

YOUTH COUNCIL FOR NORTHERN IRELAND

ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

*Laid before the Northern Ireland Assembly
under Article 6(2) of the Youth Service (Northern Ireland) Order 1989.
by the Department of Education*

on

20 July 2016

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YOUTH COUNCIL FOR NORTHERN IRELAND

SECTION 1

MISSION/EQUALITY STATEMENTS

PLUS

CORE VALUES

MISSION STATEMENT

To champion the well-being, rights and participation of young people.

- by supporting the development of effective youth policies and quality youth work practice; and
- by facilitating meaningful collaboration between youth organisations and all sections with responsibility for young people.

EQUALITY STATEMENT

The Youth Council has developed and implemented an Equality Scheme, promoting equality of opportunity and good community relations when carrying out its statutory functions. The Youth Council is fully committed to the fulfilment of its statutory duties under Section 75 of the Northern Ireland Act 1998.

The Youth Council for Northern Ireland in carrying out its functions has a statutory responsibility, to have due regard to the need to promote equality of opportunity:-

- Between persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation;
- Between men and women generally;
- Between persons with disability and persons without; and,
- Between persons with dependants and persons without.

In addition, without prejudice to the above obligation the Youth Council for Northern Ireland should also in carrying out its functions, have regard to the desirability of promoting good relations between persons of different religious belief, political opinion or racial group.

CORE VALUES

The work of the Youth Council is underpinned by the following values, which the Council will actively apply to all areas of its work.

- **Young People Focused** – The Council believes all young people are citizens in their own right and are of equal value.
- **Equity, Diversity and Interdependence** – The Council is fully committed to the principles of Equity, Diversity & Interdependence and will apply them in all aspects of its work.
- **Excellence** – The Council believes in the importance of quality in meeting the needs of the Council’s stakeholders and young people generally.
- **Partnership** – The Council believes that the needs of young people can only be fully met by effective inter-agency and inter-sectoral working.

YOUTH COUNCIL FOR NORTHERN IRELAND

SECTION 2

STRATEGIC REVIEW OF ACTIVITIES FOR YEAR ENDING 31 MARCH 2016

STRATEGIC REVIEW OF ACTIVITIES FOR THE YEAR ENDING 31 MARCH 2016

The Youth Council's activities are reported on below within the same framework which is used for the Youth Council's annual business plan which reflects the Department of Education's 5 key priorities.

Education Priority: RAISING STANDARDS FOR ALL

YCNI staff provided important input to the eleven working groups established to implement the agreed Regional Youth Development Plan (RYDP) for 2015-16. This included performing the roles of Chair, secretariat, and author of papers. YCNI staff also convened a number of seminars to support its funded regional voluntary youth organisations (RVYOs) in relation to the implementation of the RYDP. These seminars also provided opportunities to disseminate good practice.

One of the RYDP working groups for which YCNI was responsible addressed the important issue of youth work outcomes. A draft outcomes framework was successfully piloted in a range of youth work settings and a subsequent report produced.

One of these working groups addressed the crucial task of producing a regional assessment of need to inform future youth work planning.

YCNI staff also collaborated with Education Authority (EA) youth service colleagues in the development of the RYDP for 2016-17.

In collaboration with EA Youth Service personnel, YCNI assisted Fóram na Nóg to support the development of new provision and maintain a regional youth committee for young Irish speakers. In addition, a Starter Pack, with associated training, was produced, complemented by an online platform for sharing resources utilised by 70% of all Irish-medium youth groups.

YCNI staff were active participants on a number of important advisory groups associated with initiatives such as "Together: Building United Communities" (T:BUC), and DEL's "United Youth" Programme. In both the examples cited, YCNI was able to share relevant resources and insights guided by YCNI staff working in related fields.

Education Priority: CLOSING THE PERFORMANCE GAP

During 2015/16, YCNI assisted a number of RVYOs to provide strategic regional services in relation to Section 75 groups, including young people with disabilities and LGBT young people. The Disability Hub expanded its services which encompassed training courses, resource materials, and the publication of a Digital Inclusion Toolkit for Youth Workers. GLYNI expanded its services to LGBT young people with additional Outreach funding.

YCNI staff also carried out a review of the support provided to RVYOs to enable them to deliver effective Child Protection services and some subsequent adjustments were made.

CRED continued to be an important area of work for YCNI throughout 2015/16. With active support from its CRED Reference Group, YCNI provided feedback to the Department of Education in relation to the draft CRED Policy Addendum, and also carried out research on "CRED and Stakeholder Engagement in Regional Need".

The monitoring returns from RVYOs funded by YCNI confirmed that work with young people in protestant working class areas had been enhanced. These RVYOs also utilised YCNI CRED resources. CRED training was delivered in the use of the Drama Toolkit.

Education Priority: DEVELOPING THE EDUCATION WORKFORCE

A report was produced by YCNI staff for the Youth Work Training Board on how to facilitate the youth work sector to identify, develop and access education, training, and continuous professional development opportunities based on an assessment of need. Four specific CPD events were staged for youth service personnel during 2015/16.

Nine RVYOs received financial assistance to enable them to offer apprenticeships to youth workers within their own organisations.

Within the Higher Education (HE) field, under the auspices of the North/South Education and Training Standards (NSETS) Committee, two HE youth work courses received professional endorsement.

Education Priority: IMPROVING THE LEARNING ENVIRONMENT

YCNI undertakes an important role in relation to the EU Erasmus+ programme by representing the local non-formal education sector both on the Erasmus+ Country Advisory Group, and at a UK level on the National Sector Advisory Panel. YCNI staff are the only Northern Ireland youth service representative on either body.

In order to support local youth organisations availing of the Erasmus+ programme, YCNI staff issued ten E-bulletins during 2015/16 with updates on Erasmus+ funding opportunities, staged one information workshop, and three application clinics.

YCNI staff continued to manage the Causeway Programme in collaboration with its partner agency, Leargas, based in Dublin.

One of the RYDP working groups addressed the important issue of quality assurance in the youth work sector. This working group was co-chaired by a YCNI staff member who produced the guidelines endorsed by the group.

Two strategic initiatives relating to the role of young people within the youth work sector were led by YCNI during 2015/16. One of these focused on developing an agreed "Network for Youth" model in collaboration with youth service partners. A draft model has been prepared which can be adapted, as necessary, for implementation during 2016/17. In the second initiative, plans were developed for the establishment of a pilot small grants programme for young people to be managed by young people. It is anticipated that this pilot will be launched in 2016/17.

Education Priority: TRANSFORMING THE GOVERNANCE AND MANAGEMENT OF EDUCATION

During 2015/16, the Department of Education launched a consultation into the future role of the Youth Council. This necessitated YCNI providing a range of information to DE in relation to the consultation. In the latter part of the financial year, YCNI staff were actively engaged in assisting DE implement the outcome of that consultation process.

In collaboration with EA youth service staff, YCNI staff prepared a single draft funding scheme for both regional and local voluntary youth organisations.



Ms M Young
Chairperson



Mr P Sweeney
Accounting Officer

YOUTH COUNCIL FOR NORTHERN IRELAND

SECTION 3

**CHIEF EXECUTIVES REPORT FOR THE YEAR
ENDING
31 MARCH 2016**

1. Background Information

The Youth Council for Northern Ireland was established under the Youth Service (Northern Ireland) Order 1989 and set up on 1 January 1990. The Council's functions include:

- advising the Department of Education, Education Authority and other bodies on the development of the youth service;
- encouraging cross-community activity by the youth service;
- encouraging the provision of facilities for the youth service and facilities which are especially beneficial to young persons; and
- encouraging and assisting the co-ordination and efficient use of the resources of the youth service.

The Youth Council may also assist the efficient provision of administrative services by Regional Voluntary Youth Organisations (RVYO's).

Article 5 of the Youth Service (Northern Ireland) Order 1989 enables the Department of Education (the Department) to pay grants to the Youth Council in respect of each financial year towards its expenses, subject to such conditions as the Department thinks fit.

2. Business Review

The Business Plan for 2015/16 demonstrates how the work of the Youth Council promotes the five education priorities set by the Department of Education.

Of the 39 targets identified for the reporting year, 35 were fully achieved, 3 were substantially achieved, and only one was not achieved. This related to a proposed north/south conference which was postponed in light of the outcome of the consultation on the future of the Youth Council.

3. Pension Liability

Details of how pension liabilities are treated in the accounts are given in the Remuneration Report which follows and in the accounting policies note 2.3 to the Financial Statements.

4. Results for the Year

The financial results for the year 2015/16 are set out in detail on Page 35

- The Financial Statements relate to the year ended 31 March 2016;
- The Net Expenditure for the year was £4,546,137 (2015: £5,172,798);
- The grant allocated from the Department of Education for recurrent expenditure was £4,116,000 (2015: £5,116,000); the grant allocated from the Department of Education for non-recurrent expenditure was £370,000 (2015: £nil).
- The Net Expenditure, excluding Non-Cash Costs and IAS 19 adjustments amounted to £4,470,000 which is £16,000 less than the cash resources of £4,486,000 allocated by the Department of Education.

5. Property, Plant and Equipment

The movement in Property, Plant and Equipment for the year is shown in Note 7 to the accounts.

6. Future Developments

From 1 April 2016, the remit and composition of the Youth Council changed impacting the overall accountability arrangements of the organisation. As part of this change the Permanent Secretary of the Department of Education (Mr Paul Sweeney) assumed the role of the Youth Council Accounting Officer. Mr David Guilfoyle (Chief Executive) has been formally designated as Interim Additional Accounting Officer for the Youth Council with effect from 1 April 2016 to 31 May 2016. Mr David Guilfoyle's responsibility will be for the finalisation of the 2015/16 Youth Council Annual Report and Financial Statements.

The Youth Council Board - Chairperson, Vice-Chair and members - will continue to serve until their term of office expires on 30 September 2016.

The Youth Council Board will still have responsibility for discharging the following statutory functions of the Youth Council:

- » advise the Department, Education Authority and other bodies, on the development of the youth service;
- » encourage cross-community activity by the youth service;
- » encourage the provision of facilities for the youth service and facilities which are especially beneficial to young persons; and
- » encourage and assist the co-ordination and efficient use of the resources of the youth service".

The Youth Council is represented on the **Youth Services Reform Partnership** which has been established by the then Minister to provide a mechanism for engagement between key stakeholders and relevant Department of Education and Education Authority officials. The then Minister has stated that "*Council members also have a role to play in advising and supporting that partnership, recognising their responsibilities in relation to providing encouragement and advice*".

The Youth Council will also continue to be represented on the **Regional Advisory Group**, chaired by the Education Authority, which advises on the Regional Youth Development Plan.

7. Important Events Occurring After the Year End

The Youth Council will retain a small operating budget in order to ensure that the YCNI Board can discharge the YCNI statutory functions.

8. Research and Development

The Youth Council continued to support research into a variety of issues of relevance to the youth sector, and in particular continued to act as secretariat to a cross-sectoral initiative to develop and pilot frameworks which will evidence the outcomes of youth work.

During April 2015-16, a team of Youth Council staff were heavily involved in an Erasmus+ funded collaborative research project which aimed to explore the extent, value and development of the use of ICT as a tool in youth work. International research partners were the National Youth Council of Ireland, Verke (Finland), Cyberhus (Denmark) and weinXtra (Austria).

The ICT research within Northern Ireland encompassed online surveys, focus groups with practitioners from across the voluntary and statutory sectors, literature review, and case studies of innovative youth work practice. In early 2016 the Youth Council published and disseminated the research findings in its report entitled "Social and Digital Media in Youth Work in Northern Ireland". The Council also took the lead role in writing the composite international report, which was launched in Dublin in March 2016.

The Council continued to be represented on a number of advisory fora, including the Participation Advisory Forum (NICCY), the Children's Rights Indicators Group (OFMdFM), and the Childcare Research Forum (QUB). The Council was also represented on the Governance Research Project Advisory Group, led by Volunteer Now, which culminated in the launch in autumn 2015 of an important research resource for the sector entitled "Giving Leadership, Giving Time".

9. Financial Statements

Under Article 6(2) of the Youth Service (Northern Ireland) Order 1989 the Youth Council is required to prepare a statement of accounts in the form and on the basis determined by the Department of Education with the approval of the Department of Finance.

10. Council Membership

The following have served as Council members during the current financial year: -

YOUTH COUNCIL MEMBERSHIP

April 2015 – March 2016

Chairperson 1. Ms Máire Young
Vice-Chairman 2. Mr Bertie Faulkner
Members 3. Mr Derek Capper
6. Ms Anne-Marie McClure
7. Ms June Trimble
8. Mr Hugh Campbell

Council members have corporate responsibility for ensuring that the Council complies with any statutory or administrative requirements for the use of public funds. Other important responsibilities of Council members are:

- ensuring that high standards of corporate governance are observed at all times;
- establishing the overall strategic direction of the organisation within the policy and resources framework agreed with the then Minister for Education;
- ensuring that the Council operates within the limits of its statutory authority and any delegated authority agreed with the Department, and in accordance with any other conditions relating to the use of public funds;
- ensuring that, in reaching decisions, the Council has taken into account any guidance issued by the Department;
- abiding by the Seven Principles of Public Life; and
- appointing, with the then Minister's approval, a Chief Executive or full-time official to the Council.

11. Charitable Donations

There were no charitable donations during the year.

12. Payment to Suppliers

The Youth Council is committed to the Better Payments Practice Code as set out in Annex 4.6 of Managing Public Money and DOF (Department of Finance) 04/13. During the year 100% by value and number of bills were paid within 10 working days, (2014/15 – 100% by value and number of bills were paid within 10 working days).

13. Disabled Persons

The Council is committed to offering equality of opportunity for people with disabilities to make full use of the skills and abilities which they possess.

14. Sickness Absence Data

	2015/16	2014/15
Days of sickness absence	120	58
No of employees	14	14
Average days sickness per employee	7.5*	4.14

** The increase in the average days sickness per employee arose due to one employee having to take extended sick leave in respect of a continuing medical condition.*

15. Personal Data Related Incidents

There were no incidents of personal data lost during 2015/16.

16. Employee Involvement

Meetings of Council staff are held on a regular basis, and include briefings on Council business and future developments.

17. Health and Safety

The Council is committed to adhering to all existing legislation on Health and Safety at work to ensure that staff and visitors enjoy the benefits of a safe environment.

18. Company Directorships and Other Significant Interests

A register of members' interests is available and can be inspected on application to the Chief Executive's Office.

19. Financial and Other Systems

The approved Internal Audit Plan for 2015/16 was carried out by the Education Authority (Ballymena Office). The audit focused on the adequacy and effectiveness of the Council's systems of internal control reviewing: Financial Reporting Procedures (MEMR), Creditor Payments (BACS Payments, Bank Reconciliation, Grant Payments and Governance Arrangements). The extent to which Internal Audit recommendations relating to the 2014/15 financial year were implemented was also reviewed.

On the basis of Internal Audit's evaluation of the adequacy of controls, the level of assurance given was "**substantial**", i.e. there is a robust system of risk management, control and governance which should ensure that objectives are fully achieved. Some minor issues were highlighted to improve the adequacy and/or effectiveness of governance.

20. Statement of Accounts

Under Article 6 of the Youth Service (Northern Ireland) Order 1989 the Youth Council is required to prepare a statement of accounts for each financial year. These should

be in accordance with the Financial Reporting Manual (FReM) issued by HM Treasury and in the form and on the basis directed by the Department of Education with the approval of the Department of Finance.

The accounts are prepared on an accruals basis and must give a true and fair view of the Council's state of affairs for the financial year and of the net expenditure, the cash flows and changes in taxpayers' equity for the year then ended. The statement of accounts is set out at Section 4 of this report. The accounts are prepared on a going concern basis.

21. Auditors Details

The Audit was conducted by PricewaterhouseCoopers LLP (Waterfront Plaza, 8 Laganbank Road, Belfast, BT1 3LR) acting on behalf of the Comptroller and Auditor General (Northern Ireland Audit Office 106 University Street, Belfast, BT7 1EU).

	2016	2015
	£	£
Cost of External Audit		
Audit Services (Notional Cost)	9,300	9,300

The services provided relate to the statutory audit of the Financial Statements. There were no non-audit services provided. As part of the NIAO, he and his staff are wholly independent of the Council. He reports his findings to the NI Assembly.

The Accounting Officer has taken steps to make himself aware of all relevant audit information and to establish that the Youth Council's auditors are aware of that information.

SIGNED ON BEHALF OF COUNCIL MEMBERS



Ms M Young
Chairperson



Mr P Sweeney
Accounting Officer

REMUNERATION REPORT FOR THE YEAR ENDING 31 MARCH 2016

As part of the Internal Audit evaluation of Financial Management, the Payroll System of the Youth Council is reviewed to ensure that:

- Gross Pay
- Net Pay
- Arrears of Pay
- Tax
- National Insurance Contributions (Employee and Employer)
- Superannuation Contributions (Employee and Employer)
- Voluntary Deductions

were correct and in order. The level of assurance given under Financial Management was "**Substantial**", i.e. there is a robust system of risk management, control and governance which should ensure that objectives are fully achieved.

The Youth Council does not have a Remuneration Committee and other than the Chairperson and Vice Chairperson the Youth Council members do not receive emoluments.

The Chairperson and Vice Chairperson of the Youth Council are paid by the Youth Council for their duties as Chair/Vice Chairperson at a rate and on such conditions as determined by the Department of Education with approval of the Department of Finance. Youth Council members also receive travelling and subsistence allowances for expenditure incurred at such rates and on such conditions as determined by the Youth Council subject to the approval of the Department of Education.

The remuneration of the Chief Executive is in accordance with salary scales agreed by the NI Civil Service. While the remuneration is not based on a performance related pay scheme, performance is assessed through Youth Council meetings and reporting meetings with the Youth Council Chairperson.

Service Contracts

Officer appointments are in accordance with NI Civil Service terms and conditions and in particular are in accordance with the Youth Council for Northern Ireland's Code of Practice on Recruitment and Selection.

Unless otherwise stated below, the officers covered by this report hold appointments which are open ended until they reach normal retirement age of 65. The normal period of notice is 3 months. Policy on termination payments in relation to premature retirement are in accordance with the Local Government Pension Scheme Regulations (NI) and the Statutory Redundancy provision.

Youth Council members including the Chairperson and Vice Chairperson are appointed by the then Minister. The terms and conditions of service for members remain unchanged.

The terms of office for Audit/HR Committee members who served during the year are as follows:

YCNI AUDIT COMMITTEE MEMBERSHIP
April 2015 – March 2016

Chairperson

1. Mr Bertie Faulkner

Members

2. Ms Ann-Marie McClure
3. Mr Colin Langford – Appointed – June 2011
4. Mr Jimmy Peel – Appointed June 2012

Emoluments (including salary) and pension entitlements of Senior Post holders (Audited)

Name	Salary Inc Allowance 2015/16 £000s	Pension Benefits ** 2015/16 £000s	Total 2015/16 £000s	Salary Inc Allowances 2014/15 £000s	Pension Benefits 2014/15 £000s	Total 2014/15 £000s
David Guilfoyle Chief Executive	65-70	10-15	75-80	65-70	10-15	75-80

Note 1

No benefits-in-kind were received by Mr D Guilfoyle.

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

**The relationship between the remuneration of the highest-paid employee in the Council and the median remuneration of the Council's workforce.
(Audited information)**

	2016	2015
	£'000	£'000
Band of highest paid employee's total remuneration:-		
- D Guilfoyle	65-70	65-70
Median Total Remuneration:-	31	31
Ratio – Excluding severance Pay	2.09	2.09

The underlying ratio of the highest paid employee's remuneration compared with the median total remuneration, excluding the highest paid employee, has not changed significantly this year as compared with last year.

Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) Scheme arrangements.

The Council's senior post holders belong to the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) Scheme.

The NILGOSC Scheme is of the defined benefits type, the assets of the scheme being held in separate trustee-administered funds.

The Council's contribution to the Northern Ireland Local Government Pension Fund is determined by the fund's actuary based on a triennial valuation.

The scheme is administered by NILGOSC, Holywood Road, Belfast.

The pension costs are assessed in accordance with the advice of the independent qualified actuaries using the projected unit method.

The most up to date actuarial valuation of the Scheme was carried out as at 31 March 2013, details of which are available in the Northern Ireland Local Government Officers' Pension Fund Accounts.

Name	Accrued pension at pension age as at 31/03/16 and related lump sum £000s	Real Increase in pension and related lump sum at pension age £000s	CETV @ 31/03/16 £000s	CETV @ 31/03/15 £000s	Real increase in CETV £000s
David Guilfoyle Chief Executive	25-30 plus lump sum of 60-65	<i>0-5 plus lump sum of (0-5)</i>	572	594	(22)

The inflation rate used in this year's calculation is 0.0% (2015: 1.2%).

Notes:

1. Changes to the factors used to calculate CETVs were made in 2015/16.
2. Pending the outcome of a government review of the discount rate used to calculate CETVs, it should be noted that the above CETV figures may be subject to further change.
3. No benefits-in-kind were received.
4. For the above members of the NILGOSC Pension Scheme, a lump sum equal to three times the accrued pension at 31 March 2016 is also payable on retirement.

Cash Equivalent Transfer Values

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. The figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the CSP arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real Increase in CETV

This reflects the increase in CETV effectively funded by the employer. It does not include 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.

Youth Council Members (Audited)

The Chairperson's actual emoluments were £15,449 comprised of £14,574 salary and £875 employer's national insurance. No element of the remuneration package for the Chairperson, Vice Chairperson or senior management is not cash. No amounts were payable to third parties for services of Youth Council members or the Chief Executive during the year.

B. Staff Report

B (i) Staff costs as per Statement of Comprehensive Net Expenditure, comprise:

	Total	2015 - 16 Permanently employed staff	Others	2014-15 Total
	£	£	£	£
Wages and salaries	524,373	524,373	-	506,314
Members' Remuneration	18,978	-	18,978	18,978
Social security costs	42,308	41,431	877	41,517
Other pension costs	132,000	132,000	-	128,000
Total Recurring Staff Costs	717,659	697,804	19,855	694,809
Voluntary Exit Costs				
- See B (ii)	369,426	369,426	-	-
Retirement costs	-	-	-	15,930
Staff substitution costs	-	-	-	17,872
Non-recurring staff costs	369,426	369,426	-	33,802
Total staff costs, as per Statement of Comprehensive Net Expenditure	1,087,085	1,067,230	19,855	728,611

B (ii) Reporting of Civil Service and other compensation schemes – exit packages

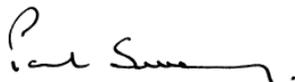
Exit Package Cost	Number of other voluntary exit packages
<£10,000	-
£10,000-£25,000	2
£25,000-£50,000	2
£50,000-£100,000	2
£100,000-£150,000	1
Total number of exit packages	7
Total resource cost	£369,426

Redundancy and other departure costs have been paid in accordance with the provisions of the Northern Ireland Local Government Officers' Superannuation Committee Scheme. Exit costs are accounted for in full in the year of departure. Where the Youth Council has agreed early retirements, the additional costs are met by the Youth Council with additional grant from the parent department, and not by the Northern Ireland Local Government Officers' Superannuation Committee Scheme.

B (iii) Average number of persons employed

The average number of whole-time equivalent persons (including senior management) employed during the year was as follows:

	2016 Total	Permanent staff	Others	2015 Total
Directly employed	14	14	-	14
Total	14	14	-	14



27 June 2016

Mr P Sweeney
Accounting Officer

Date

STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITIES

Under Article 6(2) of the Youth Service (Northern Ireland) Order 1989 the Youth Council is required to prepare a statement of accounts in the form and on the basis determined by the Department of Education with the approval of the Department of Finance. The accounts are prepared on an accruals basis and must give a true and fair view of the Youth Council's state of affairs at the year end and of its net expenditure, changes in taxpayers' equity and cash flows for the financial year. In preparing the accounts the Council is required to:

- observe the accounts direction issued by the Department of Education 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;
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the entity will continue in operation.

The responsibilities of an Accounting Officer, including propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Council's assets are set out in Managing Public Money NI published by the Department of Finance.

As senior official of the Youth Council, the Chief Executive carried responsibilities of Accounting Officer during the year ended 31 March 2016. With effect from 1 April 2016, the Accounting Officer of the Department of Education assumed the Accounting Officer role for the Youth Council, and appointed a senior official in the education sector as Additional Accounting Officer for the Youth Council. Responsibilities of the Additional Accounting Officer included the completion of all stages for finalising the Youth Council 2015-16 accounts and to provide assurance to the Accounting Officer on the 2015-16 financial position.



27 June 2016

Mr P Sweeney
Accounting Officer

Date

GOVERNANCE STATEMENT 2015/16

Scope of Responsibility

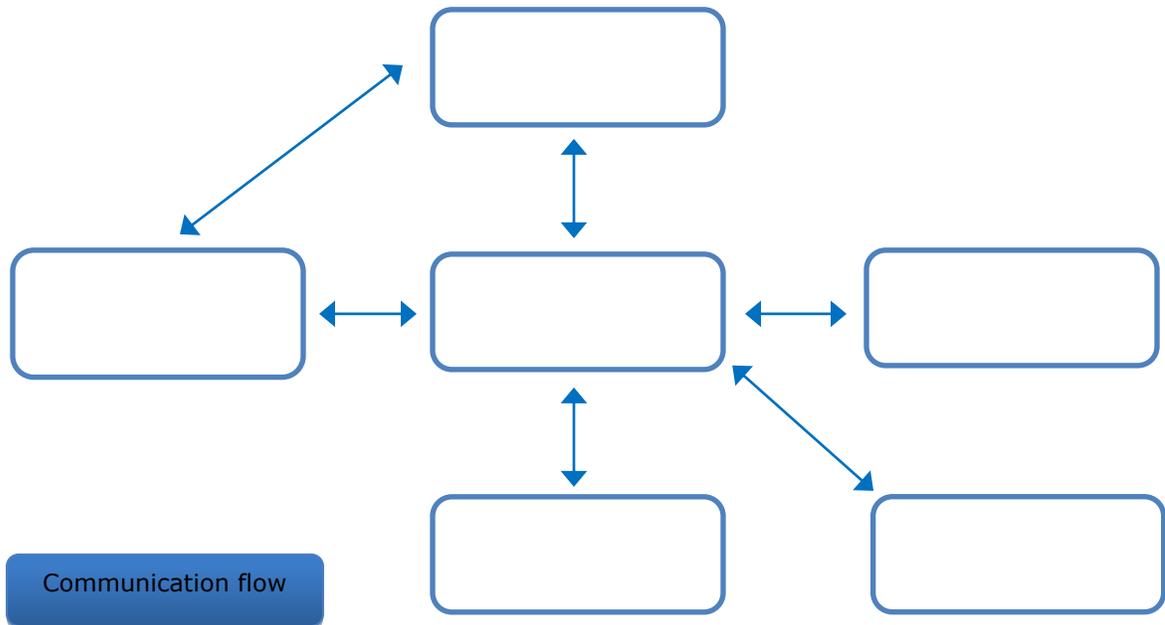
As Accounting Officer, I have responsibility for reviewing and maintaining a sound system of Governance, Internal Control and Risk Management within the Youth Council to support the achievements of the Youth Council's policies, aims and objectives, whilst safeguarding public funds and Departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money NI.

Governance Framework

The governance framework comprises the systems and processes, culture and values by which the Council is directed and controlled, and its activities through which it accounts to, engages with, and assists its key stakeholders. It enables the Council to monitor the achievement of strategic objectives and to consider whether those objectives have led to the delivery of its statutory functions in an effective and efficient manner.

The governance framework has been in place for the year ended 31 March 2016 and up to the date of approval of the Annual Report and Accounts, and accords with Treasury and DFP guidance.

Youth Council Communication Flow



The Youth Council

The Youth Council for Northern Ireland was established under the Youth Service (Northern Ireland) Order 1989 and set up on 1 January 1990. The Council's functions include:

- advising the Department of Education, Education Authority and other bodies on the development of the youth service;
- encouraging cross-community activity by the youth service;
- encouraging the provision of facilities for the youth service and facilities which are especially beneficial to young persons; and
- encouraging and assisting the co-ordination and efficient use of the resources of the youth service.

The Youth Council may also assist the efficient provision of administrative services by Regional Voluntary Youth Organisations (RVYO's).

The Youth Council Members are appointed by the then Minister for Education and consist of a Chairperson, Vice-Chairperson and 4 Members. Youth Council membership had been extended by the then Minister to 30 September 2016.

The Chairperson conducts an annual review of Youth Council members. It includes a review of attendance, participation, and an overall assessment of contribution to the work of the Youth Council.

The Youth Council is the governing body and has a corporate responsibility for setting objectives, agreeing priorities and implementing ministerial policy.

The Youth Council, which normally meets 6 times during the year, developed and agreed a business plan for the 2015/16 year which was formally approved by the Department of Education.

It reviewed the progress and management of key risks associated with the delivery of the Youth Council's objectives regularly throughout the financial year. Attendance at Youth Council meetings during 2015/16 year is noted below:

YCNI BOARD MEETINGS
1 April 2015 – 31 March 2016

NAME	Total No. of Meetings Held	Meetings Attended	Apologies Received	No Apology
Máire Young [Chairperson]	8	8	-	-
Bertie Faulkner [Vice-Chairperson]		7	1	-
Derek Capper		6	2	-
Anne-Marie McClure		8	-	-
June Trimble		8	-	-
Hugh Campbell		7	1	-

The Youth Council has a small staff complement comprising of 16 members of staff (11 full-time, 5 part-time). The Chief Executive is responsible for strategic direction and advice to the Council for the day to day management of services; and the planning and allocation of resources. The Chairperson is responsible for the overall delivery of the service.

Audit and Risk Assurance Committee

During 2015/16 the Audit Committee consisted of two YCNI Members and two independent non-executive members – Bertie Faulkner (Chairperson), Anne-Marie McClure (YCNI Member), Jimmy Peel (Independent) and Colin Langford (Independent). Meetings are also attended by representatives of the NI Audit Office (NIAO), Department of Education (DE), and Internal Audit (Education Authority).

The remit of the Audit Committee is to provide assurances to the Chief Executive that governance arrangements, including the management of risk, corporate governance and internal controls are operating effectively. Overall executive responsibility for matters considered by the Audit Committee rests with the Youth Council and the Accounting Officer.

During the 2015/16 financial year the Audit and Risk Assurance Committee met on 3 occasions and dealt with a wide range of issues relating to governance and accountability.

These included the consideration of:

- Risks reported by way of the YCNI's Risk Register;
- Quarterly Statement of Assurance;
- Governance Statement;
- Internal Audit Work Plan and subsequent Internal Audit Report including monitoring the effectiveness and timeliness of the completion of management responses;
- External Audit Work Plan for 2015/16;
- Annual Report and Resource Accounts for 2014/15 and
- Audit Committee Annual Report.

The Audit Committee also examined progress against previous audit reports and is satisfied that all recommendations were being adequately addressed.

Attendance at Audit and Risk Assurance Committee meetings during 2015/16 year is noted below:

**AUDIT & RISK ASSURANCE COMMITTEE
1 April 2015 – 31 March 2016**

NAME	Total No. of Meetings Held	Meetings Attended	Apologies Received	No Apology
Bertie Faulkner [Chairperson]	3	2	1	-
Anne-Marie McClure		2	1	-
Colin Langford		2	1	-
Jimmy Peel		3	-	-

Note: Stand-in Member for B Faulkner (1 meeting) and A M McClure (1 meeting) was M Young.

Business Plan

Youth Council members gave detailed consideration to the 2015/16 business plan at the beginning of the last financial year, and actively monitored progress, on a quarterly basis during the year, against the targets set.

Highlights of Youth Council Meetings

The Youth Council discussed a range of significant issues during the financial year including the DE draft budget for 2015/16, the proposed withdrawal of all CRED funding by DE, the Regional Youth Development Plan (2015/16) for the whole youth work sector and the potential implications for the Youth Council of the then Minister's consultation on the future of the Youth Council. Following the then Minister's announcement on 10 December 2015, the Youth Council's attention focused on the implications of the future arrangements described by the then Minister for the Youth Council Board and the youth service sector in general.

Youth Council's Performance Including Its Assessment of Its Own Effectiveness

Youth Council members gave detailed consideration to the 2015/16 Business Plan at the beginning of the last financial year and actively monitored progress on a quarterly basis during the year against the targets set.

After each meeting of the Audit Committee, the Chairperson of the Committee reports to the Youth Council on the minutes and audit activity.

The Chairperson and Council Members reflected on the effectiveness of their operation as a Board and concluded that the additional 2 members had enhanced their effectiveness during 2015/16.

Account of Corporate Governance

The *Corporate Governance in Central Government Departments: Code of Good Practice (NI) 2013*, "the 2013 Code", sets out principles and provisions relating to the role and responsibilities, composition and functions for departments with a view to reporting against it on a "comply or explain basis".

Although the Code does not apply to ALB's because of their different structures, the Code leaves scope for the Council to be pragmatic in the way they implement the principles of the Code. The "comply or explain" mechanism enables the Council to deviate from the principles and supporting provisions if justifiable for the good governance of the Council.

In accordance with the Corporate Governance Framework, registers of Council members and Staff interests have been established and updated regularly. Conflicts of interest relating to Council members and Staff, actual or potential, were appropriately managed and controlled. Further disclosure of Council member's interests is provided as a note in the Youth Council Financial Statements.

At all Council meetings, a standing agenda item on declaration of interest is included and brought to the attention of Council members by the Chairperson. Codes of Conduct for Council members and Staff have been established and communicated.

An Anti-fraud Policy and Fraud Response Plan are in place. All known, suspected and proven frauds are notified to the relevant Department in accordance with agreed procedures. During the 2015/16 financial year there was 0 attempted fraud incident noted.

The Council has considered how the principles of good practice in corporate governance, as set out in *Code of Good Practice (NI) 2013*, has been applied in the Council's own circumstances including the completion of the NIAO issued "*Corporate Governance in Central Government Departments: Code of Good Practice (NI) 2013 Compliance Checklist*" and has concluded that there was no significant omission from the Code during 2015/16.

Whistleblowing and Gift and Hospitality policies are in place and have been issued to all Staff in the Council.

Internal Audit Review

The review of internal control, including that undertaken by the Youth Council's Internal Auditors, did not identify any weaknesses in the control framework significant enough for me to draw attention to in this Governance Statement.

After each meeting of the Audit and Risk Assurance Committee, the Chairperson of the Committee reports to the Youth Council on the minutes and audit activity.

The Youth Council's Internal Auditors presented the Internal Audit Report for 2015/16 and was able to provide a '**Substantial**' level of assurance to the Chief Executive as Accounting Officer.

During the year the NIAO presented the Report to 'Those Charged with Governance' for 2014/15 to the Audit and Risk Assurance Committee and an '**Unqualified**' audit opinion was issued by the Comptroller and Auditor General.

DAO's

The Youth Council has complied with the terms of the current relevant Dear Accounting Officer letters (DAO) and managing Public Money (Northern Ireland) issued by the Department of Finance.

Accounting Officer Authority

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal controls. An effective system of budget management was operated during the year with monthly and quarterly assurance statements provided to DE on finance, risk and performance as appropriate. This ensured that accurate financial records were maintained.

My review of the effectiveness of the system of internal control was informed by the work of the Internal Auditors, and also by the maintenance of the internal control framework and by any comments made by the external auditors in their management letter and other reports.

The Internal Auditors (EA Internal Audit), PWC on behalf of the NI Audit Office and the NI Audit Office's Auditors attend and report to the Audit Committee.

The Council will continue to ensure that Corporate Governance and Internal Controls are appropriately addressed during the coming year.

Information Assurance

All Council members play active roles in a range of youth service initiatives, both on Council-led groups and external groupings, and so are very familiar with a wide cross-section of youth service activities in which the Council participates.

In addition, several members of Council staff make presentations at Council meetings which enable members to question staff concerning any detail of the information being provided to members.

The Youth Council relies on two main sources of data to inform its deliberations, these are:

- Financial information (including monthly management accounts, MEMR returns, quarterly Financial Plan on resource expenditure and the preparation of the Audited Financial Statements);
- Internal and External Audit evidence (mainly used to assess the effectiveness of systems and processes).

The financial information presented to Council is prepared from internal financial systems which are supported by internal control frameworks and are subject to both Internal and External scrutiny.

If members request, further information can be provided in order to assist members in their decision-making processes.

Control Framework/Risk Assessment

The system of Governance, Internal Control and Risk Management is designed to manage risk to a reasonable level rather than eliminate all risk of failure, it can, therefore, only provide high and not absolute assurance on effectiveness.

The system of Internal Control is based on on-going processes designed to identify and prioritise the risks to the achievement of Youth Council policies, aims and objectives; to evaluate the likelihood of those risks being realised; the impact should they be realised; and to manage them effectively, efficiently and economically.

Data Security/Management

The Accounting Officer has ultimate responsibility for data security within the Youth Council. Given the nature of the organisation, data is limited to staff personnel records, individuals in receipt of training bursaries and organisations in receipt of Youth Council Funding. Information risks are being controlled and managed and the Youth Council continues to be a trusted custodian of personal and sensitive information.

Effective monitoring arrangements are in place to ensure the accuracy of data presented to the Council, the Audit Committee and outside bodies such as the Department of Education.

Potential Security Breaches

There were no records of any data related incidents that would constitute protective security breaches in the financial year 2015/16.

Complaints

A Customer Service Complaints Procedure is in place and is available on the Council's website. No formal complaints were received during 2015/16.

Record of Ministerial Directions

There were no Ministerial Directives issued to the Youth Council during 2015/16.

Risk Management

The Youth Council is an organisation that accepts and manages risk rather than one that attempts to eliminate risk. Risks are identified, evaluated and managed to ensure that the Youth Council's exposure is within an acceptable range. As Accounting Officer, I place high value on the existence of an effective Risk Management Strategy. The Youth Council's objectives and risks have been determined and a control strategy for each of the significant risks put in place.

The Youth Council has ensured that procedures are in place for verifying that aspects of Risk Management and internal control are regularly reviewed. Risk Management has been incorporated into the corporate planning and decision-making processes of the Youth Council which is necessary in order to examine our risk appetite and the level of control required to proportionately manage our risk.

The Audit Committee Annual Report, setting out the work of the Audit Committee, was presented at a Youth Council meeting, which included a report of the Committee's role in reviewing risk managements, audit reports and financial accounts.

Key Risks and Issues within the Year

- **Financial Management**

In relation to Financial Management, there was a risk of:

- failure to manage YCNI core costs within the 1% ceiling set for 2015/16;
- failure to commit all of the agreed grant budget for the 2015/16 financial year;
- failure to manage grant payments resulting in slower than forecast spend in year.

Our current Financial Reporting arrangements have ensured that any deviation from YCNI financial plan is quickly recognised and action taken.

Effective monitoring of Grant awards through Monitoring and Evaluation Reports and Financial Verification Visits allowed the Youth Council to approve additional spending proposals during the 2015/16 year.

- **Future of the Youth Council**

The Youth Council Board recognised the uncertainty caused by the public consultation on its future and sought to support staff in order to ensure that the Council's operations was not adversely affected.

Following the then Minister's announcement on 10 December 2015, the Youth Council Board focused on the new arrangements in relation to:

- the administration and funding of regional youth services and;
- the options for staff, either availing of a Voluntary Exit Scheme or transferring across to the Education Authority.

I am satisfied that all risks highlighted above are currently well managed.

Significant Governance Issues

No significant governance or material misstatements in the Financial Statements have been identified.

Conclusion

In conclusion, as Accounting Officer for the Youth Council for Northern Ireland, I can confirm that the Governance Statement has been formally reviewed by the Audit Committee, that it is complete and accurately reflects the latest assessment of the state of Governance within the Council.



27 June 2016

Mr P Sweeney
Accounting Officer

Date

Youth Council for Northern Ireland

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

I certify that I have audited the financial statements of the Youth Council for Northern Ireland for the year ended 31 March 2016 under the Youth Service (Northern Ireland) Order 1989. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration and Staff Report and the Assembly Accountability Disclosures that is described in those reports as having been audited.

Respective responsibilities of the Chief Executive and auditor

As explained more fully in the Statement of Youth Council's and Chief Executive's Responsibilities, the Board and Chief Executive are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit and certify the financial statements in accordance with the Youth Service (Northern Ireland) Order 1989. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Youth Council for Northern Ireland's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Youth Council for Northern Ireland; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

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

Opinion on regularity

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

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of Youth Council for Northern Ireland's affairs as at 31 March 2016 and of the net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Youth Service (Northern Ireland) Order 1989 and Department of Education directions issued thereunder.

Opinion on other matters

In my opinion:

- the parts of the Remuneration and Staff Report and the Assembly Accountability disclosures to be audited have been properly prepared in accordance with Department of Education directions made under the Youth Service (Northern Ireland) Order 1989; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the parts of the Remuneration and Staff Report and Assembly Accountability disclosures to be audited are not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with Department of Finance's (formerly Department of Finance and Personnel) guidance.



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

Date 06 July 2016

YOUTH COUNCIL FOR NORTHERN IRELAND

SECTION 4

**FINANCIAL STATEMENTS FOR YEAR ENDING
31 MARCH 2016**

Statement of Comprehensive Net Expenditure

For the year ended 31 March 2016

	Note	2015 –16 £	2014 - 15 £
Expenditure			
	Remuneration & Staff		
Staff costs, including Voluntary Exit costs	Report, B1	1,087,085	728,611
Depreciation	7	142	488
Grants and Bursaries	3	3,271,011	4,168,435
Other expenditure	4	191,659	265,462
Notional costs	5	9,300	9,300
Net pension finance costs / (return)	16	33,000	36,000
		<u>4,592,197</u>	<u>5,208,296</u>
Income			
Income from Activities	6	(46,060)	(35,498)
		<u>(46,060)</u>	<u>(35,498)</u>
Net Expenditure	14	<u>4,546,137</u>	<u>5,172,798</u>
Other Comprehensive Expenditure			
Net (Gain) on revaluation of Property, Plant and Equipment		(2)	-
Actuarial (Gain)/Loss on pension scheme		(231,000)	115,000
Total Comprehensive Expenditure		<u>4,315,135</u>	<u>5,287,798</u>

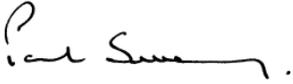
The notes on pages 40 to 57 form part of these accounts.

**Statement of Financial Position
As at 31 March 2016**

		2016	2015
	Notes	£	£
Non-current assets:			
Property, plant and equipment	7	424	564
Total non-current assets		424	564
Current assets:			
Trade and other receivables	9	13,000	17,800
Cash and cash equivalents	10	707,122	712,733
Total current assets		720,122	730,533
Total assets		720,546	731,097
Current liabilities			
Other liabilities	11	749,310	661,026
Total current liabilities		749,310	661,026
Non-current assets plus net current (liabilities)/assets		(28,764)	70,071
Non-current liabilities			
Pension Liabilities	16	(908,000)	(1,072,000)
Total non-current liabilities		(908,000)	(1,072,000)
Assets less liabilities		(936,764)	(1,001,929)
Taxpayer's equity/(deficiency)			
Revaluation reserve		3,104	3,102
General reserve	14	(939,868)	(1,005,031)
Total		(936,764)	(1,001,929)

The financial statements on pages 36 to 39 were approved by the Board on 23 June 2016 and were signed on its behalf by:

Signed:  **Ms M Young – (Chairperson)**
Date – **27 June 2016**

Signed:  **Mr P Sweeney – (Accounting Officer)**
Date – **27 June 2016**

Statement of Cash Flows
For the year ended 31 March 2016

	Note	2015-16 £	2014-15 £
Cash flows from operating activities			
Net expenditure including notional costs		(4,546,137)	(5,172,798)
Adjustments for notional costs	5	9,300	9,300
Decrease in trade & other receivables	9	4,800	11,116
Increase/(Decrease)in trade payables	11	88,284	(192,750)
(Decrease)/Increase in Pension Liabilities		(164,000)	177,000
Depreciation charges	7	142	488
Actuarial Gain/(Loss) on pension scheme	16	231,000	(115,000)
Net cash outflow from operating activities		<u>(4,376,611)</u>	<u>(5,282,644)</u>
Cash flows from investing activities			
Purchase of plant and equipment	7	-	-
Net cash outflow from investing activities		<u>-</u>	<u>-</u>
Cash flows from financing activities			
Grants from parent department, including £255,000 re Voluntary Exit Scheme	14	4,371,000	5,116,000
Net financing		<u>4,371,000</u>	<u>5,116,000</u>
Net (decrease) in cash and cash equivalents in the period	10	<u>(5,611)</u>	<u>(166,644)</u>
Cash and cash equivalents at the beginning of the period	10	<u>712,733</u>	<u>879,377</u>
Cash and cash equivalents at the end of the period	10	<u>707,122</u>	<u>712,733</u>

The notes on pages 40 to 57 form part of these accounts.

**Statement of Changes in Taxpayers' Equity
For the year ended 31 March 2016**

	Note	Revaluation Reserve £	General Reserve £	Total Reserves £
Balance at 1 April 2014		3,102	(842,533)	(839,431)
Changes in taxpayers' equity for 2014-15				
Net gain on revaluation of property, plant and equipment	7	-	-	-
Actuarial loss on the pension scheme	16	-	(115,000)	(115,000)
Reversal of notional costs	5	-	9,300	9,300
Net expenditure for the year	14	-	(5,172,798)	(5,172,798)
Total recognised Income and expense for 2014-15			(5,278,498)	(5,278,498)
Grant from Parent		-	5,116,000	5,116,000
Balance at 31 March 2015		3,102	(1,005,031)	(1,001,929)
Changes in taxpayers' equity for 2015-16				
Net gain on revaluation of property, plant and equipment	7	2	-	2
Actuarial Gain/(Loss) on the pension scheme	16	-	231,000	231,000
Reversal of notional costs	5	-	9,300	9,300
Net expenditure for the year	14	-	(4,546,137)	(4,546,137)
Total recognised Income and expense for 2015-16		2	(4,305,837)	(4,305,835)
Grant from parent department, including £255,000 re Voluntary Exit Scheme	14	-	4,371,000	4,371,000
Balance at 31 March 2016 -		3,104	(939,868)	(936,764)

The notes on pages 40 to 57 form part of these accounts.

Notes to the accounts of Youth Council for Northern Ireland

1 (a) Review of the Youth Council for NI

In line with the Education Minister's statement on 10 December 2015, the Education Authority (EA), from 1 April 2016, will be administering the funding for the regional voluntary youth organisations. Prior to 1 April 2016 this was carried out by the Youth Council for Northern Ireland (YCNI).

In light of this event, management have reviewed the appropriateness of the preparation of the financial statements on 'going concern' basis. The statutory functions of the YCNI will continue post 1 April 2016, and a budget has been allocated for 2016-17 by the Department.

The parts relating to the regional youth services function, including staff, assets, and liabilities of the YCNI are being subsumed into the Education Authority and these parts will continue to be funded through the Education Authority. The Education Authority will continue to be funded by the Department for the foreseeable future. For these reasons, they continue to adopt the 'going concern' basis in preparing the annual report and financial statements.

The accounts do not include the adjustments which would result if the YCNI were unable to continue as a going concern.

1 (b) Statement of accounting policies

These financial statements have been prepared in accordance with the 2015-16 Government Financial Reporting Manual (FReM) issued by HM Treasury, as directed by the Department of Finance. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Youth Council for Northern Ireland for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Youth Council for Northern Ireland are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

In Accordance with the FReM, YCNI is not able to accrue funding due from the Consolidated Fund in respect of Assembly Grant to match current liabilities recorded within the statement of financial position. Under International Accounting Standards (IAS) 1 (revised), Presentation of Financial Statements, such a closing financial position which shows a surplus of liabilities over assets requires the Accounting Officer to make an assessment of the viability of YCNI as a going concern. However, no material uncertainties affecting YCNI's ability to continue as a going concern have

been assessed and these accounts have therefore been prepared under the going concern principle.

2.1 Accounting Convention

The financial statements have been prepared under the historical cost convention modified to account for the revaluation of non-current assets.

2.2 Financing

In accordance with the FReM, Grant in Aid has been treated as Financing and had been credited directly to the General Reserve.

2.3 Pensions

Past and present employees of the Youth Council for Northern Ireland participate in the Northern Ireland Local Government Officers' Superannuation Committee Scheme (The NILGOSC Scheme). The NILGOSC scheme is a "multi employer", defined benefit scheme, which provides members of participating employers with the benefits related to pay and services at rates which are defined under statutory regulations. To finance these benefits, assets are accumulated in the scheme and are held separately from the assets of the employers. The scheme is funded by employers participating in the NILGOSC scheme who pay contributions at rates determined by an independent professionally qualified actuary on the basis of regular valuations using the projected unit method.

2.4 Plant and equipment

Expenditure on plant and equipment of £3,000 or more is capitalised. On initial recognition, assets are measured at cost including any costs attributable to bringing them into working condition.

2.5 Intangible assets

Purchased computer software licences are capitalised as intangible assets where expenditure of at least £3,000 is incurred. They are amortised over the shorter of the term of the licence or their useful economic lives.

2.6 Depreciation

Property, plant and equipment, with the exception of leased assets, are depreciated on a straight line basis in order to write off the cost, less estimated residual value of each asset over its expected useful life at the following rates.

Furniture and Fittings	10% per annum
Plant and Machinery	25% per annum
Information Technology	25% per annum

Information technology and plant and machinery assets held at 31 March 2016, as per Note 7, are now fully depreciated, but still in use; however, due to the uncertainty surrounding the long-term future of these assets have not been re-lived.

2.7 **Grants Payable**

Grants and Bursaries payable are charged to the Statement of Comprehensive Net Expenditure in the year they are authorised. Full provision is made for current year grant retentions.

2.8 **Leasing and hire purchase commitments**

Assets obtained under hire purchase contracts and finance leases are capitalised as non-current assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in trade payables net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the net expenditure account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

2.9 **Foreign Currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. Translation differences are dealt with in the Statement of Comprehensive Net Expenditure.

2.10 **Value added tax**

All items in these financial statements are inclusive of VAT, which is not recoverable.

2.11 **Staff costs**

Under IAS-19 Employee Benefits, all staff costs must be recorded as an expense as soon as the organisation is obligated to pay them. This includes the cost of any untaken leave as at the year end. The cost of untaken leave has been determined using data from electronic leave records.

2.12 Accounting Estimates

No material accounting estimates or judgements were made by YCNI in preparing these accounts. In accordance with IAS 8, the Council has reviewed the standards, interpretations and amendments to published standards that became effective during 2012-13 and which are relevant to its operations. The Council anticipates that the adoption of these standards will have no material impact on its financial position or results of operations.

2.13 Financial Instruments

The YCNI does not hold any complex financial instruments. The only financial instruments in the accounts are receivables and payables (Notes 9 and 11). Trade receivables are recognised initially at fair value less a provision for impairment. A provision for impairment is made when there is evidence that the YCNI will be unable to collect an amount due in accordance with agreed terms.

2.14 Segmental Reporting

Segmental reporting as detailed by IFRS 8, Operating Segments, was considered by YCNI. The Youth Council is funded by both income received through grants (Note 6) and through funding from the Department of Education (Note 14). Expenditure is largely on programme delivery once salaries and administration costs are removed (Note 4). The Council's Chief Executive is the Chief Operating Decision Maker. Information is presented on a regular basis on income received and expenditure incurred. The information is not presented per project. Decisions taken on project delivery will be made on the initial bid for grant funding.

It is not considered to be necessary to present the information per projects as operating segment. All income and expense, Assets and Liabilities relate to the sole activity of the Youth Council. All activities of the Youth Council and assets held by the Youth Council are within the UK.

3. Grants and Bursaries

	Note	2015-16 £	2014-15 £
RVYO Infrastructure Funding		2,335,631	2,412,006
Programme Funding		48,000	331,501
Equipment Funding		-	150,000
CRED Funding		(161)	167,001
Youth Outreach Initiative (see note below)		414,000	409,528
Child Protection		83,000	83,000
North/South Project (NSETS)		11,334	15,213
Causeway Exchange Programme		42,205	41,884
Transitional Funding		297,002	515,002
UK Youth Parliament		-	3,300
Irish Medium Education		40,000	40,000
Total Grants and Bursaries		3,271,011	4,168,435

Note Re Youth Outreach Initiative Funding:

In addition to the Youth Outreach Initiative Funding of £414,000, staff costs of £46,000 was also incurred in respect of the running of the Youth Outreach Initiative Programme.

4. Other Expenditure

	Note	2015 - 16	2014-15
		£	£
COUNCIL OPERATING COSTS:			
Rent and Service Charges		48,034	69,732
Annual and Management Accounting		8,690	7,350
Pension Professional Fee		444	792
Meetings/Seminars/Study Tours		4,144	4,348
Telephone and Postage		6,248	9,769
Software and Stationery		5,707	6,662
Staff/Members Training		-	2,295
Publicity and Printing		292	862
Travel and Subsistence- Staff		6,606	3,891
Cleaning/Repairs/Maintenance		4,314	3,561
Internal Audit Charges		2,000	1,998
Insurance		2,147	2,012
Photocopying		8,651	10,163
Literature/Subscription/Fees		631	6,574
Lighting and Heating		3,695	4,999
Travel and Subsistence- Members		1,872	930
Assets acquired under the capitalization threshold (see accounting policy 2.4)		-	11,840
Dilapidations Settlement		15,550	-
Total: Council Operating Costs		119,025	147,778
		2015/16	2014/15
		£	£
TRAINING AND DEVELOPMENT COSTS:			
Continued Professional Development Support Scheme		40,000	56,877
Total Training and Development Costs		40,000	56,877

SECTOR WIDE PROJECTS:	2015/16	2014/15
	£	£
EU Policy Project	9,264	-
Geomapping Project	1,078	1,008
Life Maps Project – Youth Action	-	5,850
Youth Work using Irish Medium Education		1,351
European Employability Conference	-	8,162
Disability Inclusion Training	-	2,057
JEDI Project	384	384
Sail Training Event	-	2,500
History of Youth work in NI	2,069	-
Screenagers	13,257	-
Headliners Refurbishment Grant	-	1,500
CRED – Sharing Seminar	-	522
Other Projects	-	122
Currency Exchange (Gain)/Loss	(1,474)	4,179
National Youth Council of Ireland ICT	-	8,060
Erasmus+ ICT	-	6,609
Sharing the Learning Seminar	-	1,078
YCNI Projects	8,056	17,425
Total Sector Wide Projects	32,634	60,807

Total Other Expenditure	191,659	265,462
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5. Notional Costs

	2015-16	2014-15
	£	£
Notional costs incurred during the year relate to:		
Audit fee	9,300	9,300
Total Notional Costs	9,300	9,300

6. Income

	2015-16	2014-15
	£	£
North/South Project (NSETS) income	11,334	15,213
Screenagers	13,257	-
Causeway Project	12,205	11,884
British Council/Young Roots	9,264	8,401
Total Income	46,060	35,498

7. Plant and Equipment 2015/16

	Information Technology	Plant and machinery	Furniture & Fittings	Total
	£	£	£	£
Cost or valuation				
At 1 April 2015	13,538	15,665	50,219	79,422
Revaluations	207	89	239	535
At 31 March 2016	13,745	15,754	50,458	79,957
Accumulated Depreciation				
At 1 April 2015	13,537	15,664	49,657	78,858
Charged in year	-	-	142	142
Revaluation	207	90	236	533
At 31 March 2016	13,744	15,754	50,035	79,533
Net book value 31 March 2016	1	-	423	424
Net book value 31 March 2015	1	-	562	564
Asset financing				
Owned	1	-	423	424
Finance Leased	-	-	-	-
Net book value 31 March 2016	1	-	423	424

Plant and equipment is re-valued using indices provided by the Office for National Statistics.

See reference in Note 2.6 above regarding fully depreciated assets still in use not being re-lifed.

YCNI owns all its assets and has no finance leases or PFI contracts.

7. Plant and Equipment (Continued)

2014/15

	Information Technology £	Plant and machinery £	Furniture & Fittings £	Total £
Cost or valuation				
At 1 April 2014	13,399	15,635	50,219	79,253
Revaluations	139	30	-	169
At 31 March 2015	13,538	15,665	50,219	79,422
Accumulated Depreciation				
At 1 April 2014	13,398	15,634	49,169	78,201
Charged in year	-	-	488	488
Revaluation	139	30	-	169
At 31 March 2015	13,537	15,664	49,657	78,858
Net book value 31 March 2015	1	1	562	564
Net book value 31 March 2014	1	1	1,050	1,052
	-	-	-	-
Asset financing				
Owned	1	1	562	564
Finance Leased	-	-	-	-
Net book value 31 March 2015	1	1	562	564

8. Financial Instruments

As the cash requirements of the Youth Council for Northern Ireland are met through Grant-in-Aid provided by Department of Education, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the Youth Council's expected purchase and usage requirements and the Youth Council is therefore exposed to little credit, liquidity or market risk.

9. Trade and other receivables

	2015-16 £	2014-15 £
Amounts falling due within one year:		
Trade receivables	4,824	3,450
Prepayments and accrued income	8,176	14,350
Total	13,000	17,800

10. Cash and cash equivalents

	2015-16	2014-15
	£	£
Balance at 1 April	712,733	879,377
Net change in cash and cash equivalent balances	(5,611)	(166,644)
Balance at 31 March	<u>707,122</u>	<u>712,733</u>
The following balance at 31 March was held at		
Commercial banks and cash in hand	707,122	712,733
Balance at 31 March	<u>707,122</u>	<u>712,733</u>

11. Trade payables and other current liabilities

	2015-16	2014-15
	£	£
Amounts falling due within one year:		
Trade payables	-	34,876
Other Taxation and Social Security	13,365	12,411
Accruals and deferred income - recurring	366,519	613,739
Accruals and deferred income – non-recurring re cost of agreed Voluntary Exit packages	369,426	-
Total	<u>749,310</u>	<u>661,026</u>

12. Commitments under leases

The lease for the property rented by YCNI in the year, expired on 31st March 2016 and has not been renewed by YCNI and has been taken on by the Educational Authority.

13. Capital Commitments

The Youth Council for Northern Ireland (YCNI) had no capital commitments at the Statement of Financial Position date.

14. General Reserve

	2016	2015
	£	£
At 1 April	(1,005,031)	(842,533)
Financing – Department of Education	4,371,000	5,116,000
Actuarial (gain)/loss in the pension fund	231,000	(115,000)
Net expenditure for the year	(4,546,137)	(5,172,798)
Reversal of notional costs	9,300	9,300
At 31 March	<u>(939,868)</u>	<u>(1,005,031)</u>

The position as at the year-end is made up as follows:

Capital grant-in-aid	32,530	32,530
Miscellaneous net expenditure	(64,398)	34,439
Pension Liability	(908,000)	(1,072,000)
	<u>(939,868)</u>	<u>(1,005,031)</u>

15. Related Party Transactions

The Youth Council for Northern Ireland (YCNI) is a Non-Departmental Public Body (NDPB) sponsored by the Department of Education (DE).

DE is regarded as a related party. During the year, YCNI had a number of material transactions with the Department. In addition, YCNI had a small number of material transactions with other Government Departments and other central government bodies. Most of these transactions have been with the former Education & Library Boards and the British Council

The following Council members held positions within the named organisations but were not involved in funding decisions.

COUNCIL MEMBER	ORGANISATION	POSITION HELD	GRANT AWARD
			£
Hugh Campbell	University of Ulster	Lecturer	70,217
Anne Marie McClure	Start360	Chief Executive	43,800
	YouthNet	Member	268,150
June Trimble	YouthAction NI	Director	259,432
Máire Young	Volunteer Now	Vice Chairperson	60,652

16. Pension arrangements

YCNI participates in the Northern Ireland Local Government Officers' Superannuation Committee Scheme (The NILGOSC scheme) for the majority of its employees. The NILGOSC scheme is a "multi-employer", defined benefit scheme, which provides members of participating employers with the benefits related to pay and services at rates which are defined under statutory regulations.

To finance these benefits, assets are accumulated in the scheme and are held separately from the assets of the employers. The scheme is funded by employers participating in the NILGOSC scheme who pay contributions at rates determined by an independent professionally qualified actuary on the basis of regular triennial valuations using the projected unit method.

The total contributions payable to the NILGOSC scheme by YCNI for 2015/16 were £118,000 (2014/15 - £93,052).

The disclosures below relate to the funded liabilities within the NILGOSC Scheme. Details of the benefits to be paid for the period covered by this disclosure are set out in the LGPS (Benefits, Membership and Contributions) Regulations (Northern Ireland) 2009 (as amended).

The funded nature of the LGPS requires the employer and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. Information on the framework for calculating contributions to be paid is set out in LGPS (Administration) Regulations (Northern Ireland) 2009 and the Fund's Funding Strategy Statement. The contributions to be paid until the date the next actuarial valuation of the Fund is available are set out in the Rates and Adjustment Certificate.

The Fund Administering Authority, Northern Ireland Local Government Officers' Superannuation Committee is responsible for the governance of the Fund.

Contributions for the accounting period ending 31 March 2017

The total estimated pension expense in the period ending 31 March 2017, including interest, based on the same assumptions, is estimated to be £158k.

Additional contributions may also become due in respect of any employer discretions to enhance members' benefits in the Fund over the next accounting period.

Assumptions

The latest actuarial valuation of Youth Council for Northern Ireland's liabilities took place as at 31 March 2013. Liabilities have been estimated by the independent qualified actuary on an actuarial basis using the projected unit credit method. The principal assumptions used by the actuary in updating the latest valuation of the Fund for IAS 19 purposes were:

Key assumptions

	31 March 2016 %p.a.	31 March 2015 %p.a.	31 March 2014 %p.a.
Discount rate	3.40%	3.20%	4.30%
Pension increases	1.80%	1.80%	2.40%
Pension accounts revaluation rate	1.80%	1.80%	n/a
Salary increases	3.30%	3.30%	3.90%

* Salary increases were assumed to be 1% p.a. until 31 March 2016, reverting to the long term assumption shown thereafter.

Mortality assumption

The mortality assumptions are based on the recent actual mortality experience of members within the Fund and allow for expected future mortality improvements. Sample life expectancies resulting from these mortality assumptions are shown below.

	31 March 2016	31 March 2015
Assumed Life Expectancy at Age 65		
Males		
Member aged 65 at accounting date	22.3	22.2
Member aged 45 at accounting date	24.5	24.4

16. Pension arrangement(continued)	31 March 2016	31 March 2015
Females		
Member aged 65 at accounting date	24.8	24.7
Member aged 45 at accounting date	27.2	27.0

Asset allocation

	Value at 31 March 2016			Value at 31 March 2015
	Quoted	Unquoted	Total	
Equities	71.7%	0.2%	71.9%	73.0%
Property	13.2%	0.0%	13.2%	12.6%
Government bonds	5.7%	0.0%	5.7%	5.7%
Corporate bonds	6.4%	0.0%	6.4%	6.5%
Cash	2.3%	0.0%	2.3%	2.0%
Other	0.0%	0.5%	0.5%	0.2%
Total	99.3%	0.7%	100.0%	100.0%

Reconciliation of funded status to the Statement of Financial Position

	Value at 31 March 2016 (£M)	Value at 31 March 2015 (£M)
Fair value of assets	4.531	4.477
Present value of funded defined benefit obligation	<u>(5.439)</u>	<u>(5.549)</u>
Funded status	(0.908)	(1.072)
Impact of minimum funding requirement / asset ceiling	<u>0.000</u>	<u>0.000</u>
Liability recognised on the Statement of Financial Position	<u>(0.908)</u>	<u>(1.072)</u>

The split of the liabilities at the last valuation between the various categories of members is as follows:

Active members	49%
Deferred Pensioners	9%
Pensioners	42%

16. Pension arrangements (continued)

Breakdown of amounts recognised in the Statement of Comprehensive Net Expenditure on the provision of services and other comprehensive income (OCI)

	Year ending 31 March 2016 (£M)	Year ending 31 March 2015 (£M)
Operating cost		
Current service cost *	0.132	0.128
Past service cost (inc. curtailments)	0.000	0.016
Settlement cost	0.000	0.000
Financing cost		
Interest on net defined benefit liability	0.033	0.036
Pension expense recognised in statement of comprehensive net expenditure	<u>0.165</u>	<u>0.180</u>
Remeasurements in OCI		
Return on plan assets below/ (in excess of) that recognised in net interest	0.015	(0.351)
Actuarial (gains)/losses due to changes in financial assumptions	(0.204)	0.491
Actuarial result due to changes in demographic assumptions	0.000	0.000
Actuarial (gains) due to liability experience	(0.042)	(0.025)
Total amount recognised in OCI	<u>(0.231)</u>	<u>0.115</u>
Total amount recognised in the Statement of Comprehensive Net Expenditure and OCI	<u>(0.066)</u>	<u>0.295</u>
* Allowance for administration expenses included in current service cost (£M)	0.001	0.002

16. Pension arrangements (continued)

Changes to the present value of the defined benefit obligation

	Year ending 31 March 2016 (£M)	Year ending 31 March 2015 (£M)
Opening defined benefit obligation	5.549	4.900
Current service cost	0.132	0.128
Interest expense on defined benefit obligation	0.175	0.207
Contributions by participants	0.033	0.034
Actuarial result due to changes in financial assumptions	(0.204)	0.491
Actuarial result due to changes in demographic assumptions	0.000	0.000
Actuarial gains due to liability experience	(0.042)	(0.025)
Net benefits paid out	(0.204)	(0.202)
Past service cost (inc. curtailments)	0.000	0.016
Net increase in liabilities from disposals/acquisitions	0.000	0.000
Settlements	<u>0.000</u>	<u>0.000</u>
Closing defined benefit obligation	<u>5.439</u>	<u>5.549</u>

Changes to the fair value of assets

	Year ending 31 March 2016 (£M)	Year ending 31 March 2015 (£M)
Opening fair value of assets	4.477	4.005
Interest income on assets	0.142	0.171
Remeasurement (losses)/gains on assets	(0.015)	0.351
Contributions by the employer	0.098	0.118
Contributions by participants	0.033	0.034
Net benefits paid out	(0.204)	(0.202)
Net increase in assets from disposals/acquisitions	0.000	0.000
Settlements	<u>0.000</u>	<u>0.000</u>
Closing fair value of assets	<u>4.531</u>	<u>4.477</u>

16. Pension arrangements (continued)	Year ending 31 March 2016 (£M)	Year ending 31 March 2015 (£M)
Interest income on assets	0.142	0.171
Remeasurement (losses)/gains on assets	<u>(0.015)</u>	<u>0.351</u>
Actual return on assets	<u>0.127</u>	<u>0.522</u>

17. Contingent Liabilities

There are no contingent liabilities.

18. Losses and Special Payments

No losses and special payments that require separate disclosure because of their nature or amount were incurred (2014-15: Nil).

19. Events after the Reporting Date

In line with the Education Ministers statement on 10th December 2015, the Education Authority (EA) from 1st April 2016, will be administrating the funding for the regional voluntary youth organisations. Prior to 1st April 2016 this was carried out by the Youth Council for Northern Ireland (YCNI).

In accordance with the FReM the transfer of the function from a NDPB to another NDPB within the same Department will be accounted for under absorption accounting.

19. Events after the Reporting Date (continued)

The following assets and liabilities were transferred as a result of this transfer of function.

	2016 £000
Non-current assets	
Property, plant and equipment	424
Total non-current assets	<u>424</u>
Current Assets	
Trade and other receivables	13,000
Cash and cash equivalents	707,122
Total current assets	<u>720,122</u>
Total Assets	<u><u>720,546</u></u>
Current Liabilities	
Trade and other payables	749,310
Total current liabilities	<u>749,310</u>
Non-current Liabilities	
Non-current assets plus/less net current assets	(28,764)
Pension Liabilities	(908,000)
Total non-current liabilities	<u>(908,000)</u>
Total assets less liabilities	<u><u>(936,764)</u></u>

19. Events after the Reporting Date (continued)

Taxpayers' equity

Capita-grant-in aid	32,530
SoCNE reserve	(64,398)
Pension Reserve	(908,000)
Revaluation reserve	3,104
Total	<u>(936,764)</u>

The net liability position is recognised in 'Other Comprehensive Expenditure' of the Education Authority accounts. The impact on 'Other Comprehensive Expenditure' as a result of the transferred function is £936,764.

20. DE Outturn Statement

The Youth Council's Mainstream Resource Cash Budget Allocation from DE comprised £4,116k in respect of recurring costs, excluding depreciation, together with £370k in respect of Voluntary Exit Costs, totalling £4,486k. Net Expenditure, excluding Non-Cash costs and IAS19 adjustments, amounted to £4,470k during 2015/16, which is £16k less than the cash resources allocated by the Department.

21. Date authorised for issue

The Accounts were authorised for issue on 6 July 2016