

BELFAST HEALTH AND SOCIAL CARE TRUST

**ANNUAL ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2011**

Belfast Health & Social Care Trust Annual Accounts
For the year ended 31 March 2011

Laid before the Northern Ireland Assembly
under Article 90 (5) of the Health and Personal Social Services
(NI) Order 1972 (as amended by the Audit and Accountability Order 2003)
by the Department of Health, Social Services and Public Safety.

on

28th June 2011

BELFAST HEALTH & SOCIAL CARE TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

CONTENTS

	Page
Foreword	1
Statement of Belfast Health & Social Care Trust's Responsibilities and Chief Executive's Responsibilities	2
Certificates of Director of Finance, Chairman and Chief Executive	3
Statement on Internal Control	4-14
The Certificate of the Comptroller and Auditor General to the Northern Ireland Assembly	15-16
Statement of Comprehensive Net Expenditure	17
Statement of Financial Position	18
Statement of Changes in Taxpayers' Equity	19
Statement of Cashflows	20
Notes to the Accounts	21-66
The Report of the Comptroller and Auditor General to the Northern Ireland Assembly	67-70
Account of Monies Held on Behalf of Patients & Residents	71-72
The Certificate of the Comptroller and Auditor General to the Northern Ireland Assembly	73-74

BELFAST HEALTH & SOCIAL CARE TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

FOREWORD

These accounts for the year ended 31 March 2011 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.

BELFAST HEALTH & SOCIAL CARE TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

STATEMENT OF BELFAST HEALTH & SOCIAL CARE 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 Department of Health, Social Services and Public Safety has directed the Belfast Health and Social Care Trust to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The financial statements are prepared on an accruals basis and must provide a true and fair view of the state of affairs of the Belfast Health and Social Care Trust, of its income and expenditure, changes in taxpayers equity and cash flows for the financial year.

In preparing the financial statements the Accounting Officer is required to comply with the requirements of Government Financial Reporting Manual (FREM) and in particular 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 as set out in FREM 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 Belfast Health and Social Care Trust will continue in operation;
- keep proper accounting records which disclose with reasonable accuracy at any time the financial position of the Belfast Health and Social Care Trust;
- pursue and demonstrate value for money in the services the Belfast Care and Social Care 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 Colm Donaghy of the Belfast Health & Social Care Trust as the Accounting Officer for the Belfast Health and Social Care Trust. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Belfast Health and Social Care Trust assets as set out in the Accounting Officer Memorandum, issued by the Department of Health, Social Services and Public Safety.

BELFAST HEALTH & SOCIAL CARE TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

CERTIFICATES OF DIRECTOR OF FINANCE, CHAIRMAN AND CHIEF EXECUTIVE

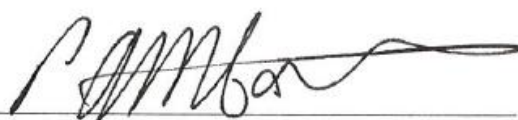
I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 17 to 66) which I am required to prepare on behalf of the Belfast Health & Social Care Trust have been compiled from and are in accordance with the accounts and financial records maintained by the Trust and with the accounting standards and policies for HSC bodies approved by the DHSSPS.


2/6/11

Director of Finance

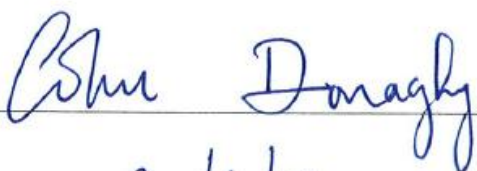
Date

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 17 to 66) as prepared in accordance with the above requirements have been submitted to and duly approved by the Trust Board.


2. 6. 2011

Chairman

Date


2/6/11

Chief Executive

Date

BELFAST HEALTH & SOCIAL CARE TRUST
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011
STATEMENT ON INTERNAL CONTROL

Scope of Responsibility

The Board of the Belfast Health and Social Care Trust is accountable for internal control. As Accounting Officer and Chief Executive of the Trust, I have responsibility for maintaining a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives whilst safeguarding the public funds and assets for which I am responsible in accordance with the responsibilities assigned to me by the Department of Health, Social Services and Public Safety (DHSSPS).

Specifically, the Trust has the following key relationships through which it must demonstrate a required level of accountability:-

- with HSC Board commissioners, through service level agreements, to deliver health and social services to agreed specifications;
- with colleague agencies in the HSC, through close and positive working arrangements;
- with local communities, through holding public board meetings, and publishing an annual report and accounts;
- with patients, through the management of standards of patient care; and
- with the DHSSPS, through the performance of functions and meeting statutory financial duties.

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 the Trust for the year ended 31 March 2011, and up to the date of approval of the annual report and accounts, and accords with DHSSPS guidance.

The Board of the Trust 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;
- an Audit Committee;
- an Assurance Committee;
- a Remuneration Committee;
- a Complaints Review Committee;
- a Charitable Trust Fund Advisory 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 financial reports which indicate financial performance against the forecast;
- setting targets to measure financial, clinical and other performance;
- clearly defined capital investment control guidelines;
- as appropriate, formal budget management disciplines;
- a requisition and approval system for procuring goods and services;
- a system of detailed recording and notification to protect the Trust's assets.

The Trust has an internal audit function which operates to defined standards and whose work was informed by an analysis of risk to which the body was exposed and annual audit plans were based on this analysis. In 2010/11 Internal Audit reviewed the following systems:-

- Acute Services – Financial Controls (Satisfactory Assurance)
- Acute Services – Risk Based (Satisfactory Assurance)
- Social & Primary Care Services – Financial Controls (Satisfactory Assurance)
- Social & Primary Care Services – Risk Based (Satisfactory Assurance)
- Payroll & Review of Payroll Procedures
- Non Pay Expenditure (Satisfactory Assurance)
- Bank and Cash (Satisfactory Assurance)
- Budgetary Control (Substantial Assurance)
- General Ledger (Satisfactory Assurance)
- Contracts with Voluntary Sector (Satisfactory Assurance)
- Private Patient Income (Satisfactory Assurance)
- Agency & Locum (Limited Assurance)
- Management of Maintenance Contracts (Limited Assurance)
- Cash Management in Social Services Facilities (Satisfactory Assurance)
- Client Monies & Cash & Valuables Handling in Independent Sector (Satisfactory Assurance)
- Stocktaking (Satisfactory Assurance)
- Contracts with Independent Sector (Satisfactory Assurance)
- E-mileage
- Staff Care (Limited Assurance)
- Performance Management (Satisfactory Assurance)
- Absence Management (Limited Assurance)
- WHO Surgical Checklist (Limited Assurance)
- Medicines Management (Satisfactory Assurance)
- Infection Control (Satisfactory Assurance)
- Risk Management (Satisfactory Assurance)
- Information Governance (Limited Assurance)
- Controls Assurance Standard Verification

The Head of Internal Audit reported that there is a satisfactory system of internal control designed to meet the Trust's objectives for the year ended 31 March 2011. However, limited assurance has been provided in respect of six audits:

Agency & Locum: in respect of utilising non-contracted agencies and checking processes are not consistently robust. Trust staff have been reminded of the need to retain evidence that contracted agencies have been contacted prior to the engagement of non-contracted agencies and of their responsibilities for checking contracted rates.

Management of Maintenance Contracts: with regard to insufficient monitoring to ensure contracted equipment service and maintenance visits are occurring and issues surrounding the award of contracts to suppliers without the use of competitive sourcing. The Trust has now carried out a full investigation into the findings reported by Internal Audit and can confirm that although a number of Single Tender actions were identified all of these were wholly appropriate. The Trust acknowledge that the required procedures were not followed to authorise these single tender actions. Staff have been briefed and are now complying with the procedures. Monitoring arrangements will be reviewed and the Estates Department will arrange review meetings with providers. Only invoices that are supported with a signed service report are approved for payment. A number of exceptions were noted where invoices could not be agreed to contract prices. This was primarily due to contract information not being held on file and the majority have now been agreed to schedule of rates held electronically. Procurement processes have been updated to take account of audit findings and revised procedures are being finalised for review by Health Estates Investment Group. The matters raised in the Internal Audit Report are subject to a Public Interest Report being issued by the NIAO.

Staff Care: with regard to a lack of formal processes and an over reliance on one member of staff in relation to the charging of client organisation for the provision of the Care Line and Referrals service and the rates paid to Republic of Ireland counsellors. The Trust is reviewing the policies and procedures in place, along with contracts and prices, in line with Internal Audit recommendations.

Absence Management: due to inconsistent formalised processes for recording and reporting sick leave by medical departments. The Trusts Absence Protocol has been launched and the importance of recording medical staff sickness absence has been reasserted through Co-Director Business partnering.

WHO Surgical Checklist: with regard to controls surrounding the introduction of the WHO Surgical Checklist. A standard surgical checklist will be introduced to all Trust sites.

Information Governance: in relation to evidence of non adherence and knowledge of Trust Information Governance policies and procedures. The Trust Data Protection Manager and Health & Social Care Records Manager will liaise with respective Governance Leads to ensure all staff are aware that up to date policies, training and promotion of Information Governance guidance is available via Trust Intranet. Information Asset Owners have been identified and they will receive training in May 2011.

The following reports received overall satisfactory level of assurance, however limited assurance was provided in specific areas as follows;

Acute Service Finance: specific limited assurance with regard to taxi expenditure as some charges could not be agreed to contractual rates. The Trust guidance on taxis was reissued to all authorised officers on 28 February 2011.

Social & Primary Care Financial Controls: specific limited assurance with regard to the verification process for domiciliary expenditure. The Trust will review the system of invoice authorisation and verification and ensure that all details are verified to source systems.

Payroll: specific limited assurance in relation to overpayments to leavers and maternity pay calculations. A Line Manager's Checklist has been issued to emphasise the importance of timely notifications to Payroll. Staff training has been provided to address any inconsistencies in calculation of maternity pay.

Private Patient Income: specific limited assurance in regard to identification of fee paying services work. A standardised approach to Category 2 work is being developed along with a revised procedure document.

Medicines Management: specific limited assurance with regards to controlled drugs. Nursing, medical and pharmacy staff will be reminded that compliance with the controlled drug policy is mandatory and further training sessions will be made available.

Infection Control: hand hygiene procedures are not being adequately and consistently performed across sites. The Trust accepts that compliance with hand hygiene can still be improved. Service Groups will be reminded of their responsibility for the implementation and review of hand hygiene audit results. Further support is provided through independent Infection Prevention Control Team audits.

Recommendations to address control weaknesses have been or are being implemented.

Internal Audit conduct formal follow-up reviews in respect of the implementation of the priority one and two internal audit recommendations agreed in the Internal Audit reports. Internal Audit presented a full Report which showed that the majority of agreed actions have been fully or partially implemented.

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

By way of example, the Trust had in place a range of human resource policies, procedures, protocols and practices governing activities across the various service groups including:-

- The application of an objective and systematic recruitment and selection process and compliance with a comprehensive range of safeguards under the Trust's Safer Recruitment and Employment Framework: encompassing all the pre-employment checks such as qualification/registration checks, references, health checks, and appropriate vetting; plus post-registration Alert Notice and Safeguarding Vulnerable Groups Vetting and Barring Scheme requirements. Further work to ensure compliance with employment checks regarding agency usage has been instigated with Service Groups.
- a learning and development strategy to develop and train all staff to ensure they are competent to undertake their roles and achieve maximum individual and organisational potential.
- effective workforce controls to ensure adherence to strict processes which include controls over the creation of all new posts, reprofiling of existing posts and replacement of vacant posts.
- Mandatory Equality and Diversity training is provided for all staff with specific training for those with managerial responsibilities. Promotion and adherence to Trust Policies including the Equal Opportunities Policy, Harmonious Working Environment/Joint Declaration of Protection and the Trust's Employment Equality and Diversity Plan ensure compliance with statutory requirements.
- Robust arrangements for conducting good employee relations in line with Statutory Procedures and Good Practice as set out in the Grievance, Disciplinary and Capability Procedures and the Trust's Joint Negotiating Forum arrangements.
- A framework for best practice in business improvement through people – Investors in People (IiP). The Trust was assessed in the prior year against 10 core standards and met all 39 evidence requirements to achieve formal accreditation as an IiP organisation.

These are regularly reviewed and updated to ensure that they continue to reflect best practice and the principle of equality of opportunity, were in line with the Trust's aims and values, complied with legal and statutory requirements and provided effective control mechanisms.

Our approach to fraud

The Trust continues to participate in the National Fraud Initiative which is overseen by a Project Board including Director of Finance, Director of Human Resources and the Trust's Data Protection Manager. The Audit Committee is regularly updated with progress and to date no fraudulent activity has been identified.

The Trust had a Fraud Policy and Fraud Response Plan in place during 2010/11. In addition, fraud awareness training has been offered and provided to managerial staff and to all new starts via the Corporate Induction Programme.

During 2010/11 the Trust dealt with 12 incidents of fraud with a total value of £15,966.61. All cases have been thoroughly investigated with the assistance of PSNI and Internal Audit, where appropriate. The results of investigations have led to improved and/or new controls and disciplinary action.

Capacity to handle risk

The Trust is committed to providing high quality patient and client services in an environment that is both safe and secure. The Trust Board has approved an Assurance Framework and a Risk Management Strategy and has established an Assurance Committee whose membership includes all Non Executive Directors. This Committee reports directly to the Trust Board. The Assurance Framework outlines the Chief Executive's overall responsibility and accountability for risk management. The Framework also sets out a system of delegation of responsibility at Trust Board, Executive Team and Service Group levels. While ensuring local ownership in managing and controlling all elements of risk to which the Trust may have been exposed, there is a clear line of accountability through to Trust Board.

Risk management is at the core of the Trust's performance and assurance arrangements and the Assurance Committee, chaired by the Trust's Chairman, provides Board level oversight in this key area. This Committee, along with the Audit Committee, has scrutinised the effectiveness of the Risk Management Strategy.

The Trust acknowledges that it is impossible to eliminate all risks and that systems of control should not be so rigid that they stifle innovation and imaginative use of limited resources. Inevitably the Trust may have to set priorities for the management of risk. There is a need to balance potentially high financial costs of risk elimination against the severity and likelihood of potential harm. The Trust will balance the acceptability of any risk against the potential advantages of new and innovative methods of service. The Trust recognises that risks to its objectives may be shared with or principally owned by other individuals or organisations. The Trust involves its service users, public representatives, contractors and other external stakeholders in the implementation of the Risk Management Strategy.

Risk management is integral to the training for all staff as relevant to their grade and situation, both at induction and in service. To support staff through the risk management process, expert guidance and facilitation has been available along with access to policies and procedures, outlining responsibilities and the means by which risks are identified and controlled. Actions taken to reduce risk have been regularly monitored and reported with trends being analysed at Service Group, Corporate and Board levels. Dissemination of good practice has been facilitated by a range of mechanisms including systems for the implementation and monitoring of authoritative guidance, clinical supervision and reflective practice, performance management, continuing professional development, management of adverse events and complaints, multiprofessional audit and the application of evidence based practice. The Trust seeks to ensure that its medical workforce is equipped to provide the best health care that can be achieved through investment in education, appraisal, appropriate job planning and where issues arise that are appropriate to maintaining high professional standards these are dealt with using the appropriate procedures, involvement of National Clinical Assessment Service where necessary and regulatory bodies such as the General Medical Council and General Dental Council.

The risk and control framework

The Assurance Framework describes the relationship between organisational objectives, identified potential risks to their achievement and the key controls through which these risks will be managed, as well as the sources of assurance surrounding the effectiveness of these controls. The Assurance Framework incorporates the Risk Management Policy and establishes the context in which the Trust Management Plan was developed, as well as determining the mechanism through which assurances were provided to the Trust Board.

The Assurance Framework was revised in 2010/11 to take account of organisational restructuring and a change in roles and responsibilities of executive and non executive directors. The Assurance Committee Sub Committee structure was also revised and new Terms of Reference were developed for the Assurance Committee and Sub Committees. The revised Assurance Framework and Terms of Reference were approved by the Assurance Committee of the Trust Board on the 2nd June 2010. The Assurance Framework allows an integrated approach to performance, targets and standards which include controls assurance standards and quality standards for health and social care.

The Assurance Committee established a revised agenda and schedule of annual reports during 2010/11 to take account of the development of the new Sub Committees structure. These committees report through the Assurance Group to Executive Team. They are generally expert groups that are responsible for developing assurance arrangements within specific areas of Trust activity and provide the necessary scrutiny of practice. The Assurance Group reviewed its membership and terms of reference and is now chaired by the Chief Executive. The Risk Register Review Group continues to meet on a quarterly basis, to scrutinise the evaluation of all significant risks arising from Service Group and Controls Assurance Risk Registers. Each Service Group has maintained and further developed systems to identify risk, assess impact and likelihood of harm occurring, and to maintain control in line with the Assurance Framework and the Risk Management Strategy. These risks are used to populate Service Group risk registers, which are updated on an ongoing basis and which feed into the Belfast Trust's Assurance Framework Principal Risks and Controls document.

The Trust is also informed by the reports and inspections carried out by a range of independent bodies, including RQIA and Social Services Inspectorate. Clinical Pathology Accreditation (CPA) is part of the routine cycle of external quality assurance for Clinical Pathology Laboratories across the UK – the status of conditional is awarded until all remedial actions are put in place. BHSCT laboratories have a Quality Operational Group who co-ordinate the implementation of the remedial actions to gain full accreditation once the evidence of compliance with the standards is submitted to the CPA Specialist Advisory Group.

A comprehensive remediation action plan was put in place following the outcome of the Medicines and Healthcare products Regulatory Agency (MHRA) inspection on the Mater site in December 2010. The plan was developed to address the critical non conformances across the Trust and the subsequent actions taken in a number of areas provided sufficient evidence to the MHRA Inspectors on 6 April 2011 that the status of 'critical' was changed to that of 'major'. The Trust engages proactively with all such reviews and the Board is assured that appropriate actions are taken, by the Assurance Committee.

The Trust uses the Directorate of Legal Services in the Business Services Organisation as its main legal provider. As regards to compliance with Departmental guidance in respect of payment for legal and litigation services, Internal Audit reviewed the Trust's compliance with the Departmental guidance contained in HSS(F) 67/2006 – Payments in respect of Litigation and Legal Services, as part of the Non Pay Expenditure 2009/10 Audit. The Trust received satisfactory level of assurance in respect of litigation payments.

The Trust is committed to ensuring that Personal and Public Involvement (PPI) is embedded into all aspects of its business. The Trust's approach to user involvement is detailed in "Involving You", the Trust framework for community development and user engagement. There is a PPI steering group which meets regularly to guide and challenge the Trust in relation to this work. There are a wide range of user engagement opportunities throughout the Trust, both corporately and within clinical service groups, which allow people to become involved in the development, improvement and evaluation of Trust services.

Information Governance Arrangements

The management of information within the Trust remains a high priority. The agenda is managed by the Information Governance Board (IGB) which is chaired by the Director of Performance and Service Delivery and is attended by the Medical Director (Trust's Data Guardian), Director of Social and Primary Care Services (Deputy Data Guardian) and a range of senior staff from other service groups.

Beneath this the Operational Working Group (OWG) has wide representation from service groups, risk and governance, Corporate Records, data quality, data protection, ICT security, Information, Human Resources and Corporate Communication. This group is responsible for working through the agreed governance action plan and reporting back to the IGB. Work from the IT technical security group and the health and social care corporate records group is also incorporated into the OWG. In addition to these Groups it is now been agreed to greatly expand the information governance community within the Trust. Forty Information Asset Owners have been identified mainly at Co-Director level and these staff will have a key responsibility for ensuring the governance of information assets within their area of responsibility.

The Trust has policies to cover Data Protection, ICT Security, storage, retention and management of records, access to data from external organisations and access to records. A number of other policies are currently being drafted to ensure that all areas of data processing are adequately covered. There are a number of projects ongoing to review and improve the technical security of data, ensure data is accurate and up to date and increase staff awareness to information governance issues.

The monitoring of information related adverse incidents by the IGB is now well established. In each case remedial action is prescribed and learning is communicated throughout the Trust. During the year the IGB considered thirty one incidents of which six resulted in data being lost. A number of these incidents were referred to the Information Commissioner's Office and advice sought on the effectiveness of our response and risk mitigation plans.

The Trust continues to promote awareness of information governance issues through induction training for new staff, "My Data Your Business" training sessions for other staff and via leaflets, articles and intranet information.

The civil service audit tool originally developed as part of a self assessment data protection review has resulted in the formation of an action plan which addresses a number of information governance issues. This is kept under review and also informs the Corporate Risk Register.

Compliance with Controls Assurance Standards

The Trust assessed its compliance with the 22 Controls Assurance Standards which were defined by the Department and against which a degree of progress is expected in 2010/11.

The Trust achieved the following levels of compliance for 2010/11.

Standard	DHSSPS Expected Level of Compliance	Trust Level of Compliance	Reviewed by
Building, Land, Plant and Non-Medical Equipment	70% - 99% (Substantive)	74% Substantive	Self Assessment
Decontamination of Medical Devices	70% - 99% (Substantive)	72% Substantive	Self Assessment
Emergency Planning	70% - 99% (Substantive)	81% Substantive	Internal Audit
Environmental Cleanliness	70% - 99% (Substantive)	85% Substantive	Self Assessment
Environmental Management	70% - 99% (Substantive)	79% Substantive	Self Assessment
Financial Management (core standard)	70% - 99% (Substantive)	93% Substantive	Internal Audit
Fire Safety	70% - 99% (Substantive)	77% Substantive	Self Assessment
Fleet and Transport Management	70% - 99% (Substantive)	79% Substantive	Internal Audit
Food Hygiene	70% - 99% (Substantive)	90% Substantive	Self Assessment
Governance (core standard)	70% - 99% (Substantive)	94% Substantive	Internal Audit
Health & Safety	70% - 99% (Substantive)	81% Substantive	Self Assessment
Human Resources	70% - 99% (Substantive)	98% Substantive	Self Assessment
Infection Control	70% - 99% (Substantive)	88% Substantive	Self Assessment
Information Communication Technology	70% - 99% (Substantive)	81% Substantive	Self Assessment
Management of Purchasing and Supply	70% - 99% (Substantive)	83% Substantive	Self Assessment
Medical Devices and Equipment Management	70% - 99% (Substantive)	80% Substantive	Self Assessment
Medicines Management	70% - 99% (Substantive)	70% Substantive	Internal Audit
Records Management	70% - 99% (Substantive)	94% Substantive	Self Assessment
Research Governance	70% - 99% (Substantive)	80% Substantive	Self Assessment
Risk Management (core standard)	70% - 99% (Substantive)	85% Substantive	Internal Audit
Security Management	70% - 99% (Substantive)	76% Substantive	Self Assessment
Waste Management	70% - 99% (Substantive)	82% Substantive	Self Assessment

Extensive work has been carried out by Controls Assurance leads to maintain these results. The Trust recognise the limited assurance Internal Audit report on Information Governance and the specific limited assurance on Medicines Management in respect of controlled drugs and Infection Control in respect of hand hygiene and have reflected these issues in the self-assessment scores for the individual criteria affected. However overall the Trust has achieved substantive compliance for these standards. The Trust has worked closely with Internal Audit on this process, completing baseline assessments and producing action plans to address areas of weakness.

Capital Project Approval

In last year's Statement on Internal Control we reported a revised business case was required for a major capital project at the Royal Hospital. The Trust has now received approval for the full amount required to complete this project.

Significant Internal Control Issues

Overpayment of Salary

The Trust previously reported in 2009/10 an overpayment of salary of £83,593 over a period of 8 years to an individual who had left the Trust's employment. The error was identified in November 2009 and payments ceased immediately. As a result of this overpayment a staff in post audit was carried out and 100% compliance was obtained in February 2010. These audits continue to be carried out on a quarterly basis to ensure adequate controls are in place to mitigate against such overpayments. The Trust requested Internal Audit to carry out a review of payroll procedures and the recommendations from this report are being fully implemented. The matter was referred to Directorate of Legal Services (DLS) in February 2010 and to the PSNI in March 2010. The Trust also reported the matter to DHSSPS, DFP and the Trust's Audit Committee.

Trust Estate

The risks presented by the Trust's estate are managed by a combination of processes including compliance with legislation and guidance, the physical condition of the buildings themselves, and also the strategic situation, which considers the potential impact for the estate arising from wider incidents. Many of these issues have been presented for capital investment funding under the heading of MES (maintaining existing services) and while progress has been made in some areas, the majority of the issues remain a challenge.

The Trust Estate also faces a range of significant control challenges which require particular investment/development. There are ongoing challenges in the specific areas of fire and environmental improvements, asbestos management/removal, and also water hygiene which require considerable ongoing investment.

The recent winter freezing temperatures and utility failures presented major challenges for the estate and identified several areas of weakness which require major capital investment. The Trust is involved with the regional review of these and other estates related resilience issues which will finalise the regional position for prioritisation of works which will be subject to available capital resources.

Oral Medicine Review

On 24 November 2009, the Trust Medical Director received a report of concerns regarding the care and treatment provided to five patients by the Oral Medicine Department of the School of Dentistry. The concerns related to delayed diagnosis of oral cancer and onward referral to the appropriate specialist. The Trust initiated a formal investigation into the practice of the Consultant under the DHSSPS circular Maintaining High Professional Standards. The Trust also established supervision arrangements, and initiated a review of all of the casenotes of those patients seen by the Consultant during the calendar year 2009.

On 3 December 2009, the Trust made contact with the National Clinical Assessment Service (NCAS) to which service the Trust is required to relate in the event of concerns regarding poor clinical performance of doctors and dentists. The advice of NCAS has been sought throughout the period from 2009. On 4 December 2009, the Chief Dental Officer of the DHSSPS was advised of the issues and actions being taken.

On 18 December 2009, and particularly given concerns regarding the Consultant's private practice, referrals were made to the General Medical Council and the General Dental Council. The Trust has continued to liaise with both regulatory bodies as they continue their investigations, and in relation to the supervision and then exclusion of the Consultant from clinical practice.

On 23 February 2010, an Alert Letter was issued by the DHSSPS to Trust and HSCB Chief Executives, highlighting that there was an issue regarding the Consultant's practice.

On 25 February 2010, the Trust's investigation report was provided to the Medical Director. The situation was reviewed and it was agreed that actions (additional to those already taken) should await the conclusion of the casenote review.

On 22 November 2010, the Trust received a draft report on the casenote review and determined that a call-back of patients would be required. Preparations for this call-back were initiated in accordance with the DHSSPS guidance. Meetings were arranged with representatives from the HSCB and PHA in order to plan for the call-back.

On 4 February 2011, the Trust initiated the call-back, with a Serious Adverse Incident (SAI) Report raised on 7 February 2011 given that the Trust was satisfied that the extant criteria for SAI reporting had then been met.

The Trust has recently completed a draft review of the casenote review and call-back exercises, while it expects the Independent Inquiry to report shortly. The Trust will participate in the DHSSPS led review of hospital dental services, and the QUB led review of the School of Dentistry.

Information Governance

In March 2010 the Trust became aware of a series of unlawful entries to the disused Belvoir Park Hospital site by so-called “Urban Explorers”. The Trust was very concerned to learn that photographs, taken during these unlawful entries and posted on a number of internet sites, included photographs of the covers of patient’s records and other patient related material including X-ray images. The incident was immediately declared a Serious Adverse Incident and a detailed internal investigation was carried out.

The Belvoir Park Hospital site comprises approximately 42 departments on a 25 acre site and was inherited by the Trust in 2007 from the former Belfast City Hospital Trust. At that time the Trust was not aware that records were being held there. Services on the site have been discontinuing and buildings closing over several decades with the last services, cancer, closing in 2006. Sensitive material has been found in a number of buildings including some which were closed and sealed in 1992. The investigation also uncovered several thousand records of infectious disease patients some of which dated back to the 1950s and several thousand X-ray images. If the Trust had known about the records these records would have been subject to our Retention and Disposal Schedule and in this respect controls failed.

It was decided that all records should be moved to secure storage. That process is now nearing completion and the site should be clear of all patient related material by June 2011. There was 24/7 security presence on the Belvoir Park Hospital site when it was handed over to the Trust in April 2007 and that security has remained and been increased in recent months.

The removal of all information material has been hampered by severe asbestos contamination which was first discovered during the initial investigation but which has been getting progressively worse over the past year. This has led to large quantities of the records having to be destroyed by removal, using specialist contractors to a secure and licensed landfill.

The Trust did not inform the Information Commissioners Office (ICO) of the incident at the time. The Trust now agrees with the benefit of hindsight that the ICO should have been notified. The Trust is now the subject of a full investigation by the ICO into this incident, senior officers from both organisations have met on two occasions and the Trust is determined to learn all possible lessons from this event.

The Trust takes its responsibilities with regard to data protection very seriously and recognises the substantial public concern that arises in such incidents.

The Trust has completed an inventory of all disused buildings within the Trust and commenced a systematic inspection of these to determine if any sensitive material has been left behind in any of these. The Trust has also finalised a policy on the decommissioning of buildings/departments which will be implemented without delay.

Senior Executive Pay

In 2009, the Trust used the opportunity provided by the departure of one Director and the early retirements of two other Directors to make changes to its Executive Team structures. The changes resulted in the overall number of Director posts reducing from twelve to ten and a band reduction of one post with annual net recurring savings expected to be in the order of £146,000. The duties and responsibilities carried out by the three former Directors were allocated following a review to some of the remaining Directors and one new Director was recruited at a lower level.

The Trust notified the Department, in advance in July 2009, of its intention to award those Directors taking on significant additional duties and responsibilities, additional responsibility allowances pending the outcome of a Regional Review of Senior Salaries by the Senior Salaries Review Board (SSRB), after which time the posts could be submitted to the Department for re-evaluation.

In September 2009, the Department notified the Trust that there was no scope within the Senior Executive pay scheme to make such allowances (a failing of the current scheme which is acknowledged by the Department). However, by that time the Trust had already implemented the changes and awarded the additional responsibility allowances.

An internal audit review commissioned by the Department in October 2010, concluded that the Trust had acted outside its authority in that it had not received formal approval from the Department for the payment of these allowances. The Department has approved these payments with effect from 1 March 2011 pending a re-evaluation of the posts. The value of these additional responsibility allowances paid in the period 1 April 2010 to 28 February 2011 was £25,946 and £28,813 in 2009/10. The NIAO have confirmed that they will issue a qualification to their regularity opinion in respect of these financial transactions.

On the foot of an internal governance review in relation to this matter the Trust has now revised the Terms of Reference of its Remuneration Committee and is confident that it has in place arrangements to ensure that any external approvals necessary to remuneration changes are obtained.

The NIAO have notified the Trust that they have issued a Public Interest Report in respect of Senior Executive Pay. The five HSC Trusts have been issued a Public Interest Report in respect of Maintenance Contracts. A copy of the report is attached to these accounts.

Review of Effectiveness

As Accounting Officer, I have responsibility for the review of effectiveness of the system of internal control within the Belfast HSC Trust. My review 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.


Throughout the year the Trust Board has been briefed on control issues by the Chairs of the Audit Committee and Governance Committee. Within the context of the Audit Committee the work of the Internal Audit and External Audit functions was fundamental to providing assurance on the ongoing effectiveness of the system of internal financial control. In addition, the controls assurance standards and the annual self-assessment against the standards provided an important assurance to the Governance Committee.

During the year there were six Internal Audit reports that received limited assurance. Also a number of reports received overall satisfactory assurance with limited assurance in specific areas. The Corporate Finance Group's Governance & Audit Team has embedded an audit process which ensures that all Corporate and Service Groups are aware of their responsibilities for effective internal controls. The Governance & Audit Team have been issuing Action Plans throughout 2010/11 and monitor the implementation of all audit recommendations, in line with the agreed timetable. Those areas that received limited assurance Internal Audit Reports in 2009/10 are closely monitored and regular progress reports are provided to the Audit Committee to demonstrate compliance with Action Plans.

During the year the Board provided non-recurrent income to all Trusts to help address the financial gap. The Trust's share of the total allocation was £10.3 million. This funding along with additional savings and slippage against some schemes allowed the Trust to break-even in 2010/11.

During the Christmas/New Year period the Trust came under severe pressure through a combination of the water crisis, severe weather and a seasonal upturn in emergency admissions which was compounded by H1N1 influenza. The Emergency Departments, Estates Department, Wards and Critical Care Unit came under particular pressure. Contingency arrangements were required in critical care and the Trusts Pandemic Flu Plan was activated. The Trust maintained services throughout this period with minimal disruption. This was a significant testament to the commitment of staff, the contingency arrangements in the Estates Department and the robustness of the Trusts Pandemic Flu Plan.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Trust Board, Audit Committee, Assurance Committee and sub committees. There is a process in place to instigate Action Plans, address weaknesses and ensure continuous improvement to the system of internal control. Follow up audits are carried out and the Trust will continue to implement the compliance regime during 2011/12.


2/6/11

Mr Colm Donaghy
Accounting Officer
Date

BELFAST HEALTH AND SOCIAL CARE TRUST

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

I certify that I have audited the financial statements of Belfast Health & Social Care Trust for the year ended 31 March 2011 under the Health and Personal Social Services (Northern Ireland) Order 1972, as amended. These comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Trust, Chief Executive and auditor

As explained more fully in the Statement of Trust and Chief Executive's Responsibilities, the Trust and Chief Executive are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit the financial statements in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Belfast Health & Social Care Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Belfast Health & Social Care Trust and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income reported in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions conform to the authorities which govern them.

Basis for Qualified Opinion on Regularity

Since 2009 the Trust has paid additional responsibilities allowances to senior staff without having Departmental approval to do so. When details of these allowances were included in a pay return, the Department, in line with pay remit guidance, advised the Department of Finance & Personnel. The latter refused to approve retrospectively, or authorise a write off, of the £25,946 irregular expenditure incurred for the period April 2010 to February 2011.

Qualified Opinion

In my opinion, except for £25,946 of irregular payments in respect of additional payments of salary made to senior executives in Belfast Trust that were not authorised by the Department, 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.

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view, of the state of Belfast Health & Social Care Trust's affairs as at 31 March 2011 and of its net expenditure, cash flows and changes in taxpayers' equity for the year then ended; and
- the financial statements have been properly prepared in accordance the Health and Personal Social Services (Northern Ireland) Order 1972, as amended and Department of Health, Social Services & Public Safety directions issued thereunder.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended and Department of Health, Social Services & Public Safety directions issued thereunder; and
- the information given in the Chairman's Foreword, Chief Executive's Report, Director's Report, Management Commentary and Sustainability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

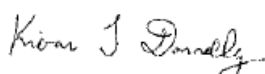
Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and part of the Remuneration Report to be audited are not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit; or
- the Statement on Internal Control does not reflect compliance with Department of Finance and Personnel's guidance.

Report

My observations on these financial statements are detailed at pages 67 to 70.



KJ Donnelly
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
Belfast
BT7 1EU

21 June 2011

BELFAST HEALTH & SOCIAL CARE TRUST

STATEMENT OF COMPREHENSIVE NET EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2011

	1.26		Restated
	NOTE	2011 £000s	2010 £000s
Expenditure			
Staff costs	3.1	(693,156)	(687,410)
Depreciation	4.0	(43,250)	(47,241)
Other Expenditures	4.0	(442,384)	(555,111)
		<u>(1,178,790)</u>	<u>(1,289,762)</u>
Income			
Income from activities	5.1	46,630	46,495
Other Income	5.2	33,458	28,714
Transfers from reserves for donated property, plant, equipment & intangibles	5.3	2,725	7,452
		<u>82,813</u>	<u>82,661</u>
Net Expenditure		<u>(1,095,977)</u>	<u>(1,207,101)</u>
Revenue Resource Limit (RRL)	25.1	1,096,041	1,207,175
Surplus/(deficit) against RRL		<u>64</u>	<u>74</u>

OTHER COMPREHENSIVE EXPENDITURE

	NOTE	2011 £000s	Restated 2010 £000s
Net gain/(loss) on revaluation of Property, Plant and Equipment	6.1-6.4/10	8,105	1,488
Net gain/(loss) on revaluation of Intangibles	7.1-7.4/10	0	0
Net gain/(loss) on revaluation of available for sale financial assets		0	0
TOTAL COMPREHENSIVE EXPENDITURE for the year ended 31 March 2011		<u>(1,087,872)</u>	<u>(1,205,613)</u>

The notes on pages 21 to 66 form part of these accounts.

BELFAST HEALTH & SOCIAL CARE TRUST

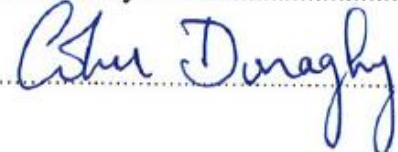
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2011

		2011	Restated 2010	Restated 2009
	NOTE	£000s	£000s	£000s
Non Current Assets				
Property, Plant and Equipment	6	980,660	933,604	1,023,353
Intangible assets	7	2,497	2,283	1,904
Total Non Current Assets		<u>983,157</u>	<u>935,887</u>	<u>1,025,257</u>
Current Assets				
Assets classified as held for sale	9	665	705	695
Inventories	11	10,581	10,253	10,168
Trade and other Receivables	12	40,738	54,767	46,690
Other current assets	12	2,951	3,519	4,468
Cash and cash equivalents	13	<u>15,407</u>	<u>13,848</u>	<u>10,822</u>
Total Current Assets		<u>70,342</u>	<u>83,092</u>	<u>72,843</u>
Total Assets		<u>1,053,499</u>	<u>1,018,979</u>	<u>1,098,100</u>
Current Liabilities				
Trade and other Payables	14	(164,377)	(148,716)	(155,487)
Other Liabilities	14	<u>(575)</u>	<u>(1,574)</u>	<u>(5,985)</u>
Total Current Liabilities		<u>(164,952)</u>	<u>(150,290)</u>	<u>(161,472)</u>
Non Current Assets plus/less Net Current Assets / Liabilities		<u>888,547</u>	<u>868,689</u>	<u>936,628</u>
Non Current liabilities				
Provisions	16	(50,813)	(58,143)	(54,895)
Other Payables > 1 yr	14	<u>(6,116)</u>	<u>(6,691)</u>	<u>(4,025)</u>
Total Non Current Liabilities		<u>(56,929)</u>	<u>(64,834)</u>	<u>(58,920)</u>
ASSETS LESS LIABILITIES		<u>831,618</u>	<u>803,855</u>	<u>877,708</u>
TAXPAYERS' EQUITY				
Donated Asset Reserve		31,352	32,458	40,430
Revaluation Reserve		73,419	66,690	58,608
General Reserve		<u>726,847</u>	<u>704,707</u>	<u>778,670</u>
		<u>831,618</u>	<u>803,855</u>	<u>877,708</u>

The notes on pages 21 to 66 form part of these accounts.

Signed..........(Chairman)

Date...2.6.2011

Signed..........(Chief Executive)

Date...2/6/11

BELFAST HEALTH & SOCIAL CARE TRUST

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY FOR THE YEAR ENDED 31 MARCH 2011

	NOTE	General Reserve £000s	Revaluation Reserve £000s	Donation Reserve £000s	Total Reserve £000s
Balance at 31 March 2009		809,031	58,608	40,430	908,069
Change in accounting policy	1.26	(30,361)	0	0	(30,361)
Restated balance at 1 April 2009		778,670	58,608	40,430	877,708
Changes in taxpayers equity 2009-10					
Donated asset reserve - transfer to net expend for depreciation		0	0	(2,119)	(2,119)
Donated asset receipts		0	0	815	815
Movement - Other		(657)	0	0	(657)
Adjustment		246	0	0	246
Non cash charges - auditors remuneration	4	99	0	0	99
Transfers between reserves		74	(74)	0	0
(Comprehensive expenditure for the year)		(1,207,101)	8,156	(6,668)	(1,205,613)
Grant from DHSSPS		1,133,376	0	0	1,133,376
Balance at 31 March 2010		704,707	66,690	32,458	803,855
Changes in taxpayers equity 2010-11					
Donated asset reserve - transfer to net expend for depreciation		0	0	(2,718)	(2,718)
Donated asset receipts		0	0	505	505
Movement - Other		0	0	(8)	(8)
Non cash charges - auditors remuneration	4	85	0	0	85
Transfer of asset ownership		(129)	0	0	(129)
Transfers between reserves	261		(261)	0	0
(Comprehensive expenditure for the year)		(1,095,977)	6,990	1,115	(1,087,872)
Grant from DHSSPS		1,117,900	0	0	1,117,900
Balance at 31 March 2011		726,847	73,419	31,352	831,618

BELFAST HEALTH & SOCIAL CARE TRUST

STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 MARCH 2011

	NOTE	2011 £000s	Restated 2010 £000s
Cashflows from operating activities			
Net expenditure after interest		(1,095,977)	(1,207,101)
Adjustments for non cash costs		57,471	146,629
(Increase)/decrease in trade & other receivables		14,598	7,949
<i>Less movements in receivables relating to items not passing through the NEA</i>			
Movements in receivables relating to the sale of property, plant and equipment		131	0
(Increase)/decrease in inventories		(328)	(85)
Increase/(decrease) in trade payables		14,087	(8,516)
<i>Less movements in payables relating to items not passing through the NEA</i>			
Movements in payables relating to the purchase of property, plant and equipment		(7,235)	6,250
Movements in payables relating to PFI and other service concession arrangement contracts		(1,574)	(1,745)
Use of provisions	16	(15,415)	(13,737)
Net cash outflow from operating activities		(1,034,242)	(1,070,356)
Cashflows from investing activities			
Purchase of property, plant & equipment	6	(82,876)	(59,651)
Purchase of intangible assets	7	(829)	(867)
Proceeds of disposal of property, plant & equipment		32	0
Proceeds on disposal of assets held for resale		0	524
Net Cash (Outflow) from investing activities		(83,673)	(59,994)
Cash flows from financing activities			
Grant in aid		1,117,900	1,133,376
Cap element of payments - finance leases and on balance sheet (SoFP) PFI and other service concession arrangements		1,574	0
Net financing		1,119,474	1,133,376
Net increase/(decrease) in cash & cash equivalents in the period		1,559	3,026
Cash & cash equivalents at the beginning of the period	13	13,848	10,822
Cash & cash equivalents at the end of the period	13	15,407	13,848

The notes on pages 21 to 66 form part of these accounts.

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 1 STATEMENT OF ACCOUNTING POLICIES

1 Authority

These accounts have been prepared in a form determined by the Department of Health, Social Services and Public Safety based on guidance from the Department of Finance and Personnel's Financial Reporting Manual (FRM) and 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. The accounting policies follow IFRS to the extent that it is meaningful and appropriate to HSC Trusts. Where a choice of accounting policy is permitted, the accounting policy which has been judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The Trust's accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Accounting Convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment.

1.2 Currency and Rounding

These accounts are presented in UK Pounds sterling. The figures in the accounts are shown to the nearest £1,000.

1.3 Property, Plant and Equipment

Property, plant and equipment assets comprise Land, Buildings, Dwellings, Transport Equipment, Plant & Machinery, Information Technology, Furniture & Fittings, and Assets under construction.

Recognition

- Property, plant and equipment must be capitalised if:
 - it is held for use in delivering services or for administrative purposes;
 - it is probable that future economic benefits will flow to, or service potential will be supplied to, the Trust;
 - it is expected to be used for more than one financial year;
 - the cost of the item can be measured reliably; and
 - the item has cost of at least £5,000; or
- collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £1,000, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

On initial recognition property, plant and equipment are measured at cost including any expenditure such as installation, directly attributable to bringing them into working condition. Items classified as "under construction" are recognised in the Statement of Financial Position to the extent that money has been paid or a liability has been incurred.

Valuation of Land and Buildings

Land and buildings are carried at the last professional valuation, in accordance with the Royal Institute of Chartered Surveyors (Statement of Asset Valuation Practice) Appraisal and Valuation Standards in so far as these are consistent with the specific needs of HSC.

The last valuation was carried out on 31 January 2010 by Land and Property Services (LPS) which is an independent executive within the Department of Finance and Personnel. The valuers are qualified to meet the 'Member of Royal Institution of Chartered Surveyors' (MRICS) standard. The valuation at 31 January 2010 was considered by LPS to be not materially different to 31 March 2011 and there has therefore been no change to the values used.

Professional revaluations of land and buildings are undertaken at least once in every five year period and are revalued annually, between professional valuations, using indices provided by LPS.

Land and buildings used for the Trust's services or for administrative purposes are stated in the Statement of Financial Position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Fair values are determined as follows:

- Land and non-specialised buildings - open market value for existing use
- Specialised buildings - depreciated replacement cost
- Properties surplus to requirements - the lower of open market value less any material directly attributable selling costs or book value at date of moving to non current assets.

Modern Equivalent Asset

DFP has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued. LPS have included this requirement within the latest valuation.

Assets Under Construction (AUC)

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use. The Trust has no borrowing costs and as such, no interest is capitalised in this respect.

Fixtures and Equipment

Until 31 March 2008, fixtures and equipment were carried at replacement cost, as assessed by indexation. From 1 April 2008 HSC entities had the option to elect to cease indexing all short life assets (other than IT). Short life IT assets are not indexed. Short life is defined as a useful life of up to and including 5 years. The carrying value of existing assets at that date were written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

Where the estimated life of fixtures and equipment exceeds 5 years, suitable indices will be applied each year and depreciation will be based on indexed amount.

Revaluation Reserve

An increase arising on revaluation is taken to the Revaluation Reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease is recognised as an impairment charged to the Revaluation Reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure.

1.4 Depreciation

No depreciation is provided on freehold land since land has unlimited or a very long established useful life. Items under construction are not depreciated until they are commissioned. Properties that are surplus to requirements and which meet the definition of "non current assets held for sale" are also not depreciated.

Otherwise, depreciation is charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. Assets held under finance leases are also depreciated over their estimated useful lives. The estimated useful life of an asset is the period over which the Trust expects to obtain economic benefits or service potential from the asset. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. The following asset lives have been used:

Asset Type	Asset Life
Freehold Buildings	25 - 60 years
Leasehold property	Remaining period of lease
IT Assets	3 - 10 years
Intangible assets	3 - 10 years
Other Equipment	3 - 15 years

1.5 Impairment loss

If there has been an impairment loss due to a general change in prices, the asset is written down to its recoverable amount, with the loss charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. If the impairment is due to the consumption of economic benefits, the full amount of the impairment is charged to the Statement of Comprehensive Net Expenditure and an amount up to the value of the impairment in the Revaluation Reserve is transferred to the General Reserve. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited to expenditure to the extent of the decrease previously charged there and thereafter to the Revaluation Reserve.

1.6 Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure which meets the definition of capital restores the asset to its original specification, the expenditure is capitalised and any existing carrying value of the item replaced is written-out and charged to operating expenses.

The overall useful life of the Trust's buildings takes account of the fact that different components of those buildings have different useful lives. This ensures that depreciation is charged on those assets at the same rate as if separate components had been identified and depreciated at different rates.

1.7 Intangible assets

Intangible assets comprise software and licences. Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset.

Expenditure on research is not capitalised; it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use
- the intention to complete the intangible asset and use it
- the ability to sell or use the intangible asset
- how the intangible asset will generate probable future economic benefits or service potential
- the availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the Trust's business or which arise from contractual or other legal rights. Intangible assets are considered to have a finite life. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the Trust; where the cost of the asset can be measured reliably. All single items over £5,000 in value must be capitalised while intangible assets which fall within the grouped asset definition must be capitalised if their individual value is at least £1,000 each and the group is at least £5,000 in value.

The amount recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date of commencement of the intangible asset, until it is complete and ready for use.

Intangible assets acquired separately are initially recognised at fair value. Following initial recognition, intangible assets are carried at fair value by reference to an active market, and as no active market currently exists depreciated replacement cost has been used as fair value.

1.8 Donated assets

Donated non-current assets are capitalised at their fair value on receipt, with a matching credit to the Donated Asset Reserve. They are valued, depreciated and impaired as described above for purchased assets. Gains and losses on revaluations and impairments are 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 offset the expenditure. On sale of donated assets, the net book value is transferred from the Donated Asset Reserve to the General Reserve.

1.9 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. In order to meet this definition IFRS 5 requires that the asset must be immediately available for sale in its current condition and that the sale is highly probable. A sale is regarded as highly probable where an active plan is in place to find a buyer for the asset and the sale is considered likely to be concluded within one year. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value, less any material directly attributable selling costs. Fair value is open market value, where one is available, including alternative uses.

Assets classified as held for sale are not depreciated.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount. The profit from sale of land which is a non depreciating asset is recognised within income. The loss from sale of land or (profit) / loss from sale of depreciating assets is shown within operating expenses. On disposal, the balance for the asset on the Revaluation Reserve is transferred to the General Reserve. For donated and government-granted assets, a transfer is made to or from the relevant reserve to the profit/loss on disposal account so that no profit or loss is recognised in income or expenses. The remaining surplus or deficit in the donated asset or government grant reserve is then transferred to General Reserve.

Property, plant or equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead, it is retained as an operational asset and its economic life is adjusted. The asset is de-recognised when it is scrapped or demolished.

1.10 Inventories

Inventories are valued at the lower of cost and net realisable value. This is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

1.11 Income

Operating Income relates directly to the operating activities of the Trust and is recognised when, and to the extent that, performance occurs, and is measured at the fair value of the consideration receivable.

Grant in aid

Funding received from other entities, including the DHSSPS and the Health and Social Care Board (HSCB) are accounted for as grant in aid and are reflected through reserves.

1.12 Investments

The Trust does not have any investments.

1.13 Other expenses

Other operating expenses for goods or services are recognised when, and to the extent that, they have been received. They are measured at the fair value of the consideration payable.

1.14 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.15 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

The Trust as lessee

Property, plant and equipment held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in calculating the Trust's surplus/deficit.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Where a lease is for land and buildings, the land and building components are separated. Leased land may be either an operating lease or a finance lease depending on the conditions in the lease agreement and following the general guidance set out in IAS 17. Leased buildings are assessed as to whether they are operating or finance leases.

The Trust as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Trust's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

1.16 Private Finance Initiative (PFI) transactions

DFP has determined that government bodies shall account for infrastructure PFI schemes where the government body controls the use of the infrastructure, and the residual interest in the infrastructure at the end of the arrangement as service concession arrangements, following the principles of the requirements of IFRIC 12. The Trust therefore recognises the PFI asset as an item of property, plant and equipment together with a liability to pay for it. The services received under the contract are recorded as operating expenses.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

- a) Payment for the fair value of services received;
- b) Payment for the PFI asset, including replacement of components and
- c) Payment for finance (interest costs).

Services received

The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'.

PFI Assets

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the Trust's approach for each relevant class of asset in accordance with the principles of IAS 16.

PFI liability

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the fair value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the Statement of Comprehensive Net Expenditure.

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the Statement of Comprehensive Net Expenditure.

Lifecycle replacement

Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the Trust's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

Assets contributed by the Trust to the operator for use in the scheme

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the Trust's Statement of Financial Position.

Other assets contributed by the Trust to the operator

Assets contributed (e.g. cash payments, surplus property) by the Trust to the operator before the asset is brought into use, which are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available to the Trust, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

Off balance sheet PFI

The Trust has one off balance sheet PFI agreement where the asset has been determined under IFRS to belong to the contractor. The Trust does not have the asset on its Statement of Financial Position, no payments to the contractor are made therefore no financial impact to the Trust is reflected in the Statement of Comprehensive Net Expenditure.

1.17 Financial instruments**Currency risk**

The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and Sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

Interest rate risk

The Trust has limited powers to borrow or invest and therefore has low exposure to interest rate fluctuations.

Credit risk

Because the majority of the Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk.

Liquidity risk

Since the Trust receives the majority of its funding through its principal Commissioner which is voted through the Assembly, it is therefore not exposed to significant liquidity risks.

1.18 Provisions

In accordance with IAS 37, provisions are recognised when the Trust has a present legal or constructive obligation as a result of a past event, it is probable that the Trust will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using DFP's discount rate of 2.2% in real terms.

The Trust has also disclosed the carrying amount at the beginning and end of the period, additional provisions made, amounts used during the period, unused amounts reversed during the period and increases in the discounted amount arising from the passage of time and the affect of any change in the discount rate.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the Trust has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when the Trust has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

1.19 Contingencies

Under IAS 37, the Trust discloses contingent liabilities where there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.

1.20 Employee benefits

Short-term employee benefits

Under the requirements of IAS 19: Employee Benefits, staff costs must be recorded as an expense as soon as the organisation is obligated to pay them. This includes the cost of any untaken leave that has been earned at the year end. This cost has been estimated using average staff numbers and costs applied to the average untaken leave balance determined from the results of a survey to ascertain leave balances as at 31 March 2009. It is not anticipated that the level of untaken leave will vary significantly from year to year.

Retirement benefit costs

The Trust participates in the HSC 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 HSC Superannuation Scheme can be found in the HSC Superannuation Scheme Statement in the Departmental Resource Account for the Department of Health, Social Services and Public Safety.

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

As per the requirements of FReM, 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 Statement of Financial Position date and updates it to reflect current conditions. The 31 March 2008 valuation will be used in the 2010/11 accounts.

1.21 Value Added Tax

Where output VAT is charged or input VAT is recoverable, the amounts are stated net of VAT. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets.

1.22 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 24 to the accounts.

1.23 Government Grants

Government assistance for capital projects whether from UK, or Europe, is treated as a Government grant even where there are no conditions specifically relating to the operating activities of the entity other than the requirement to operate in certain regions or industry sectors. Such grants (not including grant-in-aid) are credited to a Government Grant Reserve and are released to income over the useful life of the asset. The note to the financial statements distinguishes between grants from UK government entities and grants from the European Union.

1.24 Losses and Special Payments

Losses and special payments are items that the Northern Ireland Assembly would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled.

Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had HSC Trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However, the note on losses and special payments is compiled directly from the losses and compensations register which reports amounts on an accruals basis with the exception of provisions for future losses.

1.25 Accounting standards that have been issued but have not yet been adopted

Under IAS 8 there is a requirement to disclose those standards issued but not yet adopted.

Management has reviewed the new accounting policies that have been issued but are not yet effective, nor adopted early for these accounts. Management consider that these are unlikely to have a significant impact on the accounts in the period of the initial application.

1.26 Change in Accounting policy / Prior Year Restatement

There were three changes in Accounting policy during the year. The prior year figures have been changed in the accounts (where material) to reflect the change in accounting policy. In the Statement of Financial Position the previous two years have been restated to comply with IAS 1 paragraph 29. The changes were;

(i) Capital charges

One of the impacts of the HM Treasury alignment project to closer align budgets, estimates and accounts has resulted in the removal of cost of capital. Therefore from 2010/11 onwards the HSC Trust is no longer required to reflect a notional cost of capital within its accounts. Expenditure, reserves and non cash RRL have been restated in the comparative years to reflect this.

(ii) Clinical negligence

As a result of new budgetary arrangements for HSC, following changes in HM Treasury budgeting guidance, cash funding to HSC bodies is now treated as grant in aid, and financial performance is measured with reference to a Revenue Resource Limit (RRL). The relevant changes were first introduced to Trust accounts in 2008/09, and then to the HSCB accounts in 2009/10.

However, as a result of the specific circumstances and more complex accounting arrangements relating to clinical negligence transactions and balances, the Department obtained dispensation from DFP which allowed HSC bodies to continue to cover clinical negligence costs by match funding. This was managed through the clinical negligence Central Fund such that re-imbursements receivable from the Central Fund in respect of clinical negligence provisions and liabilities were accounted for as income and reflected within debtors.

Clinical negligence provision continues to be fully funded but rather than being re-imbursed by Central Fund, it is now matched by RRL non cash cover. The Central Fund will no longer be used to administer settlement of clinical negligence claims, rather HSC bodies will draw cash to cover clinical negligence settlements as grant in aid directly from the Department.

HSC bodies are now required to adopt this policy in full and have therefore restated any debtors in respect of amounts reimbursable from the Central Fund.

Income, receivables and non cash RRL have been restated in the comparative years to reflect this.

(iii) Impairment

Previously all impairments were charged to the Revaluation Reserve if one existed before the remaining amount was charged to the Statement of Comprehensive Net Expenditure. Treasury/DFP guidance for 2010/11 and future periods is that economic impairments should be charged in full to the Statement of Comprehensive Net Expenditure with a corresponding transfer being made from the Revaluation Reserve to the General Reserve. This is considered to be more transparent than the IFRS approach to impairments. There is no change in policy in respect of price impairments. This change did not have any impact on the accounts and a prior year restatement was not required.

The table below shows the effect of all prior year adjustments

2009-10	Cost of Capital £'000s	Clinical Negligence £'000s	Total £'000s
Income	-	13,796	13,796
Expenditure	28,783	-	28,783
Receivables	-	34,846	34,846
Payables	-	-	-
Reserves	-	34,846	34,846
RRL	28,783	13,796	14,987

2009-10	Cost of Capital £'000s	Clinical Negligence £'000s	Total £'000s
Receivables	-	30,361	30,361
Payables	-	-	-
Reserves	-	30,361	30,361

Comparative figures have been reclassified where necessary on a basis consistent with the current year. These reclassifications have no effect on the Statement of Comprehensive Net Expenditure.

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

ANALYSIS OF STATEMENT OF COMPREHENSIVE NET EXPENDITURE BY SEGMENT

Note 2	2010/11				2009/10			
	Staff Costs £'000	Other Expenditure £'000	Total Expenditure £'000	% of Total	Staff Costs £'000	Other Expenditure £'000	Total Expenditure £'000	% of Total
Service Group/Corporate Group								
Cancer and Specialist Services	115,239	75,800	191,039	17.0%	0	0	0	0.0%
Social and Primary Care	171,541	146,584	318,125	28.3%	0	0	0	0.0%
Acute Services	223,067	108,750	331,817	29.5%	0	0	0	0.0%
Specialist Hospitals and Childcare	69,449	11,141	80,590	7.2%	0	0	0	0.0%
Social Services/Family & Child Care	0	0	0	0	98,510	31,840	130,350	11.6%
Older People, Medicine and Surgery and T&O	0	0	0	0	161,098	128,271	289,369	25.8%
Specialist Services	0	0	0	0	120,207	81,421	201,628	18.0%
Clinical Services	0	0	0	0	142,281	69,008	211,289	18.9%
Patient and Client Support Services	44,726	16,448	61,174	5.4%	42,639	20,784	63,423	5.7%
Mental Health & Learning Disability	0	0	0	0.0%	64,434	30,022	94,456	8.4%
Other Trust Service/Corporate Group	69,135	74,066	143,201	12.7%	58,241	71,265	129,506	11.6%
Expenditure for Reportable Segments net of Non Cash RRL per Note 25	693,157	432,789	1,125,946	100.0%	687,410	432,611	1,120,021	100.0%
Non Cash RRL			52,844				169,741	
Total Expenditure per Statement of Comprehensive Net Expenditure			1,178,790				1,289,762	
Income Note 5			82,813				82,661	
Net Expenditure			1,095,977				1,207,101	
Revenue Resource Limit			1,096,041				1,207,175	
Surplus / (Deficit) against RRL			64				74	

The Trust is managed by way of a Service/Corporate Group structure, each led by a Director, providing an integrated healthcare service both for the resident population, and in the case of specialist services for the Northern Ireland population. The Directors along with Non Executive Directors, Chairman and Chief Executive form the Trust Board which coordinates the activities of the Trust and is considered to be the Chief Operating Decision Maker. The information disclosed in this statement does not reflect budgetary performance and is based solely on expenditure information provided from the accounting system used to prepare the accounts. The information disclosed reflects the realignment of Service Groups that took place in 2010/11 therefore making meaningful comparison from year to year limited.

Due to excess cost it is not been possible to restate prior year comparisons in the new Trust structure format.

The Chief Operating Decision Maker does not receive information on asset split by segment and as such has not reported in this respect.

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 3 STAFF NUMBERS AND RELATED COSTS

3.1 Staff Costs

Staff costs comprise;

	2011			2010
	Total	Permanently	Others	Total
	£000s	employed	£000s	£000s
		staff		
		£000s		
Wages & Salaries	594,900	574,394	20,506	591,609
Social security costs	40,245	40,245	0	29,330
Other pension costs	58,011	58,011	0	66,596
Sub-Total	693,156	672,650	20,506	687,535
Capitalised staff costs	0	0	0	125
Total staff costs reported in Statement of Comprehensive Expenditure	693,156	672,650	20,506	687,410
Less recoveries in respect of outward secondments	(5,791)			(6,608)
Total net costs	687,365			680,802

Nil staff costs charged to capital projects during the year (2010: £125k)

The Trust participates in the HSC 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.

As per the requirements of IAS 19, 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 Statement of Financial Position date and updates it to reflect current conditions. A full valuation as at 31 March 2008 was completed in 2010-11.

3.2 Average number of persons employed

The average number of whole time equivalent persons employed during the year was as follows;

	2011			2010
	Total	Permanently	Others	Total
	No.	employed	No.	No.
		staff		
		No.		
Medical and Dental	1,629	1,524	105	1,517
Nursing and Midwifery	6,142	6,050	92	6,473
Professions Allied to medicine	1,208	1,193	15	1,237
Ancillaries	1,831	1,823	8	1,744
Administrative and clerical	3,198	3,036	162	3,371
Ambulance staff	0	0	0	0
Works	205	205	0	197
Other Professional and technical	1,174	1,173	1	1,129
Social Services	1,909	1,855	54	2,013
Total average number of persons employed	17,296	16,859	437	17,681
Less average staff number relating to capitalised staff costs	0	0	0	3
Less average staff number in respect of outward secondments	141	141	0	239
Total net average number of persons employed	17,155	16,718	437	17,439

Nil Staff included on capital projects during the year (2010: 3 staff)

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 3 STAFF NUMBERS AND RELATED COSTS

3.3 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	2010-11			2009-10		
	Salary £000s	Bonus / Performance pay £000s	Benefits in Kind (Rounded to nearest £100)	Salary £000s	Bonus / Performance pay £000s	Benefits in Kind (Rounded to nearest £100)
Non-Executive Members						
P McCartan	30-35	N/A	0	30-35	N/A	0
E Evason	5-10	N/A	0	5-10	N/A	0
L Drew	5-10	N/A	0	5-10	N/A	0
C Jenkins	5-10	N/A	0	5-10	N/A	0
V McGarrell	5-10	N/A	0	5-10	N/A	0
T Hartley	5-10	N/A	0	5-10	N/A	0
J O'Kane	5-10	N/A	0	5-10	N/A	0
MJ Allen	5-10	N/A	0	5-10	N/A	0
Executive Members						
W McKee (until 30 September 2010) (1)	70-75	N/A	0-2.5	145-150	N/A	0-2.5
C Donaghy (appointed 1 October 2010) (2)	70-75	N/A	0-2.5	N/A	N/A	N/A
H McCaughey (until 31 May 2009)	N/A	N/A	N/A	15-20	N/A	0-2.5
A Stevens	180-185	N/A	N/A	190-195	N/A	0
W Galbraith (until 18 October 2010) (3)	60-65	N/A	N/A	105-110	N/A	0
M Dillon (appointed 11 October 2010) (4)	45-50	N/A	0-2.5	N/A	N/A	N/A
M Mallon	95-100	N/A	0-2.5	95-100	N/A	0-2.5
P Donnelly	100-105	N/A	N/A	95-100	N/A	0
D Stockman	85-90	N/A	N/A	80-85	N/A	0
V Jackson (1 April to 31 October 2009)	N/A	N/A	N/A	50-55	N/A	0
B Mullen (until 30 September 2009)	N/A	N/A	N/A	40-45	N/A	0
J Welsh	75-80	N/A	0-2.5	75-80	N/A	0-2.5
P O'Callaghan (until 31 July 2009)	N/A	N/A	N/A	20-25	N/A	0
B McNally	90-95	N/A	N/A	75-80	N/A	0
B Creaney	70-75	N/A	N/A	55-60	N/A	0
C McNicholl (appointed 01 March 2010)	80-85	N/A	N/A	5-10	N/A	0
B Barry (acting from 01 November 2009)	85-90	N/A	N/A	30-35	N/A	0
N Patterson (acting from 1 June to 31 December 2009)	N/A	N/A	N/A	40-45	N/A	0
J Growcott (acting from 11 May to 31 October 2009)	N/A	N/A	N/A	25-30	N/A	0

(1) Mr W Mc Kee retired as Chief Executive from Belfast HSC Trust 30 September 2010 - estimated full year equivalent salary £140-£145k

(2) Mr C Donaghy was appointed Chief Executive of Belfast HSC Trust 1 October 2010 - estimated full year equivalent salary £140-£145k

(3) Mrs W Galbraith Director of Finance left Belfast HSC Trust 18 October 2010 - estimated full year equivalent salary £105-£110k

(4) Mr M Dillon was appointed Director of Finance of Belfast HSC Trust 11 October 2010 - estimated full year equivalent salary £105-£110k

The Benefits in Kind listed above relate to Leased Cars.

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 3 STAFF NUMBERS AND RELATED COSTS

3.3 Senior Employees' Remuneration (Cont'd)

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	Real increase in pension and related lump sum at age 60 £000s	Total accrued pension at age 60 and related lump sum £000s	2010-11		Real increase in CETV £000s
			CETV at 31/03/10 £000s	CETV at 31/03/11 £000s	
Non-Executive Members					
P McCartan	N/A	N/A	N/A	N/A	N/A
E Evason	N/A	N/A	N/A	N/A	N/A
L Drew	N/A	N/A	N/A	N/A	N/A
C Jenkins	N/A	N/A	N/A	N/A	N/A
V Mc Garrell	N/A	N/A	N/A	N/A	N/A
T Hartley	N/A	N/A	N/A	N/A	N/A
J O'Kane	N/A	N/A	N/A	N/A	N/A
MJ Allen	N/A	N/A	N/A	N/A	N/A
Executive Members					
W McKee (until 30 September 2010)	2.5 - 5	245 - 250	1,449	1,528	79
C Donaghy (appointed 1 October 2010)	25 - 27.5	225 - 230	1,005	1,076	71
H McCaughey (until 31 May 2009)	N/A	N/A	N/A	N/A	N/A
A Stevens	-22.5 to -25	235 - 240	1,348	1,170	(178)
W Galbraith (until 18 October 2010)	2.5 - 5	70 - 75	265	252	(12)
M Dillon (appointed 11 October 2010)	17.5 - 20	130 - 135	566	616	50
M Mallon	7.5 - 10	175 - 180	860	869	9
P Donnelly	0 - 2.5	165 - 170	913	907	(7)
D Stockman	10 - 12.5	70 - 75	234	245	11
V Jackson (from 1 April to 31 October 2009)	N/A	N/A	N/A	N/A	N/A
B Mullen (until 30 September 2009)	N/A	N/A	N/A	N/A	N/A
J Welsh	2.5 - 5	50-55	180	173	(7)
P O'Callaghan (until 31 July 2009)	N/A	N/A	N/A	N/A	N/A
B McNally	12.5 - 15	110 - 115	464	502	38
B Creaney	7.5 - 10	80 - 85	283	288	5
C McNicholl (appointed 01 March 2010)	7.5 - 10	125 - 130	549	548	(1)
B Barry (acting from 01 November 2009)	15 - 17.5	135 - 140	634	683	49
N Patterson (acting from 1 June to 31 December 2009)	N/A	N/A	N/A	N/A	N/A
J Growcott (acting from 11 May to 31 October 2009)	N/A	N/A	N/A	N/A	N/A

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 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.

* CETV are at year end or date of retirement/resignation depending on which is earlier.

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

The actuarial factors used in the calculation of Cash Equivalent Transfer Values (CETVs) were changed during 2010, due to changes in demographic assumptions and the move from the Retail Prices Index (RPI) to the Consumer Prices Index (CPI) as the measure used to uprate Civil Service pensions. The new factors mean that the CETV value shown in the report for 31/03/10 will not be the same as the corresponding figure shown in last year's report.

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.

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 3 STAFF NUMBERS AND RELATED COSTS

3.4 Reporting of early retirement and other compensation scheme - exit packages

Exit package cost band	*Number of compulsory redundancies	2010/11 *Number of other departures agreed	Total number of exit packages by cost band	2009/10 Total number of exit packages by cost band
<£10,000	0	1	1	1
£10,000 - £25,000	0	4	4	4
£25,000 - £50,000	0	8	8	11
£50,000 - £100,000	0	12	12	26
£100,000- £150,000	0	7	7	2
£150,000- £200,000	0	8	8	10
Total number of exit packages by type	0	40	40	54
	£000s	£000s	£000s	
Total resource cost	0	3890	3890	4,610

The figure in the above note is different from the utilised figure at note 16 due to the differences between estimated and actual costs.

Redundancy and other departure costs have been paid in accordance with the provisions of the HSC Pension Scheme Regulations and the Compensation for Premature Retirement Regulations, statutory provisions made under the Superannuation Act 1972. The above exit costs were met from existing RPA and/or CSR provisions created some years ago. These costs were accounted for when the provisions were created and are therefore reflected as utilisations within the provisions note and have no impact upon net expenditure. The table shows exits approved and agreed during the year which have been charged to the provision account. Where early retirements have been agreed, the additional costs are met by the employing authority and not by the HSC pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

3.5 Staff Benefits

The Belfast HSC Trust has no Staff benefits.

3.6 Trust Management Costs

	2011 £000s	Restated 2010 £000s
Trust Management Costs	42,119	41,966
Income:		
RRL	1,096,041	1,207,175
Income per Note 5	82,813	82,661
Non cash RRL for movement in clinical negligence provision	(14,784)	(13,796)
Less interest receivable	0	0
Total Income	1,164,070	1,276,040
% of total income	3.6%	3.3%

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

As detailed in the departmental circular HSC (F) 08/2011 there were three changes in accounting policy during the year, which are explained in detail in Note 1.26. This has required the prior year figures to be restated to reflect the changes. These, combined with a reduced revenue resource limit decreased total income and as income is the denominator in the calculation of management costs, the headline management cost as a percentage of total income will increase. Prior to these changes, the headline management figure as a percentage of total income was 3.6% (2009/10 3.2%).

3.7 Retirements due to ill-health

During 2010/11 there were 61 early retirements from the Trust agreed on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £71k per annum. These costs are borne by the HSC Pension Scheme.

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 4 OPERATING EXPENSES

Operating Expenses

4.0 Operating Expenses are as follows:-

	2011 £000s	Restated 2010 £000s
Purchase of care from non-HSC bodies	128,214	131,638
Revenue Grants to voluntary organisations	11,374	11,014
Capital Grants to voluntary organisations	0	0
Personal social services	10,475	11,715
Recharges from other HSC organisations	5,965	6,658
Supplies and services - clinical	165,004	157,034
Supplies and services - general	12,344	13,894
Establishment	12,349	13,601
Transport	1,218	1,120
Premises	60,442	56,820
Bad debts	1,481	981
Rentals under operating leases	752	958
Interest charges	1,309	1,444
PFI Service charges	7,869	7,719
Miscellaneous	6,640	7,441
Non cash items		
Depreciation	43,250	47,241
Amortisation	733	620
Impairments	8,047	115,394
(Profit) on disposal of assets (excluding profit on land)	(1)	0
(Profit) on disposal of assets (including land)	0	(24)
Provisions provided for in year	6,976	15,921
Unwinding of discount on Provisions	1,108	1,064
Auditors remuneration	85	99
Total	485,634	602,352

In addition to the notional auditors remuneration above, during the year the Trust paid £3,276 to its external auditor, the Northern Ireland Audit Office in respect of work carried out on the National Fraud Initiative. This is reflected within miscellaneous expenditure above.

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 5 INCOME

5.1 Income from Activities

	2011	Restated
	£000s	2010
		£000s
GB/Republic of Ireland Health Authorities	618	493
HSC Trusts	8,272	7,942
Non-HSS:- Private patients	3,228	3,138
Non-HSS:- Other	5,210	7,959
Clients contributions	29,302	26,963
Total	46,630	46,495

5.2 Other Operating Income

	2011	Restated
	£000s	2010
		£000s
Other income from non-patient services	7,860	7,050
Seconded staff	5,791	6,608
Charitable and other contributions to expenditure	7,482	5,899
Other income	12,325	9,157
Total	33,458	28,714

5.3 Transfers from reserves for donated property, plant, equipment & intangibles

	2011	Restated
	£000s	2010
		£000s
Donated asset reserve transfer for Impairment	0	5,333
Donated asset reserve transfer for Depreciation	2,725	2,119
Total	2,725	7,452

TOTAL INCOME

82,813	82,661
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BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 6 Property, Plant & Equipment

Summary

	Purchased £000s	Donated £000s	2011 Total £000s
Net book value:			
Land	141,154	209	141,363
Buildings (excluding dwellings)	590,084	27,930	618,014
Dwellings	24,450	181	24,631
Assets under construction	124,852	0	124,852
Plant and machinery (Equipment)	48,295	2,493	50,788
Transport Equipment	2,591	0	2,591
Information Technology (IT)	15,276	122	15,398
Furniture & Fittings	2,870	153	3,023
Total Property, Plant and Equipment - 31 March 2011	949,572	31,088	980,660

	Purchased £000s	Donated £000s	2010 Total £000s
Net book value:			
Land	165,815	246	166,061
Buildings (excluding dwellings)	569,572	27,749	597,321
Dwellings	25,668	179	25,847
Assets under construction	76,672	0	76,672
Plant and machinery (Equipment)	48,128	3,826	51,954
Transport Equipment	2,535	2	2,537
Information Technology (IT)	10,441	129	10,570
Furniture & Fittings	2,539	103	2,642
Total Property, Plant and Equipment - 31 March 2010	901,370	32,234	933,604

Professional revaluations of land and buildings are undertaken by Land and Property Services (LPS) at least once in every five year period and are revalued annually, between professional valuations, using indices provided by LPS. See Accounting Policy Note 1, Section 1.3 for more details of valuation of Property, Plant and Equipment.

The Trust's Land, Buildings and Dwellings were all revalued at 31 January 2010 by Land and Property Services. The valuations were carried out by the following valuers;

Mr. I. Jamison BA MRICS

Mr G. Coen Dip Est Man MRICS

Ms. O. Maginness BSc(Hons)

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 6.1 Property, Plant & Equipment - Purchased assets - year ended 31 March 2011

	Land £000s	Buildings (excluding dwellings) £000s	Dwellings £000s	Assets under Construction £000s	Plant and Machinery (Equipment) £000s	Transport Equipment £000s	Information Technology (IT) £000s	Furniture and Fittings £000s	Total £000s
Cost or Valuation									
At 1 April 2010	165,815	569,572	25,668	76,672	124,352	6,607	28,879	5,055	1,002,620
Indexation	0	21,798	973	0	3,070	0	0	0	25,841
Additions	50	13,115	1,147	55,894	10,944	412	7,860	689	90,111
Reclassification	0	0	0	0	0	0	0	0	0
Transfers	184	6,826	0	(7,714)	51	331	(143)	16	(449)
Revaluation	0	0	0	0	0	0	0	0	0
(Impairments)	(24,872)	0	0	0	0	0	0	0	(24,872)
(Disposals)	(23)	(1,000)	(2,426)	0	(6,586)	(299)	(10,319)	(80)	(20,733)
At 31 March 2011	141,154	610,311	25,362	124,852	131,831	7,051	26,277	5,680	1,072,518
Depreciation									
At 1 April 2010	0	0	0	0	76,224	4,072	18,438	2,516	101,250
Indexation	0	0	0	0	1,883	0	0	0	1,883
Reclassification	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	67	(10)	(118)	3	(58)
Revaluation	0	0	0	0	0	0	0	0	0
(Impairments)	0	0	0	0	0	0	0	0	0
(Disposals)	0	(1,000)	(2,426)	0	(6,586)	(299)	(10,310)	(80)	(20,701)
Provided during the year	0	21,227	3,338	0	11,948	697	2,991	371	40,572
At 31 March 2011	0	20,227	912	0	83,536	4,460	11,001	2,810	122,946
Net Book Value									
At 31 March 2011	141,154	590,084	24,450	124,852	48,295	2,591	15,276	2,870	949,572
At 31 March 2010	165,815	569,572	25,668	76,672	48,128	2,535	10,441	2,539	901,370
Asset financing									
Owned	136,950	576,631	22,384	124,852	29,098	2,591	15,276	2,870	910,652
Finance Leased	4,204	11,150	2,066	-	-	-	-	-	17,420
On B/S PFI contracts	-	2,303	-	-	19,197	-	-	-	21,500
Net Book Value									
At 31 March 2011	141,154	590,084	24,450	124,852	48,295	2,591	15,276	2,870	949,572

The total amount of depreciation charged in the Net Expenditure Account in respect of assets held under finance leases and hire purchase contracts is £0 (2010 £0).

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 6.2 Property, Plant & Equipment - Purchased assets - year ended 31 March 2010

	Land £000s	Buildings (excluding dwellings) £000s	Dwellings £000s	Assets under Construction £000s	Plant and Machinery (Equipment) £000s	Transport Equipment £000s	Information Technology (IT) £000s	Furnitu re and Fittings £000s	Total £000s
Cost or Valuation									
At 31 March 2009	214,205	738,320	33,719	63,773	118,896	6,302	24,141	4,551	1,203,907
At 1 April 2009	214,205	738,320	33,719	63,773	118,896	6,302	24,141	4,551	1,203,907
Indexation	0	0	0	0	3,772	536	0	0	4,308
Additions	0	11,936	1,724	38,128	8,571	193	4,783	566	65,901
Reclassification	(678)	168	0	0	0	0	0	0	(510)
Transfers	0	(106,303)	(8,485)	(25,229)	(239)	540	(32)	(62)	(139,810)
Revaluation	12,853	91,045	9,466	0	0	0	0	0	113,364
(Impairments)	(60,565)	(165,101)	(9,391)	0	0	0	0	0	(235,057)
(Disposals)	0	(493)	(1,365)	0	(6,648)	(964)	(13)	0	(9,483)
At 31 March 2010	165,815	569,572	25,668	76,672	124,352	6,607	28,879	5,055	1,002,620
Depreciation									
At 31 March 2009	0	116,141	10,887	0	71,391	3,953	16,239	2,252	220,863
At 1 April 2009	0	116,141	10,887	0	71,391	3,953	16,239	2,252	220,863
Indexation	0	0	0	0	2,259	336	0	0	2,595
Reclassification	0	0	0	0	0	0	0	0	0
Transfers	0	(129,245)	(10,171)	0	(342)	20	(62)	(10)	(139,810)
Revaluation	0	0	0	0	0	0	0	0	0
(Impairments)	0	(16,526)	(1,549)	0	0	0	0	0	(18,075)
(Disposals)	0	(486)	(1,365)	0	(6,647)	(964)	(13)	0	(9,475)
Provided during the year	0	30,116	2,198	0	9,563	727	2,274	274	45,152
At 31 March 2010	0	0	0	0	76,224	4,072	18,438	2,516	101,250
Net Book Value									
At 31 March 2010	165,815	569,572	25,668	76,672	48,128	2,535	10,441	2,539	901,370
At 1 April 2009	214,205	622,179	22,832	63,773	47,505	2,349	7,902	2,299	983,044
Asset financing									
Owned	165,815	567,303	25,668	76,672	27,990	2,535	10,441	2,539	878,963
Finance Leased	4,876	11,710	2,032	0	0	0	0	0	18,618
On B/S PFI contracts	0	2,269	0	0	20,138	0	0	0	22,407
Net Book Value									
At 31 March 2010	170,691	581,282	27,700	76,672	48,128	2,535	10,441	2,539	919,988
Asset financing									
Owned	209,542	605,208	20,907	63,773	27,690	2,349	7,902	2,299	939,670
Finance Leased	4,663	13,766	1,925	0	0	0	0	0	20,354
On B/S PFI contracts	0	3,205	0	0	19,815	0	0	0	23,020
Net Book Value									
At 1 April 2009	214,205	622,179	22,832	63,773	47,505	2,349	7,902	2,299	983,044

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 6.3 Property, Plant & Equipment - Donated assets - Year ended 31 March 2011

	Land £000s	Buildings (excluding dwellings) £000s	Dwellings £000s	Assets under Construction £000s	Plant and Machinery (Equipment) £000s	Transport Equipment £000s	Information Technology (IT) £000s	Furnitu re and Fittings £000s	Total £000s
Cost or Valuation									
At 1 April 2010	246	27,749	179	0	12,111	34	1,183	108	41,610
Indexation	0	1,052	7	0	297	0	0	0	1,356
Additions	0	4	0	0	347	0	47	19	417
Reclassification	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	(72)	0	0	72	0
Revaluation	0	0	0	0	0	0	0	0	0
(Impairments)	(37)	0	0	0	0	0	0	0	(37)
(Disposals)	0	0	0	0	(3,016)	0	(906)	0	(3,922)
At 31 March 2011	209	28,805	186	0	9,667	34	324	199	39,424
Depreciation									
At 1 April 2010	0	0	0	0	8,285	32	1,054	5	9,376
Indexation	0	0	0	0	204	0	0	0	204
Reclassification	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	(22)	0	0	22	0
Revaluation	0	0	0	0	0	0	0	0	0
(Impairments)	0	0	0	0	0	0	0	0	0
(Disposals)	0	0	0	0	(3,016)	0	(906)	0	(3,922)
Provided during the year	0	875	5	0	1,723	2	54	19	2,678
At 31 March 2011	0	875	5	0	7,174	34	202	46	8,336
Net Book Value									
At 31 March 2011	209	27,930	181	0	2,493	0	122	153	31,088
At 31 March 2010	246	27,749	179	0	3,826	2	129	103	32,234
Asset financing									
Owned	209	26,320	181	0	2,493	0	122	153	29,478
Finance Leased	0	1,610	0	0	0	0	0	0	1,610
On B/S PFI contracts	0	0	0	0	0	0	0	0	0
Net Book Value									
At 31 March 2011	209	27,930	181	0	2,493	0	122	153	31,088

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 6.4 Property, Plant & Equipment - Donated assets - Year ended 31 March 2010

	Land £000s	Buildings (excluding dwellings) £000s	Dwellings £000s	Assets under Construction £000s	Plant and Machinery (Equipment) £000s	Transport Equipment £000s	Information Technology (IT) £000s	Furniture and Fittings £000s	Total £000s
Cost or Valuation									
At 1 April 2009	581	40,452	206	0	12,086	64	1,142	0	54,531
Indexation	0	0	0	0	385	5	0	0	390
Additions	0	170	0	0	355	0	50	108	683
Reclassification	0	0	0	0	0	0	0	0	0
Transfers	0	(5,656)	(21)	0	5	0	(5)	0	(5,677)
Revaluation	0	1,995	23	0	0	0	0	0	2,018
(Impairments)	(335)	(9,212)	(29)	0	0	0	0	0	(9,576)
(Disposals)	0	0	0	0	(720)	(35)	(4)	0	(759)
At 31 March 2010	246	27,749	179	0	12,111	34	1,183	108	41,610
Depreciation									
At 1 April 2009	0	5,280	19	0	7,850	58	1,015	0	14,222
Indexation	0	0	0	0	250	5	0	0	255
Reclassification	0	0	0	0	0	0	0	0	0
Transfers	0	(5,656)	(21)	0	5	0	(5)	0	(5,677)
Revaluation	0	0	0	0	0	0	0	0	0
(Impairments)	0	(751)	(3)	0	0	0	0	0	(754)
(Disposals)	0	0	0	0	(720)	(35)	(4)	0	(759)
Provided during the year	0	1,127	5	0	900	4	48	5	2,089
At 31 March 2010	0	0	0	0	8,285	32	1,054	5	9,376
Net Book Value									
At 31 March 2010	246	27,749	179	0	3,826	2	129	103	32,234
At 1 April 2009	581	35,172	187	0	4,236	6	127	0	40,309
Asset financing									
Owned	246	26,156	179	0	3,826	2	129	103	30,641
Finance Leased	0	1,593	0	0	0	0	0	0	1,593
On B/S PFI contracts	0	0	0	0	0	0	0	0	0
Net Book Value									
At 31 March 2010	246	27,749	179	0	3,826	2	129	103	32,234
Asset financing									
Owned	581	34,113	187	0	4,236	6	127	0	39,250
Finance Leased	0	1,059	0	0	0	0	0	0	1,059
On B/S PFI contracts	0	0	0	0	0	0	0	0	0
Net Book Value									
At 1 April 2009	581	35,172	187	0	4,236	6	127	0	40,309

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 7 Intangible assets

Summary

	2011		
	Purchased £000s	Donated £000s	Total £000s
Net book value:			
Software	0	0	0
Software licenses	2,322	175	2,497
	<hr/>		
Total Intangible assets - 31 March 2011	2,322	175	2,497

	2010		
	Purchased £000s	Donated £000s	Total £000s
Net book value:			
Software	0	0	0
Software licenses	2,157	126	2,283
	<hr/>		
Total Intangible assets - 31 March 2010	2,157	126	2,283

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 7.1 INTANGIBLE ASSETS (Purchased) - Year ended 31 March 2011

Cost or Valuation	Software licenses £000s	Software £000s	Total £000s
At 1 April 2010	7,131	0	7,131
Indexation	0	0	0
Additions	829	0	829
Reclassifications	0	0	0
Transfers	53	0	53
Revaluation	0	0	0
(Impairments)	0	0	0
(Disposals)	(1,757)	0	(1,757)
At 31 March 2011	6,256	0	6,256
Amortisation			
At 1 April 2010	4,974	0	4,974
Indexation	0	0	0
Reclassifications	0	0	0
Transfers	24	0	24
Revaluation	0	0	0
(Impairments)	0	0	0
(Disposals)	(1,757)	0	(1,757)
Provided during the year	693	0	693
At 31 March 2011	3,934	0	3,934
Net Book Value			
At 31 March 2011	2,322	0	2,322
At 31 March 2010	2,157	0	2,157
Asset financing			
Owned	2,322	0	2,322
Finance Leased	0	0	0
On B/S PFI contracts	0	0	0
Net Book Value			
At 31 March 2011	2,322	0	2,322

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 7.2 INTANGIBLE ASSETS (Purchased) - Year ended 31 March 2010

Cost or Valuation	Software licenses £000s	Software £000s	Total £000s
At 1 April 2009	6,330	0	6,330
Indexation	0	0	0
Additions	867	0	867
Reclassifications	0	0	0
Transfers	0	0	0
Revaluation	0	0	0
(Impairments)	0	0	0
(Disposals)	(66)	0	(66)
At 31 March 2010	7,131	0	7,131
Amortisation			
At 1 April 2009	4,442	0	4,442
Indexation	0	0	0
Reclassifications	0		0
Transfers	0	0	0
Revaluation	0	0	0
(Impairments)	0	0	0
(Disposals)	(66)	0	(66)
Provided during the year	598	0	598
At 31 March 2010	4,974	0	4,974
Net Book Value			
At 31 March 2010	2,157	0	2,157
At 1 April 2009	1,888	0	1,888
Asset financing			
Owned	2,157	0	2,157
Finance Leased	0	0	0
On B/S PFI contracts	0	0	0
Net Book Value			
At 31 March 2010	2,157	0	2,157
Asset financing			
Owned	1,888	0	1,888
Finance Leased	0	0	0
On B/S PFI contracts	0	0	0
Net Book Value			
At 1 April 2009	1,888	0	1,888

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 7.3 INTANGIBLE ASSETS (Donated) - Year ended 31 March 2011

Cost or Valuation	Software licenses £000s	Software £000s	Total £000s
At 1 April 2010	338	0	338
Indexation	0	0	0
Additions	88	0	88
Reclassifications	0	0	0
Transfers	0	0	0
Revaluation	0	0	0
(Impairments)	0	0	0
(Disposals)	(84)	0	(84)
At 31 March 2011	342	0	342
Amortisation			
At 1 April 2010	212	0	212
Indexation	0	0	0
Reclassifications	0	0	0
Transfers	0	0	0
Revaluation	0	0	0
(Impairments)	0	0	0
(Disposals)	(84)	0	(84)
Provided during the year	39	0	39
At 31 March 2011	167	0	167
Net Book Value			
At 31 March 2011	175	0	175
At 31 March 2010	126	0	126
Asset financing			
Owned	175	0	175
Finance Leased	0	0	0
On B/S PFI contracts	0	0	0
Net Book Value			
At 31 March 2011	175	0	175

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 7.4 INTANGIBLE ASSETS (Donated) - Year ended 31 March 2010

Cost or Valuation	Software licenses £000s	Software £000s	Total £000s
At 1 April 2009	206	0	206
Indexation	0	0	0
Additions	132	0	132
Reclassifications	0	0	0
Transfers	0	0	0
Revaluation	0	0	0
(Impairments)	0	0	0
(Disposals)	0	0	0
At 31 March 2010	338	0	338
Amortisation			
At 1 April 2009	190	0	190
Indexation	0	0	0
Reclassifications	0		0
Transfers	0	0	0
Revaluation	0	0	0
(Impairments)	0	0	0
(Disposals)	0	0	0
Provided during the year	22	0	22
At 31 March 2010	212	0	212
Net Book Value			
At 31 March 2010	126	0	126
At 1 April 2009	16	0	16
Asset financing			
Owned	126	0	126
Finance Leased	0	0	0
On B/S PFI contracts	0	0	0
Net Book Value			
At 31 March 2010	126	0	126
Asset financing			
Owned	16	0	16
Finance Leased	0	0	0
On B/S PFI contracts	0	0	0
Net Book Value			
At 1 April 2009	16	0	16

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 8 FINANCIAL INSTRUMENTS

8.1 Financial instruments

The Belfast HSC Trust has no financial instruments.

NOTE 9 ASSETS CLASSIFIED AS HELD FOR SALE

	Land			Buildings			Total		
	2011 £000s	2010 £000s	2009 £000s	2011 £000s	2010 £000s	2009 £000s	2011 £000s	2010 £000s	2009 £000s
Cost									
At 1 April	705	387	387	0	310	711	705	697	1,098
Transfers from	0	678	387	235	(170)	310	235	508	697
Impairments	(144)	0	0	0	0	0	(144)	0	0
(Disposals)	(131)	(360)	(387)	0	(140)	(711)	(131)	(500)	(1,098)
At 31 March	430	705	387	235	0	310	665	705	697
Depreciation									
At 1 April	0	0		0	2	0	0	2	0
Transfers from	0	0	0	0	0	2	0	0	2
(Disposals)	0	0	0	0	(2)	0	0	(2)	0
At 31 March	0	0	0	0	0	2	0	0	2
Net book value at 31 March	430	705	387	235	0	308	665	705	695

Non current assets held for sale comprise non current assets that are held for resale rather than continuing use with the business.

During the year ended 31 March 2011, land at Whiterock was sold. Fair value at disposal date was £131,250 (2010: £275,000).

At 31 March 2011 non current assets held for resale comprise ;

- 53/57 Davaar Avenue, Belfast;
- A small portion of land on Donegall Road, Belfast, adjacent to the entrance of the Belfast City Hospital site;
- Site of Parkmount Day Centre 704 Shore Road, Belfast; and
- 92 University Street, Belfast;

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

10 IMPAIRMENTS

	Property, Plant & Equipment		2011		Total £000s
	£000s	£000s	Intangibles		
	Purchased	Donated	£000s Purchased	£000s Donated	
Total value of impairments for the period	25,016	37	0	0	25,053
Impairments charged to Statement of Comprehensive Net Expenditure as Other Comprehensive Expenditure	(16,969)	(37)	0	0	(17,006)
Impairments charged to Statement of Comprehensive Net Expenditure within Net Expenditure	8,047	0	0	0	8,047
	Property, Plant & Equipment		2010		Total £000s
	£000s	£000s	Intangibles		
	Purchased	Donated	£000s Purchased	£000s Donated	
Total value of impairments for the period	216,982	8,822	0	0	225,804
Impairments charged to Statement of Comprehensive Net Expenditure as Other Comprehensive Expenditure	(106,921)	(3,489)	0	0	(110,410)
Impairments charged to Statement of Comprehensive Net Expenditure within Net Expenditure	110,061	5,333	0	0	115,394
	Property, Plant & Equipment		2009		Total £000s
	£000s	£000s	Intangibles		
	Purchased	Donated	£000s Purchased	£000s Donated	
Total value of impairments for the period	2,920	0	0	0	2,920
Impairments charged to Statement of Comprehensive Net Expenditure as Other Comprehensive Expenditure	(105)	0	0	0	(105)
Impairments charged to Statement of Comprehensive Net Expenditure within Net Expenditure	2,815	0	0	0	2,815

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

11 INVENTORIES

Classification	2011 £000s	2010 £000s	Restated 2009 £000s
X-ray	233	293	251
Pharmacy	3,608	2,896	2,508
Implantables	4,269	4,462	4,833
Patients Appliances	649	452	381
Labs	487	786	1,018
Oil	268	664	437
Building & Engineering	638	305	324
Other	429	395	416
Total	10,581	10,253	10,168

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

12 TRADE RECEIVABLES AND OTHER CURRENT ASSETS

	2011 £000s	Restated 2010 £000s	Restated 2009 £000s
Amounts falling due within one year			
Trade Receivables	11,878	18,439	1,436
Deposits and advances	0	0	0
Other receivables	28,860	36,328	45,254
Trade and other Receivables	40,738	54,767	46,690
 Prepayments and accrued income	 2,951	 3,519	 4,468
Current part of PFI prepayment	0	0	0
Other current assets	2,951	3,519	4,468
 Amounts falling due after more than one year			
Trade Receivables	0	0	0
Deposits and advances	0	0	0
Other receivables	0	0	0
Trade and other Receivables	0	0	0
 Prepayments and accrued income	 0	 0	 0
Other current assets falling due after more than one year	0	0	0
 TOTAL TRADE AND OTHER RECEIVABLES	40,738	54,767	46,690
 TOTAL OTHER CURRENT ASSETS	2,951	3,519	4,468
 TOTAL RECEIVABLES AND OTHER CURRENT ASSETS	43,689	58,286	51,158

The balances are net of a provision for bad debts of £5,488k (2010 £4,020k) (2009 £3,060k)

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

12 TRADE RECEIVABLES AND OTHER CURRENT ASSETS

12.1 Trade Receivables and other current assets: Intra-Government balances

Name	Amounts falling due within 1 year 2010/11 £000s	Restated Amounts falling due within 1 year 2009/10 £000s	Restated Amounts falling due within 1 year 2008/09 £000s	Amounts falling due after more than 1 year 2010/11 £000s	Restated Amounts falling due after more than 1 year 2009/10 £000s	Restated Amounts falling due after more than 1 year 2008/09 £000s
Balances with other central government bodies	19,603	13,945	27,900	0	0	0
Balances with local authorities	36	37	3	0	0	0
Balances with NHS /HSC Trusts	11,878	18,439	1,528	0	0	0
Balances with public corporations and trading funds	0	0	0	0	0	0
Intra-Government Balances	31,517	32,421	29,431	0	0	0
Balances with bodies external to government	12,172	25,865	21,727	0	0	0
Total Receivables & other current assets at 31 March	43,689	58,286	51,158	0	0	0

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

13 CASH AND CASH EQUIVALENTS

	2011 £000s	2010 £000s	2009 £000s
Balance at 1st April	13,848	10,822	32,316
Net change in cash and cash equivalents	1,559	3,026	(21,494)
Balance at 31st March	15,407	13,848	10,822

The following balances at 31 March were held at	2011 £000s	2010 £000s	2009 £000s
Commercial Banks and cash in hand	15,407	13,848	10,822
Balance at 31st March	15,407	13,848	10,822

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

14 TRADE PAYABLES AND OTHER CURRENT LIABILITIES

	2011 £000s	Restated 2010 £000s	Restated 2009 £000s
Amounts falling due within one year			
Other taxation and social security	21,935	21,833	21,333
Bank overdraft	0	0	0
Trade capital payables	24,089	16,854	23,104
Trade revenue payables	68,181	64,392	71,161
Payroll payables	43,808	34,004	23,210
RPA payables	2,726	5,740	10,750
Other payables	1,457	1,696	1,891
Accruals and deferred income	2,181	4,197	4,038
Trade and other payables	164,377	148,716	155,487
Current part of finance leases	0	0	0
Current part of long term loans	0	0	0
Current part of imputed finance lease element of on Balance Sheet PFI contracts	575	1,574	1,885
Other current liabilities	575	1,574	1,885
Total payables falling due within one year	164,952	150,290	157,372
Amounts falling due after more than one year			
Other payables, accruals and deferred income	0	0	0
Trade and other payables	0	0	0
Finance leases	0	0	0
Imputed finance lease element of on Balance Sheet PFI contracts	6,116	6,691	8,125
Long term loans	0	0	0
Total non current other payables	6,116	6,691	8,125
TOTAL TRADE PAYABLES AND OTHER CURRENT LIABILITIES	171,068	156,981	165,497

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

14 TRADE PAYABLES AND OTHER CURRENT LIABILITIES

14.1 Trade payables and other current liabilities - Intra-government balances

		Restated	Restated		Restated	Restated
	Amounts falling due within 1 year 2010/11 £000s	Amounts falling due within 1 year 2009/10 £000s	Amounts falling due within 1 year 2008/09 £000s	Amounts falling due after more than 1 year 2010/11 £000s	Amounts falling due after more than 1 year 2009/10 £000s	Amounts falling due after more than 1 year 2008/09 £000s
Name						
Balances with other central government bodies	23,185	23,060	33,481	0	0	0
Balances with local authorities	47	43	92	0	0	0
Balances with NHS /HSC Trusts	7,553	16,653	3,667	0	0	0
Balances with public corporations and trading funds	0	0	0	0	0	0
Intra-Government Balances	30,785	39,756	37,240	0	0	0
Balances with bodies external to government	134,167	110,534	120,112	6,116	6,691	8,125
Total Payables and other liabilities at 31 March	164,952	150,290	157,352	6,116	6,691	8,125

NOTE 14.2 LOANS

Loans

The Belfast HSC Trust has no Government or other long term loans.

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 15 PROMPT PAYMENT POLICY

15.1 Public Sector Payment Policy - Measure of Compliance

The Department requires that Trusts pay their non HSC trade creditors in accordance with the Better Payments Practice Code and Government Accounting Rules. The Trust's payment policy is consistent with the Better Payments Practice code and Government Accounting rules and its measure of compliance is:

	2011 Number	2011 Value £000s	2010 Number	2010 Value £000s
Total bills paid	356,767	498,093	386,943	508,437
Total bills paid within 30 day target or under agreed payment terms	319,905	449,007	310,919	428,798
% of bills paid within 30 day target or under agreed payment terms	90%	90%	80%	84%

As required by HSC(F) 04/2011 'Prompt Payment Policy', the Trust has updated its measurement whereby prompt payment is defined as invoices paid under standard HSC conditions of contracts or under other specific terms agreed with suppliers for the purchase of goods and services.

15.2 The Late Payment of Commercial Debts Regulations 2002

The amount included within Interest Payable arising from claims made by all businesses under this legislation are as follows :

	£
Total	<u>676</u>

This is also reflected as a fruitless payment in note 26.

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

16 PROVISIONS FOR LIABILITIES AND CHARGES - 2011

	Pensions relating to other staff £000s	Clinical negligence £000s	RPA/CSR Restructuring £000s	Other £000s	2011 £000s
Balance at 1 April 2010	6,785	30,903	11,135	9,320	58,143
Provided in year	(1)	14,989	0	1,935	16,923
(Provisions not required written back)	0	(4,518)	(8,000)	(968)	(13,486)
Additional write back	0	3,540	0	0	3,540
(Provisions utilised in the year)	(477)	(10,072)	(3,135)	(1,731)	(15,415)
Unwinding of discount	142	773	0	193	1,108
At 31 March 2011	6,449	35,615	0	8,749	50,813

	RPA / CSR £000s
RPA/CSR Utilised costs include the following;	
Pension Costs for early retirement reflecting the single lump sum to buy over the full liability	1,881
Redundancy costs	1,254
Other	0
	3,135

Comprehensive Net Expenditure Account charges	2011 £000s	2010 £000s
Arising during the year	16,923	23,473
Reversed unused	(9,946)	(7,552)
Unwinding of discount	1,108	1,064
Total charge within Operating costs	8,085	16,985

Analysis of expected timing of discounted flows

	Pensions relating to other staff £000s	Clinical Negligence £000s	RPA/CSR Restructuring £000s	Other £000s	2011 £000s
Within 5 years	2,366	35,615	0	4,879	42,860
6 - 10 years	1,893	0	0	1,250	3,143
Thereafter	2,190	0	0	2,620	4,810
At 31 March 2011	6,449	35,615	0	8,749	50,813

The provision for pensions is determined on the basis of information on current annual pension rates payable over average life expectancy derived from government actuarial tables and on payments made to HSC Superannuation Branch. The provisions for Clinical Negligence, Employers and Public Liability have been determined by assigning probabilities to expected settlement values.

Pensions relating to other staff is in relation to early retirement costs.

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

16 PROVISIONS FOR LIABILITIES AND CHARGES - 2010

	Pensions relating to other staff £000s	Clinical negligence £000s	RPA/CSR Restructuring £000s	Other £000s	Restated 2010 £000s
Balance at 1 April 2009	6,342	21,118	2,484	24,951	54,895
Provided in year	807	19,302	0	3,364	23,473
(Provisions not required written back)	0	(2,714)	0	(1,298)	(4,012)
Additional write back	0	(3,540)	0	0	(3,540)
(Provisions utilised in the year)	(497)	(4,010)	(2,484)	(6,746)	(13,737)
Unwinding of discount	133	747	0	184	1,064
At 31 March 2010	6,785	30,903	0	20,455	58,143

	RPA / CSR £000s
RPA/CSR Utilised costs include the following;	
Pension Costs for early retirement reflecting the single lump sum to buy over the full liability	1,312
Redundancy costs	952
Other	220
	2,484

Analysis of expected timing of discounted flows

	Pensions relating to other staff £000s	Clinical Negligence £000s	RPA/CSR Restructuring £000s	Other £000s	2010 £000s
Within 5 years	2,398	30,903	0	5,209	38,510
6 - 10 years	2,398	0	0	1,564	3,962
Thereafter	1,989	0	0	13,682	15,671
At 31 March 2010	6,785	30,903	0	20,455	58,143

The provision for pensions is determined on the basis of information on current annual pension rates payable over average life expectancy derived from government actuarial tables and on payments made to HSC Superannuation Branch. The provisions for Clinical Negligence, Employers and Public Liability have been determined by assigning probabilities to expected settlement values.

Pensions relating to other staff is in relation to early retirement costs.

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 17 CAPITAL COMMITMENTS

	2011 £000s	2010 £000s	2009 £000s
Contracted capital commitments at 31 March not otherwise included in these financial statements			
Property, Plant & Equipment	74,566	119,085	169,385
Intangible assets	0	0	0
	<u>74,566</u>	<u>119,085</u>	<u>169,385</u>

An amount of £68.9m included in the commitments above relates to RVH phase 2B including the work required to floors 7-9 to make it suitable for use for maternity services. The new build required to house the remainder of the maternity services offered in the RVH is included in the project total but is not yet committed. Business case approval has been received for the full project amount.

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 18 COMMITMENTS UNDER LEASES

18.1 Operating Leases

Total future minimum lease payments under operating leases are given in the table below for each of the following periods.

	2011	2010	Restated
	£000s	£000s	2009 £000s
Obligations under operating leases comprise			
Land & Buildings			
Not later than 1 year	335	180	180
Later than 1 year and not later than 5 years	837	659	684
Later than 5 years	442	129	283
	1,614	968	1,147
Other			
Not later than 1 year	255	410	565
Later than 1 year and not later than 5 years	364	595	644
Later than 5 years	0	0	0
	619	1,005	1,209

18.2 Finance Leases

The Trust have included within its fixed assets a number of land and buildings held under leasehold arrangements. Under accounting standard IAS 17 'Accounting for leases', the Trust have assessed these land and buildings to be finance leases in nature. However, the associated financial obligations of these finance leases are deemed insignificant and therefore no finance lease creditor has been recorded in the accounts in this respect.

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 18 COMMITMENTS UNDER LESSOR AGREEMENTS

18.3 Operating Leases

Total future minimum lease income under operating leases are given in the table below for each of the following periods.

	2011	2010	Restated
	£000s	£000s	2009 £000s
Obligations under operating leases issued by the Trust comprise			
Land & Buildings			
Not later than 1 year	675	675	675
Later than 1 year and not later than 5 years	1,352	1,352	1,352
Later than 5 years	2,277	2,277	2,277
	4,304	4,304	4,304
Other			
Not later than 1 year	0	0	0
Later than 1 year and not later than 5 years	0	0	0
Later than 5 years	0	0	0
	0	0	0

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 19 COMMITMENTS UNDER PFI CONTRACTS

19.1 Off Balance Sheet PFI Schemes

	2011 £000s	2010 £000s	Restated 2009 £000s
Estimated capital value of the PFI schemes			
Carparks	3,200	3,200	3,200
	3,200	3,200	3,200
Contract Start Date	01/04/1997		
Contract End Date	30/03/2017		

The Trust has a PFI arrangement for the provision of a carpark at the Royal Group of Hospitals site. The carpark is not an asset of Belfast HSC Trust.

The carpark is owned and operated by Carpark Services .

19.2 On Balance Sheet PFI Schemes

	2011 £000s	2010 £000s	Restated 2009 £000s
Total obligations under on balance sheet (SoFP) Service Concessions arrangements for the following periods comprise			
Not later than one year	1,950	3,359	3,743
Later than one year and not later than five years	3,188	853	5,773
Later than five years	28,605	32,891	31,330
	33,743	37,103	40,846
Less interest element	21,273	22,582	24,024
Present value of obligations	12,470	14,521	16,822

Present Value of obligations under on Balance Sheet (SoFP) PFI Schemes for the following periods comprise:

	2011 £000s	2010 £000s	Restated 2009 £000s
Not later than one year	693	2,050	2,301
Later than one year and not later than five years	(2,217)	(4,413)	794
Later than five years	13,994	16,884	13,727
Total Present Value of obligations	12,470	14,521	16,822

19.3 Charge to the Statement of Comprehensive Net Expenditure account and future commitments

	2011 £000s	2010 £000s	Restated 2009 £000s
Amounts included within operating expenses in respect of off Balance Sheet (SoFP) PFI and other service concession arrangement transactions	0	0	0
Amounts included within operating expenses in respect of the service element of on Balance Sheet (SoFP) PFI and other service concession transactions	7,869	7,719	7,556
	7,869	7,719	7,556

The payments to which the Trust is committed is as follows:

	2011 £000s	2010 £000s	Restated 2009 £000s
Not later than one year	7,080	6,864	6,650
Later than one year and not later than five years	26,492	27,462	28,117
Later than five years	58,902	65,012	71,222
	92,474	99,338	105,989

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 20 OTHER FINANCIAL COMMITMENTS

20 Other Financial Commitments

The Belfast HSC Trust has not entered into any non cancellable contracts (which are not leases or PFI contracts).

NOTE 21 FINANCIAL INSTRUMENTS

21 Financial Guarantees, Indemnities and Letters of Comfort

Because of the relationships with HSC Commissioners, and the manner in which they are funded, financial instruments play a more limited role within Trusts in creating risk than would apply to a non public sector body of a similar size, therefore Trusts are not exposed to the degree of financial risk faced by business entities. Trusts have 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 Trusts in undertaking activities. Therefore the HSC is exposed to little credit, liquidity or market risk.

The Belfast HSC Trust did not have any financial instruments at either 31 March 2011 or 31 March 2010.

NOTE 22 CONTINGENT LIABILITIES

Material contingent liabilities are noted in the table below, where there is a 50% or less probability that a payment will be required to settle any possible obligations. The amounts or timing of any outflow will depend on the merits of each case

	2011	2010	2009
	£000s	£000s	£000s
Clinical Negligence	2,298	1,111	780
Public Liability	0	0	0
Employers' Liability	0	0	0
Accrued Leave	0	0	0
Injury Benefit	0	0	0
Other	0	0	0
Total	2,298	1,111	780

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 23 Related Party Transactions

The Trust is required to disclose details of transactions with individuals who are regarded as related parties consistent with the requirements of IAS 24 – Related Party Transactions. This disclosure is recorded in the Trust’s Register of Interests which is maintained by the Office of the Chief Executive and is available for inspection by members of the public.

During the year the Belfast Health and Social Care Trust entered into the following material transactions with the following related parties.

The Belfast Health and Social Care Trust is an arms length body of the Department of Health, Social Services and Public Safety and as such the Department is a related party and the ultimate controlling parent with which the Trust has had various material transactions during the year. During the year the Belfast Health and Social Care Trust has had a number of material transactions with other entities for which the Department is regarded as the ultimate controlling parent. These entities include the Health and Social Care Board, the five HSC Trusts and the Business Services Organisation.

Non Executive Directors

Some of the Trust’s Non Executive Directors have disclosed interests with organisations from which the Trust purchased services from or supplied services to during 2010/11. Set out below are details of the amount paid to these organisations during 2010/11. In none of these cases listed did the Non Executive Directors have any involvement in the decisions to procure the services from the organisations concerned.

	Payments to Related Party	Income from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£000s	£000s	£000s	£000s
Queen's University Belfast	7,645	2,749	40	1,177
Fostering Network	25	0	0	0
NHS Confederation	17	0	0	0
Age Concern	115	0	0	0
Belfast City Council	229	30	29	34

Interests in the above organisations were declared by the following Board members:-

Mr JPJ O’Kane (Non Executive Director) holds the position of Registrar for Queen's University Belfast.

Ms J Allen (Non Executive Director) is a Board member of the Fostering Network.

Mr T Hartley (Non Executive Director) currently holds the position of Councillor for Belfast City Council.

Mr P McCartan (Chairman) holds the position of NI Trustee for the NHS Confederation.

Ms E Evason (Non Executive Director) is a Trustee for Age Concern.

Transactions with these related parties are conducted on an arm’s length basis. The purchase of goods and services are subject to the normal tendering processes under Northern Ireland Public Procurement Policy, Trust Standing Orders and Standing Financial Instructions. There are no provisions for doubtful debts against the related party balances owed. In addition, the Trust has not provided or received any financial guarantees in respect of any related parties identified.

Other Board Members and Senior Managers

In a similar way, some other Trust Board members and Senior Managers have disclosed interests in organisations from which the Trust purchased services in 2010/11. The details are set out below. Again, the officers listed had no involvement in the decisions to procure the services from the organisations concerned.

	Payments to Related Party	Income from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£000s	£000s	£000s	£000s
NI Hospice	24	348	0	135
Action Cancer	9	9	0	4

Interests in the above organisations were declared by the following Board members:-

Ms B McNally (Executive Director) is a Trustee for NI Hospice.

Mr B Barry (Acting Director) is a Council member for Action Cancer.

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 24 Third party assets

The Trust held £939,932 Cash at bank and in hand and £3,674,568 short term investments at 31 March 2011 which relates to monies held by the Trust on behalf of patients. This has been excluded from cash at bank and in hand figure reported in the accounts. A separate audited account of these monies is maintained by the Trust.

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 25 Financial Performance Targets

25.1 Revenue Resource Limit

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

The Revenue Resource Limit for Belfast HSC Trust is calculated as follows:

	2011 Total £000s	Restated 2010 Total £000s
HSCB	1,015,202	975,988
PHA	9,183	9,790
NIMDTA	19,371	53,309
Non cash RRL (from DHSSPS)	52,844	169,741
Adjust for On Balance Sheet PFI	(559)	(1,653)
Total Revenue Resource Limit to Statement of Comprehensive Net Expenditure	1,096,041	1,207,175

25.2 Capital Resource Limit

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

	2011 Total £000s	2010 Total £000s
Gross Capital Expenditure (incl PFI)	90,942	66,768
Less IFRIC 12/PFI and other service concession arrangements spend (Receipts from sales of fixed assets)	(3,145)	(2,756)
Net capital expenditure	87,632	63,488
Capital Resource Limit	87,633	63,575
Overspend/(Underspend) against CRL	(1)	(87)

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 25 Financial Performance Targets

NOTE 25.3 Break Even Performance

The Trust is required to ensure that it breaks even on an annual basis by containing its net expenditure with 0.25 % of RRL limits.

	2010/11 £000s	Restated 2009/10 £000s
Net Expenditure	(1,095,977)	(1,207,101)
RRL	<u>1,096,041</u>	<u>1,207,175</u>
Surplus Deficit against RRL	64	74
Break Even cumulative position(opening)	74	(445)
Other Adjustments	0	0
Break Even Cumulative position (closing)	<u><u>138</u></u>	<u><u>(371)</u></u>

Materiality Test:

	2010/11 %	Restated 2009/10 %
Break Even in year position as % of RRL	<u>0.01%</u>	<u>0.01%</u>
Break Even cumulative position as % of RRL	<u>0.01%</u>	<u>-0.03%</u>

BELFAST HEALTH & SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 26 LOSSES & SPECIAL PAYMENTS

TYPE OF LOSS		NO. OF CASES	VALUE £
1	Cash Losses - Theft, fraud etc	5	724
2	Cash Losses - Overpayments of salaries, wages and allowances	1	1,991
3	Cash Losses - Other causes (including unvouched and incompletely vouched payments)		
4	Nugatory and fruitless payments -		
	i. Abandoned capital Schemes		
	ii. Late payment of Commercial Debt	15	676
	iii. Other		
5	Bad Debts and claims abandoned	69	11,315
6	Stores and Inventory Losses - Theft, fraud, arson (whether proved or suspected) etc		
	i. Bedding and linen		
	ii. Other equipment and property	7	16,385
7	Stores and Inventory Losses - Incidents of the service (result of fire, flood, etc)		
8	Stores and Inventory Losses - Deterioration in store		
9	Stores and Inventory Losses - Stocktaking discrepancies		
10	Stores and Inventory Losses - Other causes		
	i. Bedding and linen		
	ii. Other equipment and property	8	1,382
11	Compensation payments (legal obligation)		
	i. Clinical Negligence	174	10,072,233
	ii. Public Liability	18	192,681
	iii. Employers Liability	164	1,192,095
12	Ex-gratia payments - Compensation payments (including payments to patients and staff)	61	23,519
13	Ex-gratia payments - Other payments		
14	Extra statutory payments		
15	a. Losses sustained as a result of damage to buildings and fixtures arising from bomb explosions or civil commotion.		
	b. Damage to vehicles		
TOTAL		522	11,513,001

26.1 Special Payments

The Belfast Health & Social Care Trust did not make any special payments or gifts during the financial year.

NOTE 27 POST BALANCE SHEET EVENTS

There are no post balance sheet events affecting the Belfast Health & Social Care Trust.

NOTE 28 DATE AUTHORISED FOR ISSUE

The Accounting Officer authorised these financial statements for issue on 21st June 2011

REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE ASSEMBLY

1. The Belfast Health and Social Care Trust (the Belfast Trust) was established under the Belfast Health and Social Services Trust (Establishment) Order (Northern Ireland) 2006 for the purposes specified in Article 10(1) of the Health and Personal Social Services (Northern Ireland) Order 1991. It is one of 17 arm's length bodies sponsored by the Department of Health, Social Services and Public Safety (the Department). In 2010-11 it spent £1.2 billion.
2. Under the Health and Personal Social Services (Northern Ireland) Order 1972 as amended, I am required to examine and certify the Trust's financial statements. I conduct my audit in accordance with International Standards on Auditing (UK and Ireland) to give reasonable assurance that they are free from material misstatement. I am also required to satisfy myself 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.
3. In this report I comment on two issues identified during my audit of the Trust in 2010-11. The first issue is in respect of a senior executive salary award that was not approved by the Department. Consequently I have qualified my regularity opinion on these financial statements. The second issue relates to control weaknesses identified in the area of contracts by Internal Audit. These weaknesses do not impact on my audit opinion due to their immateriality within the Trust's financial statements. However, due to the recurrence of these issues across the health sector I have decided to report.

Regularity issue arising from unauthorised Senior Executive salary award

4. I have qualified my opinion as a result of irregular payments in respect of additional payments of salary made to senior executives in Belfast Trust that were not authorised by the Department. These payments over the period 1 April 2010 to 28 February 2011 were £25,946.
5. In early 2009, the Trust's senior management team was restructured following the departure of three directors. The Trust decided to allocate additional responsibilities to the remaining senior executives, relating to the duties of the three retiring directors who were not replaced, and to recruit a new director at a lower level. The Trust proposed the introduction of an 'additional responsibilities' salary allowance as a means of remunerating those senior executives¹ who had assumed these additional duties and notified the Department in July 2009 of its intention to award these salary allowances. In August 2009 the Trust's

¹ Director of Finance; Director of Planning & Redevelopment; Director of Older People, Medicine and Surgery; Social Services Family and Child Care and Specialist Services

Remuneration Committee approved the payments without the Departmental approval required under Circular HSS (SM) 3/2001 *Senior Executive Pay and Grading Scheme*. Payment commenced from September 2009, effective from 1 June 2009.

6. During September 2009, the Department notified the Trust that there was no scope within the HSC Senior Executive Pay Scheme to pay such allowances to the Trust senior executives due to the suspension, and ongoing review, of the Senior Executive Pay and Grading Scheme. The Trust continued to pay the salary allowances to the senior executives and included these on a monitoring return to the Department in August 2010 which highlighted the payment of the 'additional responsibilities' salary allowances.
7. The Department commissioned an Internal Audit review into the matter a few months later. This review concluded that:
 - the Trust had acted outside its authority in that it had not received formal approval from the Department for the payment of the salary allowances; and
 - the Trust's Remuneration Committee had not sought endorsement of the salary allowances from the Trust's Board, required under HSS (SM) 1/2003 *Senior Executive's Performance Management Scheme*, or questioned the absence of Departmental approval to the proposal.
8. In line with the Department of Finance and Personnel (DFP)'s pay remit guidance² once a Department is satisfied that a pay award is justified the award must be submitted to DFP for approval. In March 2011 DFP:
 - approved additional responsibility allowances paid from the 1 March 2011 until the posts involved were re-evaluated;
 - refused retrospective approval or authorisation to write off the irregular expenditure of
 - £28,813³ for the period June 2009 to March 2010 and
 - £25,946 for the period April 2010 to February 2011;
 - noted concerns with the managerial failings in respect of the process followed and an expectation that the Department would ensure that any repetition was avoided.
9. I acknowledge that the Trust can point to a reduction in total senior executive salaries following the restructuring. However, the increase in salary that was not authorised by the Department and DFP and was irregular. The Trust told me that it would not have been able to implement the new structures and achieve significant savings without the award of temporary additional responsibility allowances. The Trust also told me that it had not been made aware by the Department, until after

² Pay Remit Approval Process and Guidance (2009-10)

³ This report extends to the total irregular expenditure of £54,759 but the regularity qualification extends only to that expenditure incurred in 2010-11 (£25,946)

the event, that there was a “business case” process that it could have followed in relation to this matter. The Trust believes that the basis for these payments was sound – as evidenced by DFP’s and the Department’s eventual approval – but, nonetheless, accepts that it should have waited until it had received formal approval from the Department for the payment of the allowances.

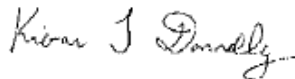
10. In 2008-09, I qualified my regularity opinion on a similar issue in the Northern Ireland Fire and Rescue Service accounts following an irregular salary award to non-uniformed directors. I am disappointed that another case has arisen of unapproved senior staff remuneration in another of the Department’s arm’s length bodies.

Weaknesses in contract expenditure controls

11. During the audits of the five regional HSC trusts my staff reviewed reports prepared by Internal Audit which identified a number of control weaknesses in relation to contracts in the areas of equipment service and maintenance contracts and agency and locum expenditure.
12. This resulted in a limitation on the assurance provided to the Accounting Officer by Internal Audit. The vast majority of Trust procurement is completed through the Business Services Organisation (BSO) which is a Centre of Procurement Excellence. Findings in this report do not relate to this element of procurement. In the Belfast Trust the following issues were identified:
 - the use of single tenders that were not appropriately authorised;
 - rolling forward of contracts without appropriate levels of management authorisation;
 - weaknesses in monitoring of contracts in terms of checking prices to the agreed contract and ensuring service delivery is in line with the contract;
 - absence of, or weaknesses in, formal policies and procedures; and
 - inadequate information systems to support contracts and deficiencies in contract documentation.
13. I recognise that the HSC has undergone significant organisational change and consequently a number of these issues have arisen from legacy arrangements that operated in the trusts merged to form the Belfast Trust. However, I am concerned that four years after the Belfast Trust came into existence management controls had not addressed the points noted by Internal Audit. Consequently I have decided to report on this matter.
14. The Trust has accepted Internal Audit recommendations to improve contract management controls and is addressing them. With the potential regularity and litigation risks associated with poor contract management, added to the potential value for money rewards arising from improvement, I encourage all the trusts to address these weaknesses identified as a priority. I intend to keep this area under

review and will consider the impact of any follow-up work completed by Internal Audit when examining the Trust's financial statements next year.

15. My staff are currently working on a study covering the Use of Locums in Northern Ireland Hospitals. Trusts have contracts in place with a number of external agencies, through the BSO, for the supply of locum doctors. Against the background of these contracts, this report will examine the extent to which the appointment and employment of locum doctors has adhered to approved procedures.
16. I welcome the Belfast Trust's full disclosure of the regularity issue arising from unauthorised Senior Executive salary awards and weaknesses in contract expenditure controls within its Statement on Internal Control. I also note the disclosure of a Serious Adverse Incident concerning possible unauthorised access to records held at the Belvoir Park Hospital site.



KJ Donnelly
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
Belfast BT7 1EU

21 June 2011

BELFAST HEALTH & SOCIAL CARE TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

STATEMENT OF TRUSTS RESPONSIBILITIES IN RELATION TO PATIENTS/RESIDENTS MONIES

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 Trust is required to prepare and submit accounts in such form as the Department may direct.

The Trust is also required to maintain proper and distinct accounting records and is responsible for safeguarding the monies held on behalf of patients/residents and for taking reasonable steps to prevent and detect fraud and other irregularities.

BELFAST HEALTH & SOCIAL CARE TRUST

YEAR ENDED 31 MARCH 2011

ACCOUNT OF MONIES HELD ON BEHALF OF PATIENTS/RESIDENTS

Previous Year	RECEIPTS		
£	Balance at 31/03/2010	£	£
3,756,974	1. Investments (at cost)	3,761,225	
879,393	2. Cash at Bank	804,904	
6,110	3. Cash in Hand	8,417	4,574,546
1,904,952	Amounts Received in the Year		2,020,653
30,792	Interest Received		30,768
6,578,221	TOTAL		6,625,967
PAYMENTS			
2,003,675	Amounts Paid to or on behalf of Patients/Residents		2,011,467
	Balance at 31/03/2011		
3,761,225	1. Investments (at cost)	3,674,568	
804,904	2. Cash at Bank	932,220	
8,417	3. Cash in Hand	7,712	4,614,500
6,578,221	TOTAL		6,625,967

Schedule of investments held at 31 March 2011

Cost Price £	Investment	Nominal Value £	Cost Price £
61,423	GPK Patients Property Account First Trust Deposit Account		61,453
2,000,000	North & West Locality		2,009,195
1,699,802	South & East Locality		1,603,920

I certify that the above account has been compiled from and is in accordance with the accounts and financial records maintained by the Trust.

Director of Finance

Date

Neil Dillon
2/6/11

I certify that the above account has been submitted to and duly approved by the Board

Chief Executive

Date

Colin Donaghy
2/6/11

Belfast Health and Social Care Trust

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

I certify that I have audited the account of Belfast Health and Social Care Trust for the year ended 31 March 2011 under the Health and Personal Social Service (Northern Ireland) Order 1972, as amended.

Respective responsibilities of the Trust and auditor

As explained more fully in the Statement of Trust responsibilities in relation to Patients/Residents Monies, the Trust is responsible for the preparation of the financial statements in accordance with the Health and Personal Social Service (Northern Ireland) Order 1972 and Department of Health, Social Services and Public Safety's directions made thereunder. My responsibility is to audit the financial statements in accordance with the Health and Personal Social Service (Northern Ireland) Order 1972. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the account

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the financial transactions conform to the authorities which govern them.

Opinion on Regularity

In my opinion, in all material respects the financial transactions conform to the authorities which govern them.

Opinion on account

In my opinion:

- the account properly presents the receipts and payments of the monies held on behalf of the patients /residents of Belfast Health and Social Care Trust for the year then ended and balances held at that date; and
- the account has been properly prepared in accordance with the Health and Personal Social Service (Northern Ireland) Order 1972 and Department of Health, Social Services & Public Safety directions issued thereunder.


Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the account is not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit; or
- the Statement on Internal Control does not reflect compliance with the Department of Finance and Personnel's guidance.

Report

I have no observations to make on this account.



*KJ Donnelly
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21 June 2011

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