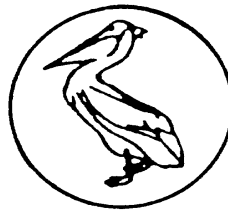


**Northern Ireland  
Blood Transfusion Service**

(A Special Agency of the HSC)



**Annual Report and Accounts  
For the year ended 31 March 2020**

**GIVE  BLOOD  
Save Lives**

# **NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**

## **Annual Report and Accounts For the year ended 31 March 2020**

Laid before the Northern Ireland Assembly under Article 90(5) of the  
Health and Personal Social Services (NI) Order 1972 by the  
Department of Health

On

12 August 2020





Northern Ireland  
BLOOD TRANSFUSION SERVICE



Will you give  
blood to someone  
you meet?

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# Performance Report

## 1. Report of the Lead Non-Executive Member



This is my first year as Chair of Northern Ireland Blood Transfusion Service. Thank you to the dedicated staff, donors and board members who have made me feel so welcome. Thank you also to my predecessor, Jim Lennon, who provided such strong and expert leadership for so many years.

I am immensely impressed with the professionalism of the Northern Ireland Blood Transfusion Service (NIBTS) which exclusively provides all blood products and services in Northern Ireland. I can confirm that this year, NIBTS met all regulatory and licensing requirements for blood products and associated clinical services.

The external, independent inspections provided by the Medicines and Healthcare Products Regulatory Agency (MHRA) and the UKAS scheme provide an important safeguard of independent assurance to donors, patients and other users, on the safety and quality of our blood products in Northern Ireland.

Indeed, the NIBTS strong commitment to quality is captured by our Mission Statement *'To collect process and deliver high quality blood and blood products and appropriate advice to the HSC in Northern Ireland to the standard required by the Regulators'*

The relationship that NIBTS has with its donors is fundamental to its success as a Service. I would like to offer heart-felt thanks to every donor who supports the work of the Service with their selflessness and their natural altruism. Their contribution is crucial to so many hospital treatments that save lives.

NIBTS is reliant upon a dedicated team of staff, both clinical and non-clinical, who ensure that the Service is able to meet all its supply obligations. The professionalism, adaptability and commitment of our staff has been so clearly demonstrated in the NIBTS response to the recent challenges faced by the Coronavirus pandemic. On behalf of the board of NIBTS I extend my sincere and earnest thanks to the hard-working NIBTS family who have not faltered in the face of very demanding circumstances.

I would also like to thank my Board colleagues, our Chief Executive and the Senior Management Team for all their hard work, dedication and sound leadership this year.

The HSC Values of Compassion, Working Together, Excellence and Openness & Honesty are palpably evident in the culture of this highly motivated and effective organisation. These Values underpin our five key strategic themes that include, the donor/patient experience, engaging with people, a culture of striving to improve, assurances of quality and the effective use of resources.

As part of improving the patient experience, NIBTS proudly support the work of Harvey's Gang which is an initiative to increase the involvement and knowledge of patients and their families in the laboratory aspects of their transfusion treatment.

I look forward to working closely with colleagues in the year ahead; to play our part in supporting the Health Service and contributing to the delivery of change that best serves the needs of the people of Northern Ireland.

A handwritten signature in black ink that reads "Bonnie Anley". The signature is stylized and fluid.

Bonnie Anley  
Chair  
27 July 2020

## 2. Overview

This section describes the history, organisation, structure and services provided by NIBTS. The Agency's main service users and the external environment within which the organisation operates is also detailed.

### 2.1 Brief History

NIBTS was established in 1994 as an independent Special Agency of the Health and Personal Social Services in Northern Ireland. It is the sole supplier of blood and blood products to Health and Social Care (HSC) in Northern Ireland. The Agency is funded through service and budget agreements with the Health and Social Care Board (HSCB) and HSC Trusts to recover the cost of services provided.

### 2.2 Facilities and Services

NIBTS operates from its headquarters on the Belfast City Hospital site which incorporates:

- Whole blood and plateletpheresis collection unit;
- Processing and testing laboratories;
- Donor administration;
- Medical team;
- Nursing team (which provides staff for headquarters and mobile blood collection teams);
- Quality and regulatory compliance department including the quality control laboratories; and
- Corporate functions including Finance, Human Resources (HR) and Information Technology (IT).

Additionally, NIBTS has a satellite blood collection team based in the Omagh Hospital and Primary Care Centre. There is also a donation facility in College Street, Belfast and a purpose-built BloodMobile Unit that supports the collection of blood across Northern Ireland.

### 2.3 Equal Opportunities

NIBTS has established robust policies and procedures to ensure equality in the workplace. These include an overarching Equal Opportunities policy as well as specific procedures in relation to disability. Further reference on our Equal Opportunities policy can be found at page 36 of this report.

### 2.4 Structure, Main Services and Users

NIBTS is managed by a Senior Management Team, led by a Chief Executive, which reports to a Board. The Board consist of a non-executive Chair, three non-executive members and the Chief Executive.

NIBTS is required to respond to the needs of the health service in Northern Ireland and therefore works with HSC Trusts to establish the anticipated needs for blood components. Historical activity data and information from the UK Blood Establishments Forum and the European Blood Alliance are used to predict future demand.

## 2.5 The External Environment

NIBTS works closely with patients, donors and colleagues across a number of disciplines in the Health and Social Care Trusts as well as the Department of Health in Northern Ireland, the Health and Social Care Board (HSCB), the Public Health Agency (PHA) and the Patient and Client Council (PCC).

The Agency holds a blood establishment authorisation licence for the collection, testing, processing, storage and distribution of blood components issued by the Medicines & Healthcare products Regulatory Agency (MHRA). In addition, a wholesale distributor's licence for plasma products is retained.

The Blood Safety and Quality Regulations (BSQR) 2005 (as amended) require adherence to Good Manufacturing Practice principles supported by a quality management system. The organisation is committed to retaining its licences and maintaining a state of readiness for licensing inspection visits.

Although the core function of NIBTS is to supply blood and blood products for the needs of patients in Northern Ireland, NIBTS also provides the regional antenatal testing programme and specialist immunohaematology support to hospital blood banks. These services are accredited by United Kingdom Accreditation Service (UKAS) to the ISO 15189 standard.

NIBTS has been designated as a core participant of the UK Infected Blood Inquiry. Throughout 2019/20, we co-operated fully with all requests for information made by the Infected Blood Inquiry Team and will continue to do so.

The COVID-19 pandemic has obviously had a significant impact on NIBTS and this is outlined in the Performance Analysis.

## 2.6 Resources, principal risks and uncertainties

NIBTS has developed a Risk Management Strategy that identifies our objectives and risks and sets out a control strategy for each of the significant risks. Procedures have been established to verify that aspects of the risk management and internal control system are regularly reviewed and reported on. Risk management is also fully incorporated into the corporate planning and decision making processes of the organisation. This includes the development of corporate and departmental risk registers which identify, evaluate and manage risk.

As a Blood Establishment, risk management is embedded in all key activities, including the Good Manufacturing Practice (GMP) activities related to the management of change, incidents and validation.

The key risk for NIBTS in the next year is the maintenance of adequate blood and platelet stocks, particularly in the context of COVID-19. This risk is underpinned by the need to recruit and retain sufficient donors. Appropriate controls to mitigate this risk are in place.

NIBTS is required to deliver its services efficiently, ensuring value for money with maximum productivity. This will continue in 2020/21 and any financial risks will be identified through monthly financial monitoring.

## 2.7 Performance Summary

As Chief Executive, I am satisfied that the organisation has, during 2019/20, made substantial progress across the following key objectives:

- Maintaining an adequate panel of blood donors;
- Collecting, testing, processing and issuing high quality blood components;
- Meeting the demand for blood components;
- Meeting regulatory requirements;
- Maintaining relevant licences;
- Achieving financial breakeven; and
- Paying suppliers in accordance with prompt payment requirements.

More detail on these objectives is provided in the Performance Analysis section at page 9.

## 2.8 Going Concern

NIBTS provides a key service within the health service in Northern Ireland and is the sole supplier of blood and blood products in the region. As such, it will continue to operate as a going concern reflecting the ongoing demand for this service.







### 3. Performance Analysis

#### 3.1 Assessment of Performance

##### COVID-19 Pandemic

The emergence of the COVID-19 pandemic in the last quarter of the year has had a profound impact on NIBTS operations which we anticipate will continue for the foreseeable future.

During this time, NIBTS continued to provide core services and has been able to meet the hospital requirements for blood and blood products. This has been achieved at the same time as a range of measures to minimise the risks to donors and staff were implemented.

On blood donation sessions, these measures include detailed risk assessments of processes, moving all donations to appointment only, temperature screening of donors prior to admission to donation venues, use of larger blood collection venues and vehicles to transport staff to facilitate social distancing and the provision of appropriate personal protective equipment (PPE). An extensive media and social media campaign allied with updated website information has also ensured that sufficient numbers of our committed and loyal donors have continued to make the effort to provide their generous gift of blood and platelets to maintain stock levels.

At NIBTS HQ, all departments have been separated into teams working on different days to minimise the number of staff on site and also enhance business continuity arrangements in the event of staff contracting COVID-19. In Laboratories, a new testing area has been established to allow investigation of any actual or suspected COVID-19 samples. Also, all staff able to work at home now have remote IT access and devices.

In addition to these measures, daily internal monitoring and situation reporting has been established to assess the impact of COVID-19 and to agree any actions required. This reports through to the regional HSC system via HSCB/PHA and onwards to the Department of Health (DoH) as appropriate.

During March 2020, the demand for blood and blood components reduced by approximately 20%. This pattern has continued in the early months of 2020/21. As previously described, NIBTS was able to operate at a level which continued to meet hospital requirements.

The full year activity figures, with prior year comparisons, are shown in tables 1 and 2 overleaf.

##### Quality and Regulatory Compliance

NIBTS underwent a successful inspection by the MHRA in the summer of 2019. A follow up audit is anticipated in 2021 in keeping with the standard two year inspection cycle.

In addition, following the UKAS audit of NIBTS diagnostic screening laboratories in December 2019, the inspectors recommended continuing accreditation of NIBTS to ISO 15189.

We also maintained Investors in People accreditation as well as the Health & Wellbeing Award during the year.

To support the maintenance of these licences and accreditations, robust quality management processes and systems are embedded and are fully functioning across the organisation.

NIBTS also continued to develop its Governance Framework, in line with DoH requirements, for areas previously encapsulated under the DoH Controls Assurance Framework. Progress on action plans for areas of governance continued to be reported to the NIBTS Governance and Risk Management Committee.

### Activity

Tables 1 and 2 show the donation and issue activity for 2019/20 compared to 2018/19. Whilst there was a marginal decrease of 3.5% in the issue of red cells, there have been increases in all other components with a 2.9% increase in platelet issues and an 8.8% increase in cryoprecipitate issues.

Whilst blood donations broadly matched issues, it was necessary during the year to augment supply of O negative and blood with particular antibody combinations from NHS Blood and Transplant (NHSBT). This is in keeping with standard procedure across UK blood services to ensure appropriate use of blood stocks across the country.

### Donors

The active donor panel has slightly reduced from 58,243 in 2018/19 to 58,096 in 2019/20. Given the slight fall in red cell demand, this is not concerning. However, there is ongoing focus on the recruitment and retention of O negative donors. As a consequence, new donor recruitment has increased by just over 16% from 5,480 in 2018/19 to 6,380 in 2019/20.

By March 2020, donor satisfaction was at 99% (2018/19 - 97%) with the average waiting time to commence donation slightly improved at 29 minutes. (2018/19 – 30 minutes). With the introduction of an appointments system at the end of 2019/20, the average waiting time is expected to decrease significantly in 2020/21.

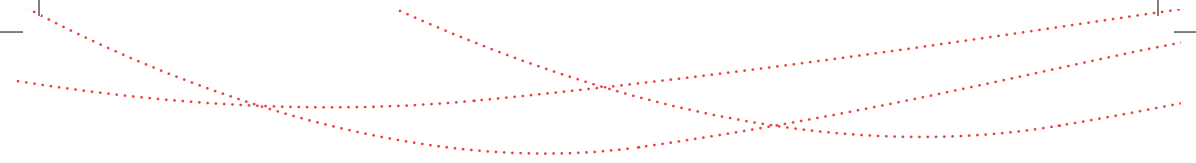
**Table 1: Donation Activity in 2019/20 and 2018/19**

	2019/20	2018/19
Whole blood donations	40,253	43,319
Whole blood attendance	47,848	52,459
New donor attendance	6,380	5,480
Donor panel	58,096	58,243
Platelet donations	4,196	4,127
Haemochromatosis donations	661	509
Total donations	45,110	47,955
Deferral rate (%)		
- of overall attendance	15	16
- of new donors	24	24

**Table 2: Blood Component Issues in 2019/20 and 2018/19**

Blood Component	2019/20	2018/19
Red cell units (adult)	39,497	40,947
Platelets (adult therapeutic doses)	8,233	8,004
Fresh Frozen Plasma components	3,654	3,500
Pooled cryoprecipitate	819	747

In 2019/20, the Department of Health agreed 39 objectives for NIBTS. The objectives crossed a number of themes including those relating to our core function of collecting blood and issuing blood components. Twenty eight of these objectives were fully achieved. Five were partially achieved and six were not completed. Progress on two objectives was paused following the retirement of the NIBTS Medical Director in September



2019. Completion of these and the remaining nine objectives will occur in 2020/21 as they were hindered by planning and preparation for COVID-19 in the latter part of the financial year.

### 3.2 Long Term Objectives and Corporate Plan

There are a number of key issues that faced the organisation during 2019/20 with some expected to influence the 2020/21 Business Plan and the longer term corporate outlook. These are mapped across five domains linked to the NIBTS business plan and corporate plan. The longer term impact on the delivery of services as a consequence of COVID-19 is currently being assessed. However, it is anticipated that recently implemented measures including the donor appointments system and social distancing measures will remain in place during 2020/21.

As this is the fourth year of our four year Corporate Plan, we will review our existing planning assumptions, taking into account the impact of COVID-19, the EU Exit and the wider health service transformation, on the delivery of safe and effective blood services for the four years commencing in 2021/22.

#### **Donor/Patient** – Improving the Donor/Patient Experience

Initial feedback from donors to date indicates that the mandatory appointments system works well. It not only ensures that numbers of donors at session at any one time are limited, but also minimises the time donors wait to be seen before donation. In addition, we are able to match the donor profiles to blood group demand to optimise stock levels and minimise waste. This system will be developed during 2020/21 to further optimise stock levels and donor profiles.

During the course of 2019/20, a number of donor engagement events occurred throughout Northern Ireland. Whilst these large group gatherings are unlikely to progress during 2020/21, we are exploring other ways to engage with our donors and potential donors.

#### **People** – Engage, Empower and Encourage Learning and Development

COVID-19 presents specific challenges to our staff particularly as many are currently working from home and will be expected to do so for some time. As a result, new ways of working including video meetings and webinars enable our staff to keep in touch but also to develop their knowledge and learning. Similarly, a number of options are available both remotely and in the workplace environment to support staff during this challenging time.

#### **Improvement** – Embedding a Culture of Continuous Improvement

Whilst challenging, the current situation has also provided opportunities to rapidly review the way that we work and implement a number of changes that not only mitigate the impact of COVID-19 but also support improvements to the way we collect, test and distribute blood components. These will be reviewed and enhanced during the coming year with the development of an upgraded IT system to facilitate more responsive tracking of products.

We are also implementing plans to actively participate in trials of convalescent plasma to treat patients seriously unwell with COVID-19. Should this prove to be a viable treatment, NIBTS will increase capacity to acquire plasma by whole blood and possibly introduce plasmapheresis donation. Progress with ongoing implementation is subject to the availability of a suitable antibody screen for COVID-19.

We will progress implementation of non-invasive predictive foetal D typing for ante natal patients in line with Public Health Agency timescales and requirements.

During 2020/21, we will continue to liaise with the DoH regarding the Transformation of Pathology Services as it applies to the organisation and assist in delivering any recommendations from the DoH Transformation Implementation Group (TIG).

**Quality** – Ensuring Governance and Compliance

The maintenance of licenses and external accreditation is an essential component in sustaining the safe supply of blood. Coupled with a culture of continued improvement, we will continue to work with all stakeholders to maintain the high standards already achieved.

**Resources** – Improving Performance and Achieving Excellent Results

The financial climate for public services – and particularly health – has been challenging in recent years. Given the pressures not only associated with COVID-19 but also continued growth in demand, it is anticipated that these pressures will continue during the coming year. It is therefore essential that we continue to benchmark our organisation against similar services not only within the UK but globally to ensure that all resources are utilised effectively.

### 3.3 Impacts on Financial Position in 2019/20 and Looking Forward

We are committed to sound financial management and ensuring that the objectives of NIBTS are met in the most efficient and effective way. We, in common with other HSC organisations, are required to deliver cash release efficiency savings each year. During 2019/20, we achieved the agreed cash release target and funding reduction for the year amounting to 2.0% of the 2018/19 baseline.

The primary financial performance objective of NIBTS is to break even on an annual basis. To meet the breakeven definition, any surplus or deficit must be contained within 0.25% of the Revenue Resource Limit (RRL) plus income from activities.

The financial statements are shown in pages 42 to 68 and are prepared in accordance with Article 90(2) of the Health and Personal Social Services (NI) Order 1972 as amended by Article 6 of the Audit and Accountability (NI) Order 2003 and comply with relevant accounting standards.

The Statement of Comprehensive Net Expenditure shows a surplus of £0.017m (2019: £0.020m surplus) and against RRL plus income from activities of £17.623m (2019: £20.252m), this represents a surplus of 0.10% (2019: 0.10%). Accordingly, the breakeven objective for the year has been achieved.

During the year, NIBTS received income of £17.157m (2019: £19.769m). This comprised £6.614m (2019: £5.537m) in respect of Haemophilia Blood Products and Patient Testing Services from the Health and Social Care Board and £10.538m (2019: £14.229m) for the supply of blood and blood products from HSC Trusts. Other income amounted to £0.005m (2019: £0.003m). In addition, a RRL resource limit of £0.466m was provided by DoH to cover non cash costs.

During the year, NIBTS spent £17.604m (2019: £20.233m). The majority of the expenditure was on Clinical Supplies and Services £8.520m (48%) (2019: £11.695m/58%). The average number of whole time equivalent persons employed during the year was 162.7 (2019: 165.7) and expenditure on these staff amounted to £6.679m (38%) (2019: £6.101m/30%). The remaining 14% of expenditure was on other expenditure £1.939 (11%) (2019: £1.954m /10%) and Non-cash items £0.466m (3%) (2019: £0.483m/2%).

The movement in income and expenditure from the prior year primarily relates to the full year effect of the transfer of immunoglobulin products to Trusts with effect from October 2018.

NIBTS also invests each year in laboratory equipment, vehicles, ICT and building infrastructure to provide the capital assets essential for the running of the service. During the year, capital income (from DoH) and expenditure amounted to £0.280m (2019:£0.166m) and £0.276m (2019: £0.165m) respectively.

The Department of Health requires that NIBTS pays their non HSC trade creditors in accordance with applicable terms and appropriate Government Accounting guidance. The Agency's payment policy is consistent with applicable terms and appropriate Government Accounting guidance and its measure of compliance is:

	<b>2020 Number</b>	<b>2020 Value £000s</b>	<b>2019 Number</b>	<b>2019 Value £000s</b>
Total bills paid	3,355	12,467	3,487	16,035
Total bills paid within 30 day target or under agreed payment terms	3,143	11,937	3,289	15,535
% of bills paid within 30 day target or under agreed payment terms	<b>93.7%</b>	<b>95.7%</b>	<b>94.3%</b>	<b>96.9%</b>
Total bills paid within 30 days of receipt of an undisputed invoice	3,143	11,937	3,289	15,535
% of bills paid within 30 days of receipt of an undisputed invoice	<b>93.7%</b>	<b>95.7%</b>	<b>94.3%</b>	<b>96.9%</b>
Total bills paid within 10 day target	2,434	10,531	2,585	13,545
% of bills paid within 10 day target	72.5%	84.5%	74.1%	84.5%

During the year, NIBTS paid no compensation or interest for payments being late.

The key financial issue looking forward is the ability of NIBTS to achieve the required level of efficiency savings which is noted above as a risk. The cost implications of any changing profile of product demand and COVID-19 implications will require evaluation and inclusion in future financial plans.

Within the bounds of the prudent use of public funds, the Agency, in its role as a supplier of critical blood and blood products to hospitals, is a viable organisation. The Agency operates with a capital asset base of approximately £11m and new capital schemes are funded by DoH.

### **3.4 Environmental, Social and Community Issues**

During 2019/20, the Agency continued to make further progress with regard to its environmental objectives. This included the monitoring of energy performance including electricity, steam and water consumption. The environmental management action plan continued to inform actions designed to improve governance with regard to environmental management.

The overall reduction in the carbon footprint for the organisation for the previous year (2018/19) was 4%. The Agency is committed to reducing its carbon footprint by reducing greenhouse gas emissions by an average of 1% each year on 2012/13 levels until 2025. During 2019/20, the Agency continued to reduce its consumption of water in its operational activities. During 2019/20, the Agency continued a programme of replacing fluorescent lighting in office and other areas with more energy efficient LED bulbs as a means to continue to

reduce energy use in its premises. Work was completed on the chilled water plant equipment, which will help improve efficiency in the cooling of the premises during summer months.

Measures such as those described above will help to ensure the Agency makes progress in reaching its overall target of a 1% reduction in its carbon footprint each year until 2025. The Agency will continue to work with Estates Professionals within the Belfast Health and Social Care Trust to achieve these aims.

### **3.5 Employees and Board Members**

As at 31 March 2020 NIBTS employed 202 staff and reported a sickness absence rate of 7.2 % (2019: 6.9%). The target for absence in 2019/20 was <6%. More detailed information is provided in the Remuneration and Staff Reports on page 29.

### **3.6 Pension Liabilities**

The treatment of pension liabilities is detailed in the Remuneration and Staff Report on page 29.

### **3.7 Information Governance**

NIBTS had one reportable potential data breach during 2019/20. This matter is currently under review to determine if there was an actual data breach. All relevant bodies, including the Information Commissioner, have been informed.

### **3.8 Emergency/Business Continuity Plans**

NIBTS continued to further develop and test its emergency planning protocols and business continuity plans in line with the relevant DoH standards.

NIBTS continues to participate in the DoH Emergency Planning Forum and UK Blood Services Emergency Planning and Business Continuity Forum. We reviewed and updated the Mass Casualty procedure and the NIBTS Business Continuity Policy in 2019/2020. The Business Continuity Plans have been tested throughout the COVID-19 pandemic and resilience within functional areas has been verified.



Mrs K Jackson  
Accounting Officer  
27 July 2020



# Accountability Report

## 1. Corporate Governance Report

The Corporate Governance Report sets out the key governance fora within the organisation and, where applicable, their role in reporting to the NIBTS Board. In addition, the Corporate Governance Report provides further data via the Governance Statement with regard to the role and function of the Committees. This report also provides further detail on the framework for Business Planning, Risk Management and Information Risk.

### Directors' Report

NIBTS is governed by an Agency Board with the following officers:

Non-Executive Chair	Ms Bonnie Anley
Non-Executive Members	Mrs Lorraine Lindsay Mr Ian Henderson Mr Philip Cathcart
Chief Executive	Mrs Karin Jackson

In February 2020, the term of two Non-Executive Members, Mrs Lorraine Lindsay and Mr Ian Henderson, was extended for a maximum period of twelve months.

During 2019/20, the Board met on seven occasions. Meetings are publically advertised and are usually held in NIBTS HQ.

The NIBTS Board has three sub-committees. The Audit Committee, which met on four occasions, the Governance and Risk Management Committee, which met on four occasions and the Remuneration Committee, which met once in 2019/20.

Operational management is provided through the Senior Management Team (SMT) which meets each week. It provides quality assured data and information for the Board. The SMT considers a range of issues including:

- Progress against objectives set by DoH;
- Progress against corporate objectives declared in the annual business plan and corporate plan;
- Finance and budgetary control report; and
- Quality Management System performance review

NIBTS has prepared a set of accounts which are included in this report for the year ended 31 March 2020. These have been prepared in accordance with Article 90(2)(a) of the Health and Personal Social Services (Northern Ireland) Order 1972, as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003, in a form directed by the Department of Health.

NIBTS positively promotes the objectives and principles of equality of opportunity and observes all of its statutory obligations in relation to all of the Section 75 groups in the Northern Ireland Act (1998).



NIBTS maintains a Register of Interests for Board members and the Senior Management Team (SMT) to identify any potential conflict of interest. None of the Board or SMT members has undertaken any material transactions with NIBTS during the year. The Register can be reviewed by contacting the Chief Executive's office.

NIBTS did not make any charitable donations in 2019/20.

The Northern Ireland Audit Office (NIAO) is responsible for the audit of NIBTS accounts. The notional cost of the audit for the year ended 31 March 2020, which pertained solely to the audit of the accounts, was £15,000 for Public Funds and £1,000 for Trust Funds. During the year, NIBTS purchased no other non-audit services from the NIAO.

In 2019/20, all relevant information was made available to the auditor. The Chief Executive and Board members have confirmed there is no relevant audit information of which the auditors are unaware. They have taken all steps required to make themselves aware of any relevant audit information and to establish that NIBTS' auditor is aware of that information.

The Chief Executive has confirmed that the annual report and accounts as a whole is fair, balanced and understandable and that she takes personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

There are no events occurring after the balance sheet date that would have a material effect on the accounts.

One incident of a potential data breach was reported to the ICO during the year. NIBTS is a Public Sector Information Holder and has complied with the requirements set out in HM Treasury and the Office of Public Sector Information guidance.



## Statement of Accounting Officer Responsibilities

Under the Health and Personal Social Services (Northern Ireland) Order 1972 (as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003), the Department of Health has directed the Northern Ireland Blood Transfusion Service to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The financial statements are prepared on an accruals basis and must provide a true and fair view of the state of affairs of the Northern Ireland Blood Transfusion Service, of its income and expenditure, changes in taxpayers' equity and cash flows for the financial year.

In preparing the financial statements, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual (FREM) and in particular to:

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

The Permanent Secretary of the Department of Health, as Principal Accounting Officer for Health and Social Care Resources in Northern Ireland, has designated Mrs K Jackson of Northern Ireland Blood Transfusion Service as the Accounting Officer for the Northern Ireland Blood Transfusion Service. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Northern Ireland Blood Transfusion Service's assets, are set out in the Accountable Officer Memorandum, issued by the Department of Health, Chapter 3 of Managing Public Money Northern Ireland (MPMNI) and the HM Treasury Handbook: Regularity and Propriety.



## Governance Statement

### 1. Introduction / Scope of Responsibility

The Board of the Northern Ireland Blood Transfusion Service (NIBTS) is accountable for internal control. As Accounting Officer and Chief Executive of the Agency, I have responsibility for maintaining a sound system of internal governance 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 (DoH).

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

- To meet statutory financial duties;
- To meet all relevant regulatory requirements;
- To enter into and fulfil service level agreements with commissioners; and
- To maintain and develop relationships with donors, commissioners and suppliers.

NIBTS is accountable to the DoH for the performance of these functions and participates in two formal accountability review meetings per annum with DoH.

NIBTS works in partnership with DoH by agreeing and progressing annual objectives and has key relationships with the Health and Social Care Board (HSCB) and HSC Trusts, through established service level agreements, to deliver services to agreed specifications. NIBTS also works closely with the Business Services Organisation who provide a range of services under a service level agreement and with other groups such as the HSC Personal and Public Involvement forum.

### 2. Compliance with Corporate Governance Best Practice

The Board of NIBTS applies the principles of good practice in Corporate Governance and continues to further strengthen its governance arrangements. The Board of NIBTS does this by undertaking continuous assessment of its compliance with Corporate Governance best practice by completing the Board Governance Self-Assessment Tool as issued by the DoH. The current assessment is in progress and the last assessment, undertaken in September 2017, indicated that there were no significant departures from best practice identified in the tool. However, there are some opportunities for improvement and an action plan to facilitate this is being developed.

### 3. Governance Framework

In accordance with the Northern Ireland Blood Transfusion Service (Special Agency) (Establishment and Constitution) Order (Northern Ireland) 1994, NIBTS has a Board whose non-executive members are appointed by the DoH.

The Board consists of a Non-Executive Chair, three Non-Executive members and the Chief Executive. The Senior Management Team attends and participates in Board meetings. In 2019/20 the Board met on seven occasions.

Mrs K Jackson was appointed interim Chief Executive with effect from 1 October 2016 on a temporary basis for up to two years. This tenure was then extended for a further year until 30 September 2019. A further extension has now been agreed until 30 September 2021.

The NIBTS governance framework is described in the NIBTS Board Assurance Framework document which has been developed in keeping with the guidance issued by the DoH. The framework is based on accountability and

reporting for all activities undertaken by NIBTS thereby facilitating robust assurance to the Board. This assurance framework aims to harness the existing risk management activity to resolve uncertainties and deepen NIBTS' understanding of these aspects of governance and is currently being reviewed.

The NIBTS Board oversees NIBTS' activities to ensure that governance and management arrangements are effective. The Board must be assured that they will be able to identify and manage risks inherent in the provision of services by the organisation.

The Board determines the level of assurance required to manage the principal risks and take stock of the various forms of assurance available to them. The Assurance Framework provides a tool by which the Board can monitor the effectiveness of internal control.

The Board has three sub-committees. These are the Audit Committee; the Governance and Risk Committee; and the Remuneration Committee.

#### Audit Committee

The Audit Committee is chaired by a Non-Executive Board member and consists of three Non-Executive Board members. The committee met four times during the year and was attended by Internal Audit, External Audit, the Finance Manager and other Senior Managers, as required.

The key role of the Audit Committee is to review the effectiveness of the internal financial control systems and advise the Board on the strategic processes for internal control; accounting policies and the annual accounts.

The Audit Committee reviewed internal and external audit reports, including the Head of Internal Audit's Annual Opinion, and reported any material matters arising to the NIBTS Board. The Audit Committee also advised and updated the Board on the internal and external audit reports received.

In February 2020, the Audit Committee Self-Assessment checklist was completed and found no significant divergences in its operation from the best practice identified in the checklist.

#### Governance and Risk Committee

The Governance and Risk Committee is chaired by a Non-Executive Board member and consists of a further two Non-Executive Board members. The Chief Executive, SMT members and the Business Continuity and Risk Manager also attended meetings during the year. The Committee met four times during 2019/20.

The Committee ensures that there are robust and regularly reviewed systems and structures in place to support the effective implementation and development of integrated governance and risk management systems across the organisation. Risk management is a planned and systematic approach to identifying, evaluating and responding to risks and providing assurance that responses are effective and ensuring principal risks and significant gaps in controls and assurances are considered by the Board in a timely fashion.

#### Remuneration Committee

The Remuneration Committee is chaired by the Board Chairperson and consists of the Non-Executive members. The Committee met once during the year.

The role of the Remuneration Committee is to advise the Board about appropriate remuneration and terms of service for the Chief Executive and any senior executive.

#### Board and Committee Attendance Record

Attendance at the meetings of the Board and its sub committees during 2019/20 was as follows:

	Board	Audit Committee	Governance and Risk	Remuneration Committee
Ms B Anley – Chair	7 of 7	-	-	1 of 1
Mr I Henderson – Non Executive	6 of 7	4 of 4	4 of 4	1 of 1
Mrs L Lindsay – Non Executive	6 of 7	4 of 4	4 of 4	1 of 1
Mr P Cathcart – Non Executive	5 of 7	3 of 4	4 of 4	1 of 1
Mrs K Jackson – Chief Executive	7 of 7	-	-	-

No Audit Committee, Governance and Risk Committee or Remuneration Committee performance issues were raised as part of the Board Governance Self-Assessment.

#### 4. Framework for Business Planning and Risk Management

Business planning and risk management is at the heart of governance arrangements to ensure that statutory obligations and ministerial priorities are properly reflected in the management of business at all levels within the organisation.

##### Business Planning

In drawing up the annual business plan, the Chief Executive and Senior Management Team discuss key issues affecting the service, develop appropriate objectives for the year ahead and prepare an initial draft.

The initial draft forms the basis of formal business planning consultation meetings which take place during the autumn with middle manager groups, who also discuss the draft plan with staff at their individual team and section meetings. Feedback from the consultation process is documented and factored into revised objectives and the business plan as appropriate. More widely, there are a range of communication channels designed to provide information to staff face to face and electronically. Staff are also represented by Trade Union organisations via the organisation’s Joint Negotiation and Consultative Committee (JNCC).

DoH guidance in relation to business planning for arm’s length bodies is considered and specific DoH objectives and requirements are included. The business plan is reviewed against the corporate risk register so that all risks are addressed in the plan. The organisation also produces a Corporate Plan which sets out the strategic direction of the organisation for a period of four years. This document is approved by DoH.

The performance and achievement of business plan objectives and associated key performance indicators are monitored through regular reporting of progress to the Senior Management Team and the Agency Board. In addition, reports are provided to DoH on progress against objectives and these form part of the Accountability Review process held twice a year.

As detailed in the Performance Analysis (page 9), NIBTS achieved breakeven in 2019/20 and has a balanced financial plan in place for 2020/21.

##### Risk Management

NIBTS has developed a Risk Management Strategy which has identified the organisation’s objectives and risks and sets out a control strategy for each of the significant risks. The Risk Management Strategy is also supported by policies and procedures and incorporates training and development plans appropriate to the level of responsibility.

The Risk Management Strategy clearly outlines the risk management arrangements in place within the organisation. These include the following:

- Risk management is an intrinsic part of NIBTS' business planning, decision making process and policy development. No change of direction, outcome or objective occurs without first considering the risks involved;
- Risks are assessed and monitored through a NIBTS corporate risk register which records all significant identified risks, along with action plans to reduce the risk to the lowest practicable level or to a level acceptable to the NIBTS Senior Management Team. The corporate risk register is reviewed on a quarterly basis by the Governance and Risk Management Committee and presented to the NIBTS Board; and
- The Governance and Risk Management Committee takes a holistic approach to risk that addresses all areas of NIBTS. The Committee reviews the development and performance of the organisation's risk management processes.

Procedures have been put in place for verifying that aspects of risk management and internal control are regularly reviewed and reported on and that risk management has been incorporated fully into the corporate planning and decision making process of the organisation. This includes the development of corporate, operational and departmental risk registers which are used to record and evaluate risk. The registers are formally reviewed quarterly and this process is used to identify and record new risks as well as reviewing existing risks. Identification of risk takes account of factors such as incident reporting, complaints, risk assessments as well as staff responsibility to report any risks to which they or the organisation may be exposed. The registers also detail factors used to control and mitigate risk. Risk management is embedded in all key activities including the management of change, incidents and validation. These mechanisms provide for effective risk identification.

Risks are assessed in keeping with DoH guidance which has been refined to reflect the specialist activities undertaken by NIBTS. This work was overseen by the Governance and Risk Management Committee throughout 2019/20.


Risk management is integral to the training for all staff, as relevant to their grade, both at induction and in service. During 2019/20, Risk Management training was completed by 66% of NIBTS staff. To support staff through the risk management process, expert guidance and facilitation has been available along with access to policies and procedures outlining responsibilities and the means by which risks are identified and controlled.

## **5. Information Risk**

The management of information within NIBTS remains a high priority. An Information Governance resource is in place to ensure that the information governance agenda is effectively progressed. NIBTS has in place a range of information governance and ICT security policies and procedures. Information governance risks are reported through the risk management process. Action plans have been developed and progressed following previous audits, Data Protection reviews and Information Management governance reviews. These action plans are approved by, and progress reported to, the Governance and Risk Management Committee.

Information Asset Owners (IAOs) who have responsibility for identification and management of information risks in their areas have been identified and trained across the Agency. Information Asset Registers have been established in each area by IAOs. The organisation remains compliant with the requirements of the General Data Protection Regulations (GDPR).

The Head of HR and Corporate Services is the Agency's Senior Information Risk Owner and has a key role in considering emerging information risks and how these risks may be managed. The Information Governance Manager is the Agency's Data Protection Officer. The Medical Director was the Agency's Personal Data Guardian



until 30 September 2019. From 1 October 2019, this role has been undertaken by the Chief Executive pending appointment of a replacement Medical Director. The recruitment process for this post is ongoing.

Information governance training is mandatory for all staff and is undertaken by e-learning and new staff are provided with specific Information Governance training sessions. Training was completed by 95% of NIBTS staff in 2019/20.

During 2019/20, one incident of potential data loss was reported to the Information Commissioner's Office (ICO).

NIBTS complies with HSC IT Security Policies and is conscious of the risk posed to information security by malware and other similar attacks. As such, cybersecurity measures such as client antivirus, email protection and full disk encryption are aligned with those within the broader HSC. A proactive vulnerability assessment and remediation approach is also followed within the organisation. During the year, a Cyber Security Audit was undertaken. This highlighted a number of areas for improvement which will be addressed. NIBTS is represented on the HSC Cyber Security Programme Board and fully participates in regional security initiatives.

## **6. Public Stakeholder Involvement**

In 2019/20, NIBTS continued to build on the success from the previous year by holding more Donor Information events. Donors were invited to attend and participate in an evening with staff and members of SMT to find out more about the journey of their donation. This included presentations by members of staff concluding with a video detailing the process from blood donation to the issue of blood components to hospitals. During the year, two Donor Information events took place: one in Portadown and one in Bangor.

Complaints are managed through a well-established system. During 2019/20, all formal complaints received were investigated and closed. Reports are presented quarterly and at year-end to the NIBTS Governance and Risk Management Committee. Information and complaints received from donors will be used to improve NIBTS practices and procedures where appropriate.

## **7. Fraud**

NIBTS has a zero tolerance approach to fraud in order to protect and support our key public services. NIBTS has an Anti-Fraud Policy and Fraud Response Plan to outline our approach to tackling fraud, define staff responsibilities and the actions to be taken in the event of suspected or perpetrated fraud - whether originating internally or externally to the organisation. The Fraud Liaison Officer (FLO) promotes fraud awareness, co-ordinates investigations in conjunction with the BSO counter Fraud and Probity Services team and provides advice to personnel on fraud reporting arrangements. All staff are provided with mandatory fraud awareness training in support of the Anti-Fraud Policy and Fraud Response plan, which are kept under review and updated as appropriate every five years.

## **8. Assurance**

The Board is responsible for ensuring high standards of corporate governance with effective systems of internal control. Regular reports, including the Corporate Risk Register, are presented to the Board for review. The level of compliance with the various Governance standards is reported to the Governance and Risk Management Committee. Where necessary, reports to address any non-compliances are presented to the Board for review and approval of associated action plans.

The Board, through the Audit Committee, receives assurance on the effectiveness of internal financial control systems. The Audit Committee reviews internal and external reports including the Head of Internal Audit's Annual

Report and their overall opinion on risk management, control and governance. Internal Audit is an independent function which operates in accordance with Public Sector Internal Audit Standards. The Board also reviews reports arising from external inspections and assessments, endorses the relevant action plans and monitors progress against the action plans.

During the year, the Governance and Risk Management Committee ensured that there were robust and regularly reviewed systems and structures in place to support the effective implementation and development of integrated governance and risk management systems across the organisation. This Committee reported all relevant matters to the NIBTS Board. During 2020/21, NIBTS expects to continue to enhance the effectiveness of the systems of internal control through the review and update of the NIBTS Assurance Framework.

The Board considers that the information and assurance provided to it is of sufficient quality to support it and the Accounting Officer in their decision making and accountability obligations. This view is determined following completion of the Board Governance Self-Assessment Tool and by taking account of relevant comments by respective auditors.

In line with DoH direction, the previous regime for monitoring areas of Governance, known as Controls Assurance, ceased (with a small number of exceptions) with effect from 01 April 2018. During 2018/19, NIBTS set in place arrangements for reporting against each area of governance and in line with the approach agreed by DoH policy leads. NIBTS continued to assess its compliance via action plans, as applicable, and reported on these to the Governance and Risk Management Committee during 2019/20.

NIBTS assessed progress on the basis of action plans in areas where the controls assurance approach discontinued. In a small number of areas, the controls assurance approach continued in 2019/20. While COVID-19 has caused a delay in some actions, NIBTS level of compliance level is as outlined below:-

<b>Area of Governance</b>	<b>Level of Compliance at 31/03/20</b>
Estates Infrastructure Safety Framework	Satisfactory
Emergency Planning Framework	Satisfactory
Financial Management	Satisfactory
Environmental Governance Framework	Satisfactory
Governance	Satisfactory
Health & Safety	Satisfactory
Human Resources	Satisfactory
Information & Communications Technology	Satisfactory
Procurement	Satisfactory
Medical Devices Management Framework	Satisfactory
Medicines Management	Satisfactory
Information Management Framework	Satisfactory
Research Governance	Satisfactory
Risk Management	Satisfactory
Security Management	Satisfactory

## 9. Sources of Independent Assurance

NIBTS obtains independent assurance from the following sources:



### Internal Audit

NIBTS utilises an internal audit function which operates to defined standards and whose work is informed by an analysis of risk to which the body is exposed and annual audit plans are based on this analysis.

In 2019/20, Internal Audit reviewed the following systems:

Financial Review	Satisfactory Assurance
Risk Management	Satisfactory Assurance
Cyber Security	Limited Assurance
Clinical Governance	Satisfactory Assurance

Limited assurance was provided in respect of Cyber Security on the basis that a number of IT security framework/governance tools were not in place.

Recommendations to address the control weaknesses identified by internal audit have been, or are being, implemented.

Overall, in their Annual Report, the Head of Internal Audit provided a satisfactory level of assurance on the adequacy and effectiveness of the organisation's framework of governance, risk management and control.

### Northern Ireland Audit Office (NIAO)

The financial statements are audited by NIAO and the certificate and report to the Northern Ireland Assembly is included on page 38. The NIAO provides a Report to Those Charged with Governance and any recommendations are acted upon.

It is noted that a qualified opinion has been provided on the financial statements. This was related to the COVID-19 pandemic and Government advice on social distancing and travel restrictions which prevented auditors from attending NIBTS year-end stock counting. The qualification was due to circumstances outside the control of NIBTS.

### RQIA

The RQIA has, in the past, undertaken reviews on NIBTS activities. However, no audits of NIBTS were undertaken by the RQIA in 2019/20.

### Other Regulatory Bodies

All core services provided by NIBTS are subject to regulatory inspection and /or accreditation.

Legislation (Medicines Act 1968 and Blood Safety and Quality Regulations 2005/50 (as amended)) requires that the organisation possesses appropriate licences in order to perform its core functions. NIBTS holds the relevant licences and undergoes inspection by the Medicines and Healthcare products Regulatory Agency (MHRA) on a two yearly basis to ensure compliance with the relevant standards. The last inspection, in June 2019, has been closed post agreement of an action plan to address those issues raised. The next inspection is scheduled for June 2021.

NIBTS is also audited by the United Kingdom Accreditation Service (UKAS) against ISO15189 standards for Medical Laboratories – Requirements for Quality and Competence. NIBTS obtained ISO:15189:2012 accreditation in 2018 and has retained this accreditation following a UKAS surveillance visit in December 2019.

#### Business Services Organisation (BSO)

The Business Services Organisation (BSO) is responsible for providing NIBTS with a range of services through a Service Level Agreement. In 2019/20, these services included procurement, income, payments, payroll, recruitment and legal services.

BSO provides service monitoring and assurance reports during the year and an annual assurance letter confirming compliance with relevant guidance, regulations and legislation across a number of areas.

### **10. Review of Effectiveness of the System of Internal Governance**

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

### **11. Internal Governance Divergences**

#### Update on Prior Year Control Issues Now Resolved

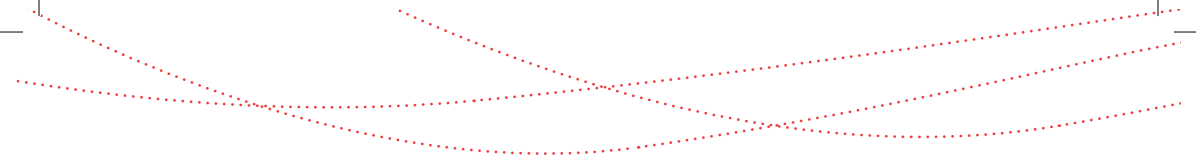
There were no significant control issues or internal governance divergences identified in the prior year.

#### New Significant Control Issues

There were no significant control issues or internal governance divergences identified in the year.

### **12. COVID-19**

The World Health Organisation (WHO) declared the outbreak of Coronavirus disease (COVID-19) a global pandemic on 11 March 2020. Following which the Department and its ALBs immediately enacted emergency response plans across the NI Health sector. There is UK-wide coordinated approach guided by the scientific and medical advice from respective Chief Medical Officers and Chief Scientific Advisers informed by the emergent evidence nationally and internationally. Evidence-based UK-wide policies and guidelines continue to be carefully followed in conjunction with the PHA issuing local guidelines and ensuring readily accessible and continually updated advice. The pandemic has had extensive impact on the health of the population, all health services and the way business is conducted across the public sector. Protecting the population, particularly the most vulnerable, ensuring that health and social care service were not overwhelmed, saving lives through mitigating the impact of the pandemic and patient and staff safety has remained at the forefront throughout health's emergency response. This has required a number of measures to urgently repurpose and temporarily reconfigure the provision of services, and to identify additional capacity including the need to ensure availability of appropriate Personal Protective Equipment. Financial measures have been put in place by the NI Executive to



enable NI to tackle the response to COVID-19 and Health has obtained essential financial support from this package of measures to assist in the ongoing fight against COVID-19.

Contingency arrangements have been in operation including the establishment of an Emergency Operations Centre within the Department to support HSC colleagues' frontline response to the pandemic. Given the wide ranging impact and the need to react immediately to changing healthcare needs, this has had an effect on the ability to conduct routine health business with a need to curtail non-urgent healthcare activity in order to re-direct resources to deal with the pandemic. There have been substantial resourcing impacts across the Department and ALBs to scale up the response to ensure adequate staff resourcing to meet increasing demands which included calling on volunteers, retired medical staff and medical students to rally together to strive to enable an optimum response to the pandemic.

Social distancing measures were implemented in line with The Health Protection (Coronavirus, Restrictions) (Northern Ireland) Regulations 2020 and the health sector played an important part in ensuring the NI population were aware of the need to adhere to the measures to reduce risk of transmission. The actions of the health sector throughout the continued response to the pandemic are based on the ongoing assessment of three key criteria: the most up-to-date scientific evidence; the ability of the health service to cope; and the wider impacts on our health, society and the economy. Across healthcare, leading on the testing of COVID-19 in NI has and continues to be a key priority with testing centres being set up across the country including mobile testing. The Department's Expert Advisory Group has overseen the strategic approach to testing in NI. The Minister of Health is a member of the Ministerial Testing Taskforce, chaired by the Secretary of State for Health, and so NI is fully engaged with the strategy for testing at a national level. NI testing capacity has also been increased through Health's facilitation of the UK Coronavirus National Testing Programme. Northern Ireland Contact Tracing Service began contact tracing all confirmed cases of COVID-19 on 18 May 2020. Volunteers have been recruited and redeployed across the health sector and the team is being scaled up to strive to ensure that every conceivable effort is made to continue to limit transmission as lockdown measures across the region are eased. The Department has prepared a COVID-19 Test, Trace and Protect Strategy which sets out the public health approach to minimising COVID-19 transmission in the community in Northern Ireland. The Chief Medical Officer has established a Strategic Oversight Board for the NI COVID-19 strategy which will bring all of the key elements together – namely testing, contact tracing, information and advice, and support - working together with colleagues across the HSC to endeavour to maintain community transmission at a low level and respond to clusters of infection localised in NI. The early outcome is more favourable than the modelling of the reasonable worst case scenario and the Department and HSC are no longer in emergency response mode, some areas have been able to be stood down in recent times although there is a need to continue to remain vigilant and in a state of operational readiness to react should a resurgence occur.

Alongside the ongoing and changing needs of response to COVID-19 there is an urgent need to seek to rebuild wider healthcare services and confidence in the community. Officials have over recent weeks carried out an urgent project to assess the impact of COVID-19 on HSC services delivery. On 9 June 2020 a new Strategic Framework was launched aimed at rebuilding health and social care services. The key aim will be to incrementally increase HSC service capacity as quickly as possible across all programmes of care, within the prevailing COVID-19 conditions. A new Management Board for Rebuilding HSC Services has also been created. This will broadly consist of senior Department of Health officials, Trust Chief Executives and other HSC leaders. COVID-19 has had a profound impact on the delivery of health and social care services and across the HSC plans are incrementally being enacted to begin recovery whilst planning for a potential second wave. The Department is continuing to work closely across the HSC to support and define the requirements and opportunities to meet continuing and rapidly changing pressures in these unprecedented and challenging times.

### 13. Budget Position and Authority

The Assembly passed the Budget Act (Northern Ireland) 2020 in March 2020 which authorised the cash and use of resources for all departments and their Arms' Length Bodies for the 2019-20 year, based on the Executive's final expenditure plans for the year. The Budget Act (Northern Ireland) 2020 also authorised a Vote on Account to authorise departments' access to cash and use of resources for the early months of the 2020-21 financial year. While it would be normal for this to be followed by the 2020-21 Main Estimates and the associated Budget (No. 2) Bill before the summer recess, the COVID-19 emergency and the unprecedented level of allocations which the Executive has agreed in response, has necessitated that the Budget (No. 2) Bill is instead authorising a further Vote on Account to ensure departments and their Arms' Length Bodies have access to the cash and resources through to the end of October 2020, when the Main Estimates will be brought to the Assembly and the public expenditure position is more stable.

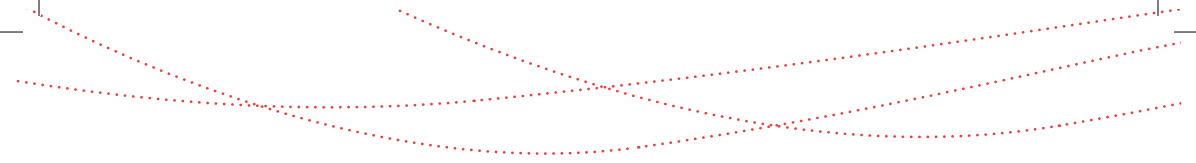
### 14. European Union (EU) Exit

On 29 March 2017, the UK Government submitted its notification to leave the EU in accordance with Article 50. On 31 January 2020, the Withdrawal Agreement between the UK and the EU became legally binding and the UK left the EU. The future relationship between the EU and the UK will be determined by negotiations taking place during the transition period ending 31 December 2020. As uncertainty still exists regarding the Northern Ireland Protocol, this is under review in conjunction with key stakeholders. NIBTS will continue to work collaboratively with colleagues during 2020-21 across the Department, HSC and wider to ensure we are appropriately prepared for the end of the transition period and the new dispensation.

### 15. Conclusion

NIBTS has a rigorous system of accountability upon which I can rely as Accounting Officer to form an opinion on the probity and use of public funds, as detailed in Managing Public Money NI (MPMNI). Further to considering the accountability framework within NIBTS and in conjunction with assurances given to me by the Head of Internal Audit, I am content that NIBTS has operated a sound system of internal governance during the period 2019/20.





## 2. Remuneration and Staff Report

The Remuneration and Staff Report sets out the role of the Remuneration Committee and in particular the Committees adherence to appropriate Remuneration Policy including relevant DoH circulars and Agenda for Change term and conditions.

### Remuneration Report

#### **Remuneration Committee**

The Board of the Agency, as set out in its Standing Orders and Standing Financial Instructions has delegated certain functions to the Remuneration Committee including the provision of advice and guidance to the Board on matters of salary and contractual terms of the Chief Executive, guided by DoH policy. The membership of this committee during 2019/20 consisted of Ms B Anley (Chair), Mr I Henderson, Mr P Cathcart and Mrs L Lindsay (Non-Executive Board Members). The Remuneration Committee met once during the year.

#### **Remuneration Policy**

All staff within NIBTS are paid in accordance with circulars issued by DoH. All non-medical staff are covered by the Agenda for Change Terms and Conditions of Service Handbook and were paid in accordance with these terms and conditions.

All medical staff were paid in accordance with DoH circular Pay and Conditions of Service: Remuneration of Hospital Medical and Dental Staff, Doctors and Dentists in Public Health, the Community Health Service, and Salaried Dental Staff.

#### **Service Contracts**

The Chief Executive, Mrs K Jackson, took up post on 1 October 2016 on a temporary basis for up to two years. This tenure has been extended until 30 September 2021. Mrs Jackson is on secondment from the Belfast Health and Social Care Trust and is paid through Belfast Health and Social Care payroll and the cost recharged to NIBTS.

Dr K Morris was Medical Director of NIBTS until 30 September 2019. Dr Morris was employed under a contract issued in accordance with HSC Medical Consultant Terms and Conditions of Service (Northern Ireland) 2004. The process of recruiting a replacement Medical Director is ongoing.

All members of the Senior Management Team are paid in accordance with Agenda for Change Terms and Conditions.

#### **Termination Payment**

There is a statutory provision for termination payments only, as detailed in the contracts of senior management. There were no payments made to directors in respect of compensation for loss of office during 2019/20.

### Notice Period

For Senior Management, a period of three months' notice is to be provided by either party except in the event of summary dismissal. There is nothing to prevent either party waiving the right to notice or from accepting payment in lieu of notice.

### Retirement Age

NIBTS does not operate a general retirement age for staff, although it reserves the right to require an individual employee or group of employees to retire at a particular age where this is objectively justified in the particular circumstances of the case.

### Retirement Benefit Cost

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 DoH. The Agency is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reliable basis.

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 statement of financial position date and updates it to reflect current conditions. The 2016 valuation for the HSC Pension scheme updated to reflect current financial conditions (and a change in financial assumption methodology) is used in the 2019/20 accounts.



## Salary and Pension Entitlements

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

### Senior Management Remuneration (Audited)

Name	2019/20				2018/19					
	Salary (£000)	Bonus / Performance Pay £000	Benefits in Kind (to nearest £100)	Pension Benefits £000	Total £000	Salary £000	Bonus / Performance Pay £000	Benefits in Kind (to nearest £100)	Pension benefits £000	Total £000
<b>Non- Executive Members</b>										
Mr J Lennon (Chairman)*	-	-	-	-	-	5-10	-	-	-	5-10
Mis B Anley (Chair)*	5-10	-	-	-	5-10	-	-	-	-	-
Mrs L Lindsay	0-5	-	-	-	0-5	-	-	-	-	0-5
Mr I Henderson	0-5	-	-	-	0-5	-	-	-	-	0-5
Mr P Cathcart	0-5	-	-	-	0-5	-	-	-	-	0-5
<b>Executive Members</b>										
Mrs K Jackson**	80-85	-	-	18	100 - 105	80-85	-	-	28	110 - 115
<b>Senior Management</b>										
Dr K Morris	85-90	-	-	-	85-90	145-150	-	-	(10)	135 - 140
(until 30 September 2019)										
	(full year effect 155-160)									
Mr G Bell	70 - 75	-	-	17	85 - 90	-	-	-	-	-
Mr I Ritchie	70 - 75	-	-	16	85 - 90	-	-	-	-	-
Mrs A Geddis	60 - 65	-	-	25	85 - 90	-	-	-	-	-
Mis A Maccauley	55 - 60	-	-	14	70 - 75	-	-	-	-	-

\*Mr J Lennon was Chairman until 31 March 2019 and was replaced by Ms B Anley with effect from 1 April 2019.

\*\*Mrs K Jackson was appointed Chief Executive on a temporary basis, on secondment from Belfast HSC Trust, until 30 September 2021. Mrs Jackson is paid through Belfast HSC Trust payroll and the cost recharged to NIBTS. This is included under 'Others' in staff costs below.

With the exception of the Medical Director, this is the first year of reporting other senior management staff salaries and hence no prior year figures are shown.

'Salary' includes gross salary, overtime, on call and other allowances. There were no bonuses paid or benefits in kind provided to senior management during 2019/20 or 2018/19.

The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation of any increase or decreases due to a transfer of pension rights.

#### Fair Pay Disclosure (Audited)

	2019/20 £000	Restated 2018/19 £000
Highest Paid Director - Total Remuneration (Annualised)	155-160	140-150
Median Total Remuneration	20.8	20.2
Ratio	7.5	7.3
Range Of Staff Remuneration	18-105	17-140

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid Director in their organisation and the median remuneration of the organisation's workforce. The banded remuneration (annualised) of the highest paid Director in NI Blood Transfusion Service in the financial year 2019-20 was £155k – £160k (2018-19, £140k - £150k). This was 7.5 times (2018-19, 7.3) the median remuneration of the workforce (excluding agency staff), which was £20.8k (2018-19, £20.2k). Total remuneration includes salary, non-consolidated performance-related pay, and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.





### Pensions of Senior Management (Audited)

	Real increase in pension and related lump sum at age 60 £000	Total accrued pension at age 60 as at 31/03/19 and related lump sum £000	CETV at 31/03/19 £000	CETV at 31/03/20 £000	Real increase in CETV £000
Mrs K Jackson					
Pension	0 – 2.5	20 – 25	352	381	18
Lump sum	0	35 - 40			
Mr G Bell					
Pension	0 - 2.5	30 - 35	615	648	18
Lump sum	0	80 - 85			
Mr I Ritchie					
Pension	0 - 2.5	25 - 30	502	631	15
Lump sum	0	65 - 70			
Mrs A Geddis					
Pension	0 - 2.5	30 - 35	716	786	35
Lump sum	2.5 - 5	95 - 100			
Ms A Macauley					
Pension	0 - 2.5	25 - 30	502	529	14
Lump sum	0	60 - 65			

Non-Executive members do not receive pensionable remuneration; therefore there are 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 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 and framework prescribed by the Institute and Faculty of Actuaries.

Real increase in CETV – This reflects the increase in CETV effectively funded by the employer. It takes account 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.

Pension contributions deducted from individual employees are dependent upon the level of remuneration receivable and are deducted using a scale applicable to the level of remuneration received by the employee.

### Payments to Past Directors (Audited)

There were no payments made to past directors during the year (2018/19: nil).

## Staff Report

### Staff Costs (Audited)

	2020		2019	
Staff costs comprise:	Permanently employed staff £000s	Others	Total	Total
Wages and salaries	4,927	336	5,263	4,953
Social security costs	452	0	452	434
Other pension costs	964	0	964	713
<b>Sub-total</b>	<b>6,343</b>	<b>336</b>	<b>6,679</b>	<b>6,101</b>
Capitalised staff costs	0	0	0	0
<b>Total staff costs reported in Statement of Comprehensive Expenditure</b>	<b>6,343</b>	<b>336</b>	<b>6,679</b>	<b>6,101</b>
Less recoveries in respect of outward secondments			0	0
<b>Total net costs</b>			<b>6,679</b>	<b>6,101</b>
Total Net costs of which:			<b>£000s</b>	<b>£000s</b>
NI Blood Transfusion Service			6,679	6,101
Charitable Trust Fund			0	0
<b>Total</b>			<b>6,679</b>	<b>6,101</b>

No staff costs were charged to capital projects during the year (2019: £nil).



## Average Number of Persons Employed (Audited)

The average number of whole time equivalent (WTE) staff employed during the year was as follows:

Category	Permanently employed staff No.	2020 Others	Total	2019 Total
Medical and dental	2.6	0.7	3.3	3.8
Nursing and midwifery	46.4	3.8	50.2	50.0
Ancillaries	5.3	0.8	6.1	6.8
Administrative and clerical	41.0	4.9	45.9	47.8
Other professionals and technical	55.4	1.8	57.2	57.3
<b>Total average number of persons employed</b>	<b>150.7</b>	<b>12.0</b>	<b>162.7</b>	<b>165.7</b>
<b>Less average staff number relating to capitalised staff costs</b>				
<b>Less average staff number in respect of outward secondments</b>				
<b>Total net average number of persons employed</b>	<b>150.7</b>	<b>12.0</b>	<b>162.7</b>	<b>165.7</b>
Of which:				
NI Blood Transfusion Service			162.7	
Charitable Trust Fund			0	
Total			<u>162.7</u>	

## Reporting of early retirement and other compensation scheme

There were no redundancy or early departure costs paid in 2019/20 or in 2018/19.

## Staff Benefits

There were no staff benefits paid in 2019/20 or in 2018/19.

## Retirements due to ill-health

During 2019/20 there was one early retirement from the Agency, agreed on the grounds of ill-health (2018/19: 1). The estimated additional pension liabilities of these ill-health retirements will be £4K. These costs are borne by the HSC Pension Scheme.

## Off Payroll Engagements

There were no 'off-payroll' engagements at a cost of over £58,200 per annum in place during 2019/20 (2018/19: Nil).

## Consultancy Expenditure

During the year there was no expenditure on consultancy services (2018/19: £10,000).

## Staff Composition

The Agency employs a range of staff under a number of occupational groupings. This includes professional and technical, administrative and clerical, medical, nursing and ancillary grades.

As at 31/03/2020, the Agency employed a total of 202 staff (161 whole time equivalents). This figure included 193 staff employed on permanent contracts and 9 staff on temporary and/or fixed term contracts, including non-executive Board members.

The gender profile of staff employed by the Agency for the period was 65 male and 137 female.

For the senior manager group of employees (those defined as earning in excess of £71,000 p.a.) the gender breakdown of officers was two male and two female members of staff.

## Sickness data

During 2019/20 the Agency was required to comply with the Departmental target of improving or maintaining sickness absence rates on 2018/19 levels (6.9%). For the period ended 31/03/2020 the Agency did not achieve this target. Cumulative absence for the workforce as a whole was 7.2%. Long term sickness, that is sickness lasting for four weeks or more, accounted for 5.4% with the remaining 1.8% of employee sickness attributable to short-term absences.

## Staff Policies

The Agency has in place a robust recruitment and selection policy which is regularly reviewed. All staff who are involved with the selection of staff for employment are required to undertake mandatory training as well as separate equality awareness training. Equality and diversity is also a core dimension discussed formally with each member of staff via the annual staff review process. Applicants for posts within the Agency who declare a disability are given full and fair consideration at all stages.

During 2019/20 the Agency was made aware of one existing employee who was confirmed as having a disability. In such circumstances, the Agency always engages with Occupational Health professionals and fulfils all of its legal obligations and in particular the duty to make reasonable adjustments and to consider retraining and reallocation of duties whenever possible. During 2019/20 the Agency made efforts to engage with staff members to update their equality data in order for the organisation to better understand the composition of the workforce including those with disabilities.

Employees of the Agency who declare a disability, or who are known by the Agency to be disabled, enjoy the same benefits in terms of training, career development and promotion as those members of staff without disabilities.

### 3. Accountability and Audit report

The Accountability and Audit report provides detail of all audited losses and special payments during 2019/20 as well as confirmation of no remote contingent liability. Details of fees and charges and confirmation of long term expenditure and financial planning is also provided.

#### Funding Report

##### Losses and Special Payments (Audited)

There were no losses, special payments, gifts or other payments made during the year. In 2018/19 stores Losses amounted to £4k.

##### Fees and Charges (Audited)

There were no fee and charges payments made during the year.

##### Remote Contingent Liabilities (Audited)

In addition to contingent liabilities reported within the meaning of IAS 37, the NI Blood Transfusion Service also reports liabilities for which the likelihood of a transfer of economic benefit in settlement is too remote to meet the definition of contingent liability. NIBTS had no such liabilities as at 31 March 2020.

##### Long Term Expenditure Trends and Plans

It is anticipated that for the foreseeable future the current pattern of NIBTS expenditure will be maintained. The level of future expenditure will be influenced by any changes in demand for blood components (red cells, platelets and plasma) and any operational changes arising from COVID-19.

In terms of financial management and control, a financial plan is prepared and approved by the Agency Board at the beginning of each financial year and budgets are established. Financial performance is monitored and reviewed through detailed financial reporting on a monthly basis. An aggregate summary of the financial position to date and forecast year end position is presented by the Finance Manager to each meeting of the Agency Board. NIBTS will continue to invest each year in laboratory equipment, vehicles, ICT and building infrastructure to provide the capital assets essential for the running of the service.

##### Regularity of Expenditure (Audited)

The Agency has continued to maintain sound systems of internal control which are designed to safeguard public funds and assets. These systems are subjected to annual internal audit by BSO Internal Audit. DoH guidance on expenditure is reviewed and implemented as appropriate. Approval of NIBTS expenditure is undertaken by a small number of senior staff. NIBTS uses BSO Procurement and Logistics, which is a Centre of Procurement Expertise (CoPE), for goods and services procurements. These processes are aimed at ensuring the regularity of expenditure within NIBTS.



Mrs K Jackson  
Accounting Officer  
27 July 2020

## **NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**

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

#### **Opinion on financial statements**

I certify that I have audited the financial statements of the Northern Ireland Blood Transfusion Service for the year ended 31 March 2020 under the Health and Personal Social Services (Northern Ireland) Order 1972, as amended. The financial statements comprise: the Group and Parent Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes including significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion, except for the possible effects of the matter described in the Basis for opinion section of our report, the financial statements:

- give a true and fair view of the state of the group's and of the Northern Ireland Blood Transfusion Service's affairs as at 31 March 2020 and of the group's and the Northern Ireland Blood Transfusion Service's net expenditure for the year then ended; and
- have been properly prepared in accordance with the Health and Personal Social Services (order) 1972, as amended and Department of Health directions issued thereunder.

#### **Emphasis of Matter**

I draw attention to Note 5.1 of the financial statements, which describes the material valuation uncertainties for Land and Buildings due to the consequences of the COVID-19 pandemic. My opinion is not modified in respect of the matter.

#### **Opinion on regularity**

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

#### **Basis of opinions**

Inventory is recorded in these financial statements at £2,178,000. We were unable to obtain sufficient appropriate audit evidence about the existence and subsequent valuation of inventory, because Government advice on social distancing due to the COVID-19 pandemic meant we were unable to attend the stock count at NIBTS Headquarters and in clinical settings on 31 March 2020. Consequently, we were unable to determine whether any adjustment to this amount was necessary.

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate. My staff and I are independent of the Northern Ireland Blood Transfusion Service in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2016 and have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

#### **Conclusions relating to going concern**

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you, where:

- the Northern Ireland Blood Transfusion Service's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Northern Ireland Blood Transfusion Service have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the [Northern Ireland Blood Transfusion Service's ability to continue to adopt the going concern basis.

### **Other Information**

The Northern Ireland Blood Transfusion Service and the Accounting Officer are responsible for the other information included in the annual report. The other information comprises the information included in the annual report other than the financial statements, the parts of the Accountability Report described in the report as having been audited, and my audit certificate and report. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

As described in the basis for opinions section of our report, we were unable to satisfy ourselves concerning the inventory quantities of £2,178,000 held at 31 March 2020. We have concluded that where the other information refers to the inventory balance or related balances, it may be materially misstated for the same reason.

### **Opinion on other matters**

In my opinion:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Department of Health directions made under the Health and personal Social Services (Northern Ireland) Order 1972, as amended; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Responsibilities of the Northern Ireland Blood Transfusion Service and Accounting Officer for the financial statements**

As explained more fully in the Statement of Accounting Officer Responsibilities, the Northern Ireland Blood Transfusion Service and the Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

### **Auditor's responsibilities for the audit of the financial statements**

My responsibility is to audit, certify and report on the financial statements in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended.

My objectives are to obtain 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my certificate.

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

#### **Matters on which I report by exception**

Except for the matter described in the basis of opinions section of our report and arising solely from the limitation on the scope of our work relating to inventory, referred to above, 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 the parts of the Accountability 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 Governance Statement does not reflect compliance with the Department of Finance's guidance.

Arising solely from the limitation on the scope of our work relating to inventory, referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

#### **Report**

A report on the valuation of land and buildings is not considered necessary, as the circumstances are beyond the control of management.



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

31 July 2020





Thermo  
SCIENTIFIC

QC-RUN  
SLOW-START  
SLOW-STOP  
BRAKE-OFF  
STEP-RUN

SPEED  
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4000

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OPEN

## Financial Statements for the Year Ended 31 March 2020

### Foreword

These accounts for the year ended 31 March 2020 have been prepared in accordance with Article 90(2)(a) of the Health and Personal Social Services (Northern Ireland) Order 1972, as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003, in a form directed by the Department of Health.

### Certificates of Chair and Chief Executive

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 40 to 65) which I am required to prepare on behalf of the Northern Ireland Blood Transfusion Service have been compiled from and are in accordance with the accounts and financial records maintained by the Northern Ireland Blood Transfusion Service and with the accounting standards and policies for HSC bodies approved by the DoH.



Mrs K Jackson                      Chief Executive  
27 July 2020

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 40 to 65) as prepared in accordance with the above requirements have been submitted to and duly approved by the Board.



Ms B Anley                              Chair  
27 July 2020



Mrs K Jackson                      Chief Executive  
27 July 2020

**NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**  
**Consolidated Statement of Comprehensive Net Expenditure for the year ended 31 March 2020**

This account summarises the income and expenditure generated and consumed on an accruals basis. It also includes other comprehensive income and expenditure, which includes changes to the values of non-current assets and other financial instruments that cannot yet be recognised as income or expenditure.

	NOTE	2020 £000s		2019 £000s	
		Agency	Consolidated	Agency	Consolidated
<b>Income</b>					
Revenue from contracts with customers	4.1	17,155	17,155	19,769	19,769
Other operating income*	4.2	0	2	0	0
<b>Total operating income</b>		<b>17,155</b>	<b>17,157</b>	<b>19,769</b>	<b>19,769</b>
<b>Expenditure</b>					
Staff costs		(6,679)	(6,679)	(6,101)	(6,101)
Purchase of goods and services	3	(8,683)	(8,683)	(11,846)	(11,846)
Depreciation, amortisation and impairment charges	3	(452)	(452)	(428)	(428)
Provision expense	3	(5)	(5)	(41)	(41)
Other operating expenditure	3	(1,785)	(1,785)	(1,816)	(1,817)
<b>Total operating expenditure</b>		<b>(17,604)</b>	<b>(17,604)</b>	<b>(20,232)</b>	<b>(20,233)</b>
<b>Net operating expenditure</b>		<b>(449)</b>	<b>(447)</b>	<b>(463)</b>	<b>(464)</b>
Finance income	4.2	0	6	0	6
<b>Net expenditure for the year</b>		<b>(449)</b>	<b>(441)</b>	<b>(463)</b>	<b>(458)</b>
Revenue Resource Limit (RRL)	23.1	466	466	483	483
Add back charitable trust fund net expenditure*		0	(8)	0	(5)
<b>Surplus against RRL</b>		<b>17</b>	<b>17</b>	<b>20</b>	<b>20</b>
<b>OTHER COMPREHENSIVE EXPENDITURE</b>					
	NOTE	2020 £000s		2019 £000s	
<b>Items that will not be reclassified to net operating costs:</b>					
Net gain on revaluation of property, plant and equipment	5.1/5.2	879	879	313	313
Net (loss)/gain on revaluation of charitable assets	7	0	(21)	0	11
<b>COMPREHENSIVE NET EXPENDITURE for the year ended 31 March</b>		<b>430</b>	<b>417</b>	<b>(150)</b>	<b>(134)</b>

The notes on pages 47 to 68 form part of these accounts.

\*All donated funds have been used by the Agency as intended by the benefactor. It is for the Board to manage the internal disbursements. The Board ensures that charitable donations received by the Agency are appropriately managed, invested, expended and controlled, in a manner that is consistent with the purposes for which they were given and with the Agency's Standing Financial Instructions, Departmental guidance and legislation.


**NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**  
**Consolidated Statement of Financial Position as at 31 March 2020**


This statement presents the financial position of NI Blood Transfusion Service. It comprises three main components: assets owned or controlled; liabilities owed to other bodies; and equity, the remaining value of the entity.

	NOTE	2020		2019	
		Agency £000s	Consolidated £000s	Agency £000s	Consolidated £000s
<b>Non Current Assets</b>					
Property, plant and equipment	5.1/5.2	10,969	10,969	10,255	10,255
Intangible assets	6.1/6.2	33	33	44	44
Financial assets	7	-	216	-	242
<b>Total Non Current Assets</b>		<b>11,002</b>	<b>11,218</b>	<b>10,299</b>	<b>10,541</b>
<b>Current Assets</b>					
Assets classified as held for sale	9	-	-	-	-
Inventories	10	2,178	2,178	1,627	1,627
Trade and other receivables	12	707	707	600	600
Other current assets	12	1	1	1	1
Cash and cash equivalents	11	604	604	717	717
<b>Total Current Assets</b>		<b>3,490</b>	<b>3,490</b>	<b>2,945</b>	<b>2,945</b>
<b>Total Assets</b>		<b>14,492</b>	<b>14,708</b>	<b>13,244</b>	<b>13,486</b>
<b>Current Liabilities</b>					
Trade and other payables	13	(2,452)	(2,452)	(1,934)	(1,947)
Provisions	14	(54)	(54)	(9)	(9)
<b>Total Current Liabilities</b>		<b>(2,506)</b>	<b>(2,506)</b>	<b>(1,943)</b>	<b>(1,956)</b>
<b>Total assets less current liabilities</b>		<b>11,986</b>	<b>12,202</b>	<b>11,301</b>	<b>11,530</b>
<b>Non Current Liabilities</b>					
Provisions	14	(9)	(9)	(49)	(49)
<b>Total Non Current Liabilities</b>		<b>(9)</b>	<b>(9)</b>	<b>(49)</b>	<b>(49)</b>
<b>Total assets less total liabilities</b>		<b>11,977</b>	<b>12,193</b>	<b>11,252</b>	<b>11,481</b>
<b>Taxpayers' Equity and other reserves</b>					
Revaluation reserve		10,079	10,079	9,206	9,206
SoCNE reserve		1,898	1,898	2,046	2,046
Other reserves - charitable fund		-	216	-	229
<b>Total equity</b>		<b>11,977</b>	<b>12,193</b>	<b>11,252</b>	<b>11,481</b>

The financial statements on pages 42 to 46 were approved by the Board on 09 July 2020 and were signed on its behalf by;

The notes on pages 47 to 68 form part of these accounts.

Signed:  (Chair) Date: 27 July 2020

Signed:  (Chief Executive) Date: 27 July 2020

**NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**  
**Consolidated Statement of Cash Flows for the year ended 31 March 2020**

The Statement of Cash Flows shows the changes in cash and cash equivalents of the NI Blood Transfusion Service during the reporting period. The statement shows how the NI Blood Transfusion Service generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of service costs and the extent to which these operations are funded by way of income from the recipients of services provided by the NI Blood Transfusion Service. Investing activities represent the extent to which cash inflows and outflows have been made for resources which are intended to contribute to the NI Blood Transfusion Service future public service delivery.

	NOTE	2020 £000s	2019 £000s
<b>Cash flows from operating activities</b>			
Net surplus after interest/Net operating expenditure		(441)	(458)
Adjustments for non cash transactions		466	483
(Increase)/decrease in trade and other receivables	12	(107)	547
(Increase)/decrease in inventories	10	(551)	9
Increase/(decrease) in trade payables	13	505	(92)
<i>Less movements in payables relating to items not passing through the NEA</i>			
Movements in payables relating to the purchase of property, plant and equipment	5	(13)	(1)
Movements in payables relating to the purchase of intangibles	6	21	(21)
<b>Net cash (outflow)/inflow from operating activities</b>		(120)	467
<b>Cash flows from investing activities</b>			
(Purchase of property, plant & equipment)		(284)	(143)
Proceeds of disposal of property, plant & equipment		6	-
Drawdown from investment fund		5	-
Share of income reinvested		-	(5)
<b>Net cash outflow from investing activities</b>		(273)	(148)
<b>Cash flows from financing activities</b>			
Grant in aid		280	166
<b>Net financing</b>		280	166
<b>Net (decrease)/increase in cash &amp; cash equivalents in the period</b>		(113)	485
<b>Cash &amp; cash equivalents at the beginning of the period</b>	11	717	232
<b>Cash &amp; cash equivalents at the end of the period</b>	11	604	717

The notes on pages 47 to 68 form part of these accounts.

**NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**  
**Consolidated Statement of Changes in Taxpayers' Equity for the year ended 31 March 2020**

This statement shows the movement in the year on the different reserves held by NI Blood Transfusion Service. The Statement of Comprehensive Net Expenditure (SoCNE) Reserve reflects a contribution from the Department of Health. The Revaluation Reserve reflects the change in asset values that have not been recognised as income or expenditure. The SoCNE Reserve represents the total assets less liabilities of the NI Blood Transfusion Service, to the extent that the total is not represented by other reserves and financing items.

	NOTE	SoCNE Reserve £000s	Revaluation Reserve £000s	Charitable Fund £000s	Total £000s
<b>Balance at 31 March 2018</b>		2,328	8,894	213	11,435
<b>Changes in Taxpayers Equity 2018-19</b>					
Grant from DoH		166	0	0	166
Other reserves movements including transfers		1	(1)	0	0
(Comprehensive net expenditure for the year)		(463)	313	16	(134)
Non cash charges - auditors remuneration	3	14	0	0	14
<b>Balance at 31 March 2019</b>		<b>2,046</b>	<b>9,206</b>	<b>229</b>	<b>11,481</b>
<b>Changes in Taxpayers Equity 2019-20</b>					
Grant from DoH		280	-	0	280
Other reserves movements including transfers		6	(6)	0	0
(Comprehensive expenditure for the year)		(449)	879	(13)	417
Auditors remuneration	3	15	-	0	15
<b>Balance at 31 March 2020</b>		<b>1,898</b>	<b>10,079</b>	<b>216</b>	<b>12,193</b>

The notes on pages 47 to 68 form part of these accounts.

## NOTES TO THE ACCOUNTS

### NOTE 1 STATEMENT OF ACCOUNTING POLICIES

#### 1. Authority

These accounts have been prepared in a form determined by the Department of Health based on guidance from the Department of Finance's Financial Reporting Manual (FRM) and in accordance with the requirements of Article 90(2)(a) of the Health and Personal Social Services (Northern Ireland) Order 1972 No 1265 (NI 14) as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003.

The accounting policies follow IFRS to the extent that it is meaningful and appropriate to HSC bodies. 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, unless otherwise stated.

#### 1.1 Accounting convention

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

#### 1.2 Currency and Rounding

These accounts are presented in £ sterling and rounded in thousands.

#### 1.3 Property, Plant and Equipment

Property, plant and equipment assets comprise Land, Buildings, Transport Equipment, Plant & Machinery, Information Technology 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
- Items form part of the initial equipping and setting-up cost of a new building or unit, irrespective of their individual or collective cost.

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

#### **Valuation of Land and Buildings**

Land and buildings are carried at the last professional valuation, in accordance with the Royal Institute of Chartered Surveyors Global Standards & UK National Supplement in so far as these are consistent with the specific needs of the HSC.

The last valuation was carried out on 31 January 2020 by Land and Property Services (LPS) which is an independent executive agency within the Department of Finance (DoF). The valuers are qualified to meet the ‘Member of Royal Institution of Chartered Surveyors’ (MRICS) standard.

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

Land and buildings used for the Agency’s services or for administrative purposes are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Fair values are determined as follows:

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

#### **Modern Equivalent Asset**

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

#### **Assets Under Construction (AUC)**

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Assets are revalued and depreciation commences when they are brought into use.

#### **Short Life Assets**

Short life assets are not indexed. Short life is defined as a useful life of up to and including 5 years. Short life assets are carried at depreciated historic cost as this is not considered to be materially different from fair value and are depreciated over their useful life.

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 an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease is



recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure.

#### 1.4 Depreciation

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

Otherwise, depreciation is charged to write off the costs or valuation of property, plant and equipment and similarly amortisation is applied to intangible non-current assets, less any residual value, over the lower of 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 the lower of their estimated useful lives and the term of the lease. 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.

<u>Asset Type</u>	<u>Asset Life</u>
Freehold Buildings	25 – 60 years
Leasehold property	Remaining period of lease
IT Assets	3 – 10 years
Intangible assets	3 – 10 years
Other Equipment	3 – 15 years

#### 1.5 Impairment loss

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

#### 1.6 Subsequent expenditure

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

The overall useful life of the 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.

### 1.7 Intangible assets

Intangible assets include any of the following held – software, licences, trademarks, websites, development expenditure, Patents, Goodwill and intangible Assets under Construction. 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. 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; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

#### Recognition

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

### 1.8 Non-current assets held for sale

The Agency has no non-current assets held for sale.

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

### 1.9 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.

### **1.10 Income**

Income is classified between Revenue from Contracts and Other Operating Income as assessed necessary in line with organisational activity, under the requirements of IFRS 15 and as applicable to the public sector. Judgement is exercised in order to determine whether the 5 essential criteria within the scope of IFRS 15 are met in order to define income as a contract. Income relates directly to the activities of the HSC body and is recognised when, and to the extent that a performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised. Where the criteria to determine whether a contract is in existence is not met, income is classified as Other Operating Income within the Statement of Comprehensive Net Expenditure and is recognised when the right to receive payment is established.

#### **Grant in aid**

Funding received from other entities, including the Department and the Health and Social Care Board are accounted for as grant in aid and are reflected through the Statement of Comprehensive Net Expenditure Reserve.

### **1.11 Investments**

The Agency does not have any investments other than Trust Funds. Trust Funds are invested using the Northern Ireland Health and Social Services Charities Common Investment Fund and are shown at market value as at the balance sheet date.

### **1.12 Research and Development expenditure**

Following the introduction of the 2010 European System of Accounts (ESA10), from 2016-17 there has been a change in the budgeting treatment (a change from the revenue budget to the capital budget) of research and development (R&D) expenditure. As a result, additional disclosures are included in the notes to the accounts.

### **1.13 Other expenses**

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

### **1.14 Cash and cash equivalents**

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

### **1.15 Leases**

The Agency had no leases during the year (2018/19: none).

### **1.16 Private Finance Initiative (PFI) transactions.**

The Agency has had no PFI transactions during the year (2018/19: none).

## 1.17 Financial instruments

- Financial assets

Financial assets are recognised on the Statement of Financial Position 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. IFRS 9 introduces the requirement to consider the expected credit loss model on financial assets. The measurement of the loss allowance depends upon the HSC Body's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument.

- Financial liabilities

Financial liabilities are recognised on the Statement of Financial Position 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. Because of the relationships with HSC Commissioners, and the manner in which they are funded, financial instruments play a more limited role within HSC bodies in creating risk than would apply to a non-public sector body of a similar size, therefore HSC bodies are not exposed to the degree of financial risk faced by business entities.

HSC bodies 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 HSC bodies in undertaking activities. Therefore the HSC is exposed too little credit, liquidity or market risk.

- 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 through other HSC bodies and DoH which is voted through the Assembly, it is therefore not exposed to significant liquidity risks.

### 1.18 Provisions

In accordance with IAS 37, Provisions are recognised when the 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 DoF-issued discount rates of:

Rate	Time period	Real rate
Nominal	Short term (0 – 5 years)	0.51%
	Medium term (5 – 10 years)	0.55%
	Long term (10 - 40 years)	1.99%
	Very long term (40+ years)	1.99%
Inflationary	Year 1	1.90%
	Year 2	2.00%
	Into perpetuity	2.10%

as at 31 March 2020.

The discount rate to be applied for employee early departure obligations is -0.5% with effect from 31 March 2020.

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 effect 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.

The Agency has no restructuring provisions.

### 1.19 Contingencies

Other than as outline at Note 19, the Agency had no contingent liabilities at either 31 March 2020 or 31 March 2019.

## 1.20 Employee benefits

### Short-term employee benefits

Under the requirements of IAS 19: Employee Benefits, staff costs must be recorded as an expense as soon as the organisation is obligated to pay them. This includes the cost of any untaken leave that has been earned at the year end. This cost has been estimated using staff numbers and costs applied to the untaken leave balance determined from the results of a survey to ascertain leave balances as at 31 March 2019. It is not anticipated that the level of untaken leave will vary significantly from year to year.

### Retirement benefit costs

The Agency participates in the HSC Pension 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 DoH. The Agency is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reliable basis.

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 statement of financial position date and updates it to reflect current conditions. The 2016 valuation for the HSC Pension scheme updated to reflect current financial conditions (and a change in financial assumption methodology) is used in 2019-20 accounts.

## 1.21 Reserves

### Statement of Comprehensive Net Expenditure Reserve

Accumulated surpluses are accounted for in the Statement of Comprehensive Net Expenditure Reserve.

### Revaluation Reserve

The Revaluation Reserve reflects the unrealised balance of cumulative indexation and revaluation adjustment to assets other than donated assets.

### Charitable Fund Reserve

This relates to the balance held in the NIBTS Charitable Trust fund account.

## 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.

## 1.23 Third party assets

The Agency does not hold any third party assets.

#### **1.24 Government Grants**

The Agency does not receive any government grants.

#### **1.25 Losses and Special Payments**

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

Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had HSC bodies 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 Charitable Trust Account Consolidation**

The Agency is required to consolidate the accounts of controlled charitable organisations and funds held on trust into their financial statements. As a result the financial performance and funds have been consolidated. The Agency has accounted for these using merger accounting as required by the FReM.

It is important to note however the distinction between public funding and the other monies donated by private individuals still exists.

All funds have been used by the Agency as intended by the benefactor. It is for the Board to manage the internal disbursements. The Board ensures that charitable donations received by the Agency are appropriately managed, invested, expended and controlled, in a manner that is consistent with the purposes for which they were given and with the Agency's Standing Financial Instructions, Departmental guidance and legislation. All such funds are allocated to the area specified by the benefactor and are not used for any other purpose than that intended by the benefactor.

#### **1.27 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.

IFRS 16 *Leases* replaces IAS 17 *Leases* and is effective with EU adoption from 1 January 2019. In line with the latest advice from HM Treasury and the Financial Reporting Advisory Board, IFRS 16 will be implemented, as interpreted and adapted for the public sector, with effect from 1 April 2021. Management consider that on initial application, the introduction of IFRS 16 will have minimal impact on the accounts.

The IASB issued new and amended standards (IFRS 10, IFRS 11 & IFRS 12) that affect the consolidation and reporting of subsidiaries, associates and joint ventures. These standards were effective with EU adoption from 1 January 2014.

Accounting boundary IFRS' are currently adapted in the FReM so that the Westminster departmental accounting boundary is based on (Office of National Statistics) ONS control criteria, as designated by Treasury. A similar review in NI, which will bring NI departments under the same adaptation, has been carried out and the resulting recommendations were agreed by the Executive in December 2016. With effect from 2021-22, the accounting boundary for departments will change and there will also be an impact on departments around the disclosure requirements under IFRS 12. ALBs apply IFRS in full and their consolidation boundary may change as a result of the new Standards.

## **NOTE 2 ANALYSIS OF NET EXPENDITURE BY SEGMENT**

The core business and strategic objective of NI Blood Transfusion Service is the supply of blood products and related services to hospitals in Northern Ireland and the provision of patient testing services.

The Agency Board acts as the Chief Operating Decision Maker and receives financial information on the Agency as a whole and makes decisions on this basis. Hence, it is appropriate that the Agency reports on a single operational segment basis.





**NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**NOTE 3 EXPENDITURE**

	2020		2019	
	Agency	Consolidated	Agency	Consolidated
	£000s		£000s	
<b>Operating Expenses are as follows:-</b>				
Staff costs <sup>1</sup> :				
Wages and salaries	5,263	5,263	4,953	4,953
Social security costs	452	452	434	434
Other pension costs	964	964	713	713
Recharges from other HSC organisations	10	10	11	11
Supplies and services - Clinical	8,520	8,520	11,695	11,695
Supplies and services - General	57	57	63	63
Establishment	342	342	353	353
Transport	256	256	257	257
Premises	917	917	941	941
BSO services	96	96	78	78
Training	52	52	49	49
Miscellaneous expenditure <sup>2</sup>	209	209	202	202
<b>Non cash items</b>				
Depreciation	441	441	421	421
Amortisation	11	11	7	7
(Profit) on disposal of property, plant & equipment (excluding profit on land)	(6)	(6)	0	0
Increase / Decrease in provisions (provision provided for in year less any release)	5	5	41	41
Auditors remuneration <sup>3</sup>	15	16	14	14
Add back of notional charitable expenditure	0	(1)	0	0
<b>Total</b>	<b>17,604</b>	<b>17,604</b>	<b>20,232</b>	<b>20,233</b>

<sup>1</sup> Further detailed analysis of staff costs is located in the Staff Report on page 29 within the Accountability Report.

<sup>2</sup> Miscellaneous expenditure includes the following material amounts: Waste Disposal £29k; UK Forum Recharges £60k; Hire of Halls £33k; Regulatory Bodies £17k and Record Storage £12k.

<sup>3</sup> During the year the Agency purchased no non audit services from its external auditor (NIAO).



**NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**NOTE 4 INCOME**

**4.1 Revenue from contracts with customers**

	2020 £000s		2019 £000s	
	Agency	Consolidated	Agency	Consolidated
GB/Republic of Ireland Health Authorities	0	0	0	0
HSC bodies	17,152	17,152	19,766	19,766
Non-HSC:- Private patients	3	3	3	3
<b>Total</b>	<b>17,155</b>	<b>17,155</b>	<b>19,769</b>	<b>19,769</b>

**4.2 Other Operating Income**

	2020 £000s		2019 £000s	
	Agency	Consolidated	Agency	Consolidated
Charitable income received by charitable trust fund	0	2	0	0
Investment income	0	6	0	6
<b>Total</b>	<b>0</b>	<b>8</b>	<b>0</b>	<b>6</b>

**TOTAL INCOME**

<b>17,155</b>	<b>17,163</b>	<b>19,769</b>	<b>19,775</b>
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**4.3 Deferred Income**

The Agency had no deferred income or income released from conditional grants at either 31 March 2020 or 31 March 2019.



**NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**NOTE 5.1 Consolidated Property, plant & equipment - year ended 31 March 2020**

	Land £000s	Buildings (excluding dwellings) £000s	Assets under Construction £000s	Plant and Machinery (Equipment) £000s	Transport Equipment £000s	Information Technology (IT) £000s	Total £000s
<b>Cost or Valuation</b>							
At 1 April 2019	1,852	8,582	0	1,774	665	688	13,561
Indexation	0	0	0	27	10	1	38
Additions	0	0	0	99	108	69	276
Revaluation	(92)	(449)	0	0	0	0	(541)
Disposals	0	0	0	0	(31)	0	(31)
<b>At 31 March 2020</b>	<b>1,760</b>	<b>8,133</b>	<b>0</b>	<b>1,900</b>	<b>752</b>	<b>758</b>	<b>13,303</b>
<b>Depreciation</b>							
At 1 April 2019	0	1,125	0	1,279	271	631	3,306
Indexation	0	0	0	20	4	1	25
Revaluation	0	(1,407)	0	0	0	0	(1,407)
Disposals	0	0	0	0	(31)	0	(31)
Provided during the year	0	282	0	71	74	14	441
<b>At 31 March 2020</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,370</b>	<b>318</b>	<b>646</b>	<b>2,334</b>
<b>Carrying Amount</b>							
At 31 March 2020	1,760	8,133	0	530	434	112	10,969
At 31 March 2019	1,852	7,457	0	495	394	57	10,255
<b>Asset financing</b>							
Owned	1,760	8,133	0	530	434	112	10,969
<b>Carrying Amount</b>							
At 31 March 2020	1,760	8,133	0	530	434	112	10,969

Asset Financing – All tangible assets are fully owned by the Agency. No assets relate to Trust Funds.

Any fall in value through negative indexation is also shown as an impairment.

The total amount of depreciation charged in the Statement of Comprehensive Net Expenditure Account in respect of assets under finance lease and hire purchase contracts is £nil (2019: nil).

**Valuation of Land and Buildings**

The last valuation of land and buildings was carried out on 31 January 2020 by Land and Property Services (LPS) which is an independent executive within the Department of Finance (formerly Department of Finance and Personnel (DoF)). The valuers are qualified to meet the 'Member of Royal Institution of Chartered Surveyors' (MRICS) standard.

As a result of the recent and ongoing COVID-19 pandemic events, and in line with current RICS guidance, LPS have advised that market evidence gathered as part of the recent 5-yearly valuation has attached to it, due to the worldwide impact of the pandemic, an increased level of uncertainty in terms of informing opinions of value. Whilst at this stage there is no evidence of impairment as at year-end, the future impact of COVID-19 on land and building values cannot yet be accurately assessed therefore the need for further future valuations will remain under consideration, subject to resources.

**NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**NOTE 5.2 Consolidated Property, plant & equipment - year ended 31 March 2019**

	Land £000s	Buildings (excluding dwellings) £000s	Assets under Construction £000s	Plant and Machinery (Equipment) £000s	Transport Equipment £000s	Information Technology (IT) £000s	Furniture and Fittings £000s	Total £000s
<b>Cost or Valuation</b>								
At 1 April 2018	1,764	8,339	0	1,662	655	643		13,063
Indexation	88	243	0	20	10	0		361
Additions	0	0	0	99	0	45		144
Disposals	0	0	0	(7)	0	0		(7)
At 31 March 2019	<b>1,852</b>	<b>8,582</b>	<b>0</b>	<b>1,774</b>	<b>665</b>	<b>688</b>	<b>0</b>	<b>13,561</b>
<b>Depreciation</b>								
At 1 April 2018	0	820	0	1,209	194	621		2,844
Indexation	0	30	0	14	4	0		48
Disposals	0	0	0	(7)	0	0		(7)
Provided during the year	0	275	0	63	73	10		421
At 31 March 2019	<b>0</b>	<b>1,125</b>	<b>0</b>	<b>1,279</b>	<b>271</b>	<b>631</b>	<b>0</b>	<b>3,306</b>
<b>Carrying Amount</b>								
At 31 March 2019	<b>1,852</b>	<b>7,457</b>	<b>0</b>	<b>495</b>	<b>394</b>	<b>57</b>	<b>0</b>	<b>10,255</b>
At 1 April 2018	1,764	7,519	0	453	461	22	0	10,219
<b>Asset financing</b>								
Owned	1,852	7,457	0	495	394	57		10,255
Finance leased	0	0	0	0	0	0		0
<b>Carrying Amount</b>								
At 31 March 2019	<b>1,852</b>	<b>7,457</b>	<b>0</b>	<b>495</b>	<b>394</b>	<b>57</b>	<b>0</b>	<b>10,255</b>
<b>Asset financing</b>								
Owned	1,764	7,519	0	453	461	22		10,219
<b>Carrying Amount</b>								
At 1 April 2018	<b>1,764</b>	<b>7,519</b>	<b>0</b>	<b>453</b>	<b>461</b>	<b>22</b>	<b>0</b>	<b>10,219</b>

Asset Financing – All tangible assets are fully owned by the Agency. No assets relate to Trust Funds.

**NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**NOTE 6.1 Consolidated Intangible assets - year ended 31 March 2020**

	<b>Software Licenses £000s</b>	<b>Information Technology £000s</b>	<b>Total £000s</b>
<b>Cost or Valuation</b>			
At 1 April 2019	41	68	109
At 31 March 2020	<b>41</b>	<b>68</b>	<b>109</b>
<b>Amortisation</b>			
At 1 April 2019	7	58	65
Provided during the year	8	3	11
At 31 March 2020	<b>15</b>	<b>61</b>	<b>76</b>
<b>Carrying Amount</b>			
At 31 March 2020	<b>26</b>	<b>7</b>	<b>33</b>
At 31 March 2019	<b>34</b>	<b>10</b>	<b>44</b>
<b>Asset financing</b>			
Owned	26	7	33
<b>Carrying Amount</b>			
At 31 March 2020	<b>26</b>	<b>7</b>	<b>33</b>

Asset Financing – All intangible assets are fully owned by the Agency. No assets relate to Trust Funds.

**NOTE 6.2 Consolidated Intangible assets - year ended 31 March 2019**

	<b>Software Licenses £000s</b>	<b>Information Technology £000s</b>	<b>Total £000s</b>
<b>Cost or Valuation</b>			
At 1 April 2018	20	68	88
Additions	21	0	21
At 31 March 2019	<b>41</b>	<b>68</b>	<b>109</b>
<b>Amortisation</b>			
At 1 April 2018	4	54	58
Provided during the year	3	4	7
At 31 March 2019	<b>7</b>	<b>58</b>	<b>65</b>
<b>Carrying Amount</b>			
At 31 March 2019	<b>34</b>	<b>10</b>	<b>44</b>
At 1 April 2018	<b>16</b>	<b>14</b>	<b>30</b>

Asset Financing – All intangible assets are fully owned by the Agency. No assets relate to Trust Funds

**NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**NOTE 7 FINANCIAL INSTRUMENTS**

As the cash requirements are met through income from HSC bodies and which is provided by the Department of Health, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the NI Blood Transfusion Service expected purchase and usage requirements and the NI Blood Transfusion Service is therefore exposed to little credit, liquidity or market risk.

	<b>2020 Non-Current Assets £000s</b>	<b>2019 Non-Current Assets £000s</b>
Balance at 1 April 2019	242	226
Additions	6	6
Disposals	(11)	(1)
Revaluations	(21)	11
Balance at 31 March 2020	<u>216</u>	<u>242</u>
Agency	0	0
Charitable Trust fund	216	242
	<u>216</u>	<u>242</u>

**NOTE 7.1 Market value of investments as at 31 March 2020**

	<b>Held in UK £000s</b>	<b>2019 Total £000s</b>
Investments in CIF	216	242
<b>Total market value of fixed asset investments</b>	<u>216</u>	<u>242</u>

**NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**NOTE 8 IMPAIRMENTS**

NIBTS did not have any impairments during 2019/20 (2018/19: nil).

**NOTE 9 ASSETS CLASSIFIED AS HELD FOR SALE**

NIBTS did not hold any assets classified as held for sale in 2019/20 (2018/19: nil).

**NOTE 10 INVENTORIES**

Classification	2020 £000s		2019 £000s	
	Agency	Consolidated	Agency	Consolidated
Clinical Supplies	2,127	2,127	1,576	1,576
General Supplies	6	6	4	4
Establishment	39	39	40	40
Other	6	6	7	7
<b>Total</b>	<b>2,178</b>	<b>2,178</b>	<b>1,627</b>	<b>1,627</b>

**NOTE 11 CASH AND CASH EQUIVALENTS**

	2020 £000s		2019 £000s	
	Agency	Consolidated	Agency	Consolidated
Balance at 1st April 2019	717	717	232	232
Net change in cash and cash equivalents	(113)	(113)	485	485
<b>Balance at 31st March 2020</b>	<b>604</b>	<b>604</b>	<b>717</b>	<b>717</b>

The following balances at 31 March 2020 were held at

	2020 £000s		2019 £000s	
	Agency	Consolidated	Agency	Consolidated
Commercial banks and cash in hand	604	604	717	717
<b>Balance at 31st March 2020</b>	<b>604</b>	<b>604</b>	<b>717</b>	<b>717</b>

**NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**NOTE 12 TRADE RECEIVABLES, FINANCIAL AND OTHER ASSETS**

	2020 £000s		2019 £000s	
	Agency	Consolidated	Agency	Consolidated
<b>Amounts falling due within one year</b>				
Trade receivables	504	504	375	375
VAT receivable	203	203	223	223
Other receivables - not relating to fixed assets	0	0	2	2
<b>Trade and other receivables</b>	<b>707</b>	<b>707</b>	<b>600</b>	<b>600</b>
Prepayments	1	1	1	1
<b>Other current assets</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Amounts falling due after more than one year</b>				
<b>TOTAL TRADE AND OTHER RECEIVABLES</b>	<b>707</b>	<b>707</b>	<b>600</b>	<b>600</b>
<b>TOTAL OTHER CURRENT ASSETS</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>TOTAL RECEIVABLES AND OTHER CURRENT ASSETS</b>	<b>708</b>	<b>708</b>	<b>601</b>	<b>601</b>

The balances are net of a provision for bad debts of £nil (2018/19 £nil)

**NOTE 13 TRADE PAYABLES, FINANCIAL AND OTHER LIABILITIES**

**13.1 Trade payables and other current liabilities**

	2020 £000s		2019 £000s	
	Agency	Consolidated	Agency	Consolidated
<b>Amounts falling due within one year</b>				
Other taxation and social security	547	547	190	190
Trade capital payables - property, plant and equipment	17	17	4	4
Trade capital payables - intangibles	-	-	21	21
Trade revenue payables	566	566	1,132	1,132
Payroll payables	253	253	190	190
BSO payables	722	722	12	12
Other payables	1	1	1	1
Accruals	346	346	384	397
<b>Trade and other payables</b>	<b>2,452</b>	<b>2,452</b>	<b>1,934</b>	<b>1,947</b>
<b>TOTAL TRADE PAYABLES AND OTHER CURRENT LIABILITIES</b>	<b>2,452</b>	<b>2,452</b>	<b>1,934</b>	<b>1,947</b>

**13.2 Loans**

The Agency did not have any loans payable at either 31 March 2020 or 31 March 2019.



**NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**NOTE 14 PROVISIONS FOR LIABILITIES AND CHARGES - 2020**

	<b>Liability Claims £000s</b>	<b>2020 £000s</b>
<b>Balance at 1 April 2019</b>	58	58
Provided in year	5	5
(Provisions not required written back)	0	0
(Provisions utilised in the year)	0	0
Cost of borrowing (unwinding of discount)	0	0
<b>At 31 March 2020</b>	<b>63</b>	<b>63</b>

	<b>2020 £000s</b>	<b>2019 £'000</b>
<b>Comprehensive Net Expenditure Account charges</b>		
Arising during the year	5	41
Reversed unused	0	0
<b>Total charge within Operating expenses</b>	<b>5</b>	<b>41</b>

Provisions have been made for two types of potential liability: employment law and clinical negligence claims based on information provided by BSO Legal Services.

**Analysis of expected timing of discounted flows**

	<b>Liability Claims £000s</b>	<b>2020 £000s</b>
Not later than one year	54	54
Later than one year and not later than five years	9	9
Later than five years	0	0
At 31 March 2020	<b>63</b>	<b>63</b>

**NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**NOTE 14 PROVISIONS FOR LIABILITIES AND CHARGES - 2019**

	<b>Liability Claims £000s</b>	<b>2019 £000s</b>
Balance at 1 April 2018	17	17
Provided in year	41	41
(Provisions not required written back)	0	0
(Provisions utilised in the year)	0	0
Cost of borrowing (unwinding of discount)	0	0
At 31 March 2019	<u>58</u>	<u>58</u>

Provisions have been made for two types of potential liability: employment law and clinical negligence claims based on information provided by BSO Legal Services.

	<b>Liability Claims £000s</b>	<b>2019 £000s</b>
Not later than one year	9	9
Later than one year and not later than five years	49	49
Later than five years	0	0
At 31 March 2019	<u>58</u>	<u>58</u>

**NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**NOTE 15 CAPITAL COMMITMENTS**

	2020 £000s	2019 £000s
Contracted capital commitments at 31 March not otherwise included in these financial statements		
Property, plant & equipment	162	40
	<hr/> 162	<hr/> 40

**NOTE 16 COMMITMENTS UNDER LEASES**

**16.1 Finance Leases**

The Agency had no commitments under finance leases at either 31 March 2020 or 31 March 2019.

**16.2 Operating Leases**

The Agency had no commitments under operating leases at either 31 March 2020 or 31 March 2019.

**NOTE 17 COMMITMENTS UNDER PFI CONTRACTS AND OTHER SERVICE CONCESSION ARRANGEMENTS**

The Agency has no PFI contracts.

**NOTE 18 OTHER FINANCIAL COMMITMENTS**

The Agency did not have any other financial commitments at either 31 March 2020 or 31 March 2019.

**NOTE 19 CONTINGENT LIABILITIES**

With exception of the item noted below, the Agency had no contingent liabilities at either 31 March 2020 or 31 March 2019.

Court of Appeal judgement on backdated holiday pay

On 17 June 2019 the Court of Appeal ruled in respect of Northern Ireland Industrial Tribunal's November 2018 decision on cases taken against the PSNI on backdated Holiday Pay. The Supreme Court is currently considering whether to hear an appeal of this decision. This is an extremely rare and complex case with a significant number of issues that still need to be worked through and HSC implications determined and resolved, including further legal advice with regards to the impact of the judgement; the scope; timescales; process of appeals and engagement with Trade Unions. The legal issues arising from this judgment and the implications for the HSC sector will need further extensive consideration. Until there is further clarity on the specifics, based on the inherent uncertainties in the final decision that will be made from an HSC perspective, and the fact that there is currently neither legally nor constructively an obligation for the HSC, a possible obligation exists and a reliable estimate cannot be provided at this time, until the HSC implications are fully explored and concluded.

**19.1 Financial Guarantees, Indemnities and Letters of Comfort**

The Agency has not entered into quantifiable guarantees, indemnities or provided Letters of Comfort.

**NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**NOTE 20 RELATED PARTY TRANSACTIONS**

NI Blood Transfusion Service (Special Agency) is an arm's length body of the Department of Health.

During the year NIBTS has had various material transactions with that Department and with other entities for which the Department of Health is regarded as the parent Department. These are:

Belfast HSC Trust, South Eastern HSC Trust, Southern HSC Trust, Northern HSC Trust, Western HSC Trust, Health and Social Care Board and Business Services Organisation.

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 Agency.

**NOTE 21 THIRD PARTY ASSETS**

The Agency does not hold any third party assets.

**NOTE 22 FINANCIAL PERFORMANCE TARGETS**

**22.1 Revenue Resource Limit**

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

The Revenue Resource Limit (RRL) for NI Blood Transfusion Service is calculated as follows:

	<b>2020 Total £000s</b>	<b>2019 Total £000s</b>
Non cash RRL (from DoH)	466	483
<b>Total Revenue Resource Limit to Statement Comprehensive Net Expenditure</b>	<u>466</u>	<u>483</u>

**22.2 Capital Resource Limit**

The Agency is given a Capital Resource Limit (CRL) which it is not permitted to overspend.

	<b>2020 Total £000s</b>	<b>2019 Total £000s</b>
Gross capital expenditure	276	165
(Receipts from sales of fixed assets)	(6)	0
Net capital expenditure	<u>270</u>	<u>165</u>
Capital Resource Limit	<u>280</u>	<u>166</u>
Underspend against CRL	<u>(10)</u>	<u>(1)</u>

**NOTE 23 EVENTS AFTER THE REPORTING PERIOD**

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

**DATE AUTHORISED FOR ISSUE**

The Accounting Officer authorised these financial statements for issue on 31 July 2020.

