

YOUTH COUNCIL FOR NORTHERN IRELAND

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2018

*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 2018

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YOUTH COUNCIL FOR NORTHERN IRELAND

Annual Report and Accounts for the year ended 31 March 2018

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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 NI, its key risks to the achievements of its objectives and how it has performed during the year.

1.2 Statement from the Chair Person

The Youth Council for NI continues to discharge its statutory functions as a Non Departmental Body of the Department of Education. A business plan for 2017-18 was developed which set out the commitments and actions which the Youth Council would undertake in order to ensure that it continued to carry out its statutory duties.

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

The Youth Council for NI does not employ any staff following the transfer of function to the EA which took place in 2016-17. One consequence of this was that it became necessary for Board members to assume a more operational role during 2017-18. In response to this, in December 2017, a Board Support Officer was appointed by the Department of Education to support the Chair and Board in the delivery of business objectives and risk management.

As the Youth Council for NI 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 Department of Education and Education Authority on issues including the recognition and retention of the Coherent Training Route for Youth Work and on the needs and experiences of young people who identify as Lesbian Gay Bisexual and Transgender (LGBT). The Youth Council

for NI 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 Youth Council for NI, with revised Terms of Reference.

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

A new website was launched in April 2017 which was visited over eight thousand times during the year.

Youth Council for NI facilitated a conference “Sharing Works – Making Shared Education Real in Youth Work Practice”. It was attended by 90 policy makers and practitioners from across the youth service.

Future challenges

Youth Council for NI 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 budget allocation for 2018-19.

I look forward to 2018-19 and the challenges ahead in striving to fulfil the Youth Council for NI’s statutory responsibilities. It is expected that 2018-19 will also see the reconstitution of the Youth Council for NI board.

Máire Young
Chair Person

1.3 About the Youth Council for NI

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

The key activities of the Youth Council for NI are linked to the discharge of its statutory functions.

The Council 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 and any other areas on which the Education Authority may decide to seek advice. In contributing to these forums the Council 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 Council 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 2017-18

Risk management is the process through which the Youth Council for NI 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 Youth Council for NI Board oversees the development of the Council's Risk Register and monitors and reviews it throughout the year.

The key risks facing the Youth Council for NI in 2017-18 were as follows:

- A lack of understanding of the role of the Youth Council;
- Advice provided by the Youth Council is not valued;
- Insufficient capacity to deliver on statutory functions; and
- Failure to maintain appropriate standards of governance.

1.6 Key Issues impacting the Youth Council for NI in 2017-18

The accountability and governance arrangements of the Youth Council for NI were reviewed and new processes and procedures embedded within the organisation during 2016-17 which has allowed the Board to continue to carry out its statutory functions. The Board were assisted in the carrying out of its statutory functions following the engagement of Board support services in December 2017.

1.7 Future issues impacting the Youth Council for NI

The Youth Council for NI 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 Council will endeavour to continue to imbed the revised arrangements introduced in 2016-17 and to discharge its statutory functions.

The reconstitution of the Youth Council for NI 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 2017-18 Performance Summary

The annual YCNI Business Plan 2017-18 sets out the commitments and actions that the YCNI will undertake to deliver on its statutory functions. There were a total of 25 aims, 17 were fully achieved, 3 were substantially achieved, 3 are likely to be achieved but with some delay and will be carried forward into the 2018-19 Business Plan and 2 were not achieved, however there was no impact upon the YCNI delivering its statutory functions.

The Net Expenditure for the year was £61,903 (2017 £50,128). The increase in expenditure is a result of the engagement of board support services from December 2017 and a report on the future role of the Youth Council for NI commissioned for a reconstituted board. Since autumn 2016 the Department of Education has been providing secretariat support and financial services to the Youth Council for NI, through a Service Level Agreement. 2017-18 was the first full year for this service.

Performance Analysis

2.1 Youth Council for NI performance and management arrangements

The annual Youth Council for NI Business Plan is developed by the Council's Board. Throughout the year progress against the aims is monitored by the Board and reported to the Department of Education.

2.2 Analysis of 2017-18 performance against Business Plan

The annual YCNI Business Plan 2017-18 sets out the commitments and actions that the YCNI will undertake to deliver on its statutory functions. There were a total of 25 aims, 17 were fully achieved, 3 were substantially achieved, 3 are likely to be achieved but with some delay and will be carried forward into the 2018-19 Business Plan and 2 were not achieved, however there was no impact upon the YCNI delivering its statutory functions.

The performance outcomes in the 2017-18 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 2018-19.
- 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 Youth Council for NI statutory functions:

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

Advice

Written advice was provided:

To DE on:

- the recognition and retention of the Coherent Training Route for Youth Work;
- the needs and experiences of young people who identify as LGBT; and
- the resources and structures required to enable the Youth Council for NI to discharge its statutory functions.

To the Education Authority on:

- the recognition and retention of the Coherent Training Route for Youth Work; and
- the needs and experiences of young people who identify as LGBT.

Advice was also provided by the Council 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 the Youth Council for Northern Ireland needs to engage fully with the sector.

During the year the Youth Council for NI set up a series of engagement meetings with RVYOs (4), EA Assistant Director of Youth Service (4) and with NI Youth Forum (NIYF) (4). The Council also engaged with these organisations through Regional Advisory Group, Youth Service Reform Partnership, NSETS and Youth Work Training Board. It also developed a Communications Strategy and established a website to facilitate improved communication with the statutory and voluntary youth service and young people. There have been over eight thousand visits to the website during 2017-18.

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

The Youth Council for NI hosted a Sector Engagement Event attended by 21 RVYO representatives to learn of the current issues of concern.

An independent report on the Future Role of the Youth Council was prepared for a reconstituted Board. The recommendations contained within the report were based on wide ranging engagement with the sector.

3. To encourage cross community activity by the youth service

The Youth Council for NI hosted a conference in Belfast entitled “Sharing Works – Making Shared Education Real in Youth Work Practice”. It was attended by 90 policy makers and practitioners from the statutory and voluntary youth service. The conference report and short training videos will be made available on the website.

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

Youth Council for NI members participated in and contributed to:

- the Regional Advisory Group, its Planning and Monitoring Group and Practice Development Group (10 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 (5) 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 and amended its Terms of Reference (5 meetings);
- NSETS is responsible for the professional endorsement of youth work programmes on the island of Ireland. Members attended 3 meetings of NSETS and provided advice on the review of the terms of reference in light of the changes as to how youth service is delivered;
- sector engagement meetings with RVYOs (5) and Northern Ireland Youth Forum (4) to ascertain their views on issues of concern; and
- the provision of advice on developments in the youth service relating to 2 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.

The Youth Council for NI hosted a conference in Belfast entitled “Sharing Works – Making Shared Education Real in Youth Work Practice”. It was attended by 90 policy makers and practitioners from the statutory and voluntary

youth service. The conference report and short training videos will be made available on the website.

2.3 Summary of the Youth Council for NI financial performance

Statement of Comprehensive Net Expenditure

The Net Expenditure for the year was £61,903 (2017 £50,128). The increase in expenditure is a result of the engagement of board support services from December 2017 and a report on the future role of the Youth Council for NI commissioned for a reconstituted board. Since autumn 2016 the Department of Education has been providing secretariat support and financial services to the Youth Council for NI, through a Service Level Agreement. 2017-18 was the first full year for this service.

Statement of Financial Position

The Statement of Financial Position shows net liabilities of £5,316 (2017: net assets position of £14,944). The decrease in 2017-18 is due to the movement in working capital and the increase in year end accruals. The 2018-19 budget allocation has been confirmed and therefore no material uncertainty affecting the ability of YCNI to continue as a going concern has been assessed.

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 Youth Council for NI will endeavour to continue to embed the revised arrangements and discharge its statutory functions.



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

Date: 25 June 2018

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:

Chairperson 1. Ms Máire Young
Vice-Chairman 2. Mr Herbert Faulkner
Members 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 Youth Council for NI 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 2018 as the liability transferred with the staff.

Financial instruments

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

Company directorship

A register of members' interests is available and can be viewed on the Council's website at <https://youthcouncilni.org/register-of-interests/>.

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).

	2018 £	2017 £
Cost of external audit (notional charge)	6,000	6,000

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

A Customer Service Complaints Procedure is in place and this is available on the Council's website at <https://youthcouncilni.org/complaints-procedure/>. There were no formal complaints received during 2017-18.

Personal Data related incidents

There were no incidents of personal data loss during 2017-18.

Data Protection Regulations

The Youth Council for Northern Ireland complies with the requirements of the Data Protection Act 1998 and shall comply with the EU's General Data Protection Regulations (GDPR), which will apply from 25 May 2018, when it supersedes the Data Protection Act 1998.

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 for NI is committed to the Better Payments Practice Code as set out in Annex 4.6 of Managing Public Money and Dear Accounting Officer letter (DAO) 04/13. During the year 96.77% of invoices were paid within 10 working days, (2016/17 – 57.69% of invoices were 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 Youth Council for NI 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 Council'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 2017/18

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 for NI to support the achievement of the Council's 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 the 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 2018 and up to the date of approval of the Annual Report and Accounts, and accords with Treasury and the Department of Finance guidance.

The Youth Council

The Youth Council for NI 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 the Youth Council for NI, 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 Council Members were appointed by the then Minister for Education and consist of a Chairperson, Vice-Chairperson and 4 Members. The Council membership was extended by the Permanent Secretary of the Department of Education to 30 September 2018 on 28 February 2018.

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

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

The Council met 7 times during the year and developed and agreed a business plan for the 2017/18 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 Council's objectives regularly throughout the financial year. Attendance at Youth Council for NI meetings during 2017-18 year is noted below:

Youth Council for NI BOARD MEETINGS
1 April 2017 – 31 March 2018

NAME	Total No. of Meetings Held	Meetings Attended	Apologies Received	No Apology
Máire Young (Chairperson)	7	7	-	-
Herbert Faulkner (Vice-Chairperson)		7	-	-
Derek Capper		5	2	-
Anne-Marie McClure		6	1	-
June Trimble		6	1	-
Hugh Campbell		5	2	-

The Accounting Officer and Chairperson are responsible for strategic direction and advice to the Council for the 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

The remit of the Audit and Risk Assurance 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 and Risk Assurance Committee rests with the Council and the Accounting Officer. Meetings of the Audit and Risk Assurance Committee are attended by representatives of the NI Audit Office (NIAO), Department of Education (DE) and Internal Audit staff from the Department of Finance.

During the 2017/18 financial year the Audit and Risk Assurance Committee met on 4 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 Youth Council for NI's Risk Register;
- Governance Statement;
- Internal Audit Work;
- External Audit Work Plan for 2017/18;
- Annual Report and Resource Accounts for 2016/17;
- Audit and Risk Assurance Committee membership; and
- Audit and Risk Assurance Committee Annual Report.

Attendance at Audit and Risk Assurance Committee meetings during 2017/18 year is noted below:

AUDIT & RISK ASSURANCE COMMITTEE
1 April 2017 – 31 March 2018

Please note that some members were not in post or elected to the Audit and Risk Assurance Committee for the full financial year.

NAME	Total No. of Meetings	Meetings Attended	Apologies Received	No Apology
Herbert Faulkner (Chairperson)	4	4(4)	-	-
Anne-Marie McClure (end of term June 2017)		2(2)	-	-
Derek Capper (appointed June 2017)		2 (2)	-	-
Colin Langford (appointment terminated August 2017)		- (2)	-	2
James Peel (resigned February 2018)		2 (3)	1	-

Note: Total possible attendance is shown in brackets.

Per the Audit and Risk Assurance Committee Terms of Reference, membership should consist of three persons including a Chairperson and one member appointed from the Council together with one co-opted, independent member with specialist expertise in an area relevant to the Committee. During 2017/18 the Audit and Risk Assurance Committee consisted of two Council members, Herbert Faulkner as Chairperson and Derek Capper who replaced Anne-Marie McClure in June 2017. Both independent non-executive members, Colin Langford and James Peel, left the Committee during 2017/18. The appointment of Colin Langford was terminated in August 2017 while James Peel resigned in February 2018. A quorum of three members is necessary for the transaction of business and three members were in attendance at each of the meetings held in 2017/18. In accordance with the Terms of Reference for the Audit and Risk Assurance Committee, the board of YCNI will consider appointing a suitable independent member to the Committee as a matter of priority.

Business Plan

Youth Council for NI members gave detailed consideration to the 2017/18 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 the Youth Council for NI Meetings

The Council discussed a range of significant issues during the financial year including: the budget for 2017/18; the impact of the new website and social media presence; the findings of a report commissioned on the future role of the Youth Council for NI; the directions from the Department of Education that the Youth Council for NI should continue to deliver its statutory functions; that the Youth Council for NI would not be employing staff; the revised governance and accountability arrangements for the revised structure of the Youth Council for NI; and arrangements for the Youth Council for NI Shared Education Conference. In addition to initiating a sector engagement programme to inform advice, the Youth Council for NI participated fully in the Regional Advisory Group and the Youth Service Reform Partnership. Advice was given on three issues of strategic importance to the youth service.

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

After each meeting of the Audit and Risk Assurance Committee, the Chairperson of the Committee reports to the Youth Council Board 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 2018 (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 ALBs because of their different structures, the Code leaves scope for the Council to be pragmatic in the way it implements 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 members' interests is provided as a note in the Youth Council for NI 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. A code of Conduct for Council members has been established and communicated. It is available on the Council's website at <https://youthcouncilni.org/code-of-conduct/>.

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 2017/18 financial year there were no incidents of attempted fraud.

The Council has considered how the principles of good practice in corporate governance, as set out in *Code of Good Practice (NI) 2013*, have 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 2017/18. 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 for NI 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 Board on the minutes and audit activity.

The Youth Council for NI Internal Auditors presented the Internal Audit Report for 2017/18 and were 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 2016/17 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 for NI 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 the Department of Education 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 (Department of Finance), Price Waterhouse Coopers on behalf of the NI Audit Office and the NI Audit Office's Auditors attend and report to the Audit and Risk Assurance 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 for NI relies on two main sources of data to inform its deliberations, these are:

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

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

The data provided to the Council was subject to assessment and scrutiny at each meeting of the Youth Council for NI Board and ARAC. Council members were satisfied that the appropriateness, integrity and range of data presented was suitable to the needs of the Council.

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 the Youth Council for NI 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 for NI. Given the nature of the organisation the amount of data held is limited. Information risks are being controlled and managed and the Youth Council for NI continues to be a trusted custodian.

The Youth Council for NI complies with the requirements of the Data Protection Act 1998 and shall comply with the EU's General Data Protection Regulations (GDPR), which will apply from 25 May 2018, when it supersedes the Data Protection Act 1998.

Effective monitoring arrangements are in place to ensure the accuracy of data presented to the Council, the Audit and Risk Assurance 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 2017/18.

Complaints

A Customer Service Complaints Procedure is in place and this is available on the Council's website at <https://youthcouncilni.org/complaints-procedure/>. There were no formal complaints received during 2017/18.

Record of Ministerial Directions

There were no Ministerial Directives issued to the Youth Council for NI during 2017/18.

Risk Management

The Youth Council for NI 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 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 Council's objectives and risks have been determined and a control strategy for each of the significant risks put in place.

The Youth Council for NI 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 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

The 2017/18 Youth Council for NI corporate risk register contains four risks. These risks relate to the following areas:

- **A lack of understanding of the role of the Youth Council for NI**
Responsibility for regional youth services funding and support transferred from the Youth Council for NI to the Education Authority on 1 April 2016. In August 2016, the then Minister for Education confirmed his support for the Council to continue in an independent advisory role to the Department of Education, the Education Authority and other bodies on the development of the youth service. Given the significant change of function in 2016/17 there is potential for a lack of awareness within the Education sector and external bodies of the current role of the Youth Council for NI. The Council has taken several steps to manage this risk including; establishing a new website; participating in the Education Authority Regional Advisory Group;

contributing to the Youth Service Reform Partnership and organising and facilitating a programme of sector engagement meetings.

- **Advice provided by the Youth Council is not valued**

The current board has extensive background and experience within the Youth Sector and continues to engage with relevant bodies in providing advice on the development of youth services. The Youth Council for NI hosted a Shared Education conference in March 2018 which was attended by representatives from across the youth sector.

- **Insufficient capacity to deliver on statutory functions;**

The Youth Council for NI does not employ any staff following the change in function which took place on 1 April 2016. As a consequence of this it has been necessary for board members to undertake a more operational role. In response to this the Council agreed the provision of a new Board Support Officer with the Department of Education in December 2017.

- **Failure to maintain appropriate standards of governance**

As the Youth Council for NI does not employ staff and it has been necessary for board members to undertake a more operational role there is a risk that appropriate standards of governance may not be maintained. To address this the accountability and governance arrangements were reviewed during 2016/17 and new processes and procedures established within the organisation. These included: an agreed Memorandum of Understanding and Service Level Agreement with the Department for Education whereby the Department will provide secretariat support and financial services; agreeing the provision of Internal Audit services with the Department of Education; and the provision of a new Board Support Officer in December 2017.

The risk register is reviewed on a regular basis by the board of the Council and the Audit and Risk Assurance Committee and appropriate actions have been put in place to manage the risks outlined above.

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

Significant Governance Issues

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

Conclusion

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

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

Remuneration policy

The Youth Council for NI 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 for NI are paid by the 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 for NI members also receive travelling and subsistence allowances for expenditure incurred at such rates and on such conditions as determined by the Council subject to the approval of the Department of Education.

Service Contracts

Youth Council for NI 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:

**Youth Council for NI Membership
April 2017 – March 2018**

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

Remuneration entitlements

The following sections provide details of the remuneration received by Youth Council for NI board members.

Youth Council for NI Members (Audited)

Board Members	2017-18			2016-17		
	Remuneration £	Pension Benefits £	Total £	Remuneration £	Pension Benefits £	Total £
Máire Young Chairperson	15-20	-	15-20	15-20	-	15-20
Herbert Faulkner Vice- Chairperson	5-10	-	5-10	5-10	-	5-10

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 the Youth Council for NI as the 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 2017-18 or 2016-17.

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.

			March 2017-18	March 2016-17
	Permanently employed staff	Others	Total	Total £
	£	£	£	
Wages and salaries*	-	-	-	-
Members' Remuneration	-	20,513	20,513	20,666
Social security costs	-	836	836	932
Other pension costs*	-	-	-	-
Total net costs	-	21,349	21,349	21,598

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

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:

	Permanently employed staff	Others	March 2017-18	March 2016-17
Directly employed*	-	-	-	-
Total	-	-	-	-

*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 2017-18.

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)

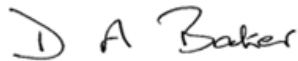
No losses and special payments that require separate disclosure because of their nature or amount were incurred (2016-17: Nil).

Remote Contingent Liabilities (audited)

There are no contingent liabilities.

Long Term Expenditure trends

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



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

Date: 25 June 2018

The Certificate and Report of the Comptroller and Auditor General to the Northern Ireland Assembly

Opinion on financial statements

I certify that I have audited the financial statements of the Youth Council for Northern Ireland (YCNI) for the year ended 31 March 2018 under the Youth Service (Northern Ireland) Order 1989. The financial statements comprise: the Statement 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 Accountability Report that is described in that report as having been audited.

In my opinion the financial statements:

- give a true and fair view of the state of the YCNI's affairs as at 31 March 2018 and of the net expenditure, cash flows and changes in taxpayers' equity for the year then ended; and
- have been properly prepared in accordance with the Youth Service (Northern Ireland) Order 1989 and the Department of Education's directions issued thereunder.

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.

Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate. My staff and I are independent of the YCNI in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2016, and have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

Other Information

The Council and the Accounting Officer are responsible for the other information included in the annual report. The other information comprises the information included in the annual report other than the financial statements, the parts of the Accountability Report described in the report as having been audited, and my audit certificate and report. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

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

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Opinion on other matters

In my opinion:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with the Department of Education's directions made under 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.

Responsibilities of the Council and Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer Responsibilities, the Council and the Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with Youth Service (Northern Ireland) Order 1989.

I am required to obtain 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

In addition, 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.

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

- 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 Accountability Report does not reflect compliance with the 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
29 June 2018*

Statement of Comprehensive Net Expenditure for the year ended 31 March 2018

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 2017-18 £	March 2016-17 £
Total operating income		-	-
Staff costs	Remuneration report & 3	21,349	21,598
Purchase of goods and services	4	17,886	10,776
Notional costs	5	22,668	17,754
Total operating expenditure		<u>61,903</u>	<u>50,128</u>
Net operating expenditure		<u>61,903</u>	<u>50,128</u>
Net expenditure for the year		<u>61,903</u>	<u>50,128</u>
Other comprehensive net expenditure			
Items that will not be reclassified to net operating costs:			
Net gain/loss on transfer of function to the Education Authority	14	-	(936,764)
		<u>61,903</u>	<u>(886,636)</u>

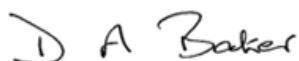
The notes on pages 41 to 49 form part of these accounts.

Statement of Financial Position as at 31 March 2018

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	2018 £	2017 £
Current assets:			
Trade and other receivables	7	-	19,144
Cash and cash equivalents	8	97	-
Total current assets		97	19,144
Total assets		97	19,144
Current liabilities			
Trade and other payables	9	5,413	4,200
Total current liabilities		5,413	4,200
Total assets less current liabilities		(5,316)	14,944
Total non-current liabilities		-	-
Total assets less total liabilities		(5,316)	14,944
Taxpayer's equity and other reserves			
General reserve		(5,316)	14,944
Total		(5,316)	14,944

The financial statements on pages 37 to 40 were approved by the Board on 21 June 2018.



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

Date: 25 June 2018

The notes on pages 41 to 49 form part of these accounts.

Statement of Cash Flows

For the year ended 31 March 2018

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. 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	2017-18 £	2016-17 £
Cash flows from operating activities			
Net expenditure including notional costs		(61,903)	(50,128)
Adjustments for non-cash transactions	5	22,668	17,754
(Increase)/Decrease in trade & other receivables	7	19,144	(6,144)
(Decrease)/Increase in trade payables	9	1,213	(745,110)
Decrease in Pension Liabilities	14	-	(908,000)
Net gain/(loss) on transfer of function to the Education Authority	14	-	936,764
Net cash outflow from operating activities		<u>(18,878)</u>	<u>(754,864)</u>
Cash flows from investing activities			
Proceeds on transfer of property, plant and equipment to Education Authority	14	-	424
Net cash outflow from investing activities		<u>-</u>	<u>424</u>
Cash flows from financing activities			
Grants from sponsoring department		18,975	47,318
Net financing		<u>18,975</u>	<u>47,318</u>
Net increase/(decrease) in cash and cash equivalents in the period	8	97	(707,122)
Cash and cash equivalents at the beginning of the period	8	-	707,122
Cash and cash equivalents at the end of the period	8	<u>97</u>	<u>-</u>

The notes on pages 41 to 49 form part of these accounts.

Statement of Changes in Taxpayers' Equity For the year ended 31 March 2018

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 £
Balance at 1 April 2016		(939,868)	3,104	(936,764)
Grant from sponsoring department		47,318	-	47,318
Comprehensive Net Expenditure for the year		(50,128)	-	(50,128)
Reversal of notional costs	5	17,754	-	17,754
Transfer of function to the Education Authority		939,868	(3,104)	936,764
Balance at 31 March 2017		<u>14,944</u>	<u>-</u>	<u>14,944</u>
Grant from sponsoring department		18,975	-	18,975
Comprehensive Net Expenditure for the year		(61,903)	-	(61,903)
Reversal of notional costs	5	22,668	-	22,668
Balance at 31 March 2018		<u>(5,316)</u>	<u>-</u>	<u>(5,316)</u>

The notes on pages 41 to 49 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 2017-18 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, Youth Council for NI 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 the Youth Council for NI as a going concern. However, no material uncertainties affecting Youth Council for NI'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 property, plant and equipment, intangible assets and inventories.

2.2 Financing

In accordance with the FReM, Grant in Aid has been treated as Financing and has 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 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.

2.7 Value added tax

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

2.8 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.

2.9 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 2017-18 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.

2.10 Financial Instruments

The YCNI does not hold any complex financial instruments. The only financial instruments in the accounts are receivables and payables (Notes 7 and 9). 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.

2.11 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 expenses, 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*

	2017-18	2016-17
	£	£
Wages and salaries	-	-
Members' Remuneration	20,513	20,666
Social Security Costs	836	932
Other Pension Costs	-	-
	<u>21,349</u>	<u>21,598</u>

*Further analysis of staff costs is located in the Staff Report on page 31.

4. Purchase of goods and services

	2017-18	2016-17
	£	£
Council operating costs:		
Rent and Service Charges	-	1,471
Meetings/Seminars/Study Tours	4,831	3,358
Telephone and Postage	-	(169)
Software and stationery	5,312	3,077
Legal advice	-	882
Publicity and Printing	-	715
Other professional fees	2,475	-
Board Support	4,107	-
Photocopying	-	(119)
Literature/Subscription/Fees	-	35
Travel and Subsistence- Members	990	1,361
Storage costs	99	115
Bank charges	-	50
Miscellaneous	72	-
Total: Council Operating Costs	<u>17,886</u>	<u>10,776</u>
Total Purchase of goods and services	<u>17,886</u>	<u>10,776</u>

5. Notional Costs

	2017-18	2016-17
	£	£
Notional costs incurred during the year relate to:		
Audit fee	6,000	6,000
Department of Education – Accounts preparation	1,260	1,881
Department of Education – Secretariat support	10,408	6,123
Department of Education – Internal Audit	5,000	3,750
Total Notional Costs	22,668	17,754

6. 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.

7. Trade and other receivables

	2017-18	2016-17
	£	£
Amounts falling due within one year:		
Other Taxation and Social Security	-	19,078
Other receivables	-	66
Total	-	19,144

8. Cash and cash equivalents

	2017-18	2016-17
	£	£
Balance at 1 April	-	707,122
Net change in cash and cash equivalent balances	97	(707,122)
Balance at 31 March	<u>97</u>	<u>-</u>

The following balance at 31 March was held at

Commercial banks and cash in hand	97	-
Balance at 31 March	<u>97</u>	<u>-</u>

9. Trade payables and other current liabilities

	2017-18	2016-17
	£	£
Amounts falling due within one year:		
Other payables	296	296
Other Taxation and Social Security	381	659
Accruals and deferred income - recurring	4,736	3,245
Total	<u>5,413</u>	<u>4,200</u>

10. Capital Commitments

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

11. Related Party Transactions

The Youth Council for Northern Ireland (YCNI) 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 and through a Service Level Agreement provided financial and secretariat services, for which the YCNI was notionally charged. YouthAction NI provided a service to YCNI in updating the YCNI website during 2017-18. This service was also provided during 2016-17. YouthAction NI is regarded as a related party as the Chief Executive of YouthAction NI is a board member of the YCNI.

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.

12. 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.

13. Contingent Liabilities

There are no contingent liabilities.

14. Business Combination – Transfer of function

In line with the then Education Minister's statement on 10th 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 April 2016 this was carried out by the 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.

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

15. Events after the reporting period

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

16. Date authorised for issue

The Accounts were authorised for issue on 29 June 2018.