

**PUBLIC HEALTH AGENCY
ANNUAL ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2011**

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*Laid before the Northern Ireland Assembly
under Schedule 2, para 17(5) of the Reform Act for the Regional Agency, by the
Department of Health, Social Services and Public Safety.*

on

29th June 2011

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PUBLIC HEALTH AGENCY

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

FOREWORD

These accounts for the year ended 31 March 2011 have been prepared in a form determined by the Department of Health, Social Services and Public Safety (DHSSPS) based on guidance from the Department of Finance and Personnel's Financial Reporting Manual (FReM) and in accordance with the requirements of the Health and Social Care (Reform) Act (Northern Ireland) 2009.

PUBLIC HEALTH AGENCY

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

STATEMENT OF PUBLIC HEALTH AGENCY 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) and the Health and Social Care (Reform) Act (Northern Ireland) 2009, the Public Health Agency (PHA) 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 Public Health Agency of its expenditure and cash flows for the financial year.

In preparing the financial statements the Public Health 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 Public Health Agency will continue in operation;
- keep proper accounting records which disclose with reasonable accuracy at any time the financial position of the Public Health Agency; and
- pursue and demonstrate value for money in the services the Public Health 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 Eddie Rooney of the Public Health Agency as the Accounting Officer for the Public Health Agency. His relevant responsibilities as Accounting Officer, including his responsibility for the propriety and regularity of the public finances for which he is answerable and for the keeping of proper records, are set out in the Accountable Officer Memorandum, issued by the Department of Health, Social Services and Public Safety. The Accounting Officer is also responsible for safeguarding the assets of the Public Health Agency and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

PUBLIC HEALTH AGENCY

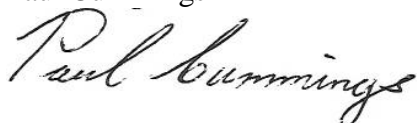
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

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 23-57) which I am required to prepare on behalf of the Public Health Agency have been compiled from and are in accordance with the accounts and financial records maintained by the Health and Social Care Board on behalf of the Public Health Agency and with the accounting standards and policies for HSC bodies approved by the Department of Health, Social Services and Public Safety.

Paul Cummings

Director of Finance



Date

8/6/11

I certify that the Annual Accounts set out in the financial statements and notes to the accounts (pages 19 to 57) as prepared in accordance with the above requirements have been submitted to and duly approved by the Board.

Mary McMahon

Chairman



Date

8/6/11

E P Rooney

Chief Executive



Date

8/6/11

PUBLIC HEALTH AGENCY

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

I certify that I have audited the financial statements of the Public Health Agency for the year ended 31 March 2011 under the Health and Social Care (Reform) Act (Northern Ireland 2009, 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 Public Health Agency, Chief Executive and auditor

As explained more fully in the Statement of the Public Health Agency and Chief Executive's Responsibilities, the Public Health Agency 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 Health and Social Care (Reform) Act (Northern Ireland 2009, 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 Public Health Agency's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Public Health Agency; 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.

Opinion on Regularity

In my opinion, 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 Public Health Agency 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 Social Care (Reform) Act (Northern Ireland 2009, as amended and Department of Health, Social Services and 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 Social Care (Reform) Act (Northern Ireland 2009, as amended, and Department of Health, Social Services and Public Safety directions issued thereunder; and
- the information given in Directors' Reports and Management Commentary 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

I have no observations to make on these financial statements.



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

27 June 2011

PUBLIC HEALTH AGENCY

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

STATEMENT ON INTERNAL CONTROL

Scope of Responsibility

The board of the Public Health Agency is accountable for internal control. As Accounting Officer and Chief Executive of the Agency, 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.

As Chief Executive, I exercise my responsibility by ensuring that an adequate system for the identification, assessment and management of risk is in place. I have in place a range of organisational controls, commensurate with officers' current assessment of risk, designed to ensure the efficient and effective discharge of Agency 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.

A range of processes and systems are in place to support the close working between the PHA and its partner organisations, primarily the Health and Social Care Board and the Business Services Organisation, as they provide essential services to the PHA (including finance) and in taking forward the health and wellbeing agenda.

Systems are also in place to support the inter-relationship between the PHA and the DHSSPS, through regular meetings and submitting regular reports.

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 Public Health Agency for the year ended 31 March 2011, and up to the date of the approval of the Annual Report and Annual Accounts and accords with Department of Health, Social Services and Public Safety.

STATEMENT ON INTERNAL CONTROL (Cont'd)

The board of the Public Health Agency exercises strategic control over the operation of the organisation through a system of corporate governance, including:

- A schedule of matters reserved for board decisions, some of which may have been delegated to Committees;
- A scheme of delegation, which devolves decision making authority within set parameters to the Chief Executive and other officers;
- Standing Orders and Standing Financial Instructions, which set out the Agency's governance regulations;
- The operation of a Governance and Audit Committee (comprised of Non Executive Directors) to assure adherence to those regulations; and,
- The operation of a Remuneration and Terms of Service Committee (also comprised of Non Executive Directors) to ensure appropriate remuneration of Senior Executives and Consultants within Departmental policy.

With regard to the wider control environment the PHA has in place a range of organisational controls, commensurate with the current assessment of risk, designed to ensure the efficient and effective discharge of its business in accordance with the law and departmental direction. Every effort is made to ensure that the objectives of the PHA are pursued in accordance with the recognised and accepted standards of public administration. For example the PHA's Human Resource (HR) policies are based on the principle of equality of opportunity and controls are in place to ensure that all related decisions are taken in accordance with relevant legislation.

Capacity to handle risk

The Agency has continued to discharge its functions in a way that ensures risks are managed as effectively and efficiently as possible to meet corporate objectives and to continuously improve the quality of services. During the year the Agency recruited a Senior Operations Manager (Delivery) to further strengthen and manage the Governance and Risk functions within the organisation. This post will focus on further developing and embedding areas such as controls assurance and risk management ensuring these are linked to clear objectives, with sound practices across the PHA and effective monitoring arrangements.

The Agency has a designated executive member of the board with responsibility for risk management. The Governance and Audit Committee, met 4 times during the past year, and has reported regularly to the Agency board on a range of governance issues including risk. The corporate risk register is reviewed quarterly by the Agency Management Team and Governance and Audit Committee.

During the past year 3 financial control risks were amalgamated into one corporate risk, 3 risks were de-escalated to Directorate risk registers (Working in partnership, commissioning and European Centre for Connected Health) and two new risks identified and escalated to the corporate risk register (media handling and PR opportunities and BSO finance input to year end accounts).

The Regulation and Quality Improvement Authority has not carried out any clinical and social care governance or thematic reviews within the Public Health Agency itself during this reporting period.

STATEMENT ON INTERNAL CONTROL (Cont'd)

During the period, a programme of training sessions was developed and put in place to acquaint all PHA staff with organisational protocols on corporate issues such as governance, risk management, health and safety, finance, information governance, equality and complaints. Training took place during February and March 2011 across all offices.

This training programme had the following outcomes:

- Better understanding, identification and management of corporate risk issues.
- Better protection of information held by the organisation and maximising its security.
- Improving understanding current organisational protocols and how these should be applied.
- Ensuring that all staff remain 'risk aware' as they go about their work each day.
- Updating and refreshing staff on issues relating to health and safety, security and fire safety that affect them as employees and individuals within the organisation

Annual fire safety awareness training was delivered to staff and fire evacuation exercises were undertaken in each of the PHAs facilities and within those where PHA staff are located in HSCB facilities. Additionally, a Fire Risk Assessment and Health and Safety Assessment have been completed for all PHA facilities.

The risk and control framework

The Agency continues to implement an Interim Governance Assurance Framework which is closely linked to the four HSC accountability domains namely:

1. Corporate Control – the arrangements by which the PHA directs and controls its functions and relates to stakeholders.
2. Safety and Quality – the arrangements for ensuring that health and social care services are safe and effective and meet patients' needs.
3. Finance – the arrangements for ensuring the financial stability of the PHA, for ensuring value for money and ensuring that resources allocated by the Minister/DHSSPS are deployed fully in achievement of agreed outcomes.
4. Operational Performance and Service Improvement – the arrangements for ensuring the delivery of Governance and Ministerial targets and required service improvements.

This interim framework provides the systematic assurance required by the Agency board on the effectiveness of the system of internal control by highlighting the reporting and monitoring mechanisms that are necessary to ensure that the PHA carries out its functions.

Work was advanced during 2010/11 to replace the interim framework with an overarching Governance Framework. The framework will consist of a suite of documents that will cover all domains of governance associated with the functions of the Agency and will provide direction for the Agency in terms of meeting governance requirements placed upon it by DHSSPS. The final phase of developing this framework will be completed by October 2011.

STATEMENT ON INTERNAL CONTROL (Cont'd)

Managing Risk

To ensure the robustness of the Agency's system of internal control, fully functioning risk registers at both directorate and corporate levels continue to be reviewed and updated on a regular basis. This ensures that risks are managed effectively and efficiently to meet corporate objectives and to continuously improve the quality of services.

Processes are established within each directorate enabling risks to be identified, controls and/or gaps in controls highlighted and where relevant action to be taken to mitigate the risk. Directors and senior officers also identify risks which require to be escalated to the corporate risk register.

Both directorate and corporate registers have been aligned to the four domains contained within the Interim Governance Framework as outlined above as well as the corporate objectives of the organisation.

New risks continue to be assessed and graded in line with the DHSSPS "An Assurance Framework: *A Practical Guide for Boards of the DHSSPS Arms Length Bodies*".

The directorate and corporate risk registers are reviewed and updated on a quarterly basis; the corporate risk register is approved the Agency Management Team and by the Governance and Audit Committee as a standing item on each Governance and Audit Committee meeting. It is brought to the full PHA public board at least once during the year, and twice during 2010/11.

Business Continuity

The Agency's Business Continuity Plan which has been extensively reviewed this year outlines the processes by which the business critical functions of the PHA can be recovered to an effective working level in the event of a serious interruption to the functioning of the Agency.

The Business Continuity Plan identifies, those functions deemed as being 'business critical' and provides detail as to how these functions will be dealt with during a serious interruption.

There has been liaison with other HSC organisations in an attempt to determine where collaborative approaches can be taken during a serious interruption.

PHA will further develop its Business continuity Plan in 2011/12 to ensure that it meets BS25999 standards and is working with the Regional Business Continuity Project Group in doing this.

Emergency Preparedness

The PHA has led on the development of joint Emergency Preparedness & Response Arrangements with the HSCB and the BSO; a Joint Response Plan was approved by each of the organisations' senior management teams in March 2011. These arrangements set out the operational processes to be followed in order to assess and action the appropriate level of joint response required by the three organisations on notification of a potential major incident in Northern Ireland. The arrangements reflect the roles and responsibilities of the respective organisations as outlined in the DHSSPS Policy Circular HSC (PHD) Communication 1/2010.

STATEMENT ON INTERNAL CONTROL (Cont'd)

The responsibility for leading on emergency preparedness and response falls to the Health Protection division within the PHA. A joint emergency preparedness working group, with representation from BSO, PHA and HSCB, was established and met regularly to oversee the development and testing of the emergency preparedness plan. The plan will continue to be reviewed and refined on an ongoing basis including learning from exercises and responses to real incidents.

During 2010/11 a number of specialist training workshops were developed for key staff from the PHA, HSCB and BSO. All staff were given general awareness of the Joint Response Emergency Plan through the mandatory operational training.

Key PHA staff within this area of expertise are also required to work with HSCB colleagues in relation to the performance management of HSC Trusts in relation to Emergency Preparedness and response.

During 2010/2011 the Emergency Preparedness achieved a Controls Assurance Standards substantive compliance. This high level of preparedness was highlighted during the period with an Internal Audit report stating that standards were satisfactory. Further work in enhancing this level of preparedness will be carried out in the coming year.

The PHA complies fully with the statutory duties set out under Section 75 of the NI Act 1998. An equality screening was undertaken by members of the Emergency Planning Working Group and no major differential impacts were found.

Stakeholder Involvement

The Director of Nursing and Allied Health Professionals has responsibility for leading on Personal and Public Involvement (PPI), supported by the Assistant Director of AHPs & PPI.

To meet the legislative requirements placed on the PHA under sections 19 and 20 of the Health and Social Care (Reform) Act (Northern Ireland) 2009 in respect of PPI, the Agency submitted its draft Consultation Scheme to the DHSSPS in December 2009. This was developed in close liaison with the HSCB and PCC with input from a range of community and voluntary sector stakeholders. The advice received from these stakeholders as to how the PHA should further develop PPI, working in collaboration with other HSC organisations is outlined in the draft Consultation Scheme.

Building upon this the PHA has:

- * Appointed a Regional PPI Lead Officer and a supporting Senior PPI Officer to lead, guide and support PPI internally and externally.
- * Developed a draft PPI Strategy & Action Plan to Guide and Direct PPI across the organisation.
- * Established the Regional HSC PPI Forum to drive forward the PPI agenda across the HSC, sharing models of best practice and to foster collaboration with respect to embedding PPI into the culture and practice of the HSC.
- * Established a joint PPI working group with the HSCB to take PPI forward throughout our respective organisations.

STATEMENT ON INTERNAL CONTROL (Cont'd)

Information Risk

During the period the PHA has reviewed its range of interim information governance policies and added a suite of IT security policies, to reduce information risks. All policies are on the PHA intranet site. Mandatory awareness training on Information Governance has been provided to all staff, along with specialised personal data guardian training for 3 senior staff. Assessment of compliance with Controls Assurance Standards for both ICT and Records Management along with an internal audit of Information Governance have been completed during the year. An action plan arising from the 2009/10 Records Management Controls Assurance Standard assessment and the 2009/10 Internal Audit report on Information Governance was developed and reports on progress, highlighting any delays or issues, brought to the Governance and Audit Committee.

The PHA is not aware of any incidences of data loss during the year.

In 2010/11 information governance support continued to be provided to the PHA as a service by the HSCB. While it was planned to develop an Information Governance Strategy and Action Plan in 2010/11, due to limited HSCB staffing resources to support this work progress was limited.

From May 2011 the PHA will assume full responsibility for its information governance support, and to this end has recently appointed a Governance Manager (to take up post May 2011), who will take this work forward as a priority in 2011/12. Regular reports will continue to be brought to the Governance and Audit Committee.

Information risks are described in the Operations Directorate Risk Register and control measures are identified and reviewed as required.

Incident Reporting

The PHA working with the HSCB has commenced the arrangements for developing a Regional Adverse Incident Learning System (RAIL). The Project Management arrangements are in place with a Project Manager appointed. Key workstreams have been agreed and leads identified to take the work forward.

STATEMENT ON INTERNAL CONTROL (Cont'd)
Controls Assurance Standards

During 2010/11 the Public Health Agency systematically self assessed its level of compliance with the applicable Controls Assurance Standards. The levels of compliance achieved by the PHA are set out in the table below:

Standard	DHSSPS Expected Level of Compliance	Level of Compliance 2010/11	Verified by Internal Audit
Buildings, land, plant and non-medical equipment	70% - 99% (Substantive)	77% (Substantive)	-
Decontamination of medical devices	70% - 99% (Substantive)	N/A	-
Emergency Planning	70% - 99% (Substantive)	77% (Substantive)	BSO IA
Environmental Cleanliness	70% - 99% (Substantive)	N/A	-
Environment Management	70% - 99% (Substantive)	73% (Substantive)	-
Financial Management (Core Standard)	70% - 99% (Substantive)	83% (Substantive)	BSO IA
Fire safety	70% - 99% (Substantive)	83% (Substantive)	-
Fleet and Transport Management	70% - 99% (Substantive)	N/A	-
Food Hygiene	70% - 99% (Substantive)	N/A	-
Governance (Core Standard)	70% - 99% (Substantive)	78% (Substantive)	BSO IA
Health & Safety	70% - 99% (Substantive)	76% (Substantive)	-
Human Resources	70% - 99% (Substantive)	81% (Substantive)	-
Infection Control	70% - 99% (Substantive)	N/A	-
Information Communication Technology	70% - 99% (Substantive)	73% (Substantive)	-
Management of Purchasing and Supply	70% - 99% (Substantive)	77% (Substantive)	-
Medical Devices and Equipment Management	70% - 99% (Substantive)	N/A	-
Medicines Management	70% - 99% (Substantive)	N/A	-
Records Management	70% - 99% (Substantive)	67% (Moderate)	
Research Governance	70% - 99% (Substantive)	78% (Substantive)	-
Risk Management (Core Standard)	70% - 99% (Substantive)	73% (Substantive)	BSO IA
Security Management	70% - 99% (Substantive)	80% (Substantive)	-
Waste Management	70% - 99% (Substantive)	77% (Substantive)	-

STATEMENT ON INTERNAL CONTROL (Cont'd)

Financial Control Framework and Assurance

The system of internal financial control was based on the systematic regular monitoring of financial information, comprehensive administrative procedures including appropriate segregation of duties and a formal framework of structured delegation and associated accountability.

In particular it included:

- Comprehensive budgeting systems with an Annual Financial Plan, which was reviewed and agreed by the Board;
- Regular reviews by the board of periodic annual financial reports, which indicated financial performance against the forecast on the main areas of Agency activity;
- Setting targets to measure financial and other performances;
- Clearly defined capital investment control guidelines to safeguard assets;
- As appropriate, formal delegated budget management processes; and
- Systematic scrutiny by an independent internal audit.

All legal services for the PHA are acquired from BSO Legal Services Directorate and no other independent legal services are used.

Internal Audit

The Agency secured an independent Internal Audit function which operated to defined standards and whose work plan, which was approved by the PHA Governance and Audit Committee, was informed by an analysis of risk to which the Agency was exposed. During the period Internal Audit reviewed a number of systems and processes.

Internal audit reviewed PHA financial controls, management of contracts in the voluntary and community sector, research and development, risk management and emergency planning; satisfactory assurance has been given for all areas. Internal audit also undertook a review of the controls in place within 3 voluntary organisations funded by the PHA, in support of funded expenditure and activity. Actions are being taken forward to address all the findings and recommendations in the reports. A number of priority one findings were identified within these reports; the PHA has taken steps and is addressing these recommendations.

PHA management also requested Internal Audit to undertake a consultancy exercise looking at the governance arrangements in place for the Safety Forum as it transferred from the South Eastern HSC Trust to the PHA, to inform the establishment of robust new governance arrangements.

Internal audit also reviewed information governance arrangements; limited assurance has been given. It is acknowledged that progress on information governance has been limited during 2010/11, as information governance support continued to be provided to the PHA by HSCB, with limited staff. From May 2011 PHA will assume full responsibility for its own information governance support and to this end has recently appointed a Governance Manager who will ensure that the recommendations are addressed as quickly as possible. Regular reports on progress against the action plan will be brought to Governance and Audit Committee.

STATEMENT ON INTERNAL CONTROL (Cont'd)

Significant Internal Control Issues (including progress on previous years)

RPA/ Staffing

During 2010/11 the PHA continued to progress the population of all its structures. The majority of posts have now been filled.

Significant delays in progressing the Operations Directorate tier 4 and 5 posts, due to HR processes and limited capacity, with priority given to filling public health and nursing/AHP posts within the PHA were highlighted in the Mid Year Assurance Statement (October 2010). This has resulted in slow progress in developing and implementing corporate business (including new corporate and information governance strategies). However several new staff took up post during the second half of the year, which will enable the PHA to progress this area of work.

The PHA has continued to rely on the HSCB for information governance support over the past year; however a new member of staff commences with PHA in May 2011 who will take over the information governance function within the PHA.

The appointment of the two (tier 4 and 5) Governance/Operational services posts within the PHA will mean that the staff undertaking this work will have greater understanding of the PHA ensuring that governance arrangements are appropriate and embedded and that PHA work is prioritised. However it is recognized that there will still be challenges in taking forward the significant and growing corporate business programme of work, including corporate and information governance, with the small number of Operational services staff available to the PHA. PHA staff will however continue to work closely with HSCB and BSO colleagues in taking forward this work. The PHA will also continue to keep its Operational Services resources under review.

Information Governance and Records Management

During 2010/11 Information governance received a limited assurance from internal audit and the Records Management controls assurance standard was assessed as moderate by PHA.

In 2010/11 information governance support continued to be provided to the PHA as a service by the HSCB. While it was planned to develop an Information Governance Strategy and Action Plan in 2010/11, due to limited HSCB staffing resources to support this work progress was limited.

During the period however, some progress was made. The PHA reviewed its range of interim information governance policies and added a suite of IT security policies, to reduce information risks. All policies are on the PHA intranet site. Mandatory awareness training on Information Governance was provided to all staff, along with specialized personal data guardian training for 3 senior staff. An action plan arising from the 2009/10 Controls Assurance Standards assessment and Internal Audit report was developed and reports on progress, highlighting any delays or issues, brought to the Governance and Audit Committee.

From May 2011 the PHA will assume full responsibility for its information governance support, and to this end has recently appointed a Governance Manager (to take up post May 2011), who will take this work forward as a priority in 2011/12. A revised action plan has been prepared identifying how the recommendations in the internal audit report and issues from the records management controls assurance standard will be addressed. Regular reports will continue to be brought to the Governance and Audit Committee.

STATEMENT ON INTERNAL CONTROL (Cont'd)

Information risks are described in the Operations Directorate Risk Register and control measures are identified and reviewed as required.

Services from HSCB and BSO

The PHA is reliant on both the HSCB and BSO for essential services, including finance (management accounts) from HSCB, and finance (transactional services), IT, procurement and HR from BSO. Over the past year there have been a number of difficulties, in respect of the finance support available to PHA staff, the level of IT support available (and the robustness of the IT systems and infrastructure), and the capacity within services such as BSO Procurement and Logistics Service (PALS) and HR to provide the level of service required by the PHA. Management of these problems is difficult as they are outside of PHA control.

In mitigation, the PHA has strengthened its monitoring arrangements, and through the Operations Directorate has established regular meetings with individual services including finance, IT and PALS. The Agency will continue to monitor the services provided, and meet on a regular basis with the relevant senior managers to seek improvements where possible. Additionally major concerns will continue to be escalated through the Chief Executives of the respective organisations where necessary.

Finance and taking forward the PHA agenda

Financial pressures continued to be a significant feature during 2010/11, with the PHA budget for 2010/11 reduced by £3.5 million.

It is clear that this will continue to be a problem during 2011/12, with further reductions to the PHA budget, impacting on the ability of the PHA to take forward some key areas of work in respect of reducing inequalities, addressing core health improvement and protection issues. Additionally the longer term financial outlook over this Comprehensive Spending Review period will be extremely challenging, with further reductions to the PHA budget expected.

The PHA will continue to work closely with the DHSSPS in respect of finance issues, with voluntary and community organisations as well as local government and other statutory bodies to ensure that best use is made of available resources.

Accommodation

As it was not possible to advance the provision of a new Headquarters the PHA has had to remain in accommodation across a number of locations in Belfast. This is detrimental to good communication and efficiency in transacting Agency business.

Further pressures arose during the year with the need to relocate health protection staff who had been located on Trust sites (due to this Trust accommodation being no longer available) along with other health protection staff in Linenhall Street, resulting in staff now working in cramped and far from ideal conditions.

At the same time a recent maintenance survey of the Ormeau Avenue offices has highlighted a number of significant problems in relation to glazing, leaks, heating and tiling, exasperated by more staff being accommodated in this facility than it was intended to accommodate.

Further pressure is anticipated, as a number of staff currently being recruited will need to be co-located with colleagues in both Linenhall Street and Ormeau Avenue, with no space available.

STATEMENT ON INTERNAL CONTROL (Cont'd)

While the space planning exercise undertaken in the Linenhall Street premises did enable the health protection staff to be accommodated, any further work would incur costs, involve significant disruption (in terms of decant), and would still result in an overly crowded office and not create enough space for all staff requiring to be accommodated .

In respect of the Ormeau Avenue accommodation, the PHA is working closely with Health Estates (who hold the lease for the Ormeau Avenue offices), Legal Directorate and the landlord to agree an action plan and responsibility for remedial works.

In mitigation of these issues, the PHA has commenced work on a business case for suitable premises in Belfast. The Strategic Outline Case has been approved by the DHSSPS, and the PHA is working with DHSSPS colleagues to develop, agree and submit the Outline Business Case early in 2011/12.

Review of Effectiveness

As Accounting Officer, I have responsibility for the review of effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the Internal Auditor and the executive managers within the Public Health Agency who have responsibility for the development and maintenance of the internal control framework, and comments made by the External Auditor in his 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 Governance and Audit Committee. A plan to address weaknesses and ensure continuous improvement to the system is in place.

The process that has been applied in maintaining and reviewing the effectiveness of the system of internal control includes:

PHA board

The overall responsibility for ensuring that the PHA operates an effective system of internal control resides with the PHA board. This is managed through the Chief Executive as Accounting Officer.

The board is responsible for:

- (a) the management of its activities in accordance with laws and regulations; and
- (b) the establishment and maintenance of a system of internal control designed to give reasonable assurance that:
 - assets are safeguarded;
 - waste and inefficiency are avoided;
 - reliable financial information is produced; and
 - value for money is continuously sought.

STATEMENT ON INTERNAL CONTROL (Cont'd)

Governance and Audit Committee

The Governance and Audit Committee provides an assurance to the board of the PHA on the adequacy and effectiveness of the system of internal controls in operation within the PHA. It assists the board in the discharge of its functions by providing an independent and objective review of:

- all control systems;
- the information provided to the board;
- compliance with law, guidance and Code of Conduct and Code of Accountability; and
- governance processes within the board.

The Governance and Audit Committee also receives, reviews and monitors reports from internal and external audit.

The Chair of the Governance and Audit Committee reports to the Board on a regular basis on the work of the Committee.



Chief Executive as Accounting Officer

8/6/11
Date

PUBLIC HEALTH AGENCY

STATEMENT OF COMPREHENSIVE NET EXPENDITURE for the year ended 31st March 2011

	NOTE	2011 £000s	Restated 2010 £000s
Expenditure			
Staff costs	3.1	(12,580)	(12,988)
Depreciation	4.3	(58)	(52)
Other Expenditure	4.0	(33,519)	(30,194)
		<u>(46,157)</u>	<u>(43,234)</u>
Income			
Income from activities	5.1	636	0
Other Income	5.2	185	392
Transfers from reserves for donated property, plant, equipment & intangibles	5.3	0	0
Reimbursements receivable		0	0
		<u>821</u>	<u>392</u>
Net Expenditure		<u>(45,336)</u>	<u>(42,842)</u>
RRL's Issued (to)			
Belfast HSC Trust		(9,183)	(9,795)
South Eastern HSC Trust		(1,902)	(1,448)
Southern HSC Trust		(3,918)	(6,824)
Northern HSC Trust		(4,943)	(3,923)
Western HSC Trust		(4,361)	(3,669)
NIAS HSC Trust		(5)	0
Total RRL issued		<u>(24,312)</u>	<u>(25,659)</u>
Total Commissioner Resources Utilised		(69,648)	(68,501)
RRL's received from			
DHSSPS (cash and non cash)	25.1	69,712	68,679
Surplus against RRL		<u>64</u>	<u>178</u>

OTHER COMPREHENSIVE EXPENDITURE

	NOTE	2011 £000s	Restated 2010 £000s
Net gain on revaluation of Property, Plant and Equipment	6.1/10/6.2/10	12	2
Net gain on revaluation of intangibles	7.1/10/7.2/10	(2)	0
Net gain/(loss) on revaluation of available for sales of financial assets		0	0
TOTAL COMPREHENSIVE EXPENDITURE for ended 31 March 2011		<u>(45,326)</u>	<u>(42,840)</u>

The notes on pages 23-57 form part of these accounts.

PUBLIC HEALTH AGENCY

STATEMENT of FINANCIAL POSITION as at 31 March 2011

	NOTE	2011 £000s	2011 £000s	Restated 2010 £000s	Restated 2010 £000s	Restated 2009 £000s	Restated 2009 £000s
Non Current Assets							
Property, Plant and Equipment	6.0/6.2/6.4	229		199		108	
Intangible assets	7.1 /7.2/7.4	0		3		6	
Financial Assets	8.0	0		0		0	
Trade and other Receivables	12.0	0		0		0	
Other Current Assets	12.0	0		0		0	
Total Non Current Assets			229		202		114
Current Assets							
Assets classified as held for sale	9.0	0		0		0	
Inventories	11.0	0		0		2	
Trade and other Receivables	12.0	2,553		710		485	
Other current assets	12.0	19		24		58	
Financial Assets	8.1	0		0		0	
Cash and cash equivalents	13.0	169		111		8,155	
Total Current Assets			2,741		845		8,700
Total Assets			2,970		1,047		8,814
Current Liabilities							
Trade and other Payables	14.0	(10,927)		(16,754)		(11,931)	
Other Liabilities	14.0	0		0		0	
Total Current Liabilities			(10,927)		(16,754)		(11,931)
Non Current Assets plus/less Net Current Assets/Liabilities			(7,957)		(15,707)		(3,117)
Assets Less Liabilities			(7,957)		(15,707)		(3,117)
Taxpayers' Equity							
Donated Asset Reserve		0		0		0	
Revaluation Reserve		34		23		21	
General Reserve		(7,991)		(15,730)		(3,138)	
			(7,957)		(15,707)		(3,117)

The notes on pages 23-57 form part of these accounts.

The financial statements on pages 23-57 were approved by the Agency on 8 June 2011 and were signed on its behalf by:

Signed Mary McMahon
(Chairman)



Date

8/6/11

Signed E P Rooney
(Chief Executive)



Date

8/6/11

PUBLIC HEALTH AGENCY

STATEMENT OF CASHFLOWS for the year ended 31 March 2011

	Note	2011 £000s	Restated 2010 £000s
Cashflows from operating activities			
Net expenditure after interest		(45,336)	(42,842)
Adjustments for non cash costs		77	81
(Increase) in trade & other receivables		(1,838)	(191)
Increase/(decrease) in inventories		0	2
Increase/(decrease) in trade payables		(5,827)	4,823
Movements in payables relating to capital		(13)	(24)
Use of provisions	16	0	0
Net Cash (Outflow) from operating activities		<u>(52,937)</u>	<u>(38,151)</u>
Cashflows from investing activities			
Purchase of property, plant and equipment	6	(64)	(120)
(Purchase of intangible assets)	7	0	0
Proceeds of disposal of property, plant and equipment		0	3
Net Cash inflow/(Outflow) from investing activities		<u>(64)</u>	<u>(117)</u>
Cash flows from financing activities			
Grant in aid		53,059	30,224
Net financing		<u>53,059</u>	<u>30,224</u>
Net increase/(decrease) in cash and cash equivalents in the period		58	(8,044)
Cash and cash equivalents at the beginning of the period	13	<u>111</u>	<u>8,155</u>
Cash and cash equivalents at the end of the period	13	<u>169</u>	<u>111</u>

The notes on pages 23-57 form part of these accounts.

PUBLIC HEALTH AGENCY

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY for the year ended 31 March 2011

	Note	General Reserve £000s	Revaluation Reserve £000s	Total £000s
Balance at 31 March 2009		(3138)	21	(3,117)
Changes in accounting policy		0	0	0
Change in accounting policy – Clinical Negligence		0	0	0
Restated balance at 1 April 2009		(3,138)	21	(3,117)
Changes in reserves 2009/10				
Grant from DHSSPS		30,224	0	30,224
Transfers between reserves		0	0	0
(Comprehensive expenditure for the year)		(42,842)	2	(42,840)
Donated asset receipts		0	0	0
Donated asset reserve- transfer to net expend for depreciation		0	0	0
Non cash Charges – auditors remuneration	4	26	0	26
Balance at 31 March 2010		(15,730)	23	(15,707)
Changes in Taxpayers' Equity 2010/11				
Grant from DHSSPS		53,059	0	53,059
Transfers between reserves		0	0	0
(Comprehensive expenditure for the year)		(45,338)	11	(45,327)
Donated asset receipts		0	0	0
Donated asset reserve- transfer to net expend for depreciation		0	0	0
Non cash Charges – auditors remuneration		18	0	18
Balance at 31 March 2011		(7,991)	34	(7,957)

The notes on pages 23-57 form part of these accounts.

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

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 based on guidance from the Department of Finance and Personnel's Financial Reporting manual (FreM) 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 Public Health Agency. 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 Agency for the purpose of giving a true and fair view has been selected. The Agency's accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

1.2 Accounting convention

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

1.3 Currency and Rounding

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

1.4 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 Agency;
- 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

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 balance sheet to the extent that money has been paid or a liability has been incurred.

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

Valuation of Land and Buildings

The PHA does not hold any land and buildings. The premises occupied by the PHA are leased by the Department of Health, Social Services and Public Safety on behalf of the PHA.

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 estimated life of fixtures and equipment exceed 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 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.

1.5 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 Agency 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
Leasehold Property	Remaining period of lease
IT Assets	3-10 years
Intangible assets	3-10 years
Other Equipment	3 – 15 years

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

1.6 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 Net Expenditure account and an amount up to the value of the impairment in the revaluation reserve is transferred to the General fund. 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.

1.7 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 it written-out and charged to operating expenses.

The overall useful life of the Agency'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.

1.8 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, and only 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.

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the Agency'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 Agency; 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.

1.9 Donated assets

The Agency had no donated assets in either 2009/10 or 2010/11.

1.10 Non-current assets held for sale

The Agency had no non-current assets held for sale in either 2009/10 or 2010/11.

1.11 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.

1.12 Income

Operating Income relates directly to the operating activities of the Agency 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

Funds received from the Department of Health and Social Services are accounted for as grant in aid and are reflected through reserves.

1.13 Investments

The Agency does not have any investments.

1.14 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.

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

1.15 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.

1.16 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.

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.

1.17 Private Finance Initiative (PFI) transactions

The PHA had no PFI transactions in either 2009/10 or 2010/11.

1.18 Financial instruments

Financial assets

Financial assets are recognised on the balance sheet when the Agency becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

Financial assets are initially recognised at fair value.

Financial liabilities

Financial liabilities are recognised on the balance sheet when the Agency becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

Financial liabilities are initially recognised at fair value.

Financial risk management

IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. 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 activities. Therefore the Agency is exposed to little credit, liquidity or market risk.

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

Currency risk

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

Interest rate risk

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

Credit risk

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

Liquidity risk

Since the Agency receives the majority of its funding from the DHSSPS, it is not exposed to significant liquidity risks.

1.19 Provisions

In accordance with IAS 37, Provisions are recognised when the Agency has a present legal or constructive obligation as a result of a past event, it is probable that the Agency 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 Agency 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 Agency 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 Agency 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.

The Agency currently has no provisions.

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

1.20 Contingencies

Under IAS 37, the Agency 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 Agency, 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 Agency. 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.

1.21 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 2011. It is not anticipated that the level of untaken leave will vary significantly from year to year. [untaken flexi leave is estimated to be immaterial to the Agency and has not been included]

Retirement benefit costs

The Agency participates in the HSC 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 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 Agency and charged to the statement of comprehensive net expenditure at the time the Agency commits itself to the retirement.

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 balance sheet date and updates it to reflect current conditions. The 31 March 2008 valuation has been used in the 2010/11 accounts.

1.22 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.

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

1.23 Third Party Assets

Assets belonging to third parties are not recognised in the accounts since the Agency has no beneficial interest in them. The Agency holds £nil assets relating to third parties.

1.24 Government Grants

The Agency had no Government Grants in either 2009/10 or 2010/11.

1.25 Losses and Special Payments

Losses and special payments are items that 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 the PHA 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.

1.26 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 these are unlikely to have a significant impact on the accounts in the period of the initial application.

1.27 Change in Accounting Policy/Prior Year Restatement

There were 2 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 body 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.

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

(ii) 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 Fund. 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 Agency's 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
Expenditure	329
Reserves	0
RRL	(329)

2008/09	Cost of Capital
	£000s
Expenditure	86
Reserves	0
RRL	(86)

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 2. ANALYSIS OF NET EXPENDITURE BY SEGMENT

The PHA has identified 3 Segments: Commissioning, Family Health Services and Administration. Net expenditure is reported by segment as detailed below:

	Note	2011 £000s	Restated 2010 £000s
Summary			
Net Expenditure			
Commissioning	2.1	50,425	48,839
FHS	2.2	1,749	1,784
Agency Administration	2.3	17,474	17,878
Total Commissioner Resources Utilised		(69,648)	(68,501)

2.1 Commissioning		2011 £000s	2010 £000s
Expenditure			
HSC Trust			
Belfast HSC Trust	NEA	9,183	9,795
South Eastern HSC Trust	NEA	1,902	1,448
Southern HSC Trust	NEA	3,918	6,824
Northern HSC Trust	NEA	4,943	3,923
Western HSC Trust	NEA	4,361	3,669
NIAS HSC Trust	NEA	5	0
Other Providers	4.1	26,749	23,180
		51,061	48,839
Income			
Income from activities	5.1	636	0
Commissioning Net Expenditure		50,425	48,839

2.2 Family Health Services

Expenditure			
Family Health Services Expenditure	4.1	1,749	1,784
Income	5.1	0	0
FHS Net Expenditure		1,749	1,784

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

2.3 Agency Administration		2011	Restated
		£000s	2010
Expenditure			£000s
Salaries and wages	3.1	12,580	12,988
Operating expenditure	4.2	5,002	5,201
Non Cash costs – External Auditors Remuneration	4.3	18	26
Depreciation	4.3	59	55
		<hr/>	<hr/>
		17,659	18,270
Income			
Staff secondment recoveries	3.1	169	337
Operating income	5.2	16	55
		<hr/>	<hr/>
		185	392
		<hr/>	<hr/>
Administration Net Expenditure		17,474	17,878
		<hr/>	<hr/>

PUBLIC HEALTH AGENCY

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 employed staff	Others
	£000s	£000s	£000s
Wages & Salaries	10,505	9,031	1474
Social security costs	832	757	75
Other pension costs	1,243	1,100	143
Total staff costs reported in Statement of Comprehensive Expenditure	12,580	10,888	1,692
Less recoveries in respect of outward secondments	169		337
Total net costs	12,411		12,651

Staff costs exclude £nil charged to capital projects during the year (2010 £nil).

The PHA participates in the HSC Superannuation Scheme. Under this multi-employer defined benefit scheme both the PHA 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.

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 balance sheet 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 employed staff	Others
	No.	No.	No.
Commissioning of Health and Social Care	242	185	57
Less average staff number relating to capitalised staff costs	0	0	0
Less average staff number in respect of outward secondments	3	3	0
Health commissioning, improvement and protection	239	182	57

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 3.3 STAFF NUMBERS AND RELATED COSTS

	2010/11			2009/10			2010/11				
Name	Salary £000s	Bonus / Performance pay £000	Benefits in Kind (Rounded to nearest £100)	Salary £000s	Bonus / Performance pay £000	Benefits in Kind (Rounded to nearest £100)	Real increase in pension and related lump sum at age 60 £000s	Total accrued pension at age 60 and related lump sum £000s	CETV at 31/03/10 £000s	CETV at 31/03/11 £000s	Real increase in CETV £000s
Non-Executives											
M McMahon	30 - 35	0	0	30 - 35	0	0	0	0	0	0	0
J Erskine	5 - 10	0	0	5 - 10	0	0	0	0	0	0	0
J Harbinson	5 - 10	0	0	5 - 10	0	0	0	0	0	0	0
M Karp	5 - 10	0	0	5 - 10	0	0	0	0	0	0	0
T Mahaffy	5 - 10	0	0	5 - 10	0	0	0	0	0	0	0
C Mullaghan	5 - 10	0	0	5 - 10	0	0	0	0	0	0	0
S Nicholl	5 - 10	0	0	5 - 10	0	0	0	0	0	0	0
R Orr	5 - 10	0	0	5 - 10	0	0	0	0	0	0	0
Executives											
E P Rooney	120-125	0	100	115-120	0	100	0-2.5 pension	0-5 pension	27	50	23
C Harper	130 -135	0	400	130-135	0	100	5-7.5 pension 20-22.5 lump sum	25-30 pension 80-85 lump sum	358	427	68
E McClean	80 - 85	0	300	75-80	0	0	2.5-5 pension 7.5 - 10 lump sum	15-20 pension 55-60 lump sum	333	369	36
M Hinds	100-105	0	600	85-90	0	0	0-2.5 pension 2.5-5 lump sum	10-15 pension 35-40 lump sum	209	219	10

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 3. 3 STAFF NUMBERS AND RELATED COSTS (continued)

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

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves 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 HSC 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 prescribed by the 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.

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

3.4 Retirements due to ill-health

During 2010/11 there were no early retirements from the PHA agreed on the grounds of ill-health.

Exit package cost band	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band	
	2011	2010	2011	2010	2011	2010
<£10,000	0	0	0	0	0	0
£10,000 - £25,000	0	0	0	5	0	5
£25,000- £50,000	0	0	1	7	1	7
£50,000 - £100,000	0	0	1	4	1	4
£100,000-150,000	0	0	0	5	0	5
£150,000-£200,000	0	0	0	4	0	4
£200,000-£250,000	0	0	0	1	0	1
£250,000-£300,000	0	0	0	2	0	2
Total number of exit packages by type	0	0	2	28	2	28
	£000s	£000s	£000s	£000s	£000s	£000s
Total resource cost	0	0	125	2,785	125	2,785

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. Exit costs are accounted for in full in the year in which the exit package is approved and agreed and are included as operating expenses at note 4. 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

There are no staff benefits.

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 4 OPERATING EXPENSES

Operating Expenses

	2011	Restated 2010
	£000s	£000s
HSC Trust	0	
General Medical Services/FHS	1,749	1,784
General Dental Services	0	0
General Ophthalmic Services	0	0
NHS Trusts	0	0
General Other providers of healthcare and personal social services	21,665	17,264
Other services	0	0
Miscellaneous	0	258
Total Commissioning	23,414	19,306

4.2 Operating expenses:-

Supplies and services-general	75	65
Establishment	4,042	4,434
Transport	53	2
Premises	688	503
Bad Debts	0	0
Rentals under operating leases	144	158
Interest charges	0	0
PFI Service charges	0	0
Research and development expenditure	5,084	5,697
Costs of exit packages not provided for	0	0
Misc	0	0
Total Operating expenses	10,086	10,859

4.3 Non cash items:-

Depreciation	58	52
Amortisation	1	3
Impairments	0	0
(Profit) on disposal of assets (excluding profit on land)	0	0
Loss on disposal of assets (including land)	0	0
Provisions provided for in year	0	0
Unwinding of discount on Provisions	0	0
Auditors remuneration	18	26
Total other non cash	77	81
Total	33,577	30,246

During the year the PHA paid its share of regional audit services (£1,455.85) from its external auditor (NIAO) for the National Fraud Initiative.

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 5 INCOME

	2011	Restated
	£000s	2010
		£000s
5.1 Income from Activities		
Income from Big Lottery	126	0
Research and Development	303	0
Stroke Development	80	0
Programme Income	113	0
Other Income	14	0
Total	636	0
5.2 Other Operating Income		
	2011	Restated
	£000s	2010
		£000s
Accommodation	0	0
Canteen	0	10
Seconded staff	169	337
Other income	16	45
Total	185	392
5.3 Transfers from Reserves for Donated Property, Plant, Equipment & Intangibles		
Donated asset reserve transfer for Impairment	0	0
Donated asset reserve transfer for Depreciation & Amortisation	0	0
	0	0
TOTAL INCOME	821	392

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 6. PROPERTY, PLANT AND EQUIPMENT

Summary

	Purchased	2011
	£000s	Total
		£000s
Net book value:		
Land	0	0
Buildings (excluding dwellings)	0	0
Dwellings	0	0
Assets under construction	0	0
Plant and machinery (Equipment)	0	0
Transport Equipment	0	0
Information Technology (IT)	216	216
Furniture & Fittings	13	13
	<hr/>	<hr/>
Total PPE - 31 March 2011	229	229
	<hr/>	<hr/>

	Purchased	2010
	£000s	Total
		£000s
Net book value:		
Land	0	0
Buildings (excluding dwellings)	0	0
Dwellings	0	0
Assets under construction	0	0
Plant and machinery (Equipment)	0	0
Information Technology (IT)	175	175
Furniture & Fittings	24	24
	<hr/>	<hr/>
Total PPE - 31 March 2010	199	199
	<hr/>	<hr/>

Professional revaluations of land and Buildings are undertaken by Land & 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 1.4 for more details of Valuation of Property, Plant & Equipment.

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

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

	Plant & Machinery £000s	Information Technology (IT) £000s	Furniture and Fittings £000s	Total £000s
Cost or Valuation				
At 1 April 2010	0	605	310	915
Indexation	0	0	0	0
Additions	0	76	0	76
Reclassifications	0	0	0	0
Transfers	0	(35)	10	(24)
Revaluation	1	0	0	0
(Impairments)	0	0	0	0
(Disposals)	0	0	0	0
At 31 March 2011	1	646	320	967
Depreciation				
At 1 April 2010	0	430	286	716
Indexation	0	0	0	0
Reclassifications	0	0	0	0
Transfers	0	0	0	0
Revaluation	1	(52)	15	(36)
(Impairments)	0	0	0	0
(Disposals)	0	0	0	0
Provided during the year	0	52	6	58
At 31 March 2011	1	430	307	738
Net Book Value				
At 31 March 2011	0	216	13	229
At 31 March 2010	0	175	24	199
Asset financing				
Owned	0	216	13	229
Finance Leased	0	0	0	0
Net Book Value At 31 March 2011	0	216	13	229

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

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

	Plant & Machinery £000s	Information Technology (IT) £000s	Furniture and Fittings £000s	Total £000s
Cost or Valuation				
At 1 April 2009	0	474	310	784
Indexation	0	14	0	14
Additions	0	144	0	144
Reclassifications	0	0	0	0
Transfers	0	(24)	0	(24)
Revaluation	0	0	0	0
Impairments	0	0	0	0
Disposals	0	(3)	0	(3)
At 31 March 2010	0	605	310	915

Depreciation

At 1 April 2009	0	390	286	676
Indexation	0	12	0	12
Reclassifications	0	0	0	0
Transfers	0	(24)	0	(24)
Revaluation	0	0	0	0
(Impairments)	0	0	0	0
(Disposals)	0	0	0	0
Provided during the year	0	52	0	52
At 31 March 2010	0	430	286	716

Net Book Value

At 1 April 2009	0	84	24	108
At 31 March 2010	0	175	24	199

Asset financing

Owned	0	175	24	199
Finance Leased	0	0	0	0

Net Book Value

At 31 March 2010	0	175	24	199
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Asset Financing

Owned	0	0	0	0
Finance Leased	0	0	0	0

Net Book Value

At 1 April 2009	0	0	0	0
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PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 6.3 and 6.4 Property, Plant & Equipment – Donated assets – Year ended 31 March 2011 and 31 March 2010

The PHA has no donated assets.

NOTE 7. INTANGIBLE ASSETS

Summary

	Purchased	2011
	£000s	Total
		£000s
Net book value:		
Software	0	0
Software licences	0	0
Total Intangible assets - 31 March 2011	0	0

	Purchased	2010
	£000s	Total
		£000s
Net book value:		
Software	0	0
Software licenses	3	3
Total Intangible assets - 31 March 2010	3	3

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 7.1 Intangible Assets (Purchased) - Year ended 31 March 2011

	Software licenses	Software	Total
Cost or Valuation	£000s	£000s	£000s
At 1 April 2010	25	0	25
Indexation	0	0	0
Additions	0	0	0
Reclassifications	0	0	0
Transfers	0	0	0
Revaluation	(5)	17	12
(Impairments)	0	0	0
(Disposals)	0	0	0
At 31 March 2011	20	17	37
Amortisation			
At 1 April 2010	22	0	22
Indexation	0	0	0
Reclassifications	0	0	0
Transfers	0	0	0
Revaluation	(3)	17	14
(Impairments)	0	0	0
(Disposals)	0	0	0
Provided during the year	1	0	1
At 31 March 2011	20	17	37
Net Book Value			
At 31 March 2011	0	0	0
At 31 March 2010	3	0	3
Asset financing			
Owned	0	0	0
Finance Leased	0	0	0
Net Book Value			
At 31 March 2011	0	0	0

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 7.2 Intangible Assets (Purchased) - Year ended 31 March 2010

	Software licenses	Software	Total
Cost or Valuation	£000s	£000s	£000s
At 1 April 2009	25	0	25
Indexation	0	0	0
Additions	0	0	0
Reclassifications	0	0	0
Transfers	0	0	0
Revaluation	0	0	0
(Impairments)	0	0	0
(Disposals)	0	0	0
At 31 March 2010	25	0	25

Amortisation

At 1 April 2009	19	0	19
Indexation	0	0	0
Reclassifications	0	0	0
Transfers	0	0	0
Revaluation	0	0	0
(Impairments)	0	0	0
(Disposals)	0	0	0
Provided during the year	3	0	3
At 31 March 2010	22	0	22

Net Book Value

At 1 April 2009	6	0	6
At 31 March 2010	3	0	3

Asset financing

Owned	3	0	3
Finance Leased	0	0	0
Net Book Value	3	0	3
At 31 March 2010	3	0	3

Asset financing

Owned	0	0	0
Finance Leased	0	0	0
Net Book Value	0	0	0
At 1 April 2010	0	0	0

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 7.3 and 7.4 Intangible Assets (Purchased) - Year ended 31 March 2011 and Year ended 31 March 2010

The PHA has no donated assets.

NOTE 8.0 and 8.1 FINANCIAL INSTRUMENTS

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

NOTE 9. ASSETS CLASSIFIED AS HELD FOR SALE

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

The PHA did not hold any Assets Classified as held for sale in 2009/10 or 2010/11.

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

10. IMPAIRMENTS

	2011				
	Property, Plant & Equipment £000s		Intangibles £000s		Total £000s
	Purchased	Donated	Purchased	Donated	
Total value of impairments for the period	0	0	0	0	0
Impairments taken through revaluation/donation reserve	0	0	0	0	0
Impairments charged to Statement of Comprehensive Net Expenditure within Net Expenditure	0	0	0	0	0
	2010				
	Property, Plant & Equipment £000s		Intangibles £000s		Total £000s
	Purchased	Donated	Purchased	Donated	
Total value of impairments for the period	0	0	0	0	0
Impairments taken through revaluation/donation reserve	0	0	0	0	0
Impairments charged to Statement of Comprehensive Net Expenditure within Net Expenditure	0	0	0	0	0
	2009				
	Property, Plant & Equipment £000s		Intangibles £000s		Total £000s
	Purchased	Donated	Purchased	Donated	
Total value of impairments for the period	11	0	0	0	11
Impairments taken through revaluation/donation reserve	0	0	0	0	0
Impairments charged to Statement of Comprehensive Net Expenditure within Net Expenditure	11	0	0	0	11

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

11. INVENTORIES

Classification	2011 £000s	2010 £000s	2009 £000s
Stationery	0	0	2
Total	0	0	2

12. TRADE RECEIVABLES AND OTHER CURRENT ASSETS

	2011 £000s	Restated 2010 £000s	Restated 2009 £000s
Amounts falling due within one year			
Trade Receivables	2,553	361	0
Deposits and advances	0	0	0
Other receivables	0	349	485
Trade and other Receivables	2,553	710	485
Prepayments and accrued income	19	24	58
Current part of PFI and other service concession arrangements			
Other current assets	19	24	58

There were no amounts falling due after more than one year

TOTAL TRADE AND OTHER RECEIVABLES	2,553	710	485
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TOTAL OTHER CURRENT ASSETS	19	24	58
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TOTAL RECEIVABLES AND OTHER CURRENT ASSETS	2,572	734	543
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The balances do not include any provision for bad debts.

PUBLIC HEALTH AGENCY

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	1,654	236	301	0	0	0
Balances with local authorities	3	0	0	0	0	0
Balances with NHS /HSC Trusts	27	210	47	0	0	0
Balances with public corporations and trading funds	0	0	0	0	0	0
Intra-Government Balances	1,684	446	348	0	0	0
Balances with bodies external to government	888	288	195	0	0	0
Total Receivables & other current assets at 31 March	2,572	734	543	0	0	0

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

13. CASH AND CASH EQUIVALENTS

	2011	Restated 2010	Restated 2009
	£000s	£000s	£000s
Balance at 1st April	111	8,155	8,596
Net change in cash and cash equivalents	58	(8,044)	(441)
Balance at 31st March	169	111	8,155

The following balances at 31 March were held at

	2011	2010	2009
	£000s	£000s	£000s
Commercial Banks and cash in hand	169	111	8,155
Balance at 31st March	169	111	8,155

PUBLIC HEALTH AGENCY

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	0	0	31
Bank overdraft	0	0	0
Trade capital payables	12	24	0
Trade revenue payables	1,708	7,531	4,789
Payroll payables	247	991	1,218
RPA payables	0	326	443
BSO Payables	2,590	6,858	267
Other payables	1,128	814	3,854
Accruals and deferred income	5,242	210	1,329
Trade and other payables	<u>10,927</u>	<u>16,754</u>	<u>11,931</u>

There were no amounts falling due after more than one year

TOTAL TRADE PAYABLES AND OTHER CURRENT LIABILITIES	<u><u>10,927</u></u>	<u><u>16,754</u></u>	<u><u>11,931</u></u>
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PUBLIC HEALTH AGENCY

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

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	1,071	4,376	744	0	0	0
Balances with local authorities	436	0	0	0	0	0
Balances with NHS /HSC Trusts	3,027	7,540	4,008	0	0	0
Balances with public corporations and trading funds	0	0	0	0	0	0
Intra-Government Balances	4,534	11,916	4,752	0	0	0
Balances with bodies external to government	6,393	4,838	7,179	0	0	0
Total Payables and other liabilities at 31 March	10,927	16,754	11,931	0	0	0

PUBLIC HEALTH AGENCY

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

	2011 Number	2011 Value £'000	2010 Number	2010 Value £'000
Total bills paid	8,943	35,715	6,821	N/A
Total bills paid within 30 day target or under agreed payment terms	8,477	33,734	6,371	N/A
% of bills paid within 30 day target or under agreed payment terms	94.79%	94.45%	93.40%	N/A

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>214</u>

This note has been changed in 2010/11 to include values as well as numbers of bills paid comparable data by value for 2010 is not available

NOTE 16. PROVISIONS FOR LIABILITIES AND CHARGES – 2011

The PHA do not have any provisions for liabilities and charges.

NOTE 17. CAPITAL COMMITMENTS

The PHA do not have any future Capital Commitments.

PUBLIC HEALTH AGENCY

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.

Obligations under operating leases comprise

	2011 £000s	2010 £000s	Restated 2009 £000s
Land & Buildings			
Not later than 1 year	144	158	152
Later than 1 year and not later than 5 years	460	460	460
Later than 5 years	84	176	268
	<u>688</u>	<u>794</u>	<u>880</u>
 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
	<u>0</u>	<u>0</u>	<u>0</u>

18.2 Finance Leases

The PHA had no finance leases in either 2010/11 or 2009/10.

18.3 Operating Leases

The PHA had no lessor obligations in either 2010/11 or 2009/10.

NOTE 19. COMMITMENTS UNDER PFI AND OTHER SERVICE CONCESSION ARRANGEMENT CONTRACTS

The PHA has no commitments under PFI or other Service Concession arrangement contracts.

NOTE 20. OTHER FINANCIAL COMMITMENTS

The PHA did not have any other financial commitments at either 31 March 2011 or 31 March 2010.

NOTE 21. FINANCIAL GUARANTEES, INDEMNITIES AND LETTERS OF COMFORT

Because of the relationships with DHSSPS, and the manner in which the PHA is funded, financial instruments play a more limited role within the PHA in creating risk than would apply to a non public sector body of a similar size, therefore the PHA is not exposed to the degree of financial risk faced by business entities. The PHA has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day to day operational activities. Therefore the PHA is exposed to little credit, liquidity or market risk.

The Public Health Agency did not have any financial instruments at either 31 March 2011 and 31 March 2010.

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 22. CONTINGENT LIABILITIES

The PHA has no contingent liabilities.

NOTE 23. RELATED PARTY TRANSACTIONS

There were no company directorships held by directors where those companies are likely to do business with the PHA.

The PHA is an arms length body of the Department of Health, Social Services and Public Safety and as such the Department is a related Party with which the PHA has had various material transactions during the year, along with other entities for which the Department is regarded as the parent detailed below:

- Health and Social Care Board (HSCB)
- Business Services Organisation (BSO)

During the year, none of the board members, members of the key management staff or other related parties has undertaken any material transactions with the PHA.

NOTE 24. THIRD PARTY ASSETS

The PHA held £nil cash at bank and in hand at the 31 March 2011 which related to third parties.

NOTE 25. FINANCIAL PERFORMANCE TARGETS

25.1 Revenue Resource Limit

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

The Revenue Resource Limit (RRL) for PHA is calculated as follows:

	2011 Total £000s	Restated 2010 Total £000s
DHSSPS (excludes non cash)	69,635	68,598
Other Government Departments	0	0
Non cash RRL (from DHSSPS)	77	81
	<hr/>	<hr/>
Total Agreed RRL	69,712	68,679
	<hr/>	<hr/>
Total Revenue Resource Limit to Statement of Comprehensive Net Expenditure	69,712	68,679
	<hr/> <hr/>	<hr/> <hr/>

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

25.2 Capital Resource Limit

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

	2011 Total £000s	2010 Total £000s
Gross Capital Expenditure	76	153
(Receipts from sales of fixed assets)	0	0
Net Capital Expenditure	76	153
Capital Resource Limit	76	153
Overspend/(Underspend) against CRL	0	0

25.3 Financial Performance Targets

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

	2010/11 £000s	Restated 2009/10 £000s
Net Expenditure	(69,648)	(68,501)
RRL	67,712	68,679
Surplus/(Deficit) against RRL	64	178
Break Even cumulative position (opening)	178	0
Other Adjustments	0	0
Break Even Cumulative position (closing)	242	178

Materiality Test:

	2010/11 %	2009/10 %
Break Even in year position as % of RRL	0.09%	0.26%
Break Even cumulative position as % of RRL	0.35%	0.26%

PUBLIC HEALTH AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

NOTE 26. LOSSES & SPECIAL PAYMENTS

26.1 Losses

Part A

TYPE OF LOSS		NO. OF CASES	VALUE £
1	Cash Losses - Theft, fraud etc	0	0
2	Cash Losses - Overpayments of salaries, wages and allowances	0	0
3	Cash Losses - Other causes (including unvouched and incompletely vouched payments)	0	0
4	Nugatory and fruitless payments	0	0
	i. Abandoned capital schemes		
	ii. Late Payment of Commercial Debt		
	iii. Other	35	214
5	Other nugatory and fruitless payments	0	0
6	Bad debts and claims abandoned	0	0
7	Stores and Inventory Losses - Theft, fraud, arson (whether proved or suspected) etc	0	0
	i. Bedding and linen	0	0
	ii. Other equipment and property	0	0
8	Stores and Inventory Losses - Incidents of the service (result of fire, flood, etc)	0	0
9	Stores and Inventory Losses - Deterioration in store	0	0
10	Stores and Inventory Losses - Stocktaking discrepancies	0	0
11	Stores and Inventory Losses - Other causes	0	0
	i. Bedding and linen	0	0
	ii. Other equipment and property	0	0
12	Compensation payments (legal obligation)	0	0
	i. Clinical Negligence	0	0
	ii. Public Liability	0	0
	iii. Employers Liability	0	0
13	Ex-gratia payments - Compensation payments (including payments to patients and staff)	0	0
14	Ex-gratia payments - Other payments	0	0
15	Extra statutory payments	0	0
16	a. Losses sustained as a result of damage to buildings and fixtures arising from bomb explosions or civil commotion.	0	0
	b. Damage to vehicles	0	0
TOTAL		35	214

Part B

There were no losses or special payments awaiting Departmental approval.

26.2 Special Payments

There were no special payments or gifts made during the year.

NOTE 27. POST BALANCE SHEET EVENTS

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

NOTE 28. DATE OF AUTHORISATION

The Accounting Officer authorised these financial statements for issue on 27 June 2011.

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