
**The Northern Ireland Council for Integrated Education
(a company limited by guarantee)**

Directors' report and financial statements

for the year ended 31 March 2019

**Laid before the Northern Ireland Assembly
Under the requirements of the Department of Education/NICIE Management Statement
and Financial Memorandum.**

**On
28 June 2019**

The Northern Ireland Council for Integrated Education

(Company limited by guarantee)

Directors' Report and financial statements for the year ended 31 March 2019

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Reference and administrative details

Directors/Trustees

Alan Henry OBE (Chairperson)
Ashleigh Roberts (Appointed 16 October 2018, resigned 12 June 2019)
Cathal Mullaghan (Appointed 13 November 2018)
Cathy McIver
Denise McIlwaine
Dermot MacCann (Treasurer)
Dr Anne-Marie Telford
Dr Gareth Mc Grath (Resigned 18 April 2018)
Dr Helen McLaughlin (Vice Chair) (Resigned 16 October 2018)
Eamon Quinn
Ewa Szlachta (Appointed 19 June 2018)
Jacqueline Magennis (Resigned 12 June 2019)
John Scott (Appointed 16 October 2018)
Maeve Marnell
Martin Stroud (Resigned 16 October 2018)
Michael Arlow
Nigel Arnold
Patricia Douglas
Stuart Marriot (Resigned 19 April 2018)
Tim Webster
Robert Magee (Appointed 19 June 2018, resigned 20 November 2018)

Company Secretary

Michael Arlow

Senior management members

Roisin Marshall (Chief Executive Officer)
Maureen Johnston (Finance Officer)
Cliodhna Scott Wills (Senior Development Officer)
Lorna McAlpine (Senior Development Officer)
Denise Morgan (Senior Development Officer)

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Reference and administrative details (continued)

Registered and Principal office

25 College Gardens
Belfast
Northern Ireland, BT9 6BS

Solicitors

Cleaver Fulton Rankin
50 Bedford Street
Belfast, BT2 7FW

Bankers

First Trust Bank
33 – 35 University Road
Belfast
BT7 1ND

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Waterfront Plaza
8 Laganbank Road
Belfast,
BT1 3LR

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This Document is also available on our website at <http://www.nicie.org.uk>

Any Enquiries regarding this document should be sent to NICIE, 25 College Gardens, Belfast, BT9 6BS

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Directors' report for the year ended 31 March 2019

The directors, who are also trustees, present their annual report and the audited financial statements for the year ended 31 March 2019. The financial statements are prepared in accordance with the Companies Act 2006, "Accounting and Reporting by Charities", Statement of Recommended Practice affordable to charities preparing their accounts in accordance with the International Financial Reports standards and in accordance with the requirements and guidelines set out in the Government's Financial Reporting Manual (FReM) issued by the Department of Finance (DoF) and all other guidance issued by DoF which is in force for the financial year for which the financial statements are being presented.

The accounting policies contained in the FReM apply International Financial Reporting Standard as adopted or interpreted for the public sector context.

Reference and administrative details

Details of the registered office, directors, independent advisers and other relevant information are given on page 2 and 3.

Structure, Governance and Management

Governing document

The Northern Ireland Council for Integrated Education ("NICIE") was incorporated in 1989 as a company limited by guarantee and is exempt from tax under Section 505(1) (c) of the Income and Corporation Act 1988 as a body established for charitable purposes only. NICIE was designated as a Non Departmental Public Body ("NDPB") in February 2012. It is sponsored by the Department of Education ("DE"). The company's principal activity as defined in the Education Reform (NI) Order 1989 is "to encourage and facilitate the development of Integrated Education and schools for the public benefit".

Directors

All directors are members of NICIE. All directors are guarantors of the company with a maximum liability of £10.

Appointment of directors

NICIE directors are elected or appointed from six areas representative of all stakeholders. These comprise, Teachers, Principals, Schools, Trusts, Early Years and DE. Directors can serve two periods of between 2-4 years subject to the terms of the Memorandum and Articles of Association.

Director induction and training

The Company Secretary ensures that appropriate induction and training is given to all NICIE Board of Director ("BoD") members. Each new director is provided with a pack of information about NICIE and their responsibilities and is given an opportunity to meet all staff. Details of the BoD structure is illustrated in page 16 of the NICIE Governance statement.

Organisation

The governance, management and conduct of the business and affairs of NICIE are carried on by the Board of Directors ("BoD") in accordance with the Memorandum and Articles of Association of NICIE

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Directors' report for the year ended 31 March 2019 (continued)

and the Management Statement (incorporating the Financial memorandum). The Chief Executive Officer ("CEO") is Roisin Marshall.

Funding

NICIE works in close collaboration with its principal funders; DE, the Department of Foreign Affairs and Trade Ireland, The Heritage Lottery Fund and others to promote the work of the organisation.

Structure, Governance and Management (continued)

Risk management and internal control

The directors are responsible for ensuring that an effective system of internal financial control is maintained and operated by NICIE.

The system of internal financial control is based on a framework of regular management information, administrative procedures and a system of delegation and accountability.

In particular, it includes:

- A comprehensive budgeting system, with a strategic plan and an annual budget, which is reviewed and agreed by the directors;
- Regular reviews by the directors of monthly and annual financial reports, which indicate financial performance against approved budget and forecast; and
- Procedures for monitoring progress against the strategic plan.

As part of the monitoring process, the directors have implemented a risk management strategy which comprises:

- A quarterly review of the risks which NICIE may face and actions taken to mitigate identified risks;
- The establishment of systems and procedures to mitigate those risks identified; and
- The implementation of procedures designed to minimise any potential impact on the organisation should any of those risks materialise.

Principal risks identified are in relation to the following areas:

- Insufficient budget, capacity and capability to deliver fully and to a high standard NICIE business plan and priorities aligned to the Department of Education business plan
- Ineffective governance & accountability framework.
- Failure to exercise proper stewardship, and secure optimal use, of the resources allocated to NICIE in line with Financial Memorandum and grant conditions where applicable, within a proper financial control framework under NDPB status.
- Failure to increase the number of children benefiting from Integrated Education.

A key element in the management of financial risk is the setting of a reserves policy and its regular review by directors. Particular attention is focused on non-financial risks arising from fire and health and safety of all staff and visitors.

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Directors' report for the year ended 31 March 2019 (continued)

Objectives and activities of NICIE

During the year NICIE continued to operate in the following programme areas:

1. Development and support services, for which core funding was made available through DE. The key objectives for this programme underpinned DE's Strategic Plan and policies and included promoting the growth of integrated provision through supporting parents' groups, supporting schools in the process of 'transformation' or interested in 'transforming' and supporting existing integrated schools with regard to consolidation and expansion and in embedding 'integration in practice'. NICIE worked with integrated schools and other stakeholders in the process of Area planning. NICIE was concerned to raise the level of debate about the role of Integrated Education by informing and influencing public opinion. NICIE promoted the characteristics of integration in practice both in integrated schools and across other schools. NICIE continue to strive to improve its internal capacity.
2. The initiation and development of work funded through Department of Foreign Affairs and Trade Ireland (DFA). These grants provide for the development of resources to assist schools to work together in the initiative 'The Invitationally Inclusive School (IISP)' and "Anti-Bias".
3. The exploration and collection of information on the foundation and development of Integrated Education funded by the Heritage Lottery Fund.

Achievements and performance

The statement of financial activities for NICIE is set out on page 39.

All programmes are drawn up in accordance with best practice and link to the Strategic Aims of NICIE and are aligned to the business plan of DE. All programmes have detailed operational plans with qualitative and quantitative targets, linked to targets monitored on a regular basis by the Board, Senior Management Team and the external funding bodies.

Details of NICIE's activities during the year can be accessed on line at www.nicie.org.uk or by contacting the Company at the registered address.

Financial Review

The full financial results of NICIE are set out in detail in the financial statements on pages 39 to 53. The net outgoing resources for the year before recognised gains and losses was £14,766 (2018: £12,704).

Performance

NICIE bases its operations strategically on a 3 year strategic plan and on an annual basis on an Operational Plan which is reported on a quarterly basis to the Board of Directors and DE. Although the Operational Plan is set within the context of DE's business plan it includes projects and work carried out which fall outside the Department's plan, and which are funded by Department of Foreign Affairs and Trade Ireland and the Heritage Lottery Fund. NICIE reports on its operations in its Annual Report. NICIE has delivered on all its major undertakings in this current year.

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Directors' report for the year ended 31 March 2019 (continued)

Reserves

NICIE receives grants from various sources that are spent on the activities as detailed in the respective Letters of Offer. Any unspent monies may be subject to claw-back by the grant provider.

The net liabilities at the year-end including the pension deficit is £726,199 (2018: £696,433). This includes a net pension liability of £777,000 (2018: £743,000). The directors have received funding for the year ended March 2020 has been confirmed from the Department of Education. The company is in a net current asset position with funding secured sufficient to meet liabilities as they fall due in the period of 12 months from approval of the financial statements. For further details of the pension commitment liability please refer to note 12 of the financial statements and the Remuneration report.

Forward funding

NICIE has secured sufficient income from a variety of donors for the year 2019 - 2020 to offer comfort to the directors and stakeholders of its ability to operate into the future. Major funding has been guaranteed from DE, with other project funds being made available from the Irish Department of Foreign Affairs and Trade Ireland and the Heritage Lottery Fund.

Strategic goals, objectives and activities

NICIE continue to implement the Strategic Plan 2016-19 in partnership with the Board of Directors.

Vision

An education system in which Catholic and Protestant children and those of other beliefs, cultures and communities learn together in the same school to build reconciliation.

Mission

To build a cohesive society by advocating for the development and facilitating the growth of high quality Integrated Education. This will be achieved by influencing, innovation and collaboration.

The following were identified as strategic goals to 31 March 2019. The new strategic plan 2019-2021 has been reviewed and was launched in April 2019.

Strategic Aim 1: Increase the opportunities for Catholic, Protestant and children of other beliefs, cultures and communities to be educated together in the one school

Priorities for 2016-19

- *Build a network of sustainable integrated schools*
- *Identify and meet the needs of parents and local communities for Integrated Education*
- *Support innovative models of sharing and integration*

Strategic Aim 2: Achieve high quality Integrated Education

Priorities for 2016-19

- *Identify, award and disseminate excellence in Integrated Education among integrated schools*
- *Collaborate with external stakeholders*

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Directors' report for the year ended 31 March 2019 (continued)

Strategic Aim 3: Promote, influence and advocate for Integrated Education

Priorities for 2016-19

- *Raise awareness of and increase support for Integrated Education*
- *Influence government and public debate on the benefits of Integrated Education.*

Directors' report for the year ended 31 March 2019 (continued)

Strategic Aim 4: Run an effective organisation

Priorities for 2016-19

- *Ensure the cost effective and efficient use of resources and staff to meet strategic objectives*
- *Improve mechanisms for internal communication and external communication with all relevant stakeholders*

The NICIE business plan has aligned these Strategic goals with DE Business Plan and DE targets:

- Raising Standards for all;
- Closing the Performance Gap, Increasing Access and Equality;
- Developing the Education Workforce;
- Improving the Learning Environment; and
- Transforming the Governance and Management of education.

The strategic goals are highlighted below:

Listed below are the key objectives associated with each of NICIE's strategic goals and the achievements noted against each objective:

Strategic Aim 1: Growth

Increase the opportunities for Catholic, Protestant and children of other beliefs, cultures and communities to be educated together in the one school

Associated with this goal were the following objectives: work proactively, in partnership with IEF, to identify and support new opportunities to increase the numbers of children benefiting from an Integrated Education ; support parents who are interested in developing integrated provision for their children; provide support and advice to integrated schools that wish to consolidate and expand their provision; support schools that wish to transform and schools in the process of transformation; through consultation and discussion to effect a change in DE policy on transformation; support schools that wish to develop an integrated ethos but who do not wish a change in legal status; work with political parties, DE and educational partners to ensure that the case for Integrated Education is central to the development of educational policy, work with others to influence the development of shared practice based on the integrated experience.

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Directors' report for the year ended 31 March 2019 (continued)

Achievements in 2018/2019 included the following

- Responded to NI Affairs Committee Inquiry into Education Funding and CEO gave evidence in person to committee.
- Engaged with Together: Building a United Community engagement forum and two staff members sat on assessment panels for Summer Camp funding scheme.
- Ongoing engagement with Public Record Office of Northern Ireland regarding archiving and disposal of records.
- Working alongside Carrick Central PS following their parental ballot to transform to become an integrated school.

Directors' report for the year ended 31 March 2019 (continued)

- Continued to represent Integrated Education at the Joint Consultative forums and General Teaching Council for Northern Ireland (GTCNI).
- Active participation in Area Planning through representation on a range of committees, liaison with Education Authority (EA) regions, Council for Catholic Maintained Schools (CCMS) and other stakeholders.
- Continuous consultation with integrated schools regarding growth and expansion to assist in formulation of Local Area Plans.
- Participation in a range of meetings throughout the year - NICIE representation at Area Planning Local Groups and Area Planning Working Group and Area Planning Steering Group.
- NICIE contribution to Action Plan for Area Planning 2018/19.
- NICIE supported schools bringing forward Development Proposals (DPs) for expansion and commentaries were submitted on all proposals.
- Primary and Post-Primary Growth, Expansion and Sustainability meetings held for integrated schools.
- On-going support /advice for integrated schools taking forward or exploring the need within their own schools for Development Proposals to support growth.
- More parents and children able to access Integrated Education -1,488 potential new places created over 3 years and more coordinated approach to the promotion of Integrated Education in specified areas.
- Integration works Campaign with new DE Guidance.
- 15 schools have been supported by Technical Advisers on Fresh Start capital and School Enhancement Programme (SEP).
- Representation of NICIE on Preschool Education Group and Child Care Partnership.
- Advice and guidance on development of pre-school provision provided for integrated primary schools.
- Support for 3 recently transformed schools and 3 schools exploring transformation
- Presentations to several schools regarding the Transformation process.
- Ongoing advice to parents regarding the Transformation process.

Directors' report for the year ended 31 March 2019 (continued)

Strategic Aim 2: Support:

Achieve high quality Integrated Education

Associated with this goal were the following objectives: develop a programme of training based on the four core principles of Integrated Education for staff, governors and parents of integrated schools; develop and implement the 'Excellence in Integrated Education Award' (EIEA) which identifies and recognises best practice; promote leadership development and capacity building across the integrated movement; provide a programme to support schools with mixed populations that wish to move to an inclusive model of education and to develop 'integration in practice'; develop strategic relationships with key funders which enables NICIE to extend its work in promoting and developing 'integration in practice'.

Achievements in 2018/2019 included the following:

- Supporting Loughries IPS, Mallusk IPS and Killyleagh IPS as transformed schools, enabling them to progress actions outlined in their transformation action plans, including provision of staff and governor training, representation at key events, ethos development advice and support, marketing and promotion and area planning local solution support.
- Vice Principals Forum met 4 times – 8 Integrated Schools published Case Studies in compendium of school based action research case studies from schools across Northern Ireland which was launched at Stormont Assembly February 2019.
- NICIE staff member on the Strategic and Technical Advisory Group for the 'Lot 8' – procurement of the new IT service for Education in NI.
- Meetings of the Association of Principal Teachers in Integrated Schools (APTIS) Committee arranged. 3 conferences/seminars for APTIS – GDPR; 1 day Autumn Conference and 2 day Spring Conference - 50 schools represented across the 3 events.
- 3 Teachers Committee meetings (and sub-group activity to produce guidance materials for all schools).
- 2 Special Educational Needs Coordinators (SENCO) Forum meetings (and sub-group activity to feed into NICIE's consultation response on EA Early Years & SEN Framework).
- Delivery of the 'Inspiring Anti-Bias Practice Programme' funded by the Irish Department of Foreign Affairs and Trade Ireland (DFAT).
- EIEA Toolkits reviewed and re-launched.
- APTIS Bursaries – 6 awarded and 5 completed.
- Bi-Annual Integrated Schools Inspection report produced.
- Developed NICIE training policy.
- Delivered training to over 86 Governors on ethos and Roles and Responsibilities.
- Drafted updated version of Memorandum and Articles of Association for GMIs.
- Held a joint Chairs meeting for all the internal committees NICIE supports.
- 2 schools Awarded the Excellence in Integrated Education Award.
- We need to talk about Integrated Education seminar held – attended by 27 schools.
- Developed pack for post Primary Peer Mediation and delivered 2 days training for train the trainers.
- Schools Resource developed, designed and disseminated to support schools with curricular resources and activities developed by NICIE Teacher's Committee on the theme of 'Perspectives' for Integrated Education Month 2019.

Directors' report for the year ended 31 March 2019 (continued)

- Range of Anti-Bias courses developed and delivered including new courses on 'Train the Trainers' and 'Leadership for Anti-Bias: Dealing with Controversial Issues' training.
- EIEA assessed and awarded to 2 schools.
- Mentors appointed to a 4 schools.
- 489 staff from integrated schools have taken part in ethos and identity training.
- 138 shared education coordinators trained in Anti-Bias taster sessions.
- 98 Governors completed governor training on Roles and Responsibilities in GMIs and Ethos training for all integrated Schools.
- Promoted, encouraged and facilitated Shared Education.
- Performance Review and Staff Development (PRSD) administration for GMI schools.

Strategic Aim 3: Promote

Influence and advocate for Integrated Education

Priorities

To raise awareness, influence others and increase support for Integrated Education.

Associated with this goal were the following objectives: strengthen and increase the profile of NICIE as the chief advocate and recognised voice of Integrated Education in partnership with the Integrated Education Fund (IEF); develop and promote policies and policy papers, both proactively and in response to government consultations; develop strategic relationships with DE and other educational stakeholders which enable NICIE to influence educational policy; develop strategic relationships with IEF and other key stakeholders which ensures the case for Integrated Education is kept in the public eye; promote Integrated Education as a model for inclusive education developing equality, diversity, respect and reconciliation through educational excellence locally, nationally and internationally.

Achievements in 2018/2019 included the following:

- The Big Small Stories Project, supported by Heritage Lottery Fund engaged with all integrated schools. Production of resources, which aim to tell the 'stories' of the foundation and development of Integrated Education: The archive (to be hosted on-line by PRONI), a book, a collection of short films and teachers' notes, available on NICIE website. Final event in Lagan College in November 2018 attracted over 200 people.
- Increased number of schools exploring transformation (39 in total currently engaged at various levels).
- Transformation information meetings /public meetings and training sessions have been delivered across the schools exploring the process of transformation.
- 3 ballots for transformation taken during this year, schools supported by NICIE throughout the process (St, Mary's HS, Brollagh supported through 2 ballot processes for Transformation).
- 2 schools have set dates for ballots to take place at end of April/early May.
- Transformation /Integration Works events have been delivered (27th November 2018, 26th Feb 2019, 7th March 2019, 21st March 2019).
- 39 schools supported through Transformation Exploration during the past year with some proceeding to further engagement, which included meetings with governors, support for ballot preparation, and integration in practice workshops.
- Presentations to several schools regarding the Transformation process.
- Ongoing advice to parents regarding the Transformation process.
- 13 schools represented at a Transformation Event on 12th March 2019.

Directors' report for the year ended 31 March 2019 (continued)

- Schools and Governors Transformation events – (Small cluster event – 6 staff from 5 schools (Nov 2018); (Small Cluster event – Feb 2019 –6 staff from 5 schools); Governors event March 2019 (6 governors - 5 schools represented).
- Extensive media coverage and promotion of Integrated Education through announcements of 3 additional new Patrons to NICIE (Patrick Kielty, Connor Phillips and Holly Hamilton).
- Extensive media coverage and promotion of Integrated Education through 3 days of visits to integrated schools by new NICIE Patron, Carl Frampton MBE.
- Increased profile raising of NICIE and Integrated Education through social media platforms and connections with NICIE patrons (particularly the new patrons).
- Carl Frampton MBE created a promotional video clip for social media on Integrated Education /being a NICIE patron, (Twitter alone had 120K views for example).
- Pupil Pathways – meetings attended contributing to the document, which will be submitted to the Project Board on 11th April.
- Continuation and completion of 'Invitationally Inclusive Schools Project' (IISP) funded by Department of Foreign Affairs and Trade Ireland (DFA).
- 173 visitors supported by facilitation, presentations, school visits and research interviews.
- Effective Social Media campaign throughout March 19 on Perspectives theme.
- AGM held on 16th November.
- Dunleath Lecture held on 7th March.
- Extensive media coverage and promotion of Integrated Education.
- Representation on a range of committees and group including General Teaching Council Northern Ireland (GTCNI), Management Side Committee and Northern Ireland Teachers Pension Scheme Advisory Board (NITPS), Northern Ireland Anti-Bullying Forum, EA's Transgender Guidance Working Group, Pupil Pathways group for Shared Education Governors Stakeholders forum; Parental Complaints steering group.
- Response to a series of consultations on policy issues- Annual meetings with Comhairle na Gaelscolaíochta (CNaG), Controlled Schools Support Council (CSSC), Governing Bodies Association (GBA) and CCMS.

Strategic Aim 4: Run an effective organisation

To strengthen the organisation so that it achieves its mission successfully.

Associated with this goal were the following objectives: ensure the cost effective and efficient use of resources and staff to meet strategic objectives; adopt a proactive approach to fundraising to develop and extend the work of NICIE; strengthen NICIE's capacity to carry out its work through a programme of Continuous Professional Development; ensure Effective Governance through enhanced structures and procedures; establish processes for monitoring; evaluation and reporting on the implementation of this strategic plan.

Achievements in 2018/2019 included the following:

- Updated Board of Directors Induction pack.
- The Annual Report & Accounts for 2017/18 were audited and submitted to DE and relevant statutory bodies.
- Appropriate Financial and Management Reports were produced for senior management team, Finance and General Purposes Staffing Committee (FGPSC) and BoD throughout the year.
- A comprehensive internal and external audit programme was established and successfully delivered.

Directors' report for the year ended 31 March 2019 (continued)

- All Returns were forwarded to DE/ Department of Finance in line with guidance.
- All Council and Committee meetings took place as scheduled. Appropriate support was delivered to Council and Committees by Officers.
- Governance continued to be reviewed and the chairperson carried out an annual appraisal of all directors.
- Continued review and distribution of Terms of Reference for Directors and 3 sub committees.
- New Directors were recruited and given induction and training.
- Staff Development and Training was implemented throughout the year A number of staff policies were developed, reviewed, amended and approved by the FGpsc.
- There were no breaches of public pay policy.
- NICIE's Corporate Risk Register was developed in line with the 2018/2019 business plan, aligned to DE's Risk Management Strategy, routinely reviewed and revised and action plans for improvement monitored throughout the year.
- 100% of all non-disputed invoices were paid within 30 days of term date.
- Payment of all non-disputed invoices within 10 working days was maximised.
- Recruitment of temporary part time Development Officer, part time Project Coordinator for Heritage Lottery funded project.
- Business case for temporary third Senior Development Officer drafted and approved by DE.
- Continued Project Team meetings between all development and senior development officers.
- Internal /External training to Board and Staff.
- Staff/Director Appraisals.
- Board Effectiveness Survey, report and action plan completed.
- Review of strategic and business plans.
- Review of NICIE/DE Financial Memorandum/Management Statement.

Fixed assets

Details of the movement of fixed assets are set out in note 7 to the financial statements.

Donations

NICIE made no political donations during the year (2018: £Nil)

Tax status

On 2 March 1989 NICIE was granted charitable status and is exempt from corporation tax on its activities. The activities of NICIE are exempt for value added tax purposes. NICIE therefore does not have to account for value added tax on its income nor is it able to recover the value added tax element of expenditure.

Disabled employees

NICIE gives full and fair consideration to applications for employment from disabled persons, having regard to their particular aptitude and abilities as well as Health and Safety factors.

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Directors' report for the year ended 31 March 2019 (continued)

Equality of Opportunity

We follow the Northern Ireland Civil Service Policy that all eligible persons shall have equal opportunity for employment and advancement on the basis of ability, qualification and aptitude for work.

Employee involvement

It is the policy of NICIE to promote the understanding and involvement of all its employees in its aims and performance and it is committed to the continuing development of effective employee communication and consultation.

Sickness Absence

The sickness absence rate for the year was 2019: 117 days (2018:48 days). The Directors and Management works continuously to reduce this figure and this is reviewed at BOD meetings and FGPSC.

Prompt Payment

NICIE is committed to the prompt payment of bills for goods and services received in accordance with

NICIE Financial Memorandum, the Confederation of British Industry's Better Practice Prompt Payers Code. Unless otherwise stated in the contract, payment is due within 30 days of the receipt of the goods or services, or presentation of a valid invoice or similar demand, whichever is later. In 2018/2019 NICIE paid 100% (2017/2018: 100%) of its creditors within 30 days and no commission debt interest was paid or was due in respect of transactions in 2018/2019.

Statement of accounting officer and directors' responsibilities

The directors (who are also trustees of The Northern Ireland Council for Integrated Education) are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and International Financial Reporting Standards.

Company law and Article 8(6) of the Financial Provisions (Northern Ireland) Order 1993 require the Chief Executive and directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs and of the surplus or deficit of NICIE for that period. In preparing those financial statements, the Chief Executive and directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that NICIE will continue in business.

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Directors' report for the year ended 31 March 2019 (continued)

The Chief Executive and directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of NICIE and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of NICIE and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of NICIE's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In addition, in appointing the Chief Executive of the NICIE as Accounting Officer for NICIE, the Department for Education has placed on the Chief Executive responsibilities including the regularity and propriety of the public finances and for the keeping of proper records, and which are set out in the "Accounting Officers" Management Statement (incorporating the Financial memorandum) issued by the Department of Finance.

The accounting officer confirms that the annual report and accounts as a whole are fair, balanced and understandable and that she takes personal responsibility for the annual report and accounts and the judgments required for determining that they are fair, balanced and understandable.

Statement of disclosure of information to auditors

So far as each of the directors in office at the date of approval of these financial statements is aware:

- there is no relevant audit information of which NICIE's auditors are unaware; and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that NICIE's auditors are aware of that information.

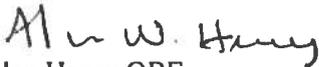
Small companies' exemption

In preparing this report the directors have taken advantage of the small companies exemptions provided by the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have been reappointed as Independent Auditors at the Annual General Meeting and agreed to continue as auditors. A resolution concerning their reappointment will be proposed at the Annual General Meeting.

By order of the Board


Alan Henry OBE

Chair

Date 19/06/19.

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Annual report for the year ended 31 March 2019

This year NICIE has continued to support, promote and grow integrated education in Northern Ireland through a team of committed and dedicated Directors and staff. I am fortunate to have an excellent team of Directors, combining a wide range of skills and expertise, committed to the aims of integrated education. I am equally fortunate to have a first class management team led by Roisin Marshall, for whose support to me as Chair, I am particularly grateful. Despite their small numbers, the management team continues to deliver an impressive range of business goals on time and in budget, in supporting, growing and promoting integrated education in Northern Ireland.

We have had 3 new Directors join us this year, all of whom are significantly contributing to our work in the integrated education sector. We said farewell to 3 Directors, Dr Helen McLaughlin, Martin Stroud, and Robert Magee. My thanks to them for their support in recent years. I am particularly grateful to Helen, as my NICIE Vice Chair, for her support, her expertise and knowledge and her wise advice.

I would also very much like to offer my thanks this year to our well known patrons especially those who have come on board this year: Carl Frampton, Patrick Kielty, Holly Hamilton and Conor Philip all of whom support integrated education, and who have given up their time throughout the year to support us through personal appearances and other activities.

NICIE achieved the difficult aim of staying within budget this year, in no small measure due to the dedication and expertise of Maureen Johnston, to whom I offer my thanks, along with the Finance and General Purposes and Staffing Committee led by Dermot MacCann. The Audit and Risk Assurance Committee also plays an important role including in ensuring compliance with good governance and I offer my thanks to Nigel Arnold and his team in this area.

As a Board we are fully cognisant of the importance of good governance in all areas of our organisation and I am satisfied that we have fulfilled all our responsibilities in this respect.

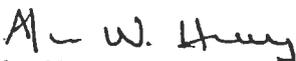
Training has been provided to all our Directors and staff, both on an individual basis and to the group as a whole.

NICIE is working closely with a range of stakeholders including other educational bodies. I particularly note our excellent working relationship with the Department of Education and the Education Authority, and the Integrated Education Fund with whom our staff cooperate effectively and harmoniously on a daily basis.

Particular noteworthy is the sterling work of Eamon Quinn, Chair of the Policy and Planning Committee (previously Dr Helen Mc Laughlin) and his team in actively and energetically engaging with our stakeholders including all of the political parties.

I am delighted to note that 1488 new places have been created in integrated schools over the last 3 years and NICIE is looking forward to encourage many more schools to explore integration as a way of moving forward, often in a situation where this would not have been viewed as an option.

At this time of year, I wish to thank all the Directors staff and stakeholders of NICIE for all their support throughout the year, and look forward to the challenges and opportunities which arise, particularly in the continuing context that education finds itself with budgetary constraints, and challenges in terms of Area Planning. We continue to believe that integrated education offers effective solutions in ensuring quality educational provision for all in many areas, apart from the overall benefits to the community in Northern Ireland as a whole.



Alan Henry OBE
Chair NICIE

Chief Executive Officer's Annual Report

Parental preference in the context of Area Planning

As the country fella said when asked for directions on a country road, 'If you're trying to go to there you wouldn't start from here.' If we are truly to give parental preference, then we need to give parents real choice in education. That means that we need schools to be intentionally inclusive of both of the major traditions in Northern Ireland with the inclusion of children from other beliefs cultures and communities. Over the last 38 years, integrated education proves that this is possible. It means that schools have to celebrate all major events, have to talk about the controversial issues, have to play and acknowledge sports from all traditions where possible and feasible, have to enable children and young people to see things from different historical perspectives, study literature from a range of perspectives and hold assemblies representing both traditions with those of other beliefs from other perspectives. In short, all get to participate and no one gets to dominate. This is, in truth, a fully integrated school. The integrated theme of perspectives this year I know was strategically chosen.

Since the Drumragh integrated College Judicial Review judgement in 2014, we have witnessed significant growth across many integrated schools with more than 20 development proposals approved for increased enrolments and a further nine development proposals currently awaiting approval. If successful, a number of these proposals will see further growth in integrated nursery provision.

An important development last year was the Department of Education publishing new guidance, '*Integration Works*' to support schools that wish to consider transformation to integrated status.

Since then we have experienced a significant increase in interest from schools across all sectors wanting to find out more about the process of Transformation.

Some of these schools are at the beginning of the transformation journey, with four already indicating that they will initiate a parental ballot for transformation before the end of the academic year. One of these schools, Carrickfergus Central Primary School, recently announced a successful parental ballot to transform to integrated status.

This increasing demand for integrated education is a testament to the success of all the 65 integrated schools and the hard work of integrated school leaders and staff.

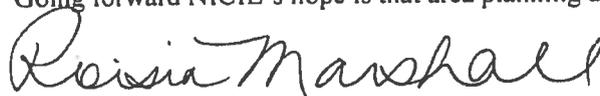
We are delighted that more schools are considering transforming to integrated status, offering even more parents the opportunity to access integrated school places. However, we also appreciate that any new transformation may bring challenges to existing integrated schools.

These are exciting times for the growth and development of integrated education but with growth come inevitable challenges for existing integrated schools.

It is a tribute to integrated schools that many have already shown support for schools who are exploring transformation, or who have embarked on the journey to integrated status. This willingness to offer guidance and advice to these schools is invaluable and shows the scale of support in developing the growth of integrated provision in response to the evident demand.

It is important to acknowledge the support from the Education Authority (EA) and NICIE for Catholic Maintained Schools (CCMS) for schools wishing to transform to integrated status. All the support bodies agree that children and young people should be educated together. We may have a different perspective on how to achieve that. Going forward NICIE's hope is that area planning delivers that for parents.

Roisin Marshall
CEO NICIE



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NICIE Governance Statement

Introduction

The Northern Ireland Council for Integrated Education (NICIE) is a Non Departmental Public Body (NDPB) of the Department of Education (DE). NICIE was established in 1987 as an umbrella body to represent integrated schools and to promote Integrated Education. NICIE was set up as a company limited by guarantee with charitable status and is supported through grant in aid by DE under the Education Reform (Northern Ireland) Order 1989.

The role of NICIE as defined in the Management Statement is ‘to promote integrated education and to perform a wide range of roles in facilitating the development of integrated education in Northern Ireland for the public benefit’.

The Governance Statement sets out the governance structures, risk management and internal control procedures that have operated within NICIE during the financial year 2018 to 2019.

The Annual Governance Statement has been produced in line with guidance issued by the Department of Finance (DoF) in accordance with the guidance in Annex 3.1 of Managing Public Money Northern Ireland (MPMNI) and forms part of the Statutory Accounts and is reviewed, considered and approved by the Board of Directors (BoD).

Scope of responsibility

As Accounting Officer, I am committed to operating in accordance with best practice in business integrity and ethics and maintaining the highest standards of financial reporting and governance. I have responsibility for maintaining a sound system of controls that supports the achievement of NICIE’s policies, aims and objectives, whilst safeguarding the public funds and the NICIE assets for which I am personally responsible, in accordance with the responsibilities assigned in the MPMNI.

The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of NICIE’s policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

As Accounting Officer of a public body and designated NDPB, I am committed to governance excellence and to ensuring accountability and transparency for all decisions and activities. I am responsible to the Permanent Secretary of DE under the terms and conditions as set out in NICIE’s Management Statement (incorporating the Financial Memorandum) (MSFM).

Strategic Objectives

NICIE has set out its new strategic aims and objectives in its Strategic Plan for 2017-2019.

NICIE’s vision is to have “an education system in which Catholic and Protestant children and those of other beliefs, cultures and communities learn together in the same school to build reconciliation”.

The mission of NICIE is “To build a cohesive society by advocating for the development and facilitating the growth of high quality integrated education. This will be achieved by influencing, innovation and collaboration”.

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The Strategic plan sets out clearly defined strategic objectives for the year 2018-2019. I have ensured that the aims and objectives have been implemented during the year 2018-2019 in partnership with all staff, Board of Directors (BoD) and relevant stakeholders.

I have also in partnership with NICIE Senior Management Team, NICIE Board and consultation drafted the Strategic Plan for 2019-2021 which was launched April 2019.

The NICIE business plan aligned to DE's strategic priorities clearly set out NICIE aims and objectives for the year 2018-2019 and was monitored throughout the year.

The report is available from info@nicie.org.uk.

Governance Framework

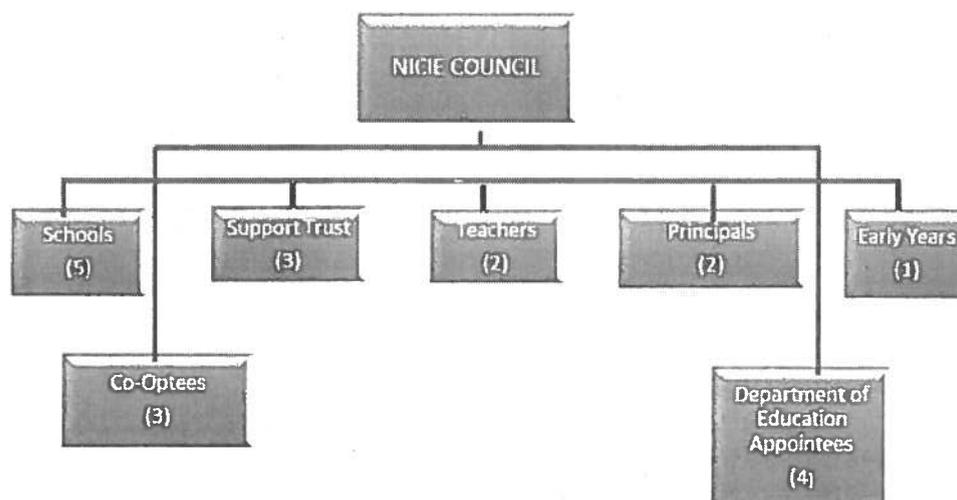
In partnership with the NICIE Board of Directors (BoD), I have a corporate responsibility for setting objectives, agreeing priorities and implementing ministerial policy. The BoD, and I as the NICIE Accounting Officer and the staff of NICIE, developed and agreed a business plan for the 2018-2019 year, which was formally approved by DE. This was regularly reviewed along with key risks associated with the delivery of NICIE's objectives throughout the year. A mid-term six-month evaluation report to 30.9.2018 and year-end evaluation provided updated progress reports on the achievements of NICIE for the 12 months to 31.3.2019 to both the BoD and DE.

Structure of NICIE

Board and Committees

The Board of Directors has a membership of up to 20 non-executive members including 4 DE appointees. The role of the Board is to provide leadership to NICIE during the financial year, within a framework of prudent and effective controls which enable risk to be assessed and managed, to set NICIE's strategic aims, ensuring that the necessary financial and human resources are in place to meet its objectives, to set NICIE's values and standards and to ensure its obligations to its stakeholders and others are understood and met.

The current BoD structure is illustrated below:



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NICIE is a constituent body of member organisations with seven categories of membership:

1. School members
5 members
to be elected at AGM
Those engaged in running a particular integrated school.
2. Support members / Trust
3 members to be elected at AGM
Organisations for the support and promotion of integrated education.
3. Teacher members
Representatives of teacher organisations. 2 members nominated by The Teachers Committee
4. Principals members
2 members
nominated by APTIS
Representatives of principals' association.
5. Early Years members
1 member
Nominated by teachers committee
Those engaged in running pre-school provision in a particular integrated school.
6. Co-Optees
Up to 3 directors
To provide additional experience
7. Department of Education
4 persons appointed by the Department of Education

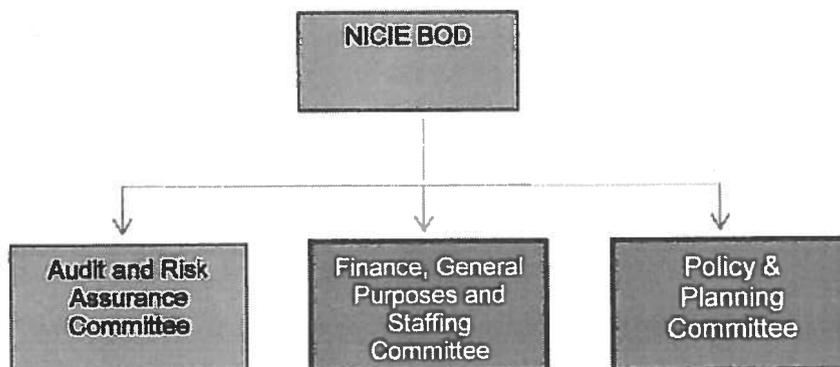
Board and Committees Structure

A number of committees serve and report to the Board of Directors and are illustrated below.

The current directors and attendance records are recorded below. The Board structure and all directors were reviewed prior to the Annual General Meeting (AGM) in November including attendance records to ensure that the structure complied with NICIE's Articles of Association.

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NICIE Board and Committees Structure



Attendance at Meetings

Directors' attendance at meetings held during 2018-2019 is detailed below. Please note that some directors were not in post for the full financial year.

Member	Board of Directors 10 meetings (inc AGM)	Audit & Risk Assurance 4 meetings	Finance, General Purposes and Staffing Committee 9 meetings	Policy and Planning Committee 2 meetings
Alan Henry OBE Chair	10			
Cathy Mc Iver	4			
Eva Szlachta (Appointed June 2018)	8			
John Scott (Appointed October 2018)	5		3	
Cathal Mulligan (Appointed November 2018)	6			
Ashleigh Roberts (Appointed November 2018)	5			

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Member	Board of Directors 10 meetings (inc AGM)	Audit & Risk Assurance 4 meetings	Finance, General Purposes and Staffing Committee 9 meetings	Policy and Planning Committee 2 meetings
Denise McIlwaine	5		5	
Dermot MacCann Treasurer	7		4	
Dr Anne-Marie Telford	9	3		1
Dr Gareth Mc Grath (Resigned April 2019)	0			
Dr Helen McLaughlin (End of Term October 2018)	3			1
Eamon Quinn	10		9	2
Jacqueline Magennis	4			1
Robert Magee (resigned December 2018)	1			
Maeve Marnell	9		7	3
Martin Stroud (End of Term October 2018)	4		4	
Michael Arlow	8	3		1
Nigel Arnold	7	4		
Patricia Douglas				

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Member	Board of Directors 10 meetings (inc AGM)	Audit & Risk Assurance 4 meetings	Finance, General Purposes and Staffing Committee 9 meetings	Policy and Planning Committee 2 meetings
Stephen McAnee (Non Director Member)		2		
Stuart Marriott (Resigned April 19)	0			
Tim Webster	9		7	

Performance of the Board

The BoD held 10 meetings including the Annual General Meeting (AGM) in 2018/19. It was agreed that the Board meetings would continue to focus on strategy and the future direction of NICIE in the changing educational environment. The chairperson continued to review the attendance of Board Members for the previous 12 months and reiterated the need for attendance and participation. This was closely reviewed and monitored and reported on throughout the year with me as Chief Executive Officer in my monthly meetings with the Chairperson. A number of new directors replaced directors that had resigned, or who had come to the end of their term. We were delighted to welcome these new directors to add their contributions to the proactive and dynamic Board. All Directors received induction training to ensure that that all new Directors were briefed accordingly and were aware of their duties.

The chairperson has undertaken and completed the annual appraisal of directors. The chairperson continued to assess the performance of individual Board members through arrangements determined by the Department. Board members will continue to be subject to ongoing performance appraisal, with a formal assessment being completed by the chairperson at the end of each year and prior to any re-appointment of individual members taking place. A report of the appraisal was presented to the BoD, and reported a positive working committee. The Chairperson will also be appraised this year through arrangements determined by the Department.

I have also had monthly 1-1 meetings with the chair where we have reviewed the various committees and the overall strategy of NICIE.

A training programme was implemented during the year for the directors and included General Data Protection Regulation (GDPR).

Moreover, issues relating to probity/conflicts of interest were addressed (DETI NDPB Assessment of Performance) and reported accordingly by all Board members.

The register of conflict of interests continued to be a standard agenda at all board meetings to ensure that any areas of board member conflict are addressed at the start of each meeting.

The Board reviews, through the CEO report and a range of presentations and discussion papers, the

ongoing work of NICIE and its implementation of its strategic plan and business plan.

We also began the process of reviewing our new strategic plan and mission statement for 2019-2021. This was carried out in partnership with NICIE Senior Management Team and the NICIE Board. We also consulted widely with our stakeholders which included schools and the Integrated Education Fund (IEF) which we work closely with.

NICIE also reviewed and ratified its Code of Conduct that included a facilitated session on its values.

During the year, the Board reviewed reports from other sub committees including the annual internal audit report, annual financial statements, monthly summary extracts from the management accounts and approved the Annual Business Plan and associated budgets.

The Board also had presentations during the year from a number of speakers about ongoing developments within the education sector and other NICIE stakeholders. This also included presentations from Senior members of staff providing an update and overview of NICIE's core work under Promote, Growth and Support. A review of NICIE's Training suite was also carried out and reviewed by the BoD.

We were also delighted to receive new patrons joining NICIE during this year, which had a very positive image on NICIE's profile.

The Chairperson, Finance Officer and Chief Executive Officer met the Permanent Secretary of DE for Governance and Accountability meetings. Position reports were forwarded prior to these meetings highlighting any areas of significant accountability and governance. It was agreed that all was in order.

DE, despite the lack of a Minister and Executive, were in a position to implement some of the recommendations of the Independent Review of Integrated Education. This included the recently published Transformation guidance, Integration Works, which has given NICIE an opportunity to promote the benefits and potential for schools to transform to integration. NICIE has worked closely with the IEF to promote integrated education and are currently working with 39 schools at various stages of interest in the Transformation process. NICIE has also written a paper to DE in relation to Pre School integrated education and have been supported by DE to enable other organisations to be alive to the duty to encourage and facilitate integrated education.

As part of ensuring that all Board meetings are managed in an efficient and timely manner I ensure that the Accounting Officer/CEO Report is circulated prior to the Board meetings along with all relevant papers.

The Action Plan derived from the Board effectiveness audit and the Core Capacity Assessment Tool used in 2017/18 has been monitored and evaluated during 2018/19.

Committee Reports

Role of the Audit and Risk Assurance Committee (ARAC)

In accordance with its terms of reference, the Audit and Risk Assurance Committee (ARAC) oversees financial reporting and the effectiveness of financial and regulatory compliance, controls and systems reporting.

The Audit and Risk Assurance Committee formally met on four occasions during 2018-2019 and reviewed the corporate risk register at each meeting and was satisfied that all risks were identified and corrective action taken where feasible. Some of the key risks are highlighted further in this report.

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The register of conflicts continued to be a standard item on the ARAC agenda.

In addition, the Committee reviewed the results of the internal audit report and the implementation of previous years audit recommendations. The Committee was also responsible for reviewing the annual statutory Directors Report and Financial Statements for the year to 31.3.2018 and will also be responsible for the reports to 31.3.2019. It also reviewed a number of policies and documentation from DE and the Department of Finance which were updated by DE during the current year to ensure best practice and that DE business case, tenders and DoF Pay Remit guidance was adhered to. The NICIE ARAC Terms of Reference were also reviewed at the start of the calendar year.

A summary report from the ARAC was presented to the BoD by the chair of the committee at each quarter during the year.

The ARAC also reviewed the NICIE General Data Protection Regulation (GDPR) policies to ensure that NICIE complied with the legislation.

Representatives from the IMIE Team at DE also sat on this Committee this year, which assisted in giving additional assurance to the Committee that all audit requirements were being adhered to and provided guidance.

Finance, General Purposes and Staffing Committee (FGPSC)

This Committee continues to meet prior to the monthly meeting of the Board of Directors. It met 9 times during the current year. Its function is to focus in detail on the finance and personnel issues that are presented to the Board on a monthly basis throughout the year. This Committee also dealt with all issues relating to staff and premises.

It was agreed that a HR sub committee was formed during the year to dedicate more time to Internal staffing issues and recruitment to ensure adequate time allocated to support the Finance Officer and me as CEO. This committee also included the Chair of NICIE and a director with a Human Resource background. This was then reported accordingly to the relevant committee.

The budget for the monthly management statements were carefully reviewed by me and the Finance Officer prior to presentation to the FGPSC who then review the financial and performance management of NICIE ensuring that all budgets and internal controls were adhered to for the year to 31.3.2019.

This committee was also responsible for ensuring that NICIE was fully compliant with business case requirements.

The FGPSC's remit also included the awarding of tenders and ensuring that NICIE adhered to strict procurement procedures with the approval of DE.

Policy and Planning Committee (P&P)

The Committee's remit during the current year included:

- The formulation of pro-active campaigning to raise the profile for Integrated Education
- Discussion of and response to key consultations
- Becoming aware of the context in which NICIE is working in particular Area Planning
- Meetings with key educational spokespeople in political parties

The Policy and Planning Committee has held 2 meetings during the year to formulate NICIE's policy position on the future of Integrated Education and to determine NICIE's engagement in, and contribution to current developments including Area Planning, pre-school and the Integration Works Campaign. Committee members provide challenge and guidance in response to updates by Senior Development Officers on key areas of work. It is also an opportunity for Directors to gain a better detailed understanding of the context that NICIE is working in presently.

Compliance with Corporate Governance

An annual review of the effectiveness of NICIE's governance structures, as set out in the 2013 code (DAO/(DFP)10/12), risk management and internal controls has been conducted, informed by staff, directors, independent internal and external auditors and other reports.

The Management Statement and Financial Memorandum (MSFM) sets out a broad framework within which NICIE is required to operate and the Financial Memorandum defines certain financial provisions which NICIE is required to observe. As Accounting Officer and CEO, I have ensured that the MSFM has been adhered to for the financial year 2018-2019.

NICIE has continued to review its internal procedures to ensure that all services are reviewed and that business cases are submitted to the Irish Medium and Integrated Education (IMIE) Team DE in a timely fashion and that all appropriate approvals are obtained before any expenditure is committed.

Training has also been given to staff during the year at Staff Meetings to ensure that controls are adhered to and new staff are given induction training on arrival. Training needs have also been identified for new and existing directors and governance training has been organised and provided.

NICIE continues to ensure that its governance arrangements are in place operating in accordance with best practice and that it continues to align its business aims and objectives to DE.

Assurance Reporting

As Accounting Officer, I am also responsible for preparing risk assurance statements and these reports provide an assurance over areas of responsibility and confirm that risks are being managed.

Internal Audit

The scope of the internal audit plan for the current year by NICIE's independent auditors RSMUK was to review the controls in relation to the systems that NICIE had in place in relation to the following areas:

- Procurement and Creditor Payments
- Strategic Planning and MIS
- Follow up of Previously Accepted Audit Recommendations

The audit completed by the internal auditors found the internal control systems to be operating in a satisfactory manner with some minor areas of improvement. The Internal Auditor was therefore able to give positive assurance to me as Accounting Officer that the Board's risk management, control and governance arrangements were satisfactory.

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A review of the progress made by NICIE in implementing prior year adjustments was also undertaken and all prior year internal audit recommendations have been implemented, where feasible, as some were not realised due to budget constraints.

The Auditors had also carried out an agreed upon procedures assignment of the current data governance processes, procedures and controls against the GDPR 12 step guide and made some recommendations which were implemented.

External Auditor

The company's External Auditors are PricewaterhouseCoopers LLP.

Other Sources of Assurance

I have also relied on additional sources of assurance during the year, with regular reports from the staff, directors, NICIE Panel of Associates and independent advice from HR and legal experts and other relevant stakeholders.

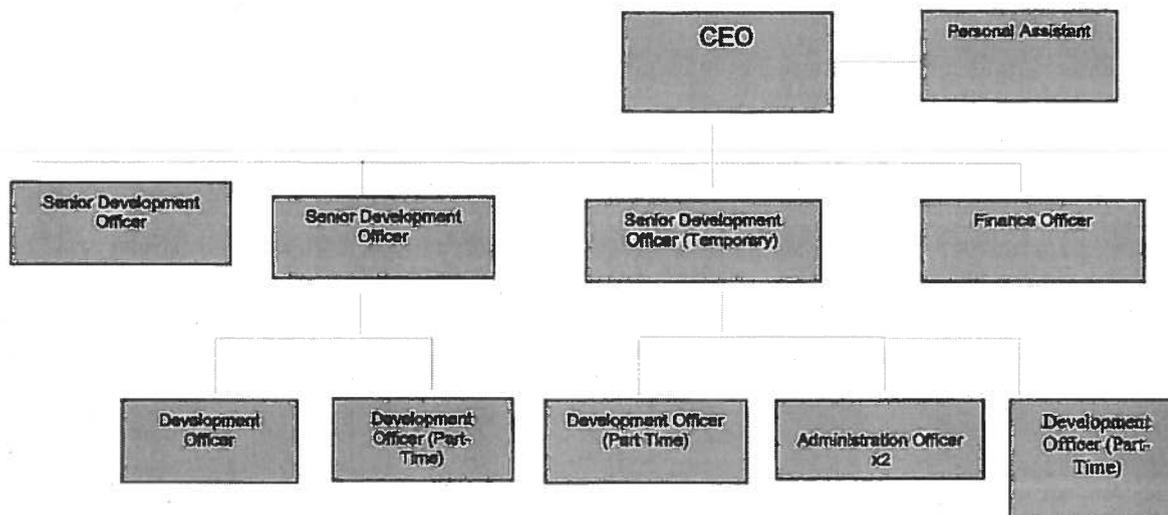
NICIE also continues to report annually to the Charity Commission for Northern Ireland.

Quality of Data Used by the Board

All of the committees have been supported by Senior Members of the NICIE Team and appropriately experienced officers or representatives of NICIE. I regularly review and interrogate all data with Senior Management Team prior to any information being presented to the Board. These reports include monthly management accounts and budgets, which are prepared by NICIE's qualified accountant and are also reviewed by the FGPSA who have additional finance experience. Other NICIE reports are completed by Senior Development Officers who have a wealth of experience in the education sector which include reports compiled with various forums and relevant stakeholders. Bespoke reports are also compiled by an appropriately selected Panel of Associates who have been drawn from a select list based on skills and experience. Committee Members also reviewed these reports and data and sought clarification from officers on the information presented to them.

Additionally, the internal audit report was independently compiled by our Internal Auditors RSMUK and the Final Financial Statements were independently verified by the External Auditors PwC. It is my view and the view of the committees that the quality of the data used by NICIE is of an acceptable standard.

The staffing structure of NICIE for 2018/19 is highlighted below:



Ministerial Directions

No Ministerial Directions were given for the year to 31 March 2019.

Risk Assessment

Internal Controls and Risk Management

I, along with the directors acknowledge our responsibility for NICIE's system of internal control and for reviewing its effectiveness.

The risks associated with NICIE's activities were reviewed quarterly by the Audit and Risk Assurance Committee. The Corporate Risk Register includes an evaluation of all levels of risk. Both inherent and residual risks were reviewed and represented on a quarterly basis. The Chairperson of the Audit and Risk Assurance Committee reports to each Board meeting on any matters that need to be brought to their attention.

I, as Accounting Officer, continue to enforce and ensure that risk management is embedded and owned by the Board and all NICIE staff. This has now effectively been incorporated and embedded into all NICIE business plans and daily operations of NICIE. The corporate risk register and risk management is viewed as a dynamic process which actively seeks to incorporate good practice. It is responsive and current and is managed through regular review of both internal developments and external factors.

As a NDPB, NICIE has a low risk appetite in relation to compliance, regulation and our strategic aims which I anticipate will continue into the future.

Risk Profile faced by NICIE

The NICIE corporate risk register currently identifies 4 significant risks. These risks are reviewed on a quarterly basis by the ARAC. These are also circulated to Board Members and Staff.

The first three risks relate to financial management and governance and some of the main areas of concern for 18/19 are highlighted below.

Management of Significant Risks

Description of Issue	Remedial Action taken or Proposed	Projected Timescales to Resolve the Issue
Insufficient Staff capacity and inadequate resources	Internal Review of all roles and responsibilities of Admin and Development team highlighting all duties.	Completed May 2018
Failure to find solution to NICIE accommodation to meet staff needs	New lease agreed with existing accommodation provider Queens University Belfast Review of existing premises to ensure better space utilised and accommodation. Formal arrangements to be put in place with neighbouring houses to use amenities where necessary.	Completed August 2018
Failure to maintain appropriate balance of skills on BoD.	Renewal of Board of Directors through appointment of 3 new directors with additional skills and improved gender and age profile. Continued Review of all committees and BoD conducted by Chair and CEO. Skills Audit carried out	Completed October 2018
Ineffective policies and procedures to protect NICIE information from either accidental or malicious activities including insufficient preparation for the implementation of the new General Data Protection Regulation (GDPR)	Senior member of staff tasking with reviewing and introducing policy and ensuring adhered to. Training for Board and staff organised. Internal Audit Review Policy to be ratified following Internal Audit final review.	Completed May 2018
Failure of DE/DoF to guarantee NICIE Pension Liability	Reported to BoD/External Auditor. Continue to monitor and liaise with DE/DoF if any potential increases regarding non-guarantee from NILGOSC (NICIE Pension provider)	Completed June 2018

I am satisfied that these risks are currently well managed and tolerable and significant progress continues to be made to mitigate these risks.

The remaining risk continues to present the greatest challenge to NICIE. The risk relates to the failure to increase the number of children benefiting from Integrated Education and to promote Integrated Education. The Education landscape continues to undergo significant changes and NICIE must continue to play an important influential role in making Integrated Education something which school communities would consider to be of benefit to them, to the children and young people and to wider society in the long term. It is important for NICIE to play its part in promoting Shared Education and encouraging integrated schools to actively participate. Through Area Planning, NICIE must continue to encourage schools and support organisations to consider integrated education as an option in a time of economic constraints and the desire for educational provision in each area to remain as a choice for the whole community. Where there is no integrated provision NICIE in conjunction with parents and schools have got to demonstrate unmet demand for this. This is extremely difficult in a time when education budget constraints suggest no more growth but rationalisation. NICIE are acutely aware of the deficit in education generally and are concerned with the challenges that that brings to enabling integrated education to grow. Having said that, we are also acutely aware of the Fresh Start Agreement Funding, which is enabling already existing integrated schools that have sought so hard to be part of the educational landscape to survive into the future. NICIE acknowledge the huge commitment that the Treasury, NIO and DE have made to this.

NICIE staff also assess internal and external risks of all activities and risk is reviewed and mitigated with relevant approvals from NICIE's insurance providers.

Fraud Risk

NICIE continued to review and implement its fraud policy during the year and has a zero tolerance in respect of fraud. Internal controls were also reviewed and are clearly embedded within the organisation. I have ensured that the NICIE Finance Officer is a member of the DE Education Sector Fraud forum. There were no instances of suspected fraud within NICIE during the year 2018-2019.

Raising Concerns at work (Whistle Blowing)

NICIE has a policy on Raising Concerns at work (Whistleblowing), which encourages staff to report any instances of unlawful conduct, financial malpractice, or other actions that might compromise, in any way, NICIE's reputation and integrity. There were no instances during 2017-2018.

Data Security breaches

There were no data security breaches or losses during the year.

General Data Protection Regulation

NICIE commissioned an assignment to review NICIE's GDPR policies, current data governance processes, procedures and controls and also provided training to all Directors and staff during the year. NICIE staff also ensured that all archived materials were appropriately dealt with which including archiving, destroying and returning to materials to schools. The PRONI was also consulted as part of this exercise.

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BREXIT

NICIE is not aware of any potential issues re Brexit that will impact directly on NICIE other than potential external European funding.

Significant Governance Issues

There are no further significant governance issues.

Conclusion

The aim of this statement is to ensure that information is provided as to how governance within NICIE has worked for the year to 31.3.2019 and identifies a range of significant governance issues that NICIE is facing during a period of significant change. I can confirm that I will continue to review these issues and ensure that they are addressed. This governance statement was presented to the Audit and Risk Assurance Committee and formally approved by the Audit and Risk Assurance Chair on 3rd May 2019.

Signature of Accounting Officer

Rosie Marshall

Date of Signature

3 May 2019

Remuneration Policy

The remuneration of all Council staff is determined by the NICVA National Joint Council for local authorities and other authorities of equivalent status. The National Joint Council's principal role is to reach agreement, based on shared values, on a national scheme of pay and conditions for local application throughout the UK.

The NICVA National Joint Council's guiding principles are to support and encourage:

- High quality services delivered by a well-trained, motivated workforce with security of employment. To this end employers are encouraged to provide training and development opportunities for employees;
- Equal opportunities in employment; equality as a core principle which underpins both service delivery and employment relations; and both the removal of all discrimination and the promotion of positive action;
- A flexible approach to providing services to the community, which meets the needs of employees as well as employers; and
- Stable industrial relations and negotiation and consultation between employers and recognised trade unions.

Salary and pension entitlements

The following sections provide details of the remuneration and pension interests of the Board and most senior management of the department.

Remuneration (audited information)

	2018-2019					2017-2018				
	Salary £	Benefits in kind (to nearest £100)	Bonus	Pension Benefits (to nearest £1,000)	Total (£'000)	Salary £	Benefits in kind (to nearest £100)	Bonus	Pension Benefits (to nearest £1,000)	Total (£'000)
R Marshall <i>CEO</i>	66,000	100	-	11,000	75-80	64,000	100	-	10,000	70-75
M Johnston <i>Finance Officer</i>	44,000	100	-	7,000	50-55	43,000	100	-	7,000	50-55
C Scott Wills <i>Senior Development Officer</i>	45,000	100	-	7,000	50-55	43,000	100	-	7,000	50-55
L McAlpine <i>Senior Development Officer</i>	46,000	100	-	8,000	50-55	45,000	100	-	7,000	50-55
D Morgan <i>Senior Development Officer- Appointed October 2018 (full Time equivalent 40-45)</i>	19,000	100	-	4,000	20-25	-	100	-	-	-
Band of highest paid director's total remuneration	70-75	100	-	10,000	70-75	70-75	100	-	10,000	70-75
Median total remuneration	44,000			7,400		43,000			7,000	
Pay multiple	1.48			1.43		1.48			1.43	

The Northern Ireland Council for Integrated Education (Company limited by guarantee)

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Remuneration report (continued)

Pension Entitlement

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

Salary

'Salary' includes gross salary and any allowances all of which are subject to UK taxation. This report is based on payments made by NICIE and thus recorded in these financial statements.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument.

Bonuses

No bonuses were paid during the year to 31 March 2019 (2018: £nil).

Off payroll engagements

During the year there was no off payroll engagements (2018: none).

Pension entitlements

Officials	Accrued pension at age 60 as at 31 March 2019 and related lump sum £'000	Real increase in pension and related lump sum at age 60 £'000	CETV at 31 March 2019 £'000	CETV at 31 March 2018 £'000	Real increase/ Decrease in CETV £'000	Employer contribution to partnership payment Nearest £100
R Marshall <i>Chief Executive Officer</i>	0-5 No lump sum	0-2.5	27	30	10	-
M Johnston <i>Finance Officer</i>	5-10 No lump sum	0-2.5	64	52	8	-
C Scott Wills <i>Senior Development Officer</i>	10-15 Plus lump sum 10-15	0-2.5	155	137	12	-
D Morgan <i>Senior Development Officer (appointed October 2018)</i>	0-5 No lump sum	0-2.5	116	96	18	-
L McAlpine <i>Senior Development Officer</i>	10-15 Plus lump sum 15-20	0-2.5	267	241	17	-

Remuneration report (continued)

Pension entitlements

NICIE is a member of the Northern Ireland Local Government Officers' Pension scheme. The Scheme is a defined benefit scheme, which provides a career average regarding evaluated basis. For each year of service up to 31 March 2009, an individual in the NILGOSC Scheme will accrue retirement benefits at the rate of 1/80th (pension) and 3/80th (tax free lump sum) of their pensionable salary. For each year of service after 1 April 2009 the retirement benefits accrued will be at the rate of 1/60th (pension only) of their pensionable salary. The accrued rate from 1 April 2014 will be 1/49th. In addition, members can choose to commute some of their pension to provide a tax free lump sum of up to 25% of the capital value of their pension assets.

All pensions (including spouses' pensions, children's pensions, age pensions, ill health pensions, redundancy pensions provided the pensioner is aged 55 or over and preserved benefits) are index-linked and increased each year in line with inflation, as measured by the Consumer Price Index (CPI). Prior to 2011, pensions were increased in line with the Retail Price Index (RPI). The Government determines this increase each year by way of the Local Government Superannuation – Pensions Increase (Review) Order (Northern Ireland) 2002.

The Scheme is funded by contributions made by both employees and employers who have been admitted to the Scheme. Employee contribution rates depend on their pensionable remuneration but will be between 5.5% and 7.5%, while employer contribution rates are determined by the Scheme's actuary every three years and the rate is currently 20%.

The Scheme is a statutory public service pension scheme as defined by the Pensions Schemes Act 1993 and is regulated by the Local Government Pension Scheme (Northern Ireland) Regulations 2009. As a public service pension scheme, the Scheme is contracted out of the State Second Pension (S2P) and is exempt approved for purposes of Chapter 1 of Part XIV of the Income and Corporation Taxes Act 1988; full tax relief is granted on members' and employers' contributions paid to the Fund.

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are at or over pension age.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value ("CETV") is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures, and from 2003-2004 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the CSP arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations and do not take account of any actual or potential benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Remuneration report (continued)

Pension Entitlement

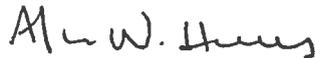
The value of pension benefits during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increase due to inflation or any increase or decreases due to a track of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

Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Compensation for loss of office

There was no compensation paid for loss of office in the year to 31 March 2019 (2018: £nil).



Alan Henry OBE

Chair NICIE

Date 19/06/19

Independent auditors' report to the directors of The Northern Ireland Council for Integrated Education (company limited by guarantee)

Report on the audit of the financial statements

Opinion

In our opinion, Northern Ireland Council for Integrated Education's financial statements (the "financial statements"):

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2019 and of its resources and application of resources, including its income and expenditure, and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Director's report and financial statements (the "Annual Report"), which comprise: the Statement of financial position as at 31 March 2019; the statement of financial activities (including income and expenditure account), Statement of cash flows for the year then ended; and the notes to the financial statements.

Opinion on regularity

In our opinion, all expenditure and income have been applied for the purposes intended by the Assembly and the financial transactions conform to the authorities which govern them.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the charitable company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the charitable company's trade, customers, suppliers and the wider economy.

Independent auditors' report to the directors of The Northern Ireland Council for Integrated Education (company limited by guarantee) (continued)

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit the information given in the Directors' Report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Directors' Report has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Directors' Report. We have nothing to report in this respect.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the statement of accounting officer and directors' responsibilities set out on page 14 and 15, the directors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report to the directors of The Northern Ireland Council for Integrated Education (company limited by guarantee) (continued)

Responsibilities for the financial statements and the audit (continued)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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 our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the Directors were not entitled to take advantage of the small companies exemption from preparing a Strategic Report. We have no exceptions to report arising from this responsibility.


Martin Cowie (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Belfast
24 June 2019

The Northern Ireland Council for Integrated Education
(Company limited by guarantee)

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Statement of financial activities (including income and expenditure account)
for the year ended 31 March 2019

	Note	2019 £	2018 £
Incoming resources/income			
Incoming resources from generated funds			
- Voluntary income	3	724,460	695,667
Total incoming resources		724,460	695,667
Resources expended/expenditure			
Charitable activities			
- Development of Integrated Education and schools in Northern Ireland		(710,364)	(682,155)
Governance costs		(9,862)	(10,216)
Other resources expended			
- Other finance costs	6	(19,000)	(16,000)
Total resources expended		(739,226)	(708,371)
Net outgoing resources before recognised gains and losses	4	(14,766)	(12,704)
Re-measurement on defined benefit pension	12	(15,000)	(71,000)
Net movement in funds		(29,766)	(83,704)
Funds at 1 April		(696,433)	(612,729)
Funds at 31 March	14	(726,199)	(696,433)

All amounts above relate to the continuing restricted operations of the company.

There is no material difference between the net outgoing resources before recognised gains and losses for the financial year stated above, and the historical cost equivalent.

The net outgoing resources before recognised gains and losses is the net outgoing resources required by the Companies Act 2006 as opposed to that required by the Statement of Recommended Practice.

There are no changes in equity other than the results shown in the statement of financial position therefore a separate statement of changes in equity has not been presented.

The Northern Ireland Council for Integrated Education
(Company limited by guarantee)

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Statement of financial position as at 31 March 2019

	Note	2019 £	2018 £
Non-current assets			
Property, plant and equipment	7	6,757	6,081
Current assets			
Trade and other receivables	9	19,585	17,985
Cash and cash equivalents	10	84,160	164,313
		103,745	182,298
Total assets		110,502	188,379
Current liabilities			
Trade and other payables	11	(59,701)	(141,812)
		50,801	46,567
Non-current assets less net current liabilities			
Non-current liabilities			
Pension commitments as per Note 12	12	(777,000)	(743,000)
Total assets less liabilities		(726,199)	(696,433)
Reserves			
Restricted funds	14	(726,199)	(696,433)

The financial statements on pages 39 to 52 were approved by the Board of directors on 18 June 2019 and were signed on its behalf by:

The notes on pages 42 to 52 form an integral part of these financial statements



Alan Henry OBE
Chairperson

Roisin Marshall
Chief Executive Officer



The Northern Ireland Council for Integrated Education
(Company limited by guarantee)

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Statement of cash flows for the year ended 31 March 2019

	Note	2019 £	2018 £
Net cash (outflow)/inflow from operating activities		(77,361)	86,745
Cash flows from investing activities			
Purchase of property, plant and equipment	7	(2,792)	(3,203)
Net cash outflow from investing activities		(2,792)	(3,203)
Net (decrease)/increase in cash and cash equivalents in the year		(80,153)	83,542
Cash and cash equivalents at the beginning of the year		164,313	80,771
Cash and cash equivalents at the end of the year	15	84,160	164,313

Reconciliation of net outgoing reserves to net cash inflow from operating activities

	2019 £	2018 £
Net (outgoing)/incoming resources before recognised gains and losses	(14,766)	(12,704)
Depreciation on tangible fixed assets	2,116	2,081
Movement in trade and other receivables	(1,600)	26,402
Movement in trade and other payables	(82,111)	54,966
Other finance costs	19,000	16,000
Net cash (outflow)/inflow from operating activities	(77,361)	86,745

Notes to the financial statements for the year ended 31 March 2019

1 Statement of accounting policies

These financial statements have been prepared in accordance with the Companies Act 2006, Accounting and Reporting by Charities; Statement of Recommended Practice applicable to charities preparing their accounts in accordance with International Financial Reporting standards and the principles of the 2016-17 *Government Financial Reporting Manual (FReM)* issued 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 Northern Ireland Council for Integrated Education for the purpose of giving a true and fair view has been selected. The particular policies adopted by The Northern Ireland Council for Integrated Education are described below. They have been applied consistently in dealing with items that are considered material to the financial statements.

Accounting convention

These financial statements have been prepared under the historical cost.

Going concern

The directors have received funding for the year ended March 2020 has been confirmed from the Department of Education. The company is in a net current asset position with funding secured sufficient to meet liabilities as they fall due in the period of 12 months from approval of the financial statements. The financial statements have been prepared on the going concern basis which assumes that NICIE will continue in operational existence for the foreseeable future.

Property, plant and equipment and depreciation

Property, plant and equipment is stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial year in which they are incurred.

For all assets depreciation is calculated so as to write off the cost less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned, or over the life of project, whichever is earlier. The principal annual rates used are as follows:

Information technology	:	33 ¹ / ₃ %
Furniture and fittings	:	20%

Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

The Northern Ireland Council for Integrated Education

(Company limited by guarantee)

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Notes to the financial statements for the year ended 31 March 2019 (continued)

1 Statement of accounting policies (continued)

Trade and other receivables (continued)

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Cash and cash equivalents

In the cash flow statement cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Government grants

Grants that relate to specific revenue expenditure are credited to the statement of financial activities when received.

Taxation

The Company is registered as a charity for tax purposes and is exempt from corporation tax on its activities. The activities of the company are exempt for value added tax purposes. The company therefore does not have to account for value added tax on its income nor is it able to recover the value added tax element of expenditure.

VAT

The company is not registered for VAT. All expenditure and capital purchase in the financial statements is stated inclusive of VAT.

Pension funding

Retirement benefits to employees of NICIE are provided by the Northern Ireland Local Government Officers Superannuation Committee ("NILGOSC") defined benefit scheme which is externally funded and contracted out of the State Earnings Related Pension Scheme.

In respect of this scheme, NICIE's staff constitute only a small percentage of the overall membership. NICIE has no influence over the level of contributions.

Notes to the financial statements for the year ended 31 March 2019 (continued)

1 Statement of accounting policies (continued)

Pension funding (continued)

In previous years NICIE's share of the NILGOSC scheme could not be identified and in keeping with such multi-employer schemes NICIE treated its pension cost as if it were a defined contribution (rather than a defined benefit) scheme. In late 2006 NILGOSC separated each of the employer scheme details and, as a result, NICIE has had to incorporate the year end deficit on the scheme in its balance sheet and the movement on the scheme within the statement of financial activities.

The assets of the NILGOSC scheme are held separately from those of NICIE. Pension scheme assets are measured using market value. Pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term to the liability. The service cost and associated administration costs of NICIE's defined benefit pension scheme are charged to net outgoing resources before recognised gains. In addition, a retirement benefit interest charge on the net pension deficit is charged to the statement of financial activities as a finance cost. Actuarial gains and losses are recognised directly in statement of financial activities so that NICIE's balance sheet reflects the fair value of the scheme's surplus or deficit at the balance sheet date.

Critical accounting estimates and judgements

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Incoming resources

Grants

Revenue grants are credited to incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.

Other income

Other income, which excludes value added tax, is accounted for on the accruals basis.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Notes to the financial statements for the year ended 31 March 2019 (continued)

1 Statement of accounting policies (continued)

Governance costs

Governance costs include those incurred in the governance of its assets which are associated with constitutional and statutory requirements.

Bank interest

All interest is accounted for in the statement of financial activities on the accruals basis.

Operating leases

Rentals applicable to operating leases are charged to the statement of financial activities over the period in which the cost is incurred.

Fund accounting

NICIE has one type of fund for which it is responsible. The definition of this fund is as follows:

Restricted funds

Restricted funds, subject to specific trusts, are those given to NICIE which are to be expended for the specific objects specified by the donor.

2 Statement of operating costs by operating segment

The trustees consider that NICIE acts as one operating segment and therefore no statement of operating costs by operating segment has been presented.

3 Voluntary income

	2019	2018
	£	£
Department of Education Northern Ireland	633,979	637,137
Department of Foreign Affairs and Trade Ireland	45,318	16,913
Heritage Lottery Fund	37,607	36,694
Other	7,556	4,923
	724,460	695,667

Notes to the financial statements for the year ended 31 March 2019 (continued)

4 Net outgoing resources before recognised gains and losses

	2019	2018
	£	£
This is stated after charging:		
Staff costs (Note 5)	454,417	426,609
Depreciation of property, plant and equipment (Note 7)	2,116	2,081
Fees payable to NICIE's auditors for the audit of the financial statements	5,700	5,700
Operating lease rentals - property	18,700	17,500

5 Staff costs

	2019	2018
	£	£
Wages and salaries	359,895	335,118
Social security costs	30,002	31,123
Other pension costs	64,520	60,368
	454,417	426,609

During the year the charity incurred costs of £39,944 (2018: £33,359) relating to agency staff and secondees.

	Number	Number
The average monthly number of persons employed by the company (including directors) during the year was:	9	1

The Directors received £0 for reimbursement of expenses during the year (2018: £nil). One employee falls in emoluments band over £60,000 (2018: £60,000) and details are below.

	2019	2018
	£	£
Chief Executives' remuneration – Roisin Marshall	66,121	63,619
Company pension contributions to NILGOSC pension scheme. Roisin Marshall	10,983	10,018
	77,104	73,637

The chief executive is a non-contributory member of the NILGOSC pension scheme. This is a statutory scheme, which provides benefits on a final salary basis at a normal retirement age of 65. Benefits accrue at the rate of 1/80th of pensionable salary for each year of service.

6. Other finance costs

	2019	2018
	£	£
Expected return	50,000	47,000
Interest cost	(69,000)	(63,000)
	(19,000)	(16,000)

The Northern Ireland Council for Integrated Education
(Company limited by guarantee)

Notes to the financial statements for the year ended 31 March 2019 (continued)

7. Property, plant and equipment

	Information technology £	Furniture and fittings £	Total £
Cost			
At 1 April 2018	40,220	25,911	66,131
Disposal	(1,200)	-	(1,200)
Additions	2,168	624	2,792
At 31 March 2019	41,188	26,535	67,723
Accumulated depreciation			
At 1 April 2018	34,139	25,911	60,050
Depreciation on Disposal	(1,200)	-	(1,200)
Charge for the year	2,090	26	2,116
At 31 March 2019	35,029	25,937	60,966
Net book amount			
At 31 March 2019	6,159	598	6,757
At 31 March 2018	6,081	-	6,081
Cost			
At 1 April 2017	37,017	25,911	62,928
Additions	3,203	-	3,203
At 31 March 2018	40,220	25,911	66,131
Accumulated depreciation			
At 1 April 2017	32,058	25,911	57,969
Charge for the year	2,081	-	2,081
At 31 March 2018	34,139	25,911	60,050
Net book amount			
At 31 March 2018	6,081	-	6,081
At 31 March 2017	4,959	-	4,959

8 Financial instruments

As the cash requirements of The Northern Ireland Council for Integrated Education largely are met through Grant-in-Aid provided by DE, 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 NDPB's expected purchase and usage requirements and the NDPB is therefore exposed to little credit, liquidity or market risk.

Notes to the financial statements for the year ended 31 March 2019 (continued)

9 Trade and other receivables

	2019	2018
	£	£
Trade receivables	10,576	11,313
Prepayments and accrued income	9,009	6,672
	19,585	17,985

The fair values of trade and other receivables are not materially different from the carrying values.

All of the charity's financial assets are classified as loans and receivables. The company has no assets that may be classified as held at fair value through profit and loss, derivatives used for hedging or available-for-sale.

10 Cash and cash equivalents

	2019	2018
	£	£
Balance at 1 April	164,313	80,771
Net change in cash and cash equivalents	(80,153)	83,542
Balance at 31 March	84,160	164,313

The following balances at 31 March were held at:

Commercial banks and cash in hand	84,160	164,313
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11 Trade and other payables

	2019	2018
	£	£
Trade payables	588	1,395
Accruals and deferred income	59,113	140,417
	59,701	141,812

The fair value of trade and other payables are not materially different from their carrying value as the impact of discounting is not significant. There is no difference between the amounts shown above and the total contractual undiscounted cash flows of trade and other payables.

12 Pension commitments

The net pension 'liability' shown below does not represent a shortfall which requires short term cash funding. The amount shown below is calculated to comply with the new Financial Reporting Standard, the specific requirements of which differ from the basis on which pension liabilities are actuarially calculated for the purpose of the ongoing funding of the scheme. The Financial Reporting Standard requires:

- (i) actuarial deficiencies to be recognised immediately as a "liability" in the financial statements rather than being spread forward over employees' remaining service lives;
- (ii) the actuary, in valuing the scheme's liabilities, is required to use a bond yield as the discount rate for valuing future liabilities, rather than a rate that reflects the expected return on the scheme's particular asset portfolio, with the result of an apparent increase in the present value of future longer term liabilities.

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Notes to the financial statements for the year ended 31 March 2019 (continued)

12 Pension commitments (continued)

IAS 19 figures in relation to employees and ex-employees who are members of the NILGOSC pension scheme.

	2019	2018
Rate of increase in salaries	3.7%	3.6%
Rate of increase in pensions in payment	2.2%	2.1%
Discount rate	2.4%	2.6%
Inflation assumption	3.3%	3.2%

The mortality assumptions used were as follows:

	2019 Years	2018 Years
Average expected future life at age 65 for:		
Male currently aged 65	22.6	23.3
Female currently aged 65	24.9	25.9
Male currently aged 45	24.3	25.5
Female currently aged 45	26.7	28.2

The market value of assets in the scheme and the expected rate of return were:

Asset Allocation	Quoted	Value at 31 March 2019 Unquoted	Total	Value at 31 March 2018
Equities	59.5%	0.0%	59.5%	71.4%
Property	0%	11.2%	11.2%	10.0%
Government Bonds	16.5%	0.0%	16.5%	5.2%
Corporate Bonds	7.0%	0.0%	7.0%	7.2%
Cash	2.7%	0.0%	2.7%	4.5%
Other	0.1%	3.0%	3.1%	1.7%
Total	85.8%	14.2%	100.0%	100.0%

Notes to the financial statements for the year ended 31 March 2019 (continued)

12 Pension commitments (continued)

Reconciliation of present value of scheme liabilities

	2019	2018
	£	£
At 1 April	2,650,000	2,439,000
Service cost	118,000	113,000
Member contributions	22,000	21,000
Interest cost	69,000	63,000
Re-measurement on scheme liabilities	51,000	62,000
Benefits paid	(49,000)	(48,000)
At 31 March	2,861,000	2,650,000

Reconciliation of fair value of scheme assets

	2019	2018
	£	£
At 1 April	1,907,000	1,783,000
Expected return	50,000	47,000
Re-measurement on scheme assets	89,000	43,000
Employer contributions	65,000	61,000
Member contributions	22,000	21,000
Benefits paid	(49,000)	(48,000)
At 31 March	2,084,000	1,907,000

Scheme assets do not include any of The Northern Ireland Council for Integrated Education's own financial instruments, or any property occupied by The Northern Ireland Council for Integrated Education.

The expected return on scheme assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the balance sheet date. Expected returns on equity investments reflect long-term real rates of return experienced in the respective markets.

Analysis of amount charged to statement of financial activities:

	2019	2018
	£	£
Service cost	118,000	113,000
Expected return	(50,000)	(47,000)
Interest cost	69,000	63,000
Re-measurement on defined benefit pension scheme	(15,000)	(71,000)
	122,000	58,000

Notes to the financial statements for the year ended 31 March 2019 (continued)

12 Pension commitments (continued)

Amounts for current and previous four years:

	2019 £	2018 £	2017 £	2016 £	2015 £
Scheme liabilities	2,861,000	2,650,000	2,439,000	(2,248,000)	(2,204,000)
Scheme assets	2,084,000	1,907,000	1,783,000	1,762,000	1,640,000
Deficit in scheme	(777,000)	(743,000)	(656,000)	(486,000)	(564,000)
Experience adjustments on scheme assets					
Amount (£)	-	-	-	2,000	140,000
Experience adjustments on scheme liabilities					
Amount (£)	(4,000)	(14,000)	191,000	(1,000)	17,000

13 Members liability

The liability of each member is limited to £10.

14 Reserves – restricted funds

	2019 £	2018 £
At 1 April	(696,433)	(612,729)
Net outgoing (losses)/resources before recognised losses	(14,766)	(12,704)
Actuarial re-measurement on defined benefit pension scheme	(15,000)	(71,000)
At 31 March	(726,199)	(696,433)

The net liabilities at the year-end include a deficit of £777,000 (2018: £743,000) in respect of pension scheme liabilities of the NILGOSC pension fund.

15 Analysis of net funds

	1 April 2018 £	Cash flow £	31 March 2019 £
Cash at bank and in hand	164,313	(80,153)	84,160
Net funds	164,313	(80,153)	84,160

Notes to the financial statements for the year ended 31 March 2019 (continued)

16 Financial commitments

At 31 March the company had annual commitments under non-cancellable operating leases expiring as follows:

	Property 2019 £	Property 2018 £
Less than one year	19,100	17,500
Within two to five years	36,608	-

17 Contingent liabilities

The company has a contingent liability to repay revenue grants received, if certain conditions are not fulfilled.

18 Capital commitments

At 31 March 2019 the company had no capital commitments (2018: none).

19 Losses and special payments

At 31 March 2019 the company had no losses and special payments (2018: none).

20 Related party transactions

NICIE is a Non-Departmental Public Body (NDPB) sponsored by DE. DE is regarded as a related party. During the year, NICIE has had various transactions with the DE and with other entities for which DE is regarded as the parent Department.

None of the board members, members of the key management staff or other related parties have undertaken any material transactions with NICIE during the year (2018: none). As per the register of interests maintained by NICIE there were no conflicts of interest during the year (2018: none).

21 Ultimate controlling party

There is no ultimate controlling party.

