

Nursing and Midwifery Council

Nursing and Midwifery Council
23 Portland Place
London W1B 1PZ

THE NURSING AND MIDWIFERY ORDER 2001 (Charity Registration Number 1091434)

Foreword

*Accounts for the year ended 31 March 2005
presented in accordance with Article 52 of the Order
(Statutory Instrument 2002 No.253)*

1. Background Information and Brief History

This is the statement of accounts of the Nursing and Midwifery Council for the year ended 31 March 2005.

The Council was established under the Nursing and Midwifery Order 2001. The principal functions of the Council are to establish from time to time standards of education, training, conduct and performance for nurses and midwives and to ensure the maintenance of those standards. The Council shall have such other functions as are conferred on it by this Order or as may be provided by the Privy Council by order. The main objective of the Council in exercising its functions is to safeguard the health and well-being of persons using or needing the services of registrants.

The Nursing and Midwifery Council is accountable to the Privy Council. The Nursing and Midwifery Order 2001 sets out the nature of the relationship between the NMC and the Privy Council and the reporting mechanisms required. While not accountable to the Department of Health, the NMC has regular contact with the Department on policy and other matters. For the year in question, the department provided some funding to the Council for the New Register.

2. Results

The net outgoing resources for the year amounted to £729,000 (2003/2004 £2,143,000).

The reserves of £2.5 million should be considered taking into account that the lease of the Council's offices at 23 Portland Place continues to have a restrictive user clause and was re-valued on 31 December 2001 at £9.2 million.

3. Financial Review

During the year income totalled £20,213,000 (2004: £18,800,000) which comprises of fee income of £19,036,000 (2004: £16,434,000), together with investment income of £830,000 (2004: £762,000).

During the year expenditure totalled £20,942,000 (2004: £20,943,000) and is further analysed within note 10 to the accounts.

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4. Review of Activities and Future Developments

This was the third year of activity for the Nursing and Midwifery Council. There were three main strands to the Council's work:

Completing work on the statutory rules, standards and guidance arising from the Nursing and Midwifery Order; opening the new register and putting into effect a range of new processes and procedures; and putting in place the long-term strategy for ensuring the financial health of the organisation, including a registration fee increase.

NMC Council and Committee structure: The full Council comprises 11 lay members and 12 registrant members. Each registrant member has what is known as an "alternate" member, who may attend and vote in their absence.

Four statutory committees: New committees came into effect with the opening of the new register in August 2004:

Conduct and Competence Committee (formerly the Professional Conduct Committee)
Investigating Committee (formerly the Preliminary Proceedings Committee)
Health Committee
Midwifery Committee

The following committees also oversee key areas of NMC business:

Finance and Business Planning Committee
Audit Committee
Communications Committee
Standards Committee
Human Resources Committee
Remuneration and Appointments

Task and finish groups: The Council sets up small, time-limited "task and finish" groups to oversee specific projects, such as managing the opening of the new register, reviewing the post-registration nursing framework and developing a new overseas nurses programme.

The following represent the highlights of the year's activities:

- Completing work on the rules relating to the new register, fitness to practise processes and procedures, midwifery practice, Local Supervisory Authorities for the statutory supervision of midwives, and registration fees. Following wide consultation with our stakeholders, the policy aspects were negotiated with lawyers for the Department of Health and the Privy Council and the new rules were finalised. These were laid before Parliament and came into effect on 1 August 2004.
- Opening the new register. Having devised a slimmed-down and simpler register, with the previous 15 parts reduced to three, actually bringing this in on time was a considerable IT achievement. The new register has parts for nurses, midwives and specialist community public health nurses. Health visitors migrated to the specialist community public health nursing part of the register when it opened. Thereafter, steps were put in place to enable school nurses, occupational health nurses and family nurses (in Scotland) to go onto that part.

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4. Review of Activities and Future Developments Cont'd

- Quality assurance (QA) of education. The NMC's QA work underpins the quality of the education provided in Higher Education Institutions and in practice placements. The Council uses a system of visitors for quality assuring education in England while, in Scotland, Wales and Northern Ireland, it contracts the work to education bodies. Across the UK in the academic year 2003/2004, 335 programmes were approved in 90 higher education institutions.
- Increasing levels of registration activity. The number on the register rose from some 660,000 to around 670,000. The number of UK-trained nurses and midwives joining the register totalled 19,982, while those from overseas and the European Economic Area numbered 11,477 and 1,193 respectively. Within the latter total, there were 231 admissions from the new European Union accession countries between 1 May 2004 and 31 March 2005. Nurses and midwives renew their registration every three years, and around 220,000 of them did so during the report year. Some 2,500 nurses and midwives rejoined the register following return to practice courses. Overseas activity remained strong during the year. Around 40,000 application packs were sent out and the Council received some 80,000 enquiries from applicants and agencies. Fast and efficient access to registration advice is a high priority for the NMC. The in-house registration call centre took over half a million calls during the year. Between 90 and 95% of calls were answered, in line with the industry standard for call centres.
- Public consultation. The NMC sought views on a number of major policy areas. These included a new programme for overseas trained nurses, support for learning and teaching in practice, and a framework for the standard for post-registration nursing. This consultation resulted in more than 2,000 responses - a record for the NMC.
- Public involvement strategy. The NMC developed new ways of involving the public and users of health services in the work of the Council. Parents and children were invited to the first in a series of UK-wide focus groups aimed at developing new standards for children's nursing, and users of mental health services were well-represented at focus groups to develop standards for mental health nursing. In addition, the Council collaborated with the other health regulators on a collective approach to public involvement.
- Partnership working. The Council continued to strengthen its partnership working with other health and social care regulators and with the Council for Healthcare Regulatory Excellence. Key issues included developing consistent regulation throughout health care, information-sharing across organisations, fitness to practise and communications activity.
- Registration fee increase. Following extensive consultation, Privy Council and parliamentary approval, the Council implemented a registration fee increase from 1 August 2004 to coincide with the opening of the new register and other new rules and procedures. The three-year fee was increased from £60 to £129, while steps were put in place to develop systems for introducing annual payment (of £43) in 2006.

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4. Review of Activities and Future Developments Cont'd

- Cost savings programme. The introduction of a more efficient and effective system of buying resulted in substantial savings across the Council's activities. The Council benefited from the expertise of a professional buyer who identified savings and sought improvements in office cleaning, print-buying and photocopying services.
- UK-wide annual meetings. The Council took the work of the NMC direct to audiences in England, Wales, Scotland and Northern Ireland. Annual Meetings were held in each country to demonstrate openness, transparency and accountability. Each meeting involved presentations by the NMC President and Chief Executive, questions and feedback from the diverse audiences, and a presentation from an invited guest speaker. The speakers' theme in 2004 was public involvement.
- Professional conduct activity. The NMC received 1,389 complaints about practitioners' fitness to practise. The majority of cases received were closed due to insufficient evidence or because they were not deemed likely to lead to removal from the register. 108 practitioners were removed from the register and a further 76 received a formal caution. In this period, only four practitioners were restored to the register from among the eight who applied for restoration. A major challenge was, having to deal with two sets of fitness to practise rules at the same time. Allegations received before 1 August, when the new fitness to practise rules came into effect, were handled under the old rules while those received after that date were considered under the new rules.
- Engagement with stakeholders. As well as the formal consultations, the Council fulfilled its duty to collaborate with stakeholders. Regular meetings were held with many organisations, including government departments, other health and social care regulators, the Council for Healthcare Regulatory Excellence, trades unions and professional bodies, consumer organisations and Local Supervising Authorities for the supervision of midwives.

5. Form of Accounts

The accounts have been prepared in a form directed by the Privy Council with the approval of the Treasury in accordance with Article 52 of the Nursing and Midwifery Order 2001.

The Council has joint Auditors haysmacintyre and National Audit Office (NAO). Both haysmacintyre and NAO produce their audit report on the NMC's final accounts.

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6. Research and Development

In October 2004, the NMC commissioned an independent consultant to undertake a scoping review of pre-registration midwifery education and the development of an options appraisal paper that identified potential models of midwifery education. The Midwifery Committee considered this policy review paper in January 2005 as part of the project to review pre-registration midwifery content and competencies. This project will continue during the next financial year.

An external consultant was commissioned by the Midwifery Committee in January 2005 to review the issues surrounding midwives supporting home births, with a view to producing a report for the Committee and drafting guidance that the Committee will consider issuing to registrants and employers during the next financial year.

In the first quarter of the year, the NMC commissioned an independent consultant to carry out a scoping exercise and framework development work in relation to the development of draft performance standards for mental health nursing. The consultant carried out a further phase of work later in the year, focusing on the refining of a draft document and facilitating stakeholder workshops. This project will continue during the next financial year.

A number of telesurveys were carried out during the year to gauge caller opinions of the Registrations service. A root cause analysis exercise was also undertaken of complaints in relation to the Registration service.

7. Fixed Assets

Information relating to changes in tangible fixed assets is given in note 13 to the accounts. The cost of fixed assets additions during the year was £440,000.

8. Disabled Employees and Equal Opportunities

The NMC is an equal opportunities employer and provides employment opportunities and advancement for all suitably qualified persons regardless of age, sex, religion, ethnic origin, marital status, dependants, disability or political beliefs. The NMC does not regard disablement as a bar to recruitment or advancement; selection is based upon the ability of the individual to do the job.

9. Employee Involvement

The NMC places considerable reliance on the involvement of its employees. It makes every effort to ensure that all staffs are kept informed of the NMC's plans and developments. The main channels of communication include whole organisation meetings, monthly team briefings, intranet and email.

10. Health and Safety

The NMC is committed to adhering to the Health and Safety at Work Act 1974 and other related UK and European requirements to ensure that staff and customers enjoy the benefits of a safe environment.

11. Euro

There are currently no plans to facilitate the use of the Euro. However it is felt that its impact on the Council will be very slight.

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- 12. Reserves Policy** NMC free reserves are currently £(7,282k). NMC wants to set a reserve level equivalent to 6 months expenditure, which would equate to £10.5m, plus a computed sum for evaluated risk.
- A recovery plan is now in place, which has entailed substantial increases in fees from 2004 designed to achieve the free reserves target amounting to the equivalent of 6 months worth of annual expenditure by 2010.
- 13. Investment powers policy and performance** NMC has the power to invest its surplus funds as it considers appropriate to generate income for the Council. Currently NMC is formulating a formal investment policy. Council is exploring low and no risk options. At present surplus NMC funds are placed on the money market. The revenue generated from the investment was £830,000 during the year.
- 14. Risk Review** A risk review was conducted and risks to NMC were identified. NMC has implemented systems and procedures to mitigate risks. This is an ongoing process throughout the year.
- 15. Council Members** The Members of the Council during the year ended 31 March 2005 are listed on page 32.

Mr Jonathan Asbridge
President, NMC

Date: 1 December 2005

Nursing and Midwifery Council

STATEMENT OF RESPONSIBILITIES OF COUNCIL AND ITS CHIEF EXECUTIVE IN RESPECT OF THE ACCOUNTS

The accounts are prepared in accordance with the Accounts Guidance received from the Privy Council which requires the accounts to be prepared in accordance with the Statements of Recommended Practice 'Accounting by Charities' and that the accounts also comply with the Applicable Accounting Standards issued or adopted by the Accounting Standards Board.

The Nursing and Midwifery Order 2001 requires that annual accounts are prepared and audited. The Council and its Chief Executive (as Accounting Officer) are responsible for the preparation and approval of the accounts. In preparing these accounts they are required to:

- a. Observe the applicable accounts directions issued by the Privy Council;
- b. Select suitable accounting policies and then apply them consistently;
- c. Make judgements and estimates on a reasonable basis;
- d. Prepare the accounts on a going concern basis unless it is inappropriate to presume the Council will continue in operation; and
- e. State whether applicable accounting standards have been followed, and disclose and explain any material departures in the financial statements.

The Council and its Chief Executive are responsible for the keeping of proper accounting records which disclose with reasonable accuracy at any time the financial position of the Council and enable them to ensure that the accounts comply with the Nursing and Midwifery Order 2001. They are also responsible for safeguarding the assets of the Council and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Privy Council has appointed the Chief Executive of the Nursing and Midwifery Council as accounting officer for the Nursing and Midwifery Council. Her relevant responsibilities as Accounting Officer, including her responsibility for the propriety and regularity of the public finances for which she is answerable and for keeping of proper records, are set out in the Accounting Officer's Memorandum, issued by the Privy Council, and published in "Government Accounting".

Nursing and Midwifery Council

STATEMENT OF INTERNAL CONTROL

Scope of responsibility

As Accounting Officer and President of the Council, we have responsibility for maintaining a sound system of internal control that supports the achievement of the Nursing and Midwifery Council's policies, aims and objectives, while safeguarding the public funds and assets for which we are personally responsible

The post of Chief Executive and Registrar of the Nursing and Midwifery Council, carries with it the responsibility of Accounting Officer. The Chief Executive/Registrar is responsible for the execution of the Council's obligations under the Nursing and Midwifery Order 2001 and is accountable to the Privy Council and the NMC.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Nursing and Midwifery Council's policies, aims and objectives. The system of risk management is designed to evaluate the likelihood of those risks being realised and the impact thereof, and to manage them efficiently, effectively and economically. During 2004-05, the NMC began to put in place the procedures necessary to implement HM Treasury guidance relating to risk management. Time will be required to fully embed the process which the NMC has invested in to ensure its major risks are being managed.

Capacity to handle risk & the risk and control framework

The system of internal control which the NMC continues to implement, is based on a framework of regular management information, administrative procedures including the segregation of duties, and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting systems with an annual budget which is reviewed by the Executive Management Board, Performance and Business Planning Committee and agreed by the Council;
- regular reviews by the Performance & Business Planning Committee of monthly and Annual financial performance against forecast;
- setting targets to measure financial and other performance;
- clearly defined procedures for the authorisation and control of items of Revenue and Capital expenditure;
- an organisation wide Risk Register;
- a Council which meets to consider the plans and strategic direction of the NMC (the Council comprises the Council President, 23 externally appointed members and Management group including the Chief Executive);
- a regular programme of facilitated workshops to identify and keep up to date the record of risks facing the organisation;

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- a programme of risk awareness training;
- the use of agreed risk indicators.

The main risks facing the NMC in 2004-05 were the risks to the:

- successful delivery of ongoing projects (eg. annual fees, the New Register) ;
- successful delivery of the finance recovery plan and
- changes to legislation required to deliver the New Register and Annual fees.

Review of effectiveness

As Accounting Officer and President of the Council, we have responsibility for reviewing the effectiveness of the system of internal control. Our review of the effectiveness of the system of internal control is informed by the work of the Audit and Risk department, the executive managers within the organisation who have responsibility for the development and maintenance of the internal control framework, comments made by the external auditors in their management letters and other reports. We have been advised on the implications of the result of our review of the effectiveness of the system of internal control by the Executive Management Board and the Audit and Risk Committee. Plans to address weaknesses and ensure continuous improvement of the system are in place.

Our review of the effectiveness of the system of internal control included

- periodic reports from the Chairman of the Audit and Risk Committee to the Council concerning internal control as covered by internal audit
- the Council has its own Internal Audit function which operates within the organisation and reports to the Audit and Risk Committee. The Head of Risk Management works to annual plans based on risk, and produces regular internal audit reports, to standards defined in the *Government Internal Audit Manual*. The reports provide an independent opinion on the adequacy and effectiveness of the NMC's system of internal control together with recommendations for improvement. Where enhancements to control systems are identified, they are prioritised and management action plans prepared.

The NMC intends to develop further its risk management processes over the next year, including the establishment of an Assurance Framework, training in risk management for new staff, Project managers and Council Members. Other actions in hand include implementation of a new integrated purchasing finance system, which will result in changes to purchasing procedures from the 2005-06 and a further strengthening of controls.

Mr Jonathan Asbridge
President, NMC

Mrs Sarah Thewlis BA FCIPD hon FRCGP FRSA
Chief Executive and Registrar, NMC

Date: 1 December 2005

Date: 1 December 2005

Nursing and Midwifery Council

INDEPENDENT AUDITORS' REPORT TO THE NURSING AND MIDWIFERY COUNCIL

We have audited the financial statements of Nursing and Midwifery Council for the year ended 31 March 2005 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the Council, as a body, in accordance with the regulations made under the Charities Act 1993. Our audit work has been undertaken so that we might state to the Council those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the Council as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of council and auditors

The Council's responsibilities for preparing the Council Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Council's Responsibilities.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Council's Report is not consistent with the financial statements, if the charity has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read other information contained in the Council Report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our 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 and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Council in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us 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 our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Nursing and Midwifery Council

Opinion

In our opinion the financial statements give a true and fair view of the state of the charity's affairs as at 31 March 2005 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Charities Act 1993.

haysmacintyre
Chartered Accountants
Registered Auditors

Fairfax House
15 Fulwood Place
London
WC1V 6AY

Date: 5 December 2005

Nursing and Midwifery Council

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT

I have audited the financial statements on pages 14 to 31 and the report thereon of the auditors appointed by the Nursing and Midwifery Council, in accordance with Article 52 of the Nursing and Midwifery Order 2001. These financial statements have been prepared in the form directed by the Privy Council; they have been prepared under the historical cost convention and the accounting policies set out on pages 17 - 19.

Respective responsibilities of the Nursing and Midwifery Council, the Chief Executive and the Auditor

As described on page 7, the Nursing and Midwifery Council and its Chief Executive are responsible for the preparation of financial statements and for ensuring the regularity of financial transactions. The Council and the Chief Executive are also responsible for the preparation of the Foreword. My responsibilities, as independent auditor, are established by statute, and I have regard to the standards and guidance issued by the Auditing Practices Board and the ethical guidance applicable to the auditing profession.

I report my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993 and directions made by the Privy Council under Article 52 of the Nursing and Midwifery Order 2001, and whether in all material respects the expenditure, income and resources funded by grant 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 Council 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 8-9 reflects the Nursing and Midwifery Council's compliance with Treasury's guidance on the Statement on Internal Control. I report if it does not meet the requirements specified by 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 Chief Executive's Statement on Internal Control covers all risks and controls. I am also not required to form an opinion on the effectiveness of the Nursing and Midwifery Council'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 in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Council and the Chief Executive in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Nursing and Midwifery Council'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, income and resources 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 also evaluated the overall adequacy of the presentation of information in the financial statements.

Nursing and Midwifery Council

Opinion

In my opinion:

- the financial statements give a true and fair view of the state of affairs of the Nursing and Midwifery Council as at 31 March 2005 and of the incoming resources and application of resources for the year then ended and have been properly prepared in accordance with the Charities Act 1993, and the directions made by the Privy Council; and
- in all material respects the expenditure, income and resources 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

National Audit Office
157-197 Buckingham Palace Road
Victoria, London SW1W 9SP

Date: 14 December 2005

Nursing and Midwifery Council

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2005

	Note	Unrestricted Funds 2005 £'000	Restricted Funds 2005 £'000	Total Funds 2005 £'000	Total Funds 2004 £'000
INCOMING RESOURCES					
Investment Income	2	830	-	830	762
Fee Income	3	19,036	-	19,036	16,434
Donations	27	-	-	-	25
ACTIVITIES FOR GENERATING FUNDS:					
Trading Income	4	347	-	347	454
GRANTS RECEIVABLE FROM GOVERNMENT BODIES	27	-	-	-	1,125
TOTAL INCOMING RESOURCES		20,213	-	20,213	18,800
RESOURCES EXPENDED					
DIRECT CHARITABLE EXPENDITURE	5	17,228	40	17,268	17,645
OTHER EXPENDITURE					
Publicity	6	2,125	-	2,125	1,849
Management and Administration	7	1,466	-	1,466	1,376
COST OF GENERATING FUNDS					
Trading Expenditure	8	83	-	83	73
TOTAL RESOURCES EXPENDED		20,902	40	20,942	20,943
NET OUTGOING RESOURCES FROM OPERATIONS		(689)	(40)	(729)	(2,143)
LOSSES ON INVESTMENTS					
Realised loss from investments	14	-	-	-	(236)
NET MOVEMENT IN FUNDS		(689)	(40)	(729)	(2,379)
Reserves brought forward		3,150	65	3,215	5,594
TOTAL FUNDS CARRIED FORWARD		2,461	25	2,486	£3,215

All of the Council's activities in the above two financial years were derived from continuing operations.

All recognised gains and losses are included in the above statement.

The notes on pages 17 to 31 form part of these accounts.

Nursing and Midwifery Council

BALANCE SHEET AS AT 31 MARCH 2005

		2005	2004
	Note	£'000	£'000
FIXED ASSETS			
Tangible assets	13	<u>9,743</u>	<u>9,686</u>
TOTAL FIXED ASSETS		<u>9,743</u>	<u>9,686</u>
CURRENT ASSETS			
Debtors	16	431	422
Cash at bank and in hand	24	<u>27,847</u>	<u>17,615</u>
TOTAL CURRENT ASSETS		28,278	18,037
CREDITORS (amounts falling due within one year)	17	<u>(18,698)</u>	<u>(14,414)</u>
NET CURRENT ASSETS		<u>9,580</u>	<u>3,623</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		19,323	13,309
CREDITORS (amounts falling due after more than one year)	18	(16,248)	(9,509)
PROVISION FOR LIABILITIES AND CHARGES	19	<u>(589)</u>	<u>(585)</u>
NET ASSETS		<u><u>2,486</u></u>	<u><u>3,215</u></u>
Restricted Fund	27	25	65
Unrestricted Fund		<u>2,461</u>	<u>3,150</u>
TOTAL FUNDS		<u><u>2,486</u></u>	<u><u>3,215</u></u>

The notes on pages 17 to 31 form part of these accounts.

Mr Jonathan Asbridge
President, NMC

Mrs Sarah Thewlis BA FCIPD hon FRCGP
FRSA
Chief Executive and Registrar, NMC

Date: 1 December 2005

Date: 1 December 2005

Nursing and Midwifery Council

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2005

		2005		2004	
	Note	£'000	£'000	£'000	£'000
NET CASH INFLOW FROM OPERATING ACTIVITIES	23		9,911		2,297
RETURNS ON INVESTMENT AND SERVICING OF FINANCE					
Interest Received		761		956	
Dividends Received		-		-	
			761		956
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT					
Payments to acquire Tangible Fixed Assets	13	(440)		(260)	
Receipts from Investment Portfolio	14	-		4,725	
			(440)		4,465
INCREASE IN CASH IN THE YEAR	24		10,232		7,718

The notes on pages 17 to 31 form part of these accounts.

Nursing and Midwifery Council

1. Accounting Policies

The accounts are prepared in accordance with the Accounts Direction (see Appendix 1) from the Privy Council which requires the accounts to be prepared in accordance with the Statement of Recommended Practice 'Accounting by Charities' (Charities SORP 2000) and that the accounts also comply with the applicable Accounting Standards issued or adopted by the Accounting Standards Board.

(a) Accounting convention

The accounts are prepared under the historical cost convention.

(b) Depreciation

Depreciation is provided on tangible fixed assets to write them down to a nominal value of £1 over their estimated useful lives in equal instalments as follows:

Furniture	— 10 years
Equipment	— 3 years
Leasehold Premises	— 50 years

Tangible fixed assets costing over £1,000 have been capitalised.

(c) Resources arising - income

Investment income

Investment income is accounted for when receivable and includes the related tax recoverable.

Income from charitable trading

Registration, Verification and Replacement of PIN card fees have been credited to Income on the day of receipt. Periodic Fees have been allocated to the appropriate financial year based on the accruals concept.

Grants receivable

Grants are recognised in the statement of financial activities when the conditions for receipt have been complied with. Where a grant is received relating to a future accounting period, the statement of financial activities shows the gross amount received. There was no time constraint on grants received.

(d) Allocation of costs

The charity's operating costs include staff costs, premises costs and other related costs. Such costs are allocated between direct charitable expenditure, publicity and management and administration. Staff costs are allocated according to the costs of staff working directly in the relevant departments. Premises costs are allocated according to staff numbers in each department and computer and other costs are apportioned to departments on an appropriate basis (eg usage, staff numbers).

1. Accounting Policies

Direct charitable expenditure

Nursing and Midwifery Council

Cont'd

Direct charitable expenditure includes all expenditure related to the objects of the charity which comprise Fitness to Practise, Research, Maintaining the Register, cost of new Register and Standards Promotion & Policy Development.

Other expenditure

Other expenditure is analysed under the following three headings:

Publicity

Publicity costs relate to the costs of the Communications department, the main element of which is the expenditure on the Council's newsletter 'NMC News'.

Management and Administration

Management and Administration costs relate to expenditure incurred in the management of the Council's assets, organisational administration and compliance with statutory requirements.

Cost of Generating Funds

This cost relates to expenditure on the Trading activities.

(e) Development costs

Costs incurred on software developments are written off in the year in which they are incurred.

(f) Fund accounting

The Council maintains various types of funds as follows:

i) Restricted funds

These are funds which are to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is set out in the notes to the financial statements.

ii) Unrestricted funds

These are funds, which are available for use at the discretion of the council in the furtherance of the general objectives of the organisation and which have not been designated for other purposes.

(g) Leased Assets

Rentals applicable to operating leases, where substantially all the benefits and risks of ownership remain with the lessor, are charged to the statement of financial activities in equal amounts over the periods of the leases.

1. Accounting Policies
Cont'd

(h) Pension Costs

Nursing and Midwifery Council

Retirement benefits are provided by a defined benefits scheme, which is funded by contributions from both the Council and employees. Payments are made to a pension trust, which is financially separate to the Council. These payments are made in accordance with periodic calculations, by professionally qualified actuaries. Pension costs are accounted for on a basis of charging the expected cost of providing pensions over the period during which the Council benefits from the employees' services. The effect of variations from regular costs are spread over the expected average remaining service lives of members of the scheme.

2. Investment Income

	2005 £'000	2004 £'000
Income from UK listed Investments		
- Interest on Treasury Stock	-	379
Interest receivable		
- from Money market	731	340
- from Deposit account	99	43
	830	762

3. Fee Income

	2005 £'000	2004 £'000
Periodic Fees	14,367	11,254
Registrations	4,421	4,935
Verifications	211	207
Replacement of PIN cards	34	37
Miscellaneous	3	1
	19,036	16,434

4. Other Income

	2005 £'000	2004 £'000
Trading Income		
- Mailing Inserts	65	326
- Sales of Publications	29	50
- NMC News	250	51
- NMC for Jobs	-	27
- Research	3	-
	347	454

5. Direct Charitable Expenditure

Nursing and Midwifery Council

	Unrestricted £'000	Restricted £'000	2005 £'000	2004 £'000
Standards Promotion and Policy Development	3,739	-	3,739	2,754
Maintaining the register	4,606	-	4,606	5,489
Fitness to Practise	8,883	-	8,883	8,317
Cost of New Register	-	40	40	1,085
	17,228	40	17,268	17,645

The Fitness to Practise costs include direct costs (as in note 10), staff costs and related overheads. Restricted expenditure (see note 27).

6. Other Expenditure - Publicity

	2005 £'000	2004 £'000
Conferences, Seminars and Publicity	175	83
Council Newsletter 'NMC News'	860	584
Communications	107	169
Printing of Council Publications	342	415
Allocation of operating costs (inc. Salaries) (Note 1d)	641	598
	2,125	1,849

7. Other Expenditure - Management and Administration

	2005 £'000	2004 £'000
Members' Travel and Subsistence	433	369
Auditors' Remuneration - Audit fees - hays	23	23
Auditors' Remuneration - Audit fees – NAO	5	4
Auditors' Remuneration - Other fees	1	3
Allocation of operating costs (inc. Salaries) (Note 1d)	1,004	977
	1,466	1,376

8. Other Expenditure – Cost of Generating Funds

	2005	2004
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Nursing and Midwifery Council

	£'000	£'000
Trading Expenditure	<u>83</u>	<u>73</u>
	<u>83</u>	<u>73</u>

9. Total Resources Expended

	Staff Costs	Depreciation	Other Costs	Total 2005	Total 2004
	£'000	£'000	£'000	£'000	£'000
Direct Charitable Expenditure					
Standards Promotion and Policy Development	2,161	94	1,484	3,739	2,754
Maintaining the Register	2,977	132	1,497	4,606	5,489
Fitness to Practise	2,013	113	6,757	8,883	8,317
Other Expenditure					
Publicity	434	21	1,670	2,125	1,849
Cost of Generating Funds	-	-	83	83	73
Management and Administration	671	21	774	1,466	1,376
Cost of New Register	-	-	40	40	1,085
	<u>8,256</u>	<u>381</u>	<u>12,305</u>	<u>20,942</u>	<u>20,943</u>

10. Total resources Expended by Natural Classification

2005 2004

Nursing and Midwifery Council

	£'000	£'000
Salaries and Associated Costs	8,256	7,492
Project Manager Salary (Restricted)	-	60
Cost of New Register (Restricted)	40	1,025
Other Staff Expenses	346	141
Premises	442	318
Insurance	78	70
Sundry, Furniture, Equipment and Maintenance	155	243
Hire of Equipment	100	218
Fitness to Practise (Direct cost)	5,720	5,491
Depreciation	381	370
Nurses Welfare Service	100	135
Hospitality	35	27
Council Restaurant	135	114
Policy Development and Standards Promotion	631	268
Policy Development (Quality Assurance) - Restricted	-	333
Gain on Equipment Disposal	2	-
Loss on Furniture Disposal	(2)	4
Professional fees	343	282
VAT recovered from Customs & Excise	-	(117)
Auditors' Remuneration - Audit Fees	23	23
Auditors' Remuneration - Audit Fees (NAO)	5	4
Auditors' Remuneration - Other Fees	1	3
IT Development and Support	185	774
Telephones	217	122
Postage	647	611
Printing and Stationery	810	872
Advertising and Recruitment	194	248
Bank Charges	98	119
Communications	107	169
Conferences, Seminars and Publicity	175	83
Council Newsletter "NMC News"	860	584
Printing of Council Publications	342	415
Members' Travelling and Subsistence	433	369
Cost of Generating Funds	83	73
	20,942	20,943
Total Resources Expended	20,942	20,943

11. Information regarding employees

2005	2004
£'000	£'000

Nursing and Midwifery Council

Salaries and Associated Costs

Wages and Salaries:		
Management	343	592
Administration	5,374	4,289
Project Manager (Restricted)	-	47
Social Security Costs:		
Management	38	57
Administration	451	367
Project Manager (Restricted)	-	5
Pension Costs-Present Staff (Note 21):		
Management	51	73
Administration	717	587
Project Manager (Restricted)	-	8
Pension Costs-Retired Staff of Previous organisations (Note 21)		
	52	50
Temporary Staff	1,230	1,477
	<u>8,256</u>	<u>7,552</u>

- (i) Barts NHS Trust was paid £55,394 to reimburse them for the President's time (previous year: £50,661).
- (ii) A daily allowance of £260 is paid to members of the Council. Full details are shown in note 15.
- (iii) The Chief Executive/Registrar's total actual remuneration was £116,079 (Previous year £108,114). This includes pension contributions paid by the Council of £16,000 (2004: £16,346). The Chief Executive/Registrar is an ordinary member of the Federated Pension Scheme and her age at 31 March 2005 was 46 years. At that date, her accrued pension was £4,031.00 per annum.
- (iv) The aggregate remuneration of the Directors was as follows:

	Age at 31/3/05	Salary (£)	Total Accrued Pension at 60 at 31/3/2005	Real increase in Pension at 60
			(£)	(£)
S. Atkinson Appt-18/10/04	42 years	25,001-30,000	0-5,000	0-2,500
M. Forster Resign-31/10/04	46 years	45,001 – 50,000	0-5,000	0-2,500
E. McAnulty	53 years	80,001 – 85,000	5,000 –10,000	0-2,500
R. Robinson	Consent withheld	75,001 – 80,000	0 – 5,000	0-2,500
S. Williams Appt-1/03/05	50 years	5,001 – 10,000	0-5,000	0-2,500

11. Information regarding employees (continued)

Pension benefits are provided through the Federated Pension Scheme. The scheme provides benefits on a 'final salary' basis at a normal

Nursing and Midwifery Council

retirement age of 60. Benefits accrue at a rate of 1/60th of pensionable salary for each year of service. In addition, members have the option to commute part of their pension for a tax-free lump sum. They also have the option to accept a lower pension in order to provide a pension for a surviving nominee. On death within five years of retirement, a lump sum is payable equal to the balance of the pension, which the pensioner would have received had he/she survived to the fifth anniversary of his/her retirement.

On death in service where there is no surviving spouse, a lump sum of twice pensionable pay is payable together with the return of all the member's contributions with compounded tax free interest of 3% per annum. On death in service where there is a surviving spouse, a pension equal to 1/60th of pensionable salary is payable for each year of service.

Medical retirement is possible in the event of permanent incapacity. In this case pensions are brought into payment immediately without actuarial reduction.

All the above employees are Ordinary members of the Federated Pension Scheme.

- (v) In addition to the above individuals, there were 13 members of staff whose remuneration fell in the band £50,001 - £60,000.
- (vi) The average number of employees in the year was 210 (management 6 and administration 204) and in the previous year was 180 (management 6 and administration 174).
- (vii) During the year, season ticket loans given to the Directors were as follows:

	£
S Thewlis	1,001–1,500
S Williams	501–1,000

The season ticket loans are normally recovered in twelve equal instalments directly from individuals monthly salary.

12. Taxation

Due to its charitable status the Council is not liable to corporation tax.

13. Tangible Fixed Assets for use by the charity

Long Leasehold	Long Leasehold
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Nursing and Midwifery Council

	Furniture £'000	Equipment £'000	Premises Note (a) £'000	Premises Note (b) £'000	Total £'000
Cost :					
1 April 2004	367	1,619	9,260	750	11,996
Additions during year	-	440	-	-	440
Disposals	(39)	(99)	-	-	(138)
31 March 2005	<u>328</u>	<u>1,960</u>	<u>9,260</u>	<u>750</u>	<u>12,298</u>
Depreciation					
1 April 2004	294	1,416	555	45	2,310
Charge for year	16	165	185	15	381
Disposals	(37)	(99)	-	-	(136)
31 March 2005	<u>273</u>	<u>1,482</u>	<u>740</u>	<u>60</u>	<u>2,555</u>
Net book value 31 March 2005	<u>55</u>	<u>478</u>	<u>8,520</u>	<u>690</u>	<u>9,743</u>
Net book value 31 March 2004	<u>73</u>	<u>203</u>	<u>8,705</u>	<u>705</u>	<u>9,686</u>

- (a) The UKCC acquired the leasehold interest in 23 Portland Place, London W1B 1PZ from the General Nursing Council for England and Wales at Nil cost. The lease expires in the year 2933. The lease was valued as at 31 December 2001 on existing use basis by external valuers Messrs Keith Cardale Groves, Chartered Surveyors, at £9,260,000. It should be noted that due to the restrictive user clause the lease is un-assignable.
- (b) The UKCC acquired the leasehold interest in 21 Duchess Mews on 1 February 1991. The lease expires on 3 April 2953. The lease was revalued as at 31 December 2001 on existing use basis by external valuers Messrs Keith Cardale Groves, Chartered Surveyors, at £750,000.

14. Investments in UK as Fixed Assets

	2005	2004
	£'000	£'000
Total Investments		

Nursing and Midwifery Council

Market Value at 1 April	-	4,961
Sale proceeds	-	(4,725)
Net realised investment Loss	-	(236)
Market Value at 31 March	-	-

In 2003/04 Treasury stock was realised for £4,725,000 in November 2003. The funds received from treasury stock were invested in short-term money market.

15. Related Party Transactions The Nursing and Midwifery Council is accountable to the Privy Council. The Nursing and Midwifery Order 2001 sets out the nature of the relationship between the NMC and the Privy Council and the reporting mechanisms required. While not accountable to the Department of Health, the NMC has regular contact with the Department on policy and other matters.

During the year, travel & subsistence expenses of £433,000 were paid to the 35 members of the Council. 24 members held floats for the payment of travel and subsistence expenses. The total amount held by these members was £22,000.

Included in the above, the following Members received an attendance allowance, approved by the Council. The NMC reimbursed employers of other Members for their time incurred on NMC business.

	£	Alternates	£
Mrs M. Ali	10,140	Miss M. E. Jones	5,200
Reverend W. A. G. Buxton	12,220	Ms N. Kirkland	7,280
Mrs J. N. Carter	12,870	Ms A. O'Connor	2,080
Professor A. Ferguson OBE	2,340	Mrs A. Roberts	1,950
Ms P Frost	20,800	Ms M. Vance	1,820
Mr J. L. Jones	13,670	Mrs S. Wright	260
Mrs K. McLean	15,860		
Mrs B. Webster	1,560		
Mrs I White	520		
Mrs F Wright	1,040		

The total amount due to Council Members at 31 March 2005 was £11,973 (03/04 - £12,970).

The above table represents payments made directly to Council Members by the NMC but does not necessarily relate directly to the number of days committed by Council Members.

A provision of £100,000 has been made (see note 19) for potential Income tax and National Insurance liabilities on these payments for attendance allowance and travel and subsistence expenses.

16. Debtors

	2005	2004
	£'000	£'000
Other Debtors	135	122
Prepayments and Accrued Income	296	300

Nursing and Midwifery Council

		431	422
17. Creditors	(amounts falling due within one year)	2005	2004
		£'000	£'000
	Other Creditors	3,054	3,275
	Other Taxes and Social Security	175	143
	Deferred Income - Periodic Fee for 2004/2005	-	10,996
	Deferred Income - Periodic Fee for 2005/2006	15,469	-
		18,698	14,414
18. Creditors	(amounts falling due after more than one year)	2005	2004
		£'000	£'000
	Deferred Income - Periodic Fee 2005/2006	-	6,982
	Deferred Income - Periodic Fee 2006/2007	11,029	2,517
	Deferred Income - Periodic Fee 2007/2008	5,191	10
	Deferred Income - Periodic Fee 2008/2009	28	-
		16,248	9,509

Deferred income relates to periodic fees prepaid, for amounts falling due after more than one year.

19. Provision for Liabilities and Charges	£'000
At 1 April 2004	585
Paid for previous year	(206)
Provision for the year	210
As at 31 March 2005	589

The total provision of £589,000 (03/04-£585,000) relates to the potential Income tax and National Insurance liabilities on Members' and Panellists' expenses and attendance allowances.

20. Charitable Status On 27 March 2002 the Council was registered in the Central Register of Charities (Charity No.1091434). In view of this a rate relief has been allowed by the City of Westminster. There are also tax benefits because of this status (Note 12).

21. Pension Commitments The Council participates jointly with the Department of Health, NHS Education for Scotland, Health Professions Wales and Nurses Welfare Trust in a Federated Pension Scheme (FPS 1654). The scheme, to

Nursing and Midwifery Council

which most of the Council's employees belong, is administered by Federated Pension Services and is a funded, defined benefit scheme.

Contributions to the scheme are charged to the Statement of Financial Activities so as to spread the cost of pensions over employees' working lives. Contributions are determined by a qualified actuary on the basis of triennial valuations.

The latest valuation of the scheme was carried out by William M Mercer Limited as at 31 March 2004, using the projected unit method of valuation. At the date of the valuation the market value of the fund of the scheme was £45,429,000 (excluding annuities purchased to meet pension benefits). The actuarial value of the assets represented 56% of the value of the benefits, which had accrued to members after allowing for expected future increases in earnings and pensions. The past service shortfall of assets is being amortised over 15 years. The main assumptions used in the valuation were a real return on investments above salary increases of 2.2% per annum and above pension increases of 2.2% per annum.

The pension cost assessed on the basis of past actuarial advice and charged in the account was as follows:

	2005 £'000	2004 £'000
Council's (employer's) contributions to all schemes made in year	<u>769</u>	<u>668</u>
	<u>769</u>	<u>668</u>
Council's (employer's) contribution	16%	20.6%
Employees' contribution	6%	6%

If the scheme had discontinued on the valuation date (31 March 2004), the assets would have been approximately 56% of the amount necessary to purchase insurance contracts to meet the accrued benefits for active members and past leavers and the current benefits for pensioners.

21. Pension Commitments (cont'd)

Accounting standard, FRS 17: Retirement Benefits, is being introduced which changes the method by which pension information is calculated and presented in the financial statements. Since this is a multi-employer scheme, it is not possible to identify NMC's share of the underlying assets and liabilities.

Nursing and Midwifery Council

In these circumstances, FRS 17 provides for contribution to the scheme to be accounted for as if it were a defined contribution scheme. As such, the cost recognised within the Council's SOFA will be equal to the contribution payable to the scheme for the year.

The Council meets the cost of unfunded pension increases provided to pensioners of predecessor organisations who are not members of FPS 1654. These costs are met on a pay-as-you-go basis and are charged to the Statement of Financial Activities as they arise. In 2004-2005 this expenditure amounted to £52,076 (2004 - £50,396).

Following the actuarial valuation of the scheme at 31 March 2004, all participants of the scheme agreed to an increase in contributions to the scheme from 1st April 2005. It is expected that the new higher contributions will mean a gradual improvement in the funding level of the scheme, so that at the end of 15 years from the valuation date the funding level will have reached 100% based on current actuarial assumptions.

22. Capital Commitments At 31 March 2005, there was no capital expenditure that was approved but not contracted for nor any capital expenditure that had been contracted for but that had not been provided for in the financial statements.

23. Reconciliation of Net Outgoing Resources To Net Cash Outflow from Operating Activities

	2005	2004
	£'000	£'000
Net outgoing resources	(729)	(2,143)
Investment income	(830)	(762)
Depreciation Charges	381	370
Deficit on Disposal of Tangible Fixed Assets	-	4
Decrease/Increase in Debtors	62	740
Increase in Creditors and provisions	11,027	4,088

Nursing and Midwifery Council

9,911	2,297
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24. Reconciliation of Net Cash flow to Movement in Net Funds

	2005 £'000	2004 £'000
Increase in Cash in Period	10,232	7,718
Net funds at 1 April 2004	17,615	9,897
Net funds at 31 March 2005	27,847	17,615

25. Analysis of changes in Net Fund

	1 Apr 04 £'000	Cash Flows £'000	31 Mar 05 £'000
Cash at Bank and in hand	17,615	10,232	27,847
Total	17,615	10,232	27,847

26. Leasing Commitments

	2005 £'000	2004 £'000
At 31 March 2005 the Council had commitments for payments in the following year under non-cancellable operating leases as set out below:		
Operating leases which expire:		
within 1 year	-	-
in the second to fifth years inclusive	233	233
Annual commitment at 31 March 2005	233	233

The rent payable under an operating lease for land and buildings is less than £1,000 per year and expires in more than five years.

Nursing and Midwifery Council

27. Movement in Restricted Funds

Restricted funds comprised grants from the Department of Health and devolved Boards for Scotland and Wales given for specific purposes as follows:

	2005	2004
	£'000	£'000
• Donation	-	25
• New Register Set Up Cost	-	1,125
	-	1,150
	-	1,150
	2005	2004
	£'000	£'000
Balance as at 1 April	65	333
Income (from Governmental Bodies)		
- Donation	-	25
- Grant for New Register	-	1,125
Expenditure (see note 5)		
- New Register	(40)	(1,025)
- Project Manager Salary	-	(60)
- Quality Assurance	-	(333)
Balance at 31 March	25	65
	25	65

Last year (2003/04) £1,125,000 was received from the Department of Health and £25,000 was received from a donation as restricted fund. Of the £65,000 unspent at end of last year; £40,000 was spent on the New Register this year. The remaining balance of £25,000 from the donation will be spent next year.

Nursing and Midwifery Council

1 April 2004 – 31 March 2005
Appointed by the Privy Council

President

Mr. J. Asbridge

Nursing Representative, ENGLAND

Council Members

Address/COUNTRY

Appointed or elected
1 April 2002 unless
stated otherwise

Mrs. M. Ali	Lay Member, SCOTLAND	
Mrs. E. Bannon	Midwifery Representative, NORTHERN IRELAND	
Reverend W. A. G. Buxton	Lay Member, ENGLAND	
Mrs. J. N. Crawford (Carter)	Lay Member, ENGLAND	
Ms M. Cowpe	Specialist Community Public Health Nursing Representative, WALES	
Professor G. Dickson	Lay Member, SCOTLAND	Resigned April 2004
Professor A. Ferguson OBE	Lay Member, NORTHERN IRELAND	
Ms P Frost	Lay Member, SCOTLAND	Appointed Dec 2003
Mrs. C. Funnell	Lay Member, ENGLAND	
Mrs. C. Gritzner	Lay Member, ENGLAND	
Ms. S. M. Hall	Nursing Representative, WALES	
Professor M. Hanratty*	Nursing Representative, NORTHERN IRELAND	
Ms C.Hayes	Midwifery Representative, WALES	
Professor J.M. Irvine	Lay Member, England	Appointed Oct 2004
Mr. J. L. Jones	Lay Member, WALES	
Mrs K. McLean	Nursing Representative, SCOTLAND	
Professr D. Pennington	Lay Member, ENGLAND	
Mr. T. G. Purt	Lay Member, ENGLAND	
Ms. H. Shaw	Midwifery Representative, SCOTLAND	
Mrs. C. L. Warwick	Midwifery Representative, ENGLAND	
Mrs. B. Webster	Specialist Community Public Health Nursing Representative, ENGLAND	
Mrs I White	Specialist Community Public Health Nursing Representative, SCOTLAND	
Mrs F Wright	Specialist Community Public Health Nursing Representative, NORTHERN IRELAND	Resigned Dec 2004

Alternate Council Members

Address/COUNTRY

Appointed or elected
1 April 2002 unless
stated otherwise.

Ms M Jamison	Specialist Community Public Health Nursing Representative, NORTHERN IRELAND	
Ms M Eiri Jones	Nursing Representative WALES	Appointed Dec 2003
Ms N Kirkland	Nursing Representative, SCOTLAND	
Professor P Lewis	Midwifery Representative, ENGLAND	
Mrs H Livesey	Specialist Community Public Health Nursing Representative, ENGLAND	
Ms L.Ness	Midwifery Representative, Wales	Appointed Mar 2004
Ms A O'Connor	Nursing Representative, NORTHERN IRELAND	
Ms E Pollock	Midwifery Representative, NORTHERN IRELAND	
Ms A Roberts	Specialist Community Public Health Nursing Representative, WALES	
Professor D Sines	Nursing Representative, ENGLAND	
Ms M Vance	Midwifery Representative, SCOTLAND	
Mrs S Wright	Specialist Community Public Health Nursing Representative, SCOTLAND	

The Council's Advisors

Nursing and Midwifery Council

Joint Auditors

haysmacintyre
Chartered Accountants
Fairfax House
15 Fulwood Place
London
WC1V 6AY

Joint Auditors

Comptroller and Auditor General
National Audit Office
157-197 Buckingham Palace Road
Victoria
London SW1W 9SP

Bankers

HSBC
117 Great Portland Street
London
W1A 4UY

Solicitors

Hempsons
33 Henrietta Street
London
WC2 8NH

ACCOUNTS DIRECTION

1. The Privy Council, with the approval of the Treasury, in pursuance of Article 52 of the Nursing and Midwifery Order 2001, hereby gives the following Direction:

In this Direction, unless the context otherwise requires –

“the Order” means the Nursing and Midwifery Order 2001

“the Council” means the Nursing and Midwifery Council.
2. The statement of accounts which it is the duty of the Council to prepare in respect of the financial year ended 31 March 2004 and subsequent financial years, shall be as set out in the following paragraphs.
3. The statement of accounts in respect of the Council shall comprise:
 - (a) a foreword;
 - (b) a statement of financial activities;
 - (c) a balance sheet;
 - (d) a cash flow statement;
 - (e) notes to the accounts.
4. The statement of accounts shall give a true and fair view of the incoming resources, application of resources and cash flow for the year and the balance sheet shall give a true and fair view of the state of affairs at the end of the year. Subject to these requirements, the statement of accounts shall also, without limiting the information given, meet:
 - (a) generally accepted accounting practice in the United Kingdom including accounting standards issued or adopted by the Accounting Standards Board;
 - (b) all relevant guidance given by the Charity Commission, including the Statement of Recommended Practice (SORP) “Accounting by Charities”;
 - (c) any disclosure and accounting requirements which the Treasury may issue from time to time;

in so far as these are appropriate to the Council and are in force for the financial year for which the statement of account is to be prepared.
5. A notional charge for the cost of capital need not be entered in the accounts, and is not required by the SORP. Nor need modified historic cost accounting (MHCA) be adopted with regard to fixed assets.
6. The accounts direction shall be reproduced as an appendix to the published account.

G C Donald
Deputy Clerk of the Privy Council

Signed by the authority of the Privy Council
Dated: 21 October 2004