

Presented pursuant to Radiological Protection Act 1970, c.46 s.3(4); and under Section 88 of the Scotland Act 1998

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# National Radiological Protection Board Account 2004-2005

ORDERED BY THE HOUSE OF COMMONS TO BE PRINTED 19 JULY 2005

LAI D BEFORE THE SCOTTISH PARLIAMENT BY THE SCOTTISH MINISTERS 19 JULY 2005

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## Foreword

### Statutory background

This Account has been prepared under the historical cost convention modified to include fixed assets at their value to the business by reference to current costs, in a form directed by the Secretary of State for Health and approved by the Treasury and which complies with the provisions of the Health Protection Agency Act 2004. The Comptroller and Auditor General is required to examine and certify the Account and lay copies, together with his report, before Parliament.

### History

The National Radiological Protection Board (NRPB) was a non-departmental public body being constituted as a public authority under Section 1(1) of the Radiological Protection Act 1970 with the functions of advancing the acquisition of knowledge about the protection of mankind from radiation hazards and providing information and advice to persons, including government departments, with responsibilities in the United Kingdom in relation to the protection from radiation hazards either of the community as a whole or particular sections of the community. These functions were extended by Statutory Instrument 1974 No. 1230 to include the dangers of non-ionising electromagnetic radiations. On 9 August 1977 the Secretary of State for Social Services in an exercise of powers conferred by Section 1(7) of the Act directed the Board to be responsible for specifying emergency reference levels of dose and for advising the appropriate government departments and statutory bodies on the acceptability and application in the United Kingdom of recommendations and proposals made by certain international or inter-governmental bodies. NRPB was also empowered to provide and charge for technical services to persons concerned with radiation hazards.

In January 2002, the Chief Medical Officer for England announced his intention to set up a new agency, the Health Protection Agency (HPA), into which NRPB would be assimilated together with the Public Health Laboratory Service, the Centre for Applied Microbiology and Research, and the National Focus for Chemical Incidents. The purpose of HPA is to advise government and interested parties on the effects of biological, chemical, radiological and infectious hazards and the surveillance of, and emergency response to, these hazards. HPA was established as a Special Health Authority with effect from 1 April 2003, excluding NRPB.

The Health Protection Agency Act 2004, which received Royal assent on 22 July 2004, established the Health Protection Agency as a UK-wide non-departmental public body on 1 April 2005. The Act wound up the National Radiological Protection Board transferring its functions to the Health Protection Agency on 1 April 2005.

### Objectives

The principal objectives of NRPB were to achieve the functions described in the Act and to attain the scientific strategy set out in the published Corporate Plan which indicates the manner in which the objectives were to be achieved.

### Results for the year

The surplus for the year amounted to £58,000 which has been taken to the income and expenditure reserve. Income from activities was below targets by about £116,000. Other operating costs and staff costs were £286,000 under budget, mainly from restricting spending on site-related costs, office equipment and furniture, and building maintenance.

Net cash balances increased by £161,000 to £495,000 which includes £10,000 held on behalf of European Partners under the EC Association Agreement.

### Review of activities and future developments

NRPB has achieved the principal objectives as set out in its Corporate Plan and all of its key targets and activities in the Business Plan as agreed with Department of Health with the following exceptions

- a roll out of a training programme for HPA Local and Regional staff has been delayed by budget constraints due to the Arm's Length Body Review; and
- b a report on collaborative work on dispersion modelling within HPA has been delayed by three months to allow for management input on resource implications.

A target for 2004-2005 which was not met was the deployment of a replacement thermoluminescence dosimetry system which awaited agreement on funding from the Department of Health. A capital grant allocation of £1 million was received from the Department of Health as part-funding for this system in April 2005.

The Intentional Medical and Environmental Exposure Section was created within the NRPB in November 2004 with staff transferred from the Public Health Toxicology and Radiation Division of the Department of Health. The grant received in relation this project came to £200,428. A further grant of £437,815 has been given for the financial year 2005-2006.

### Market value of land and buildings

Freehold land and buildings were revalued by external valuers on 31 March 2005 at £9,357,000.

### Fixed assets

In line with Treasury requirements, all fixed assets are included in the balance sheet at depreciated replacement cost.

The most significant additions to fixed assets during the year were

- a CCTV control and access control update;
- b upgrade IT equipment;
- c liquid scintillation counter;
- d removal of asbestos in Chilton; and
- e PADC services.

### Research and development

The scientific expertise, reputation and capability of NRPB were directed to the investigation of radiation hazards. 'Radiation hazards' means the dangers of ionising and non-ionising radiations emitted by radioactive substances or other sources. The research entered into by NRPB sought to advance the acquisition of knowledge about the protection of mankind from these hazards, and provides information and advice to persons including government departments.

In developing its work programme, NRPB maintained close liaison with the government departments, devolved administrations and agencies that were customers for advice and research. This was achieved through regular contacts and exchanges. It is important for research organisations to collaborate to share and test findings and prevent duplication of effort.

All costs were charged to the income and expenditure account and are reported as part of expenditure.

### Statement of payment practices

Unless otherwise agreed, NRPB standard terms were to make payment in respect of goods/services by the end of the month following that in which the invoice was rendered. The target under the Better Payment Practice Code is to pay 95% of invoices within the agreed terms.

NRPB met 78.62% (60% in 2003-2004) of payments within its standard terms. This equated to 79.37% of the total value of payments made.

## Employee relations

During the year the Official and Trade Union Side representatives of the NRPB Interim Whitley Council met as frequently as was required for consultation and discussion. Topics for discussions included the report on health and safety, the report of the Joint General Purposes Committee, and interactions with the Health Protection Agency.

## Equality of opportunity

NRPB had an equal opportunity policy stating that "The Board supports the principle of equal opportunities in employment and opposes any form of unlawful or unfair discrimination, either directly or indirectly, on the grounds of colour, race, age, nationality, ethnic or national origin, gender, marital status, sexual orientation, or disability."

Furthermore, it was the policy of NRPB to follow the codes of practice issued by the Equal Opportunities Commission, and the Commission for Racial Equality, and by the Employment Service on employing disabled people. The Board Secretary had overall responsibility for ensuring that the policy operated effectively.

## Health and safety

NRPB complied with all relevant legislation and regulations concerning health and safety at work. Comprehensive programmes of inspections, tests, risk assessments and training were carried out to ensure that safe and healthy working conditions were provided for employees, contract staff and visitors.

## Disabled persons

At 31 March 2005 the number of registered disabled people employed was one, representing 0.3% of all employees. NRPB had a positive and constructive policy towards the needs of disabled job seekers and maintained active links with job centres and other relevant bodies in this respect.

## Board membership

Board membership during the financial year to which this account refers was as follows

### **Chairman**

Sir William Stewart FRS

### **Board Members**

Mrs PM Castle OBE

Mrs FA Heaton

Dr P Darragh

Dr R Hunter

Professor N E Day CBE (to June 2004)

Professor W R Lees

Professor W Gelletly OBE

Professor MD Mason

Mr J C White FCA

### **Acting Board Secretary**

Dr JR Cooper

A register of Members' interests appeared on the NRPB web-site and a full register was maintained by the Acting Board Secretary.

*Dr R Cox*  
Director

1 July 2005

## Statement of Board's, Director's and Health Protection Agency's responsibilities

Under the Health Protection Agency Act 2004, the Health Protection Agency is required to prepare a statement of accounts for the National Radiological Protection Board for financial year 2004-2005 in the form and on the basis determined by the Secretary of State, with the consent of the Treasury. The accounts are prepared on an accruals basis and must show a true and fair view of the Board's state of affairs at the year-end and of its income and expenditure, total recognised gains and losses, and cash flows for the financial year.

In preparing the accounts the Health Protection Agency is required to

- observe the accounts determination issued by the Secretary of State, with the consent of the Treasury, including the relevant accounting and disclosure requirements and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards have been followed and disclose and explain any material departures in the financial statements; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Board will continue in operation.

The Accounting Officer for the Department of Health has appointed the Director as the Accounting Officer for the Board. His relevant responsibilities, as Accounting Officer, including his responsibility for the propriety and regularity of the public finances, for the keeping of proper records and the safeguarding of the Board's assets, are set out in the Non-Departmental Public Bodies' Accounting Officer Memorandum, issued by the Treasury and published in Government Accounting.

## Statement of Internal Control

### Scope of responsibility

As Accounting Officer, I had responsibility for maintaining a sound system of internal control that supports the achievement of the National Radiological Protection Board's (NRPB) policies aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Government Accounting.

For the period covered by this report, I had responsibility for the overall organisation, management and staffing of NRPB and for its procedures in financial and other matters. The relationship between NRPB and its sponsoring department, the Department of Health, was specified in the Management Statement.

### Purpose of the system of internal control

The system of internal control was designed to manage risk to a reasonable level rather than to eliminate all risk of failure in order to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of NRPB policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in NRPB for the year ended 31 March 2005 and up to the date of approval of the annual report and accounts, and accords with Treasury guidance.

### Capacity to handle risk

NRPB maintained an organisation-wide risk management process. A risk register was maintained and risks were reviewed at the appropriate management level. Key risks were identified and reviewed by the senior management team, the Audit Committee and the Board.

A Risk Management Advisory Committee maintains and reviews the NRPB risk assessment mechanism. The Committee promotes best practice, identifies and coordinates relevant training needs; and reports to management.

The risk management programme is ongoing, continually assessing the changing risks to NRPB and seeking ways in which the organisation's risk management could have been improved.

These arrangements were maintained following integration into the Health Protection Agency (HPA) at the end of the period.

### Risk and control framework

Throughout the period, NRPB remained committed to the management of risk, within all its activities throughout the organisation, with the objective to protect NRPB through a process of identification, evaluation, control (elimination or reduction in risk) and review of risk, and to enhance opportunities.

In doing this, NRPB set the following objectives

- to understand the risks that the organisation faces, their causes and how they may be managed and controlled;
- to identify, control and eliminate or reduce, to an acceptable level, all risk which may have adversely affects the quality of activities of NRPB;
- to make the best use of available resources. The Audit Committee and the Accounting Officer will be responsible for the strategy;



- the development of associated policies, procedures and guidelines to assist staff in the control of risk; and
- training to integrate risk management into the activities of NRPB.

I am satisfied that all relevant issues appertaining to a sound risk management structure remain embedded in the organisation's culture. This is achieved through organisation-wide mechanisms including: the control and authorisation mechanisms for new projects and purchases; regular reporting on financial and staff matters; and health and safety risk assessment. The work of the Risk Management Advisory Committee reinforced the commitment of NRPB to continuous improvement in risk management.

Risks to key stakeholders, including government departments and agencies, would arise largely from the issuance of inappropriate advice by NRPB. These risks are controlled through the NRPB internal approval system for publications and by issuing significant items of advice for consultation prior to approval by the Board.

### Review of effectiveness

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

As Accounting Officer, I met with members of staff who, during the relevant period, held the posts of Acting Board Secretary, chairman of the Risk Management Advisory Committee and the Corporate Finance Manager, to review the overall risk management process and relevant activities in the year since March 2004. I noted the further development of the process of assessment and review of key risks. I also noted the significant amount of risk management work that had been undertaken during the period to prepare for integration with the Health Protection Agency (HPA).

The risk management programme is ongoing, and continually assesses the changing risks of NRPB and the Radiation Protection Division of HPA from April 2005. Turnbull principles and recommendations are applied wherever practicable and underpin the approach to corporate and risk management. Areas of high risk have been reviewed during this period by the Audit Committee and the Board through the Directorate, and appropriate action taken to manage these to minimise, as far as possible, any damaging impact.

Throughout the period, NRPB used an internal audit service operating to standards defined in the Government Internal Audit Manual. The work of Internal Audit concentrated on areas of key activities determined by an analysis of the areas of greatest risk and in accordance with the annual internal audit plan approved by the Audit Committee. Internal Audit reported to the Accounting Officer and to the Audit Committee on a regular basis and had direct access to the Board of NRPB and the Chairman of the Audit Committee. The Head of Internal Audit has issued an Assurance Statement to me which provides her opinion that, 'the Board can be reasonably assured that its systems provide the basis for enabling effective financial and management control'.

The NRPB Audit Committee met four times during the year and consisted of Board members with representatives from the National Audit Office, Internal Audit and senior officers in attendance. The Committee reviewed the system of internal control and risk management. Its minutes were submitted to the Board and it reported at three Board meetings. The Board also considered my review of internal control for the financial year 2003-2004, noting that risk management appeared to be embedded in NRPB.

Dr R Cox  
Director

1 July 2005

# The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament and the Scottish Parliament

I certify that I have audited the financial statements on pages 10 to 25 under the Health Protection Agency Act 2004. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on pages 15 and 16.

## Respective responsibilities of the Board, Director and Auditor

As described on page 5, the Health Protection Agency is responsible for the preparation of the financial statements for the National Radiological Protection Board (NRPB) in accordance with the Health Protection Agency Act 2004 and directions made thereunder by the Secretary of State with the approval of the Treasury. The Agency is also responsible for the preparation of the Foreword. The Board and Director of the NRPB were responsible for ensuring the regularity of financial transactions throughout the period of account. My responsibilities, as independent auditor, are established by statute and guided by the Auditing Practices Board and the auditing profession's ethical guidance.

I report my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Health Protection Agency Act 2004 and directions made thereunder by the Secretary of State with the approval of Treasury, and whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. I also report if, in my opinion, the Foreword is not consistent with the financial statements, if the Board has not kept proper accounting records, or if I have not received all the information and explanations I require for my audit.

I review whether the statement on pages 6 to 7 reflects the Board's compliance with Treasury's guidance on the Statement on Internal Control. I report if it does not meet the requirements specified by HM Treasury, or if the statement is misleading or inconsistent with other information I am aware of from my audit of the financial statements. I am not required to consider, nor have I considered, whether the Accounting Officer's Statement on Internal Control covers all risks and controls. I am also not required to form an opinion on the effectiveness of the Board's corporate governance procedures or its risk and control procedures.

## Basis of audit opinion

I conducted my audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Board and the Director 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 which 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 error, or by fraud or other irregularity and that, in all material respects, the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion I have also evaluated the overall adequacy of the presentation of information in the financial statements.

## Opinion

In my opinion

- the financial statements give a true and fair view of the state of affairs of the National Radiological Protection Board at 31 March 2005 and of the deficit, total recognised gains and losses and cash flows for the year then ended and have been properly prepared in accordance with the Health Protection Agency Act 2004 and directions made thereunder by the Secretary of State with the approval of Treasury; and
- in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I have no observations to make on these financial statements.

*John Bourn*  
Comptroller and Auditor General

14 July 2005

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## Income and Expenditure Account for the year ended 31 March 2005

	Notes	2004-2005 £000	2004-2005 £000	2003-2004 £000	2003-2004 £000
<b>Income</b>					
Income from activities	1j		<b>9,158</b>		9,810
<b>Other operating income</b>					
Government grant	2a	<b>6,668</b>		6,385	
Transfer from reserve	11	<b>553</b>		566	
			<b>7,221</b>		6,951
			<b>16,379</b>		16,761
<b>Expenditure</b>					
Staff costs	4	<b>10,729</b>		10,613	
Depreciation	5	<b>752</b>		788	
Other operating charges	3	<b>4,842</b>		4,545	
Cost of capital charge	1i	<b>444</b>		402	
			<b>16,767</b>		16,348
<b>Operating surplus/(deficit)</b>					
			<b>(388)</b>		413
Interest receivable	6		<b>2</b>		2
Reversal of cost of capital charge	1i		<b>444</b>		402
<b>Surplus for the year</b>					
			<b>58</b>		817
Retained surplus brought forward			<b>2,271</b>		1,454
<b>Retained surplus carried forward</b>					
			<b>2,329</b>		2,271

The notes on pages 15 to 25 form part of these accounts. All operations are continuing.

## Statement of Total Recognised Gains and Losses for the year ended 31 March 2005

	<b>2004-2005</b> <b>£000</b>	2003-2004 £000
Surplus for year	<b>58</b>	817
Unrealised loss on revaluation of properties	<b>1,671</b>	0
<b>Total recognised gains</b>	<b>1,729</b>	817

*The notes on pages 15 to 25 form part of these accounts.*

## Balance Sheet as at 31 March 2005

	Notes	<b>31 March 2005 £000</b>	31 March 2004 £000
<b>Fixed assets</b>			
Tangible assets	5	<b>11,725</b>	10,218
Debtors: receivable after more than one year	7	<b>184</b>	508
<b>Current assets</b>			
Debtors	7	<b>3,769</b>	3,616
Cash at bank and in hand	8	<b>495</b>	334
		<b>4,264</b>	3,950
<b>Creditors: amounts falling due within one year</b>			
Creditors	9	<b>(2,562)</b>	(2,718)
<b>Net current assets</b>		<b>1,702</b>	1,232
<b>Total assets less current liabilities</b>		<b>13,611</b>	11,958
<b>Provision for liabilities and charges</b>			
Pensions	15	<b>328</b>	371
<b>Deferred income</b>			
Deferred government grant	11	<b>5,576</b>	5,609
<b>Capital and reserves</b>			
Revaluation reserve	11	<b>5,378</b>	3,707
Income and expenditure account	11	<b>2,329</b>	2,271
<b>Government funds</b>		<b>13,611</b>	11,958

*The notes on pages 15 to 25 form part of these accounts.*

Dr R Cox  
Director

1 July 2005

## Cash Flow Statement for the year ended 31 March 2005

	Notes	<b>2004-2005</b> <b>£000</b>	2003-2004 £000
Net cash (outflow)/inflow from operating activities		<b>386</b>	(215)
<b>Returns on investment and servicing of finance</b>			
Interest received	6	<b>2</b>	2
<b>Capital expenditure and financial investment</b>			
Payments to acquire tangible fixed assets		<b>(747)</b>	(447)
Receipts from sale of tangible fixed assets		<b>0</b>	0
<b>Net cash outflow before financing</b>		<b>(359)</b>	(660)
<b>Financing</b>			
Capital grants received	11	<b>520</b>	520
<b>(Decrease)/increase in cash in the year</b>	14	<b>161</b>	(140)

*The notes on pages 15 to 25 form part of these accounts.*

## Reconciliation of operating surplus/(deficit) to net cash (outflow)/inflow from operating activities

	<b>2004-2005</b> <b>£000</b>	2003-2004 £000
Operating surplus/(deficit)	<b>(388)</b>	413
Depreciation charges	<b>752</b>	788
Cost of capital charge	<b>444</b>	402
Loss on disposal of fixed assets	<b>5</b>	2
Pension provision	<b>(43)</b>	(38)
(Increase)/decrease in debtors and accrued income	<b>171</b>	(677)
(Decrease)/increase in creditors	<b>(156)</b>	(623)
Transfer from reserves	<b>(553)</b>	(566)
Impairment of assets	<b>154</b>	84
<b>Net cash (outflow)/inflow from operating activities</b>	<b>386</b>	(215)

*The notes on pages 15 to 25 form part of these accounts.*



# Notes to the Accounts

## 1 Accounting policies

### a Accounting conventions

The accounts are prepared under the historical cost convention, modified to include fixed assets at their value to the business by reference to current costs. Without limiting the information given, the accounts meet the accounting and disclosure requirements of the Companies Act and accounting standards issued or adopted by the Accounting Standards Board so far as those requirements are relevant. The accounts are also consistent, where appropriate, with generally accepted accounting practice in the United Kingdom (UK GAAP) and are prepared in accordance with the Accounts Determination.

### b Going concern

The Board has considered the results for the year, the amounts owed by NRPB, its financial position at the end of the year, government support and the merger of NRPB with the HPA on 1 April 2005. Taking all of these factors into consideration, the Board believes that it is appropriate for the accounts to be prepared on a going concern basis. The activities of NRPB will continue as the Radiation Protection Division within the HPA.

### c Tangible fixed assets

Freehold land and buildings are regularly revalued by external valuers in accordance with RICS guidance on an existing use basis for land and depreciated replacement cost for buildings.

Other fixed assets are shown at the value to the business by reference to current costs. Individual items or groups of items valued over £5,000 are capitalised.

### d Depreciation

Depreciation is provided on buildings, leaseholds, plant and equipment, and computers at rates calculated to write off the value (less any estimated residual value) of each asset evenly over its expected life. These lives are reviewed annually. Charge is made in the month following the date of capitalisation, with a charge being made up to the month of disposal. Freehold land is not depreciated.

Expected useful lives are as follows

Buildings	19 years
Plant and equipment	10 years
Computers	5 years
Leaseholds	leasehold period

Assets in the course of construction that have not yet been deemed complete or in-use are not depreciated.

### e Government grants

Government grants receivable for revenue expenditure are credited to income in the year to which they relate. Government grants receivable for capital expenditure are credited to the deferred government grant reserve and credited to the income and expenditure account in equal annual instalments over the lives of the assets purchased to match the depreciation on those assets.

### f Provision for bad and doubtful debts

A specific provision is made against those outstanding debtor accounts which are in receivership/liquidation.

*g Insurance*

With the exception of comprehensive insurance on contract lease vehicles, NRPB does not insure but carries its own risks for fire, explosion and similar accidents and claims at common law.

*h Foreign currencies*

Assets and transactions denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Exchange gains/losses are dealt with in accordance with Statement of Standard Accounting Practice 20.

*i Cost of capital charge*

Notional interest has been calculated on capital employed at the rate prescribed by Treasury (3.5 per cent). This charge is made in calculating the operating surplus/deficit but is written back before calculating the surplus/deficit for the year.

*j Income from activities*

Income is recorded net of VAT and is wholly attributable to the Board's principal activity of advancing the acquisition of knowledge about the protection of mankind from radiation hazards. For this reason, it is not deemed necessary to disclose results by business segment. The proportion of turnover relating to geographical markets outside of the United Kingdom is immaterial.

*k Pensions costs*

Pension payments are accounted for gross anticipated lump sum repayments from the United Kingdom Atomic Energy Authority Combined Pension Scheme. These anticipated lump sum repayments are accounted for separately as income and are disclosed separately within long-term debtors.

UKAEA operates on behalf of NRPB two unfunded defined benefit schemes for the benefit of its employees, one of which is closed to new members. These schemes are multi-employer so NRPB was unable to identify its share of the underlying assets and liabilities. They are accounted for in these financial statements as defined contribution schemes in accordance with guidance issued by the Treasury. Separate financial statements are prepared for these schemes. The amount charged to the income and expenditure account represents the contributions payable for the year.

*l Operating leases*

Operating lease costs are charged in the income and expenditure account in the period to which they relate.

**2 Government grant***a Revenue grant received*

	<b>2004-2005</b> <b>£000</b>	2003-2004 £000
Department of Health (Request for Resources 2)	<b>6,194</b>	6,060
Scottish Executive Health Department	<b>474</b>	310
National Assembly for Wales	<b>0</b>	15
	<b><u>6,668</u></b>	<u>6,385</u>

*b Capital grant received*

Department of Health (Request for Resources 2)	<b><u>520</u></b>	<u>520</u>
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**3 Other operating charges**

	<b>2004-2005</b> <b>£000</b>	2003-2004 £000
Accommodation and allied expenses	<b>810</b>	699
<i>Travel, subsistence and hospitality</i>		
Chairman and other Board Members	<b>4</b>	6
Employees	<b>452</b>	483
General expenses	<b>344</b>	312
Extramural research	<b>16</b>	23
Supplies, services and equipment	<b>2,853</b>	2,720
Lease car charges	<b>166</b>	161
Audit fee	<b>25</b>	27
Bad debts	<b>13</b>	26
Loss on disposal of fixed assets	<b>5</b>	2
Impairment of assets	<b>154</b>	84
Exchange rate (losses)/profits	<b>0</b>	2
	<b><u>4,842</u></b>	<u>4,545</u>

The NAO audit fee represents the cost for the audit of the financial statements carried out by the Comptroller and Auditor General. This account does not include fees in respect of non-audit work. No such work was undertaken.

**4 Staff costs**

a Staff costs comprise the following

	<b>2004-2005</b>	2003-2004
	<b>£000</b>	£000
Salaries and wages	<b>9,514</b>	9,150
Compensation payments	<b>0</b>	81
Social security costs	<b>782</b>	765
Other pension costs (see Note 10)	<b>296</b>	465
Agency staff costs	<b>137</b>	152
	<b>10,729</b>	10,613

Other pension costs include the sum of £337,824 (2003-2004: £502,445) in respect of continuing annual payments. These include staff who have exercised their option to retire at 60 instead of 65 and certain qualifying employees who have taken the benefit from an early retirement scheme (see also note 11). Other pension costs also include the release of provision of £42,318. This represents a gross release of £148,436 which is offset in part by an increase in long-term debtors of £105,000 to reflect anticipated repayments from the UKAEA Combined Pension Scheme.

b The average number of whole time equivalent employees during the year was as follows

	<b>2004-2005</b>	2003-2004
	<b>No.</b>	No.
Administrative	<b>48</b>	46
Scientific	<b>217</b>	224
Technical support	<b>52</b>	45
	<b>317</b>	315

Included in the above were 12 employees with fixed term contracts (15 in 2003-2004).

c The total emoluments for the Chairman were £15,420 in 2004-2005 (£15,420 in 2003-2004). Total emoluments of senior management were as follows

Name	Salary		Increase in pension entitlement		Taxable benefits		Total	
	2004-2005	2003-2004	2004-2005	2003-2004	2004-2005	2003-2004	2004-2005	2003-2004
	£	£	£	£	£	£	£	£
Director/Head of Division								
<i>Dr R Cox</i>	86,280	83,280	2,183	7,265	0	0	<b>88,463</b>	90,545
Deputy Director/ Head of Division								
<i>Dr JW Stather</i>	76,485	74,400	1,895	2,006	0	2,367	<b>78,380</b>	78,773
Deputy Director/ Head of Division								
<i>Dr JR Meara</i>	76,485	74,400	1,533	1,923	294	1,504	<b>78,312</b>	77,827
Acting Board Secretary/ Deputy Director								
<i>Dr JR Cooper</i>	72,885	61,417	4,408	19,034	0	0	<b>77,293</b>	80,451
	<b>312,135</b>	<b>293,497</b>	<b>10,019</b>	<b>30,228</b>	<b>294</b>	<b>3,871</b>	<b>322,448</b>	<b>327,596</b>

Senior management are ordinary members of the United Kingdom Atomic Energy Authority Combined Pension Scheme. They have standard contracts of employment with no special provisions.

Salary includes gross salary and any other allowances subject to UK taxation.

Taxable benefits relate to the provision of lease cars.

*d Pension entitlements of senior management*

Name	Real increase in CETV (£000)	CETV 2005 (£000)	CETV 2004 (£000)	Accrued pension 2005 (£000)	Lump sum 2005 (£000)	Accrued pension 2004 (£000)	Lump sum 2004 (£000)
Director/ Head of Division							
<i>Dr R Cox</i>	47,587	566,846	519,259	32,017	96,049	29,834	61,010
Deputy Director/ Head of Division							
<i>Dr JW Stather</i>	49,701	537,412	487,711	34,655	103,965	32,760	98,280
Deputy Director/ Head of Division							
<i>Dr JR Meara</i>	25,507	306,284	280,777	21,870	65,609	20,337	89,502
Acting Board Secretary/ Deputy Director							
<i>Dr JR Cooper</i>	83,127	407,644	324,517	23,442	70,325	19,034	57,103
	<u>205,922</u>	<u>1,818,186</u>	<u>1,612,264</u>	<u>111,984</u>	<u>335,948</u>	<u>101,965</u>	<u>305,895</u>

Columns headed CETV 2004, 2005 of the above table show the member's cash equivalent transfer value (CETV) accrued at the beginning and the end of the reporting period. Column titled increase in CETV reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

A cash equivalent transfer value (CETV) is the actuarially assessed capitalised 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 disclosure applies. 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.

e Total emoluments to Board Members were £4,390. Payments to individual Board Members fell within the following band

	<b>2004-2005</b>	2003-2004
	£	£
Mrs P M Castle OBE	<b>0 – 5,000</b>	0 – 5,000
Dr P Darragh	<b>0 – 5,000</b>	0 – 5,000
Professor NE Day CBE (to June 2004)	<b>0 – 5,000</b>	0 – 5,000
Professor W Gelletly OBE	<b>0 – 5,000</b>	0 – 5,000
Mr JC White FCA	<b>0 – 5,000</b>	0 – 5,000
Mrs FA Heaton	<b>0 – 5,000</b>	0 – 5,000
Dr R Hunter	<b>0 – 5,000</b>	0 – 5,000
Professor WR Lees	<b>0 – 5,000</b>	0 – 5,000
Professor MD Mason	<b>0 – 5,000</b>	0 – 5,000

f The following number of senior employees received remuneration falling within the ranges shown below

	<b>2004-2005</b>	2003-2004
£	<b>No.</b>	No.
40,000-49,999	<b>34</b>	27
50,000-59,999	<b>20</b>	20
60,000-69,999	<b>3</b>	2
70,000-79,999	<b>3</b>	2
80,000-89,999	<b>1</b>	1
90,000-99,999	<b>0</b>	0
100,000-109,999	<b>0</b>	0

g The current value of beneficial loan is £2,025 (2003-2004: £3,125) in the form of a house loan to a staff member who has relocated to NRPB Chilton.

**5 Tangible fixed assets**

	Freehold land and buildings £000	Long leasehold land £000	Plant and equipment £000	IT equipment £000	Assets under construction £000	<b>Total £000</b>
<b>Cost or valuation</b>						
At 1 April 2004	9,063	249	3,864	1,491	249	<b>14,916</b>
(Deficit)/gain on revaluation	197	0	(15)	(139)	0	<b>43</b>
Additions	97	0	113	165	372	<b>747</b>
Transfer from assets under construction	0	0	133	65	(198)	<b>0</b>
Internal transfers	0	0	0	0	0	<b>0</b>
Disposals	0	0	(51)	(83)	0	<b>(134)</b>
<b>At 31 March 2005</b>	<b>9,357</b>	<b>249</b>	<b>4,044</b>	<b>1,499</b>	<b>423</b>	<b>15,572</b>
<b>Depreciation</b>						
At 1 April 2004	1,093	13	2,611	981	0	<b>4,698</b>
Backlog depreciation	0	0	(8)	(78)	0	<b>(86)</b>
Charge for year	381	0	245	212	0	<b>838</b>
Internal transfers	0	0	0	0	0	<b>0</b>
Revaluation	(1,474)	0	0	0	0	<b>(1,474)</b>
Disposals	0	0	(48)	(81)	0	<b>(129)</b>
<b>At 31 March 2005</b>	<b>0</b>	<b>13</b>	<b>2,800</b>	<b>1,034</b>	<b>0</b>	<b>3,847</b>
<b>Net book value</b>						
<b>At 31 March 2005</b>	<b>9,357</b>	<b>236</b>	<b>1,244</b>	<b>465</b>	<b>423</b>	<b>11,725</b>
At 31 March 2004	7,970	236	1,253	510	249	<b>10,218</b>

Freehold land and buildings were revalued as at 31 March 2005 by external valuers Powis Hughes Chartered Surveyors in accordance with RICS guidance on an existing use basis for land and depreciated replacement cost for buildings.

**6 Interest receivable**

	<b>2004-2005 £000</b>	2003-2004 £000
Interest receivable	<b>2</b>	2

**7 Debtors**

	<b>2004-2005 £000</b>	2003-2004 £000
Trade debtors	<b>2,391</b>	2,081
Other debtors	<b>193</b>	3
Prepayments	<b>164</b>	142
Accrued income	<b>1,021</b>	1,390
	<b>3,769</b>	3,616
Debtors: receivable in more than one year	<b>184</b>	508

Debtors receivable in more than one year relates to amounts prepaid for early retirees.

**8 Cash**

	<b>2004-2005</b> <b>£000</b>	2003-2004 £000
Cash at bank and in hand	<b>485</b>	225
Cash held on behalf of European partners under the EC Association Agreement	<b>10</b>	43
Cash held on behalf of other organisations in respect of future conferences and contracts	<b>0</b>	66
	<b>495</b>	334

**9 Creditors: amounts falling due within one year**

	<b>2004-2005</b> <b>£000</b>	2003-2004 £000
Trade creditors	<b>753</b>	634
Accruals and deferred income	<b>435</b>	418
Taxation and Social Security	<b>224</b>	374
Advance subscriptions to Personal Monitoring Service and other contracts	<b>1,084</b>	1,180
Other creditors	<b>56</b>	3
	<b>2,552</b>	2,609
EC Association Agreement	<b>10</b>	43
Future conferences and contracts	<b>0</b>	66
	<b>2,562</b>	2,718

**10 Pension arrangements**

NRPB did not operate its own pension fund but the majority of employees participate in the United Kingdom Atomic Energy Authority Combined Pension Scheme administered by the United Kingdom Atomic Energy Authority. In June 1997 the Principal Non-Industrial Superannuation Scheme and the Industrial Superannuation Scheme were merged to form the Combined Pension Scheme. The employees' contributions for 2004-2005 were £515,824 (2003-2004: £432,446) and employer's contributions totalled £44,201 (2003-2004: £42,949) in respect of normal contributions based on 0.5% of salary for those staff in continuing employment; this rate being determined by the Government Actuary.

The fund also covers employees of British Nuclear Fuels plc, Amersham plc, the Ministry of Defence, the Science and Engineering Research Council, and the United Kingdom Atomic Energy Authority. A minority of employees have retained their individual membership of previous employers' schemes, i.e. Federation of Superannuation Schemes for Universities or have exercised other options available as a result of the Social Security Act 1986. The employer's contributions to these schemes totalled £10,140 at varying percentages.

No information in these financial statements relates to other employers participating in the Combined Pension Scheme or the Principal Non-Industrial Superannuation Scheme, although UKAEA has overall responsibility for the schemes. No contingent liability is expected to arise from this responsibility.

All contributions are paid to, and benefits paid by, HM Government via the Consolidated Fund. The surpluses of contributions over benefits are deemed to have been invested in portfolios of notional securities reflecting the investments of a sample of UK funded pension schemes. The most recent actuarial valuations show notional surpluses in the UKAEA sub-funds. Although the Government Actuary's recommendation to UKAEA has been that no employer contributions need to be paid for the period covered by the period of these financial statements, the decision was taken to continue contributions, albeit at the much reduced level of 0.5%.



**11 Movement in government funds and reserves**

	Deferred government grant £000	Income and expenditure £000	Revaluation reserve £000	<b>Total</b> <b>£000</b>
Balance brought forward	5,609	2,271	3,707	<b>11,587</b>
2004-2005 capital grant	520	0	0	<b>520</b>
2004-2005 surplus	0	58	0	<b>58</b>
Revaluation of assets	0	0	1,671	<b>1,671</b>
Transfer to income and expenditure	(553)	0	0	<b>(553)</b>
	<u>5,576</u>	<u>2,329</u>	<u>5,378</u>	<u><b>13,283</b></u>

The Department of Health provided NRPB with a separate capital grant allocation. The grant is provided by the Department to fund purchases on items costing £1,000 or more. However, the threshold used by NRPB for recognition of individual assets within deferred government grant is £5,000.

**12 Capital commitments**

	<b>2004-2005</b> <b>£000</b>	2003-2004 £000
Contracted	<u><b>112</b></u>	<u>98</u>

**13 Operating lease commitments**

Outstanding annual commitments due in respect of non-cancellable operating leases expiring within

	<b>2004-2005</b> <b>£000</b>	2003-2004 £000
One year	<b>12</b>	36
Two to five years	<b>123</b>	76
After more than five years	<b>0</b>	0

**14 Note to the cash flow statement****Analysis of changes in net funds**

	1 April 2004 £000	Cash flows £000	<b>31 March</b> <b>2005</b> <b>£000</b>
Cash at bank and in hand	225	260	<b>485</b>
Cash held on behalf of European partners under the EC Association Agreement	43	(33)	<b>10</b>
Cash held on behalf of other organisations in respect of future conferences and contracts	66	(66)	<b>0</b>
	<u>334</u>	<u>161</u>	<u><b>495</b></u>

**15 Pension provision**

	<b>2004-2005</b> <b>£000</b>	2003-2004 £000
Balance brought forward	<b>371</b>	409
Gross release to income and expenditure	<b>(148)</b>	(141)
Increase in long-term debtors	<b>105</b>	103
	<b>328</b>	371

In 1994-1995 an early retirement scheme was operated which gave retirement benefits to certain qualifying employees. The benefits conform to the rules of the UKAEA Combined Pension Scheme. NRPB bears the costs of these benefits until normal retiring age of the employees retired under this scheme.

The total pensions liability up to normal retiring age in respect of each employee was charged to the income and expenditure account. A provision for future pension payments where material has been created. Pensions and related benefits payments to the retired employee until normal retiring age are then charged annually against the provision.

**16 Related party transactions**

The National Radiological Protection Board was a non-departmental public body sponsored by the Department of Health (government income – note 2).

The Department of Health was regarded as a related party. During the year the Board had various transactions with the Department and other entities for which the Department was regarded as the parent Department. Income of £234,431 was invoiced to the Department of Health, and £44,413 was included in trade debtors at the year-end.

In addition, NRPB had various material transactions with various NHS trusts, health authorities, government departments and central government bodies. Most of these transactions have been with

	Turnover	<b>Debtor balance as at 31 March 2005 £000</b>
Department for Environment, Food and Rural Affairs	545,761	<b>51,651</b>
Department of Health	234,431	<b>44,413</b>
Environment Agency	158,312	<b>2,386</b>
Home Office	398,003	<b>190,572</b>
Health Protection Agency	132,710	<b>28,636</b>
Scottish Environment Protection Agency	451,153	<b>38,108</b>

During the year none of the Board Members, members of the senior management staff or other related parties had undertaken any material transactions with the National Radiological Protection Board.

**17 Contract disclosure**

National Radiological Protection Board continued work on one research contract on behalf of the Department of Health, which require disclosure in the annual accounts as a condition of the contract.

The details of the contract are as follows

- Department of Health Mobile Telecommunications and Health Research Project – The Effects of Radiofrequency Radiation on Brain Physiology and Function.

During the year ended 31 March 2005, funding of £110,727 (net of VAT) was invoiced and received. (2003-2004: £162,298).

## 18 Financial instruments

Financial Reporting Standard 13, Derivatives and Other Financial Instruments: Disclosures, requires disclosure of the role which financial instruments have had during the year in creating or changing the risks an entity faces in undertaking its activities. Because of the largely non-trading nature of its activities and the way in which Non-Departmental Public Bodies are financed, NRPB is not exposed to the degree of financial risk faced by business entities. Moreover, financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which Financial Reporting Standard 13 mainly applies. NRPB has no powers to borrow, invest surplus funds or purchase foreign currency with grant in aid from the government. Financial assets and liabilities are generated by day-to-day operational activities and are not held to change the risks facing NRPB in undertaking its activities.

NRPB has no borrowings and relies primarily on funding from the Department of Health for its own cash requirements, and is therefore not exposed to liquidity risks. It also has no material deposits, and all material assets and liabilities are denominated in sterling, except in the case of a small amount of European funding. This is held in the form of a euro bank balance on deposit of circa £101,000 which is interest bearing.

NRPB is not exposed to interest rate risk or currency risk, except in the case of the euro currency bank balance noted above. The fair value of cash is the same as the book value.

## 19 Post balance sheet events

The Health Protection Agency Act 2004, which received Royal assent on 22 July 2004, established the Health Protection Agency as a UK-wide non-departmental public body on 1 April 2005. The Act wound up the National Radiological Protection Board.

The functions of NRPB were transferred to the Health Protection Agency (HPA) on 1 April 2005.

On that date, all NRPB staff were transferred to HPA under the Change Management Protocol which guarantees their employment up until 31 March 2006; it has therefore not been necessary to incorporate any provision in the 2004-2005 accounts for related staff costs.

Accounting policies followed by NRPB differ from those of HPA in two minor respects. Firstly, NRPB has, in the past, financed the purchase of fixed assets not only from the Department of Health's annual capital grant but also from its own reserves. Secondly, it has been the practice of NRPB to capitalise the purchase of its PCs and other IT equipment under its Fixed Assets Grouping Policy. The net book value of IT equipment that falls into this category is in the region of £245,000 as at 31 March 2005.

The Department of Health has contributed £1 million to the replacement of the thermoluminescence dosimetry system planned for implementation during 2005-2006.

No further material events have occurred in the period between the balance sheet date and the date on which these financial statements have been approved by the Director, which require disclosure.

## 20 Contingent liabilities

NRPB had no material contingent liabilities as at 31 March 2005 (2003-2004: nil).

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