surplus/(deficit) for year	0	0	0	0	(86)	(86)
Revaluation and indexation of fixed assets	159	0	0	0	0	159
Transfer of realised profits/(losses)	0	0	0	0	0	0
Movements in donation reserves	0	0	0	0	0	0
Fixed Asset Impairments						
Other reserve movements	0	0	0	0	0	0
At 31 March 2002	1,762	0	0	0	(1,380)	382

NI AMBULANCE TRUST
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20 Reconciliation of Movement in Government Funds

	2002 £000	2001 £000
Surplus/(deficit) for the financial year	447	460
less provision for future obligations	(89)	(547)
less Public Dividend Capital dividends	<u>(443)</u>	<u>(463)</u>
	(85)	(550)
Gains/ (losses) from revaluation/indexation of		
Purchased fixed assets	159	62
Public Dividend Capital repayments	0	0
Public Dividend Capital issued	0	1,309
New Government loans issued	0	0
Government loans repayments	(167)	(167)
Additions (reductions) in other reserves	<u>0</u>	<u>0</u>
Net Movement in Government funds	(93)	654
Government funds at 31 March 2001	<u>9,073</u>	<u>8,419</u>
Government funds at 31 March 2002	<u>8,980</u>	<u>9,073</u>

21 External financing limit

	2002 £000	2001 £000
External Financing limit set by the Department	<u>1,625</u>	<u>671</u>

The Trust stayed within its External Financing Limit of £1,625,000

The Trust's External Financing Requirement for the year was £1,542,000 and was met as follows:-

	2002 £000	2001 £000
Increase (decrease) in:		
Public dividend capital	0	1,309
Government long-term loans	(167)	(167)
Other long-term loans	0	0
Short-term loans	0	0
Overdrafts	0	0
Finance lease capital creditors	0	0
(Increase) decrease in:		
Short-term investments	1,524	(559)
Cash at bank and in hand	185	(196)
External Finance Assessed	<u>1,542</u>	<u>387</u>

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22 Private Finance Transactions

22.1 PFI Schemes deemed to be off balance sheet

	2002 £000	2001 £000
Amounts included within operating expenses in respect of PFI transactions deemed to be off balance sheet	0	0
The Trust is committed to make the following payments during the next year	£000	£000
PFI scheme which expired within one year	0	0
2 to 5 years (inclusive)	0	0
6 to 10 years (inclusive)	0	0
11 to 15 years (inclusive)	0	0
16 to 20 years (inclusive)	0	0
21 to 25 years (inclusive)	0	0
26 to 30 years (inclusive)	0	0
31 to 35 years (inclusive) etc.	0	0

The estimated annual payments in future years are expected to be materially different from those which the Trust is committed to make during the next year. The likely financial effect of this is £NIL.

	2002 £000	2001 £000
Estimated capital value of the PFI scheme	0	0
Contract start date	N/A	N/A
Contract end date	N/A	N/A

22.2 Service element of PFI schemes deemed to be on balance sheet.

	2002 £000	2001 £000
Amounts included within operating expenses in respect of the 'service' element of PFI schemes deemed to be on balance sheet	0	0
The Trust is committed to make the following payments during the next year	2002 £000	2001 £000
PFI scheme which expires within one year:	0	0
2 to 5 years (inclusive)	0	0
6 to 10 years (inclusive)	0	0
11 to 15 years (inclusive)	0	0
16 to 20 years (inclusive)	0	0
21 to 25 years (inclusive)	0	0
26 to 30 years (inclusive)	0	0
31 to 35 years (inclusive) etc.	0	0

The estimated annual payments in future years are expected to be materially different from those which the Trust is committed to make during the next year. The likely financial effect of this is £NIL.

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23 Capital Commitments

Capital commitments at the balance sheet date were:-

	Finance Leases £000	Other £000	2002 Total £000	2001 Total £000
Contracted	0	0	0	629
Authorised by the Board, but not contracted	0	748	748	0
Total	<u>0</u>	<u>748</u>	<u>748</u>	<u>629</u>

24 Post Balance Sheet Events

The Trust had no post balance sheet events

25 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:

	2002 Total £000	2001 Total £000
Total estimate of contingent clinical negligence liabilities	0	0
Amount recoverable from the Clinical Negligence Central Fund	<u>0</u>	<u>0</u>
Net Contingent Liability	<u>0</u>	<u>0</u>

In addition to the above contingent liability, provisions for clinical negligence are given in Note 17.

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:)

	2002 Total £000	2001 Total £000
Public Liability	0	0
Employer's Liability	0	0
Accrued Leave	0	0
Injury Benefit	0	0
Other (specify)	<u>0</u>	<u>0</u>
Total	<u>0</u>	<u>0</u>

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26 Analysis of Losses And Special Payments

	Type of Loss	No of Cases	Value £
1	Cash Losses - Theft, Fraud etc.	0	0
2	Cash Losses - Overpayments of salaries, wages and allowances	0	0
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.	0	0
	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	0	0
	i. Bedding and linen	0	0
	ii. Other equipment and property	0	0
12	Compensation payments (legal obligation)	0	0
	i. Clinical Negligence	0	0
	ii. Public Liability	0	0
	iii. Employers Liability	19	96,554
13	Ex-gratia payments - Compensation payments (including payments to patients and staff)	5	240
14	Ex-gratia payments - Other payments	0	0
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
	TOTAL	24	96,794

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Notes to the cash flow statement

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

	2,002 £000	2,001 £000
Operating surplus (deficit)	659	686
Depreciation charge	1,540	1359
Provisions for future obligations	(89)	(547)
Fixed Asset impairments	0	0
Transfer from donation reserve	0	0
Increase/(decrease) in provisions	89	547
Non cash items	0	0
(Increase)/decrease in stocks	(36)	(1)
(Increase)/decrease in debtors	(362)	432
Increase/(decrease) in creditors	382	(147)
Net cash inflow from operating activities	<u>2,183</u>	<u>2,329</u>

7.2 Reconciliation of net cash flow to movement in net debt

	2002		2001	
	£000	£000	£000	£000
Increase/(decrease) in cash in the period	(1,709)		755	
Cash inflow from new debt	0		0	
Cash outflow from debt repaid and finance lease capital payments	167		167	
Cash (inflow)/outflow from decrease/increase in liquid resources	<u>0</u>		<u>0</u>	
Change in net debt resulting from cashflows		(1,542)		922
Non-cash changes in debt		<u>0</u>		<u>0</u>
Net debt at 1st April 2001		<u>(1,373)</u>		<u>(2,295)</u>
Net debt at 31st March 2002		<u>(2,915)</u>		<u>(1,373)</u>

7.3 Analysis of changes in net debt

	At 1 April 2001 £000	Cash Flows £000	Non-cash changes £000	At 31 March 2002 £000
Cash at bank and in hand	212	(185)		27
Bank overdrafts	0	0	0	0
Debt due within 1 year	(167)	167	(167)	(167)
Debt due after 1 year	(3,100)	0	167	(2,933)
Finance leases	0	0	0	0
Current asset investments	1,682	(1,524)		158
	<u>(1,373)</u>	<u>(1,542)</u>	<u>0</u>	<u>(2,915)</u>

Report of the auditor of the Northern Ireland Ambulance Service Health and Social Services Trust to the Department of Health, Social Services and Public Safety

I have audited the financial statements on pages 1 to 37 which have been prepared on the basis of the accounting policies set out on pages 5 to 9.

Respective responsibilities of the Trust and the Auditor

As described in the Statement of the Trust's and Chief Executive's Responsibilities the Trust is required to prepare financial statements for each year in the form and on the basis determined by the Department of Health, Social Services and Public Safety. My responsibilities, as independent auditor, are established by statute, the Auditing Practices Board and the auditing profession's ethical guidance.

I report my opinion as to whether the financial statements present fairly the state of affairs of the Trust and are properly prepared in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972 and directions made thereafter by the Department of Health, Social Services and Public Safety. I also report to you, if in my opinion the Trust has not kept proper accounting records, or if I have not received all the information and explanations I require for my audit.

I review whether the attached statement of Directors' responsibility in respect of internal financial control reflects the Trust's compliance with the Department of Health, Social Services and Public Safety's guidance 'Controls Assurance Statement: Internal Financial Control'. I report if it does not meet the requirements specified by the Department of Health, Social Services and Public Safety, or if the statement is misleading or inconsistent with other information I am aware of from my audit of the financial statements.

Basis of opinion

I have conducted my audit in accordance with Article 92A of the Health and Personal Social Services Order 1972 and the Department's Code of Audit Practice, which requires compliance with relevant Auditing Standards as issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trust in the preparation of the financial statements, and of whether the accounting policies are in accordance with the accounting standards specified by the Department and are 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 are free from material misstatement whether caused by fraud or other irregularity or error. In forming my opinion I have also evaluated the overall adequacy of the presentation of information in the financial statements.

Report of the auditor of the Northern Ireland Ambulance Service Health
and Social Services Trust to the Department of Health, Social Services
and Public Safety

Opinion

In my opinion the financial statements present fairly, in accordance with accounting policies approved by the Department of Health, Social Services and Public Safety, the state of affairs of the Northern Ireland Ambulance Service Health and Social Services Trust at 31 March 2002 and of the deficit on its revenue income and expenditure account for the year then ended.

A handwritten signature in black ink, appearing to read 'Henry Saville', written over a horizontal line.

Henry Saville
Appointed Auditor

KPMG
Chartered Accountants
Stokes House
17/25 College Square East
Belfast
BT1 6DH

13 September 2002