

**NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2007**

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# NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

### FOREWORD

#### 1. Statutory Background

This is the third statement of accounts of the Northern Ireland Medical and Dental Training Agency.

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

#### 2. Results

For the period ended 31 March 2007 there is a surplus, being an excess of income over expenditure of £67,050.

NIMDTA is funded substantially by grants from the Department of Health, Social Services and Public Safety and also by income received for carrying out activities on behalf of the Central Services Agency. There is also some additional income generated during the year from course fees.

# NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

### STATEMENT OF NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY'S (NIMDTA) RESPONSIBILITIES AND CHIEF EXECUTIVE'S RESPONSIBILITIES

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

In preparing the financial statements the Agency is required to:

- observe the Accounts Direction issued by the Department of Health, Social Services and Public Safety including relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards have been followed, and disclose and explain any material departures in the financial statements;
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Agency will continue in operation;
- keep proper accounting records which disclose with reasonable accuracy at any time the financial position of the Agency; and
- pursue and demonstrate value for money in the services the Agency 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 Dr T McMurray of the Northern Ireland Medical and Dental Training Agency as the Accountable Officer for the Agency. His relevant responsibilities as Accountable Officer, including his responsibility for the propriety and regularity of the public finances for which he is answerable and for the keeping of proper records, are set out in the Accountable Officer Memorandum, issued by the Department of Health, Social Services and Public Safety. The Accountable Officer is also responsible for safeguarding the assets of the Agency and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

**NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY**

**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007**

**CERTIFICATE OF THE CHIEF EXECUTIVE**

I certify that the Annual Accounts and notes thereof as set out in pages 7 to 36 of the financial statements, which I am required to prepare on behalf of the Northern Ireland Medical and Dental Training Agency, have been compiled from and are in accordance with the accounts and financial records maintained by the Agency and with the accounting standards and policies for Health and Personal Social Services approved by the Department of Health, Social Services and Public Safety.

\_\_\_\_\_ Dr T. McMurray \_\_\_\_\_ Chief Executive

\_\_\_\_\_ 4 July 2007 \_\_\_\_\_ Date

**NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY**

**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007**

**CERTIFICATE OF THE CHAIRMAN AND CHIEF EXECUTIVE**

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 7 to 36) as prepared in accordance with the requirements stated in the above Certificate of the Chief Executive have been submitted to and duly approved by the Board.

\_\_\_\_\_ Dr H. McGuigan \_\_\_\_\_ Chairman

\_\_\_\_\_ 4 July 2007 \_\_\_\_\_ Date

\_\_\_\_\_ Dr T. McMurray \_\_\_\_\_ Chief Executive

\_\_\_\_\_ 4 July 2007 \_\_\_\_\_ Date

# NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

### STATEMENT ON INTERNAL CONTROL

The Board of the N.I. Medical & Dental Training Agency is accountable for internal control. As Accounting Officer and Chief Executive of the Board of the N.I. Medical & Dental Training Agency, I have responsibility for maintaining a sound system of internal control that supports the achievement of the policies, aims and objectives, of the organisation and for reviewing the effectiveness of the system.

The system of internal control is designed to manage risk to a reasonable level rather than eliminate the 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, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the N.I. Medical and Dental Training Agency for the year ended 31 March 2007 and up to the date of approval of the annual report and accounts and accords with Department of Finance and Personnel guidance.

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

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

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

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

N.I. Medical & Dental Training Agency has an outsourced internal audit function which operates to defined standards and whose work is informed by an analysis of risk to which the Agency is exposed and audit plans are based upon this analysis. In 2006-07 Internal Audit reviewed the following systems - Financial (Payments, Ordering and Receipts of Goods, Salaries and Wages, Income, Petty Cash, Bank Reconciliations, Credit Card Expenditure, Budgetary Control and Asset Management), reviews were also performed on five Controls Assurance Standards as outlined below.

# NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

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

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

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

With regard to assets, decisions are taken within the context of the procurement and disposal of assets as laid down in relevant policies and legislation.

With regard to Estate Management, decisions are taken within an agreed plan, which prioritises management action based on an assessment of risk. Areas such as Fire Code Compliance, Health and Safety handbook for staff are all reviewed and updated on an annual basis.

In Accordance with the requirements of the DHSSPS, the Agency is required to comply with 21 Controls Assurance Standards, not all of which are relevant to its circumstances. The table below outlines the level of the Agency's compliance with the relevant standards.

Controls Assurance Standard	Compliance Required	Compliance Achieved
Governance	Substantive	Substantive
Financial Management	Substantive	Substantive
Risk Management	Substantive	Substantive
Fire Safety	Substantive	Substantive
Waste Management	Substantive	Moderate
Human Resources	Substantive	Moderate
Health and Safety	Substantive	Moderate
Buildings, Land, Plant and Non Medical Equipment	Moderate	Moderate
Information and Communications Technology	Moderate	Moderate
Environmental Management	Moderate	Moderate
Purchase and Supply	Moderate	Moderate
Records Management	Moderate	Moderate
Security Management	Moderate	Moderate

# NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

During 2006/07 Internal Audit performed work on the following Controls Assurance Standards:

- Governance
- Financial Management
- Risk Management
- Human Resources
- Health and Safety

The level of compliance for Governance, Risk Management and Financial Management was assessed as being 'Substantive', i.e. in excess of 70%, while the level assessed for Human Resources and Health and Safety was 'Moderate', ie between 30% and 69%.

These 5 standards were the only standards validated by Internal Audit.

In response to the internal audit report on these standards, detailed action plans will be developed to address any areas of shortfall.

Apart from fully complying with the risk management system, The Agency will progress further controls assurance work as required by the Department:

- The Agency will continue to develop its controls and procedures to ensure substantive compliance with the Human Resources, Health and Safety and Waste Management controls assurance standards.
- The Agency will systematically gather evidence to demonstrate compliance with all relevant controls assurance standards.
- The Agency will comment on new draft controls assurance standards as and when they are issued by the Department during 2007-2008;
- Initial baseline work on assessing the Agency's compliance with new draft standards will be carried out on each occasion.

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

The Agency's Management operates a process of continual review and improvement of internal controls. This is backed up by an assessment by independent internal auditors. All audit reports and progress against audit recommendations are presented to the Audit Committee, which in turn reports to the Board. The Board is also provided with regular financial and where applicable internal control reports.

By order of the Agency.

Chief Executive Dr T. McMurray  
Northern Ireland Medical and Dental Training Agency

Date 4 July 2007

# NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

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

I certify that I have audited the financial statements of Northern Ireland Medical and Dental Training Agency for the year ended 31 March 2007 under the Health and Personal Social Services (Northern Ireland) Order 1972 as amended. These comprise the Income and Expenditure Account, the Balance Sheet, the Cashflow Statement and Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that I am required to audit.

#### **Respective responsibilities of the Agency, Accountable Officer and Auditor**

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

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

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

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

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

I read the other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. I consider the implications for my certificate if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

#### **Basis of audit opinion**

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgements made by the Agency and Accountable Officer in the preparation of the financial statements, and of whether the accounting policies are most appropriate to the Agency's circumstances, consistently applied and adequately disclosed.

# NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

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

### Opinions

#### Audit Opinion

In my opinion:

- the financial statements give a true and fair view, in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972 as amended and directions made thereunder by the Department of Health, Social Services and Public Safety, of the state of the Agency's affairs as at 31 March 2007 and of its surplus, total recognised gains and losses, and cashflows for the year then ended;
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972 as amended and directions made thereunder by the Department of Health, Social Services and Public Safety; and
- information given within the Annual Report, which comprises a Remuneration Report and information normally contained in a management commentary, is consistent with the financial statements.

#### Audit Opinion on Regularity

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

#### Report

I have no observations to make on these financial statements.



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

27<sup>th</sup> July 2007

NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

REVENUE INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2007

	NOTE	2007 £	2006 £
<b>Income from Activities</b>	2	<u>43,538,831</u>	<u>40,494,425</u>
		43,538,831	40,494,425
<b>Operating Expenses</b>	4, 5	<u>43,458,427</u>	<u>40,420,148</u>
<b>OPERATIONAL (DEFICIT)/SURPLUS BEFORE PROVISIONS</b>		80,404	74,277
Provisions for Future Obligations	7	<u>73,755</u>	<u>44,456</u>
<b>RETAINED SURPLUS FOR THE FINANCIAL YEAR</b>		<u>6,649</u>	<u>29,821</u>
<i>Adjustment to add back:</i>			
Notional cost of capital		30,376	29,404
Other notional costs		<u>30,025</u>	<u>26,781</u>
<b>RETAINED SURPLUS FOR THE FINANCIAL YEAR EXCLUDING NOTIONAL COSTS</b>		<u><b>67,050</b></u>	<u><b>86,006</b></u>

All income and expenditure is derived from continuing activities.  
The notes on pages 17 to 36 form part of these accounts.

NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

CAPITAL INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2007

	NOTE	2007 £	2006 £
<b>Income</b>			
Capital advances from DHSSPS		-	13,000
Proceeds from the disposal of assets		-	2,000
<b>Total Capital Income</b>		-	15,000
<b>Expenditure</b>			
<b>Payments to acquire intangible assets:</b>			
Software licences	8	-	11,024
		-	11,024
<b>Payments to acquire tangible assets:</b>			
Buildings (excluding dwellings)	9	-	1,445
Information Technology	9	1,322	5,280
Furniture and Fittings	9	-	10,372
		1,322	17,097
<b>Total Capital Expenditure</b>		1,322	28,121
<b>(DEFICIT) FOR THE FINANCIAL YEAR</b>		(1,322)	(13,121)

The notes on pages 17 to 36 form part of these accounts.

**NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY**

**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007**

**BALANCE SHEET AS AT 31 MARCH 2007**

		2007		2006	
	NOTE	£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	8		7,355		10,619
Tangible assets	9		<u>347,215</u>		<u>402,047</u>
			354,570		412,666
<b>CURRENT ASSETS</b>					
Stocks and work in progress	10	9,988		7,109	
Debtors: Amounts receivable within one year	11	390,931		210,531	
Cash at bank and in hand		<u>2,744,025</u>		<u>2,465,535</u>	
		3,144,944		2,683,175	
<b>CURRENT LIABILITIES</b>					
<b>Creditors:</b> Amounts falling due within one year	12		<u>(2,300,280)</u>		<u>(2,157,794)</u>
<b>NET CURRENT ASSETS</b>			<u>844,664</u>		<u>525,381</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			1,199,234		938,047
Provisions for Liabilities and Charges	7		<u>(331,344)</u>		<u>(77,789)</u>
<b>TOTAL ASSETS EMPLOYED</b>			<u>867,890</u>		<u>860,258</u>
<b>FINANCED BY:</b>					
<b>Capital Reserve:</b>					
Capital account	13.1		586,053		647,078
Revaluation reserve	13.1		(241,293)		(244,222)
<b>Income and expenditure reserve:</b>					
Revenue	13.2		538,527		471,477
Capital	13.2		<u>(15,397)</u>		<u>(14,075)</u>
			867,890		860,258

The notes on pages 17 to 36 form part of these accounts.

Signed: Dr T. McMurray (Chief Executive) Date: 4 July 2007

NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

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

	2007		2006	
	£	£	£	£
Surplus for the financial year – Revenue		140,805		130,462
Provisions for future obligations		<u>(73,755)</u>		<u>(44,456)</u>
Fixed asset impairment losses	-	67,050	-	86,006
Indexation of fixed assets	<u>2,929</u>	2,929	<u>(5,568)</u>	(5,568)
<b>TOTAL GAINS RECOGNISED IN FINANCIAL YEAR</b>		<u>69,979</u>		<u>80,438</u>

**NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY**

**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2007**

	<b>2007</b>		<b>2006</b>	
	£	£	£	£
<b>Net Cash Inflow from Operating Activities</b> (Note 20.1)		279,812		627,263
<b>Capital Expenditure</b>				
Payments to acquire intangible fixed assets	-		(11,024)	
Payments to acquire tangible fixed assets	(1,322)		(17,097)	
Receipts for sale of tangible fixed assets	-		2,000	
	<u>-</u>		<u>2,000</u>	
<b>Net Cash (Outflow) from Capital Expenditure</b>	(1,322)		(26,121)	
<b>Financing</b>				
Capital Funding	-	(1,322)	13,000	(13,121)
	<u>-</u>	<u>(1,322)</u>	<u>13,000</u>	<u>(13,121)</u>
<b>Increase in Cash</b>		<u>278,490</u>		<u>614,142</u>

The notes on pages 17 and 36 form part of this statement.

# NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

### NOTES TO THE ACCOUNTS

#### 1. STATEMENT OF ACCOUNTING POLICIES

##### 1.1 Authority

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

##### 1.2 Accounting Convention

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

##### 1.3 Basis of Preparation of Accounts

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

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

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

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

Financial Reporting Standard 15 "Tangible Fixed Assets" requires impairment losses on revalued fixed assets to be recognised in the Statement of Total Recognised Gains and Losses until the carrying value of the asset falls below depreciated historic cost, at which stage any further impairments are recognised in the income and expenditure account.

However, where an impairment arises due to consumption of economic benefits FRS 15 "Tangible Fixed Assets" requires the loss to be recognised in the income and expenditure account in its entirety.

In the context of their capital accounting HPSS Agencies take those impairment losses resulting from short term changes in price that are considered to be recoverable, in full to the revaluation reserve. These include impairments resulting from the revaluation of fixed assets from their cost to their value in existing use when they become operational. This may lead to a negative revaluation reserve in certain instances.

NOTES TO THE ACCOUNTS

**Note 1 (cont'd)**

**1.4 Intangible fixed assets**

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

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

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

**1.5 Tangible Fixed Assets**

**Substance over form**

The Department of Health, Social Services and Public Safety retains legal title for all of the Agency's fixed assets. The Agency manages such assets in accordance with guidance issued by the Department. The substance and financial reality of such transactions are accounted for and presented in the accounts rather than their legal form.

**Capitalisation**

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

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

**Valuation**

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

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

# NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

### NOTES TO THE ACCOUNTS

#### Note 1 (cont'd)

The land index is based on the residential building land values reported in the Property Market Report published by the Valuation Office.

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

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

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

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

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

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

#### **Depreciation, amortisation and impairments**

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

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

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

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

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

# NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

### NOTES TO THE ACCOUNTS

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

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

#### **1.7 Research and development**

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

#### **1.8 Stocks and work-in-progress**

Stocks are valued inclusive of VAT. In calculating the cost, the Agency has generally used the average cost or latest purchase price.

#### **1.9 Provisions**

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

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

#### **1.10 Pensions**

The Agency participates in the following defined benefit schemes:

The HPSS Superannuation Scheme.

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

# NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

### NOTES TO THE ACCOUNTS

The University Superannuation Scheme.

This is a defined benefit scheme with employer contributions of 14% of gross pay. The most up to date actuarial valuation was carried out at 31 March 2005. Further information on this scheme can be obtained from the Universities Superannuation Scheme Limited.

The Queen's Retirement Benefit Plan.

This is a defined benefit scheme with employer contributions of 14% of gross pay. The most up to date actuarial valuation was carried out at 31 March 2005. Further information on the scheme can be obtained from the Queen's University of Belfast.

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

#### **1.11 Third Party Assets**

Assets belonging to third parties are not recognised in the accounts since the Agency has no beneficial interest in them. Details of third party assets are given in note 22 to the accounts.

#### **1.12 Leases**

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

#### **1.13 Losses**

This note (Note 19) is a memorandum statement unlike most notes to the accounts which provide further detail of figures in the primary accounting statements. Most of the contents will be included in operating expenses.

#### **1.14 Capital charges**

The Capital Charges scheme involves the Department charging the Agency for the use of fixed assets. This charge comprises depreciation and notional interest (interest currently at 3.5%).

The Agency is not currently funded for capital charges, therefore an offset adjustment is made to the Revenue Income and Expenditure Account.

**NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY**

**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007**

**NOTES TO THE ACCOUNTS**

**2. Income from Activities**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Department of Health, Social Services and Public Safety	42,775,988	39,852,000
Other Public Bodies:		
- Central Service Agency	306,478	242,180
- Queen's University	162,816	151,819
Other Sources:		
- Course Fees	293,549	248,426
<b>Total</b>	<u>43,538,831</u>	<u>40,494,425</u>

**3. Other Operating Income**

There was no other operating income.

**4. Other Operating Expenses**

**4.1 Other Operating Expenses are as follows:-**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Salaries and Wages (excluding Board members remuneration)	3,428,199	2,404,868
Board members remuneration	29,306	26,575
Junior Doctors Salaries	36,918,246	35,018,636
Junior Doctors Study Leave	1,298,137	1,354,586
Establishment	481,442	502,823
Premises	181,257	162,886
Training Courses	706,197	657,435
Recruitment	335,429	201,627
Notional Costs	60,401	56,185
Audit fees	5,398	10,218
Miscellaneous	14,415	24,309
<b>Total</b>	<u>43,458,427</u>	<u>40,420,148</u>

**4.2 Commitments under non-cancellable operating leases are:**

	<b>Land and Buildings</b>	<b>Land and Buildings</b>
	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Operating leases which expire:		
Within 1 year	-	-
Between 1 and 5 years	-	-
After 5 years	965,998	1,086,747
	<u>965,998</u>	<u>1,086,747</u>

**NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY**

**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007**

**NOTES TO THE ACCOUNTS**

**5. Information regarding Board Members and employees**

**5.1 Staff Costs**

	2007		2006	
	Directly employed £	Other £	Total £	Total £
Salaries and wages	3,150,516	9,193	3,159,709	2,210,295
Social security costs	161,316		161,316	121,688
Other pension costs	136,480		136,480	99,460
<b>Total</b>	<b>3,448,312</b>	<b>9,193</b>	<b>3,457,505</b>	<b>2,431,443</b>

Of the total, none has been charged to capital.

**5.2 Average Number of Persons Employed**

	2007		2006	
	Directly employed No.	Other No.	Total No.	Total No.
Medical and dental	24	-	24	16
Ancillaries	0	-	0	1
Administrative and clerical	43	-	43	31
<b>Total</b>	<b>67</b>	<b>-</b>	<b>67</b>	<b>48</b>

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

NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

5.3 Senior Employees' Remuneration

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

Name	2006-07		2005-06	
	Salary, including Performance Pay £000's	Benefits in Kind (rounded to nearest £100) £	Salary, including Performance Pay £000's	Benefits in Kind (rounded to nearest £100) £
<b><u>Non-Executive Members</u></b>				
Dr H McGuigan	10 - 15	-	10 - 15	-
Mr A Baird	0 - 5	-	0 - 5	-
Mrs J Eve	0 - 5	-	0 - 5	-
Dr R Atkinson	0 - 5	-	0 - 5	-
Dr J Marley	0 - 5	-	0 - 5	-
Mrs A Egert	0 - 5	-	0 - 5	-
	£'s		£'s	
<b><u>Executive members</u></b>				
Dr T McMurray (Chief Executive/ Postgraduate Dean)	108,443	-	72,641	-
Dr A McKnight (Director of General Practice Education)	102,749	-	101,226	-
Dr D Hussey (Postgraduate Dental Dean)	40,578	-	33,323	-

Name	Real increase in pension and related lump sum at age 60	Total accrued pension at age 60 and related lump sum	CETV at 31/3/06	CETV at 31/3/07	Real increase in CETV after adjustment for inflation and changes to market investment factors
	£	£	£	£	£
<b><u>Non-Executive Members</u></b>					
Dr H McGuigan	-	-	-	-	-
Mr A Baird	-	-	-	-	-
Mrs J Eve	-	-	-	-	-
Dr R Atkinson	-	-	-	-	-
Dr J Marley	-	-	-	-	-
Mrs A Egert	-	-	-	-	-
<b><u>Executive members</u></b>					
Dr T McMurray (Chief Executive/ Postgraduate Dean)	-	-	426,334	672,535	223,000
Dr A McKnight (Director of General Practice Education)	-	-	-	-	-
Dr D Hussey (Postgraduate Dental Dean)	-	-	-	-	-

# NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

### NOTES TO THE ACCOUNTS

Dr McMurray and Dr Hussey are employees of The Royal Group HSS Trust and The Queens University of Belfast respectively. Their services are provided to the Agency on a secondment basis and the salaries reported above represent the amounts of their total salaries that are allocated by way of recharge to the Agency.

The pension disclosures in relation to Dr McMurray represent his prospective benefits under the HPSS Superannuation Scheme arising out of his employment by The Royal Group HSS Trust.

Dr Hussey and Dr McKnight are members of the Universities Superannuation Scheme. The employer's pension scheme contributions paid by the Agency during the year in respect of Dr McKnight were £14,385 (2006: £14,172) and in the case of Dr Hussey the Agency was recharged £4,736 (2006: £4,705) representing 40% of the employer's contributions paid by The Queens University of Belfast.

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

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

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

#### **5.4 Staff Benefits**

There were no staff benefits.

#### **5.5 Retirements due to ill-health**

During 2006/07 there were no early retirements from the Agency agreed on the grounds of ill-health.

### **6. Public Sector Payment Policy**

#### **6.1 Measure of Compliance**

The Department requires that HPSS bodies pay their non-HPSS trade creditors in accordance with the CBI Prompt Payment Code and Government Accounting Rules.

**NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY**

**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007**

**NOTES TO THE ACCOUNTS**

The Agency's payment policy is consistent with the CBI prompt payment codes and Government Accounting rules and its measure of compliance is:

	<b>2007 Number</b>	<b>2007 £</b>	<b>2006 Number</b>	<b>2006 £</b>
Total bills paid	7,649	5,350,290	7,805	6,666,267
Total bills paid within 30 day target	6,653	4,989,994	5,799	5,443,969
% of bills paid within 30 day target	87%	93%	74%	82%

**6.2 The late payment of Commercial Debts Regulations 2002**

There was no interest payable under this legislation.

**7. Provisions for Liabilities and Charges**

	<b>Pensions relating to other staff £</b>	<b>Clinical Negligence £</b>	<b>Restructuring £</b>	<b>Other £</b>	<b>2007 Total £</b>	<b>2006 £</b>
At 1 April 2006	-	-	-	77,789	77,789	33,333
Transfer from Creditors	-	-	-	179,800	179,800	-
Arising during the year	-	-	-	117,787	117,787	44,032
Utilised during the year	-	-	-	(6,268)	(6,268)	-
Reversed unused	-	-	-	(37,764)	(37,764)	-
Change in discount rate	-	-	-	-	-	424
Change in discount rate	-	-	-	-	-	-
Unwinding of discount	-	-	-	-	-	-
At 31 March 2007	-	-	-	331,344	331,344	77,789

**NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY**

**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007**

**NOTES TO THE ACCOUNTS**

**Expected Timing of Cash Flow**

	<b>Pensions relating to former directors £</b>	<b>Pensions relating to other Staff £</b>	<b>Clinical Negligence £</b>	<b>Restructuring £</b>	<b>Other £</b>	<b>2007 Total £</b>	<b>2006 £</b>
Within 1 year	-	-	-	-	331,344	331,344	-
1-5 years	-	-	-	-	-		77,789
Over 5 years	-	-	-	-	-		-

Discussions are ongoing regarding the GP Registrar Car Allowance. The Agency believes that a final resolution will not have any impact on the financial statements for the year.

**8. Intangible Fixed Assets**

	<b>Software licences £</b>
<b>Cost or Valuation</b>	
At 1 April 2006	22,377
Indexation	-
Additions - purchased	-
Additions - donated	-
Reclassifications	-
Other Revaluation	-
Impairments	-
Disposals	-
At 31 March 2007	<u>22,377</u>
<b>Amortisation</b>	
At 1 April 2006	11,758
Indexation	-
Transfers	-
Revaluation	-
Impairments	-
Disposals	-
Provided during year	<u>3,264</u>
At 31 March 2007	<u>15,022</u>
<b>Net Book Value</b>	
<b>At 31 March 2007:</b>	
- Purchased	7,355
- Donated	-
<b>Total</b>	<u><u>7,355</u></u>
<b>At 31 March 2006:</b>	
- Purchased	10,619
- Donated	-
<b>Total</b>	<u><u>10,619</u></u>

**NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY**

**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007**

**NOTES TO THE ACCOUNTS**

**9. Tangible Fixed Assets**

**9.1 Tangible fixed assets comprise the following elements:**

**Purchased Assets**

	<b>Land</b>	<b>Buildings (excluding dwellings)</b>	<b>Information Technology (IT)</b>	<b>Furniture and Fittings</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost or Valuation</b>					
At 1 April 2006	-	259,554	190,724	134,774	585,052
Indexation	-	10,522	(16,828)	977	(5,329)
Additions	-	-	1,322	-	1,322
Transfers	-	-	-	-	-
Revaluation	-	-	-	-	-
Reclassifications	-	-	-	-	-
Impairments	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 March 2007	-	270,076	175,218	135,751	581,045
<b>Depreciation</b>					
At 1 April 2006	-	41,958	115,010	26,037	183,005
Indexation	-	1,701	(10,148)	189	(8,258)
Transfers	-	-	-	-	-
Revaluation	-	-	-	-	-
Reclassification	-	-	-	-	-
Impairments	-	-	-	-	-
Disposals	-	-	-	-	-
Provided during the year	-	13,504	32,002	13,577	59,083
At 31 March 2007	-	57,163	136,864	39,803	233,830
<b>Net Book Value</b>					
At 31 March 2007	-	212,913	38,354	95,948	347,215
At 31 March 2006	-	217,596	75,714	108,737	402,047

Of the total net book value at 31 March 2007, £212,913 related to buildings, installations and fittings valued at open market value for alternative use.

**Donated Assets**

There were no donated assets.

**NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY**

**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007**

**NOTES TO THE ACCOUNTS**

**9.2 Total Fixed Assets**

	<b>Purchased</b>	<b>2007 Donated</b>	<b>Total</b>	<b>2006</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Net book value:</b>				
Land	-	-	-	-
Buildings (excluding dwellings)	212,913	-	212,913	217,596
Information Technology	38,354	-	38,354	75,714
Furniture	95,948	-	95,948	108,737
Total Tangible Fixed Assets	347,215	-	347,215	402,047
Total Intangible Fixed Assets	7,355	-	7,355	10,619
Total Assets	354,570	-	354,570	412,666

**9.3 The net book value of land and buildings comprises:**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Freehold	-	-
Long leasehold	-	-
Short leasehold	212,913	217,596
	212,913	217,596

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

There are no assets held under finance leases or hire purchase contracts.

NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

**10. Stocks and Work in Progress**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Finished goods	<u>9,988</u>	<u>7,109</u>
<b>Total</b>	<u>9,988</u>	<u>7,109</u>

**11. Debtors**

<b>2007</b>	<b>2006</b>
<b>£</b>	<b>£</b>

**11.1 Debtors: Amounts falling due within one year**

HPSS or NHS debtors	306,982	100,503
DHSSPSNI		-
Sundry Debtors	48,666	81,817
Prepayments	<u>35,283</u>	<u>28,211</u>
<b>Total</b>	<u>390,931</u>	<u>210,531</u>

**11.2 Debtors: Amounts falling due after more than one year**

There are no debtors due after one year.

**11.3 Intra-government balances (Debtors)**

	Debtors		Debtors	
	Amounts falling due within 1 year 2006/07 £	Amounts falling due within 1 year 2005/06 £	Amounts falling due after 1 year 2006/07 £	Amounts falling due after 1 year 2005/06 £
DHSSPSNI	-	-	-	-
Other central government bodies				
HPSS Bodies	<u>306,982</u>	<u>100,503</u>	-	-
Intra-Government Balances	306,982	100,503	-	-
Balances with bodies external to government	<u>83,949</u>	<u>110,028</u>	-	-
Total Debtors at 31 March	<u>390,931</u>	<u>210,531</u>	-	-

NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

**12. Creditors**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
<b>12.1 Creditors: Amounts falling due within one year</b>		
HPSS or NHS creditors and accruals	404,309	638,663
Non HPSS or NHS trade revenue creditors	1,895,971	1,508,804
Other accruals	-	10,327
	<hr/>	<hr/>
<b>Sub Total</b>	<b>2,300,280</b>	<b>2,157,794</b>
	<hr/>	<hr/>

**12.2 Creditors: Amounts falling due after more than one year**

There are no creditors due after one year.

**12.3 Intra-government balances (Creditors)**

	Creditors		Creditors	
	Amounts falling due within 1 year 2006/07 £	Amounts falling due within 1 year 2005/06 £	Amounts falling due after 1 year 2006/07 £	Amounts falling due after 1 year 2005/06 £
Other central government bodies HPSS	404,309	638,663	-	-
	<hr/>			
Intra-Government Balances	404,309	638,663	-	-
Balances with bodies external to government	1,895,971	1,519,131	-	-
	<hr/>			
Total Creditors at 31 March	2,300,280	2,157,794	-	-
	<hr/>			

**12.4 Finance lease obligations**

There were no finance lease obligations.

NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

13. Movements on Reserves

13.1 Movement on Capital Reserves

	Capital Account £	Revaluation Reserve £	Donation Reserve £	Other reserves £	Total £
At 1 April 2006	647,078	(244,222)	-	-	402,856
Additions	1,322	-	-	-	1,322
Transfers	-	-	-	-	-
Disposals and write-offs			-	-	0
Depreciation- capital charges	(62,347)	-	-	-	(62,347)
Depreciation- other	-	-	-	-	-
Revaluation and indexation of fixed assets	-	2,929	-	-	2,929
Transfer of realised profits/ (losses)	-	-	-	-	-
Movements in donation reserves	-	-	-	-	-
Fixed Asset Impairments	-		-	-	-
Other reserve movements	-	-	-	-	-
At 31 March 2007	586,053	(241,293)	-	-	344,760

NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

NOTES TO THE ACCOUNTS

**13.2 Movement on Income and Expenditure Reserves**

	<b>Revenue £</b>	<b>Capital £</b>	<b>Total £</b>
At 1 April 2006	471,477	(14,075)	457,402
Retained surplus/(deficit) for the year	67,050	(1,322)	65,728
	<hr/>	<hr/>	<hr/>
At 31 March 2007	538,527	(15,397)	523,130
	<hr/>	<hr/>	<hr/>

**14. Private Finance Transactions**

**14.1 PFI Schemes deemed to be off balance sheet**

There were no private finance transactions.

**15. Capital Commitments**

There were no capital commitments at the balance sheet date.

**16. Post Balance Sheet Events**

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

**17. Contingent Liabilities**

Discussions are ongoing regarding the GP Registrar Car Allowance. The Agency believes that a final resolution will not have any impact on the financial statements for the year.

**18. Related party transactions**

During the current year and previous year, none of the board members, members of the key management staff or other related parties have undertaken any material transactions with the Agency.

**NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY**

**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007**

**NOTES TO THE ACCOUNTS**

**19. Analysis of Losses and Special Payments**

TYPE OF LOSS	NUMBER OF CASES	VALUE £
1. Cash Losses –Theft, fraud etc	-	-
2. Cash Losses – Overpayments of salaries, wages and allowances	-	-
3. Cash Losses – Other causes (including unvouched and incompletely vouched payments)	-	-
4. Nugatory and fruitless payments – Abandoned Capital Schemes	-	-
5. Other nugatory and fruitless payments	-	-
6. Bad debts and claims abandoned	-	-
7. Stores and Inventory Losses – theft, fraud, arson (whether proved or suspected) etc		
i. Bedding and linen	-	-
ii. Other equipment and property	-	-
8. Stores and Inventory Losses – Incidents of the service (result of fire, flood, etc)	-	-
9. Stores and Inventory Losses – Deterioration in store	-	-
10. Stores and Inventory Losses – Stocktaking discrepancies	-	-
11. Stores and Inventory Losses – Other causes		
i. Bedding and linen	-	-
ii. Other equipment and property	-	-
12. Compensation payments (legal obligation)		
i. Clinical negligence	-	-
ii. Public liability	-	-
iii. Employers liability	-	-
13. Ex-gratia payments – Compensation payments (including payments to patients and staff)	-	-
14. Ex-gratia payments – Other payments	-	-
15. Extra statutory payments		
16.    i. Losses sustained as a result of damage to buildings and fixtures arising from bomb explosions or civil commotion.	-	-
ii. Damage to vehicles	-	-
<b>TOTAL</b>	<b>NIL</b>	<b>NIL</b>

**19.1 Special Payments**

The Northern Ireland Medical and Dental Training Agency did not make any special payments or gifts during the financial year.

**NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY**

**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007**

**NOTES TO THE ACCOUNTS**

**20. Notes to the Cash Flow Statement**

**20.1 Reconciliation of operating surplus to net cash inflow from operating activities**

	<b>2007</b>
	<b>£</b>
Operating surplus after provisions	67,050
Provisions for future obligations (I&E Account)	73,755
(Increase)/decrease in stocks	(2,879)
(Increase)/decrease in debtors	(180,400)
Increase/(decrease) in creditors	<u>322,286</u>
<b>Net cash inflow from operating activities</b>	<b><u><u>279,812</u></u></b>

**20.2 Reconciliation of net cash flow to movement in net debt**

	<b>2007</b>
	<b>£</b>
Increase in cash in the period	278,490
Net cash / debt at 1 April 2006	<u>2,465,535</u>
Net cash / debt at 31 March 2007	<u><u>2,744,025</u></u>

**20.3 Analysis of changes in net funds/debt**

	<b>At 1 April 2006 £</b>	<b>Cash flows £</b>	<b>Non-cash changes £</b>	<b>At 31 March 2007 £</b>
Cash at bank and in hand	2,465,535	278,490	-	2,744,025
Bank overdrafts	-	-	-	-
Finance leases	-	-	-	-
Current asset investments	-	-	-	-
	<u>2,465,535</u>	<u>278,490</u>	<u>-</u>	<u><u>2,744,025</u></u>

# NORTHERN IRELAND MEDICAL AND DENTAL TRAINING AGENCY

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

### NOTES TO THE ACCOUNTS

#### **21. Financial Instruments**

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

#### **22. Third party assets**

The Agency did not hold any third party assets.