

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.

Statement of Northern Board's 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 Board 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 the accruals basis and must provide a true and fair view of the state of affairs of the Northern Board, of its income and expenditure and cash flows for the financial year

In preparing the financial statements the Board 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 Board will continue in operation;
- Keep proper accounting records which disclose with reasonable accuracy at any time the financial position of the Board;
- Pursue and demonstrate value for money in the service the Board 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.S.MacDonnell of Northern Health and Social Services Board as the Accounting Officer for the Board. 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 Accounting 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 Board and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

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 1 to 44) which I am required to prepare on behalf of the Northern Health and Social Services Board have been compiled from and are in accordance with the accounts and financial records maintained by the Board and with the accounting standards and policies for HSS Boards approved by the Department of Health, Social Services and Public Safety.

Wilson MatthewsDirector of Finance

29 April 2008.....Date

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 1 to 44) as prepared in accordance with the above requirements have been submitted to and duly approved by the Northern Board.

Michael Wood.....Chairman

22 May 2008.....Date

Stuart MacDonnell..... Chief Executive

22 May 2008.....Date

Statement on Internal Control

Scope of Responsibility

The Board of Northern Health and Social Services Board is accountable for internal control. As Accounting Officer and Chief Executive of the Board of Northern Health and Social Services Board, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Northern Health and Social Services Board's policies, aims and objectives of the organisation, and for reviewing the effectiveness of the system.

The effectiveness of the system is reviewed internally on the basis of annual self-assessment against the Department's Controls Assurance Standards and an independent review of the effectiveness of the system is carried out by Internal Audit. The Board is kept informed of the outcome of these assessments and the audit committee are kept informed on an ongoing basis of any internal control issues. This SIC will be discussed with the Audit Committee and Board before the approval of the accounts.

In relation to improving health and well being the Board may work in partnership with a broad range of community, voluntary and statutory bodies to take forward a range of practical initiatives. The Board has a protocol for partnership working and under this protocol all Partnerships where the Board is directly accountable to the Department are required to provide an update for the Senior Management Team on a half yearly basis. A register of all partnerships involving Board staff is also maintained

The protocol lays out the role of Internal Audit in providing independent assurance to the Chief Executive on the effectiveness and adequacy of the internal control systems as they pertain to Partnership arrangements.

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, and to 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 the Northern Health and Social Services Board 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 Northern Health and Social Services Board 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.

During 2007/8, internal audits were carried out in accordance with the annual plan, approved by the Board's Audit Committee in March 2007. The areas addressed were: Travel and Subsistence; Capital Charging; Creditor Payments; General Ledger; Debtors' Billing; Cash and Banking; nGMS Contract; Partnerships/Grants; Control Accounts; Probity. As a result of our testing, which was sample based, in all cases, the overall conclusions were that controls operated satisfactorily during the audit periods, with the exception of Capital Charging, where we were unable to give an assurance as to the accuracy and completeness of the Capital Assets Register. In addition, some additional work in respect of the Board's compliance with Departmental guidance on controls over litigation payments was carried out and it was found that the Board is complying satisfactorily. Testing on the accuracy and completeness of the calculation of Agenda for change arrears was also done and calculations were found to be satisfactory. Verification of the Board's self-assessment against a number of the Controls Assurance Standards has also been carried out by Internal Audit and, of the four Standards verified, all levels of self-assessment were verified as achieving the required level of substantive compliance.

With regard to the wider control environment the Northern Health and Social Services 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 Northern Health and Social Services Board are pursued in accordance with the recognised and accepted standards of public administration.

For example, the Northern Health and Social Services Board'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.

Capacity to handle risk

The Board is responsible for commissioning high quality health and social care for local patients and clients. The Board's aim in risk management is to ensure that its objectives are met and to protect the organisation against loss including loss of opportunity, financial loss and reputational loss.

As Accountable Officer, I have overall responsibility and accountability for all aspects of risk management within the Board, making sure that organisational structure and resources are in place to ensure this occurs. The Acting Director of Information, Risk and Performance Management has been delegated lead responsibility for risk management to provide a locus within the boardroom and is supported operationally through Directorates and Committee structures.

The Board's Risk Management Co-ordinator, who is accountable to the lead Director for risk management, has the responsibility for advising and supporting all staff, on the development of risk management methodologies and co-ordinating activities, in line with the Board's risk management strategy and action plan.

A Risk Management and Clinical and Social Care Governance Committee has been established, which meets regularly, and is responsible for reviewing the effectiveness and reporting on the organisation-wide systems and procedures, in place, for the co-ordination and prioritisation of risk management issues. This Committee is chaired by a non-executive director and the lead directors for risk management and clinical and social care governance are in attendance at all meetings. The Board receives minutes of all the committee's meetings.

A multi disciplinary operational group, comprising of representatives from each Directorate, chaired by the lead Director for risk management, has been established and meets regularly, to co-ordinate and support directorates with operational implementation of the NHSSB's risk management framework. The Group provides a focus on risk and brings together the relevant expertise and pools information and knowledge thus providing an organisation-wide approach.

There is a Board approved risk management strategy in place, which is the pivotal component of risk management delivery within the NHSSB. The strategy outlines the NHSSB's responsibilities, reporting structures and sets out the aims of the NHSSB in promoting effective risk management. The strategy incorporates the principles of the AS/NZS 4360:1999 (updated 2004); the common model of risk management adopted by the Department and is available to all staff via the NHSSB intranet staff website.

To support the implementation of the strategy a risk management action plan for 2007-8 which set out the NHSSB's risk management programme of work, inclusive of the HPSS controls assurance programme, was approved and taken forward during 2007-8. The Risk Management and Clinical and Social Care Governance Committee reviewed progress against this action plan on a regular basis throughout 2007-8.

During 2007-8, the Board continued to provide training on a range of governance, risk and health and safety issues including:

- Risk Management General Awareness training for all new starts which extended an invite to all existing staff;
- Specialised training in Root Cause Analysis and investigative techniques. This training was directed at Board Officers who undertake investigation of incidents or have responsibility for reviewing incident investigation reports;
- Integrating Risk and Governance, this tailored training was provided to members of the NHSSB Risk Management Operational Group;
- Datix risk management information system training was provided to relevant Board Officers, to facilitate maintaining and managing this information system;
- First Aid at Work refresher training was provided to nominated First Aid officers

Other training relating to Fire safety, Manual Handling, Environmental Awareness, Data Protection, Freedom of Information and ICT Security was provided for all staff.

Throughout 2007-8 the Northern Board has continued to participate in a pilot exercise with the DHSS&PS and are represented on the DHSS&PS SAI Review Group. In participating in the Department's Group, Board's were required to be aware and provide updates, where appropriate, on incidents occurring in their area. The intention was to minimise duplication in Trusts, HSS Boards and in the Department and to ensure the early dissemination of information in relation to lessons learning from the review of serious incidents.

The NHSSB has also continued to be represented on the Regional Review of Public Administration (RPA) Governance Work stream, which has been tasked with developing generic governance arrangements for use by the organisations which replace the HSS Boards and Agencies.

The Board continues to be represented on a range of other Regional groups including the Regional Governance Network, Regional Information Governance Steering Group, Regional Patient and Client Safety Group and Regional Litigation and Complaints Forum. These networks provide a forum where specialised knowledge within health and social care in Northern Ireland is promoted, developed and shared. The Board is a member of Capita Advisory Service and Alarm, the National Forum for Risk Management in the Public Sector. These networks also provide an opportunity to share solutions and approaches and to learn from experiences whilst promoting professionalism and best practice in risk management.

There are a range of other mechanisms where Board Officers are provided with opportunities to learn from good practice, including staff briefings, team briefings, attendance at workshops and conferences, continuing professional development programmes, subscriptions to journals, individual and peer reviews and the assessment of compliance with relevant standards.

THE RISK AND CONTROL FRAMEWORK

The Northern Health and Social Services Board has developed and approved a risk management strategy which is the backbone of risk management delivery. The key elements of the Risk Management Strategy are to manage and control identified risks. This is achieved through a solid organisational framework which promotes early identification of risk, the co-ordination of risk management activity, the provision of a safe environment for staff and the effective use of financial resources.

To support the implementation of the strategy an action plan, setting out the Board's risk management programme of work was approved and taken forward during 2007-8. The Risk Management and Clinical and Social Care Governance Committee reviewed progress against this action plan on a regular basis throughout 2007-8.

The Board has laid sound foundations for the management of risks and has robust systems in place for identifying and evaluating risks. The Board built on these strengths during 2007-8 to ensure that decisions taken at every level are based on a thorough assessment of the risks to the achievement of our objectives and that they are transparent and actively managed. The annual cycle of corporate risk reporting was completed and was further expanded to incorporate an assurance framework for the NHSSB. During 2007-8, the Board has been provided with regular corporate risk reports.

A defined process for corporate risk identification has been established and approved and was consistently applied across the organisation during 2007-8. It was the responsibility of the Risk Management Co-ordinator to work in conjunction with nominated directorate risk leads to ensure that potential corporate risks identified were brought to the attention of the senior management team.

During 2006-7 in direct response to the DHSSPS publication "Establishing an Assurance framework: A practical guide for the management boards of HPSS organisations" the NHSSB consolidated their established risk management processes and the corporate risk reporting arrangements into the NHSSB Risk and Assurance Framework. The Board has continued to embed this risk and assurance framework at a corporate level.

Risks identified were assessed using the 5 x 5 scoring system adopted in 2002-3, whereby the level of organisational impact has been identified on a scale of very low to very high, against a likelihood factor of very low to very high. This assessment enabled risks to be categorised into risk ratings ranging from very low to very high.

Corporate risks were classed as medium, high and very high risks which could not be managed at Directorate level and which could affect the delivery of the Board's corporate objectives. Responsibility for managing lower scoring risks was retained at Directorate level.

The fundamental principle of an assurance framework is that it is built around corporate/strategic goals and objectives. In meeting with these requirements, corporate risks identified were aligned and mapped to the NHSSB Corporate Plan 2007-8.

Each corporate objective, where a risk has been identified, was assigned to a Lead Director, who may have been supported by other Directors (contributors) as appropriate. Corporate risks identified were cross referenced through serial codes to Directorate risk registers. These individual risks were the subject of close monitoring and review, in year, as part of managing the corporate objective and were the issues which formed the basis of reports to the Senior Management Team and the Board.

In line with the process adopted in 2005-6 to deal with Trusts risks to services or service users, Board Officers reviewed this information and the corporate risk and assurance report takes account of service risk issues, as appropriate, where they could potentially prevent achievement of any NHSSB corporate/strategic objective.

Corporate risks identified within the Northern Board were managed by:

- establishing a lead Director for each corporate objective against which corporate risks were identified;
- setting out the control measures and assurances in place to manage risks identified against a corporate objective;
- providing regular progress reports to the senior management team on the treatment of risks identified;
- review and revalidation of corporate risk issues by the senior management team and
- senior management team validation of emerging corporate risks identified within Directorate risk registers.

In respect of public involvement monthly Public Board Meetings are held where specific risk issues and special topics would be considered, as part of the monthly service performance report. Information including agendas, minutes of meetings and relevant papers are made available on the Boards intranet / internet site. In certain circumstances the Board may undertake public consultations on specific service issues and will engage with relevant public stakeholders. The NHSSB has in place a Public Involvement policy and every effort is made to involve and publically consult when planning changes to services. Senior Board Officers also attend meetings with the District Council and Members of the Local Assembly on request.

During 2007-8, the Board continued to progress work with respect to Controls Assurance, as required by the Department. The Board has systematically self assessed the level of compliance with all relevant controls assurance standards, and met the required levels of compliance with those standards applicable to the NHSSB.

The NHSSB is committed to carrying out self-assessments of compliance with standards, relevant to the work of the Board, and will continue to assess levels of compliance with both published standards and other controls assurance standards formally issued for 2007-8.

The Board has in place arrangements for the reporting and management of untoward events and serious adverse incidents (SAI's) occurring within the NHSSB area. The Board has also established arrangements for the reporting of SAI's within independent family practitioner services. In addition the NHSSB has established a SAI Review Group with responsibility for overseeing the learning from serious adverse incidents.

Risk management is a dynamic process within the Board and an essential element of the Board's corporate governance arrangements. The NHSSB is committed to maintaining and further developing this area of work to ensure continued effectiveness.

During 2007-8, the NHSSB systematically self-assessed the level of compliance with the twenty controls assurance standards. The required levels of compliance with those standards applicable to the NHSSB have been met and are outlined in the table below.

Standard	DHSS&PS expected level of Compliance	Board Level of Compliance	Audited by XXX
Buildings, land, plant and non-medical equipment	70% - 99% (Substantive)	72.66% (Substantive)	-
Decontamination of medical devices	70% - 99% (Substantive)	Not Applicable	-
Emergency Planning	70% - 99% (Substantive)	72.50% (Substantive)	-
Environment Management	70% - 99% (Substantive)	73.50% (Substantive)	-
Financial Management (Core Standard)	70% - 99% (Substantive)	97.08% (Substantive)	NAIA
Fire Safety	70% - 99% (Substantive)	90.0% (Substantive)	-
Fleet and Transport Management	70% - 99% (Substantive)	Not Applicable	-
Food Hygiene	70% - 99% (Substantive)	81.07% (Substantive)	-
Governance (Core Standard)	70% - 99% (Substantive)	93.43% (Substantive)	NAIA
Health & Safety	70% - 99% (Substantive)	77.67% (Substantive)	NAIA
Human Resources	70% - 99% (Substantive)	88.17% (Substantive)	-
Information Communication Technology	30% - 69% (Moderate)	78.37% (Substantive)	-
Management of Purchasing and Supply	70% - 99% (Substantive)	73.77% (Substantive)	-
Medical Devices and Equipment Management	70% - 99% (Substantive)	Not Applicable	-
Medicines Management	70% - 99% (Substantive)	Not Applicable	-
Research Governance	30% - 69% (Moderate)	Not Applicable	-
Records Management	70% - 99% (Substantive)	70.7% (Substantive)	-
Risk Management (Core Standard)	70% - 99% (Substantive)	95.62% (Substantive)	NAIA
Security Management	70% - 99% (Substantive)	70.42% (Substantive)	-
Waste Management	70% - 99% (Substantive)	81.82% (Substantive)	-

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 Northern Health and Social Services Board 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 and Audit Committee and a plan to address weaknesses and ensure continuous improvement to the system is in place.

The Audit Committee has provided the Board with an independent and objective review of corporate governance arrangements including financial and non-financial internal controls within the NHSSB, for the year and up to the date of approval of the annual accounts.

The Committee has received reports from internal audit. Internal Audit have reviewed and reported on control, governance and risk management processes, based on an audit plan approved by the Committee. Their work included evaluating and testing the effectiveness of financial controls and verification of the processes, policies and protocols in place in respect of wider governance arrangements. Based on the work undertaken the audit report provides assurance that the Board is complying with departmental requirements as at 31 March 2008. Where scope for improvement was identified, recommendations were made and appropriate action plans were agreed with management.

By Order of the Board Stuart MacDonnell
Chief Executive

Date 22 May 2008

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 Health and Social Services Board 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 Board, Accounting Officer and auditor

The Board and 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 the Board's and Accounting Officer'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 Board Member's section, Director's Report and the management commentary 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 Health and Social Services Board 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 Health and Social Services Board'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 Health and Social Services Board'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 Message and the Equality, Complaints, Governance and Risk sections. I consider the implications for my certificate 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 Board and Accounting Officer in the preparation of the financial statements, and of whether the accounting policies are most appropriate to the Northern Health and Social Services Board'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.

The Board maintains procedures designed to monitor and limit irregular expenditure. These procedures have shown that there is an underlying level of irregular expenditure in respect of loss through inappropriate claiming of exemptions from charges by patients receiving prescriptions and treatments. As disclosed in Note 18 Part C, the income and expenditure account excludes patient prescription and treatment charge income which has not been collected as a result of patients inappropriately claiming exemption from charges. This has been estimated to total between £8.7 million and £11.1 million for Northern Ireland. There is no definite basis for apportioning the estimated loss to individual Boards but if the loss were to be attributed to Boards according to their share of Family Health Services expenditure, the loss to the Board would fall between £2.1 million and £2.7 million. I have therefore concluded that this income, due to the Northern Health and Social Services Board but not received,

has not been applied to the purposes intended by the Northern Ireland Assembly and is not in conformity with the authorities that govern it.

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 Health and Social Services Board'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 Board Member's section, the Director's Report and the management commentary included in the Annual Report is consistent with the financial statements.

Qualified Audit Opinion on Regularity of Income

In my opinion, except for the patient prescriptions and treatment charge income that has not been received as a result of patients inappropriately claiming exemptions from charges, 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 further observations to make on these financial statements.



JM Dowdall
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
Belfast BT7 1EU
6th June 2008

Northern Health and Social Services Board

**Revenue Income and Expenditure Account
for the year ended 31 March 2008**

	Note	2008 £000	2007 £000
Income			
Allocations – Health and Personal Social Services	2.1	611,620	606,883
Allocations – Family Health Services	2.2	173,567	167,916
Allocations – Other Allocation Income	2.3	231	2,245
FHS Receipts and Recovery of Charges	2.4	8,581	8,833
Income from other sources	2.5	4,295	4,432
Total Revenue Income		798,294	790,309
Expenditure			
Health Care, personal social services and related services purchased	4.1	604,282	600,254
Board administration and commissioning expenses	4.2	9,551	10,075
Health and Social Services Councils		171	195
Other Services		1,994	2,235
Expenditure excluding Family Health Services		615,998	612,759
Family Health Services	3	183,012	177,548
Total Revenue Expenditure		799,010	790,307
Total Income Less Total Revenue Expenditure		(716)	2
Provision for Future Obligations	12	787	(419)
Retained Surplus/(Deficit) for the Financial Year		(1,503)	421
Adjustment for Capital Charges and Other Non Cash Costs	4.5	1,123	0
Retained Surplus/(Deficit) for the Financial Year excluding Capital charges and other non cash costs		(380)	421

In 2007-08 the Department of Health, Social Services and Public Safety was required to change the funding arrangements for Trusts' capital charges, with Boards no longer receiving income for these charges nor incurring the expenditure. Consequently the income and expenditure 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 and expenditure includes £36,710k for Trust capital charges.

Northern Health and Social Services Board

**Capital Income and Expenditure Account
for the year ended 31 March 2008**

	Note	2008 £000	2007 £000
Income			
Allocations from DHSSPS	2.6	867	960
Proceeds of Sale of Fixed Assets		0	0
Other Income		0	0
		<hr/>	<hr/>
Total Capital Income		867	960
Expenditure			
Payments to acquire Tangible Fixed Assets:		0	0
Land		0	0
Buildings excluding dwellings		0	0
Dwellings		0	0
Assets under Construction		0	0
Plant and Machinery		0	0
Transport Equipment		0	0
Information Technology		803	785
Furniture and Fittings		0	0
Payments to acquire Intangible Fixed Assets:		43	156
		<hr/>	<hr/>
Total Capital Expenditure		846	941
		<hr/>	<hr/>
Retained Surplus/(Deficit) for the Financial Year	13.3	21	19

Northern Health and Social Services Board

Balance Sheet as at 31 March 2008

	Note	2008 £000	2007 £000
Fixed Assets			
Intangible Fixed Assets	7.1	270	301
Tangible Fixed Assets	7.2	2,095	2,079
Total Fixed Assets		2,365	2,380
Current Assets			
Stocks and Work in progress	8	5	4
Debtors	9	50,431	45,387
Cash at bank and in hand		573	(44)
Total Current Assets		51,009	45,347
Creditors amounts falling due within one year	10.1	40,501	37,523
Net Current Assets/(Liabilities)		10,508	7,824
Creditors amounts falling due after more than one year	10.2	0	0
Provisions for Liabilities and Charges	12	6,348	3,305
Total Net Assets		6,525	6,899
Financed By:			
Capital account	13.1	2,365	2,380
Revaluation reserve	13.2	0	0
Balance Due to/(from) DHSSPSNI	13.3	4,160	4,519
Total		6,525	6,899

Northern Health and Social Services Board

Cash Flow Statement for the year ended 31 March 2008

	2008	2007
	£000	£000
Net cash Inflow/(outflow) from Operating Activities	596	(15)
Capital Expenditure:		
Payments to acquire tangible and intangible fixed assets	(846)	(941)
Receipts from the sale of tangible fixed assets	0	0
Net cash (Outflow)/Inflow from Capital Expenditure	(846)	(941)
Financing:		
Capital Funding	867	960
Net cash Inflow from Financing	867	960
Increase/(Decrease) in Cash	617	4

Notes to the Cashflow Statement

Net cash Inflow/(Outflow) from Operating Activities

	2008	2007
	£000	£000
Operating Surplus/(Deficit)	(716)	2
Notional Income	0	1,025
Capital Charges	886	(778)
Other Notional Operating Costs	237	(247)
(Increase)/Decrease in Stocks	(1)	0
(Increase)/Decrease in Debtors	(5,044)	(5,891)
Increase/(Decrease) in Creditors	2,978	7,143
Movement in Provisions I & E	(787)	419
Movement in Provisions Balance Sheet	3,043	(1,688)
Net Cash Inflow/(Outflow)	596	(15)

Reconciliation of net cash flow to movement in net funds

	2008	2007
	£000	£000
Increase/(Decrease) in cash in the period	617	4
Net Funds at 1 April 2007	(44)	(48)
Net Funds at 31 March 2008	573	(44)
	617	4

Analysis of Changes in Cash as shown in Balance Sheet

	Change	As at	As at
	During Year	31 Mar-08	1 April-07
	£000	£000	£000
Cash at bank and in hand	617	573	(44)
Bank Overdraft	0	0	0
Total	617	(573)	(44)

Northern Health and Social Services Board

**Statement of Total Recognised Gains and Losses
for the year ended 31 March 2008**

	Note	2008 £000	2007 £000
Revenue Surplus/(Deficit) for the Financial Year		(380)	421
Unrealised surplus /(deficit) on the revaluation and indexation of fixed assets		<u>(203)</u>	<u>(218)</u>
Total gains/(losses) recognised		<u>(583)</u>	<u>203</u>

Notes to the Accounts

1. Statement of Accounting Policies

(a) Authority

The 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) 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.

(b) Accounting Convention

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

(c) Basis of Preparation of Accounts

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

The accounting policies adopted follow UK generally accepted accounting practice (UK GAAP) 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.

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 the operating surplus/deficit. These expenditure items do not include the costs associated with provisions 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 HSS Boards 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 8 "Related Party Transactions" requires disclosure of all material related party transactions between entities under common control. However, disclosure is not required if the transactions are between entities whose results are consolidated in a set of financial statements which are publicly available. The Department is regarded as the controlling party of all Health and Social Services (HSS) bodies in Northern Ireland. Whilst the Boards' results are consolidated within the Departmental Resource Accounts, the results of Trusts and Special Agencies with which the Boards transact are not consolidated.

(d) Funding

Most of the expenditure of the Health and Social Services Boards is met from funds advanced by the Department of Health, Social Services and Public Safety.

(e) Fixed Assets

The treatment of fixed assets in the accounts (capitalisation, valuation, depreciation, particulars concerning donated assets) is in accordance with the capital charges scheme. (See i. below)

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 Board'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 they have a cost in excess of £5,000;

or they satisfy the criteria of a grouped asset i.e.:

functionally interdependent having a total cost of acquisition in excess of £5,000;
acquired and expected to be disposed of in the same financial year;
under single management control;
have individual values of at least £1000.

ii Valuation

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.

Tangible fixed assets are valued at the lower of replacement cost and recoverable amount. Recoverable amount is defined as the higher of net realisable value and value in use. Replacement cost for operational land and buildings is existing use value.

Properties surplus to requirements are valued at open market value.

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

All tangible assets except assets in the course of construction are subject to annual indexation using a national price index for each category of fixed asset.

Land and buildings are restated to current value using professional valuations in accordance with FRS 15 every five years. The valuations were carried out by the District Valuers of the Valuations and Land Agency and are in accordance with the Royal Institute of Chartered Surveyors Statements of Asset Valuations Practice insofar as these are consistent with the specific needs of the HPSS. In accordance with the requirements of the Department, asset valuations were undertaken in 2004/05 as at the valuation date of 31 March 2005.

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 revalued amount over the assessed 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 of 15-80 years;

equipment e.g. vehicles and furniture, is depreciated over the estimated life of the asset; and

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 FRS 3. The difference between the net book value and income received from the sale of equipment will lead to an adjustment on disposal to be made to the capital charges depreciation figure.

The disposal of land and buildings is recorded in the Income and Expenditure Account. Profit/Loss from non-depreciating assets e.g. land is included in the income part of the I & E Account. Profit/Loss from depreciating assets e.g. Buildings is included in the expense part of the I & E Account.

(f) Stocks

Stocks are valued exclusive of VAT. In calculating the cost, Boards have generally used the average cost or latest purchase price.

(g) Losses and Special Payments

Note 18 is a summary of losses and special payments. Included in the summary are certain losses which would have been made good through insurance cover had the Department not been bearing its own risks. Generally it is Government policy not to take out commercial insurance cover. This note is prepared on a memorandum basis as most of the amounts are included in operating expenses.

(h) Valued Added Tax

The figures in the Accounts are shown exclusive of VAT, except that the net VAT recoverable is included in debtors.

(i) Capital Charges

The Capital Charges scheme involves the Department charging Boards for the use of fixed assets. The charge comprises depreciation and notional interest. The cost of capital employed by the Board is calculated at the rate of 3.5%.

(j) Pensions

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

Pension contributions are disclosed in Note 5.1. The costs of early retirements are met by the Board and are charged to the Income and Expenditure Account at the time the Board commits itself to the payments.

The Scheme is subject to a full valuation for FRS17 purposes every four years. A valuation on this basis took place as at 31 March 2003. Also a full valuation took place with affect from 31 March 2004 and this is the valuation being used for 2007-08 accounting purposes.

Where the HSS Board has employees who are members of pension schemes other than the HSS Superannuation scheme described above, additional disclosure will be required to give details of those schemes, e.g. stakeholder pensions

(k) Clinical Negligence Costs

A Clinical Negligence Central Fund was established in 1998 under the administration of the Central Services Agency to finance the payment of post Trust clinical negligence claims. From 1999/2000 the role of the Central Fund was expanded to finance the payment of all clinical negligence settlements. Under the revised arrangements HSS Boards manage the payment of claim settlements and apply to the Central Fund for reimbursement.

The payment of claim settlements is included in Note 4.1.

The reimbursements from the Central Fund are accounted for as income. Reimbursements receivable in respect of clinical negligence liabilities and provisions are included in debtors.

Northern Health and Social Services Board

2.1 Revenue Allocation	Note	2008 £000	2007 £000
Total Allocation		664,950	659,655
Capital Allocation		(867)	(960)
FHS Allocation		(50,575)	(51,003)
FRS11 (prior period)		(469)	(167)
LHSCG administration		0	(382)
LHSCG programme funds		0	(45)
Capital Charge from Agencies		0	0
Board transfer to FHS	2.2	(1,419)	(215)
Total Revenue Allocation		611,620	606,883

The current year figures do not include any allocation from the Department for capital charges due to a change in accounting treatment.

2.2 FHS Allocation	Note	2008 £000	2007 £000
Total Allocation per final draw		50,575	51,003
Allocation from Central Services Agency		121,573	116,698
Board transfer from Revenue Allocation	2.1	1,419	215
Total Allocation		173,567	167,916

Northern Health and Social Services Board

2.3 Other Departmental Funding	Note	2008 £000	2007 £000
Clinical Negligence Central Fund		231	323
FRS 11 Debtor (Current Year)		0	469
LHSCG administration		0	382
LHSCG programme funds		0	45
Notional Income		0	1,025
Other:-		0	1
		0	0
		0	0
Total Other Departmental Funding		231	2,245
2.4 FHS Receipts and Recovery of Charges	Note	2008 £000	2007 £000
General Medical Services			
Receipts		14	4
Recovery of Charges		0	0
General Dental Services			
Receipts		4,423	4,848
Recovery of Charges		0	0
Pharmaceutical Services			
Receipts		4,143	3,981
Recovery of Charges		0	0
General Ophthalmic Services			
Receipts		1	0
Recovery of Charges		0	0
Total FHS Receipts and Recovery of Charges		8,581	8,833

Northern Health and Social Services Board

2.5 Other Income	Note	2008 £000	2007 £000
DHSSPS			
To cover amounts paid on Department's behalf		0	64
		0	0
		0	0
Other Boards			
Eastern Health and Social Services Board		176	218
Southern Health and Social Services Board		0	0
Western Health and Social Services Board		0	0
Miscellaneous			
Out of Hours income		0	0
Income from Dept of Education		3,388	2,786
Contribution from PIS		0	125
New Opportunities		429	823
CCETSW Grants		64	78
Health Promotion Activities		0	0
Courses and Conferences		0	5
Miscellaneous		3	8
Legal claims		0	108
Canteen receipts		235	217
Board Administration Income			
		0	0
		0	0
		0	0
		0	0
		0	0
Total Other Income		4,295	4,432
2.6 Capital Allocation			
	Note	2008 £000	2007 £000
Amount per final draw		867	960
Total Capital Allocation		867	960

Northern Health and Social Services Board

3 Family Health Services Income and Expenditure

	Note	2008 £000	2007 £000
Income			
Allocations from DHSSPSNI	2.2	173,567	167,916
Notional Income – Capital Charges/Impairments		0	751
FHS Receipts and Recovery of Charges	2.4	8,581	8,833
Out of Hours Income		0	0
Total Income		182,148	177,500
Expenditure			
General Medical Services	3.1	50,195	50,224
General Dental Services		22,153	21,383
General Pharmaceutical Services	3.1	105,834	101,294
General Ophthalmic Services		3,966	3,896
Capital Charges and Other Non Cash Costs			
Depreciation		516	410
Interest		186	177
Impairment		160	164
(Profit)/loss on sale / disposal of fixed assets		2	0
Total Expenditure		183,012	177,548
Total Income less Expenditure		(864)	(48)
Adjustment for Capital Charges and Other Non Cash Costs		864	0
Total Income less Expenditure excluding Capital Charges and Other Non Cash Costs		0	(48)

The Board uses the Central Services Agency (CSA), through the mechanism of an annual Service Agreement, to make payments in respect of some of the above expenditure and to ensure adequate monitoring and control arrangements are in place. It has received assurance from the CSA that those arrangements have operated satisfactorily during the year.

3.1 Family Health Service Analysis

	Note	2008 £000	2007 £000
General Medical Services			
Global Sum etc		23,174	23,072
Out of Hours (OOH)		4,885	5,069
GP 1990 contract		0	13
Boards other services		22,136	22,070
Other:		0	0
Total	3	50,195	50,224
General Pharmaceutical Services			
Pharmacists – fees and other associated costs		14,485	13,306
Drugs and other associated costs		90,747	87,337
GP Savings (PIS)		258	270
Contributions to Prescribing Advisors costs (PIS)		0	125
Returned to Department (PIS)		0	0
Other		344	256
Total		105,834	101,294

Northern Health and Social Services Board

4.1 Purchase of Healthcare and Personal Social Services	Note	2008 £000	2007 £000
Own area HSS/HSC Trusts		438,064	442,996
Other NI Trusts		146,902	139,746
Special Agencies		2,186	2,421
NHS Trusts		2,850	1,912
*LCG/HSCA expenditure		558	0
Other Agencies			0
Regional Services		144	140
Other providers of healthcare and personal social services		9,132	8,525
Capital grants to voluntary bodies		0	0
Surestart / Early Years Projects funded by Dept of Education		3,388	2,771
Utilisation of Clinical Negligence Provision		231	323
Utilisation of Other Provisions		170	349
Initiatives:			
- New Opportunities Fund		429	817
- MacMillan Cancer Fund		39	38
- Other		0	0
Miscellaneous		189	216
Total		604,282	600,254

Current year figures in relation to NI Trusts and Other Bodies do not include capital charges due to a change in accounting treatment

4.2 Expenditure on Board Administration & Commissioning Functions:	Note	2008 £000	2007 £000
Management of Commissioning Functions		4,428	4,544
Management Costs of Local Health and Social Care Groups			382
Management of Family Health Services		4,109	4,127
Other Statutory Duties		1,014	1,022
Total		9,551	10,075

Under the Review of Public Administration, Local Health and Social Care Groups ceased to operate as from 30th September 2006

4.3 Commissioning Costs	Note	2008 £000	2007 £000
Board Administration Costs	4.2	9,551	10,075
Adjustment A		0	0
Adjustment B		0	0
Adjustment C		0	0
Less Board Administration Income		0	0
Board Commissioning Costs		9,551	10,075
Relevant Income		798,294	752,085
% of Relevant Income		1.20%	1.34%

*The Department has directed the HSS Board to account for the expenditure relating to the new LCG's whilst they are in their transitional status.

Northern Health and Social Services Board

4.4 GP Fundholder Unspent Savings

	Note	2008 £000	2007 £000
Balance of Savings		0	2
Committed Savings		0	0
Distribution of Final Balance		0	0
Movement on Provisions			
to fundholder		0	0
by Board		0	0
Expenditure on Approved Projects		0	(2)
Balance of Savings		0	0

4.5 Capital Charges and Other Non Cash Costs (Memorandum Note)

The following amounts have been included in the Accounts including Family Health Services, Note 3

	Note	2008 £000	2007 £000
Capital Charges			
Depreciation		655	556
Interest		231	222
Audit Fee		31	25
Impairments		203	218
Loss on sale / disposal of fixed assets		3	0
Other		0	4
Total		1,123	1,025

Northern Health and Social Services Board

5.1 Staff Costs

	Directly Employed £000	Other £000	2008 £000	2007 £000
Salaries and Wages	6,166	154	6,320	6,913
Social Security Costs	517	0	517	520
Pension costs for early retirements reflecting the single lump sum to buy over the full liability	0	0	0	0
Other Pension costs	427	0	427	423
Early departure costs	0	0	0	0
Sub total	7,110	154	7,264	7,856
Less recoveries in respect of outward secondments	0	0	0	0
Total	7,110	154	7,264	7,856

Of the total, £x, has been charged to capital

5.2 Average Number of Persons Employed

	Directly Employed No.	Other No.	2008 No.	2007 No.
Purchase of health and personal social care	171	4	175	207
Provision of health and personal social care				
- patient and client care and investigation	0	0	0	0
- support services	5	3	8	8
Total	176	7	183	215

Figures refer to wholtime equivalents (WTE's) rather than individuals.

Northern Health and Social Services Board

5.3 Board Members Remuneration

	Remuneration As Member £000	Other £000	2008 £000	2007 £000
Non-executive members' remuneration	49	0	49	53
Chief Executive's remuneration (included under exec.members)				
Basic Salaries				
Performance Related Pay				
Executive members' remuneration				
Basic Salaries	365	0	365	436
Performance Related Pay	25	0	25	42
Benefits in kind	0	0	0	0
Associate members' remuneration	286	0	286	293
Compensation for loss of office	0	0	0	0
Pensions to former members	0	0	0	0
Social security costs	74	0	74	88
Employers pension contributions	47	0	47	53
Total	846	0	846	965

Performance Related Pay

Executive Members are subject to the NHS Individual Performance Review system. Within the system, each participant agrees objectives with his/her Senior Manager. At the end of each year performance is assessed and a performance pay award is given on the basis of that performance. This award is approved by the Chairman of the Board and endorsed by the Board's Remuneration Committee.

The above figures do not include an estimate of the remuneration due to certain Executives in respect of the annual pay uplift for cost of living and performance for the financial year 2007/08. An estimate of the total expected liability has however been accrued in the annual accounts.

Northern Health and Social Services Board

5.4 Senior Employees' Remuneration

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

Name	2007-08		2006-07	
	Salary incl. Performance Pay £000	Benefits in kind – nearest £100 £000	Salary incl. Performance Pay £000	Benefits in kind – nearest £100 £000
Non Executive Members				
J.Donaghy	5-10	0	5-10	0
P.Donaldson	5-10	0	5-10	0
P.McAvoy	5-10	0	5-10	0
R.Peters-Gallagher	5-10	0	5-10	0
M.Taylor	5-10	0	5-10	0
A.Williamson	5-10	0	5-10	0
M.A.Wood	15-20	0	15-20	0
Executive Members				
J.S.MacDonnell	Consent to Disclosure Withheld. Board decision 17.04.2008			
E.McNair	Consent to Disclosure Withheld. Board decision 17.04.2008			
J.D.Watson	Consent to Disclosure Withheld. Board decision 17.04.2008			
W.Matthews *	75-80	0	80-85	0
Senior staff				
D Morrison	50-55	0	50-55	0
S Harper	90-95	0	85-90	0
B Harkin (Acting 01/06/07)	40-45	0		
GMcGuigan (Acting 01/04/07)	45-50	0		
K Keenan	55-60	0	55-60	0

Note: * Prior year figures include arrears of pay back dated to 2001. This follows an Industrial Tribunal Decision relating to entitlement of unpaid annual cost of living increases. Excluding these arrears the banding is 70-75.

	Real increase in Pension at age 60 and related lump sum £000	Total accrued pension at age 60 and related lump sum £000	Cash equivalent transfer value (CETV) at 31 March 2007 £000	Cash equivalent transfer value (CETV) at 31 March 2008 £000	Real increase in CETV after adjustment for inflation and changes to market investment factors £000
Non Executive Members					
J.Donaghy	0	0	0	0	0
P.Donaldson	0	0	0	0	0
P.McAvoy	0	0	0	0	0
R.Peters-Gallagher	0	0	0	0	0
M.Taylor	0	0	0	0	0
A.Williamson	0	0	0	0	0
M.A.Wood	0	0	0	0	0
Executive Members					
J.S.MacDonnell	Consent to Disclosure Withheld. Board decision 17.04.08				
E.McNair	Consent to Disclosure Withheld. Board decision 17.04.08				
J.D.Watson	Consent to Disclosure Withheld. Board decision 17.04.08				
W.Matthews	7.5-10	163	686	731	36
Senior staff					
D Morrison	0-2.5	91	389	419	7
S Harper	Information	not	available		
B Harkin	2.5-5	30	73	87	9
G McGuigan	7.5-10	90	360	417	39
K Keenan	0-2.5	89	337	368	7

5.4 (continued)

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 the 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 HPSS 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.

5.5 Staff Benefits

5.6 Related Party Transactions

The Northern Health and Social Services Board is a Health and Personal Social Services body funded by the Department of Health, Social Services and Public Safety.

The Department of Health, Social Services and Public Safety is regarded as a related party. During this financial year, the Northern Health and Social Services Board has had various material transactions with the Department and with other entities for which the Department is regarded as the parent Department as listed below:

Eastern Health and Social Services Board
Southern Health and Social Services Board
Western Health and Social Services Board
Central Services Agency

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 Health and Social Services Board.

5.7 Retirements due to ill-health

During 2007/08 there was one early retirement from the Board agreed on the grounds of ill health. The estimated additional pension liabilities of this ill-health retirements will be £77,000

Northern Health and Social Services Board

6.1 Public Sector Payment Policy

Total bills paid
Total bills paid within 30 day target
Percentage of bills paid within target

2008	2007
Number	Number
6,697	6,946
6,320	6,457
94.37%	92.96%

6.2 The Late Payment of Commercial Debts Regulations 2002

The amounts included within expenditure arising from claims made by businesses under this legislation are as follows

	2008 £000	2007 £000
	0	0
	0	0
Total	0	0

Northern Health and Social Services Board

7.1 Intangible Fixed Assets	Note	Software Licences £000	Licences and Trademarks £000	Patents £000	Development Expenditure £000	Total £000
Cost or Valuation						
At 1 April 2007		383	0	0	0	383
Indexation		0	0	0	0	0
Additions		43	0	0	0	43
Transfers		0	0	0	0	0
Impairments		0	0	0	0	0
Disposals		0	0	0	0	0
Revaluations		0	0	0	0	0
At 31 March 2008		426	0	0	0	426
Amortisation						
At 1 April 2007		82	0	0	0	82
Indexation		0	0	0	0	0
Provided in Year		74	0	0	0	74
Transfers		0	0	0	0	0
Impairments		0	0	0	0	0
Disposals		0	0	0	0	0
Revaluations		0	0	0	0	0
At 31 March 2008		156	0	0	0	156
Net book value						
At 1 April 2007		301	0	0	0	301
At 31 March 2008		270	0	0	0	270

Northern Health and Social Services Board

7.2 Tangible Fixed Assets

Note	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction and payments on account £000	Plant and Machinery £000	Transport Equipment £000	Information Technology £000	Furniture and Fittings £000	Total £000
Cost or Valuation									
At 1 April 2007	0	0	0	0	0	0	3,472	0	3,472
Indexation	0	0	0	0	0	0	0	0	0
Additions	0	0	0	0	0	0	803	0	803
Transfers	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	(345)	0	(345)
Disposals	0	0	0	0	0	0	(65)	0	(65)
Other Revaluations	0	0	0	0	0	0	0	0	0
At 31 March 2008	0	0	0	0	0	0	3,865	0	3,865
Depreciation									
At 1 April 2007	0	0	0	0	0	0	1,393	0	1,393
Indexation	0	0	0	0	0	0	0	0	0
Provided in Year	0	0	0	0	0	0	581	0	581
Transfers	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	(142)	0	(142)
Disposals	0	0	0	0	0	0	(62)	0	(62)
Other Revaluations	0	0	0	0	0	0	0	0	0
At 31 March 2008	0	0	0	0	0	0	1,770	0	1,770
Net book value									
At 1 April 2007	0	0	0	0	0	0	2,079	0	2,079
At 31 March 2008	0	0	0	0	0	0	2,095	0	2,095

Of the total net book value at 31 March 2008 £0 related to land valued at open market value and £0 related to buildings, installations and fittings valued at open market value for alternative use.

7.3 The net book value of land and buildings comprises	Note	2008 £000	2007 £000
Freehold		0	0
Long Leasehold		0	0
Short Leasehold		0	0
Total Land and Buildings		0	0