



National
Cancer
Screening
Service

Annual Financial Statements 2007

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Annual Financial Statements 2007

Composition of the Board and Other Information

History of the Board

- (i) The National Breast Screening Steering Group was set up in 1997 to oversee the development of the screening Programme.
- (ii) The National Breast Screening Board (NBSB) was established on 3 September 1998 by order of the Minister for Health and Children in exercise of the powers conferred on him by Section 11 of the Health Act 1970
- (iii) The National Breast Screening Board (Establishment) Order, 2004 superseded the previous Board, with effect from 1 January 2005.
- (iv) The 2004 Order was revoked by the The National Breast Screening Board (Revocation and Dissolution) Order 2006, and replaced by The National Cancer Screening Service Board (Establishment) Order 2006 with effect from 1 January 2007. Under the terms of The National Breast Screening Board (Revocation and Dissolution) Order 2006, all property, rights, liabilities and monies are transferred to the National Cancer Screening Service Board.
- (v) The Health (Miscellaneous Provisions) Act 2007 in Section 5(1) states that every order under section 3 of the Health (Corporate Bodies) Act 1961 made before the passing of this Act shall have statutory effect as if it were an Act of the Oireachtas.

Membership of Board

In accordance with the provisions of the National Cancer Screening Service Board (Establishment) Order 2006, a new Board, comprising of the following members was appointed by the Minister for Health and Children for a period of 3 years from 1 January 2007 to 31 December 2009.

National Cancer Screening Service Board

Members appointed 01 January 2007:

Dr. Sheelah Ryan (<i>Chairperson</i>)	Prof. Niall O'Higgins
Dr. Grainne Flannelly	Dr. Ailís ní Riain
Ms. Edel Moloney	

Members appointed 01 February 2007:

Dr. Marie Laffoy	Mr. Eamonn Ryan
Mr. Jack Murray	Dr. Frank Sullivan
Dr. Donie Ormond	Dr. Jane Wilde
Prof. Martin O'Donoghue	

Chief Executive Officer Mr Tony O'Brien

Bankers AIB Bank,
Bank Centre, Ballsbridge, Dublin 4

Solicitor Arthur Cox,
Earlsfort Centre, Earlsfort Terrace,
Dublin 2

Auditor Comptroller and Auditor General,
Dublin Castle, Dublin 2

Head Office King's Inns House,
200 Parnell Street, Dublin 1

Statement of Board Members' Responsibilities

The Board is required by the National Cancer Screening Service Board (Establishment Order) 2006, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the National Cancer Screening Service Board and of its income and expenditure for that period.

In preparing those financial statements, the Board is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Disclose and explain any material departures from applicable accounting standards;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the National Cancer Screening Service Board will continue in existence.

The National Cancer Screening Service Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time its financial position and to enable it to ensure that the financial statements comply with the Order and with the accounting standards laid down by the Minister for Health & Children.

It is also responsible for safeguarding its assets, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board:

Aileen ní Riada

Member of the Board

Date: 17.07.08

Jane Wilde

Member of the Board

Statement on the Internal Financial Controls

Responsibilities

The Board is responsible for ensuring that an effective system of internal financial control is maintained and operated.

The system can only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely period.

Key Control Procedures

The key control procedures put in place designed to provide effective financial control are:

- A clearly defined management structure with proper segregation of duties throughout the organisation.
- A procedures manual setting out detailed instructions for all areas of financial activity.
- A budgeting system with an annual budget which is reviewed and agreed by the Board.

- Monthly reviews by the Board of financial reports which indicate financial performance against forecasts.
- The use of reputable accounts and payroll packages with appropriate maintenance and backup procedures.
- The appropriate selection and training of staff involved in the finance function.
- The Board has established an Audit Committee with an Audit Charter and an Internal Audit Service. The Board reviews the reports of the Internal Auditor and of the Audit Committee.

Annual Review of Controls

The Board carried out a review of the effectiveness of the system of internal financial controls for the period ending 31st December 2007.

On behalf of the Board:

Aileen de Ridder

Member of the Board

Jane Wilde

Member of the Board

Date: 17.07.08

Report of the Comptroller and Auditor General

Report of the Comptroller and Auditor General for presentation to the Houses of the Oireachtas

I have audited the financial statements of the National Cancer Screening Service Board for the year ended 31 December 2007 under the National Cancer Screening Service Board (Establishment) Order, 2006.

The financial statements, which have been prepared under the accounting policies set out therein, comprise the Statement of Accounting Policies, the Income and Expenditure Account, the Capital Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes.

Respective Responsibilities of the Board and the Comptroller and Auditor General

The Board is responsible for preparing the financial statements in accordance with the National Cancer Screening Service Board (Establishment) Order, 2006 and for ensuring the regularity of transactions. The Board prepares the financial statements in accordance with Generally Accepted Accounting Practice in Ireland as modified by the directions of the Minister for Health and Children in relation to accounting for superannuation costs. The accounting responsibilities of the Members of the Board are set out in the Statement of Board Members' Responsibilities.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

I report my opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland. I also report whether in my opinion proper books of account have been kept. In addition, I state whether the financial statements are in agreement with the books of account.

I report any material instance where moneys have not been applied for the purposes intended or where the transactions do not conform to the authorities governing them.

I also report if I have not obtained all the information and explanations necessary for the purposes of my audit.

I review whether the Statement on Internal Financial Control reflects the Board's compliance with the Code of Practice for the Governance of State Bodies and report any material instance where it does not do so, or if the statement is misleading or inconsistent with other information of which I am aware from my audit of the financial statements. I am not required to consider whether the Statement on Internal Financial Control covers all financial risks and controls, or to form an opinion on the effectiveness of the risk and control procedures.

Basis of Audit Opinion

In the exercise of my function as Comptroller and Auditor General, I conducted my audit of the financial statements in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board and by reference to the special considerations which attach to State bodies in relation to their management and operation. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures and regularity of the financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgments made in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Board's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations that I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

As explained in Accounting Policy (e), the Board recognises the costs of superannuation entitlements only as they become payable. This policy does not comply with Financial Reporting Standard 17 which requires such costs to be recognised in the year the entitlements are earned. While non-compliance with Financial Reporting Standard 17 does not impact on the overall financial performance or position of the Board as disclosed in the financial statements, in my opinion compliance is necessary for a proper understanding of the costs of providing the superannuation benefits earned by employees during the year and of the value of the benefits that the Board has committed to providing in respect of service up to the year end.

Except for non-recognition of the Board's superannuation costs and liabilities, which is not in accordance with Financial Reporting Standard 17, the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Principles in Ireland, of the state of the Board's affairs at 31 December 2007 and of its income and expenditure for the year then ended.

In my opinion, proper books of account have been kept by the Board. The financial statements are in agreement with the books of account.



John Buckley
Comptroller and Auditor General
28 July 2008

Statement of Accounting Policies

a) Basis of Accounting

The financial statements have been prepared on an accruals basis in accordance with generally accepted accounting principles under the historical cost convention and comply with the financial reporting standards of the Accounting Standards Board, except as disclosed below.

b) Income and Expenditure

- (i) The allocation from the Department of Health and Children is the amount for the year 2007 as determined by the Department of Health and Children.
- (ii) The non-capital allocation from the Department of Health and Children is dealt with through the Revenue Income and Expenditure Account. Any part of this allocation applied for capital purposes and resulting in fixed asset additions is transferred to the Capitalisation Account.
- (iii) Capital allocations from the Department of Health and Children and related expenditure are dealt with through the Capital Income and Expenditure Account. The balance on this account represents the surplus/deficit on the funding of projects in respect of which capital funding is provided by the Department of Health and Children.

c) Fixed Assets and Depreciation

- (i) All fixed assets acquired, regardless of the source of funds are capitalised, with the following exceptions:
 - Capital Funded Assets with a value less than €500
 - Revenue Funded IT Assets with a value less than €1,270
 - Revenue Funded non IT Assets with a value less than €3,809
- (ii) Fixed assets are included in the Accounts at cost less depreciation.
- (iii) The depreciation which is matched by an equivalent amortisation of the Capitalisation Account, is not charged against the Income and Expenditure Account.

The following rates and methods of depreciation apply:

Buildings	2% Straight Line
Leasehold Improvements	Over term of lease
Office Furniture	10% Straight Line
Office Equipment	20% Straight Line
Medical Equipment (Incl Mobiles)	20% Straight Line
Computer Equipment	
- Acquired pre 1st Jan 2005	20% Straight Line
- Acquired post 1st Jan 2005	25% Straight Line

Statement of Accounting Policies

d) Capitalisation Account

The capitalisation account represents the unamortised value of funding provided for fixed assets.

e) Superannuation

The Board operates a defined benefit superannuation scheme for its employees. No provision has been made in respect of benefits payable under the Local Government Superannuation Scheme as the liability is underwritten by the Minister for Health & Children. Contributions for employees who are members of the scheme are credited to the income and expenditure account when received. Pension payments under the scheme are charged to the income and expenditure account when paid. By direction of the Minister for Health and Children no provision has been made in respect of benefits payable in future years.

Revenue Income and Expenditure Account

Year Ended 31 December 2007

	Notes	Euro	2007 Euro
Income			
Department of Health and Children			30,419,000
Superannuation Contributions			555,747
Superannuation Purchases			10,080
Bank Interest Earned			73,410
Miscellaneous Income			16,639
Proceeds from Trade in of Fixed Assets			33,000
Transfer to Capitalisation Account	10		(3,052,408)
			<u>28,055,468</u>
Expenditure			
Pay Costs	4	11,396,379	
Non Pay Revenue Costs	5	16,473,566	
			<u>27,869,945</u>
Surplus for the year			185,523
Statement of movement in Accumulated surplus			
Opening Balance 1 January	1		909,498
Surplus for the year			185,523
Accumulated Surplus at 31 December			<u><u>1,095,021</u></u>

With the exception of fixed asset depreciation and amortisation of the Capitalisation Account, all recognised gains and losses for the year have been included in arriving at the surplus of income over expenditure.

On behalf of the Board:

Ailís ní Riada

Member of the Board

Jane Wilde

Member of the Board

Date: 17.07.08

The accounting policies on pages 8 and 9, and the notes on pages 14 to 19 form part of the financial statements.

Capital Income and Expenditure Account

Year Ended 31 December 2007

	Notes	Euro	Euro	2007 Euro
Income				
Department of Health & Children Capital Grants				21,863,321
HSE Funding	16			3,025,385
Opening Balance 1 January	1			398,088
				<u>25,286,974</u>
Expenditure				
- Permanent Facility Galway		3,477,395		
- Permanent Facility Cork		4,440,053		
- Leasehold Development Head Office		1,086,562		
- Furniture & Fittings		288,730		
- Equipment Purchases		11,683,820		
Facilities Development			20,976,560	
Information Technology			666,251	21,642,811
Capital Funded Assets not Capitalised				220,510
Expenditure on HSE Facility	16			3,025,385
				<u>24,888,706</u>
Surplus on Capital Income & Expenditure				<u><u>398,088</u></u>

On behalf of the Board:

Ailís ní Riada

Member of the Board

Jane Wilde

Member of the Board

Date: 17.07.08

The accounting policies on pages 8 and 9, and the notes on pages 14 to 19 form part of the financial statements.

Balance Sheet

As at 31 December 2007

	Notes	2007 Euro	
Fixed Assets	6	29,848,074	
Current Assets			
- Debtors and Prepayments	7	4,589,361	
- Cash in hand	8	2,243,621	
		<u>6,832,982</u>	
Current Liabilities			
- Creditors and Accruals	9	5,339,873	
		<u>5,339,873</u>	
Net Current Assets		1,493,109	
Fixed Assets Plus Net Current Assets		<u>31,341,183</u>	
Financed By			
		Euro	Euro
Capitalisation Account	10	29,848,074	
Surplus on Revenue Income & Expenditure Account		1,095,021	
Surplus on Capital Income and Expenditure Account		398,088	31,341,183
			<u>31,341,183</u>

On behalf of the Board:

Ailís ní Riada

Member of the Board

Jane Wilde

Member of the Board

Date: 17.07.08

The accounting policies on pages 8 and 9, and the notes on pages 14 to 19 form part of the financial statements.

Cash Flow Statement

For the Year Ended 31 December 2007

2007

Euro

Reconciliation of operating surplus to net cash inflow from operating activities

Operating Surplus	185,523
Revenue funded Capital Expenditure	3,052,408
Interest received	(73,410)
Miscellaneous Income	(16,639)
(Increase) in Debtors	(3,334,058)
Increase in Creditors & Accruals	3,146,493
Net cashflow from operating activities	2,960,317

Cash Flow Statement

Net cashflow from operating activities	2,960,317
Interest received	73,410
Miscellaneous Income	16,639
Expenditure on HSE Facility	(3,025,385)
Capital expenditure (See Note 1 below)	(24,915,729)
	<u>(24,890,748)</u>
Management of liquid resources:	
Cash withdrawn from deposits	2,136,590
	<u>(22,754,158)</u>
HSE Funding	3,025,385
Capital Grants per Capital Income & Expenditure Account	21,863,321
Increase in Cash	<u>2,134,549</u>

Reconciliation of net cashflow to movement in cash

Increase in cash in period	2,134,549
Cash withdrawn from deposits	(2,136,590)
	<u>(2,042)</u>
Net funds at 1 January	2,245,663
Net funds at 31 December	<u>2,243,621</u>

Note 1 - Gross cash flows

Capital Expenditure	
Purchase of fixed assets (Note 6)	(24,695,219)
Capital Funded Assets not Capitalised	(220,510)
	<u>(24,915,729)</u>

Note 2 - Analysis of changes in net funds

	At 1 Jan 2007 Euro	Cashflows Euro	At 31 Dec 2007 Euro
Cash in hand, at bank	(1,119,753)	2,134,549	1,014,795
Overdrafts	-	-	-
	<u>(1,119,753)</u>	<u>2,134,549</u>	<u>1,014,795</u>
Current asset investments	3,365,416	(2,136,590)	1,228,826
	<u>2,245,663</u>	<u>(2,042)</u>	<u>2,243,621</u>

Notes to the Financial Statements

Year Ended 31 December 2007

- 1 The National Cancer Screening Service Board was established with effect from 1 January 2007 by the National Cancer Screening Service Board (Establishment) Order 2006. Under the terms of the National Breast Screening Board (Revocation and Dissolution) Order 2006 all property, rights, liabilities and monies of the former National Breast Screening Board were transferred, with effect from 1 January 2007, to the National Cancer Screening Service Board. The amounts were as follows:

National Cancer Screening Service Board Balance Sheet As at 1 January 2007

	Euro	
Fixed Assets	9,968,854	
Current Assets		
- Debtors and Prepayments	1,255,303	
- Cash in hand	2,245,663	
	<u>3,500,966</u>	
Current Liabilities		
- Creditors and Accruals	2,193,380	
	<u>2,193,380</u>	
Net Current Assets	1,307,586	
Fixed Assets Plus Net Current Assets	<u>11,276,440</u>	
Financed By		
Capitalisation Account	9,968,854	
Surplus on Revenue Income & Expenditure Account	909,498	
Surplus on Capital Income and Expenditure Account	398,088	<u>11,276,440</u>

Notes to the Financial Statements

Year Ended 31 December 2007

2 These financial statements cover the year ended 31 December 2007 and relate to transactions of the National Cancer Screening Service Board only.

3 The Board's Breast Screening Services operate from four locations - the Merrion Unit at St. Vincent's University Hospital Dublin, the Eccles Street Unit at the Mater Misericordiae University Hospital Dublin, the Southern Unit at South Infirmary Victoria University Hospital, Cork and the Western Unit at University College Hospital, Galway. The Board also operates the Irish Cervical Screening Programme, which currently services parts of Clare, Limerick and North Tipperary.

4 **Particulars of Employees and Remuneration** 2007
 The average number of employees during the year was: 175
 The salary expenses listed below are shown net after deduction of recharges to other Health Agencies.

Breakdown of Remuneration:	2007 Euro
Management/Administration	4,814,684
Less amounts recharged to other Health Agencies	<u>-283,644</u>
	4,531,040
NCHD's	613,417
Less amounts recharged to other Health Agencies	<u>-157,356</u>
	456,061
Consultants	4,072,547
Less amounts recharged to other Health Agencies	<u>-1,201,106</u>
	2,871,441
Nursing	403,280
Less amounts recharged to other Health Agencies	<u>-2,449</u>
	400,831
Paramedical	2,760,461
Less amounts recharged to other Health Agencies	<u>-4,597</u>
	2,755,864
Support Services	78,172
Less amounts recharged to other Health Agencies	<u>-2,507</u>
	75,665
Superann Refunds/Lump Sum Payments	259,816
Pensioners	<u>45,661</u>
	<u>11,396,379</u>

Notes to the Financial Statements

Year Ended 31 December 2007

5 Non Pay Revenue Costs	2007 Euro
Drugs & Medicines	3,520
Medical & Surgical Supplies	51,632
GP Payments	1,424,649
Medical Equipment Supplies & Contracts	14,206
X-Ray / Imaging Costs	1,099,360
Laboratory Costs	4,060,660
Catering	45,236
Heat, Power & Light	91,390
Cleaning, Washing & Waste	117,142
Furniture, Hardware & Crockery	23,190
Bedding & Clothing	10,699
Maintenance Costs	2,933,848
Leasehold Development Costs	10,890
Transport & Travel	646,096
Mobile Unit Costs	83,981
Bank Charges/Interest Payments	921
Insurance	104,061
Audit Fee	17,600
Internal Audit	21,357
Legal Costs	247,457
Office Expenses	1,138,821
Computer	610,998
Advertising and Promotion	2,306,718
Recruitment	665,809
Consultancy	401,251
Research Fees	48,500
Training Costs	194,024
Miscellaneous Costs	99,550
	<u>16,473,566</u>

Notes to the Financial Statements

Year Ended 31 December 2007

6 Fixed Assets

	Leasehold Improvements Buildings Euro	Office Furniture & Equipment Euro	Mobile Units Shell Only Euro	Medical Equipment Euro	Xray Equipment Euro	Laboratory Equipment Euro	Computer Equipment Euro	Total Euro
Cost								
At 1 Jan 2007	6,691,505	757,589	1,253,559	337,552	7,522,315	740,011	1,528,765	18,831,296
Additions								
- From Capital Funds	9,004,009	766,613	2,869,176		8,241,744	95,018	666,251	21,642,811
- From Revenue Funds	1,006,720	59,543		9,914	1,429,013	309,734	237,484	3,052,408
Disposals	(257,737)	(45,848)			(654,205)		(86,506)	(1,044,296)
At 31 Dec 2007	16,444,497	1,537,898	4,122,735	347,467	16,538,867	1,144,763	2,345,994	42,482,219
Depreciation								
At 1 Jan 2007	669,676	425,633	868,025	334,489	5,080,665	525,844	958,110	8,862,442
Charge for the Year	391,388	228,843	685,899	4,734	2,856,101	149,327	474,930	4,791,222
Disposals	(257,737)	(26,285)			(653,140)		(82,357)	(1,019,519)
At 31 Dec 2007	803,327	628,191	1,553,924	339,223	7,283,626	675,171	1,350,683	12,634,145
Net Book Value								
At 31 Dec 2007	15,641,170	909,707	2,568,811	8,244	9,255,241	469,592	995,311	29,848,074
At 31 Dec 2006	6,021,830	331,956	385,534	3,063	2,441,650	214,167	570,655	9,968,854

Notes to the Financial Statements

Year Ended 31 December 2007

7 Debtors and Prepayments	2007 Euro
- Department of Health & Children Capital Grants	3,015,530
- Hospital Debtors (Consultant Salary recharges)	251,537
- Health Service Executive - West	1,003,096
- Sundry Debtors and Prepayments	319,198
	<u>4,589,361</u>
8 Cash In Hand	Euro
Current - Bank Account	1,011,972
Deposit Account	1,228,826
Petty Cash Account	2,823
	<u>2,243,621</u>
9 Creditors and Accruals	Euro
Trade Creditors	2,571,676
Sundry Creditors - HSE Mid West Recharges	100,987
Pay Accruals	475,503
Other Accruals	2,191,707
	<u>5,339,873</u>
10 Capitalisation Account	Euro
Balance at 1 January 2007	9,968,854
Additions to Fixed Assets - met from Revenue Allocation	3,052,408
- met from Capital Allocation	21,642,811
	<u>34,664,073</u>
Disposal of Fixed Assets	(1,044,296)
Amortisation in line with depreciation (net of depreciation on disposals)	(3,771,703)
Balance at 31 December 2007	<u>29,848,074</u>

Notes to the Financial Statements

Year Ended 31 December 2007

11 In cases where medical consultants have been appointed by the NCSSB jointly with other institutions, the NCSSB pays the full cost and recharges the relevant portion of the cost to the institutions concerned on a monthly basis.

12 Capital Commitments at 31 December 2007 **Euro**
Authorised and contracted for: 7,342,000

13 Contingent Liabilities

There were no material contingent liabilities at 31 December 2007

14 Board Members - Disclosure of Transactions

The Board adopted procedures in accordance with guidelines issued by the Department of Finance in relation to the disclosure of interests by Board members and these procedures have been adhered to in the year. There were no transactions in the year in relation to the Board's activities in which Board members had any beneficial interest.

15 Accumulated Revenue Surplus

As at 31 December 2007 the Board had an accumulated revenue surplus totalling €1,095,021.

During the year the accumulated surplus increased by €185,523.

The revenue surplus is earmarked for strategic investment in the national rollout of the Service.

16 By agreement with the Health Service Executive and University College Hospital Galway, the Board's Galway facility is being developed in conjunction with a symptomatic cancer facility which will be separately owned and operated by the Hospital. Both facilities are being procured under a single contract with the Board acting as contracting authority and budget holder. Expenditure on the hospital's facility is recognised in the Capital Income and Expenditure Account but does not give rise to an asset of the Board.

17 Approval of Financial Statements

The financial statements were approved by the Board on 17 July 2008.

Seirbhís Náisiúnta Ailse-Scrúdaithe,
National Cancer Screening Service,
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T: 353 1 865 9300 F: 353 1 865 9333
Email: info@cancerscreening.ie
www.cancerscreening.ie

The National Cancer Screening Service encompasses
BreastCheck - The National Breast Screening Programme and
CervicalCheck - The National Cervical Screening Programme.

