

# Annual Report

2020 - 2021



Northern Ireland  
Blood Transfusion Service

# Northern Ireland Blood Transfusion Service

(A Special Agency of the HSC)



## Annual Report and Accounts For the year ended 31 March 2021

**GIVE  BLOOD**  
**Save Lives**

# **NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**

## **Annual Report and Accounts For the year ended 31 March 2021**

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

5 August 2021



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# Performance Report

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

It is the Mission of the Northern Ireland Blood Transfusion Service (NIBTS):

‘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’.

On behalf of the Board at NIBTS, I am enormously proud of what the Agency has achieved this year with the plethora of challenges faced by our front- line staff and the wider staff body. Not only does NIBTS provide all blood products and services in Northern Ireland, but this year the Agency stepped up to support the wider HSC by testing COVID-19 swabs and the collection of Convalescent Plasma for clinical trials.

I can confirm that NIBTS has met all regulatory and licencing 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.

Thank you to the generosity, flexibility and loyalty of our donors who readily adapted to changes in our practices to ensure safety in these difficult times. During the COVID- 19 crisis there has not been a single incident of donor to donor, or donor to patient transmission of the virus which bears testament to the rigorous safety measures in place. Thank you also to our Senior Management Team for their steady hand and especially to our Chief Executive, Karin Jackson, who has worked tirelessly to provide hands-on and creative leadership in a fast-changing environment.

I would also like to extend sincere thanks from the Board of NIBTS to Minister Swann for his personal support this year and to his Department who have worked closely with the Agency to assist us in navigating the challenges and achieving positive outcomes in our performance.

Finally, I would like to thank my board colleagues for their commitment to their roles and for their leadership and expertise, which I have personally greatly valued.

The work of NIBTS this year has very clearly demonstrated our shared HSC Values of Compassion, Working Together, Excellence, Openness and Honesty. It has been a year like no other and, although extremely difficult in parts, it has also show cased the strong bond between colleagues, their commitment to their work and the successful provision of a vital resource and service for Northern Ireland.

The NIBTS Board is looking forward to continuing to support the wider Health Service in the year ahead and playing our role in supporting the change that will transform our ability to meet the different needs of donors and patients alike.



Bonnie Anley  
Chair  
05 July 2021

## **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 33 of this report.

### **2.4 Structure, Main Services and Users**

NIBTS is managed by a Senior Management Team, led by the 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 is 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 2020/21, 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 any ongoing implications 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 2021/22 and any financial risks will be identified through monthly financial monitoring.

## **2.7 Performance Summary**

Despite the challenges presented by the COVID -19 pandemic, as Chief Executive, I am satisfied that the organisation has, during 2020/21, 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 8.

## **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 COVID-19 pandemic had a major impact on NIBTS operations during 2020-21 and there will be on-going implications for the service during 2021/22. We anticipate that the legacy of the pandemic – both positive and negative – will be felt by the organisation beyond 2022.

During 2020/21, NIBTS continued to provide core services and has been able to meet the hospital requirements for blood and blood products.

As with all health and social care organisations, this incredible achievement would not have been possible had it not been for the superb efforts made by all of our NIBTS staff. Equally, the continued support of our donors has been overwhelming in what has been a tremendously difficult year for all.

In order to minimise risks and safeguard the wellbeing of our staff and donors, a range of measures were implemented.

On blood donation sessions, these included:

- detailed risk assessments of processes
- moving all donations to appointment only
- temperature screening and triage 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 radio 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 outstanding efforts to provide their generous gift of blood and platelets to maintain stock levels.

At NIBTS headquarters, working patterns were amended 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 blood samples from actual or suspected COVID-19 patients.

All staff able to work at home were provided with remote IT access and devices. In addition, an extensive wellbeing programme has been established to support all staff.

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

#### Convalescent Plasma

Along with other UK Blood Services, NIBTS supported the COVID-19 Convalescent Plasma clinical research trials by collecting plasma from previous COVID patients who had developed COVID antibodies. This plasma was processed and issued to hospitalised COVID patients who were enrolled in the trials. Whilst the outcome of

these particular trials indicates that convalescent plasma does not provide benefit to patients in the later stages of their illness, further clinical trials are being explored to establish whether convalescent plasma might be beneficial to patients earlier in the disease process.

### **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 January 2021, the auditors recommended continuing accreditation of NIBTS to ISO 15189.

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 each area continued to be reported to the NIBTS Governance and Risk Management Committee.

### **Investors in People (IiP)**

NIBTS continued to maintain Investors in People accreditation during the year with the next accreditation assessment due in June 2021.

### **Activity**

During the year, the demand for blood and blood components was approximately 10% below pre COVID-19 levels.

Tables 1 and 2 show the donation activity for 2020/21 compared to 2019/20. There was a marked decrease in issues of red cells and all other components over the year. This has been a direct consequence of the COVID-19 pandemic with all hospital Trusts reducing elective surgical activity during the year.

Whilst blood donations broadly matched issues, it was necessary to augment the supply of O Negative blood, blood with particular, complex antigen combinations and platelets from NHS Blood and Transplant (NHSBT) in England. The main reason for augmenting stock during 2020/21 was COVID-19 related due to a decrease in blood donation numbers and the unavailability of staff who were self-isolating.

### **Donors**

During the year, the active donor panel has shown a decrease of approximately 3%. Again, this is due to the COVID-19 pandemic. This compares favourably to other UK Blood Services, some of whom have seen a greater decrease in their active donor panel.

Donor satisfaction has remained consistently at 98% throughout the COVID-19 pandemic. This is a real achievement by all the donation staff concerned during such a difficult time for both donors and staff.

The introduction of the appointment system has been a major success and has been broadly welcomed by donors and staff alike. As the majority of donors are now taken by their appointment time, the average waiting time to donate is no longer measured. This will be kept under review during 2021/22.

**Table 1: Donation Activity in 2020/21 and 2019/20**

	<b>2020/21</b>	<b>2019/20</b>
Whole blood donations	36,764	40,253
Whole blood attendance	40,762	47,848
New donor attendance	2,999	6,380
Donor panel	54,255	58,096
Platelet donations	3,403	4,196
Haemochromatosis donations	727	661
Total donations	40,894	45,110
Deferral rate (%)		
- of overall attendance	8	15
- of new donors	11	24

**Table 2: Blood Component Issues in 2020/21 and 2019/20**

<b>Blood Component</b>	<b>2020/21</b>	<b>2019/20</b>
Red cell units (adult)	36,832	39,497
Platelets (adult therapeutic doses)	7,272	8,233
Fresh Frozen Plasma components	3,013	3,654
Pooled cryoprecipitate	616	819

**Business Plan Objectives**

At the start of 2020/21, NIBTS established 38 objectives for the year. The objectives crossed a number of themes including those relating to our core function of collecting blood and issuing blood components. Twenty five of these objectives were fully achieved. Six were partially achieved, six were not completed and one was deferred. Full achievement of objectives was hindered by the impact of COVID-19. Those objectives not fully achieved in 2020/21 will be carried forward to 2021/22.

**3.2 Long Term Objectives and Corporate Plan****3.2.1 Blood Stocks and Supply to Hospital Blood Banks**

Demand for red cell components has reduced in the past three years but is expected to plateau in the coming years due to a likely increase in elective surgery capacity to support the post-COVID recovery as well as an increasingly complex demographic.

The main reason for recent reductions in demand is the change to clinical practice following NICE guideline NG24 which is recommending minimal transfusion at higher transfusion thresholds. There are a number of target patient groups such as haemato-oncology patients and patients with acute upper gastrointestinal haemorrhage where further reductions in red cell transfusions might be possible.

On-going liaison with Trust transfusion committees and the Northern Ireland Transfusion Committee will focus on the appropriate use of O-negative red cells and reduction of wastage across the supply chain. Both of these will be supported by the implementation of a new Blood Production and Tracking digital system by 2026 which will enable visibility of blood donations from donor vein to patient vein. All of which will further support the self-sufficiency of the Northern Ireland supply chain reducing reliance on other UK and Irish blood services for top up of supply.

The situation for platelet components is more fluid and expected increases in the last three years have not materialised. It is therefore anticipated that demand will increase by around 2.5% year on year over the next four years.

Clinical practice guidelines and audit activity with action plans for continued improvement have optimised appropriate use. For example, historically, multiple unit platelet transfusions accounted for 30% of transfusion episodes but this has reduced to 10%.

The patient demographic, the increasing incidence, earlier diagnosis and more intense treatment protocols for cancer illnesses will still impact demand. The effect of delayed diagnosis and treatment due to the pandemic is difficult to predict at present. Indications are that there will be an increase in demand and this will be closely monitored to ensure the collection strategy reflects this. With these caveats in mind, projections for the medium term are given in the table above.

The wider transformation of pathology services will enable improved logistics which, in turn, will enable the introduction of scheduled deliveries.

### 3.2.2 Projected Demand

The projected issues for each component are outlined in Table 3 below:

**Table 3: Projected Demand**

Year	Red Cells	Platelets	Fresh Frozen Plasma	Pooled Cryoprecipitate
2021/22	41,000	8,250	3,675	900
2022/23	41,000	8,456	3,675	900
2023/24	41,000	8,668	3,675	900
2024/25	41,000	8,884	3,675	900

### 3.3 New Developments

#### 3.3.1 Plasma for Fractionation (PFF)

The recent change in guidelines for the collection of UK plasma is being assessed in collaboration with DoHNI to establish whether the collection of PFF in Northern Ireland is feasible.

#### 3.3.2 Collection Strategy

As previously described, COVID-19 presented significant challenges for the collection of blood and platelets. These led to the introduction of a new appointments system, triage and increased distancing between donation couches requiring larger venues for sessions. The legacy of these changes needs to be assessed and will influence the future NIBTS collection strategy.

#### 3.3.3 Clinical Transfusion Practice and Haemovigilance

The NIBTS medical team continues to work collaboratively with the Northern Ireland Transfusion Committee and other key stakeholders in haemovigilance, hospital blood banks and medical specialties.

NIBTS is part of the Northern Ireland Transfusion Committee (NITC) which has developed a work stream to implement NICE guideline NG24. These recommendations have the potential to assist in the appropriate management of red cell and platelet component demand.

The next four years will see a number of new developments in transfusion practice including the introduction of individualised donor risk assessments, plans for an updated digital blood production and tracking system that will enable donor vein to patient vein tracking of donations through a single system as well as the potential to implement foetal RHD screening to support maternity services across Northern Ireland.

NIBTS will continue to support hospital colleagues with transfusion advice. This will develop as additional medical staff are recruited.

NIBTS will also continue to work with Medical colleagues across the UK through the UK Forum of blood establishments as well as active participation in the Joint Professional Advisory Committee (JPAC).

### **3.3.4 Infrastructure**

In order to continue to deliver a transfusion service that meets the regulatory compliance requirements of BSQR (2005), it is essential that the physical infrastructure for NIBTS meets the requisite standards. The existing NIBTS headquarters building was commissioned in 1995 and is now the oldest blood centre in the UK and Ireland. As the building and infrastructure ages, it is becoming increasingly difficult to meet compliance standards. As a result, NIBTS will evaluate options for upgrading and providing laboratory and collection facilities for Northern Ireland.

### **3.3.5 Laboratories**

The technology supporting safe transfusions continues to evolve. NIBTS will continue to evaluate emerging technologies – including molecular - that support automated serology, reference, microbiology and quality laboratories to ensure that the platforms used meet the required standards.

Together with colleagues in hospitals, NIBTS will develop a training programme for staff in hospital blood banks that will reduce reliance on the regional reference laboratory.

NIBTS will also continue to support the Harvey's Gang charity providing opportunities for young people and their families to see what happens in our laboratories and testing facilities.

## **3.4 Impacts on Financial Position in 2020/21 and Looking Forward**

NIBTS is committed to sound financial management and ensuring that the objectives of NIBTS are met in the most efficient and effective way.

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 69 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 £0.003m (2020: £0.017m surplus) and against RRL plus income from activities of £18.170m (2020: £17.623m), this represents a surplus of 0.02% (2020: 0.10%). Accordingly, the breakeven objective for the year has been achieved.

During the year, NIBTS received income of £17.616m (2020: £17.157m). This comprised £6.513m (2020: £6.614m) in respect of Haemophilia Blood Products and Patient Testing Services from the Health and Social Care Board and £10.934m (2020: £10.538m) for the supply of blood and blood products from HSC Trusts.

In addition, funding of £0.101m was received from Public Health Agency in respect of the convalescent plasma project outlined above. The income noted above was invoiced in line with service agreements. Other income amounted to £0.068m (2020: £0.005m). In addition, a RRL resource limit of £0.554m was provided by DoH to cover non cash costs.

During the year, NIBTS spent £18.155m (2020: £17.604m). The majority of the expenditure was on Clinical Supplies and Services £8.459m (47%) (2020: £8.520m/48%). The average number of whole time equivalent persons employed during the year was 171.2 (2020: 162.7) and expenditure on these staff amounted to £7.240m (40%) (2020: £6.679m/38%). The remaining 13% of expenditure was on other expenditure £1.902 (10%) (2020: £1.939m /10%) and Non-cash items £0.554m (3%) (2020: £0.466m/3%).

The movement in expenditure from the prior year primarily relates primarily to additional staffing costs arising from COVID-19 pandemic.

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 £0.420m (2020: £0.280m) and £0.403m (2020: £0.276m) 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>2021 Number</b>	<b>2021 Value £000s</b>	<b>2020 Number</b>	<b>2020 Value £000s</b>
Total bills paid	3,748	10,751	3,355	12,467
Total bills paid within 30 day target or under agreed payment terms	3,567	10,573	3,143	11,937
% of bills paid within 30 day target or under agreed payment terms	<b>95.2%</b>	<b>98.3%</b>	<b>93.7%</b>	<b>95.7%</b>
Total bills paid within 30 days of receipt of an undisputed invoice	3,567	10,573	3,143	11,937
% of bills paid within 30 days of receipt of an undisputed invoice	<b>95.2%</b>	<b>98.3%</b>	<b>93.7%</b>	<b>95.7%</b>
Total bills paid within 10 day target	2,918	9,586	2,434	10,531
% of bills paid within 10 day target	<b>77.9%</b>	<b>89.2%</b>	<b>72.5%</b>	<b>84.5%</b>

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

The key financial issues looking forward are the cost implications of any changing profile of product demand; any ongoing financial implications of COVID-19 and any changes to how the service is delivered.

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.

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

During 2020/21, 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 (2019/20) was 4%. During 2020/21 there was a further 2% reduction in our overall carbon footprint. The Agency continues to improve on its target of reducing its carbon footprint, by reducing greenhouse gas emissions by an average of 1% each year on 2012/13 levels until 2025. During 2020/21 the Agency had a slight increase in its consumption of water due to an undetected leak in a piece of laboratory equipment. This was eventually detected and repaired and since then the water consumption has returned to normal. During 2020/21, the Agency completed 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.

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.

### **3.6 Employees and Board Members**

As at 31 March 2021 NIBTS employed 194 staff and reported a sickness absence rate of 5.6% (2020: 7.2%). The target for absence in 2020/21 was <7%. More detailed information is provided in the Remuneration and Staff Reports on page 26.

### **3.7 Pension Liabilities**

The treatment of pension liabilities is detailed in the Remuneration and Staff Report on page 27.

### **3.8 Information Governance**

NIBTS had no reportable data breaches during 2020-21.

### **3.9 Emergency/Business Continuity Plans**

NIBTS have reviewed 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 in 2020/2021 the NIBTS Business Continuity Management Plan and the Business Unit Resumption Plans for all the functional areas. 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  
05 July 2021

# 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 members:

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

The Department of Health appoints non-executive directors, with the approval of the Minister of Health. In March 2021, the term of two Non-Executive Members, Mrs Lorraine Lindsay and Mr Ian Henderson, was extended until November 2021.

During 2020/21, the Board met on seven occasions. Meetings are publically advertised and are normally held in NIBTS HQ. However, in 2020/21 all meetings were held via video conferencing.

The NIBTS Board has three sub-committees. The Audit Committee, which met on three occasions, the Governance and Risk Management Committee, which met on four occasions. The Remuneration Committee did not meet during the year but met in April 2021.

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 2021. 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 2020/21.

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 2021, which pertained solely to the audit of the accounts, was £15,600 for Public Funds and £1,000 for Trust Funds. During the year, NIBTS purchased no other non-audit services from the NIAO.

In 2020/21, 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.

There were no reportable data breaches 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 accounts 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 and of its income and expenditure, Statement of Financial Position 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 accounts;
- prepare the financial statements on the going concern basis, and
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

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 regularity and propriety of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Northern Ireland Blood Transfusion Service assets, are set out in the formal letter of appointment of the Accounting Officer issued by the Department of Health, Chapter 3 of Managing Public Money Northern Ireland (MPMNI) and the HM Treasury Handbook: Regularity and Propriety.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that Northern Ireland Blood Transfusion Service auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

# 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 normally participates in two formal accountability review meetings per annum with DoH. However, during 2020/21 due to COVID-19 such meetings were paused.

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 last assessment, undertaken in December 2020, 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 2020/21 the Board met on eight occasions.

Mrs K Jackson was appointed 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 been agreed until 30 September 2021.

The NIBTS governance framework is described in the NIBTS Board Assurance Framework 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 three 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 2020/21.

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 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. The Committee met in April 2021 to consider Senior Executive pay circulars which were issued in March 2021.

## Board and Committee Attendance Record

Attendance at the meetings of the Board and its sub committees during 2020/21 was as follows:

	Board	Audit Committee	Governance and Risk	Remuneration Committee
Ms B Anley – Chair	7 of 8	-	-	-
Mr I Henderson – Non-Executive	8 of 8	3 of 3	4 of 4	-
Mrs L Lindsay – Non-Executive	8 of 8	3 of 3	4 of 4	-
Mr P Cathcart – Non-Executive	8 of 8	3 of 3	3 of 4	-
Mrs K Jackson – Chief Executive	8 of 8	-	4 of 4	-

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 which are normally held twice a year. Due to COVID-19, these meetings were not held in 2020/21.

As detailed in the Performance Analysis (page 8), NIBTS achieved breakeven in 2020/21 and has a balanced financial plan in place for 2021/22.

## 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. The Agency is developing its risk appetite statement which will define the level of risk the organisation is willing to accept.

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 2020/21.

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 80% 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 Finance Manager is the Agency's interim 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 the replacement Medical Director taking up post on 1 April 2021.

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 83% of NIBTS staff in 2020/21.

During 2020/21, there were no incidents 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 2019/20 year, a Cyber Security Audit was undertaken. Further, NIBTS is represented on the HSC Cyber Security Programme Board and fully participates in regional security initiatives.

## **6. Public Stakeholder Involvement**

During 2020/21 there were no public stakeholder events due to the ongoing pandemic and lockdown rules. It is hoped that this work can begin again safely during 2021/22.

Complaints are managed through a well-established system. During 2020/21, all formal complaints received were investigated and closed. There was an overall increase in the number of complaints received which were mostly COVID-19 related. 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. NIBTS also participates in the National Fraud Initiative.

## **8. Whistleblowing**

NIBTS has a Whistleblowing Policy and a Whistleblowing Procedure for Raising Concerns at Work. During 2020/21 there were no matters raised using this procedure.

## 9. 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. NIBTS has in place arrangements for reporting against each area of governance previously covered by Controls Assurance standards and continued to assess its compliance against these areas of governance via action plans, as applicable, and reported on these to the Governance and Risk Management Committee. This Committee reported all relevant matters to the NIBTS Board.

During 2020/21, NIBTS continued to enhance the effectiveness of the systems of internal control through the review and update of the NIBTS Assurance Framework. The updated Assurance Framework was approved by the Board in May 2021.

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.

## 10. 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 2020/21, Internal Audit reviewed the following systems:

Financial Review	Satisfactory Assurance
Retention of Board / Committee minutes and paper	Satisfactory Assurance
Governance during COVID-19	Satisfactory Assurance
Board Effectiveness	Satisfactory Assurance

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 36. 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 in March 2020. As a consequence, auditors were unable to obtain appropriate audit evidence in respect of the 2020/21 opening balance. 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 2020/21.

#### 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 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 inspection in January 2021.

#### 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 2020/21, 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. The assurance report provided noted Internal Audit limited assurance on aspects of payroll processing. However, this is not considered to have a significant impact on NIBTS payroll recording.

## **11. 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.

## **12. 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.

## **13. Budget Position and Authority**

The Assembly passed the Budget Act (Northern Ireland) 2021 in March 2021 which authorised the cash and use of resources for all departments and their Arms' Length Bodies for the 2020-21 year, based on the Executive's final expenditure plans for the year. The Budget Act (Northern Ireland) 2021 also authorised a Vote on Account to authorise departments and their Arms' Length Bodies' access to cash and use of resources for the early months of the 2021-22 financial year. This will be followed by the 2021-22 Main Estimates and the associated Budget (No. 2) Bill before the summer recess which will authorise the cash and resource balance to complete for the remainder of 2021-22 based on the Executive's 2021-22 Final Budget.

## **14. 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 2020/21.

## **2. Remuneration and Staff Report**

The Remuneration and Staff Report sets out the role of the Remuneration Committee and in particular the Committee's adherence to appropriate Remuneration Policy including relevant DoH circulars and Agenda for Change terms 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 2020/21 consisted of Ms B Anley (Chair), Mr I Henderson, Mr P Cathcart and Mrs L Lindsay (Non-Executive Board Members). The Remuneration Committee met in April 2021.

#### **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.

The post of NIBTS Medical Director was vacant from 1 October 2019 to 31 March 2021. Dr J Murdock was appointed with effect from 1 April 2021 and is employed under a contract issued in accordance with HSC Medical Consultant Terms and Conditions of Service (Northern Ireland) 2004.

All other 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 2020/21.

## **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 with sufficient regularity that the amounts recognised in the financial statements do not differ materially from those determined at the reporting period date. This has been interpreted in the FReM to mean that the period between formal actuarial valuations shall be four years. However, it has been noted in HM Treasury guidance that the validation and processing of some of the Schemes' data may not be finalised until after the 2020-21 accounts are laid. Schemes are not automatically required to reflect 2020 scheme valuation data in the 2020-21 accounts. 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 will be used in 2020-21 accounts. The 2016 scheme valuation requires adjustment as a result of the 'McCloud remedy'.

## 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	2020/21					2019/20				
	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>										
Ms B Anley (Chair)	5 - 10	-	-	-	5 - 10	5 - 10	-	-	-	5 - 10
Mrs L Lindsay	0 - 5	-	-	-	0 - 5	0 - 5	-	-	-	0 - 5
Mr I Henderson	0 - 5	-	-	-	0 - 5	0 - 5	-	-	-	0 - 5
Mr P Cathcart	0 - 5	-	-	-	0 - 5	0 - 5	-	-	-	0 - 5
<b>Executive Members</b>										
Mrs K Jackson*	80 - 85	-	-	12	95 - 100	80 - 85	-	-	18	100 - 105
<b>Senior Management</b>										
Dr K Morris**	-	-	-	-	-	85-90 (Full Year Effect 155-160)	-	-	-	85 - 90(Full Year Effect 155-160)
Mr G Bell	70 - 75	-	-	15	85 - 90	70 - 75	-	-	17	155-160)
Mr I Ritchie	70 - 75	-	-	16	85 - 90	70 - 75	-	-	16	85 - 90
Mrs A Geddis	65 - 70	-	-	44	110 - 115	60 - 65	-	-	25	85 - 90
Ms A Macauley	60 - 65	-	-	14	75 - 80	55 - 60	-	-	14	85 - 90 70 - 75

\*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.

\*\*Dr K Morris left the post of Medical Director on 30 September 2019.

'Salary' includes gross salary, overtime, on call and other allowances. There were no bonuses paid or benefits in kind provided to senior management during 2020/21 or 2019/20.

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)

	<b>2020/21 £000</b>	<b>2019/20 £000</b>
Highest Paid Director - Total Remuneration (Annualised)	80 - 85	155-160
Median Total Remuneration	22.4	20.8
Ratio	3.7	7.5
Range Of Staff Remuneration	18-100	18-105

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 2020/21 was £80k – £85k (2019/20, £155k - £160k). This was 3.7 times (2019-20, 7.5) the median remuneration of the workforce (excluding agency staff), which was £22.4k (2019-20, £20.8k). 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. The highest paid Director is the Chief Executive. The prior year figures relate to the Medical Director who left the service in September 2019 and was the highest paid Director in that year.

## 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 31/03/21 and related lump sum £000	CETV at 31/03/20 £000	CETV at 31/03/21 £000	Real increase in CETV £000
Mrs K Jackson					
Pension	0 – 2.5	20 – 25	381	413	14
Lump sum	(0 – 2.5)	35 - 40			
Mr G Bell					
Pension	0 - 2.5	30 - 35	661	705	17
Lump sum	(0 – 2.5)	80 - 85			
Mr I Ritchie					
Pension	0 - 2.5	30 - 35	541	580	16
Lump sum	(0 – 2.5)	65 - 70			
Mrs A Geddis					
Pension	0 - 2.5	35 - 40	794	865	71
Lump sum	5 - 10	105 - 110			
Ms A Macauley					
Pension	0 - 2.5	25 - 30	543	580	15
Lump sum	(0 – 2.5)	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 (2019/20: nil).

## Staff Report

### Staff Costs (Audited)

	2021		2020	
Staff costs comprise:	Permanently employed staff £000s	Others £000s	Total £000s	Total £000s
Wages and salaries	5,252	465	5,717	5,263
Social security costs	486	0	486	452
Other pension costs	1,037	0	1,037	964
<b>Sub-total</b>	<b>6,775</b>	<b>465</b>	<b>7,240</b>	<b>6,679</b>
Capitalised staff costs	0	0	0	0
<b>Total staff costs reported in Statement of Comprehensive Expenditure</b>	<b>6,775</b>	<b>465</b>	<b>7,240</b>	<b>6,679</b>
Less recoveries in respect of outward secondments			0	0
<b>Total net costs</b>			<b>7,240</b>	<b>6,679</b>
Total Net costs of which:			<b>£000s</b>	<b>£000s</b>
NI Blood Transfusion Service			7,240	6,679
Charitable Trust Fund			0	0
<b>Total</b>			<b>7,240</b>	<b>6,679</b>

No staff costs were charged to capital projects during the year (2019/20: £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.	2021 Others	Total	2020 Total
Medical and dental	2.2	1.3	3.5	3.3
Nursing and midwifery	46.1	7.0	53.1	50.2
Ancillaries	6.9	0.2	7.1	6.1
Administrative and clerical	42.0	9.2	51.2	45.9
Other professionals and technical	54.8	2.5	57.3	57.2
<b>Total average number of persons employed</b>	<b>152.0</b>	<b>19.2</b>	<b>172.2</b>	<b>162.7</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>152.0</b>	<b>19.2</b>	<b>172.2</b>	<b>162.7</b>
Of which:				
NI Blood Transfusion Service			172.2	162.7
Charitable Trust Fund			0	0
Total			<b>172.2</b>	<b>162.7</b>

## Reporting of early retirement and other compensation scheme

There were no redundancy or early departure costs paid in 2020/21 or in 2019/20.

## Staff Benefits

There were no staff benefits paid in 2020/21 or in 2019/20.

## Retirements due to ill-health

During 2020/21 there were no early retirement from the Agency, agreed on the grounds of ill-health (2019/20: 1).

## Off Payroll Engagements

There were no 'off-payroll' engagements at a cost of over £58,200 per annum in place during 2020/21 (2019/20: Nil).

## Consultancy Expenditure

During the year one consultancy assignment undertaken in conjunction with other UK Blood Services. NIBTS share of the cost was £2k. (2019/20: Nil).

## **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 March 2021, the Agency employed a total of 194 staff (157 whole time equivalents). This figure included 183 staff employed on permanent contracts and 11 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 61 male and 133 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 2020/21 the Agency was required to comply with the Departmental target of improving or maintaining sickness absence rates on 2019/20 levels (7.2%). For the period ended 31/03/2021 the Agency was able to meet this target. Cumulative absence for the workforce as a whole was 5.6%. Long term sickness, that is sickness lasting for four weeks or more, accounted for 4.7% with the remaining 0.9% of employee sickness attributable to short-term absences.

## **Staff turnover percentage**

The staff turnover percentage, as defined as the number of leavers divided by the average of staff in post, was 16.7% for the year ended 31 March 2021.

## **Staff engagement**

NIBTS participated in the Regional HSC Staff Survey, this survey examines key areas such as equality & diversity, health & wellbeing, the HSC as a place to work to include job satisfaction, management, appraisals & support for development as well as patient care & experience and issues with violence, harassment, bullying, errors and incidents. The last survey was held in 2019. NIBTS staff were invited to complete the survey, 25% of NIBTS staff did so. This was consistent with total across HSC.

NIBTS also participated in the regional Culture Assessment Survey in 2020. This survey examines the current effectiveness of the culture of the organisation under the following areas, vision, values, goals and performance, quality and innovation, team working, compassionate care, compassionate leadership and collective leadership. All staff were invited to complete the survey with 33% of NIBTS staff doing so.

NIBTS also participate in the Investors in People standard, the standard looks at organisations high performance through its people. The last assessment took place in 2018, with a combination of hard survey metrics and softer interview-based data collection. The survey engagement itself generated a 57% response rate from staff. Overall NIBTS was accredited with the Investors in People Award.

## **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 2020/21 the Agency was not made aware of any new employees having a disability. In circumstances when an employee is confirmed to have a disability, 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 2020/21 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 2020/21 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)**

In 2020/21 there were five stores losses recorded amounting to £6k (2019/20: Nil).

##### **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 2021.

##### **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  
05 July 2021

## NORTHERN IRELAND BLOOD TRANSFUSION SERVICE

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

#### Qualified 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 2021 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.

The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards as adopted by the European Union and interpreted by the Government Financial Reporting Manual.

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 on the corresponding figures of the matter described in the Basis for opinions 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 2021 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

As a result of Government advice on social distancing due to the COVID-19 pandemic, I was unable to attend Northern Ireland Blood Transfusion Service's year-end stock count at NIBTS Headquarters and in clinical settings at 31 March 2020. As a result, I was unable to obtain sufficient and appropriate audit evidence about the existence and subsequent valuation of the closing inventory balance of £2,178,000 within Northern Ireland Blood Transfusion Service's 2019-20 financial statements. I was also not able to satisfy myself by alternative means. As a consequence, I was unable to obtain sufficient and appropriate audit evidence about the existence of the inventory opening balance at 1 April 2020. My audit opinion on the financial statements for the period ended 31 March 2020 was qualified accordingly. My audit opinion on the current period's financial statements is also qualified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures.

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs), applicable law 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 2019 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**

In auditing the financial statements, I have concluded that the Northern Ireland Blood Transfusion Service's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Northern Ireland Blood Transfusion Service's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

The going concern basis of accounting for the Northern Ireland Blood Transfusion Service is adopted in consideration of the requirements set out in the Government Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

My responsibilities and the responsibilities of the Board and Accounting Officer with respect to going concern are described in the relevant sections of this report.

### **Other Information**

The other information comprises the information included in the annual report other than the financial statements, the parts of the Accountability Report described in that report as having been audited, and my audit certificate. The Board and the Accounting Officer is responsible for the other information included in the annual report. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

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 I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 of opinions section of my report, I was unable to satisfy myself concerning the opening inventory quantities of £2,178,000 held at 1 April 2020. I 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, based on the work undertaken in the course of the audit:

- 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.

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

In the light of the knowledge and understanding of the Northern Ireland Blood Transfusion Service and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report. 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
- certain disclosures of remuneration specified by the Government Financial Reporting Manual are not made; 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.

### **Responsibilities of the Board and Accounting Officer for the financial statements**

As explained more fully in the Statement of Accounting Officer Responsibilities, the Board and the Accounting Officer are responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- such internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- assessing the Northern Ireland Blood Transfusion Service's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Northern Ireland Blood Transfusion Service will not continue to be provided in the future.

### **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 reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in

accordance with ISAs (UK) 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.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to the Northern Ireland Blood Transfusion Service through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included the Health and Personal Social Services (Northern Ireland) Order 1972, as amended;
- making enquires of management and those charged with governance on the Northern Ireland Blood Transfusion Service's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of the Northern Ireland Blood Transfusion Service's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition and management override of controls;
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- documenting and evaluating the design and implementation of internal controls in place to mitigate risk of material misstatement due to fraud and non-compliance with laws and regulations;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;
- addressing the risk of fraud as a result of management override of controls by:
  - performing analytical procedures to identify unusual or unexpected relationships or movements;
  - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
  - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
  - investigating significant or unusual transactions made outside of the normal course of business;

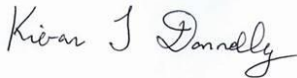


A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my certificate.

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 the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

## **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*  
*1 Bradford Court*  
*Galwally*  
*BELFAST*  
*BT8 6RB*

9 July 2021

# Financial Statements for the Year Ended 31 March 2021

## Foreword

These accounts for the year ended 31 March 2021 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 42 to 69) 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  
05 July 2021

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 42 to 69) as prepared in accordance with the above requirements have been submitted to and duly approved by the Board.



Ms B Anley                              Chair  
05 July 2021



Mrs K Jackson                      Chief Executive  
05 July 2021

**NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**  
**Consolidated Statement of Comprehensive Net Expenditure for the year ended 31 March 2021**

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	2021 £000s		2020 £000s	
		Agency	Consolidated	Agency	Consolidated
<b>Income</b>					
Revenue from contracts with customers	4.1	17,603	17,603	17,155	17,155
Other operating income*	4.2	0	13	0	2
<b>Total operating income</b>		<b>17,603</b>	<b>17,616</b>	<b>17,155</b>	<b>17,157</b>
<b>Expenditure</b>					
Staff costs		(7,240)	(7,240)	(6,679)	(6,679)
Purchase of goods and services	3	(8,639)	(8,639)	(8,683)	(8,683)
Depreciation, amortisation and impairment charges	3	(540)	(540)	(452)	(452)
Provision expense	3	(2)	(2)	(5)	(5)
Other operating expenditure	3	(1,733)	(1,734)	(1,785)	(1,785)
<b>Total operating expenditure</b>		<b>(18,154)</b>	<b>(18,155)</b>	<b>(17,604)</b>	<b>(17,604)</b>
<b>Net operating expenditure</b>		<b>(551)</b>	<b>(539)</b>	<b>(449)</b>	<b>(447)</b>
Finance income	4.2	0	6	0	6
<b>Net expenditure for the year</b>		<b>(551)</b>	<b>(533)</b>	<b>(449)</b>	<b>(441)</b>
Revenue Resource Limit (RRL)	22.1	554	554	466	466
Add back charitable trust fund net expenditure*		0	(18)	0	(8)
<b>Surplus against RRL</b>		<b>3</b>	<b>3</b>	<b>17</b>	<b>17</b>
<b>OTHER COMPREHENSIVE EXPENDITURE</b>					
	NOTE	2021 £000s		2020 £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	1	1	879	879
Net (loss)/gain on revaluation of charitable assets	7	0	51	0	(21)
<b>COMPREHENSIVE NET EXPENDITURE for the year ended 31 March 2021</b>		<b>(550)</b>	<b>(481)</b>	<b>430</b>	<b>417</b>

The notes on pages 46 to 69 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 2021**

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	2021		2020	
		Agency £000s	Consolidated £000s	Agency £000s	Consolidated £000s
<b>Non Current Assets</b>					
Property, plant and equipment	5.1/5.2	10,828	10,828	10,969	10,969
Intangible assets	6.1/6.2	38	38	33	33
Financial assets	7	-	285	-	216
<b>Total Non Current Assets</b>		<b>10,866</b>	<b>11,151</b>	<b>11,002</b>	<b>11,218</b>
<b>Current Assets</b>					
Assets classified as held for sale	9	-	-	-	-
Inventories	10	1,650	1,650	2,178	2,178
Trade and other receivables	12	861	861	707	707
Other current assets	12	11	11	1	1
Cash and cash equivalents	11	632	632	604	604
<b>Total Current Assets</b>		<b>3,154</b>	<b>3,154</b>	<b>3,490</b>	<b>3,490</b>
<b>Total Assets</b>		<b>14,020</b>	<b>14,305</b>	<b>14,492</b>	<b>14,708</b>
<b>Current Liabilities</b>					
Trade and other payables	13	(2,097)	(2,097)	(2,452)	(2,452)
Provisions	14	(54)	(54)	(54)	(54)
<b>Total Current Liabilities</b>		<b>(2,151)</b>	<b>(2,151)</b>	<b>(2,506)</b>	<b>(2,506)</b>
<b>Total assets less current liabilities</b>		<b>11,869</b>	<b>12,154</b>	<b>11,986</b>	<b>12,202</b>
<b>Non Current Liabilities</b>					
Provisions	14	(7)	(7)	(9)	(9)
<b>Total Non Current Liabilities</b>		<b>(7)</b>	<b>(7)</b>	<b>(9)</b>	<b>(9)</b>
<b>Total assets less total liabilities</b>		<b>11,862</b>	<b>12,147</b>	<b>11,977</b>	<b>12,193</b>
<b>Taxpayers' Equity and other reserves</b>					
Revaluation reserve		10,063	10,063	10,079	10,079
SoCNE reserve		1,799	1,799	1,898	1,898
Other reserves - charitable fund		-	285	-	216
<b>Total equity</b>		<b>11,862</b>	<b>12,147</b>	<b>11,977</b>	<b>12,193</b>

The financial statements on pages 42 to 45 were approved by the Board on 17 June 2021 and were signed on its behalf by;

The notes on pages 46 to 69 form part of these accounts.

Signed: (Chair) Date: 05 July 2021



Signed: (Chief Executive) Date: 05 July 2021



## NORTHERN IRELAND BLOOD TRANSFUSION SERVICE

### Consolidated Statement of Cash Flows for the year ended 31 March 2021

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	2021 £000s	2020 £000s
<b>Cash flows from operating activities</b>			
Net expenditure after interest/Net operating expenditure		(533)	(441)
Adjustments for non cash transactions		554	466
(Increase) in trade and other receivables	12	(164)	(107)
Decrease / (Increase) in inventories	10	528	(551)
(Decrease) / Increase in trade payables	13	(355)	505
<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	(88)	(13)
Movements in payables relating to the purchase of intangibles	6	-	21
Use of provisions	14	(4)	-
<b>Net cash (outflow) from operating activities</b>		<b>(62)</b>	<b>(120)</b>
<b>Cash flows from investing activities</b>			
(Purchase of property, plant & equipment)		(297)	(284)
(Purchase of intangible assets)		(18)	-
Proceeds of disposal of property, plant & equipment		3	6
Drawdown from investment fund		-	5
Share of income reinvested		(18)	-
<b>Net cash outflow from investing activities</b>		<b>(330)</b>	<b>(273)</b>
<b>Cash flows from financing activities</b>			
Grant in aid		420	280
<b>Net financing</b>		<b>420</b>	<b>280</b>
<b>Net (decrease)/increase in cash &amp; cash equivalents in the period</b>		<b>28</b>	<b>(113)</b>
<b>Cash &amp; cash equivalents at the beginning of the period</b>	11	604	717
<b>Cash &amp; cash equivalents at the end of the period</b>	11	632	604

The notes on pages 46 to 69 form part of these accounts.

## NORTHERN IRELAND BLOOD TRANSFUSION SERVICE

### Consolidated Statement of Changes in Taxpayers' Equity for the year ended 31 March 2021

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	Taxpayers Equity £000s
<b>Balance at 31 March 2019</b>		2,046	9,206	229	11,481
<b>Changes in Taxpayers Equity 2019-20</b>					
Grant from DoH		280	0	0	280
Other reserves movements including transfers (Comprehensive net expenditure for the year)		6 (449)	(6) 879	0 (13)	0 417
Auditors remuneration	3	15	0	0	15
<b>Balance at 31 March 2020</b>		<b>1,898</b>	<b>10,079</b>	<b>216</b>	<b>12,193</b>
<b>Changes in Taxpayers Equity 2020-21</b>					
Grant from DoH		420	-	0	420
Other reserves movements including transfers (Comprehensive expenditure for the year)		17 (551)	(17) 1	0 69	0 (481)
Auditors remuneration	3	15	-	0	15
<b>Balance at 31 March 2021</b>		<b>1,799</b>	<b>10,063</b>	<b>285</b>	<b>12,147</b>

The notes on pages 46 to 69 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 (FReM) and in accordance with the requirements of Article 90(2)(a) of the Health and Personal Social Services (Northern Ireland) Order 1972 No 1265 (NI 14) as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003.

The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the DoH body for the purpose of giving a true and fair view has been selected. The particular policies adopted by the DoH body are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

#### 1.1 Accounting convention

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

#### 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.

<b>Asset Type</b>	<b>Asset Life</b>
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 and are exclusive of VAT. 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 five 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. Income is stated net of VAT.

### **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 and the impact of implementation of ESA 210**

Research and development expenditure is expensed in the year it is incurred in accordance with IAS 38.

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 (2019/20: none).

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

The Agency has had no PFI transactions during the year (2019/20: none).

### **1.17 Financial instruments**

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

NIBTS has financial instruments in the form of trade receivables and payables and cash and cash equivalents.

- **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 where judged necessary.

Financial assets are classified into the following categories:

- financial assets at fair value through Statement of Comprehensive Net Expenditure;
- held to maturity investments;
- available for sale financial assets; and
- loans and receivables.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

- **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, there is low exposure 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 as at 31 March 2021 of:

Rate	Time period	Real rate
Nominal	Short term (0 – 5 years)	(0.02)%
	Medium term (5 – 10 years)	0.18%
	Long term (10 - 40 years)	1.99%
	Very long term (40+ years)	1.99%
Inflationary	Year 1	1.2%
	Year 2	1.6%
	Into perpetuity	2.0%

The discount rate to be applied for employee early departure obligations is -0.95% for 2020/21.

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 Contingent liabilities/assets**

Other than as outline at Note 19, the Agency had no contingent liabilities at either 31 March 2021 or 31 March 2020.

### **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 2021.

#### **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 with sufficient regularity that the amounts recognised in the financial statements do not differ materially from those determined at the reporting period date. This has been interpreted in the FReM to mean that the period between formal actuarial valuations shall be four years. However, it has been noted in HM Treasury guidance that the validation and processing of some of the Schemes' data may not be finalised until after the 2020-21 accounts are laid. Schemes are not automatically required to reflect 2020 scheme valuation data in the 2020-21 accounts. 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 will be used in 2020-21 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**

The International Accounting Standards Board have issued the following new standards but which are either not yet effective or adopted. Under IAS 8 there is a requirement to disclose these standards together with an assessment of their initial impact on application.

*IFRS10 Consolidated Financial Statements, IFRS 11 Joint Arrangements, IFRS 12 Disclosure of interests in Other Entities:*

The IASB have 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 2022-23, 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.

IFRS 16 *Leases* replaces IAS 17 *Leases* and is effective with EU adoption from 1 January 2019. In line with the requirements of the FReM, IFRS 16 will be implemented, as interpreted and adapted for the public sector, with effect from 1 April 2022. Management consider that on initial application, the introduction of IFRS 16 will have minimal impact on the accounts.

IFRS 17 Insurance Contracts will replace IFRS 4 Insurance Contracts and is effective for accounting periods beginning on or after 1 January 2023. In line with the requirements of the FReM, IFRS 17 will be implemented, as interpreted and adapted for the public sector, with effect from 1 April 2023. Management consider that on initial application, the introduction of IFRS 17 will have minimal impact on the accounts.



## **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 2021**

**NOTE 3 EXPENDITURE**

	2021 £000s		2020 £000s	
	Agency	Consolidated	Agency	Consolidated
<b>Operating Expenses are as follows:-</b>				
Staff costs <sup>1</sup> :				
Wages and salaries	5,717	5,717	5,263	5,263
Social security costs	486	486	452	452
Other pension costs	1,037	1,037	964	964
Recharges from other HSC organisations	10	10	10	10
Supplies and services - Clinical	8,459	8,459	8,520	8,520
Supplies and services - General	82	82	57	57
Establishment	374	374	342	342
Transport	226	226	256	256
Premises	888	888	917	917
BSO services	88	88	96	96
Training	21	21	52	52
Miscellaneous expenditure <sup>2</sup>	212	213	209	209
	0			
<b>Non cash items</b>				
Depreciation	527	527	441	441
Amortisation	13	13	11	11
(Profit) on disposal of property, plant & equipment (excluding profit on land)	(3)	(3)	(6)	(6)
Increase / Decrease in provisions (provision provided for in year less any release)	2	2	5	5
Auditors remuneration <sup>3</sup>	15	16	15	16
Add back of notional charitable expenditure	0	(1)	0	(1)
<b>Total</b>	<b>18,154</b>	<b>18,155</b>	<b>17,604</b>	<b>17,604</b>

<sup>1</sup> Further detailed analysis of staff costs is located in the Staff Report on page 31 within the Accountability Report.

<sup>2</sup> Miscellaneous expenditure includes the following material amounts: Waste Disposal £23k; UK Forum Recharges £36k; Hire of Halls £32k; Regulatory Bodies £12k; BSO Leadership Centre £27k 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 2021**

**4.1 Revenue from contracts with customers**

	2021 £000s		2020 £000s	
	Agency	Consolidated	Agency	Consolidated
GB/Republic of Ireland Health Authorities	0	0	0	0
HSC bodies	17,548	17,548	17,152	17,152
Non-HSC:- Private patients	1	1	3	3
Non-HSC:- Other	54	54	0	0
<b>Total</b>	<b>17,603</b>	<b>17,603</b>	<b>17,155</b>	<b>17,155</b>

**4.2 Other Operating Income**

	2021 £000s		2020 £000s	
	Agency	Consolidated	Agency	Consolidated
		0		
Charitable income received by charitable trust fund	0	13	0	2
Investment income	0	6	0	6
<b>Total</b>	<b>0</b>	<b>19</b>	<b>0</b>	<b>8</b>

**TOTAL INCOME**

<b>17,603</b>	<b>17,622</b>	<b>17,155</b>	<b>17,163</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 2021 or 31 March 2020.

**NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021**

**NOTE 5.1 Consolidated Property, plant & equipment - year ended 31 March 2021**

	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 2020	1,760	8,133	0	1,900	752	758	13,303
Indexation	0	0	0	4	0	0	4
Additions	0	0	0	146	0	239	385
Disposals	0	0	0	(258)	(39)	(39)	(336)
At 31 March 2021	<b>1,760</b>	<b>8,133</b>	<b>0</b>	<b>1,792</b>	<b>713</b>	<b>958</b>	<b>13,356</b>
<b>Depreciation</b>							
At 1 April 2020	0	0	0	1,370	318	646	2,334
Indexation	0	0	0	3	0	0	3
Disposals	0	0	0	(258)	(39)	(39)	(336)
Provided during the year	0	319	0	82	84	42	527
At 31 March 2021	<b>0</b>	<b>319</b>	<b>0</b>	<b>1,197</b>	<b>363</b>	<b>649</b>	<b>2,528</b>
<b>Carrying Amount</b>							
At 31 March 2021	<b>1,760</b>	<b>7,814</b>	<b>0</b>	<b>595</b>	<b>350</b>	<b>309</b>	<b>10,828</b>
At 31 March 2020	<b>1,760</b>	<b>8,133</b>	<b>0</b>	<b>530</b>	<b>434</b>	<b>112</b>	<b>10,969</b>

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 (2020: nil).

**Valuation of Land and Buildings**

RICS, IFRS, IVS & HM Treasury compliant asset revaluation of land and buildings for financial reporting purposes are undertaken by Land and Property Services (LPS) at least once in every five year period. Figures are then restated annually, between revaluations, using indices provided by LPS. The last asset revaluation was carried out on 31 January 2020. LPS have confirmed that, provided the relevant Indexation Categories supplied for the Effective Period 1 April 2020 to 31 March 2021 have been appropriately applied to the corresponding relevant asset classifications, as at 31 March 2021, then the restated 31 January 2020 land and building valuation figures remain appropriate at 31 March 2021.

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 subjectivity in terms of informing opinions of value. For the avoidance of doubt, this does not mean that figures cannot be relied upon, rather, the declaration of material uncertainty ensures transparency and provides further insight as to the market context under which valuation opinion has been prepared. 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 2021**

**NOTE 5.2 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	Furniture and Fittings £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)
At 31 March 2020	<b>1,760</b>	<b>8,133</b>	<b>0</b>	<b>1,900</b>	<b>752</b>	<b>758</b>	<b>0</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
At 31 March 2020	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,370</b>	<b>318</b>	<b>646</b>	<b>0</b>	<b>2,334</b>
<b>Carrying Amount</b>								
At 31 March 2020	<b>1,760</b>	<b>8,133</b>	<b>0</b>	<b>530</b>	<b>434</b>	<b>112</b>	<b>0</b>	<b>10,969</b>
At 1 April 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>

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 2021**

**NOTE 6.1 Consolidated Intangible assets - year ended 31 March 2021**

	<b>Software Licenses £000s</b>	<b>Information Technology £000s</b>	<b>Total £000s</b>
<b>Cost or Valuation</b>			
At 1 April 2020	41	68	109
Additions	18	-	18
At 31 March 2021	<b>59</b>	<b>68</b>	<b>127</b>
<b>Amortisation</b>			
At 1 April 2020	15	61	76
Provided during the year	9	4	13
At 31 March 2021	<b>24</b>	<b>65</b>	<b>89</b>
<b>Carrying Amount</b>			
At 31 March 2021	<b>35</b>	<b>3</b>	<b>38</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 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
Additions	0	0	0
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 1 April 2019	<b>34</b>	<b>10</b>	<b>44</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 2021**

**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>2021 Non-Current Assets £000s</b>	<b>2020 Non-Current Assets £000s</b>
Balance at 1 April 2020	216	242
Additions	18	6
Disposals	0	(11)
Revaluations	51	(21)
Balance at 31 March 2021	<u>285</u>	<u>216</u>
Agency	0	0
Charitable Trust fund	285	216
	<u>285</u>	<u>216</u>

**NOTE 7.1 Market value of investments as at 31 March 2021**

	<b>Held in UK £000s</b>	<b>2020 Total £000s</b>
Investments in CIF	285	216
<b>Total market value of fixed asset investments</b>	<u>285</u>	<u>216</u>

**NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 March 2021**

**NOTE 8 IMPAIRMENTS**

NIBTS did not have any impairments during 2020/21 (2019/20: nil).

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

NIBTS did not hold any assets classified as held for sale in 2020/21 (2019/20: nil).

**NOTE 10 INVENTORIES**

Classification	2021 £000s		2020 £000s	
	Agency	Consolidated	Agency	Consolidated
Clinical Supplies	1,595	1,595	2,127	2,127
General Supplies	9	9	6	6
Establishment	37	37	39	39
Other	9	9	6	6
<b>Total</b>	<b>1,650</b>	<b>1,650</b>	<b>2,178</b>	<b>2,178</b>

**NOTE 11 CASH AND CASH EQUIVALENTS**

	2021 £000s		2020 £000s	
	Agency	Consolidated	Agency	Consolidated
Balance at 1st April 2020	604	604	717	717
Net change in cash and cash equivalents	28	28	(113)	(113)
<b>Balance at 31st March 2021</b>	<b>632</b>	<b>632</b>	<b>604</b>	<b>604</b>

**The following balances at 31 March 2021 were held at**

	2021 £000s		2020 £000s	
	Agency	Consolidated	Agency	Consolidated
Commercial banks and cash in hand	632	632	604	604
<b>Balance at 31st March 2021</b>	<b>632</b>	<b>632</b>	<b>604</b>	<b>604</b>



**NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021**

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

	2021		2020	
	£000s		£000s	
<b>Amounts falling due within one year</b>	<b>Agency</b>	<b>Consolidated</b>	<b>Agency</b>	<b>Consolidated</b>
Trade receivables	683	683	504	504
Deposits and advances	0	0		0
VAT receivable	178	178	203	203
Other receivables - not relating to fixed assets	0	0	0	0
Other receivables - relating to property plant and equipment	0	0	0	0
Other receivables - relating to intangibles	0	0	0	0
<b>Trade and other receivables</b>	<b>861</b>	<b>861</b>	<b>707</b>	<b>707</b>
Prepayments	11	11	1	1
<b>Other current assets</b>	<b>11</b>	<b>11</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>861</b>	<b>861</b>	<b>707</b>	<b>707</b>
<b>TOTAL OTHER CURRENT ASSETS</b>	<b>11</b>	<b>11</b>	<b>1</b>	<b>1</b>
<b>TOTAL RECEIVABLES AND OTHER CURRENT ASSETS</b>	<b>872</b>	<b>872</b>	<b>708</b>	<b>708</b>

The balances are net of a provision for bad debts of £nil (2019/20 £nil)

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

**13.1 Trade payables and other current liabilities**

	2021		2020	
	£000s		£000s	
<b>Amounts falling due within one year</b>	<b>Agency</b>	<b>Consolidated</b>	<b>Agency</b>	<b>Consolidated</b>
Other taxation and social security	234	234	547	547
Trade capital payables - property, plant and equipment	105	105	17	17
Trade capital payables - intangibles	-	-	-	-
Trade revenue payables	1,248	1,248	566	566
Payroll payables	355	355	253	253
BSO payables	25	25	722	722
Other payables	1	1	1	1
Accruals	129	129	346	346
<b>Trade and other payables</b>	<b>2,097</b>	<b>2,097</b>	<b>2,452</b>	<b>2,452</b>
<b>TOTAL TRADE PAYABLES AND OTHER CURRENT LIABILITIES</b>	<b>2,097</b>	<b>2,097</b>	<b>2,452</b>	<b>2,452</b>

**13.2 Loans**

The Agency did not have any loans payable at either 31 March 2021 or 31 March 2020.

**NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021**

**NOTE 14 PROVISIONS FOR LIABILITIES AND CHARGES - 2021**

	<b>Liability Claims £000s</b>	<b>2021 £000s</b>
<b>Balance at 1 April 2020</b>	63	63
Provided in year	6	6
(Provisions not required written back)	(4)	(4)
(Provisions utilised in the year)	(4)	(4)
Cost of borrowing (unwinding of discount)	0	0
<b>At 31 March 2021</b>	<b>61</b>	<b>61</b>

	<b>2021 £000s</b>	<b>2020 £'000</b>
<b>Comprehensive Net Expenditure Account charges</b>		
Arising during the year	6	5
Reversed unused	(4)	0
<b>Total charge within Operating expenses</b>	<b>2</b>	<b>5</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>2021 £000s</b>
Not later than one year	57	57
Later than one year and not later than five years	4	4
Later than five years	0	0
At 31 March 2021	<b>61</b>	<b>61</b>

**Discount rate for special damages awards**

A discount rate is applied by courts to a lump-sum award of damages for future financial loss in a personal injury case to take account of the return that can be earned from investment. Currently the rate in Northern Ireland is 2.5% and it has to be set in accordance with principles set out by the House of Lords in Wells v Wells. The Department of Justice is bringing forward secondary legislation to change the rate under the current framework to -1.75%. It is intended that the new rate will come into operation on 31 May 2021. The Department has also brought forward a Bill to change how the rate is set. The Damages (Return on Investment) Bill was introduced to the Assembly on 1 March and is currently at Committee Stage. Subject to the legislative process, it is anticipated that the Bill will be enacted early next year and the rate would then be reviewed under the new framework.

**NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021**

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

	<b>Liability Claims £000s</b>	<b>2020 £000s</b>
Balance at 1 April 2019	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
At 31 March 2020	<u><b>63</b></u>	<u><b>63</b></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>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	<u><b>63</b></u>	<u><b>63</b></u>

**NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021**

**NOTE 15 CAPITAL AND OTHER COMMITMENTS**

	<b>2021</b>	<b>2020</b>
	<b>£000s</b>	<b>£000s</b>
Contracted capital commitments at 31 March not otherwise included in these financial statements		
Property, plant & equipment	13	162
	13	162
	13	162

**NOTE 16 COMMITMENTS UNDER LEASES**

**16.1 Finance Leases**

The Agency had no commitments under finance leases at either 31 March 2021 or 31 March 2020.

**16.2 Operating Leases**

The Agency had no commitments under operating leases at either 31 March 2021 or 31 March 2020.

**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 2021 or 31 March 2020.

**NOTE 19 CONTINGENT LIABILITIES**

With the exception of the item noted below, the Agency had no contingent liabilities at either 31 March 2021 or 31 March 2020.

**Backdated Holiday Pay**

The Court of Appeal (CoA) judgment from 17 June 2019 (PSNI v Agnew) determined that claims for Holiday Pay shortfall can be taken back to 1998. However, the PSNI has appealed the CoA judgment to the Supreme Court. The Supreme Court hearing was scheduled for the 23rd and 24th June 2021 but this has subsequently been adjourned. An accrual at 31 March 2021 for the liability is included in these accounts. However, the extent to which the liability may exceed this amount remains uncertain. The potential additional financial effect of this is unquantifiable at present.

**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 2021**

**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>2021 Total £000s</b>	<b>2020 Total £000s</b>
Non cash RRL (from DoH)	554	466
<b>Total agreed RRL</b>	<u>554</u>	<u>466</u>
Adjustment for income received re Donations / Government grant / Lottery funding for non current assets	0	0
<b>Total Revenue Resource Limit to Statement Comprehensive Net Expenditure</b>	<u><u>554</u></u>	<u><u>466</u></u>

**22.2 Capital Resource Limit**



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

	<b>2021 Total £000s</b>	<b>2020 Total £000s</b>
Gross capital expenditure	403	276
(Receipts from sales of fixed assets)	(3)	(6)
Net capital expenditure	<u>400</u>	<u>270</u>
Capital Resource Limit	<u>420</u>	<u>280</u>
Underspend against CRL	<u>(20)</u>	<u>(10)</u>

**NORTHERN IRELAND BLOOD TRANSFUSION SERVICE**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021**

**22.3 Financial Performance Targets**

The NIBTS is required to ensure that it breaks even on an annual basis by containing its net expenditure to within 0.25% of RRL and income from activities.

	<b>2021</b>	<b>2020</b>
	<b>£000s</b>	<b>£000s</b>
Net Expenditure	(551)	(449)
RRL	554	466
Surplus against RRL	3	17
Break Even cumulative position(opening)	833	816
Break Even cumulative position (closing)	<u>836</u>	<u>833</u>
<b>RRL and Income from activities</b>		
RRL	554	466
Income from activities per note 4.1	17,603	17,155
Total for inclusion in materiality test	<u>18,157</u>	<u>17,621</u>
<b>Materiality Test:</b>		
	<b>2021</b>	<b>2020</b>
	<b>%</b>	<b>%</b>
Break Even in year position as % of RRL & Income	<u>0.02%</u> 	<u>0.10%</u>
Break Even cumulative position as % of RRL & Income	<u>4.60%</u> 	<u>4.73%</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 9 July 2021.

