



Annual Report &  
Accounts  
2017

YOUTH COUNCIL FOR NORTHERN IRELAND

**ANNUAL REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2017**

*Laid before the Northern Ireland Assembly  
under Article 6(2) of the Youth Service (Northern Ireland) Order  
1989  
by the Department of Education  
on  
4 July 2017*

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# YOUTH COUNCIL FOR NORTHERN IRELAND

## Annual Report and Accounts for the year ended 31 March 2017

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# Performance Report

## Overview

**1.1** This section is to provide sufficient information to understand the purpose of the Youth Council for Northern Ireland (YCNI), its key risks to the achievements of its objectives and how it has performed during the year.

### **1.2 Statement from the Chair Person**

Following a statement on 10 December 2015 from the then Education Minister that the funding for the regional voluntary youth organisations was to transfer to the Education Authority on 1 April 2016 a significant reshape of the organisation was required.

With effect from 1 April 2016 all staff employed and functions associated with the funding of the regional youth organisations transferred to the Education Authority.

The YCNI still remained as a Non Departmental Public Body of the Department of Education and continued to discharge its statutory functions. Therefore, 2016-17 was a transitional year for the YCNI.

The YCNI Board of 6 members remains responsible for the discharge of its statutory functions in line with the directions issued by the Department of Education, and the YCNI Board concentrated on its role to provide advice, assist and encourage on the development of the Youth Service throughout the year. The Department's Permanent Secretary has assumed the YCNI Accounting Officer role.

In August 2016, the then Minister for Education confirmed his support for such an independent advisory body, and on the back of this the YCNI Board developed and implemented a business plan for the year ahead to ensure that the YCNI continued to carry out its statutory functions.

As the YCNI has no staff the Department of Education, through a Service Level Agreement, has provided secretariat support and financial services since Autumn 2016.

Some of the key achievements for the year were as follows:

Advice was provided to the then Minister of Education and to the Department of Education on issues including the transitional funding arrangements, the

development of a new funding scheme and the scope of the voluntary youth sector. The YCNI also provided advice to the Education Authority on issues which included the Review of Residential and Outdoor Education. The YCNI actively participated in the Youth Service Reform Partnership, the Regional Advisory Group, Planning and Monitoring Group and the Practice Development Group, and North/South Education and Training Standards Committee for Youth Work (NSETS). Youth Work Training Board continued to function as a committee of YCNI.

During the year the YCNI set up a series of engagement meetings with various youth organisations and stakeholders in the youth sector. The YCNI also developed a communications strategy to facilitate improved communication with the statutory and voluntary youth services and young people.

### Future challenges

A budget for 2017-18 has not yet been agreed. The YCNI will work with the Department of Education to ensure that there is minimal disruption during this period of uncertainty and that the interests of the youth sector within Northern Ireland continue to be represented. The Department has advised the Youth Council of an indicative cash allocation for the initial months of 2017-18.

Following this transition year and the embedding of the revised structure I look forward to 2017-18 and the challenges ahead in striving to take forward the YCNI, which will include the reconstitution of the YCNI Board.

### 1.3 About YCNI

The YCNI was established under the Youth Service (Northern Ireland) Order 1989 and set up on 1 January 1990. The YCNI is a Non-Departmental Public Body of the Department of Education which provides leadership and independent advice on youth work.

#### 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.

#### Vision

The YCNI's vision of the future is one where:

- all children and young people are valued in their own right and have the opportunity to develop the knowledge, skills and confidence to fully participate as active citizens in an inclusive society;
- the educational and development role of youth work is valued, effectively resourced and implemented by a sufficient number of appropriately trained and supported youth workers; and
- the Youth Council is recognised by government, the youth sector and others, as the key agency for advocating for youth work and influencing policy impacting on young people.

#### Statutory Functions

The Council's functions include to:

- advise the Department of Education, 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.

A number of provisions of the Shared Education Act (NI) 2016 also apply to YCNI namely:

- Section 4 confers a power to encourage and facilitate shared education; and
- Section 6 confers a duty to consider shared education when:-
  - i. Developing, adopting, implementing or revising policies, strategies and plans; and
  - ii Designing and delivering public services.

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.

#### **1.4 Key Activities of the YCNI**

The key activities of the YCNI are linked to the discharge of its statutory functions.

The YCNI contributes to the Youth Service Reform Partnership and the Regional Advisory Group meetings. The Youth Service Reform Partnership was established by the then Education Minister to provide a mechanism for engagement between key stakeholders and relevant Department of Education and Education Authority officials. The Regional Advisory Group meetings, which are chaired by the Education Authority, provide advice to the Education Authority to inform the development of the Regional Youth Development Plan covering and any other areas on which the Education Authority may decide to seek advice. In contributing to these forums the YCNI participated in meetings, contributed to discussions and provided information/ papers as requested.

To ensure there is effective communication and engagement within the youth sector, the YCNI has an effective framework for 2 way engagement with the Regional Voluntary Youth Organisations and Children and Young People. This includes engaging with the NI Youth Forum and Children and Young People through various engagement events, and the use of social media.

### **1.5 Key risks in 2016-17**

Risk management is the process through which the YCNI seeks to control the level of risk facing the organisation and to reduce its effects. Successful risk management involves:

- Identifying and assessing threats and opportunities;
- Taking cost-effective action to anticipate or manage them; and
- Monitoring risks and reviewing progress in order to establish whether or not further action may be necessary.

The YCNI Board oversees the development of the YCNI Risk Register and monitors and reviews it throughout the year.

The key risks facing the YCNI in 2016-17 were as follows:

- Failures in financial management and control;
- Impact of, and/or inappropriate response to, external factors;
- Lack of compliance with legislation;
- Damage to council reputation; and
- Inadequate provision for corporate governance.

### **1.6 Key Issues impacting YCNI in 2016-17**

This was a transition year for the YCNI, following the transfer of significant functions to the Education Authority on 1 April 2016. The accountability and governance arrangements of the YCNI were reviewed and new processes and procedures embedded within the organisation. This did take some time but work has

progressed, especially in the latter part of the year in carrying out its statutory functions.

### **1.7 Future issues impacting YCNI**

A budget for 2017-18 has not yet been agreed. The YCNI will work with the Department of Education to ensure that there is minimal disruption during this period of uncertainty and that the interests of the youth sector within Northern Ireland continue to be represented.

The YCNI will endeavour to imbed the revised arrangements and discharge its statutory functions.

The reconstitution of the YCNI Board is expected to occur in the next financial year.

### **1.8 Going Concern**

In accordance with FReM, the Council is not able to accrue funding from the Department of Education to match current liabilities recorded within the Statement of Financial Position. Under International Accounting Standard (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 the Council as a going concern. However, no material uncertainties affecting the Council's ability to continue as a going concern have been assessed and these accounts have therefore been prepared under the going concern principle.

### **1.9 2016-17 Performance Summary**

The annual YCNI Business Plan 2016-17 sets out the commitments and actions that the YCNI will undertake to deliver on its statutory functions. There was a total of 15 aims, 10 were fully achieved, 1 was substantially achieved and 4 are likely to be achieved but with some delay and will be carried forward into the 2017-18 Business Plan.

The Net Expenditure for the year was £50,128, (2016 £4,546,137). The significant movement in net expenditure is as a result of the funding for regional voluntary youth organisations transferring to the Education Authority, previously this funding was paid by the YCNI.

## **Performance Analysis**

### **2.1 The YCNI performance and management arrangements**

The annual YCNI Business Plan is developed by the YCNI Board. Throughout the year progress against the aims is monitored by the Board and reported to the Department of Education.

### **2.2 Analysis of 2016-17 performance against Business Plan**

The annual YCNI Business Plan 2016-17 sets out the commitments and actions that the YCNI will undertake to deliver on its statutory functions. There was a total of 15 aims, 10 were fully achieved, 1 was substantially achieved and 4 are likely to be achieved but with some delay and will be carried forward into the 2017-18 Business Plan.

The performance outcomes in the 2016-17 Business Plan were:

- The provision of accurate, timely, efficient and effective advice to the DE on the development of the youth service in line with the directions issued by the Department on 24 March and 15 June 2016 and to the Education Authority (EA) to inform its development of the Regional Youth Development Plan for 2017-18.
- The key knowledge and understanding of Regional Voluntary Youth Organisations (RVYOs) and other dimensions of youth service were communicated effectively to the Department of Education and Education Authority.
- Further embedding Community Relations, Equality and Diversity in Education (CRED) policy CRED work in RVYOs.
- Regional Youth Development Plan articulates RVYO contribution in respect of CRED related issues.
- Learning and best practice on cross community activity is shared across the sector, EA and the DE.

The activities associated with those outcomes are described under YCNI statutory functions:

**1. To advise the Department, EA and other bodies on the development of the youth service**

**Advice**

Written advice was provided:

- to the Minister for Education in September 2016 on transitional funding arrangements, the development of a new funding scheme and the scope of the voluntary youth sector.

To DE on:

- transitional funding arrangements, the development of a new funding scheme and the scope of the voluntary youth sector;
- the impact of the liquidation of YouthNet;
- the need to review the Terms of Reference for the North/South Education and Training Standards Committee for Youth Work (NSETS);
- the contribution of NSETS in its professional endorsement of youth work training programmes through a presentation to DE officials and officials from Department of Youth and Children's Affairs; and
- the support required by a YCNI Board and composition of a newly constituted YCNI Board.

To the Education Authority on:

- the impact of the liquidation of YouthNet;
- the planning for and conduct of RAG/LAG Review Conference March 2017; and
- the Review of Residential and Outdoor Education.

Advice was also provided by YCNI to DE and EA through members' active participation in meetings of:

- the Youth Service Reform Partnership;
- the Regional Advisory Group (RAG), Planning and Monitoring Group and the Practice Development Group;
- Youth Work Training Board; and
- North/ South Education and Training Standards Committee for Youth Work (NSETS)

## **Sector Engagement**

To provide accurate, timely, efficient and effective advice to DE, EA and other bodies on the development of the youth service YCNI needs to engage fully with the sector.

During the year YCNI set up a series of engagement meetings with RVYOs (4), EA Interim Head of Youth Service (3) and with NI Youth Forum (NIYF) (1). YCNI also engaged with these organisations through RAG and Youth Service Reform Partnership. It also developed a Communications Strategy and established a website to facilitate improved communication with the statutory and voluntary youth service and young people.

These activities, along with the advice provided also relate to the role of encouraging and assisting provision of facilities for the youth service and facilities which are especially beneficial to young persons and the co-ordination and efficient use of the resources of the youth service.

### **2. To encourage the provision of facilities for the youth service and facilities which are especially beneficial to young persons**

YCNI encouraged RVYOs to respond to the Review of Residential and Outdoor Education. In the process of preparing its own advice to the Education Authority it engaged with voluntary sector providers, including the uniformed sector.

### **3. To encourage cross community activity by the youth service**

YCNI hosted a seminar in Belfast attended by 88 people to demonstrate how youth work contributes to safer, shared and confident communities. A smaller event, attended by 30 was held in the North West with the same theme. The conference

report and a short training video were made available to the sector and are currently available on the web-site.

#### **4. To encourage and assist the co-ordination and efficient use of the resources of the youth service**

YCNI members participated in and contributed to:

- the Regional Advisory Group, its Planning and Monitoring Group and Practice Development Group (12 meetings + LAG/RAG Conference) as they fulfilled their responsibilities in assisting with the development of the Regional Youth Development Plan;
- the Youth Service Reform Partnership meetings (6) with DE and EA as it supported the implementation of the new arrangements for administration and funding of regional youth services; secured full integration of regional and local youth services within the EA; ensured that the key knowledge and understanding of Regional Voluntary Youth Organisations (RVYOs) and other dimensions of youth services are communicated effectively to the EA;
- the Youth Work Training Board as it worked to adapt its role to the changing external environment (5 meetings);
- a presentation to DE (NI) and DCYA (ROI) on the role and responsibility of the North South Education and Training Standards Committee. NSETS is responsible for the professional endorsement of youth work programmes on the island of Ireland. Members also provided advice to DE on the need to review the terms of reference in light of the changes as to how youth service is delivered;
- sector engagement meetings with RVYOs (2) and Northern Ireland Youth Forum (1) to ascertain their views on issues of concern; and
- the provision of advice on developments in the youth service relating to 7 areas as listed under statutory function 1.

These activities cross reference with the statutory function to provide advice.

#### **5. To encourage and facilitate shared education when developing, adopting, implementing or revising policies, strategies and plans and designing and delivering public services.**

Members hosted the Head of DE Shared Education who made a presentation and led a discussion on shared education and its implication for youth service. This area of work will be developed further in 2017-18.

### 2.3 Summary of the YCNI financial performance

#### Statement of Comprehensive Net Expenditure

The net expenditure for the year was £50,128 (2016: £4,546,137). The significant variance downwards is as a result of the transfer of staff and functions associated with the funding of regional youth organisations to the Education Authority on 1 April 2016. Therefore no grants or staff costs were incurred in 2016-17.

#### Statement of Financial Position

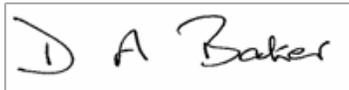
The total assets less current liabilities position improved from last year to show a net asset position. This is as a result of the transfer of function to the Education Authority which reduced the year end creditor position.

The total assets less total liabilities also improved from last year to a net asset position as a result of the transfer of staff to the Education Authority as the pension liability transferred with the staff.

### 2.4 Future development and performance

The extent and impact of the key challenges in the coming year is somewhat dependent on the outcome of the agreement on a Programme for Government, budget and the vision and direction of the new Education Minister.

The YCNI will endeavour to embed the revised arrangements and discharge its statutory functions.



Signed:.....D Baker (Accounting Officer)

Date: 26 June 2017



Signed:.....M Young (Chair Person)

Date: 27 June 2017

## Accountability Report

### 3. Corporate Governance Report

The purpose of the corporate governance report is to explain the composition and organisation of the entity's governance structures and how they support the achievement of the entity's objectives.

#### 3.1 Directors' Report

##### Council Membership

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

<b>Chairperson</b> 1. Ms Máire Young
<b>Vice-Chairman</b> 2. Mr Bertie Faulkner
<b>Members</b> 3. Mr Derek Capper
4. Ms Anne-Marie McClure
5. Ms June Trimble
6. 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; and
- abiding by the Seven Principles of Public Life.

Pension liabilities

As the YCNI does not employ any staff, following the transfer of function to the Education Authority on 1 April 2016, there is no pension liability as at 31 March 2017 as the liability transferred with the staff.

Financial instruments

Financial instruments are not material for the assessment of the YCNI's assets, liabilities, financial position and net expenditure.

Company directorship

A register of members' interests is available and can be inspected on application to the YCNI.

Auditor

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).

	2017 £	2016 £
Cost of external audit (notional charge)	6,000	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.

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.

#### Complaints handling

YCNI is amending its Complaints Policy as, since 1 April 2016, it does not provide any services. It will be available on the web-site: [youthcouncilni.org](http://youthcouncilni.org). In 2016-17 there were no complaints received under these procedures.

#### Personal Data related incidents

There were no incidents of personal data loss during 2016-17.

#### Events occurring since the end of the financial year

There were no events after the reporting period which required adjustment to the Financial Statements or additional disclosures.

#### Payment of 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 57.69% of invoices were paid within 10 working days, (2015/16 – 100% of

invoices were paid within 10 working days). This was a year of significant transition for the YCNI following the transfer of funding of Regional Voluntary Youth Organisation's to the Education Authority on 1 April 2016. A period of time was required to embed the new processes and revised structure. From February 2017 all invoices have been paid within 10 working days.

#### Disclosure of information to Auditors

So far as the Accounting Officer is aware, there is no relevant audit information of which the YCNI auditors are unaware; and the Accounting Officer has taken all steps that he ought to make himself aware of any relevant audit information and to establish that the YCNI's auditors are aware of that information.

### **3.2 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.

With effect from 1 April 2016, the Accounting Officer of the Department of Education assumed the Accounting Officer role for the Youth Council.

### **3.3 GOVERNANCE STATEMENT 2016/17**

#### **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 2017 and up to the date of approval of the Annual Report and Accounts, and accords with Treasury and DoF guidance.

#### **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 statutory 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.

A number of provisions of the Shared Education Act (NI) 2016 also apply to YCNI, namely:

- Section 4 confers a power to encourage and facilitate shared education
- Section 6 confers a duty to consider shared education when:
  - developing, adopting, implementing or revising policies, strategies and plans; and
  - designing and delivering public services.

The Youth Council Members were appointed by the then Minister for Education and consist of a Chairperson, Vice-Chairperson and 4 Members. Youth Council membership was extended by the then Education Minister to 30 September 2017 on 25 August 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 met 9 times during the year and developed and agreed a business plan for the 2016/17 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 2016-17 year is noted below:

**YCNl BOARD MEETINGS**  
**1 April 2016 – 31 March 2017**

<b>NAME</b>	<b>Total No. of Meetings Held</b>	<b>Meetings Attended</b>	<b>Apologies Received</b>	<b>No Apology</b>
Máire Young [Chairperson]	<b>9</b>	<b>9</b>	-	-
Bertie Faulkner [Vice-Chairperson]		<b>9</b>	-	-
Derek Capper		<b>8</b>	<b>1</b>	-
Anne-Marie McClure		<b>8</b>	<b>1</b>	-
June Trimble		<b>9</b>	-	-
Hugh Campbell		<b>8</b>	<b>1</b>	-

The Accounting Officer/Chairperson 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 discharge of the statutory functions.

**Audit and Risk Assurance Committee**

During 2016/17 the Audit Committee consisted of two YCNl Members and two independent non-executive members – Bertie Faulkner (Chairperson), Anne-Marie McClure (YCNl 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 (DE).

The remit of the Audit Committee is to provide assurances to the Accounting Officer 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 2016/17 financial year the Audit and Risk Assurance Committee met on 2 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;
- Governance Statement;
- Internal Audit Work;
- External Audit Work Plan for 2016/17;
- Annual Report and Resource Accounts for 2015/16;
- Audit Committee Annual Report; and
- Revised governance and accountability arrangements following the change in the YCNI structure from 1 April 2016.

Attendance at Audit and Risk Assurance Committee meetings during 2016/17 year is noted below:

**AUDIT & RISK ASSURANCE COMMITTEE**  
**1 April 2016 – 31 March 2017**

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

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

## **Business Plan**

Youth Council members gave detailed consideration to the 2016/17 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 budget for 2016/17; the directions from DE that the YCNI should continue to deliver its statutory functions; that the YCNI would not be employing staff; the removal of delegations from the Department; and the revised governance and accountability arrangements for the revised structure of the YCNI. In addition to initiating a sector engagement programme to inform advice, YCNI participated fully in the Regional Advisory Group and the Youth Service Reform Partnership. Advice was given on seven issues of strategic importance to the youth service.

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

Youth Council members gave detailed consideration to the 2016/17 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.

As part of members' performance appraisal and a skills and expertise audit, the Chair and members reflected on Board performance. They concluded that the expected reconstitution of the Board in September 2017 (when current terms of office expire) will resolve the challenges faced by a small board. Members implemented the actions in the Business Plan.

## **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 have been established and updated regularly. Conflicts of interest relating to Council members, 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 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 2016/17 financial year there was 1 attempt at fraud, with no loss to the Council, and the incident was fully reported to the Department.

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 2016/17. It also uses The Good Governance Standard for Public Services.

Whistleblowing and Gift and Hospitality policies are in place and have been issued to all members of 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 2016/17 and was able to provide a '**Satisfactory**' level of assurance to the Accounting Officer.

During the year the NIAO presented the Report to 'Those Charged with Governance' for 2015/16 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 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 (DE 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.

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

- Financial information (including monthly management accounts, QEMR 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 the amount of data held is limited. Information risks are being controlled and managed and the Youth Council continues to be a trusted custodian.

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 2016/17.

## **Complaints**

A Customer Service Complaints Procedure is in place. However, it is being revised to make it more relevant to the role of YCNI since April 2016. It will be available on the Council's website. No formal complaints were received during 2016/17.

## **Record of Ministerial Directions**

There were no Ministerial Directives issued to the Youth Council during 2016/17.

## **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.

## **Key Risks and Issues within the Year**

- **Financial Management**

At the start of the financial year when YCNI staff transferred to the Education Authority, new arrangements were required to be put in place to reflect the revised structure of the YCNI, in that the YCNI had no staff to carry out administrative and finance functions. A Service Level Agreement was put in place with the Department of Education who now provide Financial and Secretariat Support Services to the Council. This ensures the

Chair and the Board comply with their financial reporting responsibilities. The YCNI Board do not have delegated authority to spend, and therefore business cases are prepared and submitted to the Department of Education for approval.

- **Future of the Youth Council**

This has been a transition year for YCNI Board as it discharged its statutory functions under directions issued by DE. It does not employ staff and the Board is responsible for implementing the actions in the Business Plan. The then Minister for Education supported an Advisory Body and much of the year has been involved in establishing engagement mechanisms to support the provision of robust advice.

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.

## **Remuneration and staff report**

### **Remuneration report**

The remuneration and staff report sets out the entity's remuneration policy, reports on how that policy has been implemented and sets out the amounts awarded and where relevant the link between performance and remuneration.

All staff of the YCNI and their associated pension arrangements transferred to the Education Authority as part of the transfer of function on 1 April 2016. The YCNI does not employ any staff. The report details the Chair and Vice Chair emoluments.

### **Remuneration policy**

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.

### **Service Contracts**

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

The Council members who served during the year are as follows:

**YCNl MEMBERSHIP**  
**April 2016 – March 2017**

Máire Young [Chairperson]
Bertie Faulkner [Vice-Chairperson]
Derek Capper
Anne-Marie McClure
June Trimble
Hugh Campbell

**Remuneration entitlements**

The following sections provide details of the remuneration received by YCNl board members.

**Youth Council Members (Audited)**

Board Members	2016-17			2015-16		
	Remuneration £	Pension Benefits £	Total £	Remuneration £	Pension Benefits £	Total £
Máire Young Chairperson	15-20	-	15-20	15-20	-	15-20
Bertie Faulkner Vice-Chairperson	5-10	-	5-10	0-5	-	0-5

No amounts were payable to third parties for services of Youth Council members during the year.

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median remuneration of the organisation's workforce. This is not applicable to YCNl as the Youth Council does not employ any staff following the transfer of function to the Education Authority on 1 April 2016.

## Remuneration

Remuneration includes actual emoluments received by the Chair and Vice-Chairperson in respect of their positions held within the Youth Council for Northern Ireland.

## Benefits in kind

No benefits in kind were received by any board members in either 2016-17 or 2015-16.

## Pension Benefits (Audited)

All pension arrangements transferred to the Education Authority as part of the transfer of function on 1 April 2016.

## Staff Report

### Staff costs

*The following section is subject to audit.*

			<b>March 2016-17</b>	<b>March 2015-16</b>
	<b>Permanently employed staff</b>	<b>Others</b>	<b>Total</b>	<b>Total £</b>
	<b>£</b>	<b>£</b>	<b>£</b>	
Wages and salaries*	-	-	-	893,799
Members' Remuneration	-	20,666	20,666	18,978
Social security costs	-	932	932	42,308
Other pension costs*	-	-	-	132,000
<b>Total net costs</b>	<b>-</b>	<b>21,598</b>	<b>21,598</b>	<b>1,087,085</b>

\*The Youth Council for Northern Ireland does not employ any staff following the transfer of function to the Education Authority on 1 April 2016.

Wages and salaries for 2015-16 include voluntary exit costs of £369,426.

### **Average number of persons employed**

*The following section is subject to audit.*

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

	<b>Permanently employed staff</b>	<b>Others</b>	<b>March 2016-17</b>	<b>March 2015-16</b>
Directly employed*	-	-	-	<b>14</b>
<b>Total</b>	-	-	-	<b>14</b>

\*The Youth Council for Northern Ireland does not employ any staff following the transfer of function to the Education Authority on 1 April 2016.

### **Expenditure on consultancy**

No expenditure on consultancy was incurred during the year.

### **Off-payroll engagements**

There were no off-payroll engagements at a cost of over £58.2k per annum in place during 2016-17.

## 5. Assembly Accountability and Audit Report

The purpose of the accountability section of the annual report is to meet key accountability requirements to the Assembly.

### Losses and Special Payments (audited)

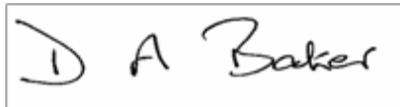
No losses and special payments that require separate disclosure because of their nature or amount were incurred (2015-16: Nil).

### Remote Contingent Liabilities (audited)

There are no contingent liabilities.

### Long Term Expenditure trends

Providing long term expenditure trends is not appropriate for the YCNI due to the transfer of function which occurred on 1 April 2016.



Signed:.....D Baker (Accounting Officer)

Date: 26 June 2017



Signed:.....M Young (Chair Person)

Date: 27 June 2017

# **The Certificate and Report 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 2017 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 that report as having been audited.

## **Respective responsibilities of the Accounting Officer and auditor**

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Board and Accounting Officer 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, certify and report on 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 and report.

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.

# The Certificate and Report of the Comptroller and Auditor General to the Northern Ireland Assembly (cont)

## Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the Youth Council for Northern Ireland's affairs as at 31 March 2017 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 Accountability Report 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 guidance.

## Report

I have no observations to make on these financial statements.



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

*3 July 2017*

## Statement of Comprehensive Net Expenditure for the year ended 31 March 2017

This account summarises the expenditure and income generated and consumed on an accruals basis. It also includes other comprehensive income and expenditure, which include changes to the values of non-current assets and other financial instruments that cannot yet be recognised as income or expenditure.

	Note	March 2016-17 £	March 2015-16 £
Other operating income	7	-	(46,060)
<b>Total operating income</b>		-	(46,060)
Staff costs	Remuneration report & 3	21,598	1,087,085
Purchase of goods and services	5	10,776	191,659
Depreciation and impairment charges	8	-	142
Notional costs	6	17,754	9,300
Pension costs	15	-	33,000
Other operating expenditure	4	-	3,271,011
<b>Total operating expenditure</b>		50,128	4,592,197
<b>Net operating expenditure</b>		50,128	4,546,137
<b>Net expenditure for the year</b>		<b>50,128</b>	<b>4,546,137</b>
<b>Other comprehensive net expenditure</b>			
<b>Items that will not be reclassified to net operating costs:</b>			
Net gain/loss on revaluation of property, plant and equipment	8	-	(2)
Net gain/loss on transfer of function to the Education Authority	17	(936,764)	-
Actuarial gain/loss on pension scheme	15	-	(231,000)
		<b>(886,636)</b>	<b>4,315,135</b>

In accordance with the statement of the then Education Minister, dated 10 December 2015, responsibility for regional youth services funding and support transferred to the Education Authority from 1 April 2016.

The Board of the YCNI remains in place to fulfil its statutory functions as described in formal directions issued by the Department of Education on 24 March 2016 and 16 June 2016.

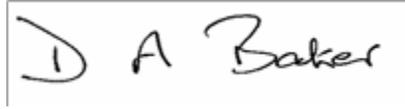
The notes on pages 41 to 54 form part of these accounts.

## Statement of Financial Position as at 31 March 2017

This statement presents the financial position of the Youth Council for Northern Ireland. It comprises three main components: assets owned or controlled; liabilities owed to other bodies; and equity, the remaining value of the entity.

	Notes	2017 £	2016 £
<b>Non-current assets:</b>			
Property, plant and equipment	8	-	424
<b>Total non-current assets</b>		-	424
<b>Current assets:</b>			
Trade and other receivables	10	19,144	13,000
Cash and cash equivalents	11	-	707,122
<b>Total current assets</b>		19,144	720,122
<b>Total assets</b>		19,144	720,546
<b>Current liabilities</b>			
Trade and other payables	12	4,200	749,310
<b>Total current liabilities</b>		4,200	749,310
<b>Total assets less current liabilities</b>		<b>14,944</b>	<b>(28,764)</b>
<b>Non-current liabilities</b>			
Pension Liabilities		-	(908,000)
<b>Total non-current liabilities</b>		-	(908,000)
<b>Total assets less total liabilities</b>		14,944	(936,764)
<b>Taxpayer's equity and other reserves</b>			
Revaluation reserve		-	3,104
General reserve		14,944	(939,868)
<b>Total</b>		<b>14,944</b>	<b>(936,764)</b>

The financial statements on pages 34 to 40 were approved by the Board on 22 June 2017 and were signed on its behalf by;

A handwritten signature in black ink that reads "D A Baker". The signature is written in a cursive style and is contained within a thin black rectangular border.

**Signed:.....D Baker (Accounting Officer)**

**Date: 26 June 2017**

A handwritten signature in black ink that reads "M Young". The signature is written in a cursive style and is contained within a thin black rectangular border.

**Signed:.....M Young (Chair Person)**

**Date: 27 June 2017**

The notes on pages 41 to 54 form part of these accounts.

## Statement of Cash Flows

### For the year ended 31 March 2017

The Statement of Cash Flows shows the changes in cash and cash equivalents of the Youth Council for Northern Ireland during the reporting period. The statement shows how the Youth Council for Northern Ireland generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of service costs and the extent to which these operations are funded by way of income from the recipients of services provided by the Youth Council for Northern Ireland. Investing activities represent the extent to which cash inflows and outflows have been made for resources which are intended to contribute to the Youth Council for Northern Ireland's future public service delivery.

	Note	2016-17 £	2015-16 £
<b>Cash flows from operating activities</b>			
Net expenditure including notional costs		(50,128)	(4,546,137)
Adjustments for non-cash transactions	6	17,754	9,300
Adjustment for depreciation	8	-	142
(Increase)/Decrease in trade & other receivables	10	(6,144)	4,800
(Decrease)/Increase in trade payables	12	(745,110)	88,284
(Decrease) in Pension Liabilities		(908,000)	(164,000)
Net gain/(loss) on transfer of function to the Education Authority	17	936,764	-
Actuarial Gain on pension scheme		-	231,000
<b>Net cash outflow from operating activities</b>		<b>(754,864)</b>	<b>(4,376,611)</b>
<b>Cash flows from investing activities</b>			
Proceeds on transfer of property, plant and equipment to Education Authority	8	424	-
<b>Net cash outflow from investing activities</b>		<b>424</b>	<b>-</b>
<b>Cash flows from financing activities</b>			
Grants from parent department		47,318	4,371,000
<b>Net financing</b>		<b>47,318</b>	<b>4,371,000</b>
<b>Net (decrease) in cash and cash equivalents in the period</b>	11	<b>(707,122)</b>	<b>(5,611)</b>

<b>Cash and cash equivalents at the beginning of the period</b>	11	707,122	712,733
<b>Cash and cash equivalents at the end of the period</b>	11	-	707,122

The notes on pages 41 to 54 form part of these accounts.

## Statement of Changes in Taxpayers' Equity For the year ended 31 March 2017

This statement shows the movement in the year on the different reserves that are held by the Youth Council for Northern Ireland, analysed into 'general fund reserves' (i.e. those reserves that reflect a contribution from the Consolidated Fund). The Revaluation Reserve reflects the change in asset values that have not been recognised as income or expenditure. The General Fund represents the total assets less liabilities of a NDPB, to the extent that the total is not represented by other reserves and financing items.

	Note	General Fund £	Revaluation Reserve £	Taxpayers equity £
<b>Balance at 1 April 2015</b>		(1,005,031)	3,102	(1,001,929)
Grant from sponsoring department		4,371,000	-	4,371,000
Comprehensive Net Expenditure for the year		(4,546,137)	-	(4,546,137)
Reversal of notional costs	6	9,300	-	9,300
Actuarial gain on the pension scheme		231,000	-	231,000
Net gain on revaluation of property, plant and equipment		-	2	2
<b>Balance at 31 March 2016</b>		<u>(939,868)</u>	<u>3,104</u>	<u>(936,764)</u>
Grant from sponsoring department		47,318	-	47,318
Comprehensive Net Expenditure for the year		(50,128)	-	(50,128)
Reversal of notional costs	6	17,754	-	17,754
Transfer of function to the Education Authority	17	939,868	(3,104)	936,764
<b>Balance at 31 March 2017</b>		<u>14,944</u>	<u>-</u>	<u>14,944</u>

The notes on pages 41 to 54 form part of these accounts.

# Notes to the accounts of Youth Council for Northern Ireland

## 1 Statement of accounting policies

These financial statements have been prepared in accordance with the 2016-17 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**

All pension arrangements transferred to the Education Authority from 1 April 2016. Prior to this the Youth Council for Northern Ireland participated 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

## **2.7 Grants Payable**

Grants and Bursaries have not been payable by YCNI since 1 April 2016

following the transfer of responsibility for regional youth services funding to the Education Authority. Grants and Bursaries payable prior to 1 April 2016 have been charged to the Statement of Comprehensive Net Expenditure in the year they were authorised. Full provision is made for current year grant retentions.

## **2.8 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.

## **2.9 Value added tax**

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

## **2.10 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.

## **2.11 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 2016-17 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.

## **2.12 Financial Instruments**

The YCNI does not hold any complex financial instruments. The only financial instruments in the accounts are receivables and payables (Notes 10 and 12). 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.

### 2.13 Segmental Reporting

Segmental reporting as detailed by IFRS 8, Operating Segments, was considered by YCNI. Information is presented on a regular basis on expenditure incurred. The information is not presented per project.

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. Staff costs\*

	2016-17	2015-16
	£	£
Wages and salaries	-	893,799
Members' Remuneration	20,666	18,978
Social Security Costs	932	42,308
Other Pension Costs	-	132,000
	<hr/> 21,598	<hr/> 1,087,085

\*Further analysis of staff costs is located in the Staff Report on page 29.

#### 4. Other operating expenditure

	2016-17	2015-16
	£	£
<b>Grants and Bursaries:</b>		
RVYO Infrastructure Funding	-	2,335,631
Programme Funding	-	48,000
Equipment Funding	-	-
CRED Funding	-	(161)
Youth Outreach Initiative	-	414,000
Child Protection	-	83,000
North/South Project (NSETS)	-	11,334
Causeway Exchange Programme	-	42,205
Transitional Funding	-	297,002
UK Youth Parliament	-	-
Irish Medium Education	-	40,000
<b>Total Grants and Bursaries</b>	<hr/> -	<hr/> 3,271,011

## 5. Purchase of goods and services

	2016-17	2015-16
	£	£
<b>Council operating costs:</b>		
Rent and Service Charges	1,471	48,034
Annual and Management Accounting	-	8,690
Pension Professional Fee	-	444
Meetings/Seminars/Study Tours	3,358	4,144
Telephone and Postage	(169)	6,248
Software and Stationery	3,077	5,707
Legal advice	882	-
Publicity and Printing	715	292
Travel and Subsistence- Staff	-	6,606
Cleaning/Repairs/Maintenance	-	4,314
Internal Audit Charges	-	2,000
Insurance	-	2,147
Photocopying	(119)	8,651
Literature/Subscription/Fees	35	631
Lighting and Heating	-	3,695
Travel and Subsistence- Members	1,361	1,872
Storage costs	115	-
Bank charges	50	-
Dilapidations Settlement	-	15,550
<b>Total: Council Operating Costs</b>	10,776	119,025

	2016-17	2015-16
	£	£
<b>Training and Development costs:</b>		
Continued Professional Development Support Scheme	-	40,000
<b>Total Training and Development Costs</b>	-	40,000

<b>Sector Wide Projects:</b>	<b>2016-17</b>	<b>2015-16</b>
	<b>£</b>	<b>£</b>
EU Policy Project	-	9,264
Geomapping Project	-	1,078
JEDI Project	-	384
History of Youth work in NI	-	2,069
Screenagers	-	13,257
Currency Exchange (Gain)/Loss	-	(1,474)
YCNi Projects	-	8,056
<b>Total Sector Wide Projects</b>	-	<b>32,634</b>
<b>Total Purchase of goods and services</b>	<b>10,776</b>	<b>191,659</b>

## 6. Notional Costs

	<b>2016-17</b>	<b>2015-16</b>
	<b>£</b>	<b>£</b>
Notional costs incurred during the year relate to:		
Audit fee	6,000	9,300
Department of Education – Accounts preparation	1,881	-
Department of Education – Secretariat support	6,123	-
Department of Education – Internal Audit	3,750	-
<b>Total Notional Costs</b>	<b>17,754</b>	<b>9,300</b>

## 7. Income

	<b>2016-17</b>	<b>2015-16</b>
	<b>£</b>	<b>£</b>
North/South Project (NSETS) income	-	11,334
Screenagers	-	13,257
Causeway Project	-	12,205
British Council/Young Roots	-	9,264
<b>Total Income</b>	<b>-</b>	<b>46,060</b>

## 8. Plant and Equipment 2016-17

	Information Technology £	Plant and machinery £	Furniture & Fittings £	Total £
<b>Cost or valuation</b>				
At 1 April 2016	13,745	15,754	50,458	79,957
Transfer to Education Authority	(13,745)	(15,754)	(50,458)	(79,957)
<b>At 31 March 2017</b>	-	-	-	-
<b>Accumulated Depreciation</b>				
At 1 April 2016	13,744	15,754	50,035	79,533
Charged in year	-	-	-	-
Transfer to Education Authority	(13,744)	(15,754)	(50,035)	(79,533)
<b>At 31 March 2017</b>	-	-	-	-
<b>Net book value 31 March 2017</b>	-	-	-	-
<b>Net book value 31 March 2016</b>	1	-	423	424
<b>Asset financing</b>				
Owned	-	-	-	-
Finance Leased	-	-	-	-
<b>Net book value 31 March 2017</b>	-	-	-	-

## 8. Plant and Equipment (Continued)

2015-16

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

## 9. Financial Instruments

As the cash requirements of the Youth Council for Northern Ireland are met through Grant-in-Aid provided by the 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.

## 10. Trade and other receivables

	2016-17	2015-16
	£	£
<b>Amounts falling due within one year:</b>		
Trade receivables	-	4,824
Other Taxation and Social Security	19,078	-
Other receivables	66	-
Prepayments and accrued income	-	8,176
<b>Total</b>	19,144	13,000

## 11. Cash and cash equivalents

	2016-17	2015-16
	£	£
Balance at 1 April	707,122	712,733
Net change in cash and cash equivalent balances	(707,122)	(5,611)
<b>Balance at 31 March</b>	-	707,122

The following balance at 31 March was held at

Commercial banks and cash in hand	-	707,122
<b>Balance at 31 March</b>	-	707,122

## 12. Trade payables and other current liabilities

	2016-17	2015-16
	£	£
<b>Amounts falling due within one year:</b>		
Other payables	296	-
Other Taxation and Social Security	659	13,365
Accruals and deferred income - recurring	3,245	366,519
Accruals and deferred income – non-recurring re cost of agreed Voluntary Exit packages	-	369,426
<b>Total</b>	4,200	749,310

### 13. Capital Commitments

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

### 14. Related Party Transactions

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

The Department of Education is regarded as a related party, and provided grant-in-aid to YCNI as a NDPB of the Department

During 2015-16 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 Education Authority and the British Council. In 2016-17 YouthAction NI provided a service to YCNI in updating the YCNI website.

Grants and Bursaries have not been payable by YCNI since 1 April 2016 following the transfer of responsibility for regional youth services funding to the Education Authority. During 2015-16 the following YCNI members held positions within the named organisations which were awarded grants but were not involved in funding decisions.

<b>COUNCIL MEMBER</b>	<b>ORGANISATION</b>	<b>POSITION HELD</b>	<b>GRANT AWARD</b>
			£
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

## 15. Pension arrangements

All pension arrangements transferred to the Education Authority from 1 April 2016. Prior to this YCNI participated 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.

The disclosures below relate to the funded liabilities within the NILGOSC Scheme at 31 March 2016, and are only for comparative reporting purposes.

### Reconciliation of funded status to the Statement of Financial Position

	Value at 31 March 2016 £
Fair value of assets	4,531,000
Present value of funded defined benefit obligation	<u>(5,439,000)</u>
<b>Funded status</b>	(908,000)
Impact of minimum funding requirement / asset ceiling	<u>0.000</u>
<b>Liability recognised on the Statement of Financial Position</b>	<u>(908,000)</u>

**Breakdown of amounts recognised in the Statement of Comprehensive Net Expenditure on the provision of services and Other comprehensive net expenditure**

	<b>Year ending 31 March 2016 £</b>
<b>Operating cost</b>	
Current service cost	132,000
Past service cost (inc. curtailments)	-
Settlement cost	-
<b>Financing cost</b>	
Interest on net defined benefit liability	33,000
<b>Pension expense recognised in Statement of Comprehensive Net Expenditure</b>	<b><u>165,000</u></b>
<b>Remeasurements in Other Comprehensive Net Expenditure</b>	
Return on plan assets below/ (in excess of) that recognised in net interest	15,000
Actuarial (gains)/losses due to changes in financial assumptions	(204,000)
Actuarial result due to changes in demographic assumptions	-
Actuarial (gains) due to liability experience	<u>(42,000)</u>
<b>Total amount recognised in OCNE</b>	<b><u>(231,000)</u></b>
<b>Total amount recognised in the Statement of Comprehensive Net Expenditure and OCNE</b>	<b><u>(66,000)</u></b>

**16. Contingent Liabilities**

There are no contingent liabilities.

## 17. Business Combination – Transfer of function

In line with the then Education Minister’s statement on 10<sup>th</sup> December 2015, responsibility for the administration of funding for the regional youth voluntary organisations transferred to the Education Authority (EA) on 1 April 2016. Prior to 1<sup>st</sup> 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. The following assets and liabilities were transferred as a result of this transfer of function.

	<b>2016</b> <b>£000</b>
<b>Non-current assets</b>	
Property, plant and equipment	424
<b><i>Total non-current assets</i></b>	<u><b>424</b></u>
<b>Current Assets</b>	
Trade and other receivables	13,000
Cash and cash equivalents	707,122
<b><i>Total current assets</i></b>	<u><b>720,122</b></u>
<b>Total Assets</b>	<u><b>720,546</b></u>
<b>Current Liabilities</b>	
Trade and other payables	749,310
<b><i>Total current liabilities</i></b>	<u><b>749,310</b></u>
<b>Non current assets plus/less net current assets/liabilities</b>	<b>(28,764)</b>
Provisions	
Pension Liabilities	(908,000)
<b><i>Total non-current liabilities</i></b>	<u><b>(908,000)</b></u>
<b>Total assets less liabilities</b>	<u><u><b>(936,764)</b></u></u>
<b>Taxpayers' equity</b>	
SoCNE reserve	(939,868)
Revaluation reserve	3,104
	<u><u><b>(936,764)</b></u></u>

The net asset/liability position is recognised in ‘Other Comprehensive Net Expenditure’ of the Education Authority and Youth Council for Northern Ireland

accounts. The impact on 'Other Comprehensive Net Expenditure' as a result of the transferred function is £936,764.

#### **18. Events after the reporting period**

There were no events after the reporting period which required adjustment to the Financial Statements or additional disclosures.

#### **19. Date authorised for issue**

The Accounts were authorised for issue on 3 July 2017.