

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

ANNUAL ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2007

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

FOREWORD

These accounts for the year ended 31 March 2007 have been prepared in accordance with Article 90(2)(a) of the Health and Personal Social Services (Northern Ireland) Order 1972, as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003, in a form directed by the Department of Health, Social Services and Public Safety.

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

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

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

In preparing the financial statements the Trust is required to:

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

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

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

CERTIFICATES OF DIRECTOR OF FINANCE, CHAIRMAN AND CHIEF EXECUTIVE

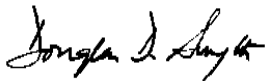
I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 13 to 52) which I am required to prepare on behalf of the Northern Ireland Ambulance Service Health and Social Services Trust have been compiled from and are in accordance with the accounts and financial records maintained by the Trust and with the accounting standards and policies for HSS Trusts approved by the DHSSPS.



Mrs Sharon McCue
Director of Finance

28 June 2007

I certify that the annual accounts set out in the financial statements and notes to the accounts (page 13 to 52) as prepared in accordance with the above requirements have been submitted to and duly approved by the Board.



Mr Douglas Smyth
Chairman

28 June 2007



Mr Liam McIvor
Chief Executive

28 June 2007

STATEMENT ON INTERNAL CONTROL FOR THE FINANCIAL YEAR 2006/07

Scope of Responsibility

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

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

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

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

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

The purpose of the system of internal control

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

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

The system of internal control has been in place in NIAS for the year ended 31 March 2007, and up to the date of approval of the annual report and accounts, and accords with Department of Finance and Personnel guidance.

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

- a schedule of matters reserved for Board decisions;

- a scheme of delegation, which delegates decision making authority within set parameters to the Chief Executive and other officers;
- standing orders and standing financial instructions, the establishment of an audit committee.

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

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

The Trust has an internal audit function which operates to defined standards and whose work is informed by an analysis of risk to which the body is exposed and annual audit plans are based on this analysis. In 2006/07 Internal Audit reviewed the following systems:

- Bank & Cash
- Payments to Creditors
- Payroll (Including Human Resources)
- Charitable Funds
- Income
- Asset Management
- Overtime
- Fuel

In his annual report, the Internal Auditor reported that overall based on the work performed, assurance could be provided on the system of internal control within NIAS. However, weaknesses in control were identified in a number of areas. In particular inadequate assurance was provided in relation to the controls surrounding the operation of the Trust's fuel depot and only partial assurance in relation to recruitment and selection. Recommendations to address these control weaknesses have been or are being implemented.

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

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

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

developing its Estate Strategy with particular regard to Health and Safety, Fire Code and the Disability Discrimination Act.

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

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

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

Capacity to handle risk

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

The NIAS Risk Management Strategy which complies with the AS/NZS 4360 Risk Management Standard was approved by the Trust Board in December 06 and throughout 2007 staff will be receiving risk management training complementary to the implementation of the strategy. This will include the further development of the Trusts Corporate and local risk registers.

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

The risk and control framework

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

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

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

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

Following the audit, the Trust achieved the following levels of compliance for 2006/07.

Standard	DHSS&PS Expected Level of Compliance	Trust Level of Compliance	Audited by Internal Audit
Buildings, land, plant and non-medical equipment	30% - 69% (Moderate)	Moderate	Yes
Decontamination of medical devices	70% - 99% (Substantive)	Substantive	Yes
Emergency Planning	30% - 69% (Moderate)	Substantive	No
Environmental Cleanliness	70% - 99% (Substantive)	Moderate	Yes
Environment Management	30% - 69% (Moderate)	Moderate	No
Financial Management	70% - 99% (Substantive)	Substantive	Yes
Fire safety	70% - 99% (Substantive)	Substantive	No
Fleet and Transport Management	30% - 69% (Moderate)	Moderate	No
Governance	70% - 99% (Substantive)	Substantive	Yes
Health & Safety	70% - 99% (Substantive)	Substantive	Yes
Human Resources	30% - 69% (Moderate)	Substantive	No
Infection Control	70% - 99% (Substantive)	Substantive	No
Information Communication Technology	30% - 69% (Moderate)	Moderate	Yes
Management of Purchasing and Supply	30% - 69% (Moderate)	Substantive	No
Medical Devices and Equipment Management	70% - 99% (Substantive)	Substantive	Yes
Medicines Management	30% - 69% (Moderate)	Substantive	No
Records Management	30% - 69% (Moderate)	Moderate	No
Risk Management	70% - 99% (Substantive)	Substantive	Yes
Waste Management	70% - 99% (Substantive)	Substantive	Yes
Security Management	30% - 69% (Moderate)	Moderate	No
Food Hygiene	70% - 99% (Substantive)	N/A	N/A

The Trust has met or exceeded the required levels of compliance as determined by the Department with the exception of the Environmental Cleanliness Standard. Performance against this standard was moderate, mainly due to the need to establish appropriate accountability arrangements, establish appropriate processes, targets and performance indicators and obtain independent assurance that an effective system of managing environmental cleanliness risk is in place.

The Trust continues to develop systems and processes to ensure compliance with Controls Assurance Standards. This will include a review of the additional Internal Audit resources required as part of the audit assessment, the approach to self assessment and also the evidence required to demonstrate compliance.

Review of Effectiveness

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

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

The Board exercises financial supervision and control by:

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

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

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

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

- To monitor and oversee all clinical activities occurring within the Trust and provide clinical advice to the Trust Board.
- To ensure that processes for assuring the quality of clinical care are in place and regulated by the Trust

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

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

- To develop and deliver a Trust wide strategy for risk management, establishing key performance indicators and monitoring actual performance against them
- To review the Trusts Risk Register on an ongoing basis, and to make recommendations to Trust Board for action as required

- To review the outcome of serious untoward incidents and to ensure that appropriate remedial action has been taken including measures to prevent reoccurrence.
- To monitor progress and ensure compliance with the DHSSPSNI's Controls Assurance Standards
- To establish and receive reports from risk related working groups
- To receive internal and external reviews and assessments relating to the management of risk within the trust
- To secure adequate resources for risk management

Internal Audit will review, appraise and report upon:

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

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



Mr Liam McIvor
Chief Executive

28 June 2007

NORTHERN IRELAND AMBULANCE SERVICE HEALTH AND SOCIAL SERVICES TRUST

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

I certify that I have audited the financial statements of Northern Ireland Ambulance Service Health and Social Services Trust for the year ended 31 March 2007 under the Health and Personal Social Services (Northern Ireland) Order 1972 as amended. These comprise the Income and Expenditure Account, the Balance Sheet, the Cashflow 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 I am required to audit.

Respective responsibilities of the Trust, Accountable Officer and Auditor

The Trust and Accountable Officer are responsible for preparing the Annual Report, which includes 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 Trust's and Chief Executive's Responsibilities.

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

I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972 as amended and Department of Health, Social Services and Public Safety directions made thereunder. I report to you whether, in my opinion, certain information given in the Annual Report, which comprises a Remuneration Report and information normally contained in a Management Commentary, 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 Parliament and the financial transactions conform to the authorities which govern them.

In addition, I report to you if the Trust has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by relevant authorities regarding remuneration and other transactions is not disclosed.

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

I read the other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. 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 opinion

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 judgements made by the Trust and Accountable Officer in the preparation of the financial statements, and of whether the accounting policies are most appropriate to the Trust's circumstances, consistently applied and adequately disclosed.

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

Opinions

Audit Opinion

In my opinion:

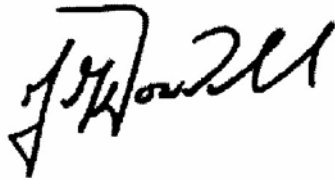
- the financial statements give a true and fair view, in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972 as amended and directions made thereunder by the Department of Health, Social Services and Public Safety, of the state of the Trust's affairs as at 31 March 2007 and of its surplus, total recognised gains and losses, and cashflows 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 directions made thereunder by the Department of Health, Social Services and Public Safety; and
- information given within the Annual Report, which comprises a Remuneration Report and information normally contained in a Management Commentary, is consistent with the financial statements.

Audit Opinion on Regularity

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

Report

I have no observations to make on these financial statements.



**JM Dowdall CB
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
BELFAST BT7 1EU**

16th July 2007

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2007

	NOTE	2007 £000	2006 £000
Income from Activities	2	49,155	44,296
Other Operating Income	3	<u>281</u>	<u>345</u>
		49,436	44,641
Operating Expenses	4,5	<u>(49,166)</u>	<u>(44,293)</u>
SURPLUS (DEFICIT) BEFORE INTEREST		270	348
Interest Receivable		366	242
Interest Payable	7	<u>(208)</u>	<u>(223)</u>
SURPLUS (DEFICIT) FOR THE FINANCIAL YEAR		428	367
Public Dividend Capital Dividends Payable	14.5	<u>(404)</u>	<u>(388)</u>
OPERATIONAL SURPLUS (DEFICIT) BEFORE PROVISIONS		24	(21)
Provisions for Future Obligations	8.1	<u>681</u>	<u>(187)</u>
RETAINED SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR		<u>705</u>	<u>(208)</u>
BREAK EVEN POSITION	19	<u>24</u>	<u>(21)</u>

The notes on pages 17 to 52 form part of these accounts.
All Income and Expenditure is derived from continuing activities.

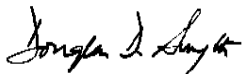
NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

BALANCE SHEET AS AT 31 MARCH 2007

	NOTE	2007		2006	
		£000	£000	£000	£000
FIXED ASSETS					
Intangible assets	9		6		0
Tangible assets	10,10.2		19,227		17,828
			<u>19,233</u>		<u>17,828</u>
CURRENT ASSETS					
Stocks and work in progress	11	63		90	
Debtors: Amounts falling due					
Within one year	12	9,125		5,839	
After one year	12	199		191	
Short term investments	13	105		105	
Cash at bank and in hand		<u>0</u>		<u>0</u>	
TOTAL CURRENT ASSETS			9,492		6,225
CREDITORS: Amounts falling due within one year	14		<u>(11,712)</u>		<u>(7,173)</u>
NET CURRENT ASSETS (LIABILITIES)			<u>(2,220)</u>		<u>(948)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			17,013		16,880
CREDITORS: Amounts falling due after more than one year	14		(2,093)		(2,261)
PROVISIONS FOR LIABILITES AND CHARGES	8		<u>(1,186)</u>		<u>(1,859)</u>
TOTAL ASSETS EMPLOYED			<u>13,734</u>		<u>12,760</u>
FINANCED BY:					
CAPITAL AND RESERVES					
Public dividend capital	16		9,319		9,380
Revaluation reserve	17		4,389		4,694
Donation reserve	17		0		0
Realised donation reserve	17		0		0
Other reserves	17		0		0
Income and expenditure reserve	17		<u>26</u>		<u>(1,314)</u>
			<u>13,734</u>		<u>12,760</u>

The notes on pages 17 to 52 form part of these accounts.

Mr D Smyth
Chairman
28 June 2007



Mr W McIvor
Chief Executive
28 June 2007



NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 MARCH 2007

	2007 £000	2006 £000
Surplus (Deficit) for the financial year	428	367
Provisions for future obligations	<u>681</u>	<u>(187)</u>
	1,109	180
Fixed asset impairment losses	0	0
Non donated Fixed Assets		
Indexation of fixed assets	420	196
Revaluation of fixed assets	<u>(152)</u>	<u>158</u>
	268	354
Donated Assets		
Additions to donated assets	0	0
Indexation	0	0
Revaluation	0	0
Disposals (except transfers to realised donation reserve)	0	0
	<u>0</u>	<u>0</u>
Total recognised gains and losses relating to the year	1,377	534
Additions to Capital Assets Reserve	<u>0</u>	<u>0</u>
TOTAL GAINS (LOSSES) RECOGNISED IN THE FINANCIAL YEAR	<u><u>1,377</u></u>	<u><u>534</u></u>

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2007**

	2007		2006	
	£000	£000	£000	£000
Net Cash Inflow from Operating Activities (Note 26.1)		3,646		3,973
Returns on Investments and Servicing of Finance				
Interest received	365		235	
Interest paid	(208)		(223)	
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		157		12
Capital Expenditure				
Payments to acquire intangible fixed assets	0		0	
Receipts from sales of intangible fixed assets	0		0	
Payments to acquire tangible fixed assets	(3,149)		(2,079)	
Receipts from sale of tangible fixed assets	<u>0</u>		<u>17</u>	
Net Cash Inflow (Outflow) from Capital Expenditure		(3,149)		(2,062)
Dividends Paid		(388)		(955)
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		266		968
Financing				
New money capital reserve	0		0	
Additional public dividend capital advances in year	0		0	
Repayment of public dividend capital to DHSSPS	0		(800)	
Repayment of loans – Interest Bearing Debt	(167)		(168)	
Repayment of prior year impairment	<u>(99)</u>		<u>0</u>	
Net Cash Inflow/ (Outflow) from Financing		<u>(266)</u>		<u>(968)</u>
Increase (Decrease) in Cash (Notes 26.2 and 26.3)		<u>0</u>		<u>0</u>

The notes on page 17 to 52 form part of this statement.

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

1. STATEMENT OF ACCOUNTING POLICIES

1.1 Authority

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

1.2 Accounting Convention

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

1.3 Basis of Preparation of Accounts

The accounts have been prepared in accordance with the 2006/07 HSS Trust Manual of Accounts issued by the Department of Health, Social Services and Public Safety.

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

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

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

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

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

1.4 Intangible Fixed Assets

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

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

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

1.5 Tangible Fixed Assets

Capitalisation

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

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

Valuation

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

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

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

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

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

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

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

All adjustments arising from indexation and five-yearly revaluations are taken to the Revaluation Reserve. All impairments resulting from price changes are charged to the Statement of Total Recognised Gains and Losses. Falls in value when newly constructed assets are brought into use are also charged there. These falls in value result from the adoption of ideal conditions as the basis for depreciated replacement cost valuations.

Assets in the course of construction are valued at cost using the indexes as for land and buildings, as above. These assets include any existing land or buildings under the control of a contractor.

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

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

Depreciation, Amortisation and Impairments

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

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

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

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

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

Impairment losses resulting from short-term changes in price that are considered to be recoverable in the longer term are taken in full to the revaluation reserve. These include impairments resulting from the revaluation of fixed assets from their cost to their value in existing use when they become operational. This may lead to a negative revaluation reserve in certain instances.

1.6 Donated Fixed Assets

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

1.7 Research and Development

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

1.8 Private Finance Initiative (PFI) Transactions

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

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

Where the balance of the risks and rewards of ownership of the PFI property are borne by the PFI operator, the PFI obligations are recorded as an operating expense. Where the Trust has contributed assets, a prepayment for their fair value is recognised and amortised over the life of the PFI contract by charge to the Income and Expenditure Account. Where, at the end of the PFI contract, a property

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

reverts to the Trust, the difference between the expected fair value of the residual on reversion and any agreed payment on reversion is built up over the life of the contract by capitalising part of the unitary charge each year, as a tangible fixed asset.

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

1.9 Stocks and Work-in-Progress

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

1.10 Provisions

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

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

1.11 Clinical Negligence Central Fund

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

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

1.12 Pensions

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

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

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

As per the requirements of FRS 17, full actuarial valuations by a professionally qualified actuary are required at intervals not exceeding four years. The actuary reviews the most recent actuarial valuation at the balance sheet date, in this case the 2003 valuation, and updates it to reflect current conditions.

GAD is currently validating data for a valuation as at 31 March 2004 which will be available for the 2007/08 Annual Accounts.

1.13 Third Party Assets

Assets belonging to third parties (such as money held on behalf of Patients) are not recognised in the accounts since the Trust has no beneficial interest in them. Details of third party assets are given in Note 28 to the accounts.

1.14 Leases

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

1.15 Losses

This note (Note 25) is a memorandum statement unlike most notes to the accounts which provide further detail of figures in the primary accounting statements. Most of the contents will be included in operating expenses.

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

	2007	2006
	£000	£000
2. Income from Activities		
NI Health and Social Services Boards	47,665	42,990
GB/Republic of Ireland Health Authorities	0	0
HSS Trusts	1,487	1,306
Non-HSS:		
- private patients	3	0
- other	0	0
Clients contributions	0	0
	<hr/>	<hr/>
Total	49,155	44,296
	<hr/> <hr/>	<hr/> <hr/>
3. Other Operating Income		
	2007	2006
	£000	£000
Other income from non-patient services	220	246
NIMDTA / NICPMDE	0	0
SUMDE	0	0
Charitable and other contributions to expenditure	0	0
Donated asset reserve transfer for Impairment	0	0
Donated asset reserve transfer for Depreciation	0	0
Income in respect of fixed asset impairments	61	99
Profit on disposal of land	0	0
Clinical Negligence Central Fund	0	0
Reversal of fixed asset impairments	0	0
Other income	0	0
	<hr/>	<hr/>
Total	281	345
	<hr/> <hr/>	<hr/> <hr/>

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

4. Operating Expenses

4.1 Operating Expenses are as follows:

	2007 £000	2006 £000
Salaries and Wages (excluding Board members' remuneration)	36,322	33,117
Executive Board members remuneration	394	361
Non-executive Board members remuneration	52	46
Supplies and services - clinical	699	402
Supplies and services - general	392	203
Establishment	1,242	913
Transport	3,644	3,492
Premises	1,774	1,475
Bad debts	1	0
Depreciation and amortisation	2,843	3,055
(Profit)/Loss on disposal of fixed assets (excluding profit on land)	0	(17)
Fixed asset impairments	61	99
Donated asset impairments	0	0
Purchase of care from non-HSS bodies and grants to voluntary organisations	0	0
Personal social services	0	0
Recharges from other HSS organisations	466	324
Clinical Negligence Payments:		
- Provisions utilised	0	0
- Other	0	0
Audit fees	20	20
Other auditors remuneration	0	0
Miscellaneous	1,256	803
Total	<u>49,166</u>	<u>44,293</u>

4.2 Operating Leases

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

	2007 £000	2006 £000
Hire of plant and machinery	0	0
Other operating leases	136	140
	<u>136</u>	<u>140</u>

Commitments under non-cancellable operating leases are:

	Land and buildings		Other Leases	
	2007 £000	2006 £000	2007 £000	2006 £000
Operating leases which expire:				
Within 1 year	2	7	12	0
Between 1 and 5 years	146	122	12	29
After 5 years	785	368	0	0
	<u>933</u>	<u>497</u>	<u>24</u>	<u>29</u>

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

5.1 Staff Costs

	Directly employed £000	Other £000	2007 £000	2006 £000
Salaries and Wages (including Board Members remuneration and Non-executive Board Members)	32,496	344	32,840	30,100
Social security costs	2,309	0	2,309	2,037
Pension Costs for early retirements reflecting the single lump sum to buy over the full liability	6	0	6	0
Other pension costs	1,613	0	1,613	1,387
Early departure costs	0	0	0	0
Sub-Total	36,424	344	36,768	33,524
Less recoveries in respect of outward secondments	0	0	0	0
Total net costs	36,424	344	36,768	33,524

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

5.2 Average Number of Persons Employed

	Directly employed No.	Other No.	2007 No	2006 No
Medical and dental	1	0	1	1
Nursing and Midwifery	0	0	0	0
Professions Allied to medicine	0	0	0	0
Ancillaries	0	0	0	0
Administrative and clerical	60	11	71	75
Ambulance staff	956	8	964	899
Works	3	0	3	3
Other Professional and technical	0	0	0	0
Social Services	0	0	0	0
Other	0	0	0	0
Total	1,020	19	1,039	978

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

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

NOTE 5 (Contd)

5.3 Senior Employees' Remuneration

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

Name	2006-07		2005-06		Real increase in pension at age 60 and related lump sum £000	2006-07		CETV at 31/03/06 £000	CETV at 31/03/07 £000	Real increase in CETV £000
	Salary, including Performance Pay £000	Benefits in Kind (rounded to nearest £100)	Salary, including Performance Pay £000	Benefits in Kind (rounded to nearest £100)		Total accrued pension at age 60 and related lump sum £000				
Non-Executive Members										
D Smyth	16-20	0	16-20	0						
L Gillespie	5-10	0	5-10	0						
F Hughes	5-10	0	5-10	0						
S Mullan	5-10	0	5-10	0						
R Perrott	5-10	0	5-10	0						
Executive Members										
L McIvor	65-70	0	60-65	0	0-2.5 + lump sum of 2.5-5	10-15 + lump sum of 40-45	170	195	12	
S McCue	55-60	0	50-55	0	0-2.5 + lump sum of 0-2.5	0-5 + lump sum of 10-15	41	56	11	
R O'Hara	50-55	0	50-55	0	0-2.5 + lump sum of 0-2.5	10-15 + lump sum of 35-40	131	147	9	
D McManus	80-85	0	80-85	0	0-2.5 + lump sum of 2.5-5	25-30 + lump sum of 75-80	372	406	29	
B McNeill	50-55	0	50-55	0	0-2.5 + lump sum of 0-2.5	10-15 + lump sum of 40-45	169	188	9	

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

NOTE 5 (Contd)

5.3 Senior Employees' Remuneration (Contd)

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

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

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

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

Based on advice from DHSSPS the above pension figures 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 2005/06 of 2.5%. An estimate of the total expected liability for cost of living and performance for the financial year 2006/07 has also been accrued in the annual accounts consistent with DHSSPS guidance.

5.4 Staff Benefits	2007 £000	2006 £000
None	0	0
	<u>0</u>	<u>0</u>
5.5 Trust Management Costs	2007 £000	2006 £000
Trust Management Costs	2,870	2,587
Total Income	<u>49,029</u>	<u>44,258</u>
% of total income	<u>5.85%</u>	<u>5.85%</u>

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

5.6 Retirements Due to Ill-health

During 2006/07 there were 6 early retirements from the Trust agreed on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £40,261.

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

6.1 Public Sector Payment Policy - Measure of Compliance

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

	Number	2007 £000	Number	2006 £000
Total bills paid	<u>12,040</u>	<u>11,340</u>	<u>12,776</u>	<u>11,579</u>
Total bills paid within 30 day target	<u>11,434</u>	<u>10,978</u>	<u>11,902</u>	<u>11,154</u>
% of bills paid within 30 day target	<u>95.0%</u>	<u>96.8%</u>	<u>93.2%</u>	<u>96.3%</u>

6.2 The Late Payment of Commercial Debts Regulations 2002

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

	£
Total	<u><u>0</u></u>

7. Interest Payable

	2007 £000	2006 £000
Originating interest bearing debt	208	223
Further borrowing (government)	0	0
Further borrowing (other)	0	0
Finance leases	0	0
Other interest	<u>0</u>	<u>0</u>
Total	<u><u>208</u></u>	<u><u>223</u></u>

An amount of £24,297 is included within Note 8 for the unwinding of discount on provisions.

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

8. Provisions for Liabilities and Charges

	Pensions relating to former directors £000	Pensions relating to other staff £000	Clinical Negligence £000	Restructuring £000	Other £000	2007 £000	2006 £000
Balance at 31 March 2006	0	0	191	0	1,668	1,859	1,565
Re-categorisation	0	0	5	0	(5)	0	0
Arising during the year	0	0	2	0	98	100	671
Utilised during the year	0	0	0	0	(435)	(435)	(139)
Reversed unused	0	0	(8)	0	(354)	(362)	(280)
Unwinding of discount	0	0	9	0	15	24	42
At 31 March 2007	0	0	199	0	987	1,186	1,859

8.1 Income and Expenditure Account Charges	2007 £000
Arising during the year	100
Utilised during the year	(435)
Reversed unused	(362)
Unwinding of discounts	<u>24</u>
Movement in Year	<u>(673)</u>
Reimbursements Receivable	
Clinical Negligence Central Fund	(8)
Other	<u>0</u>
Total Reimbursements Receivable	<u>(8)</u>
Total Increase/Decrease (to I & E)	<u><u>(681)</u></u>

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

NOTE 8 (Contd)

Expected Timing of Cash Flow

	Pensions relating to former directors £000	Pensions relating to other Staff £000	Clinical Negligence £000	Restructuring £000	Other £000	2007 £000	2006 £000
Within 1 year	0	0	7	0	242	249	910
1 - 5 years	0	0	192	0	55	247	236
Over 5 years	0	0	0	0	690	690	713

The provision in respect of other liabilities and charges comprises £268,080 for Accrued Leave, £212,625 for Employers Liability and £506,689 for Premature Pensions following Injury. The provision for Accrued Leave will crystallise as individuals retire or leave the service at future dates. The provision for Employers Liability has been calculated based in accordance with DHSSPS guidance and data was obtained from the CSA's Directorate of Legal Services.

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

	£'000
Clinical Negligence Central Fund	<u>199</u>

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

In addition to the clinical negligence provision, contingent liabilities for clinical negligence are given in Note 23.

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

9. Intangible Fixed Assets

Cost or Valuation	Purchased £000	Software Licences Donated £000	Total £000
At 1 April 2006	0	0	0
Indexation	0	0	0
Additions	5	0	5
Reclassifications	1	0	1
Other Revaluation	0	0	0
Impairments	0	0	0
Disposals	0	0	0
	<hr/>	<hr/>	<hr/>
At 31 March 2007	6	0	6
Amortisation			
At 1 April 2006	0	0	0
Indexation	0	0	0
Transfers	0	0	0
Revaluation	0	0	0
Impairments	0	0	0
Disposals	0	0	0
Provided during the year	0	0	0
	<hr/>	<hr/>	<hr/>
At 31 March 2007	0	0	0
Net Book Value			
At 31 March 2007	6	0	6
	<hr/>	<hr/>	<hr/>
At 31 March 2006	0	0	0
	<hr/>	<hr/>	<hr/>

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

10. Tangible Fixed Assets

10.1 Tangible fixed assets comprise the following elements:

Purchased Assets	Land	Buildings (excluding dwellings)	Dwellings	Assets under Construction	Plant and machinery (Equipment)	Transport Equipment	Information Technology (IT)	Furniture and fittings	Total
Cost or Valuation	£000	£000	£000	£000	£000	£000	£000	£000	£000
At 1 April 2006	1,262	10,491	0	898	3,568	14,580	1,242	203	32,244
Indexation	78	425	0	0	76	149	(134)	1	595
Additions	0	799	0	0	379	2,653	144	0	3,975
Reclassifications	0	0	0	0	0	41	2	0	43
Transfers	0	0	0	(898)	777	121	0	0	0
Revaluation	227	(594)	0	0	0	0	0	(1)	(368)
Impairments	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(810)	(752)	(254)	0	(1,816)
At 31 March 2007	1,567	11,121	0	0	3,990	16,792	1,000	203	34,673
Depreciation									
At 1 April 2006	0	2,954	0	0	2,210	8,587	652	13	14,416
Indexation	0	120	0	0	39	88	(72)	0	175
Reclassifications	0	0	0	0	0	22	22	0	44
Transfers	0	0	0	0	0	0	0	0	0
Revaluation	0	(216)	0	0	0	0	0	0	(216)
Impairments	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(810)	(752)	(254)	0	(1,816)
Reversal of impairments	0	0	0	0	0	0	0	0	0
Provided during the year	0	680	0	0	278	1,684	186	15	2,843
At 31 March 2007	0	3,538	0	0	1,717	9,629	534	28	15,446
Net Book Value									
At 31 March 2007	1,567	7,583	0	0	2,273	7,163	466	175	19,227
At 31 March 2006	1,262	7,537	0	898	1,358	5,993	590	190	17,828

Of the total net book value at 31 March 2007, £NIL related to buildings, installations and fittings valued at open market value for alternative use.

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

NOTE 10.2

Donated Assets

	Land £000	Buildings (excluding dwellings) £000	Dwellings £000	Assets under Construction £000	Plant and machinery (Equipment) £000	Transport Equipment £000	Information Technology (IT) £000	Furniture and fittings £000	Total £000
Cost or Valuation									
At 1 April 2006	0	0	0	0	0	0	0	0	0
Indexation	0	0	0	0	0	0	0	0	0
Additions	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
At 31 March 2007	0	0	0	0	0	0	0	0	0
Depreciation									
At 1 April 2006	0	0	0	0	0	0	0	0	0
Indexation	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Provided during the year	0	0	0	0	0	0	0	0	0
At 31 March 2007	0	0	0	0	0	0	0	0	0
Net Book Value									
At 31 March 2007	0	0	0	0	0	0	0	0	0
At 31 March 2006	0	0	0	0	0	0	0	0	0

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

10.3 Total Fixed Assets:

	Purchased £000	Donated £000	Total £000	2006 £000
Net book value:				
Land	1,567	0	1,567	1,262
Buildings (excluding dwellings)	7,583	0	7,583	7,537
Dwellings	0	0	0	0
Assets under construction	0	0	0	898
Plant and machinery (Equipment)	2,273	0	2,273	1,358
Transport Equipment	7,163	0	7,163	5,993
Information Technology (IT)	466	0	466	590
Furniture and Fittings	175	0	175	190
Total Tangible Fixed Assets	19,227	0	19,227	17,828
Total Intangible Fixed Assets	6	0	6	0
Total Assets	19,233	0	19,233	17,828

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

	2007 £000	2006 £000
Freehold	0	0
Long leasehold	9,150	8,799
Short leasehold	0	0
	<u>9,150</u>	<u>8,799</u>

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

	2007 £000	2006 £000
Land	0	0
Buildings (excluding dwellings)	0	0
Dwellings	0	0
Assets under construction	0	0
Plant and machinery (Equipment)	0	0
Transport Equipment	0	0
Information Technology (IT)	0	0
Furniture and Fittings	0	0
	<u>0</u>	<u>0</u>

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 (2006 £NIL).

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

11. Stocks and Work in Progress

	2007 £000	2006 £000
Raw Materials and consumables	63	90
Work in progress	0	0
Finished goods	0	0
Total	63	90

12.1 Debtors: Amounts falling due within one year:

	2007 £000	2006 £000
HSS or NHS debtors	392	359
Impairment debtor	61	99
Clinical negligence – Central Fund	0	0
Other debtors	8,508	5,059
Pension Prepayments		
in respect of former directors	0	0
in respect of other staff	0	0
Interest Receivable	5	6
Other prepayments and accrued income	159	316
Sub Total	9,125	5,839

The balances are net of a provision for bad debts of: 0 0

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

HSS or NHS debtors	0	0
Clinical Negligence – Central Fund	199	191
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	199	191
Total	9,324	6,030

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

12.3 Intra-Government balances (Debtors)

Name	Amounts falling due within 1 year 2006/07 £000	Amounts falling due within 1 year 2005/06 £000	Amounts falling due after more than 1 year 2006/07 £000	Amounts falling due after more than 1 year 2005/06 £000
Department of Health, Social Services and Public Safety	8,053	4,693	199	191
HSS Boards	401	282	0	0
Health Estates Executive Agency	0	0	0	0
NI Central Services Agency	2	3	0	0
Other Central Government Bodies	440	353	0	0
Local Authorities	3	0	0	0
HSS/NHS Trusts	52	174	0	0
Public Corporations and Trading Funds	6	5	0	0
Intra-Government Balances	8,957	5,510	199	191
Balances with bodies external to government	168	329	0	0
Total Debtors at 31 March	9,125	5,839	199	191

13. Short-term Investments

	2007 £000	2006 £000
Government Securities	0	0
Other Approved Public Sector Organisations	0	0
Banking Deposits	105	105
Others	0	0
Total	105	105

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

14. Creditors

14.1 Creditors: Amounts falling due within one year:

	2007 £000	2006 £000
Bank overdrafts	0	0
Current instalments on Interest Bearing Debt	168	167
IBD Interest payable	9	9
Public dividend capital dividend payable	404	388
Public dividend capital payable in respect of impairments	61	99
Payments received on account	0	0
HSS or NHS creditors and accruals	820	290
Non HSS or NHS trade revenue creditors	9,102	5,445
Non HSS or NHS trade capital creditors	1,115	762
Payroll creditors including taxation and social security	33	1
Net obligations under finance leases	0	0
Clinical Negligence	0	0
Pensions		
- relating to former directors	0	0
- relating to other staff	0	0
Other accruals	0	12
Other creditors	0	0
	<u>11,712</u>	<u>7,173</u>
Sub Total	11,712	7,173

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

Long Term Loans	2,093	2,261
Obligations under finance leases and hire purchase contracts	0	0
HSS 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
	<u>2,093</u>	<u>2,261</u>
Sub Total	2,093	2,261
Total Creditors	13,805	9,434

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

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

14.3 Intra-Government balances (Creditors)

Name	Amounts falling due within 1 year 2006/07 £000	Amounts falling due within 1 year 2005/06 £000	Amounts falling due after more than 1 year 2006/07 £000	Amounts falling due after more than 1 year 2005/06 £000
Department of Health, Social Services and Public Safety	642	663	2,093	2,261
HSS Boards	1	0	0	0
Health Estates Executive Agency	0	0	0	0
NI Central Services Agency	31	15	0	0
Other Central Government Bodies	4	1	0	0
Local Authorities	1	2	0	0
HSS/NHS Trusts	820	275	0	0
Public Corporations and Trading Funds	0	0	0	0
Intra-Government Balances	1,499	956	2,093	2,261
Balances with bodies external to government	10,213	6,217	0	0
Total Creditors at 31 March	11,712	7,173	2,093	2,261

14.4 Finance lease obligations

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

	2007 £000	2006 £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:

	2007 £000	2006 £000
Creditors: amounts due within one year	0	0
Creditors: amounts due after more than one year	0	0
	0	0

14.5 Public Dividend Capital Dividends

	2007 £000	2006 £000
The dividend is in respect of Public Dividend Capital	404	388
	404	388

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

15. Loans

	Government Loans £000	Other Loans £000	2007 £000	2006 £000
Amounts falling due:				
In one year or less	168	0	168	167
Between one and two years	167	0	167	168
Between two and five years	503	0	503	502
In five years or more	1,423	0	1,423	1,591
Total	2,261	0	2,261	2,428

	Government Loans £000	Other Loans £000	2007 £000	2006 £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	2,261	0	2,261	2,428
Total	2,261	0	2,261	2,428

Total Repayable after five years by instalments	1,423	0	1,423	1,591
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Loans wholly or partially repayable after five years:	0	0	0	0
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Terms of payment	Interest Rate	2007 £000	2006 £000
Originating Capital Debt	8.750%	2,261	2,428

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

16. Public Dividend Capital

	2007	2006
	£000	£000
Public dividend capital was issued as follows:		
Opening balance	9,380	10,286
Additional PDC advances in year	0	0
PDC repaid to DHSSPS	0	(800)
PDC Impairments (current year)	<u>(61)</u>	<u>(106)</u>
Total	<u>9,319</u>	<u>9,380</u>

17. Movements on Reserves

	Revaluation	Donation	Realised	Other	Income and	Total
	Reserve	Reserve	Donation	Reserves	Expenditure	£000
	£000	£000	Reserve	£000	Reserve	£000
	£000	£000	£000	£000	£000	£000
At 1 April 2006	4,694	0	0	0	(1,314)	3,380
Retained surplus / (deficit) for year	0	0	0	0	705	705
Revaluation and Indexation of fixed assets	330	0	0	0	0	330
Transfer of realised profits / (losses)	(635)	0	0	0	635	0
Movements in donation reserve	0	0	0	0	0	0
Fixed Asset Impairments	0	0	0	0	0	0
Other reserve movements	0	0	0	0	0	0
At 31 March 2007	<u>4,389</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>26</u>	<u>4,415</u>

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

18. Reconciliation of Movement in Government Funds

	2007	2006
	£000	£000
Surplus / (deficit) for the financial year	428	367
less provisions for future obligations	681	(187)
less public dividend capital dividends	<u>(404)</u>	<u>(388)</u>
	705	(208)
Gains / (losses) from revaluation / indexation of		
Purchased fixed assets	330	403
Public dividend capital impairments	(61)	(106)
Public dividend capital repayments	0	(800)
Public dividend capital issued	0	0
New Government loans issued	0	0
Government loans repayments	(167)	(168)
Additions (reductions) in other reserves	<u>0</u>	<u>0</u>
Net Movement in Government funds	807	(879)
Government funds at 31 March 2006	<u>15,311</u>	<u>16,190</u>
Government funds at 31 March 2007	<u>16,118</u>	<u>15,311</u>

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

19 Financial Performance Targets

19.1 Capital Cost Absorption Duty

The Trust is required to absorb the cost of capital at a rate of 3.5% 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 £612k, bears to the average relevant net assets of £15,592k, that is 3.9% (2005/2006 3.9%). The variance is within the Department's materiality range of 3.0% to 4.0%.

The Capital Cost Absorption (CCA) rate comprises two components – the Trust Debt Remuneration (TDR), and the Average Relevant Net Assets (ARNA), in order to achieve compliance with the 3.5% target the Trust needs to manage the TDR such that it equates to exactly 3.5% of the ARNA. The TDR comprises of Public Dividend Capital (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 3.5% interest in ARNA (referred to as a windfall). Any variance is as a result of a number of factors as follows:

- i. Changes in the actual profile of capital programme from that forecast, primarily due to the supplier constraints;
- ii. Expenditure due to in-year changes to the approved capital programme notified by the DHSSPS via changes to the Trusts CRL.

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:	2007
	£000
Interest payable on Government borrowing	208
Plus	
Dividends payable on Public Dividend Capital	404
	<hr/>
Trust Debt Remuneration	612
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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	Closing	Average
	£000	£000	£000
Total capital and reserves (equivalent to total net assets)	12,760	13,734	13,247
Less:			
Donation reserve	0	0	0
Finance Lease assets (during their primary lease term)	0	0	0
Plus:			
Interest Bearing Debt	2,428	2,261	2,345
Finance Lease Creditors (capital only)	0	0	0
	<hr/>	<hr/>	<hr/>
Relevant Net Assets	15,188	15,995	15,592
	<hr/>	<hr/>	<hr/>

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

19.2 Break Even Performance

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

	2002/03 £000	2003/04 £000	2004/05 £000	2005/06 £000	2006/07 £000
i. Turnover	<u>29,795</u>	<u>33,302</u>	<u>39,941</u>	<u>44,641</u>	<u>49,436</u>
ii. Break Even in year position	<u>261</u>	<u>7</u>	<u>10</u>	<u>(21)</u>	<u>24</u>
iii. Break Even cumulative position (opening)	98	359	366	376	355
iv. Other Adjustments	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
v. Break Even Cumulative Position (closing)	<u><u>359</u></u>	<u><u>366</u></u>	<u><u>376</u></u>	<u><u>355</u></u>	<u><u>379</u></u>

Materiality Test:

	2002/03 %	2003/04 %	2004/05 %	2005/06 %	2006/07 %
Break Even in year position as % of turnover	<u>0.9%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>
Break Even cumulative position as % of turnover	<u>1.2%</u>	<u>1.1%</u>	<u>0.9%</u>	<u>0.8%</u>	<u>0.8%</u>

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

19.3 External Financing Limit

	2007 £000	2006 £000
External Financing Limit set by the Department	<u>1,158</u>	<u>(907)</u>

The Trust stayed within its External Financing Limit by £1,386k. The Trust's External Financing Requirement for the year was minus £1,158k and was met as follows:

	2007 £000	2006 £000
Increase (decrease) in:		
Public dividend capital	(61)	(906)
Government long-term loans	(167)	(168)
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	0	0
Cash at bank and in hand	<u>0</u>	<u>0</u>
External Finance Assessed	<u>(228)</u>	<u>(1,074)</u>

19.4 Capital Resource Limit

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

	2007 £000	2006 £000
Gross Capital Expenditure	3,980	1,580
Receipts from sales of fixed assets where approval to use, has been granted by CIU	<u>0</u>	<u>0</u>
Net Capital Expenditure	3,980	1,580
Capital Resource Limit	<u>4,015</u>	<u>1,582</u>
(Over) Underspend against CRL (i.e. net capital expenditure less CRL)	<u>35</u>	<u>2</u>

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

20. Private Finance Transactions

20.1 PFI Schemes deemed to be off balance sheet

	2007 £000	2006 £000
Amounts included within operating expenses in respect of PFI transactions deemed to be off balance sheet	<u>0</u>	<u>0</u>

	2007 £000	2006 £000
The Trust is committed to make the following payments during the next year:		
PFI scheme which expires within one year		
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.	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>

	2007 £000	2006 £000
Estimated capital value of the PFI schemes	0	0
Carparks	0	0
ATICS Equipment Scheme	0	0
Bed Management Scheme	0	0
Equipment Leases	0	0
Laboratory Equipment Scheme	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

20.2 Service element of PFI schemes deemed to be on balance sheet

	2007 £000	2006 £000
Amounts included within operating expenses in respect of the 'service' element of PFI schemes deemed to be on balance sheet.	<u>0</u>	<u>0</u>

The Trust is committed to make the following payments during the next year

	2007 £000	2006 £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.	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>

21. Capital Commitments

Capital commitments at the balance sheet date are:

	Finance Leases £000	Other £000	2007 Total £000	2006 Total £000
Contracted	0	0	0	562
Authorised by the Board, but not contracted	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,966</u>
Total	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,528</u>

22. Post Balance Sheet Events

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

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

23. 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:

	2007	2006
	£000	£000
Total estimate of contingent clinical negligence liabilities	0	0
Amount recoverable from the Clinical Negligence Central Fund	0	0
	<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 8.

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

Contingencies not relating to clinical negligence are as follows:

	2007	2006
	£000	£000
Public Liability	0	0
Employers' Liability	0	0
Accrued Leave	0	0
Injury Benefit	0	0
Other	0	0
	<u>0</u>	<u>0</u>
Total	<u>0</u>	<u>0</u>

24. Related Party Transactions

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

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

The Department of Health, Social Services and Public Safety is regarded as a related party and the ultimate controlling parent Department. During the year the Northern Ireland Ambulance Service HSS Trust has had a significant number of material transactions with other entities for which the Department is regarded as the ultimate controlling parent Department. These entities include the four Health and Social Services Boards, the remaining 17 HSS Trusts and the Central Services Agency.

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

25 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	4	925
7. Stores and Inventory Losses – Theft, fraud, arson (whether proved or suspected) etc		
i. Bedding and linen	0	0
ii. Other equipment and property	0	0
8. Stores and Inventory Losses – Incidents of the service (result of fire, flood, etc)	0	0
9. Stores and Inventory Losses – Deterioration in store	0	0
10. Stores and Inventory Losses – Stocktaking discrepancies	0	0
11. Stores and Inventory Losses – Other Causes		
i. Bedding and linen	0	0
ii. Other equipment and property	0	0
12. Compensation payments (legal obligation)		
i. Clinical negligence	0	0
ii. Public Liability	2	308,400
iii. Employers Liability	9	80,250
13. Ex-gratia payments – Compensation payments (including payments to patients and staff)	0	0
14. Ex-gratia payments – Other payments	3	435
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	18	390,010

One case exceeded £250,000 and summary details are below:

Compensation payment – Occupiers/Public Liability (12 ii). Claimant was injured whilst travelling in an ambulance which was involved in a road traffic accident. Amount paid - £306,400.

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

25.1 Special Payments

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

26. Notes to the Cash Flow Statement

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

	2007	2006
	£000	£000
Operating surplus (deficit)	270	348
Depreciation charge	2,843	3,055
(Profit) Loss on sale of fixed assets	0	(17)
Provisions for future obligations (I&E Account)	681	(187)
Fixed asset impairments	61	99
Transfer from donation reserve	0	0
Non-cash Items	0	0
Increase (decrease) in provisions (Balance Sheet)	(673)	355
(Increase) decrease in stocks	27	7
(Increase) decrease in debtors	(3,294)	(1,505)
Increase (decrease) in creditors	<u>3,731</u>	<u>1,818</u>
Net cash inflow from operating activities	<u>3,646</u>	<u>3,973</u>

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

26. Notes to the Cash Flow Statement

26.2 Reconciliation of net cash flow to movement in net debt

	2007 £000	2006 £000
Increase (decrease) in cash in the period	0	0
Cash inflow from new debt	0	0
Cash outflow from debt repaid and finance lease capital payments	167	168
Cash (inflow) outflow from decrease / increase in liquid resources	<u>0</u>	<u>0</u>
Change in net debt resulting from cash flows	167	168
Non-cash changes in debt	<u>0</u>	<u>0</u>
Net debt at 1 April 2006	<u>(2,323)</u>	<u>(2,491)</u>
Net debt at 31 March 2007	<u>(2,156)</u>	<u>(2,323)</u>

26.3 Analysis of changes in net debt

	At 1 April 2006 £000	Cash flows £000	Non-cash changes £000	At 31 March 2007 £000
Cash at bank and in hand	0	0	0	0
Bank overdrafts	0	0	0	0
Debt due within 1 year	(167)	167	(168)	(168)
Debt due after 1 year	(2,261)	0	168	(2,093)
Finance leases	0	0	0	0
Current asset investments	<u>105</u>	<u>0</u>	<u>0</u>	<u>105</u>
	<u>(2,323)</u>	<u>167</u>	<u>0</u>	<u>(2,156)</u>

NORTHERN IRELAND AMBULANCE SERVICE HSS TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

27. Financial Instruments

FRS 13, Derivatives and Other Financial Instruments, requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Because of the relationships with HSS Commissioners, and the manner in which they are funded, the Northern Ireland Ambulance Service HSS Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which FRS 13 mainly applies. The Northern Ireland Ambulance Service HSS Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Northern Ireland Ambulance Service HSS Trust in undertaking its activities.

28. Third party assets

The Trust held £NIL Cash at bank and in hand at 31/3/2007 which relates to monies held by the Trust on behalf of patients. The Trust does not hold any monies on behalf of patients due to the nature of the service provided.